Social Enterprise.

A route out of poverty for women?

November 2011

Social enterprise is increasingly promoted by government and local authorities as a means of generating income and providing employment, particularly for women, in areas where there are few jobs. However, while social enterprise can have a role to play in helping women in disadvantaged neighbourhoods into work – and so out of poverty – it cannot be assumed to be the best or only option.

What is social enterprise?

Social enterprise is commonly understood to be community-led business which is driven by social objectives rather than profit. It can have an important role tackling social and environmental issues in deprived areas, often providing services in housing; education; and training and employment support.

Why Oxfam? Why now?

This study grew out of Oxfam's commitment to addressing the poverty of women in the UK by exploring strategies women can use to become more economically independent, including the setting up of social enterprise. Oxfam undertook desk research, focus groups, and interviews to look at whether social enterprise can be an effective route out of poverty for women, and offers the following conclusions and recommendations.

Social enterprise is not a simple solution to poverty

At a time when women – particularly single mothers – are increasingly expected to go out to work, there are fewer jobs due to recession and public sector cuts. In particular, there is a lack of part-time jobs that fit around childcare or other caring needs, especially those that pay enough to live on and have any prospects.

In this context, social enterprise seems to offer the potential to women to generate an income, but the picture is far from simple. The apparent opportunities presented by the new political agenda are undermined by the reality of reduced public spending. Social enterprise may not be ready to compete in public service delivery in the way envisaged by the government. While women are better represented in social enterprise than in other businesses, there is a still a lack of evidence about its impact on them, either as leaders, workers or service users. Support is available – but it isn't always the right support at the right time, and is rarely targeted specifically at women (never mind at specific groups of women), despite their particular needs and disadvantages.

The key findings from Oxfam's study are:

• Social enterprise has potential to improve women's lives and, for some, can provide a flexible way to both earn an income and participate in community development.

• Women in disadvantaged neighbourhoods face multiple barriers and challenges in working for and (in particular) setting up social enterprises.

• Support is uneven. Service providers should increase and tailor support offered specifically to women in social enterprise.

> **"Working in enterprise has given me the chance to do something about community issues which are important to me and other local people. I now work with long-term unemployed people to build hope and skills to gain employment." Woman employee, St Peter's Partnerships social enterprise**
>
> **"It is very, very, very hard and very, very, very stressful." Woman leader of a social enterprise**

Be Humankind Oxfam

Research and methods

Findings are based on both extensive desk research using a wide range of sources, as well as direct study in the St Peter's neighbourhood in Tameside, Greater Manchester. Oxfam worked with partner organisation, St Peter's Partnerships, a community-led charity that runs a number of social enterprises that support vulnerable people. The study took place between August 2010 and April 2011. Face-to-face and telephone interviews and focus groups were held, involving 37 women, including those involved in setting up, working in or using social enterprises, as well as key informants from organisations that support them.

Key findings

The positives

Social enterprises can offer openings where few others exist, through volunteering, training, and work experience. They can enhance women's confidence and skills, and may provide a flexible way for them to generate income.

Women are attracted to the values of the social enterprise sector and seem to derive great satisfaction from work they see as having a positive impact on the community.[1]

Social enterprise has employment and empowerment potential for under-represented groups, especially black and minority ethnic group (BME) women, who face particular challenges in finding and keeping suitable work.

Barriers and challenges

Although represented in greater numbers in social enterprise, including in management and on boards, only 26 per cent of social enterprises are led by women and many barriers to equality still exist.[2] The need to concentrate on women, and BME women in particular, is already acknowledged in local and regional policy in the North West.[3]

As other studies on social enterprise have noted, there is a risk of encouraging women into stereotypical roles associated with low pay and status,[4] such as caring or administrative work. Nor can all social enterprises necessarily offer the flexible working and training opportunities from which some of the women we spoke to benefited.[5]

From our interviews with women, it was clear that setting up any kind of enterprise is very hard work and can make it difficult to achieve a positive work-life balance – especially given other responsibilities which women may have, such as caring for children and running a household.

