WORK INTEGRATION SOCIAL ENTERPRISES IN THE UNITED KINGDOM

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SOCIAL ENTERPRISE AND WORK INTEGRATION IN THE UNITED KINGDOW

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1. INTRODUCTION

1.1. Labour market context in the UK

The UK has a relatively low ILO unemployment rate by international standards. In April – June 2002, for example, it stood at 5.1 per cent, which was lower than Japan, the USA, Germany and France and below the EU average of 7.7 per cent. Seven EU countries, however, did have lower rates. When unemployment for under 25s is considered, the UK fares slightly worse, ranked ninth amongst EU states, with a rate of nearly 12 per cent over the same period. Amongst the unemployed, certain groups face much more disadvantage than others. Indeed, as is shown below groups such as women, particularly those with young children, people with disabilities, those with low qualifications and ethnic minorities face particular disadvantages.

As well as low unemployment the UK also has one of the highest employment rates in Europe. This success with regard to unemployment/employment rates is substantially a result of policy measures introduced during the Thatcher period of government to deregulate the labour market, and reduce the power of trade unions. The result is a more 'flexible' labour market, but one with less protection for workers. At the same time, as in the rest of Europe, there has been an increasing differentiation of employees in terms of skill levels and pay. In contrast, deregulation with different shorter apprenticeship paths has led to less protection of professions and occupations, and some concern that in general the skill level of employees has declined. This concern arises despite a government emphasis on skills development, and a broader definition of what is meant by 'skill' so as to include the softer skills as in customer relations, and the requirements of many newer occupational groupings.

This greater variation in both pay and terms and conditions of employment has led to concerns that at the bottom end of the skill spectrum, there is the risk of a relatively low-skilled 'underclass' moving in and out of marginal, poorly paying jobs, with little employment protection, poor pensions, and limited employment benefits. As unemployment has fallen, there has also been a need to focus more on these socially excluded segments of society and their communities. In general the niche that social enterprise initiatives for work integration occupy is that of addressing the problems the most disadvantaged groups in society have in integrating into the labour market.

At this point it is worth summarising some of the key data on the UK labour market with an indication of the trends. The employment rate was 74.8 per cent amongst people of working age in the period April – June 2002, representing 28.55 million persons. This has remained relatively stable, with the seasonally adjusted rate remaining within the band 74.5 to 75.0 per cent for the two years preceding this period (ONS Labour Market Trends, Sept 2002).

The ILO unemployment rate was 5.1 per cent in the April – June 2002 period, representing 1.54 million persons, which was below the EU average in June. The UK rate represents only a 0.1 per cent increase on the same period in the preceding year. The seasonally adjusted trend has been generally downward from 5.6 per cent two years earlier but with a slight rise

in 2002. The claimant count, often used within the UK as a headline measure of unemployment, was just under one million or 3.1 per cent in July 2002 (ONS Labour Market Trends, Sept 2002).

Disadvantaged groups in the labour market

Despite an overall 'healthy' low rate of unemployment, pockets of high unemployment remain and some of these may represent good opportunities for social enterprises.

Unemployment figures

Long term unemployment: Taken here to mean those ILO unemployed for over 12 months, it has fluctuated widely over the last decade, falling from nearly 0.9 to under 0.5 million men between 1987 and 1991 but then rising up again to just over 0.9 million by 1993. It has affected significantly greater numbers of men than women and tends to be a bigger problem for people in their late 50s and early 60s (Pullinger and Summerfield 1998: 16). From 1994 it has declined steadily in successive years from a total then of 1.483 million (spring quarters) to 0.763 millions in 2002 but with the first slight increase occurring in 2002 (ONS Labour Market Trends, Sept 2002: Table C1).

Young workers: While the number of those persons ILO unemployed for between six and twelve months was unchanged for **younger workers**, between 18 and 24, in the period June 2001-June 2002, the ILO unemployment rate actually rose, which was represented by an increase from 16,000 to 395,000 persons (ONS Labour Market Trends, Sept 2002: 448).

Women's employment: Employment rates by gender continue to differ widely with the narrowest differences found in the younger age ranges. Women's employment rates are affected markedly by the age of their dependent children, rising from just over 50 per cent to 70 per cent when the youngest dependent child reaches school age (ONS Labour Market Trends, March 2002: Table 2).

Lone parents: Lone parents are predominately women; figures from 1997 show 1.7 million women and only 0.2 million men in this category. While lone parents with dependent children make up only a small proportion of the *total* unemployed, both female and male lone parents tend to face higher unemployment rates than is the norm for their gender (Pullinger and Summerfield 1998: 1).

Ethnic origin and unemployment: Differences in ILO unemployment due to ethnic origin were significant with the rate in spring 2002 for White British (excluding Northern Ireland) standing at 5 per cent while the rate for all ethnic minority groups was just over double at 11 per cent (ONS Labour Market Trends, Sept 2002: Table 1).

People with low qualifications: Educational qualifications have an important effect on the degree of people's economic activity. ILO unemployment rates for those with higher education qualifications were only 3.4 per cent for men and 2.3 per cent for women in 2002, while for those with the lowest levels of qualifications these figures were 9.4 per cent and 4.8 per cent respectively (ONS Labour Market Trends, June 2002: 300).

Disabled people: The ILO unemployment rate for disabled people was nearly double than that of the able bodied in spring 2002. There were about seven million **disabled** people of working age with roughly equal numbers of men and women. About half of the disabled were economically inactive and nearly a third of these wanted a job (ONS Labour Market Trends, Sept 2002).

Other groups disadvantaged in the labour market: Many other groups face disadvantage in gaining, or sustaining, employment. People who are homeless or insecurely housed, those who have engaged in substance misuse or suffer from addictions and ex-offenders all face difficulties in the labour market.

Labour market policy

Much of the UK's labour market strategy is based on improving the efficiency of its market operation through: improving information (employers and employees), improving skill levels through training, improving access and mobility (by making it easy for employers and employees to relocate), and improving the matching process - jobs with people (through public and private agencies). However with lower unemployment, concern for those suffering social exclusion has led to approaches that deal with a variety of interacting problems. This has resulted in an emphasis on more active labour market policies for these more disadvantaged groups.

One of the most important trends in policy has been an increasing recognition that many government programmes have failed to make the necessary connections between training and employment. This has led to an emphasis on much tighter linkages between training and employment, both in the design of programmes, and through partnerships with employers of various types. These developments have opened the field for work integration initiatives, particularly for the more disadvantaged (and disabled), albeit on a relatively small scale.

1.2. Types of social enterprise studied in the PERSE project

The basis for studying UK social enterprise in this project was previous studies which had used the EMES criteria to identify the range of organisations that could be considered social enterprises. Various categories of social enterprises had been defined; however, further inspection revealed that these categories, in general, were derived from self-organising, self-defined groupings of organisations (for example, 'social firms' are defined by a federation as having certain characteristics but these characteristics are not based on legal or firmly established criteria). Therefore it was found that the boundaries of each category were not clear-cut.

Nonetheless, there was no other route to determining a population of social enterprise from which to select our sample; and this self-defining population had the advantage that at least it was recognised by many activists and decision-makers.

Despite the blurred boundaries between these types (see below), an attempt was made to select from this population social enterprises that were diverse and yet as far as possible typical or sufficiently numerous not to be idiosyncratic. The other important major criterion was that they should be associated with work integration – in other words, only work integration social enterprises (WISEs) were selected. Thus for the sample for the PERSE project in the UK, six types of social enterprises were identified as having a substantial area of activity concerned with work integration. The sample was drawn from:

- worker co-operatives (including social co-ops);
- community businesses;
- social firms;
- intermediate labour market organisations (ILM[1]);
- quasi-state social enterprises;
- voluntary organisations with employment initiatives.

[1] Intermediate labour market organisations provide transitional employment for people whilst training them and providing them with real work experience, often on government contracts for refurbishing housing or community environmental areas.

Diversity of organisational forms

One interesting finding was the wide range of types of organisations involved in work integration: WISEs included autonomous organisations largely concerned with work integration; holding structures with work integration as one arm; virtual organisations managing several projects; organisations dominated by service provision but with work integration as part of the supply chain… Determining the unit of analysis for such a study was not straightforward, but by encompassing this diversity the study has been greatly enriched.

Production/service sectors of the WISE

The patterns of productive activities are shown in table 1. The major area of activity is in recycling, followed by IT (Information Technology), childcare and transport. This classification masks considerable differences; thus for example in recycling some WISEs are contracting with local authorities, while others are trading directly with the public. Nonetheless there are also similarities in that many of these sectors involve the public sector in some capacity, either as suppliers or markets. In addition, a common feature is that many products or services are value-based, such as recycling and wholefoods. In this context there may be first entrant advantage, where activist organisations move early into service provision (such as in ecological services). As early service providers, they establish good relations with consumers (and good knowledge about the sector), and are more easily able to subsequently mainstream the service provision (e.g. HCT moved from community transport to regular bus transport; ECT moved from voluntary recycling services to municipal authority contracted services).

Table 1 – Production/service sector

WISE	Production/service sector
1. Recycle IT	Recycling (computers)
2. Springboard	Recycling
3. Bolton WISE	Recycling (white goods)
4. Create	Recycling
5. Necta	Construction
6. Childcare Works	Childcare
7. FRC	Furniture supply/Recycling
8. ECT	Transport/Recycling
9. HCT	Transport
10. Daily Bread	Organic/Wholefood
11. Magpie	Recycling
12. G/Fingers (ShawT)	Horticulture
13. GWork ENprove	Landscape/IT
14. Factory	Childcare/IT
15. Remploy	IT/Electronics

Some social enterprises (ILMs especially) are scaling up their work integration capabilities, as well as diversifying within the field to provide a bigger portfolio of services to meet participants' work integration needs (e.g. placements). In some cases this kind of development has arisen from responsiveness to participants' needs (an example is HCT moving into mainstream transport to provide jobs for its successful trainees); in other cases it

is market-led (e.g. ECT is moving from recycling to adjacent markets such as street rubbish collection). Several social enterprises regard the European WEE directive on end-of-life disposal of electronic equipment as important for future markets.

