

SE Good Start - A Practical Guide of Setting up a Social Enterprise

SEBC logo HKCSS logo

Sponsored by HAB

Contents

Page

I	Introduction: Good Start - Setting up a Good Social Enterprise	
II	Social Enterprise vs Ordinary Enterprise	
III	Test: Are You Ready?	
IV	Five Stages of Setting up a Start-up a Social Enterprise: Inspire, Incubate, Innovate, Invest and Impact	
V	Inspire: Understanding the Problem	
1.	Exploring the Social Issue	
2.	Collecting Information	
3.	Narrow Down your Concern	
4.	Outlining Social Objective	
VI	Incubate	
1.	Business Model	
2.	Understanding the Market	
3.	Corporate Structure	
4.	Team Building	
5.	Corporate Governance	
6.	Writing up Business Plan	
VII	Innovate	
1.	Social Enterprise Case Studies	
2.	Test: How Innovative You Are?	
3.	Related Knowledge (or Useful Links?)	
VIII	Invest	
1.	Key Concepts	
2.	Major Funding Schemes, Competitions and Investment Platforms for Social Enterprises in Hong Kong	
IX	Impact	
1.	Key Elements and Essential Steps of Social Impact Assessment	
2.	Common Methods of Social Impact Assessment	
3.	Local Organisations Offering Impact Assessment Services	
X	10 FAQs	
XI	Useful Information: Supporting Schemes and Platforms for Social Enterprises and Start-up Social Enterprise	
1.	Government Funding and Support	
2.	Social Enterprise Supporting Schemes and Platforms	
3.	Other Related Schemes or Platforms	
	About HKCSS-HSBC Social Enterprise Business Centre (SEBC)	

Disclaimer

I Introduction: Good Start - Setting up a Good Social Enterprise

“I have a terrific and meaningful idea and it can also make money. Where do you think I should start?”

“There are too many problems in our society and I consider that I should play a part in solving them. I consider social enterprise (SE) is the best solution”

“I am now in fifties and think I have never made my dreams a reality. Would it be too late if I only choose to start my own social enterprise now?”

Our Centre has been operating a Social Enterprise Hotline and colleagues are busy answering all kinds of questions. Although questions may vary from one to another, they share one underlying concern - ‘what do I need to do if I want to start a social enterprise?’

Social enterprise must be one of the most eye-catching concepts in recent years. Colleges and universities hold competitions related to social enterprise. Numerous funding programmes and investment platforms financing social enterprises are also being set up. Media are now jostling for first report on successful stories of social entrepreneurs. Social enterprises in Hong Kong, in fact, have been burgeoning during the recent years. The number of social enterprises has jumped from 200 in 2007 to almost 580 in 2015. Social enterprises were once directed mainly by NGOs but more and more people from the business community, universities as well as professional sectors are increasingly taking an active part.

While this is a remarkable increase in number, what social impacts have these social enterprises created? How many of them can successfully strike a balance between “social objective” and “financial goal”, hence meeting the Double Bottom Line?

Setting up a social enterprise may not be difficult. What is not easy is to hold onto its founding value. For many years, our Centre has helped set up and support the operation of many social enterprises. While there certainly are successful stories, cases of failure are not lacking either. One of the most commonly heard problems is that some founders have not deliberated their social mission and positioning well enough before establishing a social enterprise. Eventually, the social enterprise quickly steers away from its values. Some have managed to found a social enterprise on the right and unique idea, but they end up in failure because they have not been able to form the right team to implement the idea.

SE Good Start comprises two books. One is *A Practical Guide* covering five essential stages of establishing a social enterprise and the other one is *Legal Form and*

Recommended Practices.

By publishing *SE Good Start*, we aim to provide a practical guide to newly established social enterprises. We hope that this will enable social entrepreneurs to put good ideas into well practice of creating social impact.

Let's get started!

II Social Enterprise vs Ordinary Enterprise

Let's clarify some major concepts first. What is a social enterprise? How does it differ from an ordinary enterprise?

- What is a social enterprise?

A social enterprise, generally speaking, is a business that targets at a specific social mission such as creating jobs and providing training to underprivileged groups, giving support to ethnic communities, promoting fair trade and building a community of harmony. It attempts to solve social problems by commercial means. Its profit will be principally re-invested in the business to create wider social impact. Maximising profit for the shareholders is not its primary target. In Hong Kong, there is no formal definition of social enterprise. Neither is there any formal registration system for social enterprises, nor is there any legal form as social enterprise in Hong Kong.

Usually we use 'Double Bottom Line' to describe the unique of social enterprise which embodies a relationship between 'social objective' and 'financial goal' as a self-sustaining cycle of interaction. Unlike ordinary social service agency, social enterprise has a clear business target to reach in order to maintain and sustain its operation. Yet, unlike an ordinary business enterprise, social enterprise is primarily driven by its social objective. In other words, both the 'social objective' and the 'business target' are indispensable components of social enterprise.

- How does a social enterprise differ from an ordinary enterprise?

In practice, social enterprises in Hong Kong may take different legal forms. Thus, a social enterprise is not defined by its legal form but by its nature and ultimate objectives. Generally speaking, social enterprises in Hong Kong share some common features despite their diverse legal forms.

	Ordinary enterprise	Social enterprise
Main objective	- Profit maximisation for business owners	- Operate as a self-sustainable mode for achievement of social objectives
Operation model	- Profit maximisation	- Achievement of social objectives and self-sustainable
Social Objectives	- Not the mission of the enterprise	- Core value of social enterprises
Job creation for underprivileged groups	- Not necessary	- Can be regarded as one of the social objectives, particularly for the Work-Integrated Social Enterprise (WISE)
Profit distribution to owners	- Allowed	- Allowed, except for those social enterprises already granted tax exemption - In any case, profit distribution is not main aim of shareholders
Main objective and nature of business expressly stated in constitutional document	- Not compulsory	- Only applicable to social enterprise not granted tax exemption, but recommended please refer to Book 2 <i>‘Choosing a Legal Form and Recommended Practices’</i>
Maximum cap of	- Not compulsory	- Same as above

profit sharing		
Asset Lock	- Not compulsory	- Same as above

For detailed information and practice, please refer to Book 2 “*SE Good Start – Choosing a Legal Form and Recommended Practices*”

III Test: Are You Ready?

1. For the social problem I want to work on:
 - a. I have conducted detailed data collection and analysis, and have consulted relevant stakeholders and consolidated their views and opinions. (5 points)
 - b. I have already grasped the crux of the problem and am now consulting stakeholders. (3 points)
 - c. I have not deliberated about the problem. (0 point)

2. For my social enterprise business plan:
 - a. It is innovative and it should be able to fill an existing policy or service gap. I believe adopting a social enterprise model should allow me to respond to the problem more flexibly. (5 points)
 - b. Although similar services are available, my plan is more sound and more effective. (3 points)
 - c. My plan is not particularly sound nor effective as compared to existing similar services. (0 point)

3. The state of my plan:
 - a. I already have a concrete plan and am preparing to test run / test-running. (5 points)
 - b. It is still in embryo and has not been tested but I have shared my idea with relevant persons. (3 points)
 - c. I actually have not given it much thought. (0 point)

4. How do you describe your team?
 - a. I have formed a team with members who are already fully committed to it. (5 points)
 - b. A couple of kindred spirits are there, though a clear division of labour is yet developed. (3 points)
 - c. I am still all by myself. (0 point)

5. How much time does the team spend on the social enterprise?
 - a. We almost work on it day and night. Some of us are willing to commit full time already. (5 points)
 - b. Team members are largely working on it part-time, but the morale of the team is pretty high. (3 points)
 - c. It is pretty much just talking and no one has yet truly committed. (0 point)

6. It's time to raise fund. What're the responses of team members?
 - a. Operating capital should not be a problem since we have already got a fund-raising plan. (5 points)
 - b. Frankly speaking, we do not have any specific plan now. But we will try to apply for some grants provided for social enterprises and make appointments with social investors. (3 points)
 - c. Fund-raising? It is none of my business. (0 point)

Test Results:

0-12 points Think twice: Whether social enterprise is the best choice?

Maybe you have some ideas but are certainly not well prepared. It seems that you are not very clear about the social problem that you want to address, nor do you have a specific plan. There are many other possible solutions than setting up a social enterprise. So you'd better be clear whether social enterprise is the best solution. You have to work harder if your answer is yes.

12-20 points Review your plan: Is there anything that can be improved about your execution plan?

You have got a pass already. We believe that you have made some preliminary planning but have yet taken action to implement it. What you need to do now is to review your plan and check if anything is missing. Not yet consult your stakeholders? Just go ahead and do it now! Not yet build a team? Go find some kindred spirits. Existing activities organised for social enterprises are usually occasions on which you will meet your potential team members, investors and customers. It's time to get out of your comfort zone!

20-25 points Close to perfection: What is still missing?

So close you are! You may be just one step away from becoming a social entrepreneur in real sense. There are currently many competitions on social entrepreneurship as well as seed money set for prototyping. You may attempt and take all of these as opportunities for you to improve your plan.

26 points or above Bravo: Beware of being complacent.

You should be commended for all the hard efforts you have done. And now you should be fully capable of realising your own dream of running a social enterprise. But do remember that any plan is often outpaced by on-going changes in the market and

social environment. So you have to be flexible and stick to your core mission.

IV Five Stages of Setting up a Social Enterprise: Inspire, Incubate, Innovate, Invest, Impact

You may now be at different stages in the process of preparing to set up a social enterprise. Some of you may still be identifying a social problem to focus on while some couldn't wait to register it as a company and to raise capital. Wherever you are, we suggest you to slow down a bit and examine your plan against the five-stage framework below to see if there is anything you can make further improvement.

The "Five-Stage Model of Social Enterprise Start Up" is based on an inductive process of consolidation of our previous experiences in supporting / incubating social enterprises. The five stages include:

(shown in a graph)

Inspire

Incubate

Innovate

Invest

Impact

First Stage: Inspire

Although responding to social issue is the core of social enterprise, what is often ignored by most social entrepreneurs is precisely this core function. Many founders of newly established social enterprises start with business model and plan rather than understanding the social problem. They usually spend much time on market researches, while seldom pay attention to understanding what the community or the people really need.