The current drive to increase the trading capacity of social enterprises and engage them further in public service delivery presents both an opportunity and a threat to their existence. There are still significant issues in the sector in terms of size and experience needed to be able to compete in this way. Problems have been reported both in the process of commissioning and procurement.[6] Social enterprises have concerns around maintaining quality of services while keeping costs down, and compromising their values by becoming more profit-driven.

Accessing funds and appropriate support remain key barriers to social enterprise set-up and development. Although there are some initiatives to engage women in entrepreneurial activity, there seem to be very few organisations that offer on-going, long-term support specifically to women who want to set up social enterprises.

Support for social enterprise – what works

Particularly for women in disadvantaged neighbourhoods, the initial assistance arguably needs to be more about engaging women and building their confidence rather than prematurely introducing ideas of setting up a social enterprise. This is a journey – perhaps a long one – and, as several participants commented, needs to begin with 'where the women are at'.

The need for local provision of a continuum of support appears to be particularly true for women – with supportive networks, personal contact, group working and the sensitive use of role models seen as being most effective.[7] This needs to be flexible in terms of times and location, and sensitive to the particular needs of groups such as single parents and BME women.

Even with the appropriate support we cannot assume that setting up a social enterprise is the 'answer' for women in disadvantaged neighbourhoods. Women may be right to fear the risks, as failure could mean more debt and poverty.[8]

"Working in enterprise has given me a chance to work and do something positive. After spending time in prison I found it hard to get work, be trusted and given a chance so... I re-offended. I started working with the lads in Greenscape, they let me get on with it and did not judge me. I now work in Safeguard It and have been here a year. I am glad that I can take home a wage, be with my son, and make a difference to the area I live in." **Woman employee, St Peter's Partnerships social enterprise**

1 Global Entrepreneurship Monitor (2006) *Social Entrepreneurship in the UK*
2 Leahy G and Villeneuve-Smith F (2009) *State of Social Enterprise Survey 2009*; Irving S (2009) *Barriers to women in social enterprise*
3 North West Regional Development Agency (2010) *Future North West: Our Shared Priorities;* Tameside Business Family (2009) *Tameside Social Enterprise Strategy: A way forward for the Borough*
4 Harding R (2007) *State of Women's Enterprise in the UK;* Wilson L, Whittam G and Deakins D (2004) *Women's Enterprise: a critical examination of national policies*
5 Irving (2009)
6 Social Enterprise Coalition (2010)
7 Harding (2007); Irving (2009)
8 Wilson et al (2004)

Conclusion and recommendations

Although the positive impact of social enterprises on some women's lives can be demonstrated, there is a clear need for further comparative studies before we can establish whether it provides an effective route out of poverty for women. Women still face multiple challenges, particularly in setting up social enterprises – even more so in the context of disadvantaged neighbourhoods, where wider issues such as discrimination, marginalisation and lack of access to finance need to be addressed, as well as personal issues such as low confidence and self-esteem.

We offer the following recommendations to improve support for women in social enterprise and build on best practice. Some are specific to Tameside authorities and to St Peter's Partnerships, with whom we have worked directly – but we hope they will provide useful pointers for other local authorities and community-led organisations involved in social enterprise.

For St Peter's Partnerships:

• Expand use of appropriate methods of social accounting, such as the Social Return on Investment (SROI) model, through the Social Enterprise Partnership, and encourage other social enterprises to do the same. This will build a stronger local evidence base demonstrating the positive socio-economic impact of social enterprise on the local community, including women.

• Share with other organisations the experience and the benefits of carrying out a gender analysis, so that services can better address the different needs of men and women.

• Continue to work collaboratively through networks, private/public/third sector partnerships and consortia to increase opportunities for social enterprises to secure private and public sector contracts.

For service providers and local authorities in Tameside:

• Work with local support providers to ensure they are trained in the specific needs of women in social enterprise, particularly BME women.

• Work with partners and stakeholders to identify which agencies are best placed to provide support and encourage better signposting to support services; clarify that the type of support currently available meets the needs of women in social enterprise; identify gaps that emerge in the delivery of support services through the changing economic and political climate; and help to develop solutions/services accordingly.

