



Workshop aims:

1. Clarify the methodology for developing the right organisational structure (including legal, financial and management structure aspects)
2. Explore key factors in social enterprise structure design, and why structures succeed or fail
3. Understand the advantages and disadvantages of the commonly used types of structure
4. Clarify what development tools and help are available and actually useful!

By the end of the session you will be able to guide clients through a structured discussion process which will enable them to either choose a model structure or brief a solicitor to design the right structure for them

- 10am **Introductions** – be prepared to specify the most important question or issue you would like to explore during the day
- 10.15 **The term 'social enterprise'** and what it means in relation to organisational structures
The interrelationship of business models, legal, financial and management structures
- 10.45 Outline of an organisational structure development methodology
- 11am **Taxonomy of organisational structures** – the uses and abuses of each kind of structure
This will introduce all the types of structure commonly used by social enterprises including share and guarantee companies, societies, and legal status issues such as co-operative or charitable status.
- 11.30 **New developments** – especially Community Interest Companies and Limited Liability Partnerships
- 12noon **Linking structures** – what to do if it doesn't all fit into one box - subsidiary trading companies etc.
- 12.30 **Development worker scenario discussions and LUNCH**
The scenarios are on the back of this sheet if you want to have a look at them in advance
- 2pm Working through the organisational structure development methodology in practice
- 2.30 **An example social enterprise company structure in detail** – other models, templates and sources of support.
- 3pm **Scottish charity law and the impact of OSCAR**



Organisational Structure Development Scenarios

Scenario 1 – Start-up

You are approached by a group of people with disabilities who want to set up a social firm offering computer training to people with mobility problems – to enable them to earn good money working from home. The group is pretty sure they can fund the training programme, including computer equipment, by raising grants – they have already talked to the Northern Rock Foundation - and it is important that the training is offered free to the trainees. The start-up costs of the enterprise (apart from the training equipment and materials) are modest, and the group is willing to meet these from their own money if necessary. However, they would eventually like to have a return on any investment they make – and for their 'sweat equity' – even if it is only in the form of a good salary for a few years. They have always met together as a group of friends and equals, and have planned the enterprise to date with a co-operative model in mind. In any case, they are very keen to keep control of the enterprise among themselves.

They have asked you to help them decide on the best organisational structure for the enterprise. What would you advise?

Scenario 2 - Restructure

You are advising a UK environmental charity which in addition to its grant income sources is currently making a small income from the sale of information leaflets and booklets on environmental issues.

The writing, illustration, design and print of these publications is all done by the current staff, using carefully sourced materials and maintaining very high environmental standards. They have received a number of requests to provide these services to other organisations, and some of the staff feel they should take on this work - apparently they could generate good extra income for their own charity and improve the environmental standards of other organisations, with little expense or risk since they already have the skills, suppliers and equipment.

Can you suggest some of the key organisational development issues they might need to consider?

Would these issues change if they decided to also offer training and eventually employment to disabled people as part of the design and print work?