A social enterprise would be no different from an ordinary enterprise if it is not built on a thorough understanding of the concerned social issue and need. A perfect business plan will be meaningless if it lacks a soul - the social value itself. Therefore, the first, and indeed the most important step is to understand the needs / problems as well as the potentials of the community.

Second Stage: Incubate

There are many incubation platforms in Hong Kong that provide advisory services for newly established social enterprises. But don't forget that you are the founder of your social enterprise and you should be its most informed incubator. Nothing can be achieved if you do not even have an initial idea to base your social enterprise on. At this stage, you are supposed to devise your business model, understand the market needs, build your team, as well as the organisational structure of your social enterprise. To be able to accomplish all these, you should equip yourself by taking part in training programmes, workshops and business clinics.

Third Stage: Innovate

Everyone is talking about innovation, but what is "innovation"? Is having something original and new a must to make a good social enterprise? In fact, many are mistaking innovation for invention. Social enterprises do not have to create brand new groundbreaking products, services or plans. "Innovation" is about approaching old issues with new models and solutions. It will be great if a social enterprise does invent something, but innovation is more a means than an end itself. Please bear this in mind.

Fourth Stage: Invest

Little can be done without capital even if we have got a terrific plan. You are suggested to consider applying for grant from the seed money programme launched by the Government in recent years. Some funding programmes were once for non-profit organisations only, but they are now open to other entities including private companies. Apart from this, there are some venture capital funds targeting at the highly competitive social enterprises with big social impact. They either directly invest in them or provide loans to them. As in an old Chinese saying: a real genius does not worry about whether there will be a scout.

Fifth Stage: Impact

How should the social value of a social enterprise be gauged? It is a problem that worries many social entrepreneurs. For a social enterprise at an embryonic stage, it is

not easy to assess its social impact due to lack of data. Don't be overwhelmed by this problem. It is already commendable that you have seriously thought about this at this start up stage. There are many tools available to assess social impacts. There are also workshops providing you with training on knowledge and skills in social impact assessment. What you need to do at this stage is to go check them out.

V Inspire: Understanding the Problem

In our Centre, we always operate like working in a clinic since there are often emergencies.

Social enterprise (SE): “It's been a long time since we placed our job advertisement but no one has responded so far. Can you help us? Our company is about to open!”

Hotline: “No problem. What kind of persons do you want to recruit and through what means are you currently doing the recruitment?”

SE: “Actually I start this company with a hope to provide employment opportunities for single parents. We are running a restaurant and we would like to recruit them to fill different posts, such as waiters or waitresses, cleansing staff, cashiers and so on. I need people who can work during lunch and dinner hours. It is my genuine hope to hire single parents and I am prepared to offer them the market wage.”

Hotline: “We genuinely appreciate that you would consider hiring single parents. But when do you expect them to be off the duty every day?”

SE: “After checking the bills for the day, cleaning and so on, it will probably be after 11: 30 pm.”

Hotline: “Look, you would like to provide employment opportunities to single mothers, but have you ever had a chance to talk with them and understand their everyday life schedule? Or, have you ever talked with organisations working with single parents?”

SE: “No. I have not got enough time because I have been so busy making preparations and identifying a shop for the restaurant. I have learnt from some reports on newspapers that it is not easy for single parents to find jobs. So I decided to start this social enterprise.”

Hotline: “There is always a way out. But the suggested working time simply does not fit the schedule of single parents, who have no one to turn to for taking care of their kids if they are away for work? Do you think you could make some adjustments to the working hours or identity job duties which are flexible enough to fit the schedule of these parents? We are going to introduce you to some organisations as well. They should be able to refer some people to you.”

SE: “Thank you so much!”

You may not believe that social enterprises would have so little knowledge about the

needs of their target beneficiaries. Yet, the above story is neither fictive nor exceptional. With an avid heart, social enterprise founders are often occupied by their own thought of solving a social problem and helping a particular group. Some of them therefore just plunged in and planned on things without in-depth understanding the problem or the target group. They thought that they had already grasped the problem or the need well until practical problems emerge in the process of setting up the social enterprise.

1. Exploring the Social Issue

Exercise

“What is the objective of my social enterprise?” You may not have any idea immediately about this abstract question. Try the following steps and spend thirty minutes thinking about the problem to which your social enterprise is intended to respond.

Problem Observed	Response: The Existing Situation and Prevailing Solutions
Gap	

Example: Elderly Employment

<p>Problem</p> <ul style="list-style-type: none"> -most seniors retire in their sixties -most of them are still healthy and strong with great capabilities -as to the whole society, seniors born after the baby boom are retiring, leading to a massive brain drain -these seniors are more well-educated than their previous generation -the current institutional arrangements have made it difficult for companies to keep talents -companies get themselves into a dilemma between offering more 	<p>Response</p> <ul style="list-style-type: none"> -some government policies provide retirement protection for seniors like Mandatory Provident Fund Schemes (MPF) and Old Age Allowance -some seniors spend their savings after retirement -some companies have extended retirement age -some companies hire seniors to work in a flexible way
--	---

<p>promotion opportunities to younger workers and extending the retirement age</p> <p>-many seniors want to stay where they are used to be in and maintain connection with the society</p> <p>-some seniors may want to choose more flexible mode of work which offers them more latitude for personal errands</p> <p>-but there are currently not many platforms helping them find jobs</p> <p>-companies do not know where they should start if they want to hire seniors as part-time workers</p> <p>-some industries are declining and they have difficulty to attract labour force.</p>	
<p>Gap</p> <p>The Employment Market:</p> <ol style="list-style-type: none"> 1. More job opportunities are needed for seniors and retirees 2. Companies need support to hire suitable senior workers 3. Lack of platforms linking seniors and companies 4. Successful practices, experiences and expertise of retired workers sometimes cannot be passed down to the next generation. There are not enough talents when it comes to certain work types and techniques <p>Policies:</p> <ol style="list-style-type: none"> 5. Retirement policies of most companies are not in line with the socio-demographic trend 6. The current retirement protection system cannot cover the living expenses of the seniors..... 	

The following can be taken into consideration when you complete the form:

- Try to list as many views as possible
- To think about it from different angles like policies, companies, market demands and what people think and how they behave
- There is no need for you to screen these ideas at this stage; just stretch your imagination

- There is no rush in choosing the most suitable plan or model of social enterprise
- After finishing this exercise, you can share your ideas with your friends and listen to what they think

2. Collecting Information

At this point, you may probably have realised that the scope of the problem is very big and it involves a lot of many issues, whereas you know very little about it. Do not feel disheartened, as it is quite normal that there is room for improvement. The following is about how you collect information to enrich your understanding. You may be overwhelmed by the potentially massive information and wonder how you may go about doing it effectively.

i) Secondary Information: On-line Database

Everyone should be proficient in searching for materials from newspapers, magazines and the Internet. Here, we will mainly introduce some useful databases and websites for your reference.

a) Hong Kong Statistics - Census and Statistics Department

The website of the Census and Statistics Department provides statistics covering various aspects of the Hong Kong society. Apart from the Population Census and the Population By-census, detailed information about particular groups is available in Special Topics Reports.

For instance, the Department issued the Special Topics Report No. 62 in 2014, reporting a territory-wide survey results on persons with disabilities and chronic diseases. This report was included as part of a survey of the above group conducted in

2013. The report covers the demographic and socio-economic profiles of persons with disabilities and chronic diseases as well as the statistics relating to the people taking care of them. Many social enterprises employ disabled people and this Report can help the social enterprises understand the socio-economic characteristics of disabled people.

Website: <http://www.censtatd.gov.hk/home.html>

b) Commission on Poverty - Archives

If you want to know the profile and statistics of the people living in poverty, it is suggested that you consult the Archives of the Commission on Poverty. Apart from the annual Hong Kong Poverty Situation Report, surveys targeting particular groups will also be conducted. For example, the Committee published the Hong Kong Poverty Situation Report on Ethnic Minorities in 2014, focusing on analysing the socio-economic profile of ethnic minorities.

Website: <http://www.povertyrelief.gov.hk/eng/archives.html>

c) The Hong Kong Council of Social Service (HKCSS) - Poverty Information Website

In addition to the websites of the Government, there are also others providing information on independent researches on social issues like poverty conducted by non-governmental organisations. For example, you can visit the Poverty Information Website of the HKCSS if you want to learn more about poverty, retirement protection and community economy. A database relating the poverty of different social groups, related research results and their position papers are listed on the website too.

Website: <http://www.poverty.org.hk>

d) The Hong Kong Federation of Youth Groups - Youth Research Centre

If you want to focus on the youth profile of Hong Kong, you can make reference to the research results and data of the Centre. The Youth Poll and Youth Trends in Hong Kong published by the Centre help us understand the values and behaviours of the youth.

Website: <http://yrc.hkfyg.org.hk/?locale=en-US>

e) Bauhinia Foundation Research Centre

The Bauhinia Foundation Research Centre is an independent policy think tank which focuses on Hong Kong's long-term competitiveness and socio-economic well-being. The Centre releases different study reports regularly. One of them with/worths special reference is about social and economic mobility of youth. The Occasional Paper "Assisting single parents to work and enhancing human resource development" in 2015, which shows the data related to the characteristics of the single parents, is of great value for us to understand this group.

Website: <http://www.bauhinia.org>

ii) Primary Information / Data Collection: Observation and Exchange

This best way to collect information is to understand the needs and characteristics of the target beneficiaries and stakeholders through direct communications with them. It is, however, not that easy to have personal contact with some particular groups. So we suggest you learn from the visits and activities organised by other organisations to have a better understanding of related social issues. You may then take these opportunities to personally communicate with vulnerable groups and service providers. If you want more in-depth exchanges, you can act as a volunteer in an organisation to gather more knowledge and build your network while involving in serving the needy personally.

