

Supporting early stage social enterprises in Australia

A review of the Kick Starter program

FIONA MCKENZIE

JUNE 2019



sefa

PARTNERSHIPS

© SEFA PARTNERSHIPS 2019

This research was commissioned by SEFA Partnerships with funding from the Macquarie Group Foundation and has been undertaken independently by Orange Compass. It has been prepared for specific use by Kick Starter partners. It is not intended to be used or relied upon by anyone else and is published for general information only. While all efforts have been taken to ensure accuracy, Orange Compass does not accept any duty, liability or responsibility to any person (other than Kick Starter partners) in relation to this Report. The Macquarie Group Foundation has assisted by typesetting this Report. Neither the Macquarie Group Foundation nor any Macquarie Group entity globally accepts any responsibility or liability for part of, or all of the content contained within the Report.

If you have any questions or feedback please email:
fiona@orangecompass.com.au



CITATION

McKenzie, F., 2019. Supporting early stage social enterprises in Australia: a review of the Kick Starter program. Prepared by Orange Compass for SEFA Partnerships, Sydney.

Cover photo credit: Anna Kucera

ACKNOWLEDGEMENTS

Thank you to all the Kick Starter alumni who took part in this research:

Jessie Alice Leftover Lovers	Nicole DeMatos Real Fringe Hair Bands	Samantha Heron Heart and Soul Story	Louise Noble The Mulberry Project	Lauren Shuttleworth Words with Heart
Aviva Beecher Kelk Clickability	Anna Donaldson Lively	Mickey Kovari Flashpoint Labs	Jamie O'Neill Grass Roots	Jessica Thomas Dogshare
Kris Bobetic DrugEd Australia	Laura Egan Gulbarn Tea	Kylie Marks Empathy Nation	Don Palmer The Malpa Project	Kath Thorburn Inside Out & Associates
Bob Boyd Hobo Gro	Wendy Francis Holdsworth Community	Sarah Martin Blak Markets	Dale Reardon My Disability Matters	Gabrielle Timmins Might and Mane
Jennifer Bishop Resonate Consulting	Kristina Freeman Grow Your Mind	Caitlin Marshall The Rumpus	Skye Riggs Global You	Sharon Torpey Drug Ed Australia
Davyn de Bruyn Thread Harvest	Steph Gabriel OceanZen	Sam Marwood Cultivate Farms	Sebastian Robertson Batyr	Mike Tozer Xceptional
Helen Byfield-Fleming Macarthur Centre	Alison Gray Gifts4Good	Joady McManus Families Talking Depression	Aivee Robinson Catalyser	Anne-Marie Walton Wantu / KidsWantu
Sopheia Chea Angkor Flowers	Stephen Halpin Sustain Me	Maggie McGowan Magpie Goose	Sarah Sands The Sandswell Movement	Jessica Williamson WLW Migration Lawyers
Ankit Chopra Eat Me Chutneys	Glenda Hamilton Rescuefood	Eva Migdal Well Habitat World	Karina Seljak Seljak Brand	Jack Wilson Stone Bee One Third
Jennifer Debenham The Illicit Project	Paul Hellier Fair Food Forager	Jamie Moore Hello Sunday Morning	Tony Sharp Substation 33	Blackheath Area Neighbourhood Centre

Thank you to the following social impact specialists who also shared their insights:

Ingrid Burkett Co-Director, Yunus Social Business Centre, Griffith University	Belinda Drew CEO Community Services Industry Alliance	Katherine Leong Impact Strategist, SparkBeyond	Alex Oppes Director, Impact Investing, Social Ventures Australia	Moirá Were AM Founder and Director, Moirá Deslandes Consulting
Rhianna Dean Senior Social Innovator, The Australian Centre for Social Innovation	Ben Gales Executive Director, Economic Policy, NSW Treasury	Joanne McNeill Research Project Manager, Western Sydney University	David Rickards Chair SEFA Partnerships	

Contents

EXECUTIVE SUMMARY	5
1. INTRODUCTION	7
Defining social enterprise	7
A dynamic context	7
Development of the program	8
Participants	9
2. METHOD	10
3. KEY IMPACTS	11
Delivering organisational sustainability	11
Creating business model clarity	12
Critical guidance through mentoring	13
Mutually beneficial relationships	14
Developing new knowledge and skills	15
Attracting investment	15
Building validation and self-confidence	16
4. SOCIAL ENTERPRISE ECOSYSTEM IN AUSTRALIA	17
A shortage of specialised support	17
Ecosystem fragmentation	18
Ongoing rises and falls in popularity	18
Perpetual funding gaps and shortfalls	18
Some enterprises needing to ‘fail faster’	19
Investor rhetoric not matching reality	20
A move to social procurement	20
Reframing social enterprises as incubators of new thinking	21
5. OPPORTUNITIES TO BUILD ON KICK STARTER ACHIEVEMENTS	22
6. CONCLUSION	23
7. REFERENCES	24
APPENDIX 1 – HOW ALUMNI ARE MAKING A DIFFERENCE	24
APPENDIX 2 - ONLINE SURVEY	27
APPENDIX 3 - INTERVIEW GUIDES	30

Executive summary

Kick Starter was originally developed in 2011, as a partnership between the School for Social Entrepreneurs (SSE) Australia and the Macquarie Group Foundation.

It became a formal part of the Macquarie Directors Program three years later. From 2017, SEFA Partnerships took over the implementation of Kick Starter, after SSE Australia ceased operations. The program is managed by SEFA Partnerships as part of its commitment to boost capacity within the social enterprise sector. Kick Starter was originally developed in 2011, as a partnership between the School for Social Entrepreneurs (SSE) Australia, Macquarie Group Foundation and the Macquarie Directors Program. From 2017, SEFA Partnerships took over the implementation of Kick Starter, after SSE Australia ceased operations.

This report provides an overview of research into the impacts of the Kick Starter program. It looks at the experiences of participating social enterprises and incorporates important learnings which can be integrated into the program and other aligned programs. Input from 51 alumni and nine specialists helped inform the key findings. The most critical impacts of the program were found to be:

- **Delivering organisational sustainability** – 84% of the respondents indicated that the enterprise they took through the Kick Starter program still exists today;
- **Creating business model clarity** – many respondents credited their Kick Starter business plan with the organisation still being in business;
- **Critical guidance through mentoring** – many connections with mentors have been maintained, and the mentoring sessions proved a highlight for participants;
- **Developing new knowledge and skills** – especially building partnerships, financial modelling, pitching and business planning;
- **Providing validation and self-confidence** – acceptance into the program was a milestone for many, particularly those with early stage enterprises; and,
- **Attracting investment** – numerous participants were able to leverage their Kick Starter business plan to attract further investment.

Most importantly, many of the social enterprises supported by Kick Starter have gone on to create social and financial impact across sectors including the arts, health, education, agriculture and finance. They have addressed a range of purposes including social inclusion, wellbeing and mental health, financial independence, employment and employment sustainability. Their work is making a difference to individuals and communities across Australia.

All this has been achieved in the context of a social enterprise ecosystem that is facing a range of ongoing challenges including:

- A shortage of specialised support;
- Ecosystem fragmentation;
- Ongoing rises and falls in popularity;
- Perpetual funding gaps and shortfalls;
- Some enterprises needing to fail faster;
- Investor rhetoric not matching reality.

What is evident is that Kick Starter is a critical program, offered at an important juncture for social enterprise in Australia.

Looking ahead, there are a number of ways to build upon the foundations created by Kick Starter to generate more impact. The following recommendations draw on the findings above, as well as specific suggestions of research participants. There is much potential still to be realised, which could be achieved by leveraging existing resources and requiring little further financial input. Adaptations could include:

- more sustained support for fewer organisations;
- provision of tailored services and specialist advice;
- facilitating peer-to-peer connections with alumni; and,
- enrolling founders as mentors and advisors.

No matter how it might evolve going forward, Kick Starter should also celebrate its success. It has a strong stable of thriving social enterprises, facilitated contributions from hundreds of skilled mentors and a track record of providing crucial assistance to early stage ventures.