Types of WISEs and work integration services provided

In the UK there is a huge diversity of WISEs: on the one hand there are large intermediate labour market organisations (ILMs) which take in up to two intakes of recruits per year and so have large numbers of participants (e.g. Enprove Groundwork); on the other hand there are some WISEs which have, in addition to their disadvantaged workers, substantial numbers of core staff engaged in production activities or other services (Springboard), and smaller WISEs (such as Magpie or Daily Bread) with relatively few participants, although they offer long term jobs.

The range of work integration services in the WISE varied according to the type of contract offered to participants: transitional vs. permanent; and according to the type of training provided: formal vs. informal training.

Thus ILMs specialised in transitional employment and formal training whilst worker co-operatives only provided permanent jobs with informal training. Others had a training programme, and employed some of the successful trainees permanently. In addition some social enterprise had, and were continuing to develop, more comprehensive employment services such as placement services

2. THE WISE AS A MULTI-STAKEHOLDER STRUCTURE

The majority of the WISEs studied are multi-stakeholder organisations, the only exceptions being the two worker co-operatives which have single stakeholders (workers) and the para-statal organisation, Remploy (which is 100 per cent owned by the state but where the board comprises diverse professionals and business people).

2.1. Legal form as an indicator of the stakeholder diversity

In the UK, the legal form is not a good indicator of stakeholder diversity. As shown in table 2, almost all social enterprises in the UK are registered as companies limited by guarantee (CLG) or as Industrial & Provident Societies (I&PS); these legal structures are only used for social economy organisations. The choice between these two legal structures may in many cases be made on the basis of cost (CLG is cheaper) or values (I&PS is traditionally more associated with the social economy and through its registrar offers more protection for social enterprise values).

The only WISE studied that does not use these legal structures is the para-statal, Remploy, which uses the 'company limited by shares' legal structure.

Table 2 - Legal and organisational form as an indicator of the stakeholder diversity

WISE	Abbreviation	CLG *or* I&PS	Charity or owned by charity	Co-op / community business/ social firm / ILM
1. Recycle IT	**RIT**	Yes	No	Social firm
2. Springboard	**SB**	Yes	Charity	Social firm
3. Bolton WISE	**BW**	Yes	Charity	ILM
4. Create	**CR**	Yes	No	ILM
5. Necta	**NE**	Yes	No	ILM
6. Childcare Works	**CW**	Yes	Charity	ILM
7. Furniture Resource Centre	**FRC**	Yes	Charity	Community business
8. Ealing Community Transport	**ECT**	Yes	Charity	Community business
9. Hackney Community Transport	**HCT**	Yes	Charity	Community business
10. Daily Bread	**DB**	Yes	No	Co-operative
11. Magpie	**MP**	Yes	No	Co-operative
12. GreenFingers	**GF**	Yes	Charity	No
13. GroundWork ENprove	**EN**	Yes	Charity	No
14. Factory	**FA**	Yes	Charity	No
15. Remploy	**RE**	Ltd Co	No	No

The six forms of social enterprise studied were based on publicly recognised types. As already underlined, on closer examination, these types were found to overlap considerably; thus ILMs were distinctive in terms of the form of work integration (transitional), but organisationally they had community business or voluntary organisation structures; similarly social firms were distinctive in targeting difficult to employ people (especially people with learning disabilities), but they also had community business or voluntary organisation structures.

Even reducing the types down to four did not eliminate conceptual ambiguities about the different types of social enterprises; consideration of these ambiguities led to a new way of conceptualising the sector but the original classification is still used for convenience and for ease of communication outside this project. This is discussed further below and illustrated particularly in table 4.

In general terms tendencies towards multi-stakeholder governance may be differentiated by type of WISE (see table 3); for example, community businesses tend to have a range of community stakeholders on their boards. However, in other cases, the type of WISEs is not a good indicator of the type of stakeholder governance; this is for example the case of voluntary organisations, which can be either community-based with multi-stakeholder (MS) structures, or single-stakeholder (SS) organisations, served and governed by members of a specific segment of society (e.g. young people) - it has been a strong part of the voluntary sector tradition to specialise in serving specific segments of society.

Table 3 - Types of social enterprise and stakeholder governance

Type of social enterprise	Stakeholder governance
ILM[2]	MS/SS (as community business or voluntary organisation)
Co-op	SS
Community business	MS (different community stakeholders)
Social firm[3]	MS (as community business or voluntary organisation partnership)
Voluntary organisation	SS/MS (depending on parent organisation)
Private para-statal	SS (single public stakeholder, with commercial model of board)

The different types are not easy to unravel; empirical investigation was needed to determine whether each type of social enterprise was a multi-stakeholder organisation. As a matter of fact, the ownership structure may apparently suggest single stakeholders (as in the case of ECT and HCT, which were owned by community transport organisations), but board representation may actually be more diverse than might have appeared at first glance. For example, due to co-options, HCT had a board 70 per cent controlled by third sector community transport representatives, with the remaining 30 per cent being co-opted.

New formulation of social enterprise structure (UK)

While most social enterprises operate a 'one person, one vote' system for electing their management boards, the basis for the recruitment of the board representatives differs considerably. This is linked to the extent of membership (those that own and control the social enterprise) which varies from being numerous/widely held to minimal/narrowly held. By 'widely held', we mean a large number of members (with votes), in contrast to 'narrowly held' – with few members (at the limit all the members are on the board). The extent of membership is not linked to whether the social enterprise is a single- or multiple-stakeholder organisation (this is based on diversity in the membership base), but it does seem to influence the governance system – see table 4 below.

Boards may be democratically elected from a membership base – these are referred to as elected (this is more likely to take place in a widely held member structure); or they may be appointed (though nominations will usually be ratified at Annual General Meetings [AGMs]) - these are referred to as appointed, typically through a process of self-replication by the existing board (this is more likely to take place in a narrowly held member structure). Table 4 shows the distribution of the various forms of WISEs on the basis of the type of governance.

[2] ILM organisations were found to be similar either to community business or voluntary organisations; we decided that what distinguishes these for our purposes is that a) on governance, community businesses have a broader form of democratic governance – where a wide range of community members elect a board and b) on structure, community businesses supply some services to the community within a holding structure, while many voluntary organisations have a more closely held membership electing the board, or the board is in effect self-appointing (where charitable trust form applies).

[3] Similarly social firms were found to be similar either to community business or voluntary organisations. In addition most social firms serve participants with learning disabilities; so we did not study social firms that were just for people with disabilities; instead we focused on those organisations for disadvantaged or for a mix of disadvantage/disability groups.

Table 4 - Types of governance and form of social enterprises

Governance	Form of the social enterprise
Elected	Co-ops, community business, member-based voluntary organisations (some ILMs and social firms)
Appointed	Voluntary organisations (some ILMs and social firms)

The formulation in table 4 is still subject to debate and we need to further research the consequences of these forms of governance for social enterprises.

2.2. Existence of a single or several stakeholders

In the sample studied, two thirds of social enterprises had multi-stakeholder structures. As far as the composition of governing boards is concerned (see table 5), the dominant categories are permanent staff at 37 per cent (but this is distorted by worker co-ops – see below), followed by representatives from the third sector, private sector and lastly from the government or local state. Participants in schemes are notable by their absence from boards, though this is slightly misleading since in the worker co-ops they were represented but as workers rather than as trainees/probationers.

Table 5 - Board composition and influence

Members of the board	Overall %	Strong influence*
Users / private customers	2%	4%
Volunteers	7%	4%
Permanent staff	37%	12%
Participants in schemes	0%	0%
Representatives of the private business sector	14%	27%
Representatives from governmental agencies	11%	23%
Representatives from the third sector	17%	19%
Other	13%	12%

** Key staff were asked the extent to which differing groups were seen to exert strong influence over decisions and discussions on the board.*

As far as the board composition is concerned, it is interesting to examine a subset of the data, by excluding from the analysis certain organisations. We exclude the worker co-ops because of the peculiarity just mentioned above, Remploy because of its para-statal status, Childcare Works because it resembles a 'virtual organisation' (it is not a defined organisation but exists only as a programme assembled by a social enterprise umbrella group) and Greenfingers Project, which has no local board as it is a constituent part of a wider UK organisation, Shaw Trust.

Looking at the remaining ten WISEs, it appears that *staff* are officially members of the board in two cases (Recycle IT and Necta) only; but in all cases senior staff are present at the board meetings and have significant influence.

Overall there was very low membership of the board by *participants* or *users*, with virtually no organisations undertaking this – the closest exception to this was the Factory, whose board includes local community representatives, some of whom may be understood as users.

Organisations gave plausible rationales for this. Firstly, where trainees are on short-term placements of six months, effective participation at board level might be problematic. Secondly, organisations with limited board time and complex financial decisions to take sought to prioritise strategic decision making (involvement was seen as a more meaningful tool for users when it was concerned with more day-to-day decisions closer to the work, typically in team meetings). In other words, work integration participants in general might be badly represented on the boards because boards may require specialist expertise, and effectively involving users at board level may require more support and this may incur higher transaction costs. In addition many users may only be at projects for short periods, and they may not want to be involved.

