



Social Impact Report

A study by



In partnership with



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Executive Summary

This ESDC Impact Report was prepared using the findings of Startup Canada’s 2019 Canadian Entrepreneurship Census—responses from a sample of more than 250,000 members with 514 respondents and a confidence interval of 95% with a margin of error of 1.96.

Startup Canada is the national rallying community and voice for Canada’s 3.5 million entrepreneurs, and as such was the perfect partner through which to discover insights related to the Investment Readiness Program in support of social entrepreneurs with over \$800 million invested in training, mentorship, funding, and resources to scale-up social and environmental impact.

Mindsets and Motivations of Social Entrepreneurs

Through interviews with 12 of Canada’s leading social entrepreneurs, Startup Canada attained key insights on factors at the forefront of social entrepreneurs in Canada—the why and how of social enterprise across the country. Common themes included the belief in affecting systemic change, empowering consumers to believe they can affect said change by voting with their dollars and working together to tackle the difficulties present in the world, regardless of socio-economic backgrounds.

Social Enterprise Propensity of Canadian Entrepreneurs

Through the 2019 National Census, Startup Canada learned that 66% of respondents would consider aligning their business to an SDG, 54% would consider converting their business into a social enterprise, and 80% would consider partnering with a business or charity to advance social and environmental impact. That said, there also exists a large knowledge gap between entrepreneurs and their awareness of existing social finance opportunities—85% of respondents are not aware of these opportunities, however, 80% of respondents would be interested in learning more about them.

State of Social Entrepreneurs

Regarding the state of current social entrepreneurs in the country, Startup Canada recommends the following three courses of action to address their needs:

- Increasing education and awareness of the existing supports for social entrepreneurship in Canada
- Increasing business sense and awareness among impact-driven founders, who may have an overly-idealistic impression of their business value and growth
- Creating a robust and tiered ecosystem to meet social entrepreneurs where they are in relation to their business to connect them with the funding and resources that are right for their business

Budding Social Entrepreneurs

Based on the results of the census respondents, it's evident the needs of budding social entrepreneurs are much the same as social entrepreneurs. Though it is disconcerting that regular and social entrepreneurs of all levels feel they need support in the same areas regardless of business-stage, the conclusion is simple—support organizations and programs for social entrepreneurs need to take a uniform approach to help them.

Additionally, and most impactfully, the current employment status of many of these social entrepreneurs indicates that they are not starting up by desire or inspiration, they are starting up by necessity.

Insights and Recommendations

Ultimately, the main insights and recommendations arising from this study can be distilled to the following 3 main points:

- Address the desire of current entrepreneurs who want to know more about social entrepreneurship and social finance opportunities through targeted, relevant, and consistent communications from all IRP partners
- Increase the business acumen and awareness of impact-driven founders who may have an overly-idealistic impression of their business value and growth
- Create a robust and tiered ecosystem to meet social entrepreneurs where they are, and connect them with the funding, resources, and training that is right for them and their businesses

Conclusion

As it stands, business-as-usual isn't good enough anymore. Entrepreneurs and consumers globally know and recognize this, and as evidenced by this report there's a large desire among Canadian entrepreneurs to learn more about existing opportunities for social finance and develop their businesses further.

Additionally, the support given out by IRP partners across all stages of support for social entrepreneurs needs to be as agile as the businesses they serve—it is essential to have service that reflects those they are trying to serve, and in this case, it needs to be swift, all-encompassing, and consistent in delivery from coast to coast to coast.

Introduction

About the research

Across the globe, there are increasing demands for businesses to become more sustainable in both philosophy and practice. Though innovation can occur at all levels, it's seldom seen at the same rate of adoption, scale, and ingenuity as it is with entrepreneurs. The research contained in this report draws from Startup Canada's National Census, and is used to draw conclusions regarding three key segments of the entrepreneur population: general entrepreneurs and their propensity to undertake social enterprise initiatives, current social entrepreneurs, and budding social entrepreneurs.

Every year **Startup Canada**, the national rallying community and voice for Canada's 3.5 million entrepreneurs, undertakes a National Census sample of its more than 250,000 members. The 2019 survey engaged 514 respondents with a confidence interval of 95 per cent with a margin of error of 1.96. Only statistically significant findings are reported.

About Startup Canada

The Startup Canada Social Impact Program, in partnership with the Economic and Social Development Canada's Investment Readiness Program (IRP), supports social entrepreneurs with access to training, mentorship, funding and resources to scale-up social and environmental impact.