In addition, you can gather the required information through interviews, focus groups and questionnaires. Even though it is an ideal way of collecting information, you have to ask yourselves whether you have enough expertise, time and resources to do so.

Useful Information:

● Social Welfare Department - List of Service Units

The website provides a list of service units that covers family and child welfare services, services for the elderly, and community development, etc. Through visiting the websites of these service units, you can look for information about public activities

they organise or opportunities for volunteer.

<http://www.swd.gov.hk>

- HKCSS-Membership Lists of the HKCSS and the Social Enterprise Directory

HKCSS now has a membership of more than 400 social welfare organisations. Some of them are receiving subsidies from the Social Welfare Department and some are not. They work on a wide spectrum of social issues. The Social Enterprise Directory published by the HKCSS-HSBC Social Enterprise Business Centre also covers the information of over 500 social enterprises. You may check it out if you want to know more on the operation of these social enterprises.

Membership List of the HKCSS <http://www.hkcss.org.hk/e/membership.asp>

The Social Enterprise Directory: <http://www.socialenterprise.org.hk/en/sedirectory>

- Fair Trade Hong Kong Foundation

Many social enterprises are committed to the cause of fair trade recently. You may take part in the activities organised by Fair Trade Hong Kong Foundation if you are interested in this topic. Of these interesting activities are bazaar, movie screening and other school-based activities. We believe you will find like-minded people through these activities.

Fair Trade Hong Kong: <http://www.fairtradehk.org/en>

3. Narrow Down Your Concern

After going through the above, you should have come to understand the social problem more. You can now start to narrow it down and focus a specific aspect of the problem. Spend 45 minutes writing down what you have observed.

Exercise

Gap:	Observations:
Possible Proposals:	

Consolidated Analysis:

Tentative Proposal:

Example: Elderly Employment

<p>Gap:</p> <p>The Employment Market:</p> <ol style="list-style-type: none">1. More jobs are needed for seniors and retirees2. Companies need support to hire suitable senior workers3. Lack of platforms linking senior workers and companies4. Successful practices, experiences and expertise of retired workers sometimes cannot be passed down to the next generation. There are not enough talents when it comes to certain work types and techniques.....	<p>Observations:</p> <p>The Employment Market (from the seniors' perspectives):</p> <ol style="list-style-type: none">1. What is the everyday life schedule of the seniors? ...2. How do the seniors think about their ideal retirement life? ...3. Would they like to continue working after retirement? ...4. Who among the seniors would like to continue working? ...5. What are the jobs that they are capable of doing? ...6. What sort of mode of work do they expect? ...7. What difficulties are they likely to face in looking for jobs? ...8. How are they going to cope with the difficulties? ... <p>The Employment Market (from the perspective of companies):</p> <ol style="list-style-type: none">1. Would they want to hire retired seniors? ...2. Is hiring of seniors aligned with their existing policies and resources? ...3. How do the younger employees think about this? ...4. What kind of difficulties are companies likely to face? ...5. Are companies willing to use extra resources to deal with their human resource problems? ...
<p>Possible Proposals:</p> <ol style="list-style-type: none">1. Start a social enterprise (SE) and hire seniors as employees (as in Gingko House in Hong Kong)	

2. Start an SE employment agency to help the seniors to look for jobs operating based on charges on the concerned seniors
3. Start an SE employment agency to help the seniors to look for jobs operating based on charges on companies
4. Start an SE consulting firm to provide training programmes and help companies promote elderly-friendly policies
5. Give support to seniors who are interested in starting companies rather than setting up an SE by your own.....

Consolidated Analysis:

- Some of the seniors are willing to continue working but only with flexible working modes and hours
- Most of them are not willing to pay for the services of employment agency
- Some companies may be willing to pay for services provided by employment agency and big companies may tend to cooperate with large and famous employment agency
- Some small-and-medium companies need flexible labour and may be willing to hire seniors
- Small-and-medium companies may be willing to pay a small amount of fee to the employment agency
- You do not have the expertise, experiences and connections to do job matching, but some members in the team are experienced
- You have been serving as volunteer in elderly service agencies for years and thus known many seniors and many of their relatives and other similar service organisations.....

Tentative Proposal:

- Establish an SE providing job matching service for the seniors and the revenue is based on charges from the companies concerned
- Initially, the target customers are the small-and-medium companies. Having established a brand, the service can be extended to larger ones
- Although there are members in the team having experiences and networks, more related experts should be recruited to join the team

A careful study of the collected information will enable you to make a judgment on the feasibility of your plan and whether you have the capacity to put it into practice.

Referring to the case example above, starting an employment agency could have been a great idea since it might help more seniors to find jobs. However, as you are running a social enterprise, a constant flow of revenue and a sustainable business model are very important. Based on the collected information, we can see that

seniors may not be willing to pay for employment services while large companies may only seek cooperation with famous employment service agencies rather than yours. All of these constitute big hurdle for you to penetrate into the market.

Small-and-medium companies, by contrast, may be more willing to pay a small amount of money to the job-matching agency. Although the fee level may not be high, a reasonable volume of business transactions with these companies may constitute a sufficient amount of revenue to keep your social enterprise. Once experiences are acquired and successful cases are established, the service can then be scaled up and extended to big corporations.

4. Outlining Social Objective

Unlike an ordinary enterprise, social enterprise aims to solve social problems rather than seeking maximum profit. Thus, the social objective is our core. So how then are we going to communicate our social objective with the general public?

Indeed, writing up the social objective of a social enterprise is the most important step. We suggest that the social objective should be specified in the form of company's Articles of Association as well as promotional materials to let the public know what your social enterprise aims to achieve.

For more information, please refer to “*Choosing a Legal Form and Recommended Practices*” in which we have included some examples for your reference.

VI Incubate

A sustainable social enterprise requires both a clear social objective and a practical business plan, to be supported by a suitable corporate structure, staff team as well as governance plan. Moreover, it is necessary to understand the market and stakeholders' needs.

Unlike social welfare organisations, a social enterprise must have a sustainable business plan to secure stable source of revenue. This explains why it is important to identify the source of income and profit for a newly established social enterprise.

Business model is the power engine of a social enterprise. In preparing your business plan, you may try the following steps to devise a plan which leads to both sustainable business development and high social value. (富有社會價值)

1. Business Operation Model (Please show in diagram)

As a long-term goal of a social enterprise, **vision** should either be an inspiring concept or an idea which brings about change to the society. A clear and specific vision not only helps social enterprise to fulfill the expectations of stakeholders like partners, customers, workers, beneficiaries and investors or financial supporters but also help you formulate a more comprehensive business strategy.

Example: Suppose your social enterprise aims to help the ethnic minorities, you can set your vision as something like: We seek to ensure ethnic minorities equal access to labour market and equal treatment as well as integration into the community.

- **Mission** is a more simple and direct statement of commercial needs and social objective. Different from vision, mission may be changed as your business develops.

Example: Suppose you run a clothes shop and you employ ethnic minorities, your mission can be something like: We aim to raise the income and improve the living standards of ethnic minorities by providing them with jobs and training programmes. In addition, we also work to realise their talents and capabilities and become more integrated into the community.

- **Theory of Change**

The visions and mission of a social enterprise can be linked together by a “**theory of change**”. To put it simple, the theory of change is a statement of the conditions that are believed to create changes.

It goes like in the presence of a combination of factors A, B, and C, a certain change can be expected. For example, it is found that there are a lot of people living in poverty in a certain district. And now you would like to do something to help them get out of the poverty trap so that their quality of life can be improved. This would be your vision.

Your theory of action may be stated like a hypothesis: If more job opportunities can be created, the quality of life of the poor can be enhanced, and they will be able to get out of the poverty trap.

Now let's do some exercise. What is the vision of your social enterprise? How do you plan to achieve it?

Exercise

What input is needed if we want to achieve our vision and what output and outcome do we expect? What are the desired impacts in the long term? The above questions can be answered by using the following Theory.

Theory of Change:

Summary:

You will be more than halfway through the planning process if you have by now been able to state concisely what your social enterprise is going to work on, why it should exist at all and for what value, and who would be your potential customers in your business plan. Other details such as budget with clear expenditure and income breakdown, marketing strategies, promotion and so on can be further determined based on the input, expected output, and cost of your business activities in your value chain.

2. Understanding the Market

As a newly established social enterprise, it's very likely that you may unconsciously focus exclusively on your own thought and ignore the needs of your stakeholders. To understand the market, you have to get know and understand your stakeholders well since their engagement is going to impact on your social enterprise in one way or another. For example, if you are able to distinguish the difference between the target beneficiaries and customers, understand and prioritise their respective needs, you will be able to determine your brand positioning, formulate agreement, devise your pricing strategy, formulate your marketing strategies and so on.

Exercise

Who are your stakeholders? Who will be your stakeholders and what are their characteristics and expectations if you are to open a restaurant and employ the seniors?

Inside SEs			Outside SEs		
	Characteristics	Expectations		Characteristics	Expectations
Elderly Workers	They are aged 60 or above, experienced (欠英譯：少部分沒有餐飲業的經驗) or interested in catering and living in the local neighbourhood	They still want to contribute their talent after retirement but hope to work flexibly time and get to know other seniors	Customers	They work in the neighbourhood and are predominantly female in medium or high level positions with relatively high level of education. They prefer healthy cuisines and are interested in social issues.	They support social enterprise and the idea of elderly employment and are willing to pay a little more for this cause. But they have high requirements on the food and the social value of the social enterprise
Other types of workers			Other benefited elderly		
Directors			Supplier		
Founder			Competitor		
			Organisations offering help to the elderly		
			Investors or funders		

			Local community		
			Related Government Departments		
			Collaborators		

By filling out the above form and answering the following questions, you will be more able to work out your business plan.

