

Social Innovation in South East Asia programme

Case studies series: Covid-19 responses

April 2021

www.britishcouncil.org/society/social-enterprise

Adapting to rapid change

Social entrepreneurs in South East Asia built resilience in the face of Covid-19 through a UK-led training programme, drawing upon lessons learned through global research into the effects of the pandemic.

Covid-19 was on everyone's minds during much of 2020 and into 2021, and social entrepreneurs all over the world were struggling with the challenge of how to continue making an impact despite pandemic-induced restrictions.

In order to thrive in this fast-changing environment, social entrepreneurs need training and advice that is adapted to the situation. Thirty-seven social entrepreneurs from five South East Asian countries and territories learned from the most up-to-date evidence through a bespoke digital programme.

The Social Enterprise Capacity Building Programme in South East Asia drew on the UK's experience in social enterprise and delivered training for social enterprise leaders who wanted to strengthen their business models. Developed by the British Council and delivered by the Asian Venture Philanthropy Network (AVPN), a network of social investors, and Social Enterprise Academy International, a global training provider for social entrepreneurs, the scheme welcomed social entrepreneurs from Indonesia, Malaysia, Vietnam, the Philippines and Hong Kong. The programme was supported by The Hongkong and Shanghai Banking Corporation Limited (HSBC).

The programme was launched just after Christmas 2020 and ran to the end of March 2021. Importantly, it built on the findings of a global study of 38 countries carried out

by the British Council, Social Enterprise UK and the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) which was published in December.

Social enterprises adapted and innovated

The study, <u>Innovation and resilience: a global snapshot of social enterprise responses to Covid-19</u>, revealed that social enterprises worldwide had proved to be adaptable and innovative in the face of the Covid-19 pandemic, with only one per cent reporting permanent closure.

It showed that more than half of social enterprises globally said that they had changed their business model during the pandemic, and 55 per cent increased their online operations.

According to the study, the social enterprises that managed to pivot successfully tended to be the most confident about the future. Among those that completely changed business models as a result of the pandemic, 81 per cent anticipated stability or growth in the next few months.

In light of the report, the Social Enterprise Capacity Building Programme in South East Asia emphasised that the participants should explore new ways of running their businesses to become more resilient in the face of Covid-19.

'Our research shows that innovation and agility are more important now than ever,' said Paula Woodman, Global Head of Impact Economy at the British Council, in opening comments to the report.

'We know that this has historically been a strength, with research consistently finding that social enterprises

| Changes to business operations in response to Covid-19 | |
|---|-----|
| Running as pre-crisis, little or no change to business model (processes, products/services or income sources) | 9% |
| Same model, reduced activity | 26% |
| Same model, increased activity | 10% |
| Changes to business model – plan to return to normal ASAP | 11% |
| Changes to business model – unsure if/when this will change | 26% |
| Changes to business model – permanent change | 13% |
| Completely new business model | 6% |

Social enterprises pivoted their operations in response to the pandemic. Graphic from Innovation and resilience: a global snapshot of social enterprise responses to Covid-19 outstrip the mainstream SME sector for the development of new products and services.'

The training programme, which was delivered digitally, was made up of two components. The first was a series of webinars in which members of AVPN, as 'capital holders' (which hold financial and social capital as well as knowledge), shared their experiences, advice and resources with the participants.

The second consisted of practical training delivered by Social Enterprise Academy International. These sessions emphasised autonomy, reflection and action.

Specialist social enterprise support

Nurlina Hussin's social enterprise, InspiraComm, runs activities in Malaysian schools for children from low-income families who struggle to connect with their education. Between 2018 and 2019, her social enterprise worked with 500 students. In 2021, she was hoping to reach 800 students and she is targeting 5,000 a year by 2030.

With schools closed because of Covid-19, Nurlina pivoted her business model, and began delivering online educational activities for better-off students – which helps subsidise her work with less affluent pupils.

She says she found the sessions very informative and enjoyed being able to connect with social entrepreneurs from different countries – an advantage of taking part in a digital programme.

'It makes me realise that others are caught under the same storm,' she says. She enjoyed peer-to-peer interaction, she adds. 'It's good to hear other views and thoughts. The camaraderie is quite strong.'

The research also outlined what social entrepreneurs most needed to stay afloat during the pandemic. In South East Asia, respondents said they valued guidance



Hong Kong's Addoilmusic is a social enterprise that helps young musicians from low-income backgrounds to pursue a career in music

Social enterprise InspiraComm runs activities for Malaysian schoolchildren. After the pandemic limited face-to-face contact, founder Nurlina Hussin pivoted to delivering online activities



Our research shows that innovation and agility are more important now than ever

on how to run their social enterprise during difficult times and help with networking, particularly being able to better connect with investors.

This was particularly useful for Kitty Yip, co-founder of Hong Kong's Addoilmusic, a social enterprise that helps young musicians from low-income backgrounds to pursue a career in music.

She wanted to scale up her business, which began about eight years ago, and was in the process of writing a pitch to investors.

'I don't come from an investing or commercial background. I don't know how investors think and how to write a proposal to convince them. It was really useful to learn how we can talk about our integrity and values as well as returns on investment.'

The collaboration between participants did not stop when the scheme ended: the social entrepreneurs on the programme created an e-platform so they could share their experiences. 'We are trying to explore how we can collaborate beyond our own country, because we really hope that we can learn from what we have been experiencing with Covid,' Yip says.

This article was written by Laura Joffre at <u>Pioneers Post</u> for the British Council.