

THE STATE OF SOCIAL ENTERPRISE IN SINGAPORE



FOREWORD

It is our pleasure to introduce our inaugural report on the State of Social Enterprise in Singapore. Social enterprises provide innovative, market-based solutions to address emerging and unmet social needs in Singapore. In recent years, the social enterprise sector has been gaining traction and has grown in more vibrant and dynamic ways. There has also been a significant rise in public awareness and understanding of social enterprises as concluded by our Public Perception Studies conducted in 2010 and 2016. With the growing prominence of social enterprises, it is necessary to understand the landscape and ecosystem in which they operate and thrive.

As the sector developer for social enterprises, raISE is privileged to share our comprehensive findings vis-à-vis our report, which involved numerous stakeholders and over 300 social enterprises from our membership base. The 2017 State of Social Enterprise in Singapore report analyses data from the most comprehensive survey of social enterprises undertaken in Singapore thus far to provide a detailed view of social enterprises at this time. We have organised our findings to include an overview of the social enterprise ecosystem, the different types of social enterprises, their outreach, where they operate, who and how they employ. Our report also details the background and motivations of social entrepreneurs in their journey as maverick gamechangers. The public perception of social enterprises and the role of the media in advancing the Singapore social enterprise sector are also covered to shed light on latest trends and public sentiments.

It is my hope that this report will provide readers with an in-depth understanding of and insights into the social enterprise sector in Singapore. Through this understanding of the challenges and opportunities social enterprises face, we hope to generate discussions on possible ways to bridge gaps and leverage on opportunities to accelerate the development of the sector. We look forward to learning how this report can help inform stakeholders and enablers on how best to enhance collaborative efforts to build a more robust and sustainable social enterprise sector in Singapore.



Alfie Othman

Chief Executive Officer

Singapore Centre for Social
Enterprise (raISE) Ltd

ABOUT RAISE

The Singapore Centre for Social Enterprise (raISE) was set up in 2015 to develop the social enterprise sector in Singapore. As a sector developer, raISE nurtures new enterprises by providing advisory services, programmes, training and resources to sustain their growth. Where possible, raISE seeks to connect and share best practices with social enterprises and intermediary bodies in the region.

raISE aims to raise awareness and support for social enterprises, works with partner organisations to identify emerging social needs, and makes connections where relevant and useful. As a membership body, raISE supports over 350 social enterprise members on their journeys from set-up to growth and expansion.

Ultimately, raISE hopes to bring together the larger community of social enterprises, aspiring social entrepreneurs, supportive organisations and individuals through its various programmes, initiatives and events to help build a vibrant social enterprise sector that is a part of a caring and inclusive society in Singapore.

ACKNOWLEDGEMENT

We would like to specially thank the raISE team for their generous contributions to this report.

raISE would also like to thank stakeholders such as Singapore International Foundation (SIF), Asia Centre for Social Entrepreneurship & Philanthropy (ACSEP), NUS Enterprise, Asian Venture Philanthropy Network (AVPN), Republic Polytechnic, Singapore Committee for United Nations (UN) Women, and Nanyang Technological University (NTU) for providing valuable insights for this research.

Finally, we would like to thank all the social enterprises that gave their precious time to respond to our survey and interviews. Thank you for being part of the good.

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GLOSSARY OF TERMS

ACRA	Accounting and Corporate Regulatory Authority
ACSEP	Asia Centre for Social Entrepreneurship & Philanthropy
AVPN	Asian Venture Philanthropy Network
GSIF	Global Social Innovators Forum
IIX	Impact Investment Exchange Asia
MSF	Ministry of Social and Family Development
NCSS	National Council of Social Service
NUS	National University of Singapore
PCSEA	President's Challenge Social Enterprise Award
PWDs	Persons with Disabilities
SE	Social Enterprise
SEA	Social Enterprise Association
SEC	Social Enterprise Committee
SE Hub	Social Enterprise Hub
SIF	Singapore International Foundation
SIP	Social Innovation Park
SNCF	Singapore National Cooperative Federation
Tote Board	Singapore Totalisator Board
VWOs	Voluntary Welfare Organisations

NOTE:

- 1) All currencies stated in this report are in Singapore dollar (SGD).
- 2) All social enterprises mentioned in the report can be found in *raiSE's* directory. For more information, please refer to <https://www.raise.sg/directory/>

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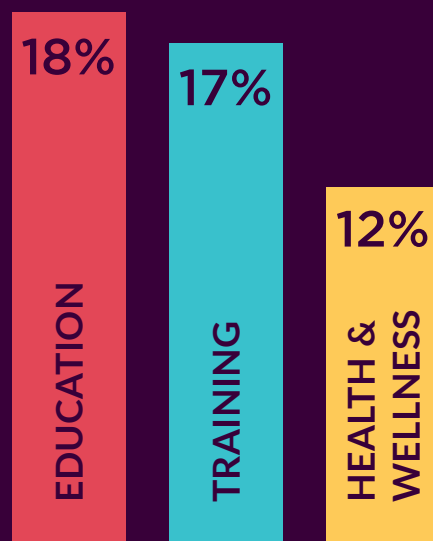
HIGHLIGHTS



There is a robust ecosystem supporting social enterprises in Singapore with seven key groups of players; each complementing the efforts of the others to drive the sector forward. These players include policy makers, network providers, capacity builders, fund providers, research institutes, professional and support services providers, and competition organisers.

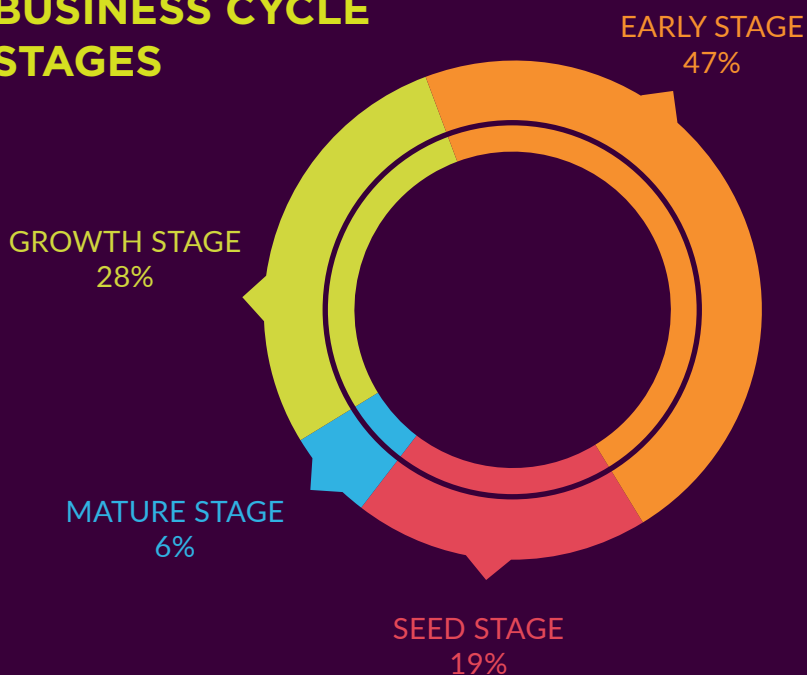
INDUSTRIES

Social enterprises in Singapore represent a range of industries. The top three industries are Education, Training, and Health & Wellness.



TOP THREE INDUSTRIES

BUSINESS CYCLE STAGES



66%

SEED & EARLY STAGES

34%

GROWTH & MATURE STAGES

66 percent of social enterprises are in the seed and early stages of development while 34 percent are in the growth and mature stages.

BENEFICIARIES

The beneficiaries served by social enterprise members of raISE come from all segments of society. The top three groups served are disadvantaged youths and children, persons with disabilities, and persons and families with low income.

34%



Disadvantaged youths/children

28%



Persons with disabilities

22%



Low income families/persons

OUTCOME AREAS

Social enterprises work in a wide range of outcome areas. 46 percent provide employment to beneficiaries, 21 percent provide education, while 19 percent provide skill development.

Employment



46%

Education



21%

Skill Development



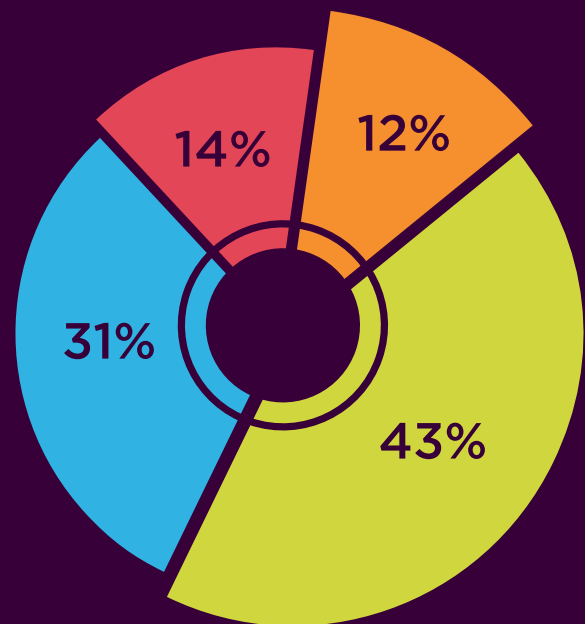
19%

SCALE OF SOCIAL ENTERPRISES

Social enterprises are predominantly small-scale operations. 74 percent reported an annual revenue of less than \$250,000. Only 14 percent earn more than \$500,000 a year.

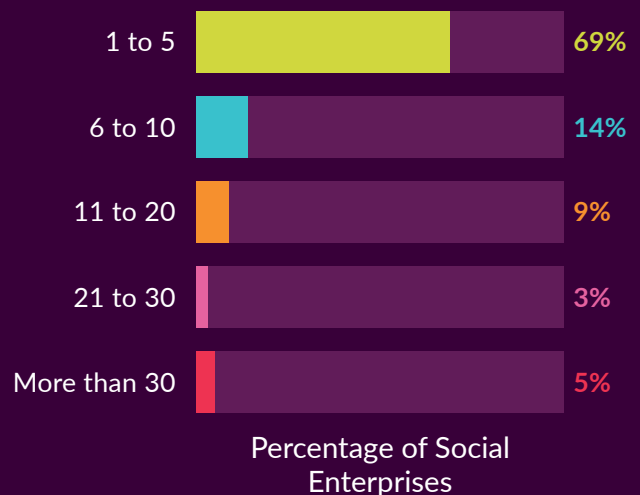
70 percent of social enterprises employ fewer than 5 employees. Only 5 percent employ more than 30 employees.

Annual Revenue



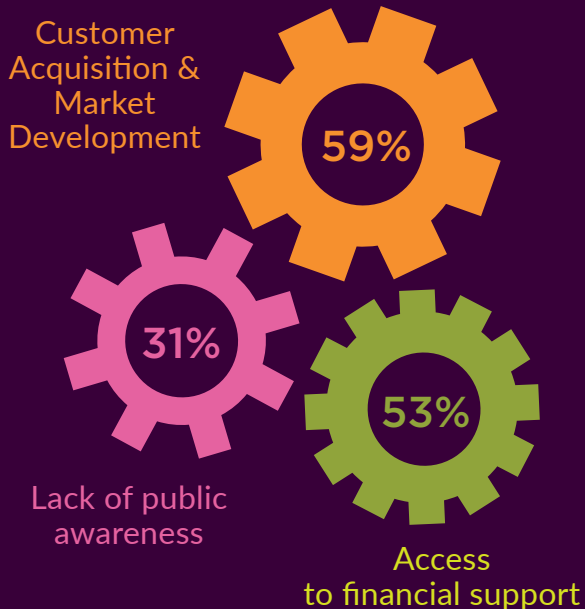
- \$50 k and below
- More than \$50 k to \$250 k
- More than \$250 k to \$500 k
- More than \$500 k

Number of Employees

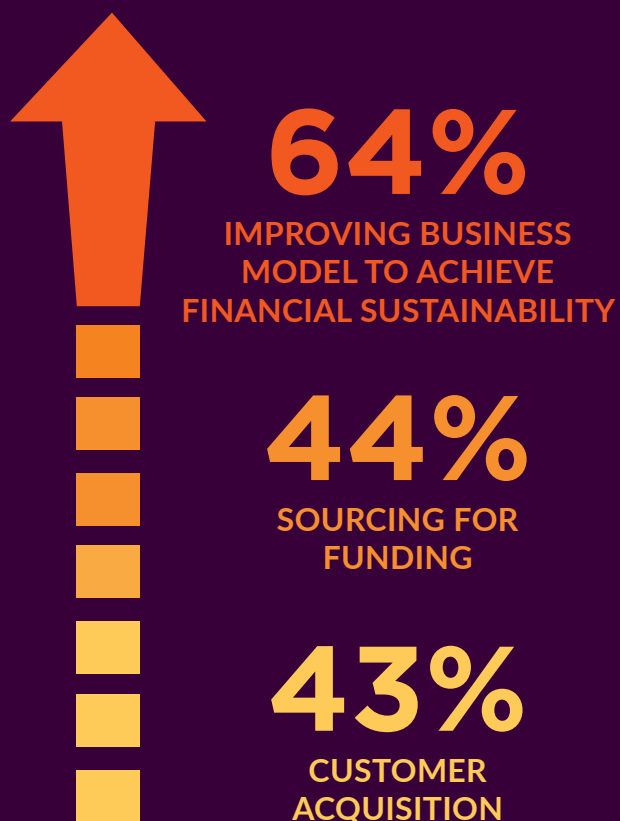


HIGHLIGHTS

TOP CHALLENGES FACED BY SOCIAL ENTERPRISES



TOP PRIORITIES OF SOCIAL ENTERPRISES



TRENDS AND OPPORTUNITIES AHEAD



There are increases in the number of tech-based social enterprises and targeted accelerator programmes.



Social enterprises can achieve scalability and sustainability by venturing abroad.



Social enterprises can improve their competitiveness to reach out to the untapped consumer market that value quality and price.



Social enterprises are gaining credibility for their role in alleviating social issues in society.

1. INTRODUCTION

1.1

OVERVIEW AND HISTORY

Social enterprises are businesses that are set up with clear social goals. These goals include uplifting the lives of vulnerable people through training and employment, or tackling entrenched as well as emerging social problems through innovative solutions. While creating social impact, social enterprises seek to achieve financial sustainability through the trading of goods and services.

In recent years, the sector has played an increasingly significant role in alleviating social problems. We see a steady growth of social enterprises in Singapore and a heightened interest among charities to spin off social enterprises to achieve greater sustainability.

The first formal social enterprises in Singapore can be traced to the establishment of the Singapore Government Servants' Cooperative Thrift and Loan Society.¹ Cooperatives were then seen as the main established form of social enterprises. The movement gained traction as the sector evolved and more social enterprises were formed. In the early 2000s, social enterprises were initially seen as an innovative alternative to providing employment opportunities for needy disadvantaged Singaporeans to mitigate the effects of a widening income gap.² The government recognised the role that social enterprises could play in helping disadvantaged Singaporeans achieve self-reliance and the Ministry of Social and Family Development (MSF); previously known as the Ministry of Community Development, Youth and Sports (MCYS); became the key

government agency in driving a series of initiatives and programmes to develop the social enterprise sector.

A significant initiative was the setting up of the ComCare Enterprise Fund³ in 2003 to provide seed funding for social enterprises. A social enterprise committee was subsequently formed in 2007 to provide recommendations on developing the sector. This resulted in the creation of the Social Enterprise Association (SEA) in 2009 to promote social entrepreneurship, raise public awareness and foster partnerships among key stakeholders. Around the same period, other ecosystem players came into being with the formation of the Asia Centre for Social Entrepreneurship & Philanthropy (ACSEP),⁴ the first research institution, and Impact Investment Exchange (IIX),⁵ a platform to facilitate impact investment in social enterprises in Asia. The social finance space was given a further boost with the setting up of Social Enterprise Hub (SE Hub)⁶ by Singapore Totalisator Board (Tote Board) to invest in and incubate social enterprises.

By 2012, the social enterprise sector had gained enough traction for the President's Office to confer the President's Challenge Social Enterprise Award (PCSEA)⁷ to honour and recognise outstanding social enterprises for their contributions to the local community. Academic institutions such as the National University of Singapore (NUS), Republic Polytechnic and Ngee Ann Polytechnic also started

offering social enterprise courses for students who may be interested in a career in the sector. In addition, there was an emergence of incubation programmes and social enterprise competitions such as the DBS-NUS Social Venture Challenge Asia.

With all these activities going on separately, the sector was vibrant but lacked an anchor voice. In 2015, through the combined efforts of MSF, SEA, National Council of Social Service (NCSS) and Tote Board (which runs SE Hub), the Singapore Centre for Social Enterprise (raiSE) was established as a sector developer to nurture and raise awareness and support for social enterprises. While there is no legal definition for social enterprises, raiSE has played a significant role in distinguishing social enterprises through its BusinessForGood logo for members, thereby enhancing their recognition by stakeholders and the public.