- i) What services or products do your social enterprise offer?
 - What are the services or products and who are the target groups (beneficiaries and customers)?
 - How are you going to contact the target groups and get to know what they need? (beneficiaries and customers)
 - What will you do to meet their needs? (beneficiaries and customers)

- ii) How are you going to price the products or services that your social enterprise provides?
 - How is the relationship with your suppliers?
 - Are the products or services subject to certain regulations or license requirements?

- iii) Where can customers buy your products or services?
 - What are the consumption patterns of your target customers?
 - How are you going to attract your customers to buy the products or services?

- iv) Where can your beneficiaries learn about your products or services?
 - What is the current situation of the community where those beneficiaries live?

- v) What would distinguish your social enterprise as the best products or services provider?
 - What is so unique about the products or services?
 - How are they different from what your competitors are providing?

- vi) What businesses can be called a success?

- vii) Please list three main business activities and the respective action plans.

Tips

Have you thought about what the general public thinks of social enterprises (SEs)? Would your customers agree to the value of the your social enterprise?

This question is of great importance to any founder of social enterprise. Commissioned by the Home Affairs Bureau in 2013, the HKCSS-HSBC Social Enterprise Business Centre and the Chinese University of Hong Kong conducted a research named "The Research Study on the Social Enterprise Sector in Hong Kong - to Capture the Existing Landscape of the Social Enterprises in Hong Kong". A telephone survey of over 1000 citizens was conducted to attempt to understand what they think of social enterprises and their consumption patterns. The findings are interesting:

- The general public speak highly of SEs. 78.5% of the people interviewed have heard of this term.
- Broadcasting media are effective channels of promotion as 73.3% of them have come to know SEs through them.
- 68.8% of them recognise that SEs should be able to make profit as well as to meet their social objectives.
- 72.4% of them believe that the model of achieving both profit and social objectives is feasible.
- Despite high level of public awareness, 54.3% of them have never bought any products from SEs within the six months before the survey.
- 69.5% of them, however, say they will definitely or probably buy SE products within the next 6 months.
- The respondents who have bought these products say that a hope that their consumption will benefit the whole society (58.2%) and their identification with the SEs' social objectives (48.7%) are the two major reasons supporting them to buy SE products.
- 60% of them are even willing to pay more for the products of SEs.
- 77.9% of them are willing to pay as much as 10% extra amount of money for SE products.
- 61.5% of them think it would be most convenient for them to buy SE products in supermarkets and convenience stores while 53.2% say housing estate stores.

The above results may help you understand the characteristics of your potential customers. For detailed information, please visit the website:

<http://www.social-enterprises.gov.hk/en/research/research.html>

3. Corporate Structure

Everyone can set up their own businesses freely in Hong Kong, either in the form of company or social enterprise. All business entities are required to file a formal application to the Companies Registry to become a company and obtain a Business Registration Certificate from the Business Registration Office, Inland Revenue Department. Some of the existing Hong Kong social enterprises take the form of limited companies, either limited by guarantee or limited by shares.

Owner of a limited company has only limited liabilities, whereas partners or owners of a partnership, sole proprietorship and unlimited companies are personally responsible for all debts or obligations incurred through the business. Owing to corporate governance requirement, limited companies allow the general public to have access to information of shareholders, directors and messages or information related to the companies. As a higher level of transparency is required of limited companies, it is easier to attract investment or more convenient to apply for subsidy and loan.

The difference between a social enterprise and an ordinary enterprise is that the social objective of the former must be its core business. And for this reason, you have to pay attention to how your chosen form of entity would be more consistent or suitable for your mission and vision. For detailed information, please refer to the Book 2 “*Choosing a Legal Form and Recommended Practices*”.

4. Team Building

After you have decided to start a social enterprise, a good team will be your biggest asset as well as investment. The most formidable challenge facing you is how to find the best people and partners with whom you are going to work to realise your vision. In addition to sharing similar objective and interest, you also need to take into consideration the following to look for partners who are different from you.

Lion - founders who lead the whole team to conquer difficulties and realise their goals	
<ul style="list-style-type: none"> ● Cow - the hard working colleagues: You can't fight your own battle even if you have a pretty far sighted vision. You need someone who works hard and down to earth to make your vision feasible. 	<ul style="list-style-type: none"> ● Monkey - the clever and gregarious figures: Newly founded social enterprises usually do not have a large team, so you need someone who is clever, flexible and has a strength of building connection if your network is not wide enough. They know how to capitalise on and leverage resources in a way that helps your social enterprise to develop and accumulate stronger capacity.
<ul style="list-style-type: none"> ● Dog - the loyal companions in difficult times: The path of establishing a social enterprise is fraught with difficulties and you need loyal partners to face and meet the challenges together and to hold onto your dream. 	<ul style="list-style-type: none"> ● Owls - the smart and expert analysts You also need someone who always has a clear mind and are good at planning and analysing information. Always try to look for someone with different skills to help you deal with issues in a calm and more objective manner.

Different social enterprises have different characteristics. Thus, the team of talents they need will also be different. In any case, a team should also bring together partners with different backgrounds and talents in a way that will contribute to balanced development of your social enterprise. What would it be like if all your team members are lions or cows?

Exercise

Try to answer the following questions and examine whether you have already got talents you need.

- i) What talents or expertise / skills / knowledge are needed to make your business run smoothly? How important are they to your business operation?
- ii) Are there any people around you who already have got any of these talents or expertise? If your answer is no, how are you going to look for them?
- iii) If you are not able to find any, would it be possible that you learn it by yourself?
- iv) Is there alternative way to make these talents or expertise available for your use?
(Outsourcing, for example)

In general, you may find it hard to categorise your team members since they may each possess multiple personality traits. For example, Member A can be hard working as well as loyal.

Perhaps, you may think from the perspective of your social enterprise: “What is considered to be the major value that a certain member may contribute to the social enterprise? What is uniquely found in him or her among other team members?” These questions may help you categorise your team members better. And you may have to think about whether you should keep a member when you find that she/he is having no special/unique value to your social enterprise.

Exercise

Team Members	Lion (Leaders)	Cow (The hard working)	Monkey (Sociable members)	Dog (Loyal members)	Owl (Members with expertise)
You (Founder)	X				
Member A					
Member B					
Member C					
Member D					

5. Corporate Governance

Corporate governance is about how to manage and monitor a company. Social enterprises, either run in the form of a project or a limited company, all need to set up their own governance. At the moment, the most prevalent corporate governance in Hong Kong comprises of the major laws and regulations stated in the Companies Ordinance. Most of them are concerning about the board of directors, general meeting of the shareholders, their respective responsibilities as well as remedy solutions.

Good corporate governance is even more important for social enterprises because they are supposed to run a sustainable business using profit-making principle while ultimately striving for a certain social objective. As the ownership of social enterprise, its composition and number of directors may change in future, more and more of their customers, stakeholders as well as employees are starting to pay higher attention to the corporate governance of social enterprises.

Corporate governance can mainly be divided into the following parts:

- i) Setting up board of directors and committees
- ii) Building proper corporate culture and leadership style
- iii) Formulating business goals and strategies
- iv) Improving decision-making process
- v) Building up an organisational structure
- vi) Risk management
- vii) Developing crisis intervention plan
- viii) Preparing financial statement
- ix) Drawing up budget
- x) Formulating performance indicators

(Organisational Chart for Reference)

Desirable qualification of the board of directors:

- i) Financial expertise: those with professional background in finance and competence in understanding the importance of business operation and financial account
- ii) Marketing expertise: those with ability to understand the needs of target customers and assist in formulating marketing strategies

- iii) HR expertise: those who are able to provide professional advice on employment contracts and other HR issues
- iv) Management expertise: those who are competent to be the manager of the team to deal with organisational management and business operation
- v) Entrepreneurial expertise: those who share and own the mission, are passionate and ready to solve problems and face challenges

Good corporate governance may include the following elements:

- Board of Directors is formed by persons independent of the enterprise

Directors may be biased if they are the owners of the enterprise, entrepreneurs appointed by their friends, or those who are involved in the daily management of it. These biases and possible conflicts of interest can be avoided if most of the directors are independent non-executive directors. They will then be able to make independent and objective judgments.
- Strategic planning and business operation should be assumed by different persons

This is suggested for small SEs. Freeing the person responsible for strategic planning from day-to-day operation of the business will enable the former to focus long term business development plan.
- Withdrawal Policy

Spinning-off of business or its selling should be planned in advance and consent be sought from all concerned parties (e.g. shareholders and family members).
- Reliable system and procedures

With reliable system and procedures in place, a social enterprise can still keep running normally even the owners are absent (e.g. sick leave).
- Reliable Account

Reliable account not only allows the entrepreneur to understand the progress of the business, but also instills trust in lenders or funding providers that the enterprise is a reliable one. This is true even for the small SEs.
- Key Performance Indicators

These indicators, on either finance, marketing, products or operations, are used to measure the performance of the enterprise, its management and its board of

directors.

- Salaries and HR policies

Policies on salaries, rewards, disciplines and layoff must be made as transparent as possible to attract talents.

Good corporate governance may benefit a social enterprise in the following ways:

- i) Enhancing the general performance of the social enterprise
- ii) Laying a solid foundation for future business development and bringing in more business opportunities
- iii) Bringing in more investors and funders to help grow the social enterprise
- iv) Making the social enterprise more capable of dealing with crisis and responding to market fluctuations
- v) Enhance the confidence of the market on the social enterprise. Corporate scandals will affect the entire industry and deter investors

If you don't have a clear idea about how to establish a good corporate governance, you may refer to (参考) the *Internal Control in Social Enterprises* published by the Independent Commission Against Corruption, Hong Kong. This brochure, among others, covers various areas such as financial management, procurement and HR management.

http://www.icac.org.hk/filemanager/en/content_1031/internalcontrol.pdf

6. Writing up Business Plan

Writing up a business plan is not an easy job. You may think all you need is a good business idea, and why bother to write it up. In fact, writing up a business plan is a process for you to review your idea. Once you start writing up your business plan, you will find there are a lot of things which you have not given due consideration and will have to work on them more.