200

Business leaders

senior Australian business leaders educated and immersed in new and innovative business models for inclusive growth and upskilled in cross sectoral mentoring



Mentoring

3,500

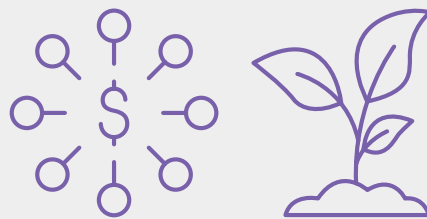
hours of mentoring provided to Kick Starter participants



\$360,000

Investment

in grants awarded to participants to help leverage additional funding support



Alumni

119

social enterprises have successfully completed the Kick Starter program



1. Introduction

This report provides an overview of research into the impacts of the Kick Starter program from 2011-2018.

It looks at impact in terms of the experiences of the social enterprises involved and incorporates important learnings which could be integrated into the program to increase its impact in the future. These findings are complemented by an exploration of the current context in which these enterprises operate and the changing nature of the social enterprise and impact investment ecosystem in Australia.

DEFINING SOCIAL ENTERPRISE

Social enterprises use the power of the marketplace to solve the most pressing societal problems. In the Australian context, there is no specialist legal structure for social enterprises but we define them as organisations that:

- are led by an economic, social, cultural, or environmental mission consistent with a public or community benefit;
- derive a substantial portion of their income from trade; and,
- reinvest the majority of their profit/surplus in the fulfilment of their mission (Barraket et al., 2016).

A DYNAMIC CONTEXT

Over the past decade, Australian social enterprises have gone through highs and lows. Growth in enterprise numbers has been strong, with more than 20,000 social enterprises operating in Australia - a number that is growing each year (Barraket et al., 2016).

However, these enterprises are operating in a context where capital available through philanthropy and government varies year by year, but the market remains sluggish overall. Enterprises are also being faced with increased scrutiny about the magnitude of their social impact and often struggle to achieve financial viability and sustainability.

There has been a retreat in the enthusiasm of investors for perceived high-risk social enterprises and a move towards supporting growth through social procurement and commissioning. Social enterprise plays a critical role in tackling social issues in Australia but is operating in a fledging ecosystem where competition is fierce and boundaries are blurred as traditional businesses incorporate more of a social focus.

DEVELOPMENT OF THE PROGRAM

Kick Starter is a business planning competition and small grants program funded by the Macquarie Group Foundation for early stage social ventures and managed by SEFA Partnerships, as part of its commitment to boost capacity within the sector. Kick Starter was originally developed in 2011, as a partnership between the School for Social Entrepreneurs (SSE) Australia, Macquarie Group Foundation and the Macquarie Directors Program.

At its core, Kick Starter is a 12-week business planning, mentoring and small grants program for participants from Australian social enterprises who had incubated their business with the School for Social Entrepreneurs. From 2011-2014, Kick Starter ran one 12-week program each year. In 2015, it expanded to two rounds per year. In 2016, the program was successfully opened up to applicants Australia-wide and received over 80 enquiries from different enterprises for a single round.

From 2017, SEFA Partnerships took over the implementation of Kick Starter after SSE Australia ceased operations. At this time, there were changes to the funding available.

Prior to this, three grants of \$10,000 were available to selected enterprises. From 2018, two grants of \$15,000 were made available at the end of each round. In total, \$360,000 has been awarded through these grants.

Another change in 2018 saw the addition of peer-to-peer networking, allowing the cohort to meet each other and work together. This gave participants the opportunity to learn targeted skills such as leadership, negotiation and governance within the program. Previously participants had only met with their mentors, not with their peers.

A strong focus of the program has been to help social ventures experiencing growth and those at a pre-growth stage to become 'investor ready'. Applicants are required to complete an initial online application and, if successful, to give a 3-5 minute pitch to a judging panel in Sydney, Melbourne or online. These panels are made up of sector experts. Since 2017 SEFA Partnerships has undertaken initial applicant screening. However, to remove bias, neither SEFA Partnerships nor Macquarie representatives 'vote' in the final selection phase. Those selected then enter the 12-week program which includes:

- development and submission of a business plan;
- peer learning sessions;
- workshops on negotiation, human resources, investor relations, and governance;
- face-to-face mentoring sessions in Sydney, Brisbane, Perth and Melbourne.

Macquarie Group has played a critical role in Kick Starter - not just through the funding provided by the Macquarie Group Foundation, but also through the skilled volunteering of Macquarie staff. Staff have provided a total of 3500 hours of mentoring to participants. This has included over 200 staff from the Macquarie Associate and Divisional Director levels. Whilst benefiting participants greatly, the program has also had a significant impact on the Macquarie mentors' skills development, and this is discussed later in the report.



PARTICIPANTS

A total of 119 social enterprises have taken part in Kick Starter to date. Many of these organisations have gone on to create social and financial impact across diverse sectors including the arts, health, finance, education, and agriculture. They have addressed a range of purposes including social inclusion, wellbeing and mental health, financial independence, employment and employment sustainability.

Their work is making a difference to individuals and communities across Australia, specific examples of which are provided in Section 5. Figure 1 shows the diversity of focus of the organisations involved.

119  social enterprises have successfully completed the Kick Starter program

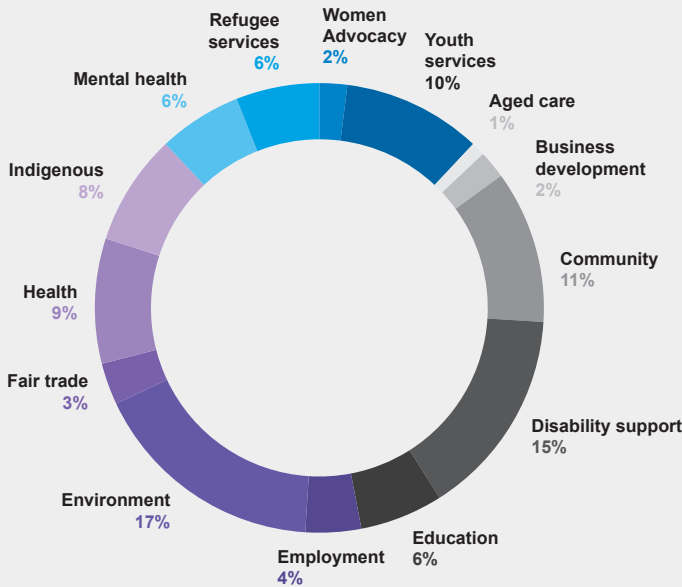


Figure 1. Focus of Kick Starter participant organisations, 2011-2018

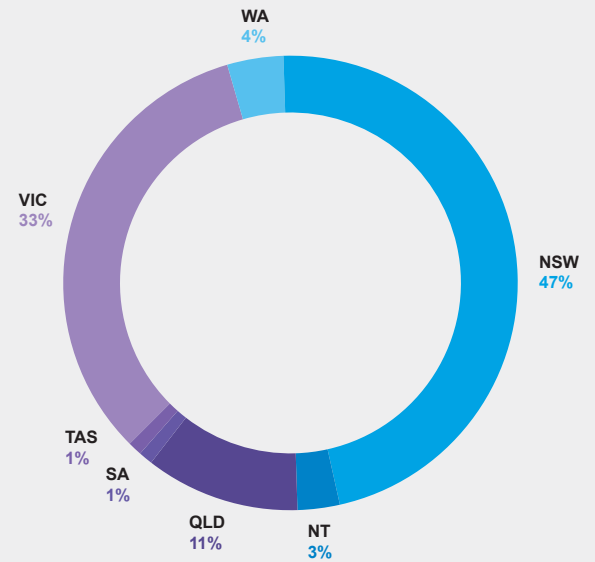


Figure 2. Kick Starter participants by location, 2011-2018

In terms of geographical representation, participants from every state and territory, with the exception of the ACT, have taken part in Kick Starter. As Figure 2 shows, the majority of participants have been located in New South Wales, Victoria and Queensland. These have also been the locations of the face-to-face mentoring sessions.

2. Method

This research was carried out by Orange Compass between March and May 2019.