The social enterprise sector has come a long way since its initial years. Not only has the number of social enterprises grown, but the nature of social enterprises has also evolved to include many types. In addition to social enterprises that employ beneficiaries, we have seen a growth in social enterprises that provide direct services to the



community, such as capacity builders and enablers for other social impact organisations. While the majority of social enterprises comprise small-scale businesses in early stages of development with modest business performance, we now observe a growing pool of social enterprises that have scaled up with some looking to embark on social franchising. The sector is now a part of a broader system addressing social needs and has the potential to create social value by tackling social challenges in innovative and sustainable ways. Social enterprises also fulfil the aspirations of a new generation of Singaporeans who are passionate to do good through means other than charities and Voluntary Welfare Organisations (VWOs).

As the sector develops in Singapore, there is an increase in research and knowledge-building activities among intermediaries, academics and agencies in the sector. There have also been waves of community efforts to co-create solutions to address gaps and challenges in Singapore. Moreover, we increasingly see corporations stepping forward to support social enterprises (SEs) or even setting up SEs of their own. The momentum has seen the ecosystem grow into one that is both vibrant and diverse.





Figure 1: Timeline of Major Developments

1.2

STRUCTURE OF REPORT

This report paints the picture of the current state of social enterprises in Singapore and the ecosystem supporting the sector. It provides a detailed look at the organisational profiles, business stages, outcome areas, beneficiaries, geographical reach, and financial profiles of social enterprises. In addition, it provides a glimpse of the people behind these social enterprises as well as highlights their stories that embody the spirit of inclusiveness. It also presents the priorities and challenges of social enterprises with strategies offered by fellow social entrepreneurs who have successfully overcome these challenges. Lastly, the report provides an overview of the opportunities ahead based on insights provided by stakeholders of the social enterprise sector in Singapore.

Drawing information from the inaugural social enterprise survey conducted in 2016 and the rich database of raiSE's social enterprises members, this first comprehensive public report will be useful for individuals, social enterprises, corporates, government agencies, educational institutions and other organisations interested in the sector. However, the report is neither a guide on starting a social enterprise nor one that informs society of the social gaps and needs in Singapore.



2. ECOSYSTEM

2.1

SOCIAL ENTERPRISE ECOSYSTEM IN SINGAPORE

The social enterprise ecosystem refers to the environment within which social enterprises operate.¹⁴ It describes how stakeholders and social enterprises interact, collaborate and co-evolve in mutually beneficial relationships. The ecosystem of social enterprises is different from that of traditional small and medium-sized enterprises due to their unique distinctions, particularly their dual goals of doing good while making a profit, the way they are established and regulated, and the networks in which they operate.¹⁵

Social enterprise ecosystems are slowly emerging in most countries as the sector is relatively young and developing, according to a Synthesis Report¹⁶ published by the European Commission in 2015. In contrast, Singapore's social enterprise ecosystem

has been rather dynamic and vibrant. Supportive stakeholders, programmes and policies have helped to foster an enabling environment for the social enterprise sector to thrive.

Mapping out the Singapore social enterprise ecosystem serves the dual purpose of (a) identifying potential synergetic links between and amongst ecosystem players to facilitate the development of partnerships among key stakeholders, social enterprises and government agencies as a way to further social innovation, and (b) creating a map to support the ready identification of the dynamics and features of Singapore's social enterprises and relevant stakeholders for ease of global comparison and policy development.



2.2

ECOSYSTEM PLAYERS AND THEIR ROLES

The social enterprise ecosystem consists of seven key players, namely policy makers, professional and support services providers, capacity builders, research institutes, network providers, fund providers, and competition organisers as shown in the figure below.

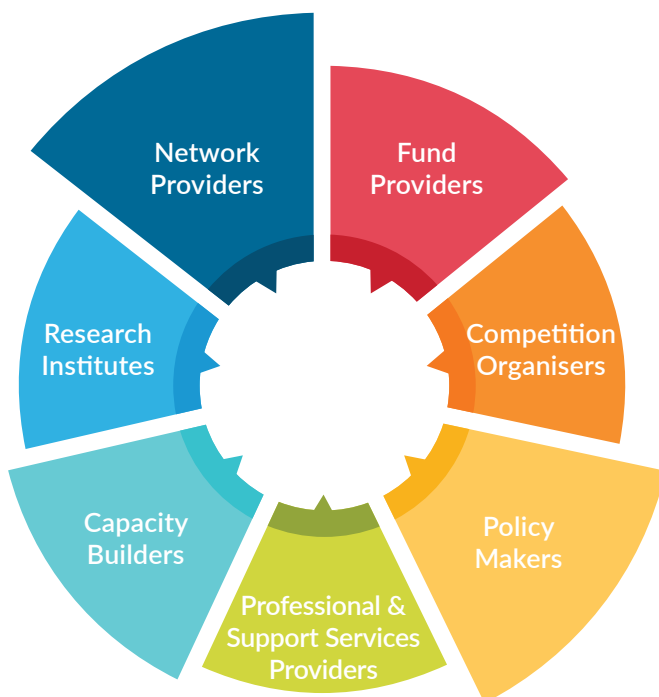


Figure 2: Ecosystem Players in the Social Enterprise Sector

The role and influence of the different players are as follows:

- a) **Policy Makers** – Governmental departments or institutions designing or implementing policy, support instruments and measures for social enterprises and infrastructures. National entities and agencies have a huge influence over the entire sector.
- b) **Professional and Support Services Providers** – Organisations that support social enterprises in terms of professional business development services, support and facilities. They may include legal advice, accounting services and co-working spaces.
- c) **Capacity Builders** – Incubators/accelerators, social entrepreneurship educators and facilitators of shared learning and support services. The eclectic mix of capacity builders in Singapore helps to bring in different expertise and knowledge to the sector in a bid to develop the social enterprise ecosystem more vibrantly. They are significant for their role in assisting social entrepreneurs and their staff to improve their knowledge, skills and business acumen.
- d) **Research Institutes** – Key providers of knowledge and information. They are crucial for informing the social enterprise sector of sector and market gaps, needs, challenges and opportunities.
- e) **Network Providers** – Social enterprise networks and umbrella organisations that support social enterprises. They often also provide a wide range of support services like mentorship and offer a vibrant network of capacity builders/sector role models that social enterprises can tap on to scale their business and social impact. They play a very important role to help social enterprises reach out to peers and external parties.
- f) **Fund Providers** – Banks, impact investors and grantors that provide capital for social enterprises. They play an essential role to provide start-up and expansion capital to social enterprises.
- g) **Competition Organisers** – Organisations that organise social enterprise competitions. They acknowledge and reward promising social enterprises/social entrepreneurs to enhance the visibility of the sector and promote a culture of social entrepreneurship. However, the increasing popularity of competitions has crowded the current social enterprise sector, with the same winners across different competitions at times.

2.3

LIST OF ECOSYSTEM PLAYERS

The table below lists the key organisations in each category of ecosystem players in Singapore. It is important to note that the categories and the organisations in each category are not exhaustive. Many organisations fulfil multiple roles within the social enterprise sector. The categories in this report are adapted from those found in a 2014 U.K. study commissioned by the European Commission.¹⁷

See Annex 1 for a more detailed description of the main organisations in each category of ecosystem players.

CATEGORIES OF ECOSYSTEM PLAYERS	LIST OF ORGANISATIONS
1. Policy Makers	• Ministry of Social and Family Development • National Council of Social Service
2. Professional and Support Services Providers	• DBS Foundation • NUS Enterprise • Pro Bono Services Office, The Law Society of Singapore • raISE
3. Capacity Builders	
a) Incubators/Accelerators	• BoP Hub • DBS Foundation • Impact Hub Singapore • Impact Investment Exchange • NUS Enterprise • raISE • Singapore International Foundation • Singtel Future Makers
b) Educators of social entrepreneurship	• Asia Centre for Social Entrepreneurship & Philanthropy • INSEAD • Ngee Ann Polytechnic • Republic Polytechnic • Singapore Management University
c) Facilitators of learning and exchange platforms for social enterprises	• Asia Centre for Social Entrepreneurship & Philanthropy • Asian Venture Philanthropy Network • BoP Hub • IIX Foundation • INSEAD • NUS Enterprise • raISE • Singapore International Foundation • Singapore Innovation Park • Transformational Business Network Asia

CATEGORIES OF ECOSYSTEM PLAYERS	LIST OF ORGANISATIONS
4. Research Institutes	• Asia Centre for Social Entrepreneurship & Philanthropy • INSEAD • Lien Centre for Social Innovation
5. Network Providers	• Ashoka Singapore • Asian Venture Philanthropy Network • BoP Hub • Impact Investment Exchange • Impact Hub Singapore • NUS Enterprise • raISE • Singapore International Foundation • Singapore Innovation Park • Singapore National Cooperative Federation • Transformational Business Network Asia
6. Fund Providers	• DBS Foundation • Impact Investment Exchange • NUS Enterprise • raISE¹⁸ • SG Enable • Singapore National Cooperative Federation • SPRING Singapore • Tote Board
7. Competition Organisers	• DBS Foundation • NUS Enterprise • raISE¹⁹ • Singapore Committee for United Nations Women • Singapore International Foundation • Singtel Future Makers • SPRING Singapore

Table 1: Major Players in the Social Enterprise Ecosystem of Singapore

3. DATA & METHODOLOGY

Information on social enterprises was obtained from two sources.

- a) membership data from raISE database
- b) responses from our inaugural Social Enterprise Survey (2016)

3.1

MEMBERSHIP DATA

The membership data was derived from 337 social enterprise members of raISE as of October 31, 2016. Data including their legal registration, year of incorporation, outcome areas, types of clients, number of employees, and social entrepreneurs' data were collected during registration of membership. These data were also updated once a year during the membership renewal process.

3.2

SOCIAL ENTERPRISE SURVEY

A social enterprise survey was curated by the research team to supplement the existing data from the membership database. The objective of the inaugural social enterprise survey was to gather a more comprehensive set of information about social enterprises. Information sought included funding, priorities and challenges of the social enterprises as well as entrepreneurship and leadership experience of social entrepreneurs.

The survey fieldwork was conducted over an eight-week period. raISE members were notified of the survey through emails. Three rounds of email reminders were sent to boost response rates. Members were also asked to complete the survey during existing scheduled events that raISE organised. In total, 118 valid responses were collected, representing a response rate of 35 percent. A small number of responses were invalidated due to incomplete responses. The online survey counted 86 completed responses while 32 responses were completed during in person interviews.

3.3

LIMITATIONS

The research is limited to raISE members. Even though raISE is the only membership body in Singapore for social enterprises, there are some organisations that self-identify as social enterprises or possess defining characteristics of social enterprises, but are not raISE members.

4. SOCIAL ENTERPRISES

This section details the organisational and financial profiles of social enterprises. Organisational profile includes business cycle stages, legal incorporation, industries and scope of their social impact. Financial profile includes sources of revenue, annual revenue and costs as well as funding.

Social enterprises in Singapore generally possess the following characteristics:

- ☑ Generates majority of its revenue (at least 50 percent) from the provision of goods and services
- ☑ Achieves or has a clear business plan to achieve financial sustainability/profitability
- ☑ Has clear social goals to address social needs and service gaps (in an inclusive and non-discriminatory manner)
- ☑ Has clear and significant allocation of resources to fulfil its social outcomes (e.g. operation policies and resources allocated to achieve social outcomes)
- ☑ Management/founder has a clear intention to make the social goals the core objectives of the business

4.1

BUSINESS CYCLE STAGES OF SOCIAL ENTERPRISE

The social enterprise sector in Singapore is burgeoning and is dominated by early stage social enterprises. As seen in Figure 2, 19 percent of social enterprise respondents are still at the seed stage of establishment, 47 percent are at the early stage, 28 percent are at the growth stage, and six percent are at the mature stage.

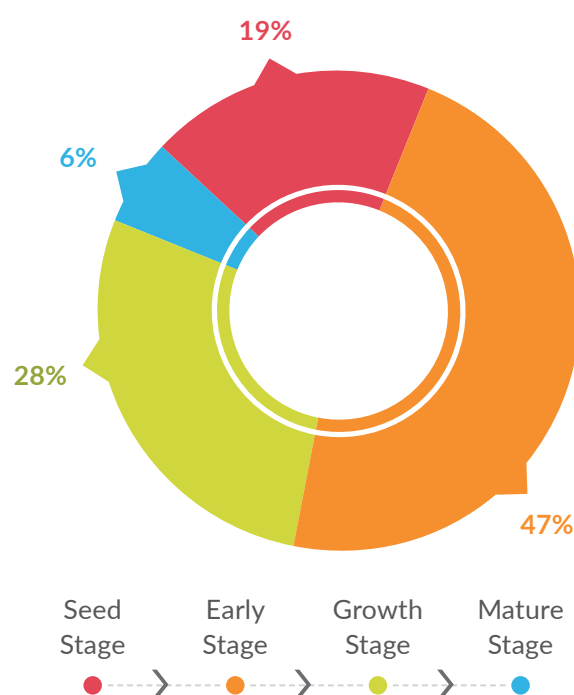


Figure 3: Stages of Social Enterprise

4.1.1

SEED STAGE

The social enterprise at the seed stage is still at an idea and pre-revenue stage. Demand for products and services is not validated yet. Examples of social enterprises at a seed stage of development include Junior Art Lab, Heyday Innovate and Chobani.



SE SPOTLIGHT

JUNIOR ART LAB: Still in its early stages of development, Junior Art Lab provides heavily subsidised digital art workshops for disadvantaged children by empowering them with Microsoft PowerPoint, animation and illustration skills. Founded in 2016, Junior Art Lab aims to create an avenue for children to develop themselves artistically and to also be digitally competent in the 21st Century. It hopes to inspire resilience and creative confidence through art activities that will fuel their imagination and open their minds to new possibilities.



4.1.2

EARLY STAGE

The social enterprise has prototypes or existing products and/or services. Demand for products and/or services should have been validated and the business has had its first customers. The venture is revenue-generating, albeit in small amounts. Social enterprises at the early stage include Soristic, AbleThrive and Healthy Mind Online.



SE SPOTLIGHT

SORISTIC: Incorporated in 2015, Soristic is a mission-driven organisation committed to assisting philanthropists, foundations, corporates, social enterprises, nonprofits and governments in areas of research, consultancy, evaluation and impact assessment. Soristic has had its first customers and has been building its clientele base gradually. As of March 2017, it has completed five projects spanning four countries including Singapore, Myanmar, Thailand and Cambodia.



4.1.3

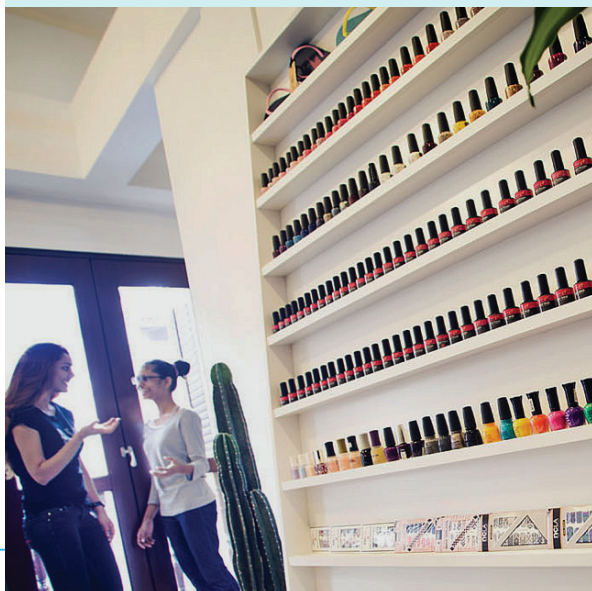
GROWTH STAGE

Typically, the social enterprise has been in existence for at least two years and has demonstrated a growing demand for its core products. The business is looking to grow by implementing proper structures and tapping into new opportunities and growth areas to fend off competition. Social enterprises at the growth stage include The Nail Social, Edible Garden City and Skillseed.



SE SPOTLIGHT

THE NAIL SOCIAL: Founded in 2014, The Nail Social is currently at the growth stage of development. It is a lifestyle nail salon offering manicure, pedicure and foot massage services. Products used are mostly non-toxic, eco-friendly, fair-trade and/or cruelty-free. As a socially conscious salon, The Nail Social aims to train and employ local underprivileged women with a higher barrier of employment so that they can attain financial security and self-sufficiency. Currently, The Nail Social is considering venturing into new markets by tapping on-demand mobile manicure services.



4.1.4

MATURE STAGE

The social enterprise has typically been in existence for at least five years and has demonstrated a stable demand for its products, with some revenue growth. The business may be looking to enter new markets in order to scale its operations and business. Social enterprises at the mature stage include Dialogue in the Dark, Singapore; Project Dignity and The Special People.