Eight organisations out of ten had *business representatives* on the board (only the Factory and ECT did not). Some, as in the case of HCT, had them as co-opted members to strengthen board expertise. ECT has a voluntary sector board running the parent charity; however, the bulk of the work is now undertaken by subsidiary companies where professional staff's involvement tends to dominate. A common pattern within ILM-type organisations was a board with roughly equal representatives from business, state and third sector interests.

Care is needed in looking simply at the kind of representatives. Some stakeholders (seen here as board members) may be representatives from a corporate group such as a local authority or, in ECT's case, from a range of community transport associations, and they may have to carry the interests of that group into the board. In other cases the representatives are there in an individual capacity, regardless of their professional job, and may have a much freer role. Some of the social enterprises studied had parent organisations which were strongly represented on their controlling structures. For example in three cases single voluntary organisations and in one case a public authority were owners.

The founders, as shown in table 6, were more or less equally spread amongst citizens, government, and third sector organisations – note that no private corporations were involved at the founding stage.

Table 6 - Founding actors

Founding actors	No. rank 1
Association of citizens	6
Private corporations	0
Representatives from governmental agencies	6
Representatives of third sector organisations	5
Other	6

2.3. Modes of multi-stakeholder participation in the decision making

Almost all of the social enterprises operated on the principle of 'one person, one vote' for decision making; the sole exception was the para-statal, Remploy. Regarding the respective influence of the different board's members (see Table 5 above), the two co-operatives (Magpie and DB) distort the figures, as their boards comprise all staff, including participants to differing degrees (forty-one people). In these single-stakeholder social enterprises the staff were the only board members. With regard to the other social enterprises, there were more or less equal overall numbers of the following categories of members who were perceived to be influential in decisions: representatives from private business (double the influence their numbers would indicate), government representatives (double the influence their numbers would indicate), representatives from third sector. Volunteers were perceived to not be very influential. In terms of the influence board members were perceived to have over different areas of activities, there was fairly equal influence over work integration issues from staff, and representatives from private sector, government, and third sector. However on production issues, the private sector representatives had by far the biggest influence. Meanwhile, on political activities, government representatives were seen as most influential alongside third sector people.

While it is legally possible for any form of social enterprise to include participants on the board, in general this only occurred in the worker co-operatives (see above) – though here there were probationary periods when participants did not have full membership rights.

In terms of internal participation, there is considerable diversity; and, as one might expect, the co-operatives are the most participative. A member from MP, for example, saw it this way:

> *There are monthly meetings. Anything not already agreed that is about resource use has to go to general meeting. These are open to all co-op members. Everyone can attend even if new - all votes counted - however only when votes are marginal then it would be members only whose votes would count…*

This can be contrasted with social enterprises with higher turnover of recruits, which had more limited participation styles and structures, but may have created other channels linked to areas of participants' concerns in their work. GWE, for example, is perhaps typical here:

> *There is encouragement for people informally, both ILM and core staff, to come with suggestions and proposals. GWE does have a track record of listening. Formally, each core team has staff meetings; all participants have regular review sessions with individuals and group.*

3. A MULTIPLE-GOAL STRUCTURE

Most organisations (public and private) have a multiplicity of goals; one of the central issues faced by managers and boards is to establish priorities amongst their goals.[4] Three types of social enterprises were proposed in terms of their orientation to dominant goals in the Evolution Report for British WISEs (Spear and Aiken, forthcoming):

- *High importance attached to economic success to achieve social goals* - this type demonstrates economic success and operates largely through commercial contracts rather than a mix of income streams such as grants and subsidies. It retains social values but asserts that these can best be met by ensuring an efficient business that generates sufficient surplus to deliver social outcomes. It is economically successful, and has succeeded in growing through strategies based on sticking to what it does well.
  For example, ECT and FRC both attach a high importance to economic growth and success.
- *High importance attached to professional quality and values* (equal weighting of social and economic values) – this type is not so much concerned about growth and economic success as about combining social and economic goals effectively, using a mix of public and commercial resources. Most cases fit into this category.
  For example, Bolton Wise see their vision to be 'the most (a) dependable, (b) creative, (c) challenging and (d) inspirational provider of transitional employment in the region' and Childcare Works' aims are 'high quality childcare training and ensuring people are able to work with children, registered and in accordance with Children's Act and quality in terms of support to the trainees.' Necta, HCT, GWorkEN, Spingboard, Factory, Recycle IT, Greenfingers, Create and possibly REMPLOY also fit best in this category.
- *High importance attached to social goals dominant* – this type places greater emphasis on achieving social values and here economic performance acts more as a constraint. It may not be as economically stable due to this concentration on values.
  Magpie and DB provide good examples here. DB cites its work around co-operative principles, Christian values, the importance of wholefoods, treating people fairly and of equal worth.

Where do these goals originate from? The role of founding members was cited as one of the most important factors having an influence over the organisational orientation. However, the imperatives of meeting needs and responding to problems were seen as just about equally important kinds of impulses. Another category of origins was also seen as arising from peer organisations, either networks or umbrella organisations.

The factors evaluated as influencing the source of these goals and values are presented in table 7.

[4] Note that a single-stakeholder ownership/governance would make it easier to establish a hierarchy of goals.

Table 7 – Origins of goals

Origins of goals	Per cent of rank 1
Response to community needs	18%
Original intentions of the founding members	17%
Reacting on labour market problems	13%
Networks one takes part in	17%
Umbrella organisation	17%
Other causal sources*	17%

** For example: existing board, trustees and staff, influence of parent organisation. (For an extensive consideration of values in social economy organisations ,see Aiken 2002).*

3.1. Three typical goals for WISEs

We have suggested a three-part typology that may be deployed to analyse types of social enterprises according to their most influential goals and we have looked at some of the sources of those goals. Social enterprises are, however, typically seen as multiple-goal organisations. We were interested to see how this operated in practice. How did social enterprises involved in work integration see the priorities between the three possibly conflicting goals of lobbying and advocacy, the production of goods or the delivery of services, and the work-integration activities?

Findings from the UK study of WISEs confirm a strong orientation towards multiple goals. Five of the fifteen organisations ranked all three goals as equally important, while ten reported two of three goals (work integration, products/services, lobbying) as equally important. Table 8 shows how organisations ranked their goals, indicating which organisations could be considered multi-goaled by ranking two or three goals equally.

The five organisations which ranked lobbying and advocacy as the (joint) most important activity alongside work integration and products and services have been emboldened in the table (Necta, FRC, HCT, Factory, Remploy). These organisations spread across the range of types studied and there is no clear pattern emerging here. However it should be noted that the meaning of advocacy/lobbying was interpreted in different ways: organisations sometimes understood this in the study as lobbying for position for possible contracts or funding. ECT for example wanted to start developing senior contacts within public authorities. Others (such as Recycle IT) did not see themselves as lobbying organisations yet under questioning it appeared that they were playing important roles within networks to argue for amendments to European directives on waste. Still others (e.g. Magpie) saw lobbying local authorities as about changing their approach to waste management akin to a campaigning role. Similarly for the Factory contesting with the local authority on funding and the needs of local people were seen as inseparable.

Table 8 – Rank of goals as first, second and third importance

	Work	Production	Lobbying	Other
1. Recycle IT	1	1	0	
2. Springboard	1	1	0	
3. Bolton WISE	1	2	3	
4. Create	0	1	0	
5. **Necta**	1	1	1	
6. Childcare Works	1	1	3	
7. **FRC**	1	1	1	
8. ECT	0	1	2	
9. **HCT**	1	1	1	
10. Daily Bread	0	0	0	1*
11. Magpie	1	2	2	
12. G/Fingers (ShawT)	1	1	3	
13. GWork Enprove	1	1	0	
14. **Factory**	1	1	1	
15. **Remploy**	1	1	1	
Total 1st rank importance	12	12	5	

** Only one organisation (DB) specified 'other goals' as a priority – this co-operative was concerned to 'promote co-operation'.*

The importance of this balance between goals of work integration and making products for the market can be illustrated well by the manager at Recycle IT:

> *They have to be the same - market and work for disadvantaged. If the market was most important we wouldn't be sticking to our equal opportunities policy and we'd be saying we could do with someone who could just DO that, not needing training and having initiative and no confidence problem.*

Two other organisations - which we considered as belonging to our type 2 category, i.e. having professional quality values as dominant drivers - stressed the complexity of the multiple-goal structure. At Bolton WISE, the manager pointed to the integrated nature of work integration and products in the organisation. His analysis even went further, pointing to the necessary balance with the needs of other stakeholders such as funders and the wider community:

> *We look at the skills of the cohort of people before us and we look at the job opportunities and scope in the local economy. We aim to provide projects that meet those joint needs - to provide that path into other work in the economy - an achievable route. The other factor which determines the project is the work we can secure and the funding to do work that is of social benefit - so it is not all based on the needs of our primary customers – it is also based on the needs of our funders and the wider community out there and the services they need. It is about where there are needs and gaps in the social provision.*

A further complexity was added by another organisation in this type. At Necta, the manager ranked the various goals as fairly balanced, although he felt jobs were predominant, while the specific service (building works) was the result of a historical development and could change. However he also pointed out the way that different goals exert a balance at different times:

> *On a day-to-day level it is the trainees. On a six-month base it's the lobbying - we have a lot of influence with our colleagues in the Local Authority…On products and services -*

well we recruit from estates - bricklayers etc. - that's important that the people there can get access to work that needs doing locally - so it's not like an army of people coming to do this work, paid by the Local Authority then disappearing. Primarily it's got to be getting people into jobs - into work.