It was based on a mixed methods research design that involved a number of stages:



LITERATURE REVIEW: a review of existing literature examining the experiences, challenges and opportunities for social enterprise in Australia and internationally;



ONLINE SURVEY: a survey comprising 15 questions was distributed in April 2019 to social entrepreneurs who had completed the Kick Starter program. 119 organisations were contacted initially, which resulted in 25 responses and 6 emails bouncing. A follow-up reminder resulted in a further 24 responses. A total of 49 Kick Starter alumni took part in the online survey, one of which was anonymous. This is 41% of the Kick Starter alumni cohort (see Appendix 1);



PARTICIPANT INTERVIEWS: in-depth and semi-structured interviews were undertaken with 25 Kick Starter alumni via telephone or email (see Appendix 2). A total of 58 alumni were sent an invitation to participate in a telephone interview, from which 25 opted to take part. Two of these did not participate in the survey, so were additional. In total 21% of alumni took part in the interviews;

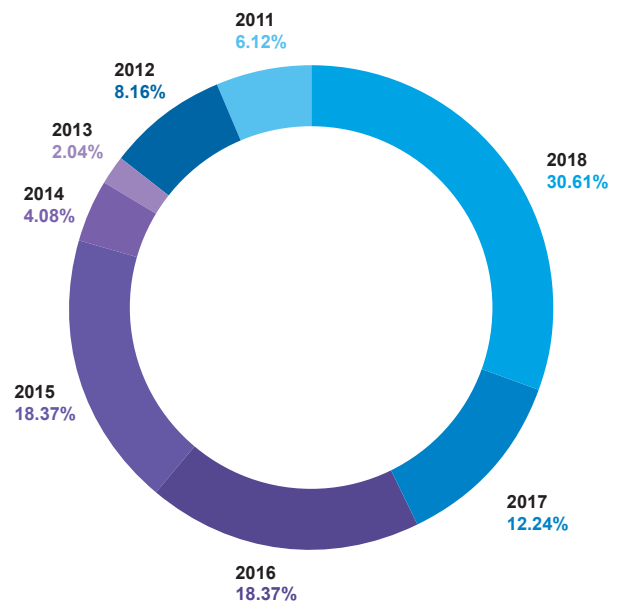


SPECIALIST INTERVIEWS: nine social enterprise specialists were also interviewed for their insights, in regard to the wider ecosystem in which Kick Starter has been operating (see Appendix 2).

In total, 60 people shared their experience and knowledge for this report.

In terms of representation, the research involved 51 of the 119 organisations that have participated in Kick Starter. This is 43% of the total number of participants. There was also a good spread of alumni from across the years since 2011 (see Figure 3). Additionally, there was a mix of respondents who had won a grant at the end of their participation (60%) versus those that had not been awarded a grant (40%).

Figure 3. Respondent year of participation in the Kick Starter program



The findings of this research are presented below. Direct quotes from interviewees are featured in purple text. Participants are listed in the acknowledgements section of this report.

3. Key impacts

In considering impact, the research focused on the difference Kick Starter has made to the individuals who took part, as well as the impact on their organisations.

It also explored the journey of organisations in the years after participation. The results below are presented by theme, drawing upon both survey and interview data. The key impacts of the program that became evident from the research were:

- Delivering organisational sustainability - 84% of the respondents indicated that the enterprise they took through the Kick Starter program still exists today;
- Creating business model clarity - many respondents credited their Kick Starter business plan with the organisation still being in business;
- Critical guidance through mentoring - ongoing connections with many mentors are maintained, and the mentoring sessions proved a highlight for many participants;
- Developing new knowledge and skills - especially building partnerships, financial modelling, pitching and business planning;
- Providing validation and self-confidence - acceptance into the program was a huge milestone for many, particularly those with early stage enterprises; and,
- Attracting investment - numerous participants were able to leverage their Kick Starter business plan to attract further investment.

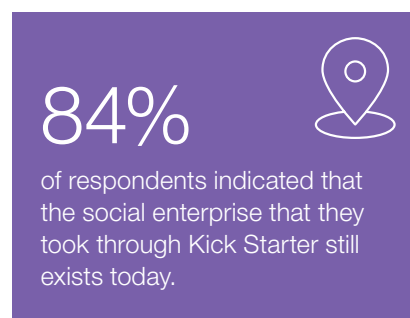
DELIVERING ORGANISATIONAL SUSTAINABILITY

- **84% of respondents indicated that the social enterprise that they took through Kick Starter still exists.**
- **80% of respondents still work at the enterprise that they took through Kick Starter.**
- **Skills learnt and developed during Kick Starter are still benefiting the sector.**

It was surprising to find that 84% of the respondents indicated that the enterprise they took through Kick Starter still exists today. This is higher than general business survival rates in Australia, which vary depending on business size and turnover. For example, from 2014-2018, sole operators with no employees were the most short-lived businesses in Australia with a survival rate of 59.6%. The largest firms with over 200 employees had the highest survival rate of 85.6% at 30 June 2018 (ABS, 2019). We note that the true figure for Kick Starter may be lower, given that those who have continued to operate and were available for contact may have been more likely to complete the survey. To counter this, we have attempted to avoid overly optimistic conclusions in the findings, but still believe it is a very encouraging result.

The high survival rate may also reflect the selection process for Kick Starter, which may have screened out more unsustainable businesses. Kick Starter's selection process has typically involved an application, pitch and interview. The application was screened by SSE or SEFA Partnerships staff. If successful, applicants were invited to pitch to an independent panel of sector and business experts who interviewed the applicant. This panel then selected the finalists to participate in the program. The assessment of suitability included the likelihood that applicants would make use of mentoring and the case made by applicants as to how they would benefit from the program.

Social enterprises are hybrid entities that generate a mix of social and financial outcomes. They also rely on mixed revenue inputs, unique to each enterprise.



The majority of respondents indicated they had a mixed revenue strategy with philanthropic and/or government funding providing an important complement (sometimes more than 50%) to revenue from open trade. Overall, the proportion of revenue derived from open trade averaged 87%. This is a high number that is slightly skewed by the presence of organisations that are 100% reliant on open trade. However, the high rate is relatively consistent with UK data which found that 73% of social enterprises earn between 76% and 100% of their income through trade (Villeneuve-Smith and Temple, 2015).

Also of note was that 80% of survey respondents still work at the enterprise that took part in Kick Starter. This is comparable with the in-depth interviews which found 92% of alumni were still with their enterprise. For those that had left, there were non-market related factors that influenced their decision. These included:

- the emotional toll of the work;
- feeling that the organisation lost focus;
- placing the idea on hold due to other commitments or constraints including full-time work;
- handing the reins over to another co-founder or collaborator.

In almost all cases, participants had retained involvement in social enterprise in some way. Only 9% had no links at all. Everyone else still worked or volunteered with social enterprise, whether this was providing coaching for others or continuing to work for other social impact organisations, including non-profits.

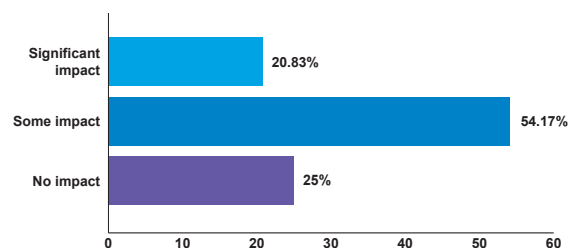
This means that the skills developed during Kick Starter have been retained within the ecosystem.

CREATING BUSINESS MODEL CLARITY

- **Kick Starter had an impact on the business model of 75% of respondents and a positive impact on business strategy.**

A strong emphasis of the Kick Starter program has been the development of a business plan. It was important to explore how a participant's business model had changed as a result of their involvement. Participants were asked to what extent Kick Starter had an impact on their business model. The results show that 75% of respondents indicated 'some' or 'significant' impact.

Figure 4. Impact on business model



Responses to this question were influenced by the phrasing of the question, which did not identify the period covered by the question – i.e. at what stage of development the impact was most felt. The 25% of participants who indicated 'no impact' explained during their interviews that while their overall business model (or vision for the business) hadn't changed, their ability to execute it had, through the creation of a sophisticated business plan.

They would therefore not claim that their business model had changed as a result of participating in Kick Starter. However, the common response was that the program had given them the ability to turn their idea into a business strategy with financial modelling and other evidence to support their approach.