SE SPOTLIGHT

DIALOGUE IN THE DARK, SINGAPORE: Founded in 2009, Dialogue in the Dark, Singapore, is an exclusive collaboration between Ngee Ann Polytechnic (through Social Lab Ltd) and Dialogue Social Enterprise. Originating in Germany, Dialogue in the Dark's mission is to raise awareness of the visually impaired and change perceptions about the disabled and marginalised in the community so as to promote a more inclusive society. It has an international presence in over 30 countries. Dialogue in the Dark, Singapore, aims to empower the visually impaired to be leaders, trainers and motivational speakers. It offers unique experiential and impactful activities such as tours, corporate and educational workshops, lunch/dinner in the dark at its premises, and inspirational talks in schools.



4.2

TYPES OF LEGAL ENTITIES

The majority (69 percent) of our social enterprises are incorporated as for-profit Private Limited companies. That is the most popular form of

incorporation followed by Sole Proprietorship (12 percent) and Limited Liability Partnership (nine percent).

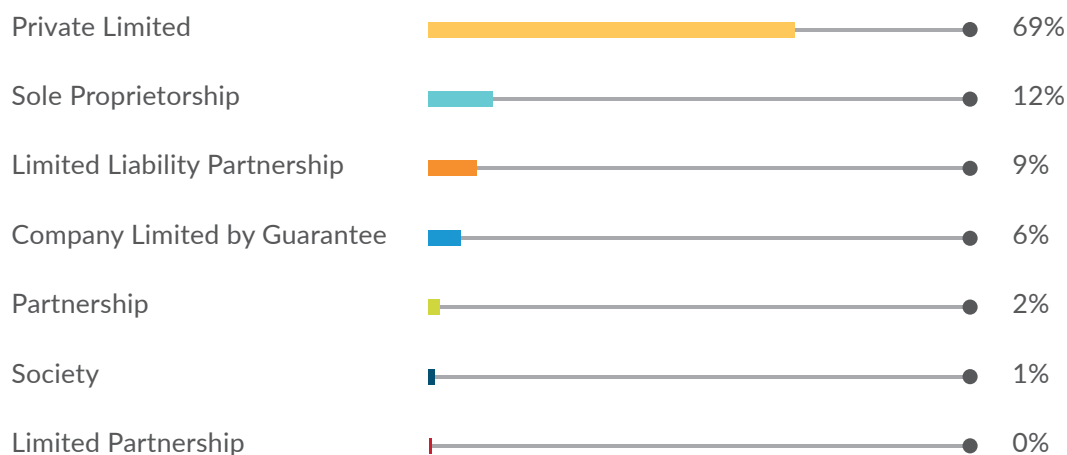


Figure 4: Types of Legal Entities

The most popular incorporated legal entity is a Private Limited company. This is a separate legal entity, distinct from its shareholders and directors. Shareholders of a private limited company have limited liability and are not personally liable for debts and losses of the company. Compared to businesses such as Sole Proprietorship, Partnership and Limited Liability Partnership (LLP), the Private Limited company is subjected to a more stringent form of governance which conveys credibility to customers and investors. For example, a Private Limited entity must have a company secretary and an auditor unless they are exempt from audit requirements.

The second most popular incorporated legal entity is Sole Proprietorship. Its popularity might be

attributed to how quick, easy and affordable it is to set up procedurally. It has much fewer administrative duties to adhere to than a Private Limited company. However, a sole proprietor is exposed to unlimited liability since he/she is personally liable for debts and losses of the business.

Among the types of legal entities that an organisation can be incorporated as, Company Limited by Guarantee (CLG) and Society are not for-profit entities. Currently, seven percent of raISE members are incorporated as these entities.

See Annex 2 for a more detailed description of the types of legal entities.

4.3

YEARS OF INCORPORATION

The social enterprise sector in Singapore is young and developing. The majority (63 percent) of social enterprises with raISE membership were incorporated less than three years ago, 21 percent were incorporated between three and five years ago, 11 percent between six and 10 years ago, and only five percent were incorporated more than 10 years ago.

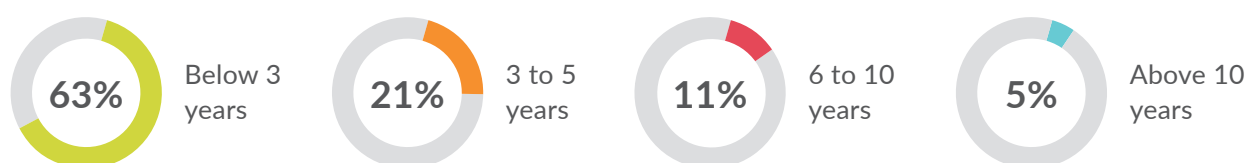


Figure 5: Years of Incorporation

Generally, social enterprises that have been incorporated longer can be found along the more advanced business cycle stages as shown in Figure 5. Social enterprises at the seed stage of development are on average a year old. Social enterprises at the early stage, growth stage and mature stage are on average two, four and 10 years old respectively.

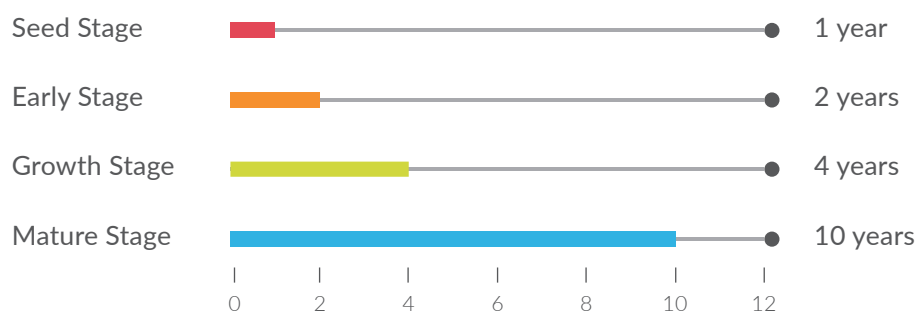


Figure 6: Average Years of Incorporation by Business Cycle Stages

Most social enterprises were incorporated between 2012 and 2016. Only two percent were incorporated in the year 2000 and before. The increase of social enterprises in recent years could be attributed to higher awareness and a more conducive and robust social enterprise ecosystem being put in place for social enterprises to flourish.

It is also testament to the efforts of raISE as well as its predecessor, the Social Enterprise Association, to develop the sector. raISE has been the crucial kickstarter for the growth of social enterprises with the provision of a comprehensive range of support, such as funding, advisory services, training, relevant resources and networks, to help social enterprises

at start-up to mature stages. *raiSE* facilitates the growth of the sector and raises awareness of social entrepreneurship in Singapore.

The rise of social enterprises can also be attributed to an overall increase in public awareness and understanding of social enterprises from 2010 to 2016. The public perception study, commissioned by *raiSE* and conducted by the Asia Centre for Social Entrepreneurship & Philanthropy with fieldwork support from Republic Polytechnic, documented a fivefold jump in public awareness of social enterprises between 2010 and 2016. The study also reported an increase in the percentage of buyers of social enterprise products from 22 percent in 2010 to 35 percent in 2016. The increased awareness and receptivity towards the products and services of social enterprises help in fostering a conducive environment for the growth of social enterprises.

Academic institutions are also increasingly helping to nurture social entrepreneurship through academic modules, mentorship, incubation programmes, and co-working spaces like The Hangar, provided by the NUS Enterprise. In the same vein, tertiary institutions such as polytechnics have incorporated social entrepreneurship as a core, academic module for certain diplomas and academic programmes. For instance, Republic Polytechnic offers students a diploma in social enterprise management to fuel social innovation and to empower them as aspiring game changers.

Corporates too, like DBS Foundation, Singtel and Unilever have also contributed to the growth of the social enterprise sector by providing grants and corporate mentorship to aspiring social entrepreneurs.

4.4

OUTCOME AREAS

Social enterprises seek to achieve social outcomes in addition to financial success/sustainability. *raiSE* prioritises eight human centric outcomes as listed below. These outcome areas cut across sectors and many social enterprises operate in more than one outcome area.

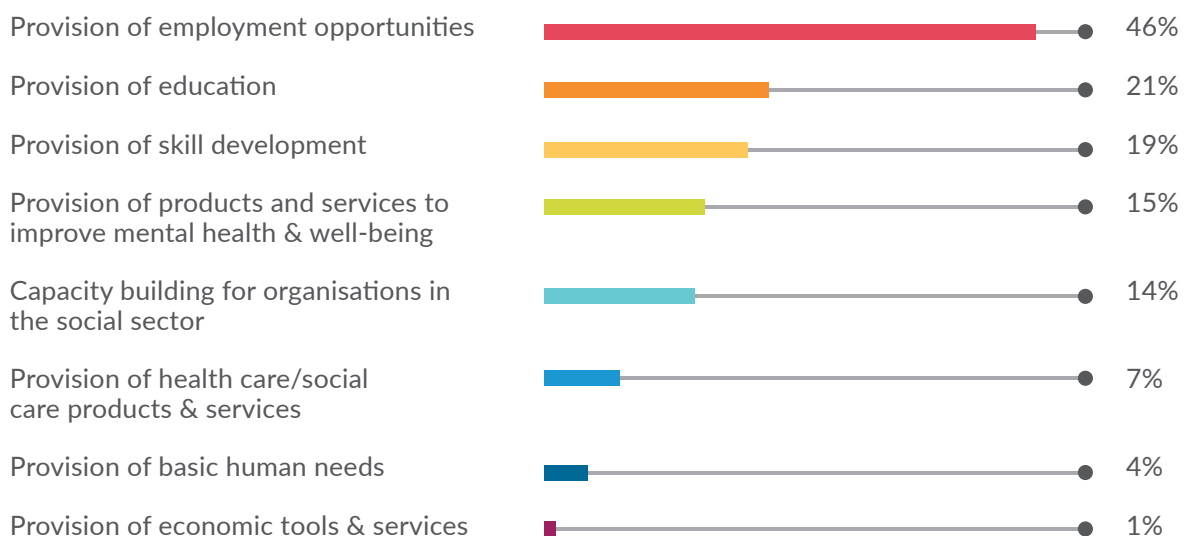


Figure 7: Outcome Areas of Social Enterprises

NO.	OUTCOME AREAS	DESCRIPTION
1.	Provision of employment opportunities	Empowering the underprivileged to be independent, self-sufficient and financially sustainable.
2.	Provision of education	Providing access to academic resources, educational support and toolkits to enhance learning capabilities.
3.	Provision of skill development	Providing training and mentorship to enhance individuals' self-development, leadership and life skills.
4.	Provision of basic human needs	Providing universal access to housing, water, food, transportation, and sanitation to increase the quality of life for disadvantaged communities.
5.	Provision of economic tools and services	Enhancing access to finance, crowdfunding and e-commerce platforms.
6.	Provision of health care/social care products and services	Providing access to quality health care through products and services for disease prevention and mitigation.
7.	Provision of products and services to improve mental health and well-being	Providing products and services to holistically enhance the well-being of individuals and to address social exclusion.
8.	Capacity building for organisations in the social sector	Providing social service organisations and social enterprises with technology, skills, knowledge and training to enhance internal organisational capabilities.

Table 2: Description of Outcome Areas

The top outcome area that social enterprise members of *raiSE* are focused on is the provision of employment opportunities. Social enterprises that provide employment opportunities include *Teag*, a company which provides alteration services and employs vulnerable and disadvantaged women as seamstresses, and *Flourish Culinary*, a social enterprise bakery, that provides meaningful employment to ex-students from special education schools.

Other popular outcome areas are provision of education (e.g. *Our Learning Lodge*, *Playeum*, *School of Concepts*) and provision of skill development (e.g. *Silver Spring*, *Positive Intentions*, *Daing Pasandri Achiever Avenue*).

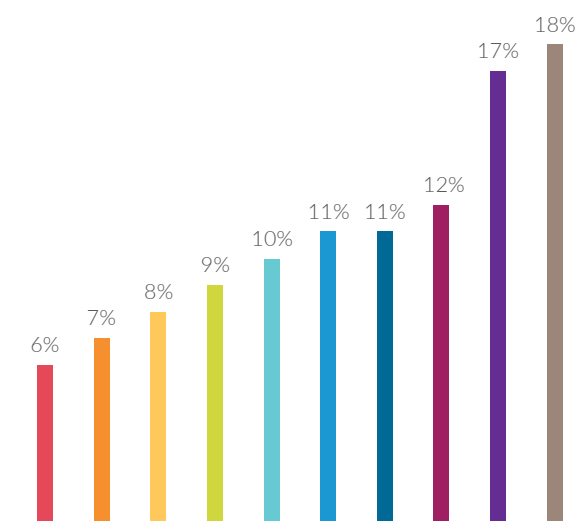
4.5

INDUSTRIES

Social enterprises operate in a wide range of industries (see Figure 7). The top three industries represented are:

1. Education (18 percent),
2. Training (17 percent), and
3. Health & Wellness (12 percent).

These are in line with what is being observed in the outcome areas where provision of education as well as provision of skill development are among the top outcome areas.



- R&D & Consultancy
- Arts & Culture
- Events Management
- Information & Communications
- Business Services
- Food & Beverage
- Retail & Gifts
- Health & Wellness
- Training
- Education

Figure 8: Top 10 Industries

4.5.1

EDUCATION

Education is the most popular industry among social enterprises. Among the services social enterprises offer are courses in financial literacy, IT classes, and special needs classes, etc. Many provide these services to nurture children, youths, elderly and the disabled to become independent, self-supporting and/or contributing members of society. LearnIn, Envisage Education and Sustainable Living Lab are among the social enterprises that provide educational services.



SE SPOTLIGHT

LearnIn: LearnIn is an enrichment agency that empowers persons with disabilities in both academic and non-academic subjects. Founded in 2016, it acts as the bridge to help students with disabilities find tutors (with/without disabilities). Likewise, tutors with disabilities can leverage LearnIn for a potential source of income and additional job opportunities. LearnIn recently held an educational session at Tech Able @ Enabling Village and also conducted disability awareness workshops that aim to benefit persons with disabilities by imparting life skills to them.



4.5.2

TRAINING

Training is the second most popular industry among social enterprises; many deliver and organise upskilling workshops and training courses for the underprivileged at low or no cost to prepare them to seek gainful employment in the future. Some social enterprises are in the business of providing training and mentorship for other social enterprises to enhance their capabilities in impact assessment, capacity building through incubation and acceleration programmes, etc. Among the social enterprises that provide training services are Tomo Training Consulting Group, Bettr Barista Academy and Mendaki Sense.



SE SPOTLIGHT

Tomo Training Consulting Group (TTCG):

Founded in 2009, TTCG is a leading education and training consultancy that aims to provide training and employment opportunities for the underprivileged and at-risk youths. Through an array of team-building, leadership and life skill programmes, TTCG provides youths with a platform for personal growth and development. TTCG works with numerous schools to assist in the development of social and emotional learning among students. It organises camps and workshops to help students forge positive relationships with others and guides them towards making better decisions for themselves.



4.5.3

HEALTH AND WELLNESS

Health and wellness is the third most popular industry among social enterprises with many providing quality healthcare services and products to address sector gaps through innovative means. We are seeing the rise of innovative online and mobile healthcare service platforms such as caregiving apps that are helping to alleviate demands for caregiving. Social enterprises in this industry include Joytingle, Homage and Neeuro.



SE SPOTLIGHT

Joytingle: Joytingle is a health education social enterprise founded in 2012. It is the first company in the Asia and Oceania region to focus on patient education materials, which help to allay the anxieties of patients while receiving medical treatment. Joytingle's products are used by leading hospitals across five countries, including the Johns Hopkins Children's Centre (United States), Evelina London Children's Hospital (United Kingdom), and National University Hospital (Singapore).