According to the 2019 Startup Canada Census, more than 40% of entrepreneurs are impact-driven and are interested in advancing the UN's Sustainable Development Goals. The Startup Canada Social Impact Program aims to connect impact-driven entrepreneurs with the tools to grow their triple-bottom-line.

Any entrepreneur can [sign up for the 2020 Social Impact Program](#) for free to gain access to inspiration, recognition, support, training, funding and insights.

About the IRP

The **Investment Readiness Program** is a pilot program for the Government of Canada's Social Finance Fund, which aims to invest \$755 million over the next 10 years into social purpose organizations. The IRP will invest an additional \$50 million over two years to make sure the organizations and entrepreneurs within the ecosystem are positioned to be ready to receive investments from the Social Finance Fund and scale their operations. Entrepreneurs can apply for between \$10,000–\$100,000 to prepare their business for social impact and growth.

Startup Canada's role in the IRP

Acting as Canada's rallying voice for entrepreneurs from coast to coast to coast, Startup Canada is promoting awareness and participation in the IRP through its flagship programs, such as its digital programs, events, and cross-country challenges and awards.

The objectives of the research

The objectives of this research are to better understand the status of social entrepreneurs in Canada, and inform the IRP partners of the difficulties faced in their journey from founding to growing and scaling their impact. Once gleaned, these findings will be used to create better ways forward for both ESDC and Startup Canada to support these social entrepreneurs, and aid in building an ecosystem geared to helping social entrepreneurs and enterprises flourish across Canada.

How the findings will be used

The findings will be used in three ways:

The first is aiding the IRP partners to promote social entrepreneurship practices to current entrepreneurs in Canada, who may not be aware of—not only the ease with which certain social impact initiatives can be folded into their business, but also—how this can add to the value of the product or service they deliver.

The second is developing programming to help social entrepreneurs in the areas they have identified they need support, while also providing insights as to the overall effectiveness of social enterprises as a business model in a Canadian context.

Lastly, it will aid in identifying the issues surrounding budding social entrepreneurs and their efforts in founding, growing, and scaling social enterprises in Canada.

In addition, these findings will be communicated to Startup Canada's community partners with the intention of supporting and amplifying the resonance of not only the information collected, but of the distribution of resources, knowledge, and practices to build better businesses across Canada.

Methodology

Every year Startup Canada, the national rallying community and voice for Canada's 3.5 million entrepreneurs, undertakes a National Census sample of its more than 250,000 members. The 2019 survey engaged 514 respondents with a confidence interval of 95 percent with a margin of error of 1.96. Only statistically significant findings are reported.

Summary data on the general population

Each survey respondent identifying as an entrepreneur was asked qualitative questions regarding their identity, their interest in starting a business, their growth ambitions, their financial literacy, and their opinions of existing supports for entrepreneurs in Canada.

Segmentation of existing social entrepreneurs

Each survey respondent who identified as a social entrepreneur was asked the same questions, in addition to filling out a section specific to how their business creates social impact. This section contained questions regarding which UN Sustainable Development Goals (SDGs) their business supported, their familiarity with differing models of social impact businesses, obstacles faced by social entrepreneurs, their openness to adapting their business to overcome said obstacles, their awareness of social finance opportunities, their awareness of the IRP program, and their willingness to learn more about social finance opportunities.

Segmentation of budding social entrepreneurs

This population group is defined by their response indicating they intend to start-up for-profit or non-profit social enterprises. Given their lack of current business operations, these respondents' survey data comprises mainly profile-building information such as gender, citizenship status, place of residence in Canada including rural vs. urban settings, their current state of employment, and the type of support they are seeking.

Interviews with 12 of Canada's leading social innovators to understand the mindset, motivations of social entrepreneurs.

Additionally, interviews with 12 leading social innovators in Canada were conducted to gain understanding from leaders in the social entrepreneurship and enterprise space. These individuals have built solid businesses using varying business models with social impact at the heart of their mission. Their experience and insights regarding social impact business in Canada across a variety of industries are and will be instrumental in deciding how best to support social entrepreneurship from coast to coast to coast.