While different funding bodies or social investors may have different requirements, a business plan of a social enterprise should generally cover the following:

Major scope	Major contents
Introduction	● Brief introduction of your social enterprise
	● Vision, mission and social objective of your social enterprise
Social problems analysis	● Current situation of the social problem
	● Ways in which your social enterprise is going to respond to the social problem
	● Target beneficiaries
Market analysis	● Current situation and trend of the industry
	● Analysis of target consumers
	● Analysis of competitors
Strategies	● Strategies of your social enterprise
	● Strengths, Weakness, Opportunities and Threats (SWOT) of your social enterprise
Management and Implementation Plan	● Short, medium, long term implementation plans
	● Corporate governance plan
	● HR plan
	● Marketing plan
	● Risk management plan
	● Other plans (technological development for example)
Financial Analysis	● Short, medium, long term financial projection
	● Break-even analysis
Social Impact Assessment	● Measurement of social impact
	● Expected social impact
Appendix	● List of partners and market data analysis for example

Useful website:

Social entrepreneurship toolkit produced by UnLtd:
<https://unltd.org.uk/socialentrepreneurshiptoolkit/>

VII Innovate

Most people think of innovation as astonishing invention of strong originality. In fact, innovation is actually about approaching old issues with new methods. Innovation is

therefore not exclusively for talented inventors. As social entrepreneurs, so long as we can think out of the box and try to observe our society from an alternative perspective and devise new solution, that is considered as innovation already. Everyone has its own capability of effecting change on the society. That is the creative capacity. This chapter will take three local social enterprises as examples to illustrate innovation.

1. GREEN LADIES:

Founded in 2008, GREEN LADIES is a unique environmentally friendly enterprise under the St. James' Settlement and has since been run by consigning second hand clothes. So far it has four stores with two in Wan Chai, one in Sai Ying Pun and the other in Wong Tai Sin.

What is innovative about this social enterprise is not just about recycling second hand clothes and promoting ecological well-being. Their innovation also lies in their consignment mode and its theory of business operation. In order to improve the quality of the consigned clothes, GREEN LADIES started to operate in a different mode in 2011 by giving consignors a thirty percent commission of the consignment. Moreover, unlike traditional stores selling second handed clothes, GREEN LADIES only accepts seasonal fashionable clothes. That boosts up the sale and reduces inventory effectively.

Besides, GREEN LADIES has provided opportunities for women with selling experience to re-enter the labour market. Many women, who are experienced in selling, have become housewives after marriage. It is difficult for them to re-enter the labour market. GREEN LADIES has created a win-win situation. On one hand, these women are given the opportunities to pick up the threads of their former career. On the other, these veteran shop assistants are not only good at setting prices and choosing clothes but also good at reading the customers' expectation. They also promote the notion of "thinking twice before buying," thereby educating the customers about the problem of over-consumption.

GREEN LADIES has emerged to be a famous brand and a professional second hand clothes shop through improving the quality of goods and that of the sale team. It is also gradually changing the consumption pattern of the general public through changing their attitude toward second hand clothes.

Website: <http://greenladies.sjs.org.hk/main.html>

Innovation Highlights: effective marketing strategies, efforts to change consumption pattern & human and material resources rejuvenation.

2. Light Be

High property price and rent have always been a big social problem of Hong Kong. “Light Be” is established to launch brand new “Light Home” project. On the one hand, it provides single parents with affordable houses. On the other, it helps property owners capture the social value of their properties. Up to February 2016, more than 40 residential flats have been used as “Light Home” which have benefited over 80 families.

The innovation of “Light Be” lies in their insight into the potential of more than 48 000 empty housing flats in Hong Kong property market as well as the fact that there are 300 000 people owning two or more housing flats. What “Light Be” does is to manage the empty residential flats obtained by charging a certain amount of commission to keep itself running.

“Light Home” project focuses on providing holistic support to families. In addition to the provision of space, it also creates room for recipient families to establish relationship with other existing tenants and mobilises volunteers to provide support and help them to get out of poverty. Volunteers pay monthly visit to “light homes”, getting to know and following on their needs, so as to their capacity in getting out of poverty.

In addition to renting housing flats from individual owners, “Light Be” is now seeking partnerships with business sector, social welfare sector and the Government to operate additional “light homes” in Hong Kong, Kowloon and New Territories. Mrs Carrie Lam Cheng Yuet-ngor, Chief Secretary for Administration, said in July 2015 that “Light Home” project is perfectly in line with Government poverty reduction policies, adding that the Administration is prepared to hand 40 Government dorms kept by the Lands Department over to “Light Be” for the latter to turn into “light homes” to benefit more families in need.

Website: <https://www.lightbe.hk/index.html>

Innovation Highlights:

Resources relocation and sharing, thereby offering a way out to a structural problem.

3. Alchemist Creations

Alchemist Creations was founded by three young designers in 2012. They were convinced that they could “turn neglect into shine”, hoping that by using product design and simplifying production process, they would be able to bring about changes in the trainees of the sheltered workshop and enhance the products of the workshop so that they could be sold well outside Hong Kong, thereby building an innovative and sustainable brand.

Alchemist Creations was awarded the Red Dot Design Award Best of the Best 2013 for its design of an up-cycled watch using used cans. It is both fashionable and innovative a design. The watch is now imported and sold in Europe like Italy, the Netherlands and Germany.

The success of Alchemist Creations has helped widen the scope of DESIGN FOR GOOD. Their hearts to change society have gained support from manufacturers and from trainers of sheltered workshops. Alchemist Creations provides its trainees with simple but suitable machines and operations. Cooperating with sheltered workshops, Alchemist Creations has produced watches that have won them international design awards while helping a group of excluded trainees to realise their own potentials. Alchemist Creations has not only enhanced the skills of sheltered workshop trainees, but also boosted their confidence.

Alchemist Creations believes that they can promote their concept to other factories and seek partnerships with other product designers to build more Made in Hong Kong brands.

Website: <http://www.alchemisthk.com/about-us/>

Innovation Highlights: they have turned neglect into shine by introducing innovative designs and making trainees of sheltered workshop more capable and confident. Alchemist Creations has also kindled the interests of other designers by setting example, encouraging them to participate in programmes and realise to their talent.

Test: How Innovative You Are?

Do you want to know how innovative you are? Please answer the following questions by instinct.

		Y / N
1	Innovation is the act of coming up with new and creative ideas	Y / N
2	Innovation is a random process	Y / N
3	Innovation is the exclusive realm of a few naturally talented people	Y / N
4.	The biggest obstacle to innovation is a lack of organisational resources and know-how	Y / N
5.	The most important type of innovation involves bringing new products and services to market	Y / N
6	Teaching employees to think creatively will guarantee innovation	Y / N
7	The most powerful way to trigger your brain is simple: ask it a question	Y / N
8	Most social enterprises and companies pursue incremental rather than disruptive innovation	Y / N
9	Most social enterprises and companies are not structured to innovate	Y / N
10	Listening to your customers is a great way to innovate	Y / N

Information sources: Forbes Magazine, 'Test your Innovation IQ', Dec 6, 2011

Keys:

1. Wrong. Innovations are not limited to ideas, they are more about practice. Innovative ideas are indeed important, but real innovations are about putting them into practice.
2. Wrong. Innovations are not about thinking the unreal. Innovations need planning, management and should always be gauged in terms of efficiency.
3. Wrong. Everyone is potentially innovative and innovation is not exclusive to what we call geniuses. Everyone can be innovative if we look for problems and solutions with heart and approach things from different angles.
4. Wrong. The most formidable challenge to promote innovation inside a group is not lack of resources or expertise but the ingrained habits of team members. Sometimes successes make people complacent and thus impeding innovations.
5. Wrong. Innovations in products and services bring companies more revenue, but they are not necessarily the most important. Innovations in operations or systems sometimes are of greater importance.
6. Wrong. It will kindle people's minds to teach others how to do innovations, but it does mean there will be good ideas. It needs more than training to produce ideas that can be put into practice.
7. Right. Asking questions indeed helps us produce new ideas. By asking questions, we can think about more possibilities and this is exactly where innovations derive.
8. Right. Generally speaking, it won't be easy to make sweeping innovations since they need to be in the right place at the right time. Most of the innovations and practice are done step by step. For example, innovations in design processes that improve efficiency, or relocating existing resources to enhance social benefits.
9. It depends. Usually each member and department has their own jobs to do, which sometimes impedes exchanges among departments. In order to make innovation processes smoother, you can set up cross-departmental working group (which is?) made up of workers of different backgrounds and jobs that exist between departments. It should work fine!

10. It depends. Customers' advice sometimes helps innovation and gives us a clearer idea about what products and services should we provide to meet the needs of the market. But it sometimes does not help us do innovations if we are led by customers too much. Even Apple Inc. has not done extensive market research before producing smart phones or other innovative products. Thinking out of the box is also what social enterprises should do.

If you score 8 or more, that makes you an innovative person who are often (stricken??) by innovative and feasible ideas.

If you score 4-7, that makes you more suitable to put ideas into practice. You can also be qualified when promoting innovative ideas.

If you score below 4, that makes you a starter who do not have enough experience or vision to think or promote new ideas. So you need to learn more, examine more and ask more.

Useful Information:

Here are some useful websites for your reference, and you can find more interesting ideas and useful tools.

- The DIY Toolkit is about practical tools introduced by Nesta to trigger social innovations. D-Development, I-Impact, Y-Your!)

<http://diytoolkit.org/>

- Website developed by McKinsey to analyse social innovations and conduct case study

<http://mckinseysociety.com/topics/social-innovation/>

- Social Innovation Europe-innovative ideas of European countries

<https://webgate.ec.europa.eu/socialinnovationeurope/>

- DESIGN IN PUBLIC AND SOCIAL INNOVATION-published by Nesta analysing what works and what could work better.

https://www.nesta.org.uk/sites/default/files/design_what_works_what_could_work_better.pdf

- Social Innovation Resource Guide which introduces useful tools, competitions and case studies

<http://www.newschool.edu/social-innovation/resources/>

VIII Invest

Compared with ‘inspire’, ‘incubate’ and ‘innovate’, ‘invest’ is perhaps relatively difficult for owners of newly founded social enterprises since they may be inexperienced in financial management or not good at dealing with data and analysing financial information. This also explains best why some newly established social enterprises can't keep themselves sustainable.

