

Social Firms UK Annual Conference 27-29 June 2005

Notes From Workshop 4, 11.30am – 1pm

Social Firm DIY Feasibility Toolkit, lead by Andy Cox, **Economic Partnerships**

The workshop began with a slide presentation and general introduction to the DIY feasibility Toolkit. All delegates were given a copy of the toolkit. This can be ordered via the Social Firms UK website www.socialfirms.co.uk, and is free to members of Social Firms UK (non-members will be charged £90.00. For SEC members there is a reduced price of £50.00.)

The introductory presentation brought out the following main points regarding the new tool:

- The tool's design was developed by Economic Partnerships, and was based upon research carried out involving the US, Canada, EU Enterprise Agencies, Individual Social Firms and Support Agencies, Main stream brokers and successful Social Firms and Social Enterprises.
- The tool is designed to enable organisations to think through the main issues around setting up a business, and facilitates thinking around adequacy of resources, sufficient infrastructure, available business skills, and generally helps an organisation to think through an idea. It poses questions such as:
 - Are there entrepreneurs in your group?
 - Why this particular business?
 - What's your motivation?
 - Organisational Capacity
 - What's the idea?
- It was emphasised that the feasibility tool does not provide scientific answers and can only guide an organisation. It is important that when a group uses the tool that they are realistic in their assessments, and honest about the projects potential rather than making assumptions. There should be some basis for any estimates made.
- One of the key areas of the feasibility tool kit is to try and assess a business's potential to create employment for disabled people. The feasibility process allows you to assess if the business would employ sufficient numbers of disabled people to justify the investment of time, energy and finance by pursuing the venture.
- The feasibility study gives guidance on Market Research, which is an essential area of carrying out a feasibility study, and suggests sources for desk top research including Mintel (www.mintel.com) and Cobra Express (www.cobra-express.net). There is also useful market sector information available from the Royal Bank of Scotland Website (www.rbs.co.uk)

- There was a discussion around the idea of working out your break even point and that this can literally be loosely estimated on the 'back of a fag packet'. Any cost assumptions made should be realistic based on previous experience/research. It should also be realistic ie. Can I really sell 500 cups of tea on a dreary Sunday afternoon in the middle of nowhere.

There is a spreadsheet available on the SFUK website that will help you work out the break even point of your project at http://www.socialfirms.co.uk/docs/members/breakeven_wizard.xls, in the download section.

The workshop was then split into groups and each group had to come up with a business proposal, and with that idea apply different parts of the feasibility toolkit. We then had to give a two minute presentation to a fictitious grant giving body to sell them our business based on the feasibility work we'd done.