

Exploring the potential of social economy through innovations & collaborations

By Noor Din, Irfan Ahmed, Arshed Bhatti

This paper is being presented at the Eighth Annual ANSER Conference at the Congress 2015 of the Humanities and Social Sciences June 3-5, 2015 University of Ottawa, Ontario, Canada; in the thematic area of Social Enterprises, Social Entrepreneurship, and Social Innovation.

Abstract:

This paper argues that the concept of social economy and its true broader impact is not yet understood and embraced by communities, governments and policy makers nor as a social economy sector we have been able to make our mark in demonstrating it. High value and high impact innovations through social enterprises are requisite to raise social economy profile, its acceptance and much needed policy changes which enable and support social economy.

The paper demonstrates unique partnership of community, entrepreneurs, social entrepreneurs, business interests, researchers and educational institutions under the umbrella of EPIC – Enterprise Promotion and Innovation Centre working together for the broader good and seeking social and economic endeavours. The paper also presents a number of innovative high-tech solutions in development by EPIC social enterprises of Human Endeavour, which focus on older adults and their graceful aging.

Contents and Abbreviations

Section 1:	Introduction
Section 2:	Expanding the Scope of Social Enterprising
Section 3:	Impacting the Broader Economy
Section 4:	High Value, High Impact Products from EPIC Incubator
Section 5:	The Partners behind the Social Enterprising Model
Section 6:	Recommendations and the Way Forward
Annex:	Brief Biographies of the Authors

Abbreviations

ANSER	Association for Nonprofits and Social Economy Research
EPIC	Enterprise Promotion and Innovation Centre
GTTI	Georgina Trade Training Inc.
HOPE	Healthy Outcomes of Preventive Engagements
KSU	Kent State University
YR	Municipality of the York Region
York U	The York University

Section 1

Introduction

There is an increasing interest in social enterprising model in Ontario as many non-profits are seeking alternative ways of funding their programs and services. Although it is encouraging to see more non-profits resorting to social enterprising to become self-sustaining, their too specific and isolated models may not yield significant and long-term social impact as their contained efforts are not likely to be noticed by the larger players and may not catalyze change in larger economy.

The social enterprises that form the core and backbone of social economy ought to emerge as new way of doing business, addressing social issues and creating economic opportunities. But to make a significant mark, high value and high impact innovations are requisite to raise their profile, acceptance and eventually trigger the needed policy changes.

This paper shares case study of ‘work in progress’ products of EPIC (Enterprising Promotion & Innovation Centre) which promise to high impact and high value and result from a collaborative working of various players brought together by Human Endeavour, a non-profit organization in Ontario (www.humanendeavour.org).

The organization and its leadership have been recognized for multiple innovations that address the needs of local population and can be replicated and scaled up to help tackle the emerging challenges of service provision and inclusion.

Human Endeavour won the Ontario Ministry of Health and Long-Term Care & Ontario Hospitals Association’s Provincial Innovation Award 2010 in Evidence Based Practice category for its flagship initiative HOPE - Healthy Outcomes of Preventive Engagements.

The founder and CEO of Human Endeavour was awarded the 3M Health Leadership Award 2012 for demonstrated impact of his innovative initiatives on the community in health and economic development. In 2013, HOPE made to World's Top Five Age Friendly Initiatives in Turkey.

These initiatives also started as small endeavours but due to their inbuilt broader vision, scope, and potential for replication and scaling up, they won appreciation and recognition. In our view, same is the case of the 'high value and high impact' products that are being shared in this paper.

This paper has six sections. First being this introduction, the **second** section talks about expanding scope and acceptance of social enterprising. The **third** section argues how social economy can make a mark in the broader Canadian economy by innovative high value, high impact products. The **fourth** section shares examples of such products developed by Human Endeavour. The **fifth** section showcases Human Endeavour's model of innovative collaborations devised to achieve its community economic development goal. The **last section** presents recommendations which need debate and deliberation by the larger players like the government, the business and the academia.

Section 2:

Expanding the Scope of Social Enterprising

The paper asserts that the advocates and implementers of social economy must collaborate to offer solutions that help address some of the challenges Canadian society is facing, such as graceful aging, settlement of newcomers and poverty reduction.

Social economy, in our view is ‘an economy that cares’. The concept and practice of social economy is not isolated from the main stream economy; it in fact exists and thrives within it.

Academics put social economy between the public and the private sector, and is also called ‘third sector’. According to Social Enterprise Council of Canada, the characteristics of social enterprises in Canada vary by region and province as they differentiate social enterprises from businesses, not-for-profits, co-operatives and government agencies.¹

Human Endeavour has taken a broad approach in defining social enterprises by including for-profit entities also who albeit may not fit in the official definition (of being non-profits only) but their focus, ambit of beneficiaries and collaborative spirit manifest community wellbeing, and the benefits of the positive externality they create reach the non-members also. Their collaborations also include for and not-for profit entities like academics, entrepreneurs and governments.

Infused with the above understanding, spirit and focus, Human Endeavour established EPIC in 2010 to try, test and implement social economy model. It aimed provision of services & products in the market for financial and social return by assisting marginalized community members with enabled access to gainful career and income generation opportunities. EPIC initiated innovative social enterprises based on sound business model with lower start-up costs focusing on blended return i.e. income generation and social services. Following the success of pilot, Human

¹ <http://www.socialenterprisecanada.ca/en/learn/nav/whatisasocialenterprise.html>

Endeavour replicated EPIC franchising model in 2013 in Georgina, a remote rural area of York Region, in partnership with Georgina Trades Training Inc. (GTTI).

After EPIC Georgina's successful take off, and combining the experience and expertise attained thus far, Human Endeavour is developing EPIC model in another rural and suburban town, with distinct local organizations.

In the customized replication of EPIC, Human Endeavour blends variety of approaches that focus on combining traditional and emerging hybrid structures to generate income while providing social services, promoting self-reliance and enabling non-profits to reduce dependence on funded projects.

Human Endeavour is now venturing into high impact high value products, so that the cost of inputs decrease but the return and recognition increases.

Asserting that the social economy organizations must work collaboratively, so that the impact of their combined efforts is not distributed and fragmented, HE invites and encourages non-profits to do the same, and help build a stronger case for mainstreaming 'social economy'.

Section 3:

Impacting the Broader Economy

For social economy to be recognized as a significant sector in Canadian economy, it has to make its own space. Social economy's impact can be multifold if non-traditional collaborative and formalized efforts are tested and scaled up by the non-profits.

In a typical business venture, there are higher costs and stakes to start business, higher risks during the initial phase, and very high costs to get out in case of a failure. Contrary to this, the social enterprises have lower start-up and operating costs, shared stakes to try innovative ideas and partnerships, and higher chances of success. This is exactly how EPIC operated by using existing infