

Connecting BME Entrepreneurs to Social Investment Briefing



What was the project about?

The aim of the project was to better understand the barriers facing Greater Manchester (GM) Black and Minority Ethnic (BME) communities to access social investment and what support would be needed to make social enterprise infrastructure more inclusive to BME social enterprise.

This research project was delivered by GM BME Network, Flourish CIC and GMCVO.

Who conducted the research?

Four researchers from BME communities with experience and expertise of working within communities were recruited to conduct the research, run the focus groups and to interview a cohort of BME Social Entrepreneurs.

What did we do?

The researchers conducted desk research to identify the social enterprise infrastructure across the 10 boroughs in Greater Manchester and to identify any services targeted at BME communities. BME social entrepreneurs were identified and fed into a newly created BME social enterprise database.

About the cohort

- The cohort included entrepreneurs from diverse heritages and ethnic origins: East and South Asia, Middle East, Africa and Caribbean.
- Their social enterprises are in various stages of development from pre start-up to trading up to 15 years.
- They offered services and products across a wide variety of sectors from health and wellbeing, education/learning, employment, arts and community development.

The project conducted two focus groups and interviewed 26 BME social entrepreneurs (the cohort) to gain insights into their understanding of social investment and their experiences of social enterprise support in Greater Manchester.

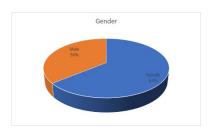
Greater Manchester Centre for Voluntary Organisation (GMCVO): The voluntary sector support organisation for the city-region of Greater Manchester. GMCVO's vision is a strong, diverse and influential voluntary sector.

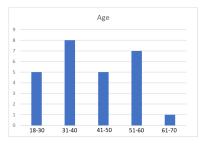
GM BME Network: Provide networking opportunities and better access to knowledge, information and support for black and minority ethnic (BME) and refugee voluntary and community sector organisations across Greater Manchester.

Flourish CIC: A peer network and social venture development consultancy that provides support, investment, learning opportunities and specialist research and consultancy to enable women change makers to flourish.

The cohort included (among others):

- Alchemy Arts
- CDM UK
- Dynamic Support of Greater Manchester
- Earth Clinic
- Ethnic Enable CIC
- GIFT (Grace Incorporation Faith Trust)
- HerArt
- Hussain Chaudhry
- Just Psychology CIC
- Lingua Franca World Community CIC
- Pride Disability
- Women with Wings
- Yaran Northwest CIC





Whilst these findings are not meant to be representative of the BME social entrepreneur population of Greater Manchester, it does provide useful intelligence that can be used as guidance for those wishing to work with this population.

What did we learn?

The findings can be grouped under four key headings;

Lack / clarity of information

Participants were unaware of opportunities for social entrepreneurs so were unable to access finance. The lack of information on how social investment works and eligibility criteria also means that it was not a first-choice option for these entrepreneurs.

Not knowing about the eligibility criteria also meant that people were unsure if their businesses/organisations were ready for investment.

For those aware of social investment, the language used was complicated and full of jargon which did not make it user-friendly or easy to understand.

Not being networked

Some reported that not being connected to a network meant they did not receive information needed to access funding or grant opportunities.

A few participants said they did not receive replies from social enterprise infrastructure organisations as they did not have contacts within those organisations.

Participants felt that there was a lack of clarity on who to connect with for support with social enterprise and would not have naturally looked to the voluntary and community sector as sources of support.

Time consuming processes

Grant and funding applications take time away from operational responsibilities. The process of filling out applications and writing bids is time consuming and sometimes does not result in positive outcomes.

Risk aversion

Participants expressed a fear of taking on debtparticularly concern about an inability to repay the loan. There was also a fear of credit checks.

What do we need to do?

Communications Campaign

Whilst various social enterprise infrastructure organisations are active on social media and have a visible online presence, the findings from this research show that these organisations are not yet widely known as providers of support and/or finance for social enterprises. It is therefore important for these organisations to evaluate their existing communication channels and to think about how else they could run communications campaigns.

A number of ways to improve communications were suggested: using all available social media channels; distinguishing social enterprise support from other activities with clear and simple branding; warm and inviting language to convey that social investment is accessible to all; emphasis on support available; transparency of eligibility criteria; straightforward explanation of how social investment works; grassroots engagement of a variety of BME community access points (physical e.g. leaflets and online); gatekeepers e.g. BME Network playing a role in ensuring that information is disseminated to BME communities.

Peer Support

Participants were happy to join a BME social enterprise network as they value peer support and welcomed the opportunity to share experiences and learn from each other. A few mentioned the potential of developing partnerships for contracts/funding as a benefit of being in a network.

The idea of forming a collective/shared resource(s) – some happy to pay for services or access at a subsidised cost for media/PR/marketing, bid writing and business services, tax, HR, law (legal structure advice, contracts) - also came through in the data.

Personalised Support and Mentorship

One-off contact was considered ineffective as it did not provide enough time to discuss and address problems or evaluate solutions. There have been mixed reviews about the support provided by other social enterprise infrastructure organisations, some of which are down to misconceptions around what is on offer.

Confirming the positive experiences of those who have accessed valued support, there was a clear ask in terms of one-to-one support on an ongoing basis for a specified period of time. This approach can provide opportunities to address specific challenges they are facing. Respondents requested mentors who are culturally intelligent and professional, who have experience of the social entrepreneurship journey and who are 'connected' - with the ability to open doors to networks and information.

Business Focus

Whilst it is clear from majority of our sample that there is a good understanding of the social element of social enterprise, it is also clear that there is a need to upskill this cohort in business skills.

The research suggests that this cohort would benefit from a suite of training on core business skills such as financial planning, accounting (forecast, cash flow, etc.), product/service development, risk management, project management.

Process Improvement

In terms of how support should be delivered, a mixture of face-to-face (workshops, seminars etc), online bite-sized modules for information and phone support was recommended. There was also a suggestion of short camps/retreats as a targeted way of getting people to focus on particular aspects of their enterprises for a sustained period of time.

Simplifying the process of applying for investment - e.g. reducing the bureaucratic nature of the process, reducing time to complete forms, quicker turnaround times – is a clear requirement. There was also a suggestion around looking at alternative ways of assessing eligibility, such as visiting the enterprise and observing in a practical way what is done.











Main photo from left: Nusrat Ahmed & Harriet Morgan-Shami (researchers), Atiha Chaudry (GM BME Network). Second row from left: Adil Mohammed Javed & Temidayo Eseonu (researchers), Nickala Torkington & Jo McGrath (faciliators, Flourish CIC)

Emerging Recommendations

- Further research that allows for a deeper dive into specific boroughs in Greater Manchester could provide insights on how to target support services in these boroughs
- Given the level of interest in forming a BME social enterprise network, setting up a network should be strongly considered
- A capacity building programme spanning 9 12 months based on the inclusive support model identified through this research should be piloted. This could lead to an increase in applications to the GMCVO fund for social investment. Lessons learn from a pilot can then feed into developing a best practice model for organisations who wish to support BME social entrepreneurs.

What are we already doing?

We are working with Greater Manchester Social Enterprise Network (GMSEN) to host a page on their website for the planned GM BME Social Enterprise network.

Flourish CIC have created a Toolkit to help BME organisations find help and support that is already out there.

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