3.2. WISE image

Another way to examine the multiple goals of WISE is to see how these organisations portray themselves. There are many interesting features about the different social enterprises' approach to image. A common theme was the fact that the WISE was seen in many starkly different ways by the divergent organisations it came into contact with. Springboard, for example, described this well when they pointed out how the public, shop keepers and social work professionals all saw a different side to the organisation. This perhaps indicates something of the nature of a multiple-goal WISE.

There are several images: to some of the public Springboard is involved in recycling and collecting goods, to others it is supplying reasonable furniture, to others it is a social project supplying very low cost items. To shops SB is providing a regular service of recycling which is much like a business. There are other roles with probation and job centre where SB is a professional client delivering advice and training.

Other WISEs gave similar accounts, mentioning misperceptions, with the public linking them to 'hippies' or 'volunteer/unprofessional' activities while contracting organisations saw the emphasis on professionalism and quality. DB cited this false impression as the

people who come to see what DB does [who] think DB people are sandal wearing hippies but not a real business!

Necta pointed out that it

likes to be seen as having a business acumen in terms of high quality financial and legal structures and an emphasis on quality…. The natural impression will be that Necta's using people who have never worked before so: 'lock your cars and don't leave stuff around or it'll go'. Any problems on site: it must be Necta. We have to fight that.

Summing up the work on the multiple-goal nature of WISEs, it should be pointed out that it appears, both from this study and other literature, that the causal links between multiple-stakeholder structures and multiple objectives seem overemphasised. Many other factors influence the values and goals of the organisation, including: founders, community-based campaigns, existing board, trustees and staff, parent organisation or umbrella, the experience of what works, and the impacts of successful value-based products/services.

The multiple-goal nature of these WISEs is well illustrated by the balancing of competing demands that is necessary between, for example, advocacy and products/services. We can also see how at times multiple demands might coincide. It is also illustrated by how the image of these organisations differs markedly between different actors. This seems true across the three types of multiple-goal WISEs we proposed.

This study has attempted to clarify what exactly is meant by multi-stakeholder social enterprise, and the extent to which such phenomena exist in the social enterprise sector. It has also argued that single-stakeholder structures (such as co-operatives) can have multiple

objectives (as do most organisations) but they may be able to order or prioritise them better than multiple-stakeholder organisations. Evidence also indicates that the context in which these organisations are operating, though continually changing, can be particularly important in explaining organisational behaviour. Contexts here include the way that the market for the organisation's goods or services is operating or the way political priorities are embodied in funding programmes. This may give some clue as to the goal changes spotted, such as ECT moving from transport to recycling.

3.3. Performance of WISEs in relation to goals

Ability to balance the multiple objectives of WISEs

Organisations describe the balance between the multiple goals of social enterprises in various ways but it is an issue that is never far from the surface. The multiple goals of work integration, lobbying and advocacy, and delivering products or services were balanced differently by the organisations researched. In our three-part typology (see section 3), we described ECT as a 'type 1' organisation, attaching high importance to a strategy aimed at gaining economic success to achieve social goals. ECT does not state work integration as an aim and its products and services are seen as top priority along with advocacy and lobbying:

> *The focus is on products and services - the social mission is important but work for disadvantaged groups is not an explicit aim.*

'Type 2' organisations were seen as attaching high importance to a strategy of valuing professional quality and values; most ILMs were in this category. Necta, for example, felt its goals should be balanced but over a timescale different goals were important – lobbying and advocacy, for example, was a goal that had to be achieved over a longer timescale. Its work in the Ambition partnership[5] was aimed at longer-term influence of the building industry as part of a government-recognised pilot project. With work/product balance they were careful not to take on contracts that involved too much high specification work (such as fitting high tech windows) which would relegate their trainees to relatively hum drum and unsatisfactory work. They also recognised that contracting work needed to be undertaken carefully as their workforce might not work with the speed or accuracy of a more experienced group of workers. For this reason they undertook construction work whose completion would not be time-critical for other aspects on the site. The tensions, in terms of keeping to objectives, seemed to be much more felt in the way the other side of the organisation – the social inclusion money for training – was operating. Here the funding targets and increasing shortness of the statutory programmes they were involved in were forcing them towards 'creaming' – taking the better-qualified or more able unemployed workers.

'Type 3' organisations, which contained the worker co-operatives, were seen as attaching high importance to a strategy with social goals dominant. Despite its name, Daily Bread, ironically, does not actually sell bread. They wanted to create a business with a Christian base and the actual main product was chosen because of the founders' interests:

> *The product is probably a bit accidental - it is called Daily Bread taken from the Lord's Prayer - it could have been a baker's or carpets - wholefoods is an issue in its own right and it was something the members went into.*

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[5] The Ambition partnership was created to further good practice in the building industry.

They have a raft of values and norms which the shop works hard to achieve. These are values around food, Christian values, co-operative principles, the importance of wholefoods, treating people fairly and that they are of equal worth, and fairness in pricing to customers too… Work then is not the only important activity, so while they need to make a surplus, this is not the only issue.

One question here is whether there are distinctive challenges to the balance depending on the relation of the product to the client group. There is nearly always some link in terms of the product having a social benefit. However, in some cases, the product and training fit very closely. For example childcare is needed by disadvantaged groups in Glasgow and those same people in need are also trainees (mainly women) who are trained to deliver this. Elsewhere the link may be more distant – most people will only require one washing machine, whether recycled or not. There the product may be more intangible to the trainee and the organisation. But these questions go beyond the scope of the immediate study.

The three types do not however show uniform patterns with regard to the balancing of goals. For FRC, a type 1 organisation, the goals were seen as equal but contain the tension that they are linked: without income no work is done.

> *No, we can't rank the various goals, they are seen as of equal place: work integration and products/services. We have to do both to fulfil their mission. Without the revenue it would all be just have good intentions.*

FRC sees itself lucky because in the act of selling its products the social purpose is achieved. At a very different organisation, the Factory, the goals were also ranked equally. While they saw the aim was for services and work integration to be balanced, like FRC they recognised that 'any work opportunities are dependent on funding.' In the face of conflictual relations with the local authority, Factory's strategy to achieve this equality between goals was through partnerships with other local voluntary organisations and by accessing national programme monies. Funds however remain tight and many staff have had to be placed on short term contracts. The goal has been to move to diversified funding contracts (nearly exclusively in the public sector) and to develop an adjacent building as a nursery which might provide additional space for some means of income generation.

Childcare Works, a type 2 organisation, also had an equal balance between the three goals as they were seen as entwined but with employment provision slightly emphasised. They saw the product (childcare provision), the work integration (training people in childcare skills) and lobbying (for the importance of childcare places and professional training) linked.

> *The product and the training are coupled in this project - childcare training creates assisted work places and often, subsequently, permanent places. The model emphasises childcare training and childcare provision locally embedded within core community projects. Funding cocktails aim to draw in funds for both of the linked aims of employment and childcare provision. Employment provision is slightly more emphasised. Advocacy and lobbying at a more strategic level are undertaken at CIS/Glasgow Works level.*

Create went as far as to see successful trainees as one of the organisation's 'products' so

> *goods and services are dominating work integration but it is integral to the operation - without the income there would be no training, and without selling the products the trainees would not be learning as they went along.*

Remploy, which receives a government subsidy, also rated all three goals equally but described the balance as 'hard' as a disabled workforce will work at a slower pace and it is operating in a fiercely competitive market. An emphasis on a keen marketing strategy was key to Remploy's programme.

Not all organisations ranked the goals as equal. At Bolton WISE the work integration was rated as more important than the products and services, although they also pointed to the integrated nature of work integration and products in their approach. They were frank in seeing that balanced with their own priorities was an additional goal - the needs of funders. At Enprove they felt that lobbying and advocacy had now shifted to being an activity undertaken with or through the parent charity, Groundwork, and that they had moved from a priority on training to needing to balance it with contract delivery. The respondent at Magpie ranked work provision as first and above other priorities. This does however need to be seen in the light of the campaigning side to the organisation's work. They do not appear to seek, for example, local authority contracts at any cost to preserve jobs. On the other hand, there have been few dismissals since the organisation started, but the aims of work and lobbying might contest against each other if Magpie is unable to sustain income levels when the local council introduces a citywide kerbside collection scheme in the near future, which threatens to undermine a major and labour-intensive part of the operation.

A full evaluation here of all of these organisations' achievements set against their stated aspirations is not possible; however, the 'triple bottom line' which FRC argues for in their social audit (balancing imperatives of income, employment, and social benefit) remains active, and most of these enterprises must face daily tensions.

The above aspirations remain essential tensions and some of the issues discussed earlier point to the challenges faced: the 'creaming' pressures (at Necta), the way a campaigning stance might endanger contracts and jobs (at Magpie), the slower working speed of a disabled, disadvantaged or inexperienced workforce (at Remploy, Greenfingers and Necta), the threats of funding cuts (explicitly at the Factory but implicitly elsewhere such as at Bolton WISE), the inflexibility of government contracts aimed at the disadvantaged in very tightly defined geographic localities (experienced by Glasgow Works and FRC)… Moreover, it needs to be borne in mind that most organisations across all sectors face competing pressures: for example, any commercial organisation with a customer focus faces a tension between quality/customer satisfaction and the financial imperatives of delivering a service with a limited budget. The extent to which these organisations fairly balance work and product remains a question of judgement which can never be unequivocally settled. Nevertheless of interest here will be some of the tools, like social audit, being made use of to test these questions.

Ability to achieve the work-integration objective

The research found that the majority of organisations who did rate creating full-time jobs as very important did wish to do more in this respect.