• Carry out a mapping of social enterprise in Tameside, as proposed in the Social Enterprise Strategy, ensuring data is disaggregated by age, gender and ethnicity.

• Review the Tameside Social Enterprise Strategy in light of ongoing changes to local, regional and national government infrastructure and enterprise policy, with a focus on women in disadvantaged groups, and ensure it is aligned with the Tameside Sustainable Community Strategy.

• Actively develop a working relationship with the new Greater Manchester Local Enterprise Partnership and strengthen links with social enterprise networks across the North West and UK to share and develop best practice.

• Develop a local, women-focused model of support to encourage and develop women in social enterprise, based on the idea of a continuum of support through all stages of the enterprise 'journey'. Engage women from disadvantaged neighbourhoods in group activity where they can begin this journey to economic independence by building their confidence and self-esteem, developing skills, and exploring ideas in a non-threatening environment.

For policy-makers, service providers and local authorities nationally:

• Provide more support, as detailed above, specifically for women wishing to set up social enterprises.

• Support third sector organisations, including social enterprises, to engage in contract procurement and commissioning from both private and public sectors.

• Increase and systematise the collection and analysis of gender-disaggregated data in relation to social enterprise at national and regional levels – including the measurement of outcomes of private and public sector contracts – in order to better assess the benefit of social enterprise to women.

> "Our success can be jointly attributed to our position as a strong locally owned and led community anchor organisation and our highly committed team of community development practitioners. Strong leadership and a willingness to take measured risks are also vital to success. The greatest challenge we now face moving away from grants as a main source of income is maintaining the core infrastructure and staff whilst developing our operations to become more independent from the local authority."
> Karen Butigan, CEO, St Peter's Partnerships

Oxfam and social enterprise

Oxfam's England programme works with more than 45 partner organisations and groups. Several have asked for support in beginning their journey into business and social enterprise, either as a way of diversifying income sources for the services the organisation provides, or of supporting groups of women who want to find alternative sources of income and ways of working. Through our programme, we are supporting some groups with funding for feasibility studies to explore their ideas in more detail. We are now looking at the best way for Oxfam to work on the issue of social enterprise.

Oxfam's work tackling women's poverty in the UK

Oxfam is committed to tackling the poverty of women in the UK. We focus on groups of women who are most discriminated against and excluded in terms of livelihoods and decision-making – women living in disadvantaged neighbourhoods and experiencing poverty. Our programme includes exploring and developing the different routes by which women can become increasingly economically independent through employment that fits around childcare and other responsibilities, pays enough to live on, and offers opportunities for progression.

St Peter's Partnerships

St Peter's Partnerships is a community-led organisation in the St Peter's ward of Ashton-under-Lyne in Greater Manchester. It is a registered charity which provides support and services to local people through of a number of social enterprises. These link into the aims and objectives of its charitable projects, and all profits are either reinvested in the business or donated to the charity to support further community-based activities. St Peter's Partnerships aims to tackle some of the underlying and long-term difficulties of the regeneration area by making the area safer for residents; ensuring they have appropriate access to skills for life and employment; giving residents the opportunity to influence key decisions which affect them; and ensuring they feel the area is a healthier and happier place to live in.

Resources

See Both Sides, A practical Guide to Gender Analysis for Quality Service Delivery, Karen Richardson, Oxfam, 2005

Growing the Big Society, Encouraging success in social and community enterprise in deprived communities, Ed Cox and Katie Schmuecker, Institute for Public Policy Research, 2010

S*ocial Enterprise: Making it Work for Black, Asian and Minority Ethnic Women,* Government Equalities Office (GEO), 2008

Barriers to Women in Social Enterprise, Sarah Irving, Together Works, 2009

The Social Return on Investment (SROI) Network, www.sroi-uk.org

St Peter's Partnerships gender analysis

As part of the study, St Peter's Partnerships undertook a gender analysis to examine the differences in women's and men's involvement in the organisation, both as employees and users of the services it provides. This aimed to identify in what way the organisation could make its social enterprises equally open to women, and also to better measure its impact on women's lives. The gender analysis led to a development plan that will help to ensure that gender equality is central to St Peter's Partnerships and its enterprise activities.

Be Humankind Oxfam