

Social Entrepreneurship Training:
Sharing Session on Assessment of Training Needs

Date : 24 July 2006 (Monday)
Time : 2.15pm – 5.00pm
Venue : Lecture Theatre 18, Purple Zone, Level 4, Academic Building, City University of Hong Kong, Kowloon Tong, HK

Gist of Discussion

The sharing session was organized by the Ad Hoc Group on SE Training under the Commission on Poverty (CoP), and co-organized by the Hong Kong Council of Social Services (HKCSS) to seek input mainly from the NGO sector on their training needs in relation to starting and operating SEs.

Training Needs

2. Participants were divided into three groups to discuss their training needs.

(1) “Before Starting a SE” – This session discussed the training needs on entrepreneurship, understanding the market, market analysis and drawing up business plans.

- It was noted that different levels of personnel within NGOs require different SE training. There was strong demand from middle management for practical business training, such as how to prepare business plans, human resources management and marketing.
- Above all, NGOs needed to be psychologically prepared to change their mindset and to become more entrepreneurial in running a business, albeit a social business. Like SMEs, SEs could not expect all ventures to be successful and must be willing to brave the challenge of an ever-changing market. Entrepreneurship training was thus important.
- While many participants might not have business training, their experience and networks in the community might help them identify their market niche in running social businesses. Training should include how NGOs might capitalize on their specific market niche.

(2) **“Starting a SE”** – This session discussed the training needs on business start-ups, including financing, legislative and other requirements.

- While recognizing that many NGOs started SEs from a social perspective (e.g. caring for the unemployed), a good business plan with a longer-term vision of the market demand was a must for any successful business. Running a viable and growing business should be the aim of SEs, with the ultimate objective of helping the target clients. Training should involve how NGOs could achieve the balance in pursuing entrepreneurship and social goals.
- It was noted that practical business training needed adaptation for specific needs of social business, e.g. on how to promote the unique market niche of social businesses, how to develop business partnership and collaboration with other NGOs and private sector.
- Participants noted that failure rate of any start-up business was very high, hence it was important for NGOs to learn how to set exit strategies for SEs as well. A positive mindset to see failures as a learning opportunity for both the SEs and the employees concerned was important. They also noted that social business was not alone in having responsibility to their staff, the same applied to for-profit business as well. Hence, the dichotomy between for-profit business and SEs in terms of employer-employee relationship might not be as big as it first appeared.

(3) **“Running a SE”** – This session focused on training on corporate management, including financial management/risk and cash flow, HR, market development.

- Many participants of this session had already had some experience in running SE, and found it difficult at times to balance the pursuit of social goals and running a business. They expressed the wish to learn how to incorporate social element in running a business, e.g. measuring success and social impact, HR management for social business.
- Some participants suggested drawing reference to overseas experience (e.g. special SE consultants) to provide more tailor-made training for SEs.
- Some participants highlighted the need to work with SMEs and to form strategic partnerships with them.
- It was noted many SEs in Hong Kong were involved in very common business sectors without putting in more efforts in developing their unique market niche or

pursuing any market segmentation. It was recognized that more marketing training was necessary to assist them to develop and expand their business.

- Participants expressed the wish to have continual business support and advisory service after training. There was a suggestion on setting up an advisory unit for giving continuing business assistance and support to SEs.

Other Related Matters

3. Nearly all participants shared the views that apart from formal academic training programmes, business advice, mentorship and opportunity to forge business relationships (e.g. partnership, outsourcing, franchising, etc.) with the business sector was very crucial and useful. They hoped that a cross-sectoral platform would be established to link up NGOs and the business sector. Some participants also suggested that more open courses, seminars and workshops, which did not require high entry requirements or formal education qualification as threshold, should be organized as some frontline staff who had substantial operating experience could also benefit from such training. In addition, provision of attachment opportunity as part of the training would greatly facilitate linking classroom training and practical application.

4. Participants noted that the CoP was currently working with the Employees' Federation of Hong Kong and the Small and Medium Enterprises Committee on promoting participation of the business sector in working with NGOs to develop SEs. They also took note that the tertiary institutions were working with the Ad Hoc Group on SE Training in designing training courses on social entrepreneurship, and there would be scholarship for participants taking these courses.

5. Lastly, participants noted that the "Enhancing Self-Reliance Through District Partnership Programme" established under the Home Affairs Department was inviting applications for funding, including start-ups of social enterprises.

Commission Secretariat

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