For example, Childcare Works was aiming to increase the overall amount of childcare places and had an explicit strategy of training people into those new posts – it is no surprise that they rank this as important and wish to see it continue. The wish of eight organisations was for an increase in the creation of permanent new jobs, although many of the ILM-style organisations did not seek an increase here. This may be because they did not currently do this – they rather see their main role as bringing people through a temporary training and work programme and on to jobs elsewhere. It may also be because in some cases ILM organisations already tried to recruit new staff from the ranks of participants if possible. This was true at Bolton WISE and Enprove in particular, although it was also true on a more limited scale at Create and Necta. When the organisation is growing this is more possible.

For one organisation (Daily Bread) no increase in full time jobs was sought, because in the context of a limited capacity to expand the business, they felt more permanent jobs would be at the expense of temporary posts which did provide some opportunity for people seeking work to get a foot on the ladder by coming into the co-operative. For this organisation there was also a limit to the proportion of disadvantaged people they could take on in relation to others and maintain a successful business.

No organisations wished for an increase in fixed-term places – this does not imply this was not valued – in some cases it was already seen as the most important activity these organisations did and so could not increase in importance (Childcare Works, Bolton WISE, Enprove). The trend in wishing to offer vocational services did not offer any particular patterns, although some trends do emerge from interviews. A community-based voluntary organisation like the Factory had wanted to enable people to gain accreditation for their skill development, especially in IT skills (for black and minority ethnic groups, refugees, poor people). Elsewhere, at Create for example, the best route into work for many of the young people there was ability to do a job and have a work record, especially in the field of repair and maintenance of goods, where there are skill shortages and NVQs (National Vocational Qualifications) are seen as of less importance by employers.

Eight of the organisations saw placements into the traditional labour market as something they would like to grow in importance. Most of the ILMs and Remploy saw this as something they wanted to increase – in their operations this is an important part of their work and so an increase would be a mark of success. The community businesses and co-operatives did not generally engage in such placements – their focus was more on skilling people up within the organisation for productive work, even if there was an expectation that they would move on and up after a period. It is not surprising then that they do not see this as an area which will develop further. To give one example, at FRC, forty trainees who left in 2001/2 gained 224 qualifications between them, 33 gained jobs in other businesses and one went onto further education; so 73 per cent of completers had successful outcomes. However it is a reflection of the fact that FRC is in a real business that six trainees were dismissed in the year - it is seen as important to protect the success of the whole, so people are not carried if they are 'refusing to take responsibility for their actions, however long they have been unemployed.'

Ability to achieve the advocacy/lobbying objectives

As already mentioned, the meaning of advocacy/lobbying was interpreted in different ways: organisations sometimes understood this as lobbying for position for possible contracts (this is for example the case of ECT, although they also did other kinds of advocacy in the third sector). Others (such as Recycle IT) did not see themselves as lobbying organisations, yet under questioning it appeared that they were playing important roles within networks to argue for amendments to European directives on waste. Daily Bread also did not rank lobbying yet was active on social issues (such as genetically modified foods). Still others (e.g. Magpie) saw lobbying local authorities as about changing their approach to waste management which was akin to a campaigning role and highly important. For the Factory, the goals of contesting with the local authority on funding, trying to meet the needs of local people and creating work and training opportunities were seen as inseparable. Childcare Works does considerable amount of lobbying; however, they recognise their aim is providing work integration and childcare places and so these have been ranked slightly ahead; the lobbying is a means for them to achieve these ends. Bolton WISE regarded these activities as much further behind the work integration and product goals at the time of the study.

The five organisations which ranked lobbying and advocacy as the (joint) most important activity alongside work integration and products and services were Necta, FRC, HCT, Factory and Remploy. These organisations are spread fairly evenly across the range of organisational types studied. They all list 'providing expertise to public authorities' as very important. Indeed four other organisations also rated this as very important – including two that did not rank lobbying among their goals.

The participation in umbrella groups as a means to undertake some of the advocacy activities is given very high importance by eight of the organisations. However three others (The Factory, Remploy and ECT), that were strongly involved in umbrella groups (respectively: BASSAC, Remploy UK, and NCVO, CTA, Social Enterprise Coalition) did not construe the question in this way and offered no response. These three might reasonably be added as finding such networks at least 'moderately important.' ECT, for example, pointed out:

> *The impact of all these networks is they have a role in advocacy on the sector (e.g. Social Enterprise, NCVO). Also they have an effect on advocacy concerning the issues concerning products and services such as recycling and community transport.*

Greenfingers, Remploy and Enprove all cited the important role their national organisations (respectively: Shaw Trust, Remploy UK and Groundwork UK) played in wider advocacy at a national level and so did not seek to undertake this role at that level from their own organisation. Similarly Create had a national organisation which it felt did advocacy at that level. Three organisations felt they were unable to find umbrellas which fully covered their needs. FRC tended to be involved in networks but there was a sense that as a big player in the field it felt it was more of a giver than a taker in many such forums. Springboard reported it hard to find one umbrella into which it neatly fitted although Social Firms UK met some of these multiple needs.

Overall the scale and scope of these organisations and the extent to which they are formally part of a wider umbrella all affect the particular configuration they have in respect to advocacy activities. Organisations such as FRC, ECT and Childcare Works report being plugged in at the highest levels with government departments – they argue with and are

consulted by officials at those levels. Arguably social enterprise is seen as a 'fashionable' part of the third sector and these are successful examples with much to contribute. Other organisations reported success (Necta) in terms of influencing building codes at higher levels but seemed to be less able to be influential on the way funding regimes affected the programmes of trainees and ILM-type organisations seemed overall to be more 'subjects' than 'actors' in regard to funding regimes related to work integration. At city-wide or borough levels, Magpie and Daily Bread had differing degrees of need to affect local authority policy, although the former found this hard to do when it wished too. Two very different organisations, FRC and the Factory, experienced some difficulty in influencing funding patterns for disadvantaged workers at this level. This difficulty was due either to a high degree of bureaucracy or the way that funding programmes were highly prescriptive about who could be helped – often specifying which people in which streets could be assisted. In other cases there was an actual antagonism they found directed towards them. Developing their own partnerships was a way round this.

> *The Factory gains advice, intelligence, support and solidarity from the Council for Voluntary Service; it can operate as a lobby; it can create opportunities for funding partnerships; it can share knowledge on the political situation locally with regard to the voluntary sector.*

Organisations with their own commercial contracts or customer income (ECT, FRC, HCT, Magpie, Daily Bread) seemed to operate with greater freedom in terms of choosing which trainees or staff they wished to appoint and in this respect had, perhaps, less need of advocating activities in regard to work integration funds.

Resource mix and ability to achieve objectives

In this section an overview of the mix of resources of five organisations spread across the typology is presented and discussed briefly. This is followed by a short discussion of some of the strategies employed by organisations to maintain their goals in respect of products.

Table 9 attempts to simplify the balance of resources obtained by these five organisations. There is a rough scale from left to right, from organisations more involved in sales or undertaking big public sector commercial contracts such as recycling (on the left) through to organisations which have a mixture of income sources for both social inclusion work and delivery of services (in the middle), through to organisations totally working in public sector markets around exclusion and social issues (on the right). It is worth noting here that some of the organisations in this study (such as Bolton WISE) pointed out that European funds were structured to inhibit income generating activities.

The table illustrates the different nature of the WISEs investigated in the UK sample by reference to the complexity of their economic environment. The nature of the challenges these organisations face and the kinds of work integration activities they undertake might be expected to bear some relation to the resource mixes shown. There is some evidence to suggest this is the case.

Table 9 – Overview of resource mix in five cases

Organisation	**Magpie (Worker co-operative)**	**ECT (Community business)**	**Necta (ILM)**	**Greenfingers (Charity)**	**Childcare Works (ILM programme)**
Product/ services	Kerbside recycling and commercial recycling	Recycling, transport, engineering, community transport	Building and landscaping	Horticulture and landscaping	Childcare training and childcare places
Annual income 2001/2	£0.562m	£10.5m	£0.902	£0.177m	£2.122m across projects + estimate of central contribution £0.075m = £2.197m
Overview of balance of income	Commercial recycling contracts with public bodies, private sector and subscriptions from individual citizens constitute total income. No grants.	Contracts to six local authorities for recycling services £8.2m; negotiated contracts and some grants connected with third sector community transport make up the bulk of the remaining income. Grant income from public bodies under 1% of income.	Commercial and public sector building contracts represents 50 per cent of income, social inclusion contracts from public bodies makes up the other 50 per cent.	80 per cent of the income comes from contracts for services with public bodies either for training/ employment opportunities or for delivering gardening services. A small amount from fees to individuals for gardening work. There are no block grants but some SRB funding. Shaw Trust centrally also provided some support.	Public funds through a wide variety of city, Scottish, UK and European programmes make up the cocktail of funding.
G: Grants C: Public and commercial sector contracts S : Commercial sales	G: Nil C: 40% S: 60%	G: Less than 5% C: More than 95% S: Negligible	G: Nil C: 50% social inclusion contracts (trainees) and 50% public contracts (building) S: Negligible	G: Less than 20% (SRB funds/contract) C: Over 80% S: Negligible	G: Negligible C: 100% public sector contracts S: Negligible

Childcare Works is nearly completely dependent on public sector programmes for its financial resources. It has negligible sales and its work is exclusively for highly disadvantaged people. We might call it public-sector orientated in terms of resource mix.

Greenfingers has some mix of contract and grant income (the contracts are mostly with public sector bodies for landscaping and gardening work). It undertakes some amount of work integration for disadvantaged groups but not as much as Childcare Works' dedicated project. We might describe it as having a commercial/voluntary-orientated resource mix.