Our vision from the beginning has become a reality, but our understanding of how that needed to happen has evolved incredibly.

It really helped crystallise and prioritise where to focus the energy so we could bring in some sales revenue.

It gave us the framework to actually develop and make the business plan happen. I think we could've easily started running without a robust business plan ... but I don't even know if we'd be around today.

A shared learning was the much longer timeframe it took for the business plan to be implemented than they had originally envisaged. This was a lesson in being too optimistic or trying to do too much, too quickly. Getting a business off the ground can take several years.

The speed and scale at which that happened was so much slower than we planned. It's not going to take a year. It's going to take five years. But no one wants to hear that.

In hindsight, the feedback from the assessment was spot on in terms of some of the assumptions that I'd made in my business plan, where we had probably been a bit optimistic. So yeah, it was a good experience all round.

My two Macquarie mentors, they were great ... they both gave me their mobile numbers and if I needed advice on something I could either call them or email them and I would get a response. So yes, the ongoing relationships have been great.

CRITICAL GUIDANCE THROUGH MENTORING

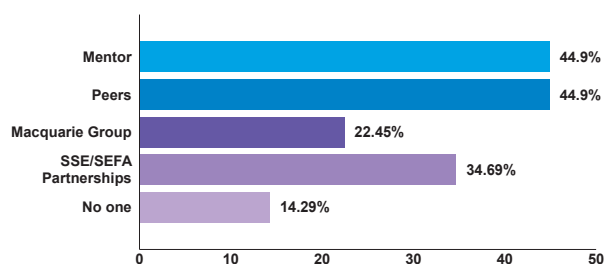
- **Most participants maintained a relationship with a mentor as a result of the program.**

The ability to create a clear and purposeful business plan was strongly linked to the guidance provided by mentors. Participants were overwhelmingly positive about the role their mentors played. In fact, many of these mentors remain supporters of the enterprises that they worked with during Kick Starter. When survey participants were asked if they had kept in touch with anyone they had met during the program, the most common response was ongoing connections with mentors and (for the more recent cohorts) peers.

I got a mentor who, for the record, is still engaged and is still on the board of the team as well. And it's been a brilliant addition. ...he's pretty much in the family now.

My mentor and I just got on well with each other from the start and enjoyed catching up, and she's always been really interested and keen to see how we develop and how we evolve. We've been catching up every couple of months or thereabouts, just to chat about how we're going. And she's just been a great support to me personally in encouraging me, providing a bit of advice or thoughts or perspective, and also providing some tangible help where she can.

Figure 5. Connections maintained after completion of the program



My mentors were very good. They really believed in me. I really worked hard to please them I suppose - because I felt they gave up their time and I knew just what incredibly busy people they were and the time that they gave up.

This ongoing support of mentors was highly commented upon by interviewees, with overwhelmingly positive sentiments.

At the time, we thought 'imagine if we got \$10,000', which is such a tiny amount of money, and in the end it really wasn't about the money anyway. ... the benefits were things we didn't expect. We thought, oh, yes, we'll get a mentor and we'll go through that because it's something you've just got to do to get the money. And then it turned out to be the best thing about it.

Not everyone maintained an ongoing connection with their mentor or found the match to be a perfect meeting of minds. Although this was a minority response, some participants found that the mentors were too busy to stay engaged with them beyond the life of the program (this was not a requirement of the mentors). Another interesting aspect of the mentoring was the value participants placed on learning from people with a corporate mindset. There was a sense this was immensely valuable.

I think the amazing value proposition of Kick Starter is the mentors.

Macquarie was the first time that we got a corporate involved. So the first experience we had of understanding how a corporate makes decisions.

For me, getting that entrance into the corporate world and having people who think that way in a much more corporate sense which I'd not really been a part of it in any kind

of way before, for me it really built up a whole level of confidence.

We've had plenty of people willing to provide some mentoring that have come from the social impact sector or the community sector, but the idea of walking into Macquarie Bank and sitting down with someone who was the head of venture capital was, I mean, we kept thinking wow what on earth are we doing here?

We just happened to have a really great match with our mentor. He immediately understood the potential of our business and saw a need to absolutely hone in on what was a universal value that tied all of that together - he really was quite pushy in really getting us to articulate that. But that's now defined our work ever since so it was quite a powerful experience.

Getting the Macquarie directors and just to hear a bit of their experience and journey gave us a much better idea of the bigger picture of business and how start-ups fit into that.

While many appreciated the exposure to a corporate mindset, some respondents felt the corporate context lacked relevance and that the mentors were too removed from the everyday realities of what it meant to grow an early stage social enterprise. There were requests for additional mentors that were social enterprise founders – ones that might be a few years ahead of the mentee in terms of their social enterprise journey.

More mentoring opportunities from others within the sector I think would be good -learning from others who are just that year or two ahead of you.

MUTUALLY BENEFICIAL RELATIONSHIPS

Separate evaluation conducted by SEFA Partnerships in 2017 and 2018 to understand mentor experiences also reveal value. For example, over 75% of mentors in 2018, and 87% in 2017, either 'agreed' or 'strongly agreed' that Kick Starter assisted them 'to gain new skills and experience which can be applied in my role at Macquarie'. And 100% of mentors in both 2017 and 2018 said they would 'recommend Kick Starter to other directors'.

Several Kick Starter participants observed that the relationship was mutually beneficial, including providing an opportunity for mentors to be exposed to different types and scales of business than they might otherwise normally be.

Funnily enough, I just spoke to my mentor this morning. I think there was quite a reciprocal relationship in that I don't think my mentors really knew what a social venture was before mentoring me. It opened up their understanding of how businesses like ours are evolving.

In terms of other connections, participants didn't meet each other as part of the program until 2018. For those that participated prior to 2018, a common request was for greater connection with peers during and after the program.

I think it could be interesting to regather the successful projects to have that opportunity to talk about what have we learnt, or what did we gain, where are we at and to keep a bit of a network and connection going.

If you engaged your existing community there are a lot of awesome connections that could happen for everyone. I just think there's a huge missed opportunity there because at the moment there's no connectivity or communication.

For the 2018 cohort who got to meet with peers, ongoing connections forged through action learning groups were valued, hence the high peer connection rating in the survey (see Figure 5 above).

With the action learning, there were five of us on a teleconference every two to three weeks. We are now so close. We bounce all of our ideas off each other. I speak to them almost weekly. I actually felt like that was probably the highlight of the program.

DEVELOPING NEW KNOWLEDGE AND SKILLS

- Respondents valued the development of new skills and knowledge most out of program.

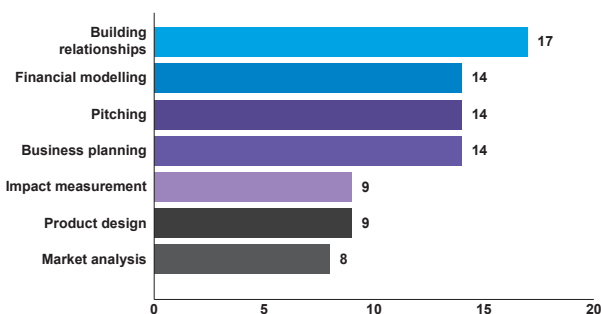
Both survey and interview participants were asked an open question about what they felt was the biggest impact as a result of their participation in Kick Starter. They were invited to consider impacts for them personally, for their organisation, and the economic or social impacts of their work. Survey respondents rated the development of new skills, knowledge and direction most highly. This included the development of business plans and strategy. Mentoring followed, while funding was fourth in the list:

1. Knowledge, skills and direction
2. Mentoring
3. Connections
4. Funding
5. Confidence
6. Credibility

A more specific question was asked of survey respondents about whether or not they had utilised any of the skills developed during the program. The results have been simplified in Figure 6 below to only show where respondents indicated they 'continued to develop these skills and use them day to day'. Skills that were only listed a being used 'often' or 'once or twice' are excluded. The most highly utilised skills on a day to day basis are:

- Building partnerships and relationships for purpose;
- Financial modelling;
- Pitching; and,
- Business planning

Figure 6. Day to day utilisation of skills developed during the program.



