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**Creators:** Denny, S., Durkin, C., Irwin, W., Moore, C. and Toyer, B.

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# **DEVELOPING A SOCIALLY ENTREPRENEURIAL UNIVERSITY**

**Professor Simon Denny, Chris Durkin, Wray Irwin, Chris Moore, and Bill Toyer**

**University of Northampton**

## **Abstract**

Higher Education in the United Kingdom is facing unprecedented change. The key drivers of this change are the squeeze on public sector funding, new pricing structures and increased competition from new entrants. In addition the coalition government aims to change the relationship between government, citizens and civil society. Within this context the University of Northampton has put in place a very ambitious strategy which puts social enterprise at the centre of its development. The strategic development of the University comes at a time when people are asking questions about the societal role of Universities. This is a continuation of a debate that has been taking place over many years with an increasing emphasis being placed on employability, entrepreneurship and the need to develop new approaches and new business models; requiring an increasing collaboration between Universities, public, private and third sector organisations. The paper will explore the genesis of the strategy, its key components and the elements that were needed to change the University into a socially entrepreneurial University and the opportunity this provides for the University to become part of a socially innovative region.

**Keywords: Social, Enterprise, Innovation, Community, Engagement**

## **Introduction**

This paper is a case study that focuses on the University of Northampton and its developing strategy around social enterprise located in a changing position of higher education and also in an altering national, European, economic and political context. The University is a relatively small institution with a student population of approximately 14,000 students.

## **The Changing Position of Universities**

Since 1963 the market for higher education in the U.K. has changed from an elite system to a more open system. The financing of Universities also changed in 2011 with the withdrawal of Government financial support for many subject areas resulting in students

taking on the full cost of higher education - becoming consumers rather than passive receivers of knowledge, facilitating changing relationships both within institutions and externally. The rise in student fees has understandably led to considerable debate about the purpose of higher education and questions of its relevance in a period of economic turmoil and rising unemployment; particularly severe amongst young people. However, University's position in society has gained in significance in areas as diverse as places to enhance social mobility, centres of research, knowledge transfer and enterprise. Universities are also seen as increasingly important in regional economic development; the European Union, for instance, in its aim to be "the most dynamic and competitive knowledge- based economy in the world" sees the role of Universities as being "...to exploit the so-called "knowledge triangle of research, education and innovation"..." (Boulton, G. and Lucas, C. 2008: 5)

While Universities are still primarily seen as educational and research institutes there is a third strand that has been articulated; the so called third mission of community engagement. John Goddard argues that "Engagement has to be an institution wide- commitment, not confined to individual academics or projects." (Goddard, J. 2009: 4). However, despite their size and economic contribution to their locality, Universities can so often be separated from their local neighbourhoods, being viewed as elitist and not relevant to the lives of the majority of residents in towns and cities where they are located; yet they are part of social, community and entrepreneurial networks who can be innovative and transformational, breaking through traditional barriers. Working in partnership with residents, local councils, private sector businesses and not for profit organisations allows us to become a more active part of the community, ensuring that typical short term approach taken by so many is no longer an option and the construction of integral relationships binding each partner together becomes the norm.

We have to realise, however, that one size does not fit all and that communicating directly with our local communities and more importantly offering support and guidance in solving complex social issues requires commitment. Operationally we need to ensure a learning environment that nurtures talent within the institution as well as engaging with our communities and neighbourhoods whilst connecting us with other local, regional, national and international networks.

## **Raising the Bar**

Being a relatively new Higher education institution, it is important that the University distinguishes itself from its competitors –we cannot, and do not want to, compete with the older established more traditional universities, and as the marketization of higher education continues there needs to be a defining feature that would attract new students.

The University's new Vice Chancellor (appointed in 2010), developed a plan for organisational change, a strategy putting social enterprise at the centre of its approach for transformation, community engagement, and survival. The University has had to play to its strengths and develop a 'unique selling point' with particular fortes in a variety of areas including health, social sciences, creative industries, education, business and enterprise. The ambitious corporate strategy 'Raising the Bar' was launched formally in June 2011 with the overriding aim to create a University that is the 'No. 1 Higher Education Institution (HEI) for social enterprise in the United Kingdom.

The strategy is, we believe, unique in that the university has set itself an institutional wide agenda which integrates social enterprise into:

- The student offer;
- Teaching, learning and research;
- Corporate and Community engagement, and
- Delivering public service improvements that are scalable and sustainable within Northamptonshire and beyond.

Nearly two years on, the social enterprise key driver unites work carried out in all Schools of the University and many of its Departments; it has enhanced the University's commitment to enterprise promotion, community interaction, and regional engagement; widening participation, third sector partnership, student volunteering and employability.

The whole arena of social enterprise is, however, fraught with definitional problems. The one used by the UK government is the following:

“a social enterprise is an organisation ‘with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or community,

rather than being driven by the need to maximise profit for shareholders and owners". (Cabinet Office 2006: 10)

This new way of doing business comes from the socially innovative approaches being adopted, social innovation in this context being defined as:

"... new ideas (products, services and models) that simultaneously meet social needs (more effectively than alternatives) and create new social relationships or collaborations." (Bureau of European Policy Advisers, European Commission 2010: 9).