Necta is midway in the typology. The resource mix is roughly half contracts from the public sector for social exclusion training and half contracts with the public sector for building works. These two sorts of contracts are separated because they are qualitatively different. The latter kind of contract resembles those made with commercial building firms with whom Necta competes. We can say it has a commercial/public resource mix. It operates like an ILM and does appreciable work-integration work.

ECT has the vast majority of its income from large-scale commercial-style contracts with public authorities for which it competes directly with private sector organisations. Grant income is a negligible proportion of its income. It does a modest but significant amount of work integration implicitly. We might call it a commercial operator.

Magpie has a mixture of income from public sector contracts (commercial in style) and from direct subscriptions/sales to members of the public. It receives no grant income. It does a modest but significant amount of work-integration work. We might call it a commercial operator with member sales.

WISE organisations use lobbying and advocacy in a variety of ways, including as a way of harnessing resources. HCT for example worked closely with Transport for London to gain access to bus routes, overcoming early misconceptions, for example about volunteer drivers. This also illustrates a strategy for mobilising resources: HCT is moving towards contracts for bus routes as a way of maintaining employment for the drivers they train. ECT, as part of its growth strategy, may consider moving into street cleaning and refuse collection if contracts around recycling become bundled with other disposal services. ECT's growth strategy is also noteworthy in that the parent voluntary organisation (based around community transport) today represents only a tiny part of the ECT family and is dwarfed by the handful of sizeable companies which it wholly owns. The original historical link is to an expertise and interest in transport for disadvantaged groups and this work is still maintained with recent work through the Sure Start programme (Plus Bus), which aims to enable parents and children from an isolated estate to gain access to services. However this expertise has been utilised to migrate to adjacent product areas – for example, undertaking engineering related to vehicles, using a fleet of special purpose lorries for kerbside recycling operations, gaining a contract to run a commercial bus route. On a much smaller scale, Magpie has entered a joint venture with a small private operator to undertake glass collection from commercial premises and has worked with neighbouring local authorities to undertake pilot recycling schemes drawn for its expertise. Both ECT and FRC have taken the route of expanding the geographical scale of their operations from local bases – a move which remains controversial on accountability grounds to some commentators in the community business movement (see Pearce 2003). This is has also raised the issues of both collaboration and competition between social enterprises, which is seen as relatively unproblematic for larger entities such as FRC and ECT but is sometimes a concern to more locally based organisations.

Meanwhile Childcare Works and the Factory have developed their own strategies in their respective fields using a range of partnership projects to expand the reach, or secure the continuance, of their work. Strategies other organisations (Create, Enprove, Bolton WISE,

Necta and Springboard) have pursued to extend the range of products they offer have included: examining opportunities created by the European WEE directive (on end-of-life disposal of electronic equipment) by disassembling old electrical goods for credits; moving into recycling computers; undertaking landscaping; providing city centre wardens, security locks for vulnerable people, home energy audits; and developing secondary goods from reclaimed wood.

The point to note here is that both kinds of commercial operators (commercial operator with or without member sales) do some amount of work integration as a proportion of their work but, as might be expected, they do less than the public-orientated or commercial/public kind. The commercials need to 'earn their bread' through a product (recycling) that is not simply training people. The public-orientated has as its main purpose the work integration activity and unsurprisingly does the most. Meanwhile the mixed models, namely the commercial/voluntary and the commercial/public, face in nearly similar directions and have similar splits. They are operating much more than the others in mixed markets and arguably have more complexity to deal with in this particular respect. It is an unspectacular suggestion that the higher numbers of more disadvantaged people you may wish to train and support the higher degree of either grant or earmarked public contracts you may need to do this.

4. MOBILISATION AND IMPACTS OF SOCIAL CAPITAL

Social capital issues may be seen as a general outcome of the activities of the WISE (as well as an input). Alternatively they may be seen in a more focused way as the key part of a strategy that enhances the capability of the social enterprise to meet its goals – being 'well-integrated' can be an overt part of strategy. In this sense they may engage in specific types of networking (for example, reciprocal, lobbying, intelligence, survival etc.) operating in the context of differing public authority relations (which may be supportive, disengaged, or offering benign neglect etc.) and within differing contexts of relations with commercial organisations (which may be supportive, partners, recipients etc.). The particular configuration for a given social enterprise can be seen as one of a variety of strategic dramas that WISEs play in order to mobilise resources and achieve impact.

4.1. Participation in networks or umbrella organisations

The social enterprises in the research were involved in a wide range of networks which had very different impacts on their organisation. The purpose of these network activities ranged from being highly instrumental and focussed parts of their strategy (for example, to engage with current or potential funders) to being avenues for reciprocal support (for example meeting like-minded people and organisations). The depth of engagement with networks was also highly varied, with some organisations seeing them as vital for survival and others seeing them as a distraction from their productive work. The different networking purposes we identified from the research summarised below. In some cases, these purposes overlap.

Networks for future work: contracts or funding

The most obvious kind of networking is that related to seeking funding or contracts or positioning an organisation for such possibilities. Many networking activities could be seen as having one part of their purpose as relating to future work opportunities. In some cases it could be a central and quite strategic aim. For example, ECT is trying to step outside of the conventional boundaries of voluntary sector/public sector relations by developing wider

income streams. They see this as a route to gaining independence to perform a wider social mission. In order to do that this WISE needs to be engaged in political networks and is trying to influence the Local Government Association (LGA) by meeting some of their members to gain entry and raise their profile as a prospective bidder.

Networks for product or service expertise

Sometimes networking activities were highly related to the organisation's product or service – to gain expertise or share best practise. Social enterprises engaged in recycling such as Magpie, Recycle IT and Create were involved with other similar organisations in the Community Recycling Network. Create chairs the London grouping, which gives it a high city profile and enables it to bench mark and gain intelligence from peer organisations. It may be able to affect city policies but gaining work directly from such networks is unlikely and probably not the main purpose. For other organisations, such as Bolton WISE, attending national networks of ILMs was a way to understand more about current policy and practice developments around work opportunities for the unemployed.

Networks for lobbying and advocacy

Networks related to lobbying, advocacy or campaigning were common. It could be about seeking policy changes locally or nationally; Necta, for example, is working in network groupings on codes of practice for the building industry. It may also be about campaigning on best practice issues. Magpie, for example, is involved with council forums around waste and recycling issues, with the aim of influencing the kind of service the council will offer – it sees itself in a campaigning role, not just in wanting to gain contracts.

Networks for influence and education

Other networks are close to advocacy but can be seen to be about both education and influence. Springboard points out that it seeks to influence statutory providers of funding about the needs of disadvantaged groups. Educating the funders and trying to shift their understanding of the issues is therefore seen as crucial. Create sought to explain the wider benefits of its work to funders to show the effects of its work-integration activities which can have beneficial effects for the local economy. One example here was a Create participant who moved out of the YMCA, off unemployment benefit, paid his own rent rather than claiming £80 housing benefit, got a job and contributed to tax revenues. For an authority where those items come from three different budgets, the whole picture may not be put together. Create accepts it takes time to change habits and therefore engages in such influence and education work. Another example would be Childcare Works, a well-known player regionally, in Scotland and the UK. Its huge contribution to employment and training in Glasgow gives it some influence in networks. It is involved in an ILM managers group as a learning exchange; its parent body, Community Enterprise Strathclyde (CES), is active in committee, consultancy and speaking roles in wider networks. A government programme, the New Deal Innovation fund, is keen on the work, ask for regular updates and may seek to learn from this and replicate it for wider national programmes. Another example still is Remploy, which contributes its expertise to a key city council network and plays an important part in networks regionally and in city. It sees this as helping in terms of giving and gaining advice and raising the profile of the organisation and of the target group - disabled people - with other sections of industry.

Networks for intelligence, survival and coalition building

Another purpose of networking has been for intelligence, survival and coalition building. Bolton Wise described a network which had few instrumental purposes but was about developing ideas and gaining support. It was

> *…a loose group not involved with BW in service delivery but which might in the future… so it was brainstorming ideas - these were allies and supporters …it worked well for the first twelve months…*

Elsewhere it could be about coalition building for survival. At the Factory the project director is active in a coalition, Octopus, and in five other partnership boards with third sector organisations. He vividly described the role of these networks in enabling the organisation to develop their products/services and employment to disadvantaged groups:

> *… if you don't know you don't get, if you don't get you close down. The Factory sees it vital to be involved in a lot of organisations and be very vocal and so we're actively in all of those networks.*

Remploy is aiming to set up, with other groups in its town, a joint bid for EU money to save each organisation applying independently. At Childcare Works local community fora are vital to the development of childcare placements from the core community projects to other local settings. Without building such links the whole CW model would break down. These also play a role in enabling long-term sustainability through mapping the area's childcare needs.

Parent organisations and federations as networks

Many WISEs were part of a larger parent organisation or federated to an umbrella organisation, and thus gained economies of scale. Through this structure they gained or offered many of the roles already described - so the umbrella organisation might be used for intelligence on trends, funding advice or national lobbying. They found this invaluable and would have been unable to undertake this on their own (for example Greenfingers was a constituent part of Shaw Trust; Enprove was part of Groundwork UK; Remploy Southampton is part of Remploy nationally; the Factory is a member of the BASSAC federation). In all cases they were active participants in terms of participating in sub-groups within the larger grouping. Co-operatives tended to emphasise the relation with other co-operative federations.