Insights and analysis

The insights and analysis gleaned from this research will lead to a host of recommendations suited to supplying each of the three identified populations. The intention of said recommendations will be the following:

- Support each segment's participation in social impact initiatives
- Increase the rate of success for all segments with adopting and carrying out social impact initiatives
- Encouraging the development of an ecosystem suited to addressing the needs of entrepreneurs from each population at their respective stage of adopting social impact into their businesses

Mindsets and Motivations of Social Entrepreneurs

In February 2020, Startup Canada undertook in-depth interviews with 12 of Canada’s leading social entrepreneurs and innovators to uncover their mindsets, motivations, and lessons learned over time. Each of these entrepreneurs has built successful, sustainable and thriving social enterprises with blended returns, advancing the UN’s Sustainable Development Goals. Their insights support the subsequent summary and analysis of the quantitative survey findings.

Insights on Mindset

“What keeps me going is the drive for systemic change; that we can prove new models are possible. It’s not just making the world better, it’s fundamentally changing the system on which we operate so that the change can scale and have an impact—not just for a small group of people—but for an entire community, country, and world.”

—Tonya Surman, Co-founder & CEO of the Centre for Social Innovation

A common theme in entrepreneurship is you have to be incredibly bold to think you can start a business by yourself—social entrepreneurs take it one step further by believing they can change the whole world through the impact of their actions and their business. This mindset—believing in themselves, their mission, and the viability of their business—was a combination of factors present throughout the 12 social innovation leaders’ interviews. When businesses are built with impact at their core and combined with the pilot light of their founders’ drive to accomplish what they know, believe, and work to do, a precise concoction is created to launch a business into the eyes, hearts, and minds of consumers in Canada.

“We can make a difference if everyone tries a little bit. Everyone has control over what they buy and how they live. You can vote with your dollars.”

—Alain Ménard, Co-founder & President of The Green Beaver Company.

Insights on Motivations

Specifically related to social entrepreneurship, the innovation that arises out of providing a similar service or product in a similar price range to ones that currently exist not only makes impact real in the minds of consumers—but can eventually force change in the marketplace as well. On the reverse side, where services or products don’t exist at all, social entrepreneurs can be the first ones in a space

to provide a service to those who need it most; without monetary returns being the primary driver. Many of the 12 leaders identified the ideas for their social impact-minded businesses arising from dire conditions they experienced themselves—food scarcity and the terminal illness of a loved one being some of the foremost examples.

“I’ve learned that there is hope in this world, in spite of the difficulties we are facing. People need to work together, to come together—not to be in despair and say, ‘I don’t care, I am far from risk.’ No one is far from risk. We’re all in the same boat. We need to work together. We can all be impacted by the challenges the world is facing, either directly or indirectly.”

—Izzeldin Abuelaish, Founder & President of Daughters for Life

Insights on Lessons Learned

Many of the 12 leaders identified the necessity of first centering the impact of their business model around a certain community as a means of eventually communicating its universal value.

Success in one arena can convince consumers that they—and by extension, the rest of the world—are all part of the same community. Naturally, this process is incremental, which the 12 leaders also identified.

Community has a persistent, symbiotic relationship with the business; as one grows, so too does the other. This relationship ties into the broader concept of a circular economy and is the cornerstone to building a new business world in which the UN SDGs are no longer goals, but simply business as usual.

Closing

To close, it’s evident the 12 social innovation leaders are aligned, if not in the areas in which they do business, then in the pursuit of a goal requiring more than just their own Herculean efforts. Broadening the scope of how business is conducted in Canada—confronting consumers and industry with the fact we aren’t doing enough, and we can and should be doing better—is a job for the many, not the few.

“You can do good and do well, at the same time.” – Maayan Ziv, Founder & CEO of AccessNow

Part 1: Social Enterprise Propensity of Canadian Entrepreneurs

The question “Why can’t all businesses be social enterprises?” is being asked both by consumers—and as the findings from the 2019 entrepreneur census show—by entrepreneurs as well. The information contained in this section provides a snapshot of current profiles of social entrepreneurs and the state and stage of their businesses. Though there is little data regarding the interest of general entrepreneurs in developing their businesses to pursue social impact initiatives, what is key here are the findings regarding the prevalence of social entrepreneurship in Canada, its growth as a trend, and the success of social entrepreneurship ventures.

These findings can, and should, be used to develop messaging and communications material to persuade current general entrepreneurs to fold social impact initiatives into their businesses. Further recommendations on this will be provided in Part 4.

These findings will support the IRP in targeting, optimizing support and knowledge mobilization, developing SPO personas, and providing a user-centric implementation of funds and programming.

