Bridging gaps and fostering inclusion: A social enterprise case

This case study examines key aspects of starting a social enterprise and how transferrable commercial experiences can be. It explores the challenges, strategies, and transformative impact of establishing a socially-focused organisation that bridges gaps, fosters inclusivity, and drives positive change within the business landscape.

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How to cite: Mirza, A. & Papagiannidis, S. (2023) *Bridging gaps and fostering inclusion: A social enterprise case*. In S. Papagiannidis (Ed), <u>Teaching Case Book</u>. Available at https://learning.ncl.ac.uk / ISBN: 978-1-7396044-1-7

Teaching Case Factsheet

Discipline: Management and business studies

Introduction

Ammar Mirza CBE is a proud Geordie, born and raised in the Northeast of England within an Asian family. His cultural heritage and experiences influenced his entrepreneurial spirit from a young age. Ammar's dedication to hard work and innovation became evident as he pursued education and work opportunities from an early age. He initially ventured to London to work with the British Council, but soon returned to his roots in the Northeast. He joined United Artists, a precursor to Telewest Communications and now Virgin Media. Through determination and a keen interest in innovation, Ammar's career evolved rapidly, culminating in his responsibility for new service delivery within the organisation. Seeking new avenues, Ammar explored various entrepreneurial ventures, including property development and management consulting. His commitment to innovation led him to invest in several innovative businesses, experiencing both successes and challenges.

Amidst this diverse portfolio, one venture stands out: the establishment of a Community Interest Company Asian Business Connexions (ABC) in 2009. Ammar's desire to foster connections and support within the Asian and wider communities led to the creation of a not-for-profit social enterprise, which aimed to bridge gaps, provide support, and promote collaboration among individuals and businesses. Asian Business Connexions became a vehicle for empowering entrepreneurs, addressing barriers and facilitating community growth. This case study examines key aspects of starting a social enterprise like ABC, and how transferrable commercial experiences can be. Through the lens of ABC's journey, we explore the challenges, strategies, and transformative

impact of establishing a socially-focused organisation that bridges gaps, fosters inclusivity, and drives positive change within the business landscape.

Background

Asian Business Connexions was created in 2009 as a response to a void within the local business community. Within the Asian community there was limited engagement and exposure to business support organisations. These encompassed entities like Business Link, regional development agencies and local authorities. ABC conducted a rudimentary survey involving a hundred businesses owned and led by Asians. Of those, only 2 were acquainted with business support organisations, and even then, their engagement had stagnated. Considering the significant proportion of ethnic minority owned businesses and their growing importance, this was a significant challenge. Given this context, ABC sought to discern whether the underlying issue was merely rooted in awareness, indicating a lack of knowledge about available resources, or whether deeper, more complex factors were at play. These factors might be linked to the cultural and religious influences prevalent within the Asian community.

Ammar recognised the need for a representative body that would transcend sectoral and cultural boundaries. While existing groups focused on specific sectors, ABC's vision was inherently inclusive, aiming to create an environment where diverse communities could interact, collaborate, and thrive. The organisation's mission extended beyond economic growth to encompass mutual understanding, cultural integration, and empowerment. ABC was established to help address inequality, promote community cohesion and the lack of access from the Asian community to existing business support programmes.

ABC was launched as a not-for-profit social enterprise. An influencing factor for such a choice was not only to ensure long term social impact but also to address to a prevailing sense of suspicion within the community. Questions arise about someone's motivations, what that individual stands to gain, and the reasons behind dedicating a substantial portion of their life to such a cause. It was not surprising to Ammar that at times ABC was playfully referred to as "Ammar's Business Connexions". Setting ABC up as a not-for-profit entity was a deliberate choice to address these concerns. People would often inquire, and still continue to ask, why the founder remains committed to such cause and why they have invested so much time and resources. The response has always been rooted in the fact that Ammar and his partners were doing what was right. There was a noticeable gap that needed filling, and they stepped up to the challenge with the support of various individuals.

ABC's business model was built upon delivering inclusive support programs that spoke to the diverse needs of its participants. This support has taken numerous forms, such as the ABCurry club events, interesting insights into business growth, and promotion programmes. While events have constituted a significant part of ABC's identity, ABC has also executed a range of enterprise programs, some of which were funded by European Funding sources, aiming to promote inclusion and provide assistance to various organisations and individuals. The organisation has left an indelible mark, nurturing over a thousand nascent startups, cultivating the growth of numerous established businesses, and engaging thousands of individuals across communities. ABC's innovative blending of enterprise and well-being resonated deeply, transcending conventional boundaries and connecting with a wide-ranging audience. The establishment of inclusive networking events and an awards program further solidified the organisation's reputation, drawing sponsorship support and reinforcing its impact-driven approach.

The ripple effects of ABC extended far beyond local confines. Participation in parliamentary groups to provide input with regards to ethnic-minority led businesses elevated the organisation's influence, underscoring its commitment to shaping policies and driving systemic change. The broad scope of ABC's network-building efforts and comprehensive engagement initiatives enabled them to directly

connect with stakeholders across the North of England. This expansive outreach exemplified the organisation's potential to catalyse significant societal shifts and advocate for inclusivity, understanding, and collaboration.