In fact, there has been more support for social enterprises from the Government, business sector and the academia. The academia and business sector provide seed money and opportunities to invest and collect capital. It is now easier for newly founded social enterprises to gain financial support.

There is also much data of financial budgets for your reference and we don't plan to elaborate on it here. Let's have a review of several important concepts.

1. Key Concepts

● Financial Budgets

Financial budgets reflect the financial information, revenue and spending as well as operating results of an enterprise during a period of time. Financial budgets cover a series of finance-related budgets, for example, cash budgets show the cash flow; sales budget shows how the costs of products or services, proceeds of sale and revenue are related to each other. Financial budgets help social enterprises make long term plans and can be used by people to make decisions on development, investment and so on. Financial budgets do not last for a long time. We need to make comparisons between projections and real figures and make adjustments to our development plan.

● Capital expenditure:

Capital expenditure refers to the money spent to buy or make fixed assets more valuable, such as (expenditure incurred in?) buying properties and equipment.

● Operating expenditure:

Operating expenditure refers to the (欠英譯:持續性)daily spending of companies. Among them are salaries, rent and marketing spending.

● Income

In addition to earning revenue by selling products or services, social enterprises sometimes receive financial support from the Government (and or?) funding

programmes as well as (raising money=募捐獲取的收入?). Social enterprises also differ from other types of social services in that they are able to assume sole responsibility for their own profits or losses. However, it is not good for them to depend on funds or public support after running for several years. If SEs are in the throes of the same things, it is time for you to examine whether your social enterprises are running in a sustainable way.

Besides, please be especially careful with the Donations when making financial budgets or filling out income statement. We have found that some social enterprises have done wrong by including donations into sales income or treated them as capital. It is wrong to think donations as sales income since they do not come from sales. But it depends whether funds and public donations should be deemed as capital.

- **Expenditure:**

Expenditure covers massive items, and they are:

- (1). Cost of sales
- (2). Operating expenses
 - (a) salaries and bonus
 - (b) rent and rate
 - (c) costs of water, electricity and gas
 - (d) computers, software and other IT-related costs
 - (e) costs of delivery and transportation
 - (f) costs of publicity and printing
 - (g) costs of transportation and conferences
 - (h) service fees of patents, accounting and registration
- (3) interest expenses
- (4) taxes

**Revenue-spending=(+) operation profits/(-) losses /(0) break-even=>
short-medium-long term financial expectations**

Trade and Industry Department has designed different models of Budget Analysis Worksheets for reference

https://www.success.tid.gov.hk/english/bus_sta_up_inf_ser/bud_spr/bud_spr.html

2. Major Funding Schemes, Competitions and Investment Platforms for Social Enterprises in Hong Kong

		SEs run by non-profit-organisations	SEs run by private companies	Individual applicants
Seed Money Support				
Home Affairs Department-Enhancing Self-Reliance Through District Partnership Programme http://www.had.gov.hk/en/public_services/en_self_reli/index.htm	Launched in 2006, the Project aims to provide seed money to qualified organisations to establish social enterprises in ways that will help reduce poverty in local communities, enhance self-reliance, and provide jobs for vulnerable groups. Each social enterprise project can receive up to \$3 million grant	✓	✓	X
Social Welfare Department-'Enhancing Employment of People with Disabilities through Small Enterprise' Project http://www.swd.gov.hk/en/index/site_pubsvc/page_rehab/sub_listof_serv/id_enhancing/	Launched in 2001, the Project aims to enhance the employment of people with disabilities through market-driven approach and creation of training and job opportunities. The Project requires a certain proportion of the disabled in the total number of employees. To achieve the above objective, the number of employees with disabilities should not less than 50% of the total number of persons on the pay-roll for the Business. The maximum amount of a grant is \$2 million per application.	✓	X	X
Social Innovation and	The Commission on Poverty (CoP) announced in late	✓	✓	✓

<p>Entrepreneurship Development Fund http://www.sie.gov.hk/en/</p>	<p>2012 the establishment of the Social Innovation and Entrepreneurship Development Fund (SIE Fund). A task force under the CoP has been set up to oversee how the \$500 million fund is used. The Fund aims to establish and support schemes and experiments with a view to attracting, inspiring or nurturing social innovation implementers to develop and realise impactful ideas in addressing problems like poverty and social exclusion.</p> <p>The SIE Fund has lately engaged four organisations as intermediaries to capitalise on their experience and networks to stimulate the ecosystem for social innovation in business, and help nurture budding social entrepreneurs to alleviate and prevent poverty. They are the Hong Kong Council of Social Service, PolyU Technology and Consultancy Company Limited, SOW (Asia) Foundation Limited and the Yeh Family Philanthropy Limited.</p>			
<p>Intermediary of the SIE Fund The Hong Kong Council of Social Service-Impact Incubator http://www.socialinnovation.org.hk</p>	<p>To provide a cross-sectoral platform that connects social innovation implementers (SIIs) to relevant resources and networks built around social welfare agencies, social enterprises, philanthropy foundations, business associations and professional bodies. It helps SIIs generate</p>	✓	✓	Limited only to prototype programmes

http://www.socialenterprise.org.hk	<p>innovative and sustainable idea on poverty alleviation. Incubation support will be provided throughout 12 months. Impact Incubator aims to fund around 70 innovative projects at prototype, start-up and scale-up stage in the three-year engagement period.</p> <p>Besides, the Council provides one-stop support and services through the HKCSS-HSBC Social Enterprise Business Centre, including fund matching, marketing support and business advisory service.</p>			
<p>Intermediary of SIE Fund</p> <p>PolyU Technology and Consultancy Company Limited-Good Seed: http://goodseed.hk</p>	<p>Good Seed is composed of three stages to nurture young people to become Social Innovation Implementers: Stage 1: Structured Training with "Design", "Technology" and "Business" as focus to help the participants to brainstorm innovative ideas for tackling real social issues. Stage 2: Idea Competition for the participants to compete for funding to implement their innovative project ideas. Stage 3: Project Implementation - each winning project in the competition will be granted \$100,000 for implementation with the support of PolyU, NGOs, and mentors from design and industry network. Good Seed welcomes Students and Graduates of local Higher Education</p>	X	X	✓

	Institutions to apply.			
<p>Intermediary of SIE Fund</p> <p>SOW (Asia) Foundation Limited-Fast Forward</p> <p>http://www.cn-sowasia.org/applicationform (CANNOT OPEN)</p>	<p>"Fast Forward" helps social enterprises that are addressing poverty alleviation in Hong Kong to clearly develop their strategies, consolidate the operational requirements and resources needed to implement those strategies. It also connects the social innovation implementers to networks and investors for funding and execution support. The programme expects to assist over 50 enterprises in the next 3 years.</p> <p>A structured 3-month programme is provided to support social enterprises seeking to grow and scale their impact on poverty alleviation in Hong Kong.</p>	✓	✓	X
<p>Intermediary of SIE Fund</p> <p>The Yeh Family Philanthropy Limited-Nurturing Social Minds</p> <p>https://www.nsm.hk/zh-hant/</p>	<p>A total of nine credit-bearing courses will be held at two local tertiary education institutions in three years. Students will learn not just in classroom but also through working with social ventures as members of multidisciplinary teams in solving real life social and business problems. A grant offered by The Yeh Family Philanthropy will also be provided to the winning team of students and partner social venture in each course for implementation of their ideas.</p> <p>Eligibility: MBA students and senior undergraduates.</p>	X	X	✓
<p>UnLtd Hong Kong</p>	<p>There are two levels of allocations to choose from:</p>	X(?)organisation	✓ (Mainly support	✓

http://www.unltd.hongkong.org	<ul style="list-style-type: none"> ● Try it! Applicants must conduct researches on their ideas and prove that these ideas will generate positive impact on communities. The maximum amount of a grant is \$15,000. ● Do It! It is designed for those who want to expand their business scopes and they must have put their ideas into practice and proved their programmes sustainable. The maximum amount of a grant is \$50,000. 		individual innovators (though companies are also eligible to apply)並不資助公司的經常開支?)	
The Hong Kong Council of Social Service- DBS Social Enterprise Advancement Grant and DBS Social Innovators https://www.dbs-socialinnovators.hk	Succeeding to three consecutive years of grant support through DBS Social Enterprise Advancement Grant since 2013, DBS Foundation launches DBS Social Innovators 2016, to fund and support social innovators to turn their dreams to business reality. The Programme is managed and operated by the Hong Kong Council of Social Service (HKCSS). (The maximum amount of a grant is \$450,000 per programme. 英譯: 四個項目大獎的得獎團隊均可獲 45 萬元的資助。)	✓	✓	X
Platforms for Innovations and Investment				
Social Ventures Hong Kong http://sv-hk.org	SVhk is a venture philanthropic organisation that drives social entrepreneurship. It focuses on inventing,	X	✓	X

	incubating and investing in social startups that address social challenges in Hong Kong through sustainable and innovative business solutions.			
Social Impact Partners http://socimpactpartners.org	Social Impact Partners aims to generate high social impact through funding and capacity building support for Hong Kong's social purpose organisations. SIP mainly focuses on programmes related to education, youth and employment.	✓	✓	X
British Council Social Investment Platform https://www.britishcouncil.hk/en/programmes/society/skills-social-entrepreneurs/social-investment-platform	In 2014, the British Council and its partners, among which there are Move Love Foundation, Narada Foundation, Social Enterprise Research Center, launched the pioneering Social Investment Platform and provide training to promote social impact investment and funding opportunities to outstanding Chinese social enterprises. The Social Investment Platform aimed to help social enterprises in the mainland and Hong Kong by provide training, investment and opportunities. The selected social enterprises received assistance from the mentors of investment panel after four rounds of screening.	X	✓	X
Social Enterprise Competitions				

<p>Hong Kong Social Enterprise Challenge (HKSEC)</p> <p>http://hksec.hk</p>	<p>Its mission is to generate innovative and practical social enterprise ideas through engagement of multi-disciplinary and multi-institutional teams and to encourage young people to implement their ideas. By providing a series of activities, seminars and training workshops, HKSEC strengthens the participants to understand social issues from a social entrepreneurial perspective, and to develop business plans for a social enterprise with financial sustainability. Their ideas are sharpened in different competition stages. The Champion and First-Runner up Teams will be awarded the startup prize money to start up their projects.</p>	<p>X</p>	<p>X</p>	<p>✓</p>
<p>Asia Social Innovation Award</p> <p>https://www.socialinnovationaward.asia</p>	<p>Started in 2008, the Asia Social Innovation Award seeks to promote social entrepreneurship through a social innovation idea competition. The Award provides a platform for idea-stage entrepreneurs to kick start projects through cross-country networking and expertise exchanges. The winning teams can get a grant from the Award.</p>	<p>X</p>	<p>X</p>	<p>✓</p>

The above are just some of the examples. Please go visit the websites if you want to know your eligibility for application.