General results regarding social entrepreneurs

- The average age of respondents is 42 years of age.
- 58% are women (growth of 7% from 2018), 10% are persons with disabilities, 33% are visible minorities, 14% are newcomers (13% are new to Canada within the last 5 years), 10% are Indigenous, Inuit or Metis, 7% identify as LGBTQ+, and 12% live in rural and remote communities.

Results for entrepreneurs in the start-up or business establishment stage

- 45% of respondents self-identify as social entrepreneurs (up by 5% from 2018). 34% are for-profit social enterprises and 11% are non-profit social enterprises.
- For those in the start-up or establishment stage of their enterprise, their top 6 concerns are: (1) Finding Funding, (2) Business Planning, (3) Finding Mentors, (4) Business Strategy, Marketing and Sales, (5) Financial Literacy, (6) Digital Literacy.
- 75% are interested in receiving information on mental health.
- New entrepreneurs prefer information by email, mobile SMS or social media.

Results for entrepreneurs in operational and growth stages of business

- Industries — The top 6 Sectors are: (1) STEM, (2) ICT, (3) Creative Industries (4) Retail, (5) Health, (6) Education.

- Social Enterprise — 27% of established respondents self-identify as social enterprises. 20% identify as for-profit social enterprises and 7% identify as non-profit social enterprises. Startup Canada will be undertaking a comprehensive analysis of this group.
- Micro, not small — Consistent with the national average and previous years, approximately half identify as sole-proprietors, 42% have 1 to 9 employees and 5% have 10 to 49 employees. 98% of businesses in Canada are Small Businesses according to ISED, defined as having less than 500 employees; however, 79% of those businesses are micro-businesses, highlighting the growing gig-economy and changing nature of work.
- Half of respondents operating established businesses have revenues under \$100,000, 7% have revenues between \$100,000 and \$200,000, 8% have revenues between \$200,000 and \$500,000, 5% have revenues between \$500,000 and \$1M, and 22% have no revenues.
- Although they are small, entrepreneurs are dreaming big — 35% expect more than 20% growth in 2020, 80% expect to create at least 1 job and 62% expect to create 3 to 5 jobs, and 46% already operate globally, with 35% intending to go global in the next 12 months.
- Funding and cash flow remain the top barrier — 36% say that funding is not accessible, citing finding funding and cash flow as their top concerns.
- Social enterprise knowledge — Respondents were extremely or very familiar with language regarding social enterprise and social innovation; however, they were less familiar with terms of social purpose organizations (SPOs), social finance, investment readiness, and non-repayable capital.
- Sustainable development goals — 89% of existing businesses were able to link their business to one of the 17 SDGs. Within the final report, Startup Canada will detail how these respondents are supporting currently advancing SDGs, constructing a continuum of SDG integration.
- Businesses with impact — Of those businesses that do not currently intentionally advance an SDG, 66% would consider aligning their businesses with an SDG, 54% would consider converting their business into a social enterprise, and 80% would consider partnering with a business or charity to advance social and environmental impact.
- Awareness of support — 85% of entrepreneurs are not aware of social enterprise support or social finance opportunities. 80% are interested in learning more about the IRP and social finance opportunities.

As mentioned above, these results provide a snapshot profile of social entrepreneurs in Canada, as well as insights into the awareness and involvement of general entrepreneurs in social entrepreneurship. To capitalize on these insights—the key ones being 66% of entrepreneurs would consider aligning their business to an SDG, 54% would consider converting their business into a social enterprise, and 80% would consider partnering with a business or charity to advance social and environmental impact—it’s recommended that extensive communications efforts be made to bridge the 85% knowledge gap between entrepreneurs and social finance opportunities. This is supported by the 80% demonstrated desire to know more about the IRP and additional social finance opportunities.

Part 2: State of Social Entrepreneurs

This section encompasses the current state of social entrepreneurs in Canada, and will provide an overall snapshot of the typical profile of a social entrepreneur, the typical profile of their business and revenue, and their experience in relation to finding and receiving funding.