The survey results are consistent with the in-depth interviews, except for the rating of building partnerships and impact measurement. Neither rated as highly when speaking to interviewees in person. In the interviews, the most highly rated skills were financial modelling, pitching and business planning. This is possibly because interviewees had more time to reflect and expand on their answer than in the online survey.

I definitely think the pitching - we worked really hard on our pitch. And going into Macquarie Bank and pitching in that room was something really new and terrifying, but it meant that we got really good feedback.

I hadn't previously done a financial model or any formal market analysis... giving that a crack and putting that into practice was probably the most significant.

The additional skill that I developed was going through that process of financial modelling at a Macquarie Bank level. Coming from the non-profit world, that was a bit of a gap in my skillset so that was really helpful.

ATTRACTING INVESTMENT

- Respondents were able to leverage their business plans to attract investment.

Numerous participants reported they had been able to successfully leverage their business plan to attract significant investment in their enterprise.

It's hard to think of it being more impactful given six months later we put in a number of applications for a couple of social enterprise awards that were about 10 times bigger and won those. And it was really the Kick Starter structure that helped us to get those awards.

We were able to take that business plan and go to three councils and secure funding from those councils as a result.

To give you a sense of the impact, after Kick Starter we went out and raised significant capital through [a well-known venture capitalist].

Once we actually had the business plan, I was able to then use that to bring on additional support. We had an opportunity with a philanthropic foundation and they were really impressed with the business plan and approved the funding. So we were able to hit the ground running.

For those that were awarded the \$10,000 or \$15,000 grant, while acknowledging that it was not a lot of money, respondents felt it was the 'kick start' they needed. Several noted how careful they had been in how they spent it, while others commented on the importance of the funding being flexible in how it could be used. Such condition free funding was said to be very rare.

With the \$10,000 that we got winning the business plan competition, we were able to engage somebody on the sales and marketing and that generated real results for the business.

At that time, ten thousand dollars was actually hugely significant. It was the first chunk of funding that we'd ever got. Having that funding and it be flexible funding that we could use in any way that we needed really got us through for almost the following year.

The involvement in Kick Starter really was exactly that for us. It was that kick start, and it was a really, really valuable thing at the time and to be honest if we hadn't got that opportunity I don't know where else we would've found that initial seed funding for a relatively untested unproved idea and model.

Even just knowing Macquarie thought what we were doing was interesting was a massive boost – and to be able to tell my mother in law that I'm not totally crazy and that I was part of a program that saw the potential in what we were doing. That in and of itself was amazing for myself and the team. And it built momentum and credibility.

It was a huge stepping stone for me personally in terms of validation of the idea, and validation of me driving it. For them to back me was a huge thing for me.

I think going through that process and coming out the other side and realising: hey I did it and I didn't choke in the moment - that helped with my confidence to lead a company and to be in those situations in the future.

Part of the power of this was due to the reputation of Macquarie Group as a major corporate and business specialist, which gave an extra sense of validation and credibility.

Having the Macquarie name at the time was phenomenal. Because it gave that legitimacy to a lot of other people.

That recognition has been really wonderful and was a really important experience for us at the stage we're at.

BUILDING VALIDATION AND SELF-CONFIDENCE

- **Recognition from Macquarie Group gave participants the confidence to succeed.**

Validation was an unexpected but common impact reported by participants. In speaking with interviewees, many found being accepted into the Kick Starter program was an important milestone for them at the early stages of starting their enterprise. This provided a sense of validation as well as the confidence to make the leap, often from secure employment, to the role of founder and entrepreneur.

4. Social enterprise ecosystem in Australia

It is clear from the research that Kick Starter has played an important role in the social enterprise ecosystem in Australia.

This is most visible via the social enterprises that it has assisted to establish and grow. Other wider impacts were the connections and collaborations that had formed between enterprises and even some Kick Starter alumni gaining employment with other alumni enterprises.

At least 10 alumni spoke of providing mentoring to other social enterprise founders. There is also the leadership of the alumni as a whole, the majority of whom remain actively engaged with their enterprises or other parts of the sector and who bring hands-on experience and capacity in creating innovative business models to tackle social issues.

These impacts are even more significant given the context of the Australian social enterprise ecosystem and the difficulties inherent in supporting early stage enterprises.

Involvement in their nascency means that the relative contribution of Kick Starter was always going to be small in the grand scheme of an enterprise's timeline. Specialists in the sector who were interviewed for this report attested to this. However, it is this very niche that makes the Kick Starter program so crucial. Due to the risks involved there is little structured support for those at the early stages of development. Kick Starter is not a high-profile program, but for many within the sector its presence has been an important and reassuring sign of commitment to supporting social entrepreneurs.

I think the role that Kick Starter, SEFA and Macquarie play is really important, although it's harder to attribute the impact to that early stage investment. That is why it needs to be philanthropically funded - because it's really hard to do a business case for that. But it's really important from a system perspective. It's really necessary because there has been a withdrawal of those resources in Australia for investing in our future entrepreneurs.

The social enterprise ecosystem in Australia is immensely diverse. The beauty (and challenge) of social enterprise is that it is spread across different industries, occurs at many

scales, and pursues many different impact agendas (for example see Figure 1). It exists across every part of the economy. Understanding key trends and themes helps to situate the impact of Kick Starter within this wider context. Interviewees were able to offer a range of insights about social enterprise in Australia in 2019. These insights are summarised here and explained further below:

Ecosystem challenges identified by respondents include:

- A shortage of accessible specialised support;
- Ecosystem fragmentation;
- Ongoing rises and falls in popularity;
- Perpetual funding gaps and shortfalls ;
- Some enterprises needing to fail faster; and,
- Investor rhetoric not matching reality.

Opportunities identified include:

- A move to social procurement;
- Potential to reframe social enterprises as incubators of new thinking;

It is evident that Kick Starter provides an important service in an ecosystem that has too little of this kind of support for social entrepreneurs.

A SHORTAGE OF SPECIALISED SUPPORT

There was a sense that many of the founders of social enterprises believe they lack the skills to create viable businesses. Those that do often lack the funds to access specialist (and affordable) business resources. This is consistent with Australian research which found that entrepreneur support programs would benefit from specialist support that is targeted to the stage of business, sector/industry, or business type (Logue et al., 2017). This would include specialised financial products.

The need for this kind of support is not unique to Australia. In a review of social enterprise in Scotland, it was identified that there is a greater need for specialist business advice for the sector (Glasgow Caledonian University and Social

Value Labs, 2017). This was also reported by the OECD which found that creating an ecosystem within which social enterprises can flourish requires (in addition to funding and regulatory frameworks) adequate business support structures, both generic and specialist, and catering for both start-up and growth stages (OECD, 2015).

A study on social enterprise in the Netherlands found that investment in knowledge development, such as creating successful business models, has made a significant contribution to rapid growth of the sector (Haagsma and Tap, 2018).

ECOSYSTEM FRAGMENTATION

As noted above, the social enterprise sector in Australia has been through various highs and low over the past decade. While the number of enterprises has grown, investment and other support mechanisms for these enterprises have not kept pace.

This reflects an ongoing major constraint for social enterprise in Australia, in the form of a relatively limited ecosystem for social enterprise development (Barraket et al., 2016). In 2013, an alliance of organisations published a manifesto outlining a vision and pathway to enable the growth of the social enterprise sector in Australia (Social Innovation Entrepreneurship and Enterprise Alliance, 2013).

It included five key levers for growth to reduce barriers to entry and enable stronger and more sustainable growth in the sector:

- Foster an enterprising culture;
- Resource effective capacity building support for social enterprises;
- Open markets and procurement channels;
- Enable funding, finance and investment across the business lifecycle; and,
- Invest in research, benchmarking and impact measurement.

While many of the organisations in the Alliance have pursued the agenda, it is not clear that the sector has advanced beyond the challenges that were identified back in 2013. Given the fragmentation in Australia's social enterprise ecosystem, enhanced support, in particular networking and development opportunities for those working within the sector, remains important (CoreData, 2017).

ONGOING RISES AND FALLS IN POPULARITY

Interviewees were in agreement that there has been a rise and then a fall in the popularity of social enterprise over the past seven years. This is partly about the use of the term itself. While some organisations have found it complicates

their message to call themselves a social enterprise, they are also observing that some traditional businesses are rebranding as social enterprises, without changing their business model.