4.6

BENEFICIARIES

Social enterprises generally serve communities or persons who are susceptible, facing problems or at risk of facing problems that affect their social and economic well-being. This situation usually occurs when there is deprivation in at least one of the following areas:

● Economic ● Physical ● Mental ● Social

Beneficiary groups include:

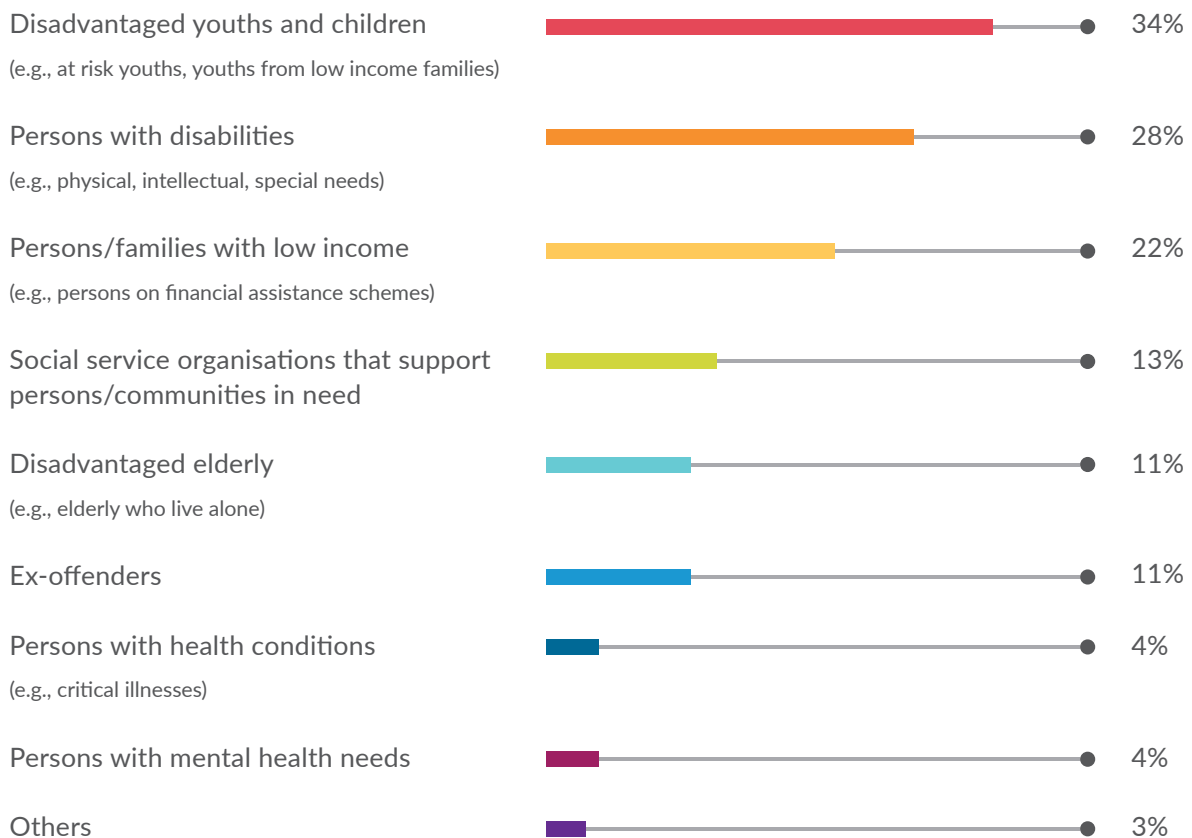


Figure 9: Beneficiary Groups Serviced by Social Enterprises

Some social enterprises work with one beneficiary group only, but there are others that work with two or more beneficiary groups. In their work with beneficiaries, many social enterprises get assistance from charities (e.g., Beyond Social Services), family service centres (e.g., Fei Yue Family Service Centre) and government agencies (e.g., SG Enable) to identify and connect with the beneficiaries.

The top three beneficiary groups that social enterprises work with are:

1. Disadvantaged youths and children (34 percent)
2. Persons with disabilities (28 percent)
3. Persons and families with low income (22 percent)

4.6.1

DISADVANTAGED YOUTHS AND CHILDREN

Social enterprises typically collaborate with government agencies, such as MSF and NCSS, and nonprofit organisations, such as *SCAPE, Pertapis Children's Home and Singapore Children's Society, to support disadvantaged youths and children. These include those who are from low socio-economic backgrounds, are abused or at risk of abuse, with poor sense of self and are not coping well in school. Some examples of social enterprises serving this beneficiary group include Sew Into It, Damalee Communications and Popsocial Asia.



SE SPOTLIGHT

Sew Into It: Founded in 2014, Sew Into It runs fun-loving sewing workshops for children and youths-at-risk. SEWcial Agenda, its social outreach arm, organises youth mentorship programmes to empower youths-at-risk and uses sewing as a platform to creatively engage them as well as encourage self-reflection through sewing items related to their personal life stories. Sew Into It hopes to widen its programme outreach to Singapore Girl's Home, after-school student care centres and schools.



4.6.2

PERSONS WITH DISABILITIES

Social enterprises that serve persons with disabilities (PWDs) work with government entities, such as MSF, SG Enable and Singapore Workforce Development Agency, and nonprofit organisations like SPD, Disabled People's Association and Movement for the Intellectually Disabled of Singapore. Social enterprises that serve PWDs include Dove Doodle, the Sapling and Able Seas.



SE SPOTLIGHT

Dove Doodle: Founded in 2013, Dove Doodle is a local, arts-based social enterprise. It aims to build a socially inclusive society by promoting visual arts in the community and celebrating the diversity of individuals with artistic inclinations and abilities, particularly artists with disabilities. Dove Doodle works with both artists with and without disabilities to promote the sale of their paintings and art souvenirs. It also organises art workshops, bazaars and community events to raise awareness of the importance of social inclusiveness.



4.6.3

PERSONS AND FAMILIES WITH LOW INCOME

Social enterprises typically serve persons and families with low income by partnering with volunteer welfare organisations such as family services centres, Care Corner, and Muhammadiyah Association of Singapore, and government agencies like MSF. Social enterprises that serve persons and families with low income include Hello Flowers!, Greenhorn Staffing and Bamboobike.



SE SPOTLIGHT

Hello Flowers!: Hello Flowers! is a floral boutique that provides products and services such as flower bouquets, wedding florals and event styling. It provides training and employment opportunities for low-income ladies recommended by family service centres or other social service agencies. They receive ad-hoc employment and on-the-job training, supplemented by a weekly training programme.



4.7

GEOGRAPHICAL REACH

The bulk (70 percent) of social enterprises operate their businesses locally in Singapore. This is expected as social entrepreneurs will usually start with addressing local needs with which they are most familiar. Nineteen percent operate regionally, mostly in Southeast Asian countries, and 11 percent operate internationally.

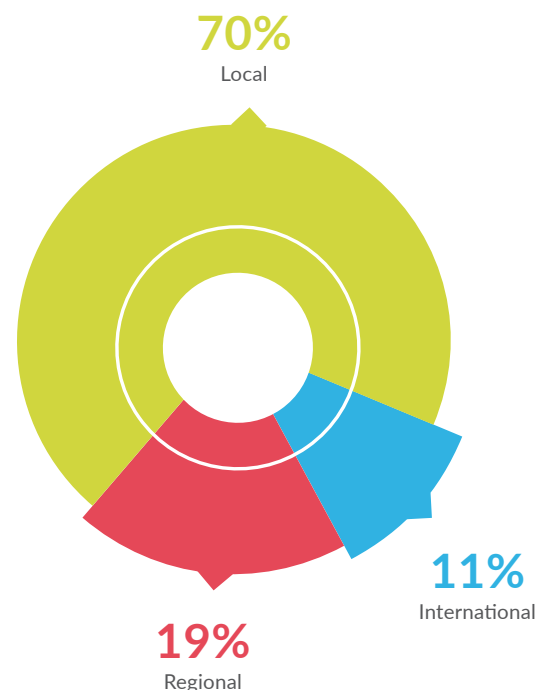


Figure 10: Geographical Reach

Social enterprises that operate regionally include Chapter W, Backstreet Academy and Purnama Outreach. Some of them have to operate outside of Singapore as their products and services, such as solar lamps and portable water filters, apply mainly to consumers in developing and/or rural environments.

Social enterprises with international operations include TWare, Coco Khmer and Billion Bricks. Besides offering products and services with international demand, these social enterprises likely have established distribution chains to the international markets.



SE SPOTLIGHT

Chapter W: Chapter W is a social enterprise that aims to end energy poverty through rural women solar lamp entrepreneurship in Indonesia. The organisation develops a sustainable entrepreneurship training programme for these women to be solar lamp entrepreneurs so that they can be self-sufficient and financially independent. Chapter W not only provides increased access to electricity but also empowers over 120 women, known as Mothers of Light, across more than 20 areas in rural Indonesia. So far, over 6,000 people have benefited from solar lamps via Chapter W's Mothers of Light Network.



SE SPOTLIGHT

TWare: Founded in 2011, TWare is a Singapore-based wearable tech company. It has been developing innovative wearables, which help users understand and monitor their bodies' needs. TWare's wearables provide pain and stress relief using their patented touch technology. Its flagship product, the Tjacket, is a wearable touch technology vest that provides deep touch pressure to persons with autism, ADHD, anxiety, and PTSD. This calms wearers when they are stressed as the jacket simulates a hug. Tjacket is sold globally and has been used in renowned hospitals and special schools in Europe, America, Australia, and Southeast Asia.



4.8

FINANCIAL PROFILE

4.8.1

REVENUE

Social enterprises in Singapore tend to be small scale, operating with an annual revenue of less than \$250,000. The largest group of social enterprises, 43 percent of them, operate with annual revenue of between \$50,001 and \$250,000. The second largest group of social enterprises, 31 percent, operate with a revenue of \$50,000 and below. The relatively small scale of social enterprises in Singapore is consistent with the fact that they are mostly in the seed and early stages of the business cycle.

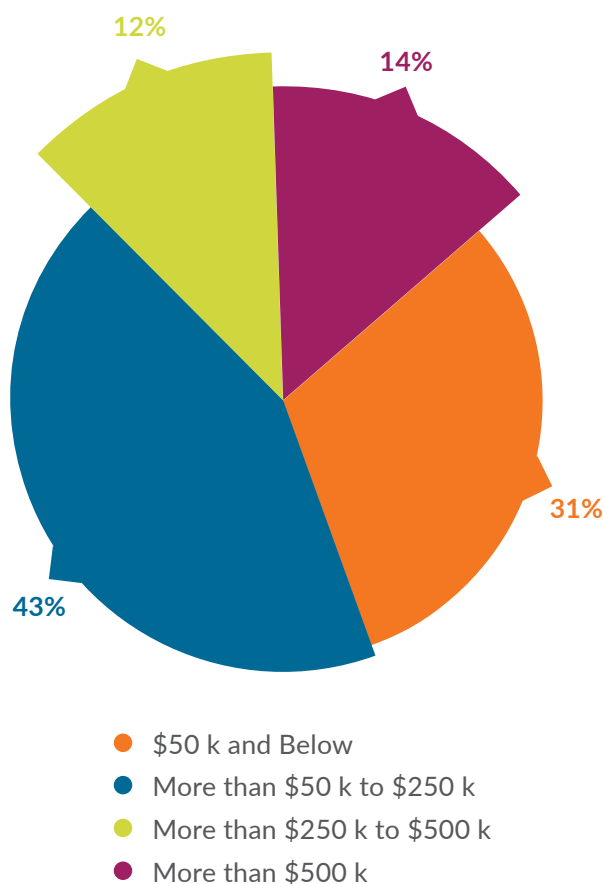


Figure 11: Annual Revenue of Social Enterprises

4.8.2

REVENUE SOURCE

The top three revenue sources for social enterprises are trading with the general public (43 percent), trading with corporates (27 percent), and trading with the public sector (14 percent). Trading with nonprofits and social enterprises as well as deriving revenue from donations, grants and sponsorships are relatively small revenue sources for these social enterprises.

Social enterprises that derive their main revenue source from trading with the general public sell their goods and services to the masses. These include social enterprises like the Animal Project, which sells gifts designed by talented individuals with autism and related challenges. Social enterprises that derive their revenue primarily from corporates include Agape Connecting People. It operates IT and call centres while providing training and jobs to various disadvantaged groups. In addition, social enterprises that derive their revenue primarily from the public sector include Skillseed, which organises activities for various schools.

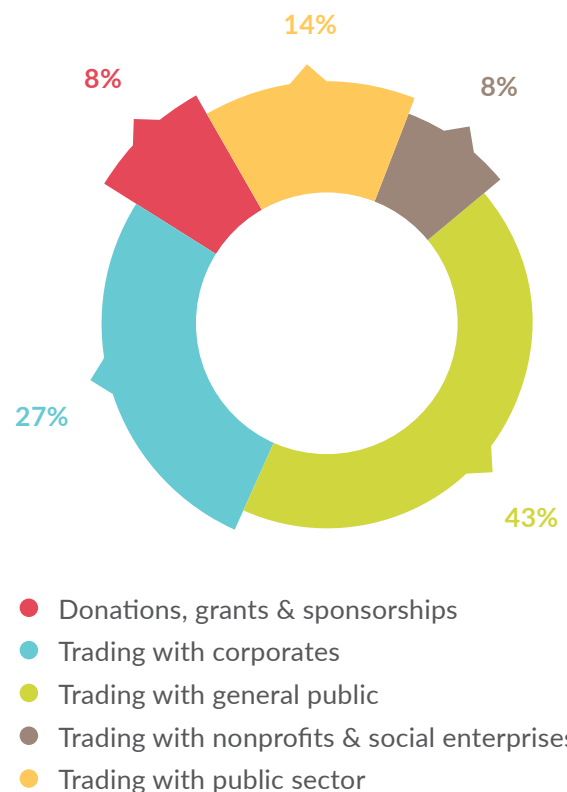


Figure 12: Primary Source of Revenue

4.8.3

FUNDING

More than 60 percent of our social enterprises are self-funded. Only 40 percent have gotten external funding which includes grants, investments and loans.²⁰

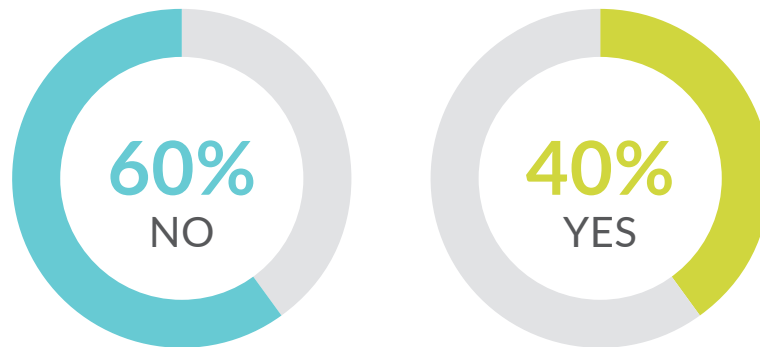
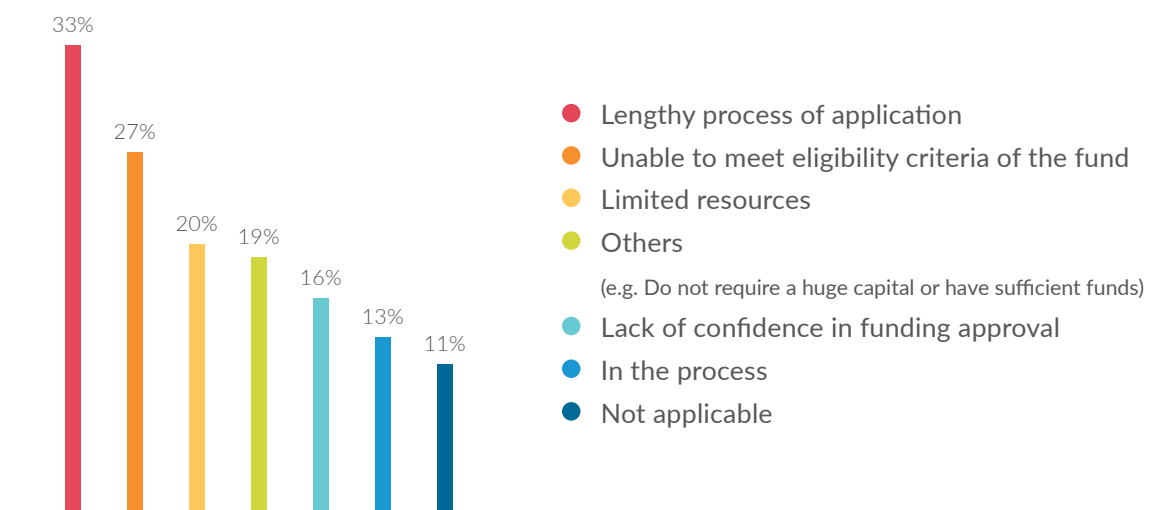


Figure 13: Social Enterprises that have Obtained External Funding

The top three reasons social enterprises do not apply for/get external funding are as follows:

- The lengthy process of application that can stretch to several months, which discourages them from applying. (33 percent)
- The inability to meet eligibility criteria of external funding. (27 percent)
- Limited resources, which hinder applicants from applying, especially when the application process requires a lot of information. (20 percent)



Note: Social Enterprises can choose more than one reason.

Figure 14: Reasons for Not Applying/Getting External Funding

4.8.4

FUNDING AVENUE AND AMOUNT

Social enterprises raise funds from a variety of funding avenues for a variety of reasons, including the need for working capital, cash flow, research and development, and the purchase of equipment.