Current social entrepreneur profile

- 58% are women and 42% are men
- 43% are Canadian-citizens born in Canada, 34% are Canadian-citizens born outside of Canada, 18% are Permanent Residents, 5% are other
- 56% from Ontario, 19% BC, 9% Alberta, 7% Quebec, and 9% from all other provinces and territories
- 12% live in a rural community

Social entrepreneurs' business profiles

- Top 5 industries: (1) 15% of the population are in Professional, Scientific and Technical services, (2) 15% of the population are in ICT and AI, (3) 7% of the population are in arts, media and entertainment, (4) 5% of the population are in education, (5) 5% of the population are in environment and cleantech
- 10% are in ideation stage, 46% are in start-up stage, 32% are in growth stages, 12% are mature and sustainable businesses
- 39% 1-3 years in operation, 15% 3-5 years in operation, 12% 6-10 years in operation, 28% less than a year in operation, 6% is more than 10 year in operation
- Funding – The majority bootstrap and are self funded. Insofar as funding raised: 35% have no funding raised, 15% have less than \$5,000 raised, 38% have 5K-\$100k, 8% have 100K-\$500K, and 4% have raised more than \$1M
- Excluding owners, social entrepreneurs employee makeups are as follows: 61% are their own sole employee, 33% have 1-10 employees, and 3% have 11 to 50 employees.
- Annual revenue - 23% of social enterprises have no revenue, 64% have a revenue of \$1 to \$99,999, 9% have revenue of \$100,000 to \$1M, and 6% have \$1M to \$5M revenue
- The top ways that they reach customers: 1. Selling online, 2. Selling through social media, 3. Special events and tradeshows, 4. Retail locations, 6. Agregtor websites like Etsy, etc.
- 95% have an online presence (digital enterprises)
- 27% expect to grow by more than 20% in the next year in revenue; however, 92% expect to create net new jobs, with 23% expecting to create more than 10 new jobs in the next 3 years

- 52% of social enterprise respondents are currently operating global businesses, 34% intend to go global in the next 12 months — Top destinations are 1. US, 2. Europe, 3. Australia, 4. China 5. Asia (outside of China), 6. Latin America

Accessibility of funding

This is of particular importance to the IRP partnership.

- 44% of social entrepreneur respondents say that funding is not accessible.
- 74% say that finding funding is an obstacle or a major obstacle
- Preferred methods of service and support: (1) Email, (2) In-Person, (3) Social Media, (4) Telephone
- Top obstacles: (1) Finding Funding, (2) Cashflow, (3) Marketing and Sales
- Top support wanted: (1) Funding, (2) Business Planning, (3) Sales and Marketing Training (4) Mentorship, (5) Legal Services, (6) Space to Operate, (7) Technology and Digital Adoption

Commentary on funding obstacles from respondents

Included below are select examples of difficulties in finding and obtaining funding social entrepreneurs have identified:

- “There are limited funding options in Canada, Investors lenders in Canada are too conservative, Banks are not business friendly.”
- “Many grants/funds focused on technology businesses, not product businesses.”
- “There is a lack of funding options for women over 40 who own businesses.”
- “I don’t understand the needs of investors/lenders.”
- “Need a federal crowdfunding policy, need to support small investors federally with tax credits and support.”
- “Centralized sources for grants, easy institutional funding.”

What social enterprise respondents say they want from the government

Included below are select examples of difficulties in finding and obtaining funding social entrepreneurs have identified:

- “Government should know their space and do better at enabling funding for qualified entrepreneurs/mentors and accelerators to do the expert work of launching businesses.”
- “Provide free accounting and bookkeeping services, provide an excellent, federally-provided ERP/Enterprise Resource Planning system to enable end-to-end business infrastructure as a foundation so we don’t all have to do it for ourselves, or pay significant amounts before we even have profits.”

- “More funding for companies, not for organizations that “claim” they support companies (I.e. MaRS, CDL, non-profit institutions). It’s the facade and public image that they care about, instead of actually supporting, they build complicated frameworks and hoops in the system that benefit none other than themselves.”
- “Increased support to build diversity in entrepreneurship. Recognizing that social entrepreneurship needs different weighting in the RFP process as costs are higher when you are running an ethical business that pays well, provides health care etc etc ...”
- “Advertise and promote the current support available, and hire more support staff who can help first time users access that support so it is in fact helpful and not one more chore in a busy entrepreneur’s world.”
- “More programs to get kids thinking about entrepreneurship from a young age. Financial literacy programs in school so that young entrepreneurs can manage finances properly from day 1.”