IX Impact

Of the five stages of a Start-up SE, we have covered four and let's talk about the last one 'Impact'.

This may prove to be a little strange to us. We are sure that you have thought about some problems when looking for ideas: Where does the value of SEs lie in? How should we tell the public our value? What impact does the SEs have on service recipients and even the whole society? Eligible social entrepreneurs should all think about these problems.

1. Key Elements and Essential Steps of Social Impact Assessment

Why do we conduct social impact assessment?

You may think that your social enterprises are of great importance since they aim to solve pressing social problems. Or your ideas are unique even others can't understand what they really are.

It is often ignored by some social entrepreneurs that they have way too much confidence in their projects which leads to a subjective assessment of the value of their social enterprises. Some may think social impact assessment only to be required by investors and the outsiders, and that's why some of their assessments are a little exaggerated. In fact, social impact assessment helps us run our social enterprises better by telling us we need to re-examine our strategies when they fall short of expectations.

What is social impact assessment?

“Social Impact Assessment (SIA) includes the processes of analysing, monitoring and managing the intended and unintended social consequences, both positive and negative, of planned interventions (policies, programs, plans, projects) and any social change processes invoked by those interventions. Its primary purpose mission is to bring about a more sustainable and equitable biophysical and human environment.”

Source: F. Vanclay, 2003, “International Principles for Social Impact Assessment”, Impact Assessment and Project Appraisal

The following are some considerations of such assessment:

In 2003, F. Vancley pointed out in an article about social impact assessment the factors of doing assessment. Some of them are listed below.

- Social impact assessment aims to create an ecologically, economically and culturally sustainable and fair environment. And such assessment helps communities develop, empower and build social capital.
- It also helps stakeholders understand their missions and maximise the impact of their programmes instead of only reducing the negative influence.
- It is based on the local knowledge and the participation of stakeholders. So it is of great importance for stakeholders to participate in such assessment.

Are there any specific examples of social impact?

- The well-being of stakeholders-is it economically, (精神上?) culturally or socially positive?
- Community development-are communities more united than before? Have they become closer?
- Policies-will policies benefit more people? Is there any improvement in their living standard?
- Culture-have the unique traditions and customs been passed down on to the next generation?
- Environment-has living environment been improved like air quality or pollution problems?

Some social impact is quantifiable such as the added jobs for vulnerable groups and raises in their salaries. Others are pretty hard to measure, among them there are the self-images of vulnerable groups and the perpetuation of culture. For the latter one, we use qualitative research methods to collect data. Such as paying visits to vulnerable groups and elaborate on their ideas in social impact assessment report.

What are the important steps in social impact assessment?

- People doing the assessment must participate in the project
- Identify stakeholders like programme founders, benefit recipients, customers, supporting organisations, partners and so on.

- Mobilise stakeholders to take part in the assessment
- Take down the processes and the current/past status of the programmes
- Find baselines and their impact with which you compare your social enterprises
- Identify and describe activities that may have influence on social impact
- Think about the possible influence of the activities and responses of the stakeholders (?)
- Analyse and summarise these influences and responses
- Analyse whether there are factors behind these influences (?)
- Draw up social impact report
- Offer advice on projects based on collected data

2. Common Methods of Social Impact Assessment

There are many tools for social impact assessment available. National Performance Programme (Nef) in Britain has compared and introduced over 20 tools of doing such assessment like SROL, SE balanced scorecard, social accounting, GRI guideline and so on. Visit <http://www.proveandimprove.org/tools/index.php>

But none of these tools is perfect. Always think about the characteristics of programmes and your capacity when using these tools. For example, the size of SEs, their main business scope (like environmental protection and communities), affordability for the assessment and the need of professional certification. You can choose the most suitable tool by using the comparison and analysis done by nef. http://www.proveandimprove.org/tools/documents/Tool_comparison_chart2.pdf

Of many tools, SROI and Theory of Change are the(?) common ones. The following are some brief introductions.

(i) Social Return on Investment (SROI)

To put it simply, SROI offers answers to questions like how much social impact each one dollar brings? Derived from the traditional Cost Benefit Analysis, the outcome-based SROI helps social enterprises or organisations understand, measure and monetise the social, environmental and economic impact. SROI always attaches importance to the participation and the transparency of information. Expectations and ideas of stakeholders are reflected in the assessment.

Six important steps of SROI:

- (a) Identify the scope of SROI and related stakeholders;
- (b) Build value chain or theory of change to illustrate how input, output and results are related;
- (c) Look for data to prove it. Try to monetise all the results;
- (d) After completing collecting data and monetisation, it is important to make sure that these results come from projects instead of other factors;
- (e) Use the total amount of (d) minus positive influence and compare it with investment; and
- (f) Mobilise stakeholders to share their ideas to improve projects.

SROI uses a ‘return on investment’ approach to illustrate the social value of social enterprises. This makes it easier for supporting organisations and the public to grasp. However, restricted by data collecting and monetisation, we should approach the SROI objectively. We cannot gauge social impact simply by data. Supporting organisations and investors should also refrain from judging programmes simply by comparing their SROI. Because (what they are 不同社企的特性??) may have other impact on their social returns.

Useful Websites:

SROI Network: <http://thesroinetwork.tumblr.com/>

Social Value UK: <http://socialvalueuk.org/what-is-sroi/the-sroi-guide>

(ii) Theory of Change (TOC)

What changes do we expect our social enterprises to bring about? How can these changes be achieved? TOC answers these two questions. SROI is the monetisation of social efficiency, while TOC is about social enterprises describing, planning and executing their vision. By describing their vision, input and expected output, social enterprises constantly examine where they are heading and make sure they stick to their missions.

Five steps of TOC:

- (a) Identify and describe the vision, long term missions and assumptions of social enterprises;
- (b) Illustrating mid-term missions and strategies of achieving their vision by backward mapping;
- (c) Devise specific and measurable indicators and make sure they are consistent with their vision;
- (d) Develop action plans through which social enterprises achieve their ultimate missions; and
- (e) Apart from the graph of TOC, a narrative approach should also be used to describe the vision of SEs.

Exercise

Spend 20 minutes trying to build a theory of change for your SEs.

Useful Information:

"Creating Your Theory of Change-NPC's Practical Guide"

<http://www.thinknpc.org/publications/creating-your-theory-of-change/>

3. Local organisations offering social impact assessment services (改 content page!)

Expertise is required to conduct social impact assessment. Usually, social enterprises can take down and analyse the output and outcomes to do a simple assessment by their own. However, it is suggested you find a professional team if your analysis is more complicated. The following are the main organisations to provide this kind of support:

Hong Kong Institute of Impact Analysis

<http://www.hkisia.org/>

Fullness Social Enterprises Society

<https://www.fses.hk>

Social Enterprise Endorsement Mark – HKGCSE

<http://www.seemark.hk/en-gb/>

Social Impact Assessment project (HKCSS)

<http://sia.hkcss.org.hk/>

Experts' View

MR. KEE CHI HING, Chairman of the Fullness Social Enterprises Society, have been committed to helping social enterprises improving their operations. And he started to do researches on the social impact of social enterprises in recent years. Let's have a look of his view:

1. What are the differences between social enterprises and ordinary enterprises in terms of creating social impact?

Social enterprises are run in a people-oriented way and attach importance to empowering their employees, while ordinary enterprises are profit-oriented and they manage their employees' behaviours through awards and punishment. When choosing between profit and social impact, social enterprises stick to the latter while other enterprises stick to the former one.

2. How do newly founded social enterprises assess their social impact?

First, you can consult the various social enterprise funding schemes for their requirements of social objectives. For example, SIE Fund prioritises poverty alleviation and social inclusion, and this is also where you can start. For some types of social enterprises such as Work Integration Social Enterprise (WISE), Subsidised Services Social Enterprise (SSSE) and Plough-Back-Profit Social Enterprise (PBSE) lies in salaries brought to vulnerable groups and reductions in public spending. The social impact of organisations committed to avoid social exclusion lies in building social capital and is the total of value generated by it. If

you want to calculate the social impact of SEs, please consult the SROI directory made by Office of the Third Sector of the UK Government.

3. How should newly established enterprises show their social impacts that are not easily quantifiable?

There can be different levels of feeling toward things, such as feelings of the participants, satisfaction and well-being. If you want to monetise the value, please consult the Green Book of the UK Treasury.

4. What are the common mistakes when social enterprises assess their social impact?

Some of them can't separate the relevant, material and comparable data from the rest;

To know whether your assessment is reliable, you should find an experienced social entrepreneur and let him or her to do another assessment in the same way. The resulting SROI should be close to yours. If not, it is probably because you have not done the assessment in the right way; and

There are also many classes about how to measure social impact and you can take part of them if you want to dig deeper.