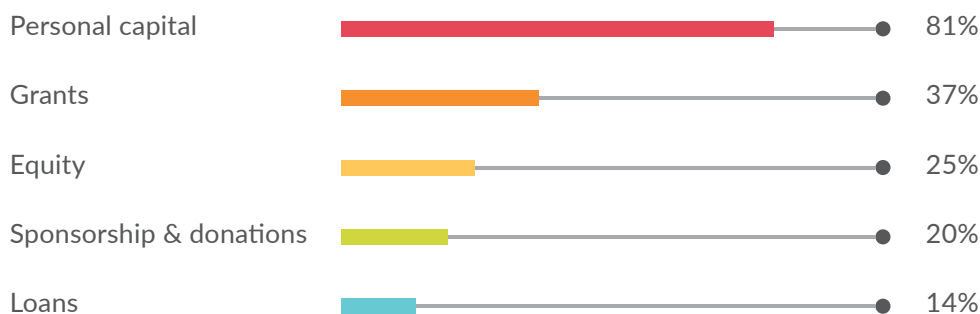


Figure 15: Funding Avenues of Social Enterprises

The majority (81 percent) of social enterprises surveyed were funded by the personal capital of founders, family or friends. This signals a strong reliance on personal wealth as well as the commitment of the social entrepreneurs. These social entrepreneurs have a strong vested interest to ensure the success of the social enterprises, given the personal risk they have undertaken with their investments in both time and personal wealth.

Personal capital pumped into social enterprises ranged from \$500 to \$1.5 million. Among the social enterprises surveyed, 35 percent invested \$10,000 or less, 35 percent invested between \$10,001 and \$50,000, 26 percent invested \$50,001 to half a million, and four percent invested at least half a million. The amount of investment required tended to be relatively small as the social enterprises are mostly in the seed and early stages.

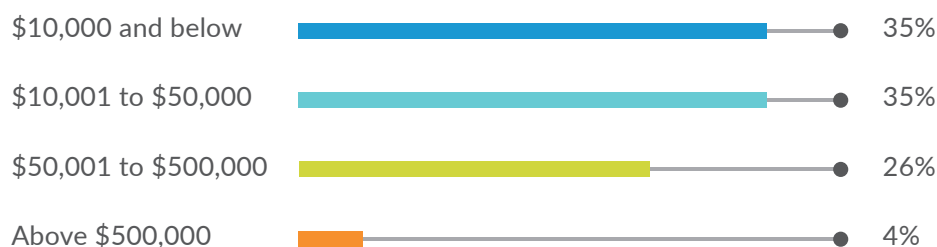


Figure 16: Personal Capital Invested in Social Enterprises

Aside from personal capital, the second most common funding avenue was grants, followed by equity, sponsorships and donations, and lastly loans. The amount received by grant recipients ranged from \$4,500 to \$700,000. Grants include the VentureForGood grant spearheaded by raISE, DBS Foundation Social Enterprise Grant, and grants awarded to winners of the many social enterprise competitions in Singapore.

TYPE	RANGE OF AMOUNT (\$)	AVERAGE (\$)
Personal Capital	500 - 1.5 million	88,969
Grants	4,500 - 0.7 million	92,180
Equity	10,000 - 3.1 million	314,154
Sponsorship & donations	300 - 60,000	14,094
Loans	4,000 - 13.9 million	1.3 million

Table 3: Types and Amount of Funding

The amount of equity funding tended to be higher than grants. Equity amount ranged from \$10,000 to \$3.1 million and averaged \$314,154. It usually came in the form of investments by impact investors or other interested individuals. Social enterprises that received equity investment tended to have an existing or potential stream of revenue that could generate financial as well as social returns for investors.

At an average of \$14,094, sponsorships and donations constituted a relatively small percentage of funding compared to the other funding avenues. This is encouraging to note as social enterprises are supposed to be sustainable and not reliant on donations unlike charities that are dependent on them.

The last funding avenue was loans. Social enterprises took loan amounts of \$4,000 to \$13.9 million. On average, the loan amount was \$1.3 million. However, this amount was skewed by the relatively huge loan taken by one of the social enterprises. Excluding the outlier, the average loan amount was a manageable \$164,455. Most of the loans constituted funding obtained from family, friends and shareholders. Only a few loans were serviced by banks.

RESOURCES



raiSE's website on its various grants such as LeapForGood and VentureForGood:
<https://www.raise.sg>



Social Value Toolkit that enables social enterprises to measure social value to aid its funding application:
<https://www.raise.sg/resource/>



Grants website for small and medium enterprises:
<https://www.smeportal.sg/content/smeportal/en/moneymatters/grants.html>



Grants portal for businesses:
<https://www.businessgrants.gov.sg>

Table 4: Useful Resources for Funding Purposes

4.9

TOP PRIORITIES AND CHALLENGES

Social enterprises were polled about their priorities and challenges. An overwhelming 64 percent indicated that improving their business model to achieve financial sustainability is their top priority. Other priorities include sourcing for funding (44 percent) and customer acquisition (43 percent).

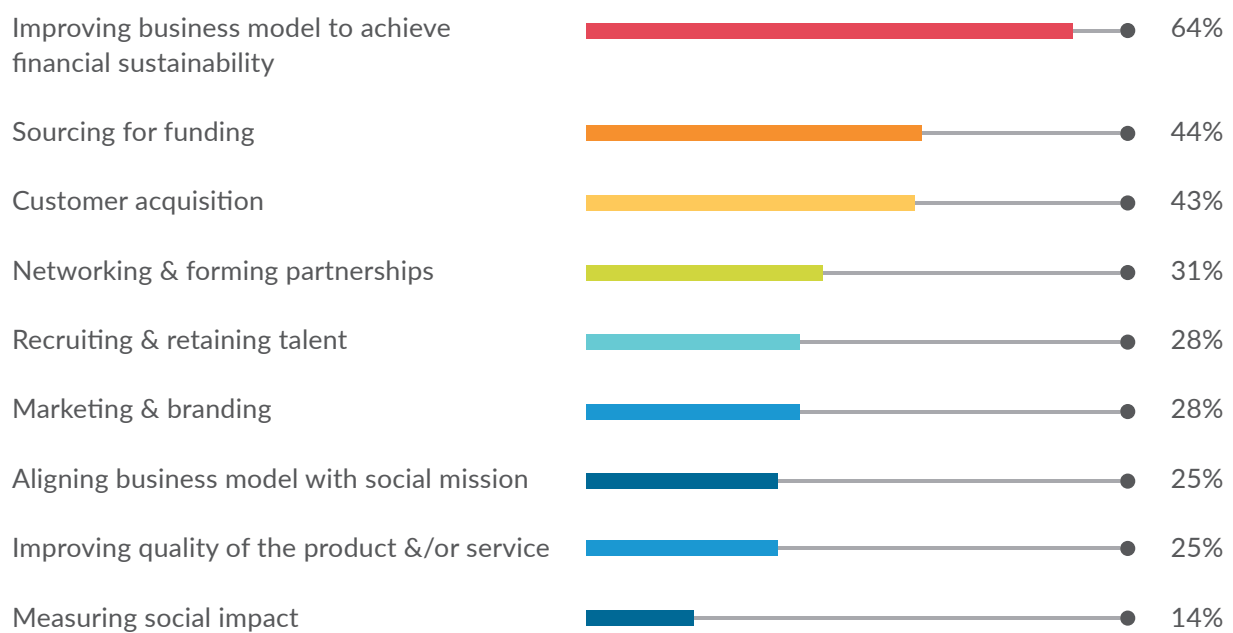


Figure 17: Priorities of Social Enterprises

Alongside these priorities, the top challenges faced by social enterprises are customer acquisition and market development (59 percent), access to financial support (53 percent), as well as the lack of public awareness (31 percent). The top challenges and priorities of the social enterprises suggest that business and financial sustainability remain the top concern.

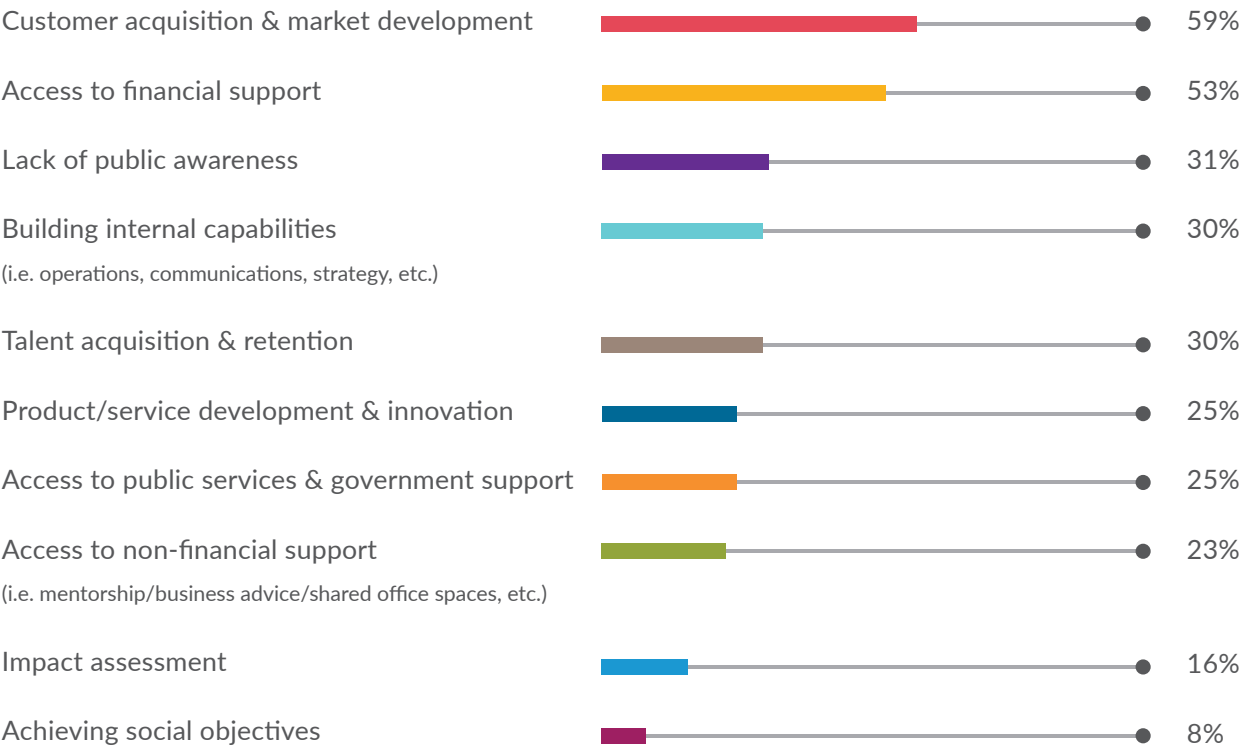


Figure 18: Challenges Faced by Social Enterprises

4.9.1

TOP 3 CHALLENGES & POSSIBLE STRATEGIES

A number of social enterprises were asked about successful strategies they have formulated to help overcome the top three challenges. Below are some of their strategies:

CHALLENGE 1: CUSTOMER ACQUISITION AND MARKET DEVELOPMENT

Customer acquisition and market development has been flagged as a challenge for social enterprises in all stages of growth. Social enterprises face the constant need to acquire new customers especially those whose businesses involve services or goods that are not procured by their customers on a recurring basis. Here are some strategies:

STRATEGY 1 >> Embark on Product and Price Differentiation

- As part of its business model, Lime Agency, a one-stop boutique agency in marketing, consulting and graphic design, works with a wide variety of clients ranging from corporate organisations to social enterprises, startups and nonprofits. To cater to different clientele, Lime articulates a clear and unique value proposition by differentiating its services on two axes – price as in customised rate cards for different types of customers and offering as in giving full-on support and strategy regardless of the type of customers. Product and price differentiation are thus a cornerstone of Lime's business strategy.

niche markets. It is therefore important for social enterprises to stay competitive in terms of price and quality. Social impact then comes as an added benefit when comparing products and services of equal status, and can be harnessed as an attractive proposition for clients.

STRATEGY 2 >> Focus on Niche Areas

- E-nitiate, a courier company which employs marginalised youths, focuses on certain niche industries. This allows it to focus and come up with relevant and tailored services for the niche industries, thus enabling it to acquire customers in a more targeted manner.

STRATEGY 4 >> Form Relevant Partnerships

- Social enterprises can seek to form partnerships with related social enterprises or other organisations to provide complementary products and services. Such partnerships aid in expanding their existing customer outreach and may potentially help to open up new markets.

STRATEGY 3 >> Focus on Quality while Embracing Social Impact as a Form of Branding

- Lime Agency and iFood, a food and beverage operator and supplier that employs the elderly, believe that the intrinsic value and quality of their products and services are primary motivating factors in influencing a customer's purchasing decision, except for specific

- UNFRAMED, a training academy that nurtures entrepreneurs for greater social impact, argues that it is important to cultivate relationships with a series of "small yeses". Once supporters have been roped in with the initial support, trust and credibility between stakeholders and social enterprises can be cultivated easily.

STRATEGY 5 >> Stay Ahead of the Trend

- UNFRAMED constantly innovates and reinvents itself to stay ahead of the trend. It aims to identify future market gaps and takes the opportunity to be the first mover in the industry, enabling it to acquire early bird customers.

STRATEGY 6 >> Being Nimble

- In the initial stages, WaterROAM, a water innovation company that provides highly portable water filtration services, relied primarily on disaster relief and management to generate sales. However, this proved to be an unsustainable market development tool. To address the challenge, WaterROAM branched out to micro-entrepreneurship and the distribution of water filtration products, a model that proved to be more sustainable. It

is important to stay nimble and be flexible in adapting the business model to stay relevant.

- Bettr Barista, a coffee training academy that employs and trains marginalised women, understands the importance of asking for honest feedback from non-customers who are unwilling to buy its products. It would then react nimbly by constantly updating its strategy to respond to feedback.

CHALLENGE 2: ACCESS TO FINANCIAL SUPPORT

The majority of social entrepreneurs relied on their personal capital when they first started their business. Subsequently, many of them relied on a mix of personal capital, grants, loan, equity as well as sponsorship and donations for their working capital. Even when there are revenue streams, funding is often needed for expansion and cash flow gaps. Therefore, access to financial support is a recurring challenge for social enterprises. Strategies to cope with this are as follows:

STRATEGY 1 >> Focus on Quality

- Many of the surveyed social enterprises reiterate the importance of focusing on the intrinsic quality of their products and/or services. Financial support will follow when the products and/or services are competitive.

they seek as each application usually requires considerable amount of time to prepare. It is thus important to schedule and plan one's time.

STRATEGY 2 >> Leverage on Networks

- Social enterprises can leverage their own network as well as industrial networks such as raISE, NUS Enterprise as well as SPRING Singapore to reach out to funders and new funding avenues. They can also approach mentors for help as most are well connected.

STRATEGY 3 >> Be Resourceful

- Social enterprises should be resourceful and be on the lookout for grant competitions in which they can participate. They should plan ahead and be strategic about the nature and type of funding – funds/grants/investments –

STRATEGY 4 >> Pitch with Purpose and Clarity

- WaterROAM has the following tips for a business pitch
 - a) Highlight that the problem your social enterprise is solving is a legitimate and important one.
 - b) Identify existing market gaps and show how your social enterprise can bridge them.
 - c) Present the milestones that have been achieved by your social enterprise thus far.
 - d) Demonstrate to the judging panel that you have a strong team and advisory panel.



CHALLENGE 3: LACK OF PUBLIC AWARENESS

Among the social enterprises interviewed, 31 percent believe the lack of public awareness is an obstacle in achieving business sustainability and expansion. According to the latest public perception study commissioned by *raiSE* and implemented by Republic Polytechnic and ACSEP in 2016, there is a positive correlation between awareness of social enterprises and the purchase motivation of consumers. When the public can correctly identify social enterprises, they are more likely to become customers.

Hence, to increase the visibility and public awareness of social enterprises, social enterprises should focus on differentiating themselves from traditional businesses. 2016 respondents of the public perception survey said that the most important differentiating factor is the hybridity of social enterprises or their dual goals – “doing good while making a profit.” Self-identification – “what the social enterprise says about itself” – is next.

Many social enterprises use the following strategies to increase public awareness of their organisations.

STRATEGY 1 >> Engage in Storytelling

- Many SEs share that it is crucial to create and curate success stories of one's organisation for portfolio building and to demonstrate track record. This increases brand visibility and publicity. They also emphasise the need to weave a convincing founding story to capture the hearts of the public and the press.
- Social enterprises can also articulate their story and social mission through film and videos as these are powerful story telling tools that appeal to people's senses.

STRATEGY 2 >> Leverage Media Platforms

- *WaterROAM* sources for appropriate media to market its organisation. The founders ensure that the interviews they accept are in line with their agenda. Since its inception, *WaterROAM* has been successful in getting its story published on Impact Journalism Day²¹ which resulted in it being featured by eight major newspapers around the world including *Huffington Post* and *USA Today*, generating a lot of publicity for the social enterprise.

STRATEGY 3 >> Organise or Participate in Social Events/Festivals

- Social enterprises can participate in and set up booths in various social events/festivals such as *raiSE*'s FestivalForGood to raise public awareness of their organisations.

STRATEGY 4 >> Be Creative with Marketing Materials

- Social enterprises can market their organisations with tools such as business cards, wearables, brochures and newsletters. *Lime Agency* and *Dove Doodle* have unique name cards that allow them to leave a deeper impression on their recipients. The founder of *UNFRAMED* is a passionate advocate of his organisation. As an *UNFRAMED* brand ambassador, he routinely wears his organisation's T-shirt during meetings and events.