Based on the quantitative data regarding their current business and financial state, and qualitative research in the form of social entrepreneurs’ responses to questions regarding their needs from the government, it’s evident there is much more to be done to aid social entrepreneurs on a variety of fronts. The main recommendations, to be expanded on in greater detail in Part 4, include:

- Increasing education and awareness of the existing supports for social entrepreneurship in Canada
- Increasing business sense and awareness among impact-driven founders, who may not have an overly-idealistic impression of their business value and growth
- Creating a robust and tiered ecosystem to meet social entrepreneurs where they are in relation to their business to connect them with the funding and resources that are right for their business

Part 3: Budding Social Entrepreneurs

The following insights are from budding social entrepreneurs who are intending to start-up for-profit or non-profit social enterprises. It is fair to assume this population segment experience the same difficulties as current social entrepreneurs in Canada, with the following notable differences or unique insights:

- 40% of budding social entrepreneurs are women, indicating growth in budding social entrepreneurs among men compared to the current ratio of roughly 60% women social entrepreneurs and 40% men social entrepreneurs
- 29% are permanent residents
- 17% are new to Canada in the last 5 years
- 11% Alberta, 5% BC, 5% NB, 5% NS, 57% Ontario, 9% Quebec, 5% Saskatchewan, 3% other provinces and territories

- 13% are from rural areas
- 41% are currently employed full time, 14% are currently employed part time, 23% are unemployed, and the remaining are on disability, retired, homemakers, on maternity leave or students.

Type of support budding social entrepreneurs are seeking: (1) Business Registration, (2) Business Planning, (3) Finding Funding, (4) Mentorship, (5) Sales and Marketing, (6) Tech Adoption (7) Legal

It’s worthwhile to note these insights draw parallels between the two previously examined populations of respondents in the areas where support is sought—though, in different hierarchies of importance, the bucket of needs remains the same. This—though disconcerting in the fact that entrepreneurs and social entrepreneurs of all levels feel they need support in the same areas throughout their entrepreneurial journey—leads to a simple conclusion. Support organizations and programs for social entrepreneurs across Canada need to take a uniform approach to help them.

Additionally, and most impactfully, the current employment status of many of these social entrepreneurs indicates that they are not starting up by desire or inspiration, they are starting up by necessity and desperation. All the more reasons to get them the help they need as soon as possible.

Part 4: Insights and Recommendations

For Every Entrepreneur

One of the key findings in this study is that the vast majority of census respondents are interested in social impact initiatives and increasing their impact in various ways:

- By partnering with social enterprises or charities driving SDGs (80% of respondents)
- Aligning their business with SDGs (66%)
- Converting their businesses into social enterprises (54%)

Paired with entrepreneurs’ lack of awareness of social enterprise support or social finance opportunities (85%), with 80% being interested in learning more about the IRP, it’s a natural extension to bridge this knowledge gap in the following ways.

How to encourage more entrepreneurs to tackle SDGs

Sustainable Development Goals: 89% of existing businesses were able to link their business to one of the 17 SDGs. Within the final report, Startup Canada will detail how these respondents are currently advancing SDGs, and their interest in integrating SDGs further into their business.

How to raise awareness of social enterprises

Respondents were familiar with language regarding social enterprise and social innovation, however, they were less familiar with the terms social purpose organizations (SPOs), social finance, investment readiness, and non-repayable capital.

This surface-level understanding coupled with the overall interest in learning more about social impact presents an opportunity to create educational programs to teach entrepreneurs how to:

- begin pursuing social entrepreneurship in all its forms, and;
- access the right types of support for their business to pursue social impact, at any stage of their company's life.

Social entrepreneurship is demonstrably a model that works. What needs to be done is to encourage current entrepreneurs to do more to fold social impact into their businesses at whatever stage they are at. A line of recommendation that will be consistently drawn upon in this section is the need for creating a viable support ecosystem for social entrepreneurship in Canada.

This ecosystem needs to function as a hub for triaging and recommending solutions for entrepreneurs and social enterprise at every stage of business—from ideation to operation to maturity. Innovation and entrepreneurship occur in every sector at every stage of business—there also needs to be an equally agile support system.

To raise awareness of social enterprises, respondents indicated their top three preferred methods of service and support from most-to-least as email, in-person, and social media. Startup Canada recommends leveraging the networks of organizations such as itself to spearhead an outreach campaign to social entrepreneurs, and corral them to regularly IRP-staged information sessions, occurring both in-person and via webinars. These sessions could detail what the IRP can do to support entrepreneurs and how to apply for the program funding.