Reciprocal networks

Many WISEs are involved with other similar organisations to offer or gain more general support for their ideas or practise sometimes on a mutual or free basis, or have helped establish national support structures. We might call these reciprocal network activities. For example Daily Bread helps other co-operatives that may visit or talk to them, played an important role in the Co-operative Development Agency locally and helped start national organisations like the Industrial Common Ownership Fund (ICOF). Magpie has sought to develop co-operative networks locally, and members contribute to other voluntary and campaigning organisation around environmental initiatives. They point out the reciprocal nature of some of these activities:

> *Many things you have to join and pay - we want to share and do practise exchanges.*

FRC also participates in informal networks to help groups locally which are facing problems and may offer expertise to help them.

Networks about the social enterprise sector

Some WISEs have been active in advocating on the field of social enterprise itself or the third sector more generally, either within the sector or to government (e.g. ECT and FRC in the NCVO, Community Action Network or the Social Enterprise Coalition and the government's implementation group of social enterprise strategy).

Low network activity and informal networks

Some organisations cited less network activity: Recycle IT saw networking as expensive. It was not something they could do a great deal of from a small commercial operation with little slack time for non-income generating work. Despite this they were active on the WEE waste directive in a European network (Re-use) which they rated highly in terms of a likely long-term beneficial impact on their work. Bolton appeared also to rate the benefits of networking somewhat lower than many organisations, citing the need to get on with the work in hand. Locally they seemed to find it hard to make direct connections between partnership bodies as these covered a very broad range of neighbourhood concerns. Several organisations had found it hard to find relevant networks due to the plurality of their work – Springboard was a member of Social Firms UK (as was Recycle IT) but other networks were often felt to be not related enough to their multiple concerns: recycling furniture, answering the needs of ex-offenders and long-term unemployed, social enterprise, funding partnerships... Even quite large community businesses such as FRC lamented the lack of good networks from which they could draw – either locally or nationally. They emphasised the value of informal networks, such as a London-based innovation grouping (What if?); participants who had passed through their own social enterprise training events (Cat's Pyjamas) formed a loose network.

4.2. Relations with public authorities and political parties

There were highly differentiated relations discovered between WISEs and public authorities, ranging from highly supportive to the confrontational. In between were authorities offering benign neglect or interested in 'business relations'. Sometimes the relation seemed to have little to do with the nature of the WISE's activity; however, with those organisations that were successful in commercial markets, there tended to be less contact, whereas where there was a need to access social inclusion, funding relations seemed more present.

Active engagement with public authorities

Both Necta and Groundwork had a close relation with the local authority in Nottingham, of which they spoke highly. Necta found this important in accessing contracts, in gaining social inclusion funds and for support and information. Some organisations are more dependent than others on their local authority or on national government's social inclusion programmes for income connected with helping people into work or supporting their training. Some of the nature of this relation has been discussed already. Here a few examples are given of the impact of these relations with those kinds of organisations most involved.

Necta describes the relations with the authority as 'complicated.' So too does Enprove, which has a very close connection with Citywide Development Department of the authority and sees it as an umbilical cord. For Necta the local municipality has acted in a brokering role: gaining social exclusion money through government programmes and then contracting with organisations like Necta to deliver small construction projects which will employ disadvantaged people.

The feeling can be that, although this highly supportive relation is important to Necta, the latter may need to move slightly away and be seen to be more independent. The relation with the authority, which is simultaneously supporting, writing, brokering and offering tenders, may involve them in holding too many roles.

Remploy was actively working with the local authority in Southampton with the strategic objective of making better local links and seeking partnerships for accessing European and other funds. There was a similar but more developed and extensive pattern with Childcare Works, a highly networked organisation in public sector groupings at neighbourhood, city, regional, Scottish, UK and European level. Their particularly complex patchwork of funding seemed to necessitate a large investment of time in investigating, keeping up-to-date and forming partnership groups for bids with and around public organisations.

Hackney Community Transport, through their umbrella, the Community Transport Association, had links with all political parties and in parliament. This latter link provided help when European regulations might have adversely affected the UK community transport sector, some years previously. FRC's involvement with a local authority customer base has allowed it to grow, to win a contract, build the business on the back of that and then diversify. However FRC saw disadvantages to its relation with public authorities:

> *On the down side, local authorities are incredibly bureaucratic, it is low pay, very slow, and if management costs and time are added (which they don't even see, let alone offer to pay for), it is worse still.*

FRC sees issues of local ownership as well as dealing with politicians' sensitivities as problematic. FRC deals with these in a robust manner but this can be time-consuming:

> *Politicians can regard FRC as their property, their enterprise…A project in their ward means you belong to them and among the politicians there's a sense of higher expectations. Politicians didn't like FRC making people redundant - FRC didn't either - but FRC is a business and may need to restructure.*

The much bigger operation at Childcare Works sees the relation as two-sided: networking for cocktails of funding and arguing the case for childcare workers and the training model it has developed. They feel this work would be better if it was supported by national government as a finite project over a certain length of time until the current high shortages of qualified childcare workers has been bridged. They have had some success in alerting government and local authorities to these issues but feel that progress has been slow. Ironically they are forever re-assembling programmes at local level, circumnavigating programme rules and restrictions in order to actually meet the funder's original stated intentions for these programmes.

Disengagement

Elsewhere relations with local authorities seemed much less positive. The Factory saw its local networks as buffer against a hostile public authority. The contact to the ruling group in the authority was described as 'confrontational'.

Create's relation with the local authority, while not as distant as at the Factory, is described as strained. For them the difficulty is in persuading the authority to buy from the organisation. Create's argument here is that the authority should consider WISEs in terms of local procurement procedures. In other words the local municipality should consider buying services and products from Create. They should, Create feels, take into account the wider contribution to the local economy that this social enterprise is making, e.g. taking people off income benefit and housing benefit, and thereby enabling disadvantaged people in poor areas to be able to contribute to local and national taxation.

Elsewhere, Bolton WISE believes that now the organisation is established many council departments are less interested. Inside the council the closest allies are in the Commercial Services Department while there have been tensions with chief executive's department, which has been concerned that the ILM may not add value, and with the environment department, which originally spawned BW. BW felt that the authorities' priority appeared to be to get people straight into unsubsidised work. Bolton WISE's intermediate role in support and training is thus felt to be undervalued.

Benign neglect

A further category of relation with public authorities could be described as benign neglect. Organisations like Daily Bread and Recycle IT, which both derive their income wholly from commercial activities, had little contact with the local authority. Magpie has operated a subscription-based kerbside waste collection service, begun originally as a campaigning tool on recycling issues a decade earlier. With local authorities now moving to instigate such systems there has been an interest in closer connections. Magpie described the relation as politically good (with relations with all the main three parties and agreements with all of them in different aspects) 'but at operational level it falls to pieces'.

Business relations

Many WISEs can be seen to have a more 'business-style' relation with public authorities. In some cases this is connected to the kinds of contracts they are pursuing. For example, Greenfingers, which is heavily dependent on statutory contracts, also sees itself as having 'a business relation with the local authority', which has led them to be on the preferred list of bidders for tenders. ECT is competing for large recycling contracts alongside national commercial organisations. They are stepping outside of the conventional boundaries of voluntary sector/public sector relations by developing commercial income streams. As a result they are developing increasingly business-like relations, more determined by the pragmatics of contractual delivery rather than as campaigners or advocates influencing the service itself. Childcare Works' main business relations are in the public sector as a provider of trained childcare workers. Massive changes have taken place due to the emergence of various national programmes which affect CW's 'business environment'. The area of childcare has become professionalised and requires qualifications and the project sees itself as bringing in a much-needed childcare workforce via large public sector contracts.

4.3. Relations with the commercial sector

In many instances there are 'business relations' with the public sector as contractor for services, whether this is in waste service delivery, childcare or contracting for building works and landscaping funds. In some cases these business relations are even with other social enterprises. ECT and FRC, for example, have jointly bid for recycling services. Moreover, most WISEs also have 'business' relations with the commercial sector. We have identified the following kinds of relations commercial organisations or customers have to WISEs: as supporters, partners, purchasers, or recipients. In the present section, we also consider some fears from commercial organisations and delineate some perception issues.

Commercial organisations as supporters

In some cases we found commercial organisations highly supportive of WISEs. Create is highly positive about its relations with business partners, such as discount electrical supplier, Dixons. They help in practical and in-kind ways by offering equipment, loan of key personnel and by giving access to their bulk buying discount schemes for boots and protective clothing. Recycle IT even believes their helpful corporate suppliers of unwanted computer equipment could gain more in public relation terms for their donations. Enprove's recycling work leads it to have closer links, like Create and Recycle IT, with the business sector. In the future, Enprove will receive donations from the Comet (another discount electrical warehouse company) - these donations may be new machines which have been returned with minor faults, or the old appliance collected from the householders. This helps remove a disposal problem for the corporation but gives a valuable raw material to Enprove.

Commercial organisations as partners

The research found both instances of partnerships and desire for partnerships. The roles played by Dixons and Comet (mentioned above) can be seen as forms of partnership. There are other links developing. The Factory is involved with the Chamber of Commerce in the Neighbourhood Renewal programme and further links with commercial organisations are being sought. Many of the businesses in Factory's area are city-wide or national – for example Telecom or regional transport - but small local businesses are in retreat. The Factory sees this as problematic because newly arrived low-skilled people find no low-skill work in the area. In this sense community-based organisations such as the Factory are interested in the role of the private sector and see some common interests.