We've been through a few iterations of wanting to really own that label of social enterprise and then also wanting to completely distance ourselves from it.

More importantly, there is a real sense that support for early stage social ventures is declining. The closure of SSE Australia and the cessation of a range of other support programs was cited by many.

I would say that the ecosystem has probably worsened for early stage organisations.

I think there's less social investment available to social enterprises in Australia than there was five years ago. My sense is that it's headed towards the bigger end of things in terms of investment. But for early to mid-stage of social enterprises, I think we've gone backwards in Australia rather than forwards.

Social enterprise specialists observed that more mainstream business and university accelerators also appear to be taking the place of some of these bespoke support programs.

It started with a lot of enthusiasm, and people coming in from overseas with models. Then we saw a period about four years in, about 18 months ago, where they started shutting down because they couldn't make money...and then the ecosystem has come back with more mainstream accelerators now taking on a social bent. I think most of the accelerators now think about their role in terms of diversity inclusion, and there is less of those pure social impact ones.

PERPETUAL FUNDING GAPS AND SHORTFALLS

The challenge for social enterprises to become financially sustainable remains huge. Many enterprises are trying to make money in the very areas where market failure has occurred. And in the absence of a viable business model, enterprises are heavily reliant on subsidies or funding, at least to get started. For the most part, risk has held investors back, meaning funding volumes haven't been

enough to satisfy demand from social entrepreneurs or enable full testing of innovative and bold ideas.

What they're responding to is the failure of the broader economy to meet a need, and then they start-up a business in that same space. So there's this impossible task - to run a business in a space that the market couldn't run a business in.

To this end, some felt reservations about advocating for social enterprises to be established, especially where vulnerable groups are involved and in areas where the focus is on creating local employment.

We've been asked to come in to really vulnerable communities and help local residents set up their own social enterprise, and we've actually had to say I'm not sure that's the best thing for really vulnerable groups of people you know? Especially if you're not going to get paid a wage for five years. There are definitely things that we can do around economic development, but social enterprise isn't the 'tick box' answer necessarily.

Many of the enterprises that took part in this research were operating as viable small businesses but had a desire to achieve a larger scale or impact. It is important to note that not every social enterprise needs to scale and some may need or want to stay small, to be both successful and impactful. Indeed, many social enterprises in Australia are micro, small and medium businesses – just like the make-up of mainstream businesses in Australia.

Some social enterprises seek scale to improve financial sustainability while others seek scale in order to fulfil their social purposes (Castellas et al., 2017). The challenge is that, should an enterprise wish to scale, finding the funding to bridge the gap from start-up to established is extremely difficult.

You get to a certain size where you can't keep asking for that [small] amount of money but people don't necessarily follow on with more funding. They'll give you ten grand and then they'll say 'Okay, see you. Let's put 10k in to another ten organisations'.

There's obviously a gap there in terms of early stage seed funding for social enterprises. The ecosystem needs better pathways into getting larger amounts of seed capital.

I do feel that there is a gap in terms of making that leap from that initial seed stuff to the larger more substantive funding and support that you need once you're up and running.

This funding challenge is not unique to Australia. The Scotland social enterprise review also found that, while overall the social enterprise sector is quite successful, a large part is struggling to access forms of financing relevant to their needs and appropriate to their stage of development (Glasgow Caledonian University and Social Value Labs, 2017). This has also been found to be true across the UK where, while social enterprise is outperforming its mainstream small and medium-sized enterprise (SME) counterparts in almost every area of business, smaller-scale funding and finance remains a key barrier for social enterprises of all sizes (Villeneuve-Smith and Temple, 2015). Likewise in the US, a 2017 study found one of the biggest barriers to establishing social enterprise was funding (SocEntCity, 2017).

SOME ENTERPRISES NEEDING TO 'FAIL FASTER'

Given the challenges with creating a viable business, some of the founders felt that too many entrepreneurs are persisting with their idea for too long, and at great personal cost.

There is a need for careful consideration of what, if anything, could be done to support founders to 'fail fast' and pivot or exit their business, rather than simply encouraging them to keep pursuing an unfeasible idea.

One of my biggest issues is that there is a culture that if you have an idea you should just start it. Now, as a general idea that's not silly. What we don't do is provide structure about when to call it off.

If you look at the traditional start-up world, essentially that decision can be made by a financial decision. In the social sector it's not like that. People sacrifice themselves so much, so you have huge mental health issues with social entrepreneurs that no one discusses or addresses or provides the right structure.

We're so quick to burn them because they hold on to an idea for two or three years too long. And then what happens is it impacts their personal family life. And it's a shame because I think it burns our best resources in our community.

INVESTOR RHETORIC NOT MATCHING REALITY

Consistent with the challenges raised above was a sense that while there has been a lot of hype about social enterprise and impact investing, the rhetoric hasn't matched reality. This includes risk aversion, inequitable access to capital, and an unwillingness to compromise on rates of return.

On the one hand, entrepreneurs are finding that the requirements of impact investment are much harder to meet than philanthropic grants.

We used to have a lot of philanthropic grants. Now a lot of those programs are claiming that they're doing social impact investment, but the trouble is they've gone from giving you money to now they want standard commercial returns. It's such a huge dramatic shift.

On the other hand, there is a sense that impact investors are too risk averse. It is uncommon to find investors who are really willing to value social impact over commercial returns. There is also a dearth of suitable models in the market for attracting or raising capital, particularly for organisations that are not registered non-profits and therefore ineligible for philanthropic funds. Options such as interest free loans for social enterprises and equity crowdfunding exist, but these are rare. And for many, shared returns models are not favourable to achieving the social impact they seek.

I'll be really honest and say a lot of the rhetoric just doesn't match reality. A lot of people talk about the value of investing in early or mid-stage social enterprises, but not very many people are actually happy to put their money there... there's all this excuse making really that goes on about, 'we couldn't invest because they're too small' or 'we couldn't invest because they're not scaled up enough', you know. And a lot of those entrepreneurs in those organisations feel like they can't win.

Invest is an interesting word. What does invest mean? You put something there for the future, to build or create, that's the word invest, isn't it? It's not the word save, it's not the word reserve. It's the word invest, and there needs to be some risk taking in there to actually

build truly new ideas. The sector is not willing enough to embrace new ideas. It's pretty conservative, that's the issue.

We don't have a lot of really high-risk capital in Australia that would take on some of these organisations. That is still very much a barrier to entry. Social enterprises spend a lot of time doing capital raising to grow, basically, or seeking financing through grant funds.

Overall this indicates structural inequity in the availability and incentives of capital and resources for the growth of impact centred social businesses.

A MOVE TO SOCIAL PROCUREMENT

It is not all negative. There are also opportunities in the ecosystem, one of which is the trend towards social procurement. While not a replacement for other forms of finance, it can play a complementary role in an enterprise's revenue mix, especially where it can smooth cash flow and build consistent revenue. A growing number of public and private organisations are willing to use their spending power to support positive social outcomes. In 2018, the Victorian Government officially implemented a Social Procurement Framework. This policy "enables buyers and suppliers to use the Government's buying power to deliver social, economic and environmental outcomes that benefit the Victorian community, the economy and the environment" (Victorian Government, 2018). Queensland also issued an updated Social Procurement Guide in the same year.

Although social procurement is seen as a positive development, there was a concern raised by some interviewees that smaller social enterprises would still miss out. The opportunity here, where contract type and specification allow, would be to find a way to aggregate the offerings of diverse enterprises to meet the size of procurement contracts.

An alternative would be the requirement to unbundle some aspects of contracts so that small services can be split off with the specific intention of fostering social enterprise supply chains. Programs like Kick Starter could also include responding to Expressions of Interest and Request for Quotes in its mentoring activities.

What everyone is missing is that there is this massive gap between the size of these social businesses compared to government, which procures billions of dollars, or even corporates, which procure in the billions. There is just not

a model that seems to really work in terms of aggregation of these smaller businesses for larger procurement.