As there is no legal definition of social enterprise, the danger is it becomes too focused on starting up new organisational forms, including everything from community self help to corporate social responsibility and all in between. The University, therefore, adopted a definition that enabled it to focus its attentions on specific activities whilst allowing flexibility to explore potential new ground as the opportunities arose. The University definition of Social Enterprise is an organisation that:

"Uses market disciplines to achieve a social outcome driven by social values"

The University in turn shows its commitment to social enterprises that deliver:

- 1) An enhanced student experience;
- 2) Values of social inclusion, social impact, social innovation and change, and
- 3) Entrepreneurial, innovation and enterprise skills.

It is these values that provide the parameters for engagement with students, staff and surrounding communities; an agenda that if it is to succeed needs to be value and mission driven. What can be seen in this developing strategy is a major repositioning and through the focus on social enterprise and social innovation a reconnection with our constituency and local communities.

This definition has the advantage that it ensures a number of key elements are addressed through the social enterprise activity:-

- People can be socially enterprising / innovative whilst not being formally constituted as an organisation.

- Traditional businesses can become more socially enterprising, often as a result of a widening Corporate Social Responsibility agenda that is innovative and value based.
- Grant dependent organisations can become more businesslike, entrepreneurial and sustainable.
- Is linked to the student experience thereby enhancing and adding value through teaching, learning and research.
- Provides a strong base for our civic, community and business engagement.

The strategy for year 1 (2011) consisted of three elements:

1. New student offer (all students are able to work in, volunteer, start or explore social enterprise as part of their degree course);
2. Integration of teaching, learning and research with social enterprise, and
3. Support for and development of the social enterprise sector in the county, the region, nationally and internationally

A series of initiatives were developed and launched during this initial phase:

**i) A Social Enterprise Development Fund** - training, advice, mentoring and start up grants of between £3,000 and £20,000 for students and staff.

**ii) InSpirE Northants-** An initiative delivered in partnership with public sector organisations, businesses and social enterprises throughout the county. It supports new and existing social enterprises, and community and voluntary organisations by:

- Facilitating change within the third sector through new working arrangements
- Providing them with training and development material;
- Engaging them more effectively with businesses and local authorities, and
- Enabling volunteers in the county (including University staff and students) to easily find an organisation in which they can utilize their skills and enthusiasm.

**iii) The Social Entrepreneur in Residence (SEiR)** - A joint project developed with the Young Foundation. The SEiR's role is to work with staff, students and local communities as a talent scout, spotting potential entrepreneurs and ideas that will transform into new

cost effective services – services that have social impact, are sustainable and have potential to scale. The SEiR works to develop new services that emerge from and are embedded within new partnerships bridging academic, public and civil sectors.

During his first year the SEiR has launched two initiatives. The Big Ideas Bonanza is a joint venture between the Young Foundation and the University that invites people to submit their ideas on how to tackle social inequalities; enabling Northamptonshire communities to get involved in social enterprise development and gain University support. In addition the 'We Do Ideas' project is a new way for students to share and develop their ideas into viable, income generating social ventures. With a series of events and an I do ideas 'app' that has been developed with the telecoms company Orange, this has enabled all students to get involved in social enterprise idea generation and development. Such an approach is being used by a number of academics in their teaching broadening the curriculum from a 'mere' focus on strategy to the development of socially entrepreneurial ideas.

In addition the SEiR has trained Social Enterprise ambassadors across all schools. Out of this initiative over 300 ideas have been received and 20 are being worked up with students into potential venture concepts.

**iv) An asset based community development methodology** has been adopted in a number of areas including research and teaching which is being used to measure, develop and optimise the strengths of neighbourhoods. Initially we partnered second year undergraduate Social and Community Development students with residents to analyse the strengths and expertise of two adjoining neighbourhoods; students transferred their skills and knowledge, engaging with residents who set the agenda. This was the start of developing a long term relationship with communities, using evidence gathered to help residents develop coherent and deliverable action plans. Out of this we are helping to develop the residents' ideas into sustainable projects and social enterprises; linking to wider government policy agendas around localism and Neighbourhood planning. This provides students with a richer learning experience and benefits local residents; developing students' creative, innovative and entrepreneurial skills that are transferable to all sectors of the economy.

Phase 2 of the strategy builds on 2011 results and consists of four elements:

**1) Inspire2Enterprise** – launched in December 2011 the University has developed a ‘one-stop-shop’ for social enterprises – on line, by telephone, and face to face – support, expert legal and financial advice, training, mentoring etc. for new and existing social enterprise.

Inspire2Enterprise also supports the public sector to understand the potential social enterprise delivery models have in delivering public services at a local level. This includes support in service externalisation, social enterprise supply chain development, impact measurement, and support for entrepreneurial activity. It also engages large corporate and small and medium size enterprises to develop collaborative working with the Social Enterprise and voluntary and community organisations, as well as helping them to target Corporate Social Responsibility spend to maximise benefits for local communities.