Additionally, general awareness of the IRP can be communicated through the same entrepreneur support organizations' email newsletters, in-person events, and via their social media. However, it is imperative the IRP resources explicitly communicate the program's viability for entrepreneurs at all stages.

Finally, an excellent insight provided by one response was to encourage knowledge and awareness of social entrepreneurship among youth and promote social entrepreneurship as a viable career option. This could be done through the IRP providing grants to current social entrepreneurs to run workshops on weaving the SDGs into their businesses.

How to bridge the mainstream, tech, and social impact ecosystems

Given the existing support structures in place for entrepreneurs across Canada in these three sectors, Startup Canada suggests holding a summit for key players in each ecosystem to discuss ways to

consolidate, converge, and combine their resources. It is recommended prior to this summit that individual ecosystem leaders prepare materials outlining:

- the main areas their respective clientele identify as needing the most support;
- the solutions they provide to address said issues, and;
- areas where they feel like they can improve the services being rendered.

Bringing this information to the table will help identify similar threads of issues, service, and areas for improvement to create a synthesized approach in expanding awareness for social entrepreneurship and resources.

Finally, Startup Canada recommends that partners from these three ecosystems create an entrepreneur journey map to segment resources by business-stage—and ultimately, make it easier for entrepreneurs to access the appropriate resources and support.

How and why to serve entrepreneurs rather than businesses

The core of social entrepreneurship is solving societal problems. Sharing stories about the problems, the people being served, and the entrepreneurs behind the solutions is just as important as their viability. People connect with stories about people, so there is an opportunity here to raise awareness about social entrepreneurship by demonstrating its value through the impact of existing social enterprises on their communities.

Connecting with current social entrepreneurs and telling their stories to the larger entrepreneurial community will help demonstrate:

- the business-strengthening aspect of having a community behind them;
- the value of self-development and personal growth beyond the pursuit of profits, and;
- the tremendous grit and passion of social entrepreneurs solving some of the biggest problems of our time.

For Existing Social Entrepreneurs

Current challenges of social entrepreneurs

Existing social entrepreneurs in Canada face the same pains as general entrepreneurs do and are seeking support in the following areas:

- Top obstacles: (1) Finding Funding, (2) Cashflow, (3) Marketing and Sales
- Top support wanted: (1) Funding, (2) Business Planning, (3) Sales and Marketing Training (4) Mentorship, (5) Legal Services, (6) Space to Operate, (7) Technology and Digital Adoption

Another insight regarding for-profit social enterprise, though not found via the census or 12 social

innovation leaders, arises from an interview with Mary Doyle, Co-Founder & Program Developer of Rural on Purpose. As a leading social entrepreneur, she identified a systemic bias against for-profit social enterprises, describing it as “a baseline of suspicion and distrust of corporate entities.”

“It’s an underlying message that’s reflected in government policy, funding, and communications. That messaging needs to change if, as a country, we want to see more sustainable social enterprise solutions.”

Most pressing needs and requirements

In order to meet the needs of existing social entrepreneurs and enterprises in Canada, Startup Canada recommends the previously mentioned courses of action:

- Increasing education and awareness of the existing supports for social entrepreneurship in Canada
- Increasing business sense and awareness among impact-driven founders, who may have an overly-idealistic impression of their business value and growth
- Creating a robust and tiered ecosystem to meet social entrepreneurs where they are in relation to their business to connect them with the funding that is right for their business

Leveraging the IRP to support social entrepreneurship in Canada via financial and educational public communications materials will stabilize social entrepreneurship across the ecosystem—from entrepreneurs to funders to support organizations to consumers. The recommendations outlined above will empower social entrepreneurs to:

- pursue additional supports for their businesses;
- increase their business prowess and acumen to aid them in building businesses that can sustain the impact they hope to deliver, and;
- access a network of organizations to help them assess and meet their needs and the needs of those they serve.

One interesting data point of note is social entrepreneurs predicted their businesses to significantly expand, however they did not have viable revenues to support such predictions. This indicates that current social entrepreneurs are impact-minded but lack the business sense to ensure their businesses are able to produce the fuel needed to fire the level of impact they wish to have.

This is where the education component of the IRP—for awareness of funding opportunities, marketing and sales techniques, and for general business sense and knowledge—will be essential to ensuring more and greater success of social entrepreneurs and enterprises in Canada.

Though a large commitment, this is exactly the type of support needed from government and industry partners to dispel the bias Mary Doyle alludes to against for-profit social enterprises, and support the viability and sustainability of social entrepreneurship from coast to coast to coast.