Moving into social enterprising

Ammar Mirza's entrepreneurial journey is marked by a remarkable variety of projects, each spanning different industries and sectors. This diversity may raise questions about the challenges of managing such a multifaceted portfolio and, in the case of ABC, moving from for-profit ventures to social enterprises. However, delving deeper, one discovers a distinct common thread that binds these ventures together: innovation and enterprise. Ammar's knack for identifying opportunities for improvement and his pursuit of creating value have been the driving forces behind his ventures. His passion for innovation is a pivotal factor in his ability to transition from one project to another. He describes himself as an "ideas" person, someone who thrives on the process of fixing things or making things better and constantly seeks out novel solutions. This passion has not only fuelled his drive, but has also enabled him to stay engaged and excited about each new endeavour. It does not matter whether this is for profit or not.

While some may question whether diversifying across various industries dilutes expertise, Ammar challenges this notion. He views his wide-ranging experiences as an asset rather than a liability. In an era where adaptability and cross-disciplinary skills are increasingly valued, the ability to draw from a diverse background provides the necessary insights and experiences that are applicable across sectors. He has observed a shift in societal attitudes, where a broad range of experiences is now seen as an advantage rather than a hindrance.

At the heart of Ammar's entrepreneurial philosophy is a simple yet powerful guiding principle: he engages only in ventures where he can add value. This discerning approach ensures that he remains committed to projects that align with his expertise and passions. By focusing on value creation, Ammar maintains a high level of impact while avoiding endeavours where his contributions might be limited.

Social enterprises and sustainability

The inception of ABC was not without its challenges. The dichotomy between for-profit and social enterprise ventures raises intriguing questions, particularly when it comes to financial sustainability and scaling. While commercial enterprises have a clear financial motive and return on investment, social enterprises often require a delicate balance between financial viability and social impact. In both realms, prudent resource allocation remains crucial. However, the prioritisation may shift. In a commercial venture, the primary focus could be on minimising costs and maximising profits. In contrast, a social enterprise may allocate resources to ensure the delivery of meaningful impact, while generating enough revenue for sustainability.

ABC was no exception to such challenges. Despite initial expectations of external support, Ammar found himself personally financing the enterprise's activities in the early years. This challenge underscored the difficulty of harmonising social impact with financial sustainability. The resistance encountered while seeking nominal membership fees from businesses highlighted the intricate dance of balancing mission and monetisation and the importance of framing the social value proposition to resonate with potential stakeholders.

Similarly, the cultural and religious context within which ABC aimed to establish itself had to be taken into consideration. While the organisation's name, Asian Business Connexions, suggested a business-oriented focus, ABC swiftly pivoted to emphasise the communal and inclusive aspects.

Notably, after a few years, the trajectory shifted towards creating and delivering programs, many of which revolved around employability. A key initiative centred around bridging the gap between ethnic minority Asian businesses and business owners, specifically addressing areas like employment opportunities. Traditionally, Asian businesses have been associated with sectors such as retail, food, hospitality, leisure, and transportation, resulting in a distinct professional landscape. However, this landscape often led to a sense of isolation, with business owners like restaurant proprietors and shopkeepers operating within their own spheres. ABC's mission was to dismantle these barriers and encourage a sense of collaboration. For instance, ABC partnered with Newcastle College to establish a dedicated hospitality program catering to young Asian individuals. Many of them were not inclined to join their parents in running restaurants or shops, due to the lack of perceived entrepreneurial opportunities. The disconnect stemmed from the arduous work their parents often undertook, which did not resonate with their aspirations. For example, effort was invested in altering this perspective by showcasing alternate paths to success, e.g. as to how to transform a corner shop into a tech hub. By offering a bridge between their aspirations and the existing business landscape, ABC aimed to reshape the narrative.

Defining and measuring value

Crafting a compelling value proposition is pivotal in both commercial and social enterprising contexts. For-profit enterprises have to create offerings that resonate with their target market and prompt customer engagement. Similarly, social enterprises need to demonstrate the tangible and intangible benefits they offer to attract stakeholders, donors, and beneficiaries alike. While financial metrics are paramount for commercial ventures, social enterprises adopt a broader spectrum of success indicators. Beyond profits, social impact metrics are essential, reflecting the positive change the venture brings to individuals, communities, or society at large.

In the case of ABC, part of this challenge appeared when it came to measuring impact and demonstrating value. Evaluating the impact of a not-for-profit social enterprise is a nuanced endeavour. ABC approached this challenge through a multifaceted strategy, employing both quantitative and qualitative assessments. Surveys, progress tracking, and benchmarking provided quantitative insights into the organisation's reach and effectiveness. Yet, it was the qualitative stories of individual transformation and success that truly illustrated the real-world influence of ABC's initiatives. By weaving together data-driven evidence and human narratives, ABC aimed to validate its commitment to generating meaningful change. Both realms encounter uncertainties and risks. Commercial ventures often grapple with market dynamics and competitive pressures, whereas social enterprises navigate the unpredictable landscape of social challenges. Both require adaptive strategies, agility, and a willingness to learn from failures.