**2) Investment in external social enterprises:** The first investment was made in December 2011 in Northampton based Goodwill Solutions. Goodwill Solutions enables ex-offenders and people with drink and drug issues to get back into mainstream society through work programmes, either employing them directly or preparing them for jobs with others.

The University’s investment in Goodwill Solutions, for instance, will enable it to develop its business, to gain new customers and thus employ more ex-offenders. In addition, the organisation provides placements for our students who could be running the information technology, marketing, design, finance and human resource parts of the business.

**3) Evolution of support functions to social enterprise models:** The support functions in the University are being enabled to consider new ways of organising and working, for instance we are in the process of externalising the facilities management Unit and developing it into a social enterprise that will generate social value whilst also being economically sustainable.

**4) Applying social enterprise models to major social problems:** In addition to the developments taking place through the work of the social entrepreneur in residence we are working on other initiatives:

- a) Early attachment – Helping parents to bond with their babies and bring them up to succeed, and
- b) Serial offending – Working with the Police focusing on the fact that the vast majority of the crime committed in an area, is committed by a tiny minority of people.

These investments give unique opportunities to our students and researchers e.g. we have a new post-doctoral student working on developing a business case for the Government on investing in early attachment therapies.

We are beginning to focus on changing the curriculum, adopting pedagogic practices that are cross school / cross discipline and incorporate more fully, problem based and work based learning, providing creative spaces for students and staff to connect to the socially innovative networks both within the University and local communities. This will require staff and students to think differently with less focus on individual schools but on interdisciplinary, innovative and entrepreneurial networks, for example, design students are working with Age U.K. to develop aids for older people in their homes; providing practical experience for the students whilst potentially reducing peoples' time in hospital.

What is crucial if this strategy is a need to focus on socially innovative processes and not just on developing projects; albeit we acknowledge that project development is important because they provide opportunities for engagement and focused research on such things as social impact. However, enhancing the student experience requires us to provide creative spaces both physically on campus and virtually through such things as virtual learning environments. We are using the Socially Innovation cycle (an action research approach) as a tool to embed in a changing pedagogical approach to teaching that will start with ideas generation within a societal context moving through the cycles of the development that could (but may not) lead to the setting up of a social enterprise; an approach that requires a student to be proactive, reflective, socially entrepreneurial and community engaged and requires the lecturer to be more facilitative than 'traditional' in an approach to teaching.

## **The wider socio political context**

One of the strengths of the U.K. system has been its ability to produce creative, imaginative and innovative graduates who are not constrained by rigid disciplinary or cultural frames of reference thereby responsive to the needs of a changing society.

The changes that are taking place in the University in part reflect many of the changes taking place in all sectors of the economy, with the traditional boundaries between the private, public and the not for profit sector blurring.

Through the developing strategy we are addressing societal issues, enhancing the student experience through the medium of social innovation that clearly connects the University to its surrounding communities. If this is to succeed this also has to be firmly rooted in the developing policy agendas both within the U.K. and also in the European Union, where there is an increasing recognition of the importance of social innovation in addressing societal problems. (Bureau of European Policy Advisers, European Commission 2010: 18-19)

In our approach the University is working with all sectors of the economy, for instance we are working with private and public sector organisations to develop a regional enterprise zone with social innovation and social enterprises being at the heart of this development. This initiative is also part of a wider regional collaboration that connects all the Universities of the south east midlands together, recognising that while we are competitors, we also need to be strategic regional partners.

Although the coalition government's primary policy driver is to cut the public sector deficit, the wider social policy agenda is very much around 'empowering' local communities and encouraging local authorities to look at new ways of delivering services. In the area of health and social care, for instance, there is a need to reassess the type of services needed and to engage with the actual consumers and users to co design and co produce new and socially innovative services. This requires student and staff to have a good understanding of policy, community development and work in multidisciplinary and participatory frameworks

## Conclusion

The University of Northampton has put in place a very ambitious strategy which puts social enterprise right at the centre of its development. This development has come at time when universities have to demonstrate their commitment to being creative, entrepreneurial and innovative, working collaboratively and openly within wider society; requiring a wholesale change in the mechanism that currently sit within most Universities. As Delanty (Delanty, G. 2001) states “the great significance of the university is that it can be the most important site of connectivity in the knowledge society (and) a key institution for the formation of cultural and technological citizenship (and for) reversing the decline of the public sphere”. We believe the University is in a unique position to become **a catalyst for social innovation**, not only in Northamptonshire, but nationally and internationally. To maximise this potential we need to create an environment in which social innovation is encouraged, supported, financed and mainstreamed.

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**Contact:**

Chris Durkin

Director

Northampton Institute of Urban Affairs

University of Northampton

Park Campus

Boughton Green Road

Northampton

NN27AL

Email: [chris.durkin@northampton.ac.uk](mailto:chris.durkin@northampton.ac.uk)