For Budding Social Entrepreneurs

Current challenges and most pressing needs and requirements

Just as current social entrepreneurs face many of the same difficulties as general entrepreneurs, budding social entrepreneurs can and will face many of the same difficulties as current entrepreneurs. As such, the same recommendations for the previous population are recommended for this one, with added impetus placed first on encouraging members of this population to focus more effort on creating social ventures with greater emphasis on functioning businesses to support the level of impact they would like to have.

To reiterate, it’s imperative that the IRP takes a comprehensive approach to offer services with the capacity to meet social entrepreneurs where they are—to triage their needs and align them with funding, resources, and opportunities best suited to them, their business, and the impact they hope to deliver.

For Social Entrepreneur Support Organisations, particularly the IRP partners

Most pressing needs for entrepreneurs

The recommendations outlined in this section are of particular importance. If carried out, they will ultimately influence the direction in which social entrepreneurship is molded in Canada. As such, many of the same recommendations made for the previous populations are being re-stated here.

Just as the identified needs are consistent across populations, the actions taken to meet them must be as uniform as the problems presented, and should come in the following formats:

- IRP partners need a coordinated and central communications strategy

If people don’t understand what the IRP is, how to access the resources for it, and why they should access it—then they won’t. The only way a new narrative around business will be built is if it’s a coordinated approach across the ecosystem. This means that everyone needs to implement messaging that is cohesive, unified, and on-brand towards influencing this culture shift.

- Content doesn’t need to be segmented across groups, it needs to be consistent and address people where they are at each stage

Given the diversity of IRP partners who offer different tools for different stages of business development, there needs to be a system for assessing and meeting social entrepreneurs’ needs in the form of an entrepreneur journey map. The tools and resources offered need to be aligned to a marketing and communications strategy that meets entrepreneurs where they are on their entrepreneurial journey. At its core, the story is the same for every IRP partner — business is a tool to not only advocate for good, but to create good and change. Raising awareness that business can be a tool for good, that every business should be a force for good, and that everyone should support business as a force for good needs to be the focus of the program’s outreach efforts.

Service preferences/communications preferences insights

Given the indicated preferred methods of communication (email, mobile/SMS, and social media) these are the respective preferred service topics and the avenues through which services related to the topics should be delivered.

Regarding the specific services these entrepreneurs would like to receive, for those in the start-up or establishment stage of their enterprise, their top 6 concerns are: (1) Finding Funding, (2) Business Planning, (3) Finding Mentors, (4) Business Strategy, Marketing and Sales, (5) Financial Literacy and (6) Digital Literacy, and 75% are interested in receiving information on mental health.

The final, yet likely the most important, consideration regarding service outreach and delivery of services pertains to the need for consistency among IRP partners. Given the breadth of partners in the ecosystem, it's integral to leverage their existing digital networks and distribute consistent and cohesive content that outlines the available resources and demonstrates their value to entrepreneurs.

Conclusion

To conclude, there is a consistent and demonstrated appetite for education among Canadian entrepreneurs for social finance opportunities and a large knowledge gap that needs to be addressed between entrepreneurs and available resources. The techniques used to bridge this gap should come primarily in the form of email, mobile SMS, or social media, and most importantly the messaging being used to reach entrepreneurs needs to be consistent across IRP partners.

Specifically, regarding current social entrepreneurs, the following measures need to be implemented in order to further their success and the future of this business model:

- Increasing education and awareness of the existing supports for social entrepreneurship in Canada
- Increasing business sense and awareness among impact-driven founders, who may have an overly-idealistic impression of their business value and growth
- Creating a robust and tiered ecosystem to meet social entrepreneurs where they are in relation to their business to connect them with the funding that is right for their business

Finally, it is important to note that the creation of said ecosystem is part of a larger conversation to be had on entrepreneurship in Canada generally. In a nation where 98.8 percent of 1.18 million employer businesses in Canada are small- and medium-sized businesses, there needs to be more done to address their needs on a micro and macro scale. Entrepreneurs need to feel that wherever they are located in Canada, they have access to resources for training, funding, and education on small business ownership.

Regarding social entrepreneurship specifically, if Canada wants to continue believing it is a standard-bearer for supporting the right way to live and work, it needs to give more to businesses working for more than a bottom line. Business-as-usual isn't enough anymore.