Despite the differences, a convergence of entrepreneurial mindsets emerges. Whether driven by profit or purpose, entrepreneurs have to exhibit creativity, resilience, innovation, and a willingness to seize opportunities and adapt to changing circumstances. The distinction between commercial and social entrepreneurship blurs, as both seek to create value in their respective domains. On the other hand, there are also differences. The mindset while running a social enterprise can vary from a conventional business approach. If ABC was to be treated purely as a "business endeavour", the approach would have been significantly different. In fact, there were instances where, considering it solely from a business perspective, there were ideas of closing down ABC within about six months of its inception. Ammar had to step in and support the project through personal resources. Prioritising social return may involve a stronger alignment with one's passion and values rather than purely strategic considerations. Nevertheless, this does not discount the need for business acumen. There have been instances where social enterprises struggled or even failed because the individuals behind them either lacked a deep understanding of the enterprise aspect or overlooked it.

Making change happen

One of the most significant challenges encountered in the journey to foster inclusion pertains to the common tendency for discussions on inclusion to trigger defensive reactions. The mere mention of terms like equality, diversity, or inclusion often prompts individuals, including organisational leaders, to respond defensively or offensively, shaped by their respective viewpoints. These responses, whether aggressive or guarded, tend to impede constructive dialogue. ABC has pursued a different path. Rather than engaging in dialogues centred around making organisations more inclusive or adhering to a checklist of policies and benchmarks, ABC's approach acknowledges the reality that a one-size-fits-all approach is inadequate, considering that each organisation has its own distinct culture and individuals hail from diverse backgrounds. Each organisation had to define its own objectives and embark on its own journey to reach them.

This journey began by defining success collaboratively. Rather than superficially stating diversity targets, organisations engaged in a participatory process. Stakeholders, from CEOs to employees, participated in defining success. By contributing ideas, discussing challenges, and voting on preferred paths forward, everyone felt invested in the process. This not only increased engagement, but also established a sense of ownership and commitment to the envisioned change.

To implement the project and operationalise change, ABC employed a proprietary innovation framework called Yohlar (www.yohlar.com), which blends design thinking, data analytics, and systems thinking. This comprehensive approach allowed ABC to effectively address the challenges of overcoming biases, preconceptions, and individual differences, while channelling efforts toward a common goal of fostering inclusion. Yohlar's innovation process has been designed to bypass biases and conventional constraints. Stakeholders are encouraged to tap into their childlike curiosity, thinking without boundaries, and questioning assumptions. This shifted focus away from individual biases, enabling participants to explore innovative solutions that might not have emerged otherwise. The co-creation journey culminated in a unified vision for change. Organisations are no longer chasing abstract quotas or ticking diversity boxes. Instead, they have a concrete, shared vision grounded in innovation principles. This shared vision provided a sense of purpose, clarity, and alignment, serving as a driving force for inclusive transformation. By placing innovation at the forefront, ABC reframed the conversation around inclusion. Rather than grappling with differences, organisations harnessed the power of collaboration and creative problem-solving.

The ABC Yohlar powered framework facilitated meaningful engagement and empowered organisations to tackle inclusion challenges head-on. The framework revolves around three distinct phases: connecting, supporting, and promoting. While this framework might not appear revolutionary on the surface, its significance lies in how it bridges these stages, resulting in a comprehensive and integrated approach. This transition made it possible to develop a wide array of initiatives, programs, and activities tailored to each phase, all of which were intricately linked. Visualising this as a journey map, ABC identified the initial step of connecting individuals and communities, recognising gaps and moving on to provide essential support. Finally, embracing the concept of promotion proved to be particularly crucial in countering cultural conservatism. This hesitance to celebrate successes or acknowledge positive contributions presented a significant challenge, and ABC were determined to confront it head-on.

Conclusion

The case of ABC reveals a convergence of entrepreneurial mindsets across both for-profit and social domains. Regardless of the specific focus, entrepreneurs need to embody creativity, resilience, and a willingness to adapt to changing circumstances. The boundaries between commercial and social

entrepreneurship blur as both seek to create value, either in financial returns or societal betterment. The story of Asian Business Connexions underscores the importance of collaborative efforts in driving change. ABC stands as an inspiring testament to the potential of social entrepreneurship. Its journey highlights the transformative potential of integrating innovation principles into the process of fostering inclusion. By shifting the focus from individual biases to collaborative innovation, ABC has shown that change is not only possible but also empowering.

Questions

Reading List

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How to cite: Mirza, A. & Papagiannidis, S. (2023) *Bridging gaps and fostering inclusion: A social enterprise case*. In S. Papagiannidis (Ed), <u>Teaching Case Book</u>. Available at https://learning.ncl.ac.uk / ISBN: 978-1-7396044-1-7

Last updated: 2023-10-01 10:29:31 - Exported: 2024-03-15 03:08:14

ISBN: 978-1-7396044-1-7

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