X 10 FAQs

1. What are the differences between SEs and charitable organisations?

Social enterprise should be financial sustainable, the major income source should be generated by selling goods and services, different from most non-profit organisations or charitable organisations which are mainly supported by donation and sponsorship.

2. Am I qualified to set up a social enterprise in Hong Kong?

Generally speaking, everyone can open a social enterprise in Hong Kong.

3. Social enterprise is non-profit making?

Same as other enterprises, social enterprise is self-financing, however, profit-making is not the sole objective of a SE, which will set certain limits on profit distribution to shareholders, to allocate more resources to maximising its social impact.

4. What's the difference between a social enterprise and Corporate Social Responsibility (CSR)?

The primary objective of a social enterprise is to maximise its social impact, as well as maintain its financial sustainability; while an ethical business, usually in terms of corporate social responsibility (CSR) aspect, doing business in ethical way is an attempt to minimise negative impact on society or such initiatives are somehow driven by financial goal.

5. Do social enterprises pay rent?

Same as other businesses, rental expense, utilities or salary expense are regarded as operation expenses. If a social enterprise receives an in-kind support (e.g. venue sponsorship), it should be reflected on the financial record.

6. Is social enterprise allowed to distribute bonus?

Yes, but it must be approved by the independent Board of Directors.

7. Will social enterprise go bankrupt /go into liquidation?

If a social enterprise closes down, regardless of the fact that it has limited or unlimited liability, it has to deal with the bankruptcy or liquidation problem.

8. Does social enterprise need to pay tax?

Social enterprise is obligated to pay tax unless it is granted as a charitable institution or trust of a public character, which is exempt from tax under section 88 of the Inland Revenue Ordinance.

9. Does social enterprise receive donations?

Social enterprise can receive donations and sponsorship. However, social enterprise is a business that generates income by selling goods and services rather than through grants and donations.

10. How can I recognise the social enterprises in Hong Kong?

There is no legal definition of social enterprise in Hong Kong, citizen can access to different social enterprises through numerous channels. HKCSS-HSBC Social Enterprise Business Centre (SEBC) compiles and publishes the “Social Enterprise Directory” every year since 2007. The directory as well as its derivatives mobile application (App) and on-line search engine enable public access to social enterprise information in Hong Kong. The Directory is gaining growing recognition and has long been serving as an important reference material for advocating responsible consumption across Government departments, public organisations, NGOs, SEs as well as corporations. Other channels include “SEE Mark” introduced by the Hong Kong General Chamber of Social Enterprises, featured on-line platform “SE Gallery” powered by ET Net under Hong Kong Economic Times, “SE Award Scheme” organised by Home Affairs Bureau and Social Enterprise Advisory Committee, the Enhancing Self-Reliance Through District Partnership Programme (ESR Programme) and “Enhancing Employment of People with Disabilities through Small Enterprise” Project, etc.

Social Enterprise Directory: <http://www.socialenterprise.org.hk/en/sedirectory>

XI Useful Information: Supporting Schemes and Platforms for SE and Start ups

1. Government Funding and Support

- Home Affairs Department: Enhancing Self-Reliance Through District Partnership Programme
http://www.had.gov.hk/en/public_services/en_self_reli/index.htm
- Social Welfare Department: “Enhancing Employment of People with Disabilities through Small Enterprises” Project
http://www.swd.gov.hk/en/index/site_pubsvc/page_rehab/sub_listofserv/id_enhancing/index.html
- Social Innovation and Entrepreneurship Development Fund
<http://www.sie.gov.hk/en/>
- Development Bureau: Historic Building Revitalisation Scheme
<http://www.heritage.gov.hk/en/rhbt/about.htm>

2. SE Supporting Schemes and Platforms

- Chinese University of Hong Kong - Hong Kong Social Enterprise Challenge
<http://hksec.hk/>
- City University of Hong Kong
<http://www.projectflame.hk>
- Education for Good
https://education-for-good.com/course_en.php
- Fullness Social Enterprises Society
<https://www.fses.hk/>
- Good Lab
<http://www.goodlab.hk/en/>
- HKFYG Jockey Club Social Innovation Centre
<http://sic.m21.hk/tc/latest.php/en/latest.php>

- Hong Kong Council of Social Service – HKCSS-HSBC Social Enterprise Business Centre
<http://www.socialenterprise.org.hk>
- Hong Kong Council of Social Service – Impact Incubator
<http://www.socialinnovation.org.hk>
- Hong Kong Council of Social Service – SE Directory
<http://www.socialenterprise.org.hk/en/sedirectory>
- Hong Kong Council of Social Service – Good Goods Social Enterprise Sales Platform
<http://www.goodgoods.hk/en>
- Hong Kong Council of Social Service - DBS Social Enterprise Advancement Grant
<https://dbsse.hkcss.org.hk/>
- Hong Kong General Chamber of Social Enterprises
<http://www.sechamber.hk/en-index.html>
- Hong Kong General Chamber of Social Enterprises - Social Enterprise Endorsement (SEE) Mark
<http://www.seemark.hk/en-gb/>
- Hong Kong Institute of Social Impact Analysts
<http://www.hkisia.org>
- Hong Kong Polytechnic University - Good Seed
<http://www.goodseed.hk/>
- Hong Kong Polytechnic University – Jockey Club Design Institute for Social Innovation
<http://www.sd.polyu.edu.hk/en/j.c.-innovation-tower/jockey-club-design-institute-for-social-innovation>
- Hong Kong Polytechnic University - Micro Fund
<http://www.polyu.edu.hk/ife/polyumfund/>
- Hong Kong Social Enterprise Incubation Centre Limited
<http://en.seic.hk/>

- Hong Kong Social Entrepreneurship Forum
<http://www.hksef.org/>
- MaD SCHOOL Accumulator Scheme
http://www.mad.asia/posts/759/MaD-School/?lang=en_us
- SME ONE
<https://www.smeone.org/index.php?lang=en>
- Social Enterprise Summit
<http://ses.org.hk/zh>
- Social Ventures Hong Kong
<http://www.sv-hk.org/investment.php>
- SOW Asia Foundation
<http://www.sowasia.org/>
- The Yeh Family Philanthropy
<http://www.yehfp.com>
- UnLtd HK
<http://www.unltdhongkong.org/>

3. Other Related Schemes or Platforms

- Blueprint
<http://blueprint.swireproperties.com/>
- Chinese University of Hong Kong - Empowering Young Entrepreneurs Programme (EYE Programme)

<http://entrepreneurship.bschool.cuhk.edu.hk/eyeprogram>
- CUHK Pre-Incubation Centre (Pi Centre)
<http://www.picentre.cuhk.edu.hk/>

- Commerce and Economic Development Bureau: CreateSmart Initiative
<http://www.createhk.gov.hk/en/home.htm>
- Cyberport Incubation Programme
http://www.cyberport.hk/en/about_cyberport/cyberport_entrepreneurs/cyberport_incubation_programme
- Cyberport Creative Micro Fund
http://www.cyberport.hk/en/about_cyberport/cyberport_youth/cyberport_creative_micro_fund
- Environment Bureau: Environment and Conservation Fund
<http://www.ecf.gov.hk/>
- HKFYP: Youth Business Hong Kong
<http://ybhk.hkfyg.org.hk/?locale=en-US>
- Hong Kong Design Centre- Design Incubation Programme
<http://www.hkdesignincubation.org/>
- Hong Kong Science and Technology Parks Corporation- Incu-App Programme
<http://www.hkstp.org/en-US/Services-Programmes/Incubation-Programme/Incu-App/Application/Admission-Criteria.aspx>
- Hong Kong Science and Technology Parks Corporation- Incu-Bio Programme
<http://www.hkstp.org/en-US/Services-Programmes/Incubation-Programme/Incu-Bio/About-Incu-Bio-Programme.aspx>
- Hong Kong Science and Technology Parks Corporation- Incu-Tech Programme
<http://www.hkstp.org/en-US/Services-Programmes/Incubation-Programme/Incu-Tech/About-Incu-Tech-Programme.aspx>
- InvestHK- start me up

<http://www.startmeup.hk/>

- Innovation and Technology Commission: Innovation and Technology Fund
<http://www.itc.gov.hk/en/funding/itf.htm>
- Labour and Welfare Bureau: Community Investment and Inclusion Fund
<http://www.ciif.gov.hk/>
- Social Welfare Department: Partnership Fund for the Disadvantaged
http://www.swd.gov.hk/en/index/site_pubsvc/page_supportser/sub_partnership/
- Startlab.HK
<http://startlab.hk/>
- The Hong Kong Mortgage Corporation Limited- Microfinance Scheme
http://www.hkmc.com.hk/eng/our_business/microfinance_scheme.html

HKCSS-HSBC Social Enterprise Business Centre

HKCSS-HSBC Social Enterprise Business Centre (SEBC) is a collaborative platform under the Hong Kong Council of Social Service (HKCSS) with a mission to support over 570 social enterprises and their beneficiaries. We initiate partnership among business sector, professional groups and social enterprises through a variety of collaborative projects; provide start up and scale up funding support to encourage social enterprise set up. We also advocate responsible consumption and social innovation by means of capacity building programs and public education campaigns.

Our team members

Impact Incubator – Social Innovation, Development Fund and Partnership

Good Goods – SE Sales Platform

GoodPoint- Community Recourses and Space for SE

Social Awareness Building Programme and Social Tour

Address

Rm 1002, 10/F., Duke of Windsor Social Service Bldg.,

15 Hennessy Rd., Wanchai, Hong Kong

WhatsApp (Text message only): 2876 2448

Fax: 2876 2496

Disclaimer:

The authors and the publisher of this Guide endeavor to ensure the accuracy and reliability of the information provided, but do not guarantee the accuracy and reliability of this Guide and accept no liability whatsoever for any loss or damage arising from any inaccuracy or omission or from any decision, action or non-action based on or in reliance upon information contained herein. Nothing in this Guide shall be treated as legal, accounting, tax, marketing or other professional advice. Readers should consult his/her own professional adviser(s) on the subject matters covered