5. SOCIAL ENTREPRENEURS

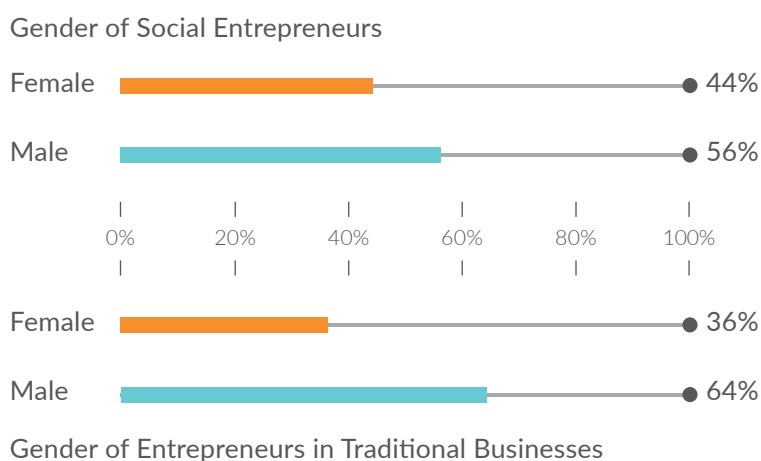
This section details the profile of social entrepreneurs, their talent needs, as well as stories of social inclusiveness embodied by a select few.

5.1

GENDER

Out of 337 social entrepreneurs, 44 percent are females while 56 percent are males. In comparison, female and male entrepreneurs in traditional businesses stand at 36 percent and 64 percent, respectively in 2015.²²

More females than males seem to be starting social enterprises as compared to traditional businesses. One possible reason is females are more inclined towards the social services sector. According to Singstats,²³ there are 1.17 million males employed across all industries compared with 0.98 million females in 2015. However, when it comes to industries related to the social sector, the number is very skewed towards female employees with 120,000 females versus 52,000 males.²⁴



Source: raISE Database and Singapore Business Review

Figure 19: Gender Breakdown of Social Entrepreneurs Versus Those in Traditional Businesses

5.2

AGE

Singapore's social entrepreneurs are relatively young. As seen in Figure 19, most (38 percent) social entrepreneurs are 30 to 39 years old, 28 percent are aged 40 to 49, 20 percent are below 30, 11 percent are 50 to 59, and three percent are aged 60 and above. The youngest social entrepreneur is 19 years of age while the oldest is 71. The average age of social entrepreneurs in Singapore is 38 years old.

Of the social entrepreneurs, 36 percent fall in the youth category used by many government agencies, i.e., between 18 and 35 years old.

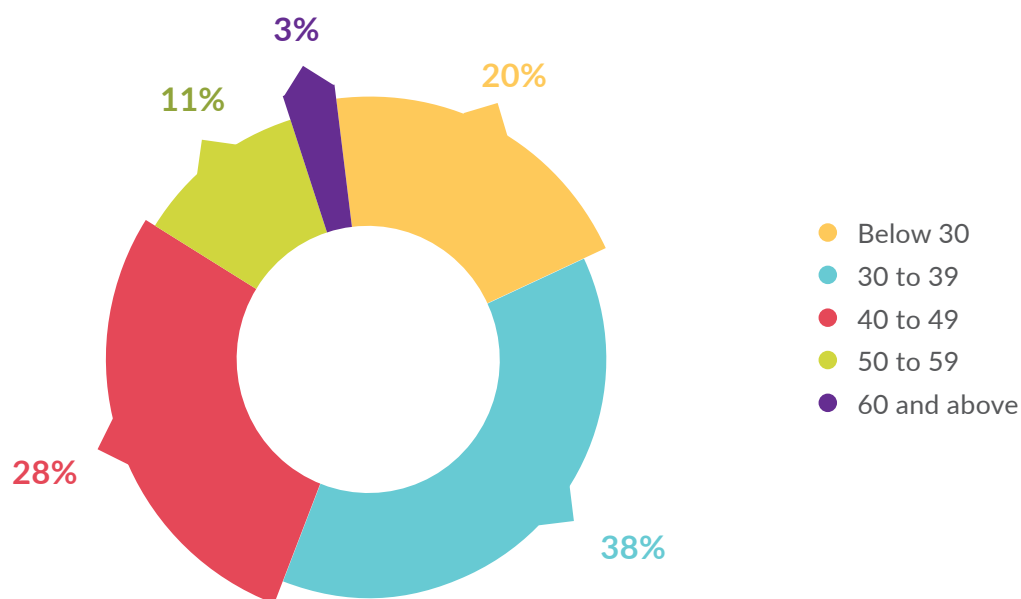


Figure 20: Age Groups of Social Entrepreneurs

5.3

CITIZENSHIP

The bulk (87 percent) of social entrepreneurs are Singaporeans, with four percent and nine percent being foreigners and permanent residents respectively

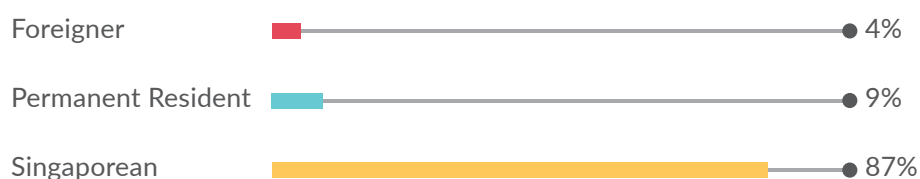


Figure 21: Citizenship of Social Entrepreneurs

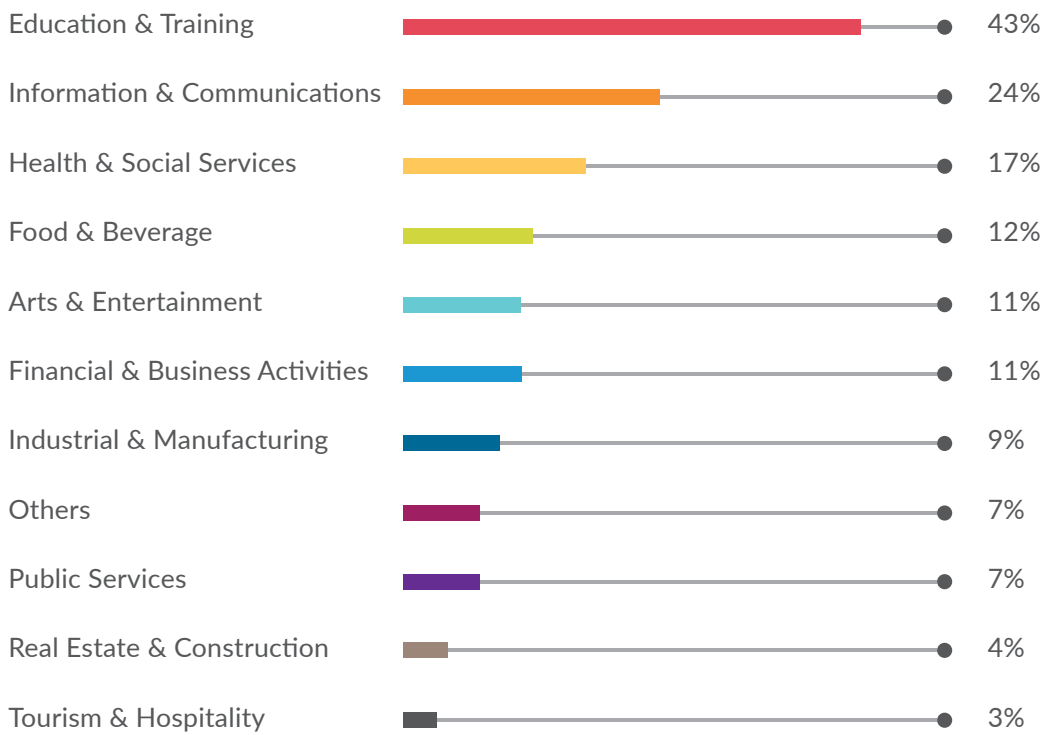
5.4

EXPERIENCE OF SOCIAL ENTREPRENEURS

5.4.1

INDUSTRIAL EXPERIENCE

Social entrepreneurs tend to operate in industries that build on their prior experience. Most hail from education & training (43 percent), information & communications (24 percent), and health & social services (17 percent). This finding aligns with the top three industries of social enterprises which are education, training, and health & wellness.



Note: Social Entrepreneurs may have multiple industrial experiences.

Figure 22: Industrial Experience of Social Entrepreneurs

5.4.2

YEARS OF WORKING EXPERIENCE

Seventy-eight percent of social entrepreneurs have more than five years of working experience. In fact, a quarter of these entrepreneurs have 20 years or more working experience while only 22 percent say they have five years or less experience. On average, the entrepreneurs have 14.6 years of working experience.

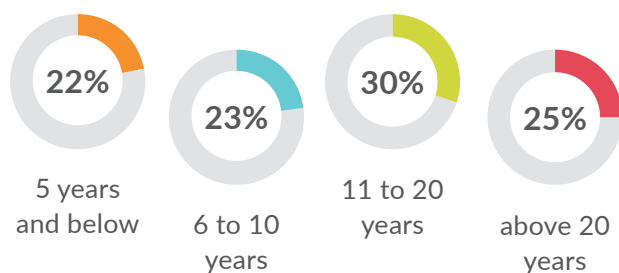


Figure 23: Years of Working Experience

The length of working experience of these social entrepreneurs seems to have some bearing on the business stages of the social enterprises they run. Seed stage social enterprises are started by social entrepreneurs with the least work experience while mature stage social enterprises are started by those with the longest work experience.

BUSINESS STAGES	AVERAGE (YEARS OF WORK EXPERIENCE)
Seed Stage	11.8
Early Stage	15.7
Growth Stage	13.2
Mature Stage	20.9

Table 5: Business Stage and the Corresponding Years of Working Experience

5.4.3

ENTREPRENEURIAL EXPERIENCE

Some 66 percent of the social entrepreneurs are first-time entrepreneurs while 34 percent have previously founded other enterprises. Among the serial entrepreneurs, most of them (12 percent) have previously founded one enterprise. Nine percent of them have founded two enterprises before, nine percent have previously founded three enterprises, and four percent have founded four or more enterprises before.

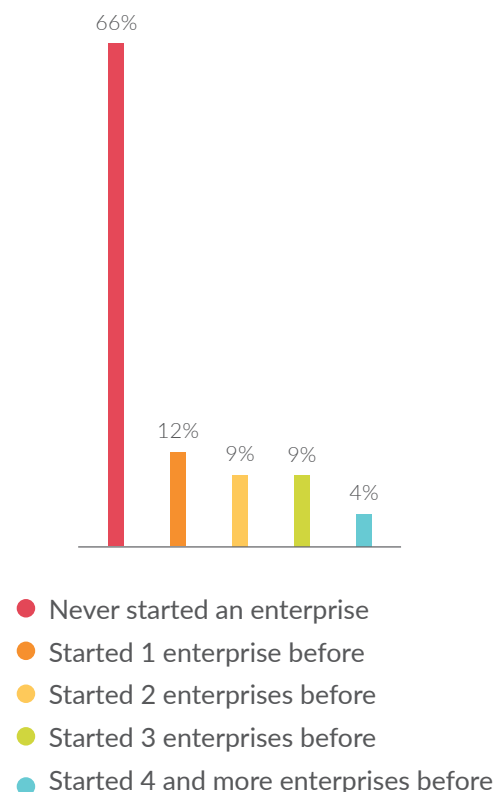


Figure 24: Entrepreneurial Experience

Years of leadership experience as well as years of working experience of the social entrepreneurs are found to have a positive correlation with the business stage of the social enterprises. This suggests that entrepreneurs with longer leadership and work experiences tend to run social enterprises in more advanced stages of the business cycle. There is however no obvious correlation between serial entrepreneurs and the business stage of their social enterprises.

5.5

NUMBER OF EMPLOYEES AND TALENT NEEDS

5.5.1

NUMBER OF EMPLOYEES

Most (69 percent) social enterprises operate in relatively small teams of fewer than five employees. Only 31 percent employ more than five people. This aligns with the fact that most of the social enterprises are in the seed and early stages of the business cycle.

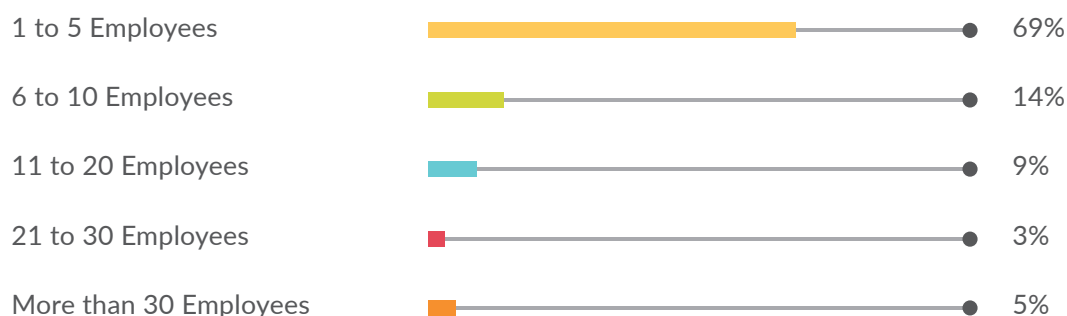


Figure 25: Number of Employees in Social Enterprises

5.5.2

TALENT NEEDS

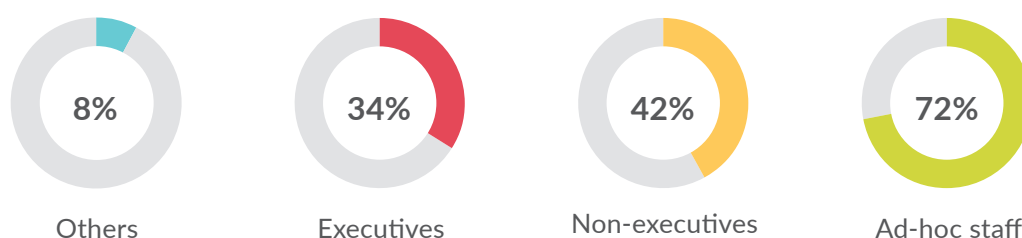


Figure 26: Positions Available in the Next Six Months to One Year

In the next six months to a year, 72 percent of the social enterprises have plans to employ ad-hoc staff, including interns, volunteers, contract workers and freelancers. Forty-two percent have plans to employ non-executives with less than five years of work experience while 34 percent intend to employ executives who possess more than five years of work experience. Eight percent of social enterprises indicated they do not have any positions available as yet.

5.5.3

HIRING STRATEGIES

Social enterprises, just like any other business, face challenges in attracting talent in the often multifaceted and dynamic business environments in which they operate. Some have difficulties paying competitive wages, and attracting and retaining talent. While having a specific social mission can be an appealing selling point in recruiting socially conscious individuals, there are other important strategies that also need to be applied by human resources in search for the right talent.



SE SPOTLIGHT

Strategy 1: Provide fair wages and training opportunities

iFood operates more than 40 cafes, restaurants and cafeterias, and actively engages different communities that serve the greying population by providing jobs for those with difficulty finding employment. Over 60 percent of its 240 employees are above the age of 50. It manages to attract and retain the greying population through a fair employment policy and a comprehensive training system that invests in training all employees regardless of age. To accommodate these older workers, iFood breaks down the training curriculum to modules of four hours each. It also has a system that promotes the elderly to leadership positions based on performance.



SE SPOTLIGHT

Strategy 2: Embark on purposeful talent selection and create a positive working environment

Betr Barista's human resource challenges include having job roles and responsibilities that may not fit generally accepted corporate job descriptions. It overcomes this challenge by focusing more on candidates' personality fit with the company culture, life experiences and motivations, and critical thinking skills. This results in a more versatile pool of individuals. Examples include hiring a barista who is also a graphic designer or an administrator who organises outdoor activities. In addition, Betr Barista offers flexible work arrangements that enable it to attract more experienced senior talent, along with a flat organisational structure and culture that celebrates innovation and entrepreneurship within the organisation.