Hand-holding through the procurement piece - that would be so useful for us at this stage. We work for a lot of big corporates but sometimes it's only small orders rather than taking over all the printing, for example, where we'd need some hand-holding to get to that next stage.

REFRAMING SOCIAL ENTERPRISES AS INCUBATORS OF NEW THINKING

On a positive note, there was excitement around the potential of social enterprise to be a source of innovation and new thinking. The value proposition would be that social entrepreneurs identify new areas of need and demonstrate how to deliver impact through new thinking and approaches, which could then be taken up by other businesses in different ways. The returns are in the form of new knowledge, innovations and processes rather than profit or business performance.

I think there's a new narrative that we need that shifts us away from the transactional focus on social enterprise to more of a transformational one... It might never go to scale. It might not have mass impact. But it might create a sense of opportunity and a sense of insight about different possibilities and new knowledge that might pave the way for others to come after.

5. Opportunities to build on Kick Starter achievements

Looking to the future, there are numerous ways in which Kick Starter could be built upon for even more impact.

The following recommendations draw on the findings above as well as specific suggestions of research participants. Adaptations could include:

MORE SUSTAINED SUPPORT FOR FEWER ORGANISATIONS:

Getting to financial viability can take several years and a lot of investment. The types of capital that may be needed also vary over the life-time of an enterprise. Going forward, it may make sense to focus on fewer enterprises and provide them with more intensive support in order to build 'capital readiness' and bridge the gap between seed and scale. This might include financial and other supports. It might become a 'Kick-On' program rather than a Kick Starter, and include the 'Start-Up Shop' (below).

PROVISION OF TAILORED SERVICES AND SPECIALIST ADVICE:

Related to the point above, there is a need for the provision of tailored services for social enterprise. Areas such as managing staff, privacy rules, changing legal structure, financial processes, benchmarking performance, securing procurement contracts, and going to scale were all identified as skills gaps and needing specialist advice. A 'Start-Up Shop' could be created that builds upon skilled volunteering or other opportunities to leverage professional services. The challenge would be finding specialists who can advise on the specific sector in which the enterprise is operating. The agricultural or health sector may be very different from the education sector for example.

FACILITATE PEER-TO-PEER CONNECTIONS AND ALUMNI:

The request for greater connection during the program was only exceeded by the request for greater engagement of the alumni after the program. The opportunity here is to curate the alumni as a collective,

with a blend of virtual and face-to-face connectivity for knowledge exchange, networking and peer support.

ENROL FOUNDERS AS MENTORS AND ADVISORS:

While the Macquarie mentors were extremely popular, there were also requests for additional mentors that were founders of social enterprises themselves – ones that might be a few years ahead of the mentee in terms of their own enterprise journey. It was felt that those who had been founders themselves could really understand the personal and professional challenges that it involves.

CELEBRATE SUCCESS:

The story of Kick Starter and its alumni could be promoted much more widely, both within and outside the Kick Starter network. There were numerous requests from alumni to learn more about the enterprises who have taken part over the years. Others sought an opportunity to promote their enterprise within the wider Kick Starter network. Linked to this, there was appetite to find ways to track and share the aggregate impacts of the enterprises involved over the long-term. Simple ways to harvest and share stories of success would be a good investment.

6. Conclusion

Since its establishment in 2011, Kick Starter has supported 119 social enterprises to become investor ready through learning, mentoring and the development of business plans. It has evolved over time to fill an important niche as one of the few in the ecosystem that supports early stage social enterprises.

What is evident is that Kick Starter provides an important service with lasting impact in an ecosystem that has too little of this kind of support for social entrepreneurs. It is a critical program at a critical time for social enterprise in Australia.

7. References

- ABS 2019. 8165.0 - Counts of Australian Businesses, including Entries and Exits, June 2014 to June 2018 Canberra: Australian Bureau of Statistics.
- BARRAKET, J., MASON, C. & BLAIN, B. 2016. Finding Australia's Social Enterprise Sector 2016: Final Report. Swinburne University of Technology: Centre for Social Impact
- CASTELLAS, E., BARRAKET, J., HIRUY, K. & SUCHOWERSKA, R. 2017. Map for Impact: The Victorian Social Enterprise Mapping Project. Hawthorn: Centre for Social Impact Swinburne.
- COREDATA 2017. Young Social Changemakers Report 2017. Sydney: CoreData.
- GLASGOW CALEDONIAN UNIVERSITY AND SOCIAL VALUE LABS 2017. The Social Enterprise Business Support Ecosystem in Scotland, Glasgow Caledonian University and Social Value Labs. Report for RaiSE: Enhancing Social Enterprise Competitiveness. Social Value Labs.
- HAAGSMA, W. & TAP, M. 2018. Building an Ecosystem for Social Entrepreneurship: Lessons learned from the Netherlands. PwC.
- INVESTING FOR GOOD AND CAN INVEST 2016. Social Impact Review, Lloyds Bank and Bank of Scotland Social Entrepreneurs Programme. London: School for Social Entrepreneurs.
- LOGUE, D., MCALLISTER, G. & SCHWEITZER, J. 2017. Social Entrepreneurship and Impact Investing Report. Report prepared for innovationXchange, Department of Foreign Affairs and Trade. University of Technology Sydney.
- OECD 2015. Capacity building seminar: Building enabling ecosystems for social enterprises, Brussels, 22-23 April 2015, Moderator's report. OECD.
- SOCCENTCITY 2017. A deeper dive: Social Enterprise Ecosystems in the U.S. Volume 2. Halcyon Incubator, Capital One, The Robert H. Smith School of Business, Deloitte
- SOCIAL INNOVATION ENTREPRENEURSHIP AND ENTERPRISE ALLIANCE 2013. Social Enterprise: Doing business differently for a more inclusive society. Social Innovation Entrepreneurship and Enterprise Alliance.
- VICTORIAN GOVERNMENT 2018. Social Procurement. State Government of Victoria.
- VILLENEUVE-SMITH, F. & TEMPLE, N. 2015. State of Social Enterprise Survey 2015. Social Enterprise UK and Santander.

Appendix 1 – How alumni are making a difference

There are many enterprises that would not exist today without that early 'kick start' from Kick Starter. These social enterprises are making important social and economic contributions locally, regionally, and to the national economy. As with many social enterprises, they are also creating local employment opportunities, reinvesting profits, and doing business with other social enterprises (Investing for Good and CAN Invest, 2016). Some examples of the different organisations that have flourished since their participation in Kick Starter are included below. These examples were chosen to demonstrate a diversity of enterprise purposes. We recognise that there are other alumni enterprises that are growing their impact, including many of those in the acknowledgement section of this report. **It is also emphasised here that Kick Starter does not seek to take credit for all the hard work of the social enterprises involved.** Given the early stage of many of the enterprises at their time of participation, and the diverse support many of them have accessed, only a small contribution can be attributed to the program. However, Kick Starter can be proud of its large alumni of inspiring organisations.



batyr is a for purpose preventative mental health organisation, created and driven by young people for young people. They give a voice to the elephant in the room by smashing the stigma around mental ill-health and empowering young people to reach out for support. So far, Batyr has reached 171,237 young people, trained 615 young people to share their story, and delivered 1244 programs.
www.batyr.com.au/



Catalyser is customisable software for better employee giving. It engages employees and empowers them to change the world from their workplace. Catalyser is a certified B Corp. In the two years since launch, Catalyser facilitated over \$2 million in donations for charities and has over 15,000 employee users in Australia, Asia, and the UK.
www.catalyser.com.au/



Eat Me Chutneys is dedicated to ethical products - from how they source (organic and Fairtrade), to how they produce their chutneys (hand chopped, stirred and jarred), to who they hire (disadvantaged female job seekers), and how they run their business (a certified B Corp). Examples of impact include: 2.1 tonnes of produce rescued & converted into 10,966 jars of chutneys; preventing 6.05 tonnes of CO2 emissions; and 1415 wheel barrows contributed by Fairtrade premiums.
www.eatmechutneys.com.au



Grow Your Mind has a vision to see parents and carers with confidence to promote good mental health in their homes. They provide school and home kits. The school kit aims to support schools to have a positive, inclusive culture by facilitating a common language of wellbeing. The home kit offers a playful way for children to learn about taking care of their mental health on a daily basis. The kits are grounded in research from the fields of developmental cognitive neuroscience, mindfulness and positive psychology. Grow Your Mind is a certified B Corp. www.growyourmind.life