Customers as purchasers

Some of the WISEs had individual customers who purchased from them. Daily Bread reported 'not a lot of involvement in the wider business community' although they themselves are influential in the niche market with wholefood suppliers and other of wholefood shops. It is the customers in the shop who are the most crucial in terms of financial survival. DB is supported here by an increasing public awareness and concern around food issues which is positive for their trade. Recycle IT also has individual but also institutional customers (such as schools and churches) for its computers. Some of their customers care that the organisation offers jobs for long-term unemployed. Customers may care that RIT is aiming at them as belonging to priority groups (voluntary organisations, faith groups, the elderly etc.) and that if the organisation sold to anybody it would not have as much impact. Their customers like to

feel they are special but they mainly want to have low-cost computers and that is most important. Magpie's largest single income source are the householders who subscribe to its kerbside collection scheme.

Commercial businesses as recipients

In some cases it is local business suppliers that have been supported by WISEs. Most of FRC's suppliers have been with them for a long time and are family-owned. One company that makes wardrobes for FRC have twice been saved from bankruptcy by FRC paying them money upfront for work.

> *They really like being involved with FRC but they find us a bit weird - they find FRC's honesty when we have suppliers meetings hard but FRC and these suppliers are quite loyal to each other.*

At FRC the relationship with private companies is overwhelmingly one towards their suppliers – FRC buys from the private sector but markets to disadvantaged groups or local municipalities. The nature of this relationship is that those business organisations are dependent on FRC.

Image and business relations

Several of the organisations operating in more commercial markets reported the relation could tend to be patronising in the early stage of the relation. ECT found the local authority wondered why organisations like them were bidding for work in recycling. By way of contrast today the social nature of ECT now seems largely ignored and their relation is much more business-orientated. In recognition of this shift ECT is also now considering developing its links to other private organisations by joining the West London Business forum. HCT found misconceptions with Transport for London, the biggest contracting body they deal with, which found it hard to understand them - initially thinking they would be using volunteers:

> *It was a lot of education, but they've since contracted with us.*

Businesses have also tended to have misconceptions. Remploy found the commercial world had a particular image of disability organisations:

> *The biggest problem over the past ten years was most people perceived us as doing basket weaving work (we didn't) and work was given to the organisation partly because it couldn't charge a lot, because it didn't have the professional infrastructure or because they paid a very low amount. In the late 80s and early 90s we started to change as a company and marketed ourselves more in business terms of being professional.*

Greenfingers has encountered perception problems too; occasionally, they were faced with patronising attitudes:

> *…the attitude can be 'are they all right?' This is not just on mental health issues but on disadvantaged people in our service too. This has got less now that we have a track record for projects that deliver.*

Fears from commercial organisations

Apart from image issues some business organisations think there may be unfair competition on the part of WISEs – which may be linked to lower wages, or in effect a public sector subsidy. Necta refutes this when it contracts competitively against other building firms. It is careful to separate social inclusion funds from commercial contracting. In some cases there are other more novel objections to social businesses:

> *Others have said ECT has an unfair advantage because it doesn't have to pay shareholders! However more and more it is seen as simply a competitive environment and ECT is another competitor.*

4.4. Role of volunteers

In some of the organisations surveyed, volunteers play significant roles; however, with many of the larger and more professionalised WISEs, volunteers' main roles are only in governance roles, as board members. The worker co-operatives tended not to use volunteers.

At the Factory there are fifteen regular volunteers involved: with cooking, in work with children under five, in two elderly support groups (including the Asian Elderly Support group) and as adult education tutors. Greenfingers has volunteers involved in various aspects of the horticulture and shop. There are nineteen regular volunteers at Springboard. At ECT volunteer drivers are involved in the community transport operation and FRC has three volunteers who are involved in maintenance and cleaning jobs. At Recycle IT and Daily Bread volunteers are sometimes involved in the work because they do not feel able to take on a full job and are offered some engagement with the work. In many of these cases volunteer work can be a stepping stone to paid work in the organisation. In some cases (and Childcare Works is a not an untypical example in this regard), volunteers at the core projects are working in an integrated way with staff and trainees.

No volunteers are reported in direct service delivery at REMPLOY or at the more ILM-style organisations such as Bolton WISE, Necta and Create. However, in most of these organisations, there are voluntary board members. Overall volunteers were most predominant in community/voluntary-style organisations such as the Factory, Shaw Trust and Springboard.

4.5. Working atmosphere and internal democracy

We might expect WISEs to display some distinctive features in the working climate. However, as multiple-goal organisations seeking both social inclusion for their workforce and needing to deliver a productive service or product, we might also expect some tensions. The research highlighted some evidence of differential approaches in different types of WISEs.

Direct membership on the boards by participants tends to be low in the multi-stakeholder organisations such as the community businesses, ILMs and charities. At the Factory, members of the local community are on the board and this offers a route into decision-making for people coming from some of the same disadvantaged groups as those people who are clients, volunteers or paid employees. This serves, the Factory feels, to keep the organisation relevant to those groups.

ILM-type organisations heavily engaged in specific training activities (such as Bolton WISE, Necta, Springboard, Childcare Works and Groundwork/Enprove) tended to emphasise the need for a clear set of boundaries to establish a working climate. Childcare Works speaks of the initial approach with new recruits as 'a very softly-softly approach' where support is available but 'it toughens up after a few months and it is made clear this is a job and if they are not present the service suffers.' There is also a need for inspiration and motivation. For example, at Bolton WISE, trainees often arrive wanting nothing and do not wish to be at the organisation. The staff are seen as having a role in creating the desire to succeed amongst the trainees:

> *They have been mandatorily sent here - our first job is to change their perspective on life and work - it's a tall order... So we need to challenge them - to have the confidence to want to choose something. Inspirational means a wide range of opportunities to capture their imagination... so we say: management should inspire staff to achieve.*

Some variety of democratic involvement was in evidence in these types. There were typically a range of meetings and sub-meetings involving staff and participants. Enprove provides a good example here: there was a pattern of involvement with senior teams, project teams, trainees and staff, with encouragement for informal and formal communications, and trainees met every week with their supervisor. But in a project involving around 240 people over a year, there is not one time where all core and ILM staff come together, apart from the Christmas party. They also point to another difficulty for deeper involvement for trainees in that 'participants turn over every 6 months, which means core staff meetings held more than quarterly would be seen to lose significance.' Create has also thought carefully about structure issues and has sought a different kind of involvement from trainees than direct access to the board:

> *We have avoided the local authority-type model with a steering group involving the client base. This can lead to shop floor lawyers and become very political. We seek to keep it simple. There is a middle of the month Friday meeting with staff over lunch (all permanent staff) where senior staff report on the finances of the business…On the last Friday of the month there is a meeting with all staff and trainees…There are also certificates, and a staff member of the month - an envelope with some cash in it (£20)!*

Within social firms like Springboard, they previously saw participants as 'clients and sought to protect them' whereas they now have separated the roles of Operations from Business Development. This has provided a structural tool within the organisation for delineating the twin needs of work integration and succeeding with products and services:

> *There is a separation of labour and some reality confrontation. If people come on New Deal or from Probation the reality is they have to work as a part of the project like a commercial environment. SB is not unsympathetic to people - it is quite sophisticated in the way it supports people but it does mean things need to get done.*

Among the community business organisations, there is a similar message from FRC. They point out staff seek to create an environment so that they are fair in what they do from recruitment to internal development within the company. The reality of a working environment is stressed.

> *The moment that people join FRC, they get that they are working for a company, with real business, it's got real work, and the only difference between them [a participant]*

and a permanent member of staff is that they have a year's contract while they are with FRC but it is the same uniform etc, everyone does the same work.

At FRC there were also some innovative ideas such as the People's University at FRC, where staff and trainees can learn new skills (such as video/film making) or take up courses which may be unrelated to their work (such as yoga) or gaining a Heavy Goods Vehicle driving license for driving large lorries to enhance their work prospects elsewhere.

Amongst the worker co-operatives the democratic processes and other organisational structures were seen as important contributors to a distinct climate. At the two worker co-operatives there were General Meetings that members (and often others) could attend and these formed the main formal decision-making forum in these organisations. At Magpie there was a profit share scheme, and newer workers could also build up an innovation fund which they could use to experiment with ideas or training broadly related to the co-operative without having to gain agreement at General Meetings. They also worked a shorter working week and had generous holidays to compensate for what can be dirty work. At Daily Bread, daily prayer sessions during the afternoon helped to reinforce the Christian values on which the organisation is based. There were also informal indicators. At Magpie some homeless workers had parked trailers, in which they lived, on or near the workplace at times.

Overall, in considering the most important organisations supporting the WISE, there are different dimensions to be taken into account: support may be from political sources, concerned with values and ideology, connected to funding/contracting/customer relation, from expert sources. The worker co-operatives gain sustenance in terms of their co-operative values, for example, from being part of wider co-operative networks; they require the support of customers for the success of their business; networks concerned with wholefoods or recycling may help them in gaining intelligence around products and market trends; political links with local authorities may help or hinder them when their business is concerned with statutory contracts.

CONCLUSION

The fifteen UK work integration social enterprises in this study are representative of the range of types of social enterprise found in the UK dealing with disadvantage in the labour market. They differ considerably in their structures and sizes, and their entrepreneurial nature. But most of them have enterprise and social dimensions that bear good comparison with EMES criteria for social enterprise – as such, they represent a most interesting emerging phenomenon that has caught the imagination of UK policy makers and practitioners alike. However it seems clear that there is now a clear need to accept this diversity and move towards typologies of social enterprise that reflect this – this paper has proposed some typologies, and it is to be hoped that further research will consolidate these preliminary findings. It is hoped that this study, by examining the complexity between different types of social enterprises can help researchers, practitioners, and policy makers move towards a greater understanding of what social enterprises can and cannot deliver.

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