5.5.4

AREAS OF EXPERTISE

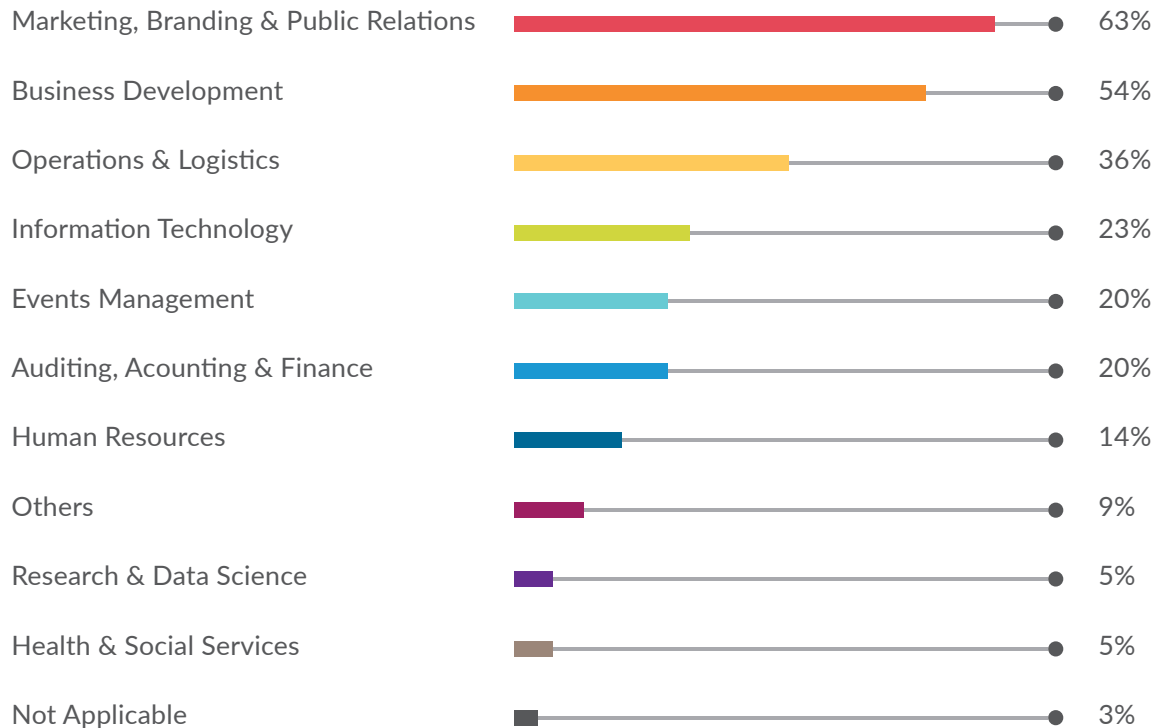


Figure 27: Areas of Expertise Needed in the Next Six Months to One Year

The top three areas of expertise needed by social enterprises in the next six months to one year are marketing, branding and public relations (63 percent), followed by business development (54 percent), which includes business strategy and consultancy, and operations and logistics (36 percent). Nine percent of social entrepreneurs indicated that they intend to hire experts in the realm of education, training, food and beverage, and law.

5.6

THE MAVERICK SOCIAL ENTREPRENEURS

Social enterprises have been relentless in empowering beneficiaries in various areas such as providing them with employment opportunities, assisting them in areas of education, training and the like. This section celebrates resilient and inspiring social entrepreneurs who may at first glance be thought of as beneficiaries but are actually active in empowering others. It further highlights the inspiration and motivations behind the success stories of these social entrepreneurs to demonstrate and celebrate an inclusive social enterprise sector in Singapore. The changes that are being forged in the sector empower people and go beyond transactional to transformational.

CASE STUDY A

THE PROSTHETIC COMPANY: A LEG UP IN LIFE



"I was told by a doctor that I could not walk again but I was stubborn enough to prove otherwise. My mission now is to provide job opportunities to physically challenged people like myself and help them in the rehabilitation process."

Desmond Lim, the founder of The Prosthetic Company, is an ex-flight attendant who was in a major accident a few years ago and is now physically challenged. Driven by his near-death experience where he spent almost 18 months in surgery, treatment and rehabilitation, Desmond is compelled to help others in a similar predicament.

In the course of his rehabilitation, Desmond identified a gap in the healthcare industry – a

market that is disjointed, uncoordinated and lacking a one-stop service for physical disabilities and rehabilitative services. Hospitals, due to the lack of resources, manpower and time, do not usually offer customised service for prosthetic fitting. When they do, the process is long and cumbersome; the purchase of customisable prosthetics can take up to three to four weeks or even months.

As a result, many PWDs have to search for other prosthetic companies that offer customisable prosthetics based on "trial and error". In addition, there is a lack of coordinated rehabilitative and consultancy service for PWDs and many have to find suitable physiotherapists themselves, usually recommended by hospitals.



To help address the needs of persons with disabilities, Desmond founded The Prosthetic Company to offer a one-stop service. The Prosthetic Company, currently the only social enterprise for prosthetics in Singapore, provides affordable and customisable orthotics and prosthetics as well as offers therapy sessions and consultations. It also trains and employs persons with disabilities to help them become mobile again.

The Prosthetic Company prides itself on providing:

- A 3,000 square-foot one-stop rehabilitative service: The Prosthetic Company offers Schroth therapy sessions and scoliosis bracing options by certified therapists and orthotists on top of prosthetic manufacturing.
- Customised prosthetics: The Prosthetic Company has a fully equipped, in-house prosthetic workshop manned by two certified prosthetists. It manufactures sockets that are assembled in Singapore instead of outsourcing the parts overseas so that customisation is more convenient and manageable.
- Quick and affordable service and products: Unlike mainstream hospitals, The Prosthetic

Company manufactures prosthetics in a day to a few weeks. It charges an average of \$900 which is below the market rate of \$2,000. With its upcoming imported high technology, prosthetics can be manufactured in an instant.

- Employment opportunities: The Prosthetic Company employs and trains PWDs.

Desmond knows that fellow patients are better able to relate to him since he shares similar experiences. He seeks to demonstrate to them that they can lead normal lives, just like him. He is constantly thinking of ways to empower patients through his operations so that they can lead independent lives with less reliance on caregivers. To this end, he is planning to start a transport service for his clients.

"There is a need to drive empathy and we need to accept disabilities," Desmond said. He advocates for social inclusion in the things we do. He also curates an inclusive human resource policy which provides a democratic work culture and flexi-working hours that cater to the needs of PWDs. Through this and the provision of fair wages, he aims to employ PWDs to make up 50 percent of his workforce.

CASE STUDY B

E & I FOOD CONCEPTS: RECIPE FOR GOOD



“It is not about what you have achieved, but how you get there.”

Enoch Teo had a brush with the law in his earlier years and spent a year in a rehabilitation scheme for youth offenders and another year in a halfway house. A motorcycle accident was his wake-up call and he used the insurance compensation payout to start a food stall in 2012.

Determined to redeem himself and to give others like himself a second chance, Enoch went on to co-

found E & I Food Concepts, a food and beverage social enterprise which serves affordable French food in a casual setting. Their outlets are fuss-free, self-served and quick served, thereby bringing food prices down. In less than a year, they managed to grow the enterprise to outlets in the Pinnacle @ Duxton, Timbre+ and Upper Thomson, with two more outlets in Holland Village and Saviourworld @ Science Park to come in 2017.

The social goal of the social enterprise is to train ex-offenders and at-risk youths, and generate employment for them in the culinary industry. Another goal is to empower them with life skills. By kickstarting their careers in the food & beverage industry, Enoch hopes to boost their confidence and nurture them as self-reliant and financially independent individuals. He has since employed 20 at-risk youths and trained them in fundamental culinary skills which can be applied in semi-fine and fine dining restaurants.

Training the youths-at-risk can be challenging though. Not only are they greenhorns in the culinary industry, but also many of them find it difficult to cope with working life. Despite this, Enoch is undaunted. He wants to help these youths and instill positivity into their lives. He and his partners act as mentors for these youths by imparting them with life skills.

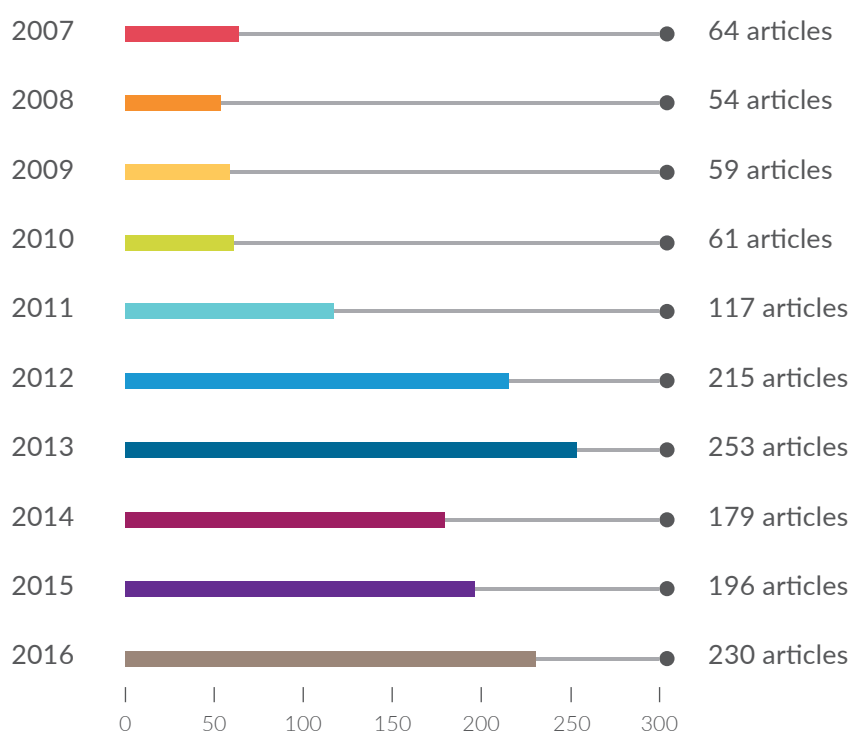
Enoch is always motivated by the success of his young charges. One of them, an N Level dropout who previously possessed no culinary skills, has made tremendous progress and is now pursuing a renowned pastry course with Le Cordon Bleu Sydney. Other charges have gone on to become skilled chefs in the industry.

As an ex-youth offender, Enoch understands the hardship beneficiaries have to go through to attain their dreams and wants his beneficiaries to succeed like he has. In a heart-warming tone, Enoch described his foray into social entrepreneurship as a journey, in which he gladly opines, “It is not about what you have achieved, but how you get there.”

6. MEDIA AND PUBLIC PERCEPTION

In line with the growth of the social enterprise sector over the years, there has been an increase in media coverage and a corresponding growth in public awareness.

In print media such as The Straits Times and Business Times, there has been an increase in the publication of news articles that feature social enterprises. In 2007, there were only 64 articles published. However, by 2016, the number has increased by 260 percent to 230 articles. The temporary spike in 2012-2013 can be attributed to the introduction of the President's Challenge Social Enterprise Award.



Source: Factiva

Figure 28: Print Media Count Over the Past 10 years

Social media and broadcast media have also been supportive of the social enterprise sector. In recent years, broadcast media such as Channel NewsAsia has started to give social enterprises more air time by featuring them in documentaries. For example, in February 2017, social enterprise Ecosoftt was featured in the documentary, "Finding Singapore", for helping villages in India address their water problems. Since March 2017, Hello Singapore, a local Chinese news programme, runs a series of 13 episodes featuring interviews with local social entrepreneurs.

However, it should be noted that the public is increasingly inclined to look to digital platforms like the Internet and social media for information. Based on the public perception studies conducted in 2010 and 2016, the Internet has supplanted traditional media – broadcast and print media – as the leading channel in creating public awareness for social enterprises. In line with the trend, *raiSE* has also launched several social media campaigns.

2016	2010
Internet (64%)	Broadcast Media (42%)
Word-of-Mouth (49%)	Print Media (34%)
Print Media (30%)	Word-of-Mouth (25%)

Source: Public Perception Studies

Table 6: Top Three Media Contributing to Public Awareness of Social Enterprises

Furthermore, the studies found that from 2010 to 2016, there has been an impressive fivefold increase in public awareness of social enterprises from 13 percent to 65 percent respectively. Among respondents participating in the 2016 public perception study, those in the 31-35 age group registered the highest level of awareness with seven out of 10 saying that they are aware of social enterprises. Even those aged 60 and above registered an awareness level of 41 percent.

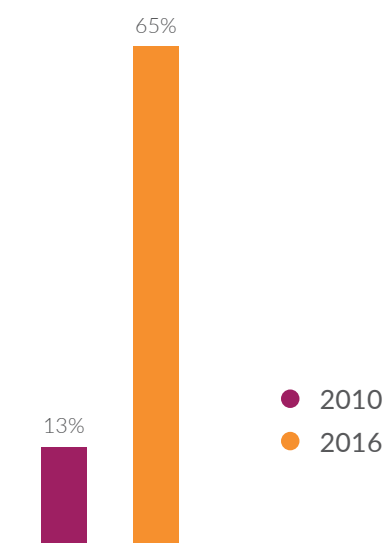


Figure 29: Public Awareness of Social Enterprises

In addition, there has been increased public buying of products and services offered by social enterprises. The number of buyers has grown from 22 percent in 2010 to 35 percent in 2016, although the increase seems to have come predominantly from ready buyers (the group of people who have not bought from social enterprises but indicated willingness to purchase from social enterprises in the next six months). The percentage of non-buyers, the group of people who have not bought from social enterprises and have no intention to do so in the next six months, remained the same at 23 percent.

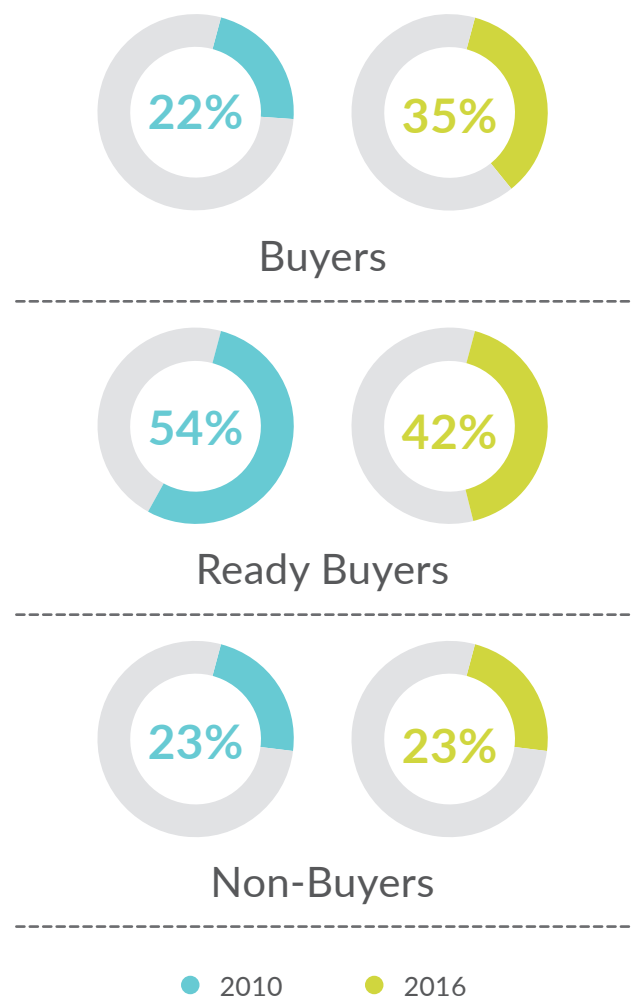


Figure 30: Purchase from Social Enterprises

In general, the public perception studies conclude that higher levels of public awareness and understanding of social enterprises lead to increased buying of social enterprises' goods and/or services. More findings and analysis of the public perception study can be downloaded from *raiSE*'s resource page.²⁵

7. OPPORTUNITIES AND LOOKING AHEAD

The social enterprise sector has come a long way. Over the last decade, the sector has enjoyed rapid progress with growing interest from the public as well as support from government agencies, corporates, impact investors, incubators, research institutions and other ecosystem players.²⁶

Not only has the number of social enterprises increased, the types of social enterprises and the outcomes they seek have also evolved along with the changing dynamics of Singaporean society. Increasingly we are seeing more tech-based social enterprises such as Neeuro and Jaga-Me that are utilising technological innovations to solve social issues like mental health and caregiving.

There are also targeted accelerator programmes run by different organisations to assist social entrepreneurs in meeting the needs of emerging social issues. One example is the Modern Aging programme by Access Health International and NUS Enterprise that combines online learning and focus workshops with individual mentoring to assist entrepreneurs in creating businesses that serve the needs of Singapore's ageing population.



Another example is the LeapForGood programme pioneered by raISE which aims to leverage a human-centred design approach and community partnerships to assist change makers in transforming ideas into real solutions and sustainable social enterprises. The programme focuses on identifying emerging social needs, namely mental health and eldercare. The increasing number of incubators and accelerators have provided more opportunities for aspiring social entrepreneurs to tap into resources such as funding, skills, mentorship and networks.

In spite of the progress, the survivability of social enterprises beyond the first two to three years of existence remains a challenge. Many social enterprises have difficulties sustaining their operations in a competitive business environment while generating social returns.

Scalability is yet another challenge and an opportunity at the same time. Social enterprises have to scale up to be sustainable and there is tremendous opportunity for them to expand their outreach in the ASEAN region.