Gulbarn brings the leaves of the melaleuca citrolens plant to the market as a herbal tea. Known as Gulbarn in the Alawa language, it has traditionally been used as a bush medicine for thousands of years. Gulbarn's aspiration is to connect Indigenous and non-Indigenous people to culture and country, while at the same time creating economic opportunities for Alawa people living in the remote community of Minyerri. It now has stockists in ACT, NT, VIC, WA, QLD and NSW. www.gulbarn.com.au



Hello Sunday Morning's mission is to change the world's relationship with alcohol, one Sunday at a time. Launched in 2009, by 2014 Hello Sunday Morning had grown into the world's largest online community of people supporting each other to change their behaviour around alcohol. Their key offering, Daybreak, is a digital service that provides an anonymous and supportive environment for consumers to set alcohol change goals and to then work with health professionals to achieve them. www.hellosundaymorning.org



The Rumpus is a non-profit organisation that specialises in using play as a tool to unlock skills and build mentally healthy communities and workplaces. In six years, The Rumpus has supported over 1000 community members to share and teach their skills to others. Over 10,000 community members have learnt new skills. From humble beginnings programming skill-share classes, Rumpus now works in multiple ways and places to promote 'purposeful play' as a vital tool for mentally healthy communities and workplaces. Clients and partners now include companies such as Atlassian and the NSW Government. www.therumpus.com.au



Words With Heart is an eco-friendly print and stationery social enterprise that funds education projects for women and girls. They produce all kinds of business, event and personal stationery, such as business cards, invitations and notebooks, with every purchase funding female education. Their impact is measured in 'days of education' so that when a purchase is made, the buyer is notified of the number of days of education they are helping to fund for women and girls through our project partners. Words With Heart partner with NGO's to fund projects across Africa and Asia, including primary and secondary education, and also business and skills training. <https://wordswithheart.com/>



Xceptional was founded as a technology service company that offered employment for people with autism who could provide exceptionally good software testing services for companies. But seeing the huge potential for both businesses and job seekers it pivoted to launch a unique and accessible recruitment and placement service. Since then, Xceptional has been growing rapidly. They've partnered with leading global companies, and won \$1 million of funding from the Google.org Impact Challenge. <https://xceptional.io/>



Hobo Gro is an urban collective that grew out of a TAFE Outreach program for people suffering from depression, drug and alcohol related problems. Hobo Gro has developed into an ongoing therapeutic program with a sustainable ecological focus. Offering a range of horticultural courses, as well as a community composting and gardening programs, Hobo Gro has also gained recognition through its awards for litter reduction campaigns and composting. It has also been responsible for providing training opportunities in radio and horticulture, resulting in employment opportunities for long-term unemployed. Through these programs and selling its compost, Hobo Gro has been able to grow a thriving and sustainable community for those in need. <https://hobogro.com.au/>



Angkor Flowers is a social enterprise florist that is focused on improving employment opportunities for migrant women through training. Participants are enrolled in training programs in business skills and customer service, as well as floristry. They also gain confidence, improve their language skills, and develop new connections within the community. Since the program began, over 100 women from 10 different nationalities have participated. 30% have been employed by Angkor flowers, 45% have been employed by others or undertaken project work, 15% have undertaken further study, and 10% discontinued. This success has contributed to the growth of Angkor Flowers, and it is now a sustainable business that has been able to maintain and deepen its commitment to positive social impact within the community. <https://angkorflowers.com.au>



Blackheath Area Neighbourhood Centre (Cyber-Shed Digital Cottage - CSDC) provides digital inclusion classes at no cost to novice participants, principally the elderly. CSDC entered the Kick Starter program to explore the opportunity to create a smart workspace in the upper Blue Mountains. Across the course of the program CSDC discovered through its financial modelling and internal market testing that the complete vision was not viable financially. CSDS acknowledge that participation in the program meant they were “given some great tools to revisit the idea as the landscape changes. Through Kick Starter we were able to fail fast and with minimal financial impact to the organisation”. CSDC continue to run their digital inclusion classes and have begun to develop a ‘lite’ version of their initial idea.

Appendix 2 - Online survey



Kick Starter Survey

* 1. What year did you take part in Kick Starter?

2. Did you receive a grant at the end of Kick Starter?

Yes

No

3. Do you still work within your enterprise that took part in Kick Starter?

Yes

No

4. If you no longer work there, at what point did you exit or decide to close the enterprise?

5. Do you still work within the 'social impact sector' (broadly defined?)

Yes, I work in this sector

Yes, I volunteer in this sector

No, I have left the social impact sector

Other (please specify)

6. Have you supported any other social ventures since your participation (ones that you have not been directly associated with)? E.g. mentor, advice, procurement, design etc.

7. Have you kept in touch with people you met during the program? Select as many as relevant.

- Mentor
- Fellow social entrepreneurs / Peers
- Others involved in the program from Macquarie Group
- Others involved in the program from SSE/SEFA Partnerships
- I don't see anyone linked to Kick Starter

8. Does the enterprise you participated with still exist?

- Yes
- No

9. If the enterprise still exists, what is the current make up of your funding:

Open Trade [%]

Government service provision [%]

Philanthropy [%]

10. Did your business model change as a result of participating in Kick Starter?

Other (please specify)

11. Have you utilised any of the skills developed during the program?

	No, not at all	One or twice	Often	I have continued to develop these skills and use them day to day
Impact Measurement	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Opportunity/Market analysis	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Financial modelling/budgeting	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pitching	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Building partnerships and relationships for purpose	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Product design	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Business Planning	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

12. What do you feel was the biggest impact as result of your participation in Kick Starter and why? You might consider impacts for you personally, for your organisation, or the economic or social impacts of your work in the wider world.

13. Is there anything else you would like to share about the Kick Starter experience?

14. Name (Optional)

15. Enterprise at time of participation (Optional)

Appendix 3 - Interview guides

SEMI-STRUCTURED INTERVIEW GUIDE FOR KICK STARTER PARTICIPANTS

Enterprise

What year did you take part in Kick Starter?

Does the enterprise you participated in Kick Starter with still exist?

Do you still work within that enterprise?

- If no, at what point did you exit? Why?
- If no, do you still work within the 'social impact sector' (broadly defined)?

How did your business model change as a result of participating in Kick Starter?

Networks

Have you supported any other social ventures since your participation?

Have you kept in touch with anyone you met during the program such as mentors?

Impacts

What skills developed during the program were of most value? Why?

What do you feel was the biggest impact as result of your participation in Kick Starter? Why?

What other impacts have you observed in the wider ecosystem due to Kick Starter?

Is there anything else you would like to share about your Kick Starter experience and its impact?

Adaptations

What else do you wish existed at the time you were going through Kick Starter?

Looking forward, how could Kick Starter increase its impact – both in terms of social impact and financial outcomes?

Do you have any other advice for us? Or is there another question you wished we'd asked?

SEMI-STRUCTURED INTERVIEW GUIDE FOR SOCIAL IMPACT SPECIALISTS

Context

How do you know about Kick Starter? Have you had any direct involvement?

Have you crossed paths with any of the enterprises that took part in Kick Starter?

Impacts

What do you feel has been the biggest impact of Kick Starter? Why?

Have you observed any other impacts from Kick Starter in the wider ecosystem?

Ecosystem

How has the nature of social enterprise changed in Australia over the past 5-10 years? What have some of the most significant patterns and trends been?

What have been the biggest challenges for social enterprises in Australia in recent years?

What do you think some of the biggest opportunities might be?

Adaptations

Looking ahead, what you see as the emerging and future needs of the social enterprise start-ups in Australia?

What else needs to exist within the wider ecosystem to better support social enterprise and social impact?

In the future, how could Kick Starter as a program increase its impact - both in terms of social impact and financial outcomes?

Have you seen other programs that have effectively supported social ventures that we could learn from?

Is there anything else you would like to share about your experience of Kick Starter and its impact?

Do you have any other advice for us? Or is there another question you wished we'd asked?