Sustainability and scalability of social enterprises can potentially be strengthened with more support in the form of business mentoring and partnerships tie-ups. Government agencies such as International Enterprise Singapore can also render support to assist social enterprises in venturing abroad.



Findings from our public perception studies show that the buying of products and/or services offered by social enterprises has increased along with growing public awareness of social enterprises. The majority of consumers are people who value social mission above price and quality. There is also a significant yet untapped consumer market that social enterprises can target – the segment of potential consumers who value quality and price. Social enterprises that can go beyond their social mission and achieve greater market competitiveness through product and/or service innovation and improvisation have huge potential to expand beyond their existing client base.

Furthermore, the social enterprise sector has been gaining credibility for its role in alleviating social issues in society. With the initial success stories and with more nonprofits, for-profits as well as individual entrepreneurs coming on board, the potential of the sector to play an even larger role in the Singapore economy cannot be overlooked. It is in this light that raISE as a sector developer seeks to position itself to provide a range of support such as funding, advisory services, training, relevant resources and networks to assist our social enterprises from start-up to mature stages.



ANNEX 1: MAIN PLAYERS OF THE SOCIAL ENTERPRISE ECOSYSTEM

A. Policy Makers

1. Ministry of Social and Family Development

MSF's Social Enterprise Branch has been formulating and implementing policies and programmes to develop the overall Singapore social enterprise sector in general. Most of its current policies and programmes can be traced to the recommendations of a government-appointed SEC, which was tasked to develop national-level strategies to grow the social enterprise sector in Singapore.²⁷

2. National Council of Social Service

NCSS²⁸ leads and coordinates the social service sector in Singapore. As a sector leader, NCSS sets the direction for policy advocacy and strengthens strategic partnerships amongst various stakeholders for an effective social service ecosystem. It is an important player in informing the social enterprise sector and the Singapore society at large of the sector gaps in society. SEs can thus tap on NCSS to identify and better understand emerging and unmet social needs, and to make sense of the social impact they are aiming to achieve.

NCSS also recognises the potential and significance of SEs in addressing social needs innovatively and improving the capability of its VWO members. SEs are thus potentially important players in the social service ecosystem. At the 2016 inaugural Social Service Summit organised by NCSS, the President of NCSS Mr. Hsieh Fu Hua championed the need for VWOs to actively evolve and innovate and to call themselves "social service enterprises rather than VWOs, for it better embodies the spirit of creation, innovation and empowerment to bring about the change we need".²⁹

B. Professional and Support Services Providers

1. NUS Enterprise

NUS Enterprise³⁰ was established in 1998 with the aim to advance innovation and entrepreneurship at the National University of Singapore. It provides a range of legal, advisory, consulting and professional services to support aspiring and existing social enterprises. The HANGAR³¹ is a co-working space provided by NUS Enterprise to house startups and entrepreneurs as they develop their business ideas. Member entrepreneurs can not only enjoy a wide range of workspaces but also mentoring services that help develop test-bedding capabilities and idea validation. Bookkeeping and legal services are also provided in-house.

2. raISE

As a sector developer for social enterprises in Singapore, raISE offers professional and support services to nurture and develop social enterprises. raISE and its partner, Singapore Pools, have provided co-working spaces at the premiSE (Holland Village) for SE startups to gain convenient access to office spaces, resources, and business facilities in a centralised location. Apart from providing physical infrastructure, raISE grows the social enterprise sector by offering its members a huge wealth of free advice, mentorship, and business tools.³²

3. DBS Bank

DBS Bank provides preferential banking rates for social enterprises whose businesses are premised on a clearly defined social mission. It is the first and only bank in Singapore to offer banking solutions tailored exclusively for social enterprises. DBS's Social Enterprise Package³³ allows social enterprises to access a variety of virtually free transaction services. SEs can open a financial account with no initial deposit or minimum monthly balance. This low-cost banking solution enables SEs to focus on scaling their social impact without being financially burdened.

C. Capacity Builders

(i) Incubators and Accelerators

Social enterprise incubators and business accelerators help social enterprises kick start their businesses. Through targeted and specially curated programmes, such as capacity building workshops and social impact measurement training, etc., incubators/accelerators help social enterprises develop their businesses with a strong business model and amplify their social impact. In addition, these programmes also provide social entrepreneurs with access to networks, mentors, industry experts and angel investors, etc.

1. Singapore International Foundation

SIF³⁴ is a nonprofit organisation that aims to be a catalyst for social change. Through the exchange of shared ideas, expertise and experiences, SIF hopes to nurture changemakers and foster greater understanding between Singaporeans and global communities. Since 2010, SIF's Young Social Entrepreneurs (YSE) programme³⁵ has been nurturing young social entrepreneurs who aim to scale up their social enterprises in Singapore and beyond by way of an eight-month-long business incubation programme and capacity building efforts in the form of networking, mentorship, overseas study visits and grants.

2. Impact Hub Singapore

Impact Hub Singapore is home to 500 gamechangers, which include entrepreneurs, professionals, policy makers, corporate partners, impact investors and students. Its membership is not restricted to social entrepreneurs. On top of providing co-working spaces for its members, Impact Hub Singapore provides a range of capacity building opportunities such as incubation programmes, networking events and in-house mentorship programmes, etc. It also offers one-on-one advisory sessions with industry experts, consultants and investors-in-residence.

(ii) Educators of Social Entrepreneurship

Increasingly, institutions, universities, civil society initiatives and social enterprises in Singapore are starting to promote and provide social entrepreneurship education and training for aspiring social entrepreneurs and socially minded individuals.

1. INSEAD

INSEAD,³⁷ an international graduate business school, offers the INSEAD Social Entrepreneurship Education programme in Singapore to increase awareness of the social enterprise sector and to nurture aspiring social entrepreneurs with relevant vocational skills, training, and knowledge of the industry. The week-long programme helps students to develop leadership/organisational skills, enhance their business acumen, and scale their social impact. Graduates from this programme can gain access to a global network of leaders pioneering social innovation and industry experts. This helps to facilitate the exchange of ideas, innovation and experiences.

2. Ngee Ann Polytechnic

Ngee Ann Polytechnic³⁸ is the first polytechnic to offer a three-year diploma in Business and Social Enterprise. Students learn to start and manage a social enterprise through core modules such as enterprise creation and development, accounting, marketing and human resource management. They are also given intern opportunities at innovative social enterprises, community-focused agencies and for-profit MNCs. Students also get to participate in overseas study trips to learn more about social enterprises beyond Singapore.

(iii) Facilitators of Learning and Exchange Platforms for Social Enterprises

Various institutions, organisations and social enterprises play their part in developing the social enterprise ecosystem by facilitating learning, knowledge sharing and the exchange of ideas. They help raise awareness of the social enterprise sector by regularly organising networking events, social enterprise events, seminars, conferences, summits, panel discussions, forums and round table discussions, etc., to allow social enterprises to share their knowledge, experiences and resources.

1. *raiSE*

raiSE is dedicated to raising awareness of the social enterprise sector. It facilitates mutual learning activities by organising workshops, advisory sessions and networking events for its members and the public to share and learn from one another. Examples of such events are the Expert Series, The Open Talk, Impact Connect, and Social Exchange. In the past two years, *raiSE* also organised the Singapore Centre for Social Enterprise Conference to engage some 400 stakeholders in panel discussions to encourage capacity building efforts through shared learning.

2. Social Innovation Park

SIP³⁹ is a nonprofit organisation based in Singapore that aims to develop the social enterprise sector by being a platform for the exchange of ideas, networks and knowledge to build a socially inclusive society. SIP facilitates shared learning by spearheading the Global Social Innovators Forum.⁸ The forum encourages the sharing of innovative solutions, ideas and experiences on social entrepreneurship and social innovation between social entrepreneurs and key leaders from the private, public and civil sectors on a global level. SIP also facilitates educational workshops and discussion sessions to raise sector awareness.

D. Research Institutes

1. *Asia Centre for Social Entrepreneurship & Philanthropy*

Established in 2009, ACSEP⁴ is an academic research institute at the NUS Business School. It aims to promote understanding and the impactful practice of social entrepreneurship and philanthropy throughout Asia through fundamental applied research and education. ACSEP's research publications are authored by academia and in-house researchers.

2. *Lien Centre for Social Innovation*

The Lien Centre for Social Innovation⁴⁰ was established in 2006 as a partnership between the Lien Foundation and Singapore Management University (SMU). It aims to be a thought leader of the social sector by responding to social needs through applied research and capacity building efforts involving the public, private and social sectors. Lien Centre's research publication focuses on a myriad of issues such as social entrepreneurship, innovation, charities and civil society.

E. Network Providers

1. Asian Venture Philanthropy Network

AVPN⁴¹ is a membership network headquartered in Singapore that seeks to enhance the social impact effectiveness of members across the Asia Pacific region. It provides specific networking services to meet the needs of its members. The Deal Share Platform⁴² is a networking platform curated by AVPN to bridge the gap between potential funders and social purpose organisations which include social enterprises. It is a members-only platform that showcases recommended social purpose organisations listed by AVPN members. This network allows members to share, connect and promote recommended social enterprises and other social purpose organisations, thereby streamlining collaboration and communication about past, existing and future social impact funding opportunities.

2. Ashoka Singapore

Ashoka⁴³ is an international nonprofit organisation which supports social enterprises/social entrepreneurs by providing them with access to a wide range of capacity building and developmental support services through its networking platforms. Ashoka Fellows – the largest global network of about 3,000 world-class social entrepreneurs – is a platform for enterprising individuals to learn from role models and draw insights from the patterns of their innovations. It has also opened countless opportunities for investors, partners and influencers to develop and contribute to the social enterprise sector. Ashoka Singapore was established in 2011 as a regional hub to support Ashoka Fellows and its programmes in Asia.

3. Singapore National Co-operative Federation

Established in 1980, SNCF⁴⁴ is a network of local co-operatives in Singapore which aims to promote and develop the co-operative movement in Singapore. Co-operative Societies, or co-ops,⁴⁵ are “associations of persons who have voluntarily joined together to achieve a common social or

economic objective by establishing a jointly owned and democratically controlled business organisation which possesses a clear and definable social mission that benefits the community.” Social enterprises that are incorporated as co-ops are regulated by the Registry of Co-operative Societies under the Co-operatives Societies Act.⁴⁶ The SNCF network encourages mutual support amongst co-op members by providing them with partnership opportunities and a variety of capability-building programmes.

F. Fund Providers

1. Tote Board

Tote Board⁴⁷ is a leading grantmaking organisation that channels operating surpluses from its agents, Singapore Pools and Singapore Turf Club, as well as collections from casino entry levy, to give hope and improve the lives of the people. Together with stakeholders and partners, Tote Board aims to fund worthy causes such as social enterprise projects that provide equitable opportunities for vulnerable groups and enhance their quality of life by building a resilient community.

2. raISE

As the central coordinating body for social enterprises in Singapore, raISE has secured up to \$30 million in funding from MSF and Tote Board in 2015 to develop the social enterprise sector for the next five years. The role of raISE is to help administer these funds through grants, loans and investments. raISE has launched an annual VentureForGood (VFG) grant⁴⁸ call which provides a grant of up to \$300,000 for social enterprises to achieve their social impact. With the current social finance portfolio, raISE and its stakeholders have supported social enterprises that have impacted almost 3,000 beneficiaries, with over 200 employment opportunities created. The top three industries of funded SEs are (1) business services, (2) retail/gifts, and (3) food & beverages.²⁵ Aside from providing social finance, raISE organises advisory grant clinics and has launched a business planning financial toolkit to increase the business readiness of grant applicants.

In addition, *raiSE*'s year-long signature programme – *LeapForGood*⁴⁹ – is organised in collaboration with NCSS and DesignSingapore Council. Spearheaded in 2016, *LeapForGood* aims to inspire innovation in addressing emerging or under-met social needs through social entrepreneurship. With a focus on mental health and eldercare, social enterprises intending to drive change in these sectors are eligible to receive grants of up to \$100,000 from *raiSE* to implement their new social enterprise ventures.

G. Competition Organisers

1. President's Challenge Social Enterprise Award

PCSEA¹⁰ is the only award conferred by the President's Office within the SE sector in Singapore that aims to honour and recognise outstanding SEs for their contributions to the Singapore community. First launched in 2012, PCSEA was held in 2013, 2015 and 2016. The competition took a hiatus in 2014 as there was a general sentiment that the calibre of the winners might be compromised if the competition was held three years consecutively.²⁷ The award has three categories: (1) Social Enterprise of the Year, (2) Social Enterprise Start-Up of the Year, and (3) Youth Social Enterprise of the Year. The awards come with a funding amount of \$50,000, \$40,000 and \$25,000 respectively. Past winners include Sustainable Living Lab, Adrenalin and Bettr Barista, etc.

2. DBS-NUS Social Venture Challenge Asia

DBS-NUS Social Venture Challenge Asia¹² is an Asia-wide, open competition for social enterprises, jointly organised by NUS Enterprise and DBS Foundation. The competition aims to identify and support high potential social ventures that are scalable with a sustainable social impact. The Social Venture Challenge also furthers capacity building efforts in the SE sector by promoting public education in social entrepreneurship through mentorship opportunities and expert workshops. Over \$100,000 in seed funding will be awarded to the top teams. Past winners include Siam Organic, Learn Education, and Zaya Learning Labs.

ANNEX 2: DESCRIPTION OF THE TYPES OF LEGAL ENTITIES REGISTERED UNDER ACRA

NO.	LEGAL ENTITIES ⁵⁰	DESCRIPTION
1	Private Limited	A business form which is a legal entity separate and distinct from its shareholders and directors. It is a private company with 50 members or less. Members can sue or be sued and own property in the company's name. Members have limited liability and are not personally liable for debts and losses of the company.
2	Limited Liability Partnership	A partnership with at least two partners (no maximum limit) where the individual partner's own liability is generally limited. The business is a separate legal entity from its partners. Partners have limited liability and can sue or be sued in the company's name. Partners can also own property in the company's name. They are personally liable for debts and losses resulting from their own wrongful actions. Partners not personally liable for debts and losses of LLP incurred by other partners.
3	Sole Proprietorship	A business owned by an individual and is not a separate legal entity. The owner has unlimited liability and can sue and be sued in his or her own name. The owner can also be sued in the company's name. He/she can own a property in his or her own name. If the business fails, the owner is personally liable for debts and losses of the company.
4	Limited Partnership	A partnership consisting of two or more persons, with at least one general partner and one limited partner, without a maximum limit. The business is not a separate legal entity. The general partner has unlimited liability while the limited partner has limited liability. Partners can sue or be sued in the firm's name. Property cannot be owned under the firm's name. The general partner is personally liable for debts and losses of the limited partner. The general partner is not personally liable for the debts or obligations of the limited partner beyond the amount of his or her agreed contribution.

NO.	LEGAL ENTITIES ⁵⁰	DESCRIPTION
5	Partnership	An association of two or more persons carrying on business in common with a view to profit. It comprises a range of two to 20 partners. A partnership of more than 20 partners must incorporate as a company under the Companies Act, Chapter 50 (except for professional partnerships). The business is not a separate legal entity. Partners have unlimited liability and can sue or be sued in the firm's name. Partners are unable to hold property in the firm's name. They are personally liable for the debts and losses incurred by other partners.
6	Company Limited by Guarantee (CLG)	A nonprofit company with a separate legal entity and can sue and be sued in its own name, enter into contracts in its own right, and own property in its own name. It is formed on the principle of having the liability of its members limited by the Memorandum of Association to the amount that the members undertake to contribute to the assets of the company in the event of its winding up. Upon liquidation of a CLG, a member's maximum liability to creditors of the CLG is the amount which he or she has agreed to guarantee. This amount will be stated in the CLG's Memorandum of Association and is usually nominal. A CLG can have more than 50 members. It cannot have shares or share capital as it is a public company. A CLG is not profit-making and has no participation in profits.
7	Society	A nonprofit group that does not exist for the purpose of acquiring profit. Generally, a 'society' refers to any club, company, partnership or association of 10 or more persons, whatever its nature or object, but excludes entities mentioned in the Societies Act. Societies do not constitute separate legal entities from their members. This means that if the society is sued, all members of the society will be personally liable. Under the Societies Act, registration of a society with the Registrar of Societies is mandatory. ⁵¹

LIST OF NOTES

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¹⁸raiSE is the administrator of funds provided by MSF and Tote Board to social enterprises.

¹⁹raiSE acts as the secretariat to the President's Office in organising the inaugural President's Challenge Social Enterprise Award to honour and recognise outstanding SEs for their contributions to the local community.

²⁰A subset of 91 social enterprises provided us with detailed information on their finances which allowed us to provide analysis for the sections on funding and funding avenues.

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The Singapore Centre for Social Enterprise (raiSE)
was set up in 2015 to develop the social enterprise
sector in Singapore.

Our vision

Sustainable social enterprises for a caring and
inclusive society in Singapore

Our mission

To raiSE awareness on social entrepreneurship
To raiSE support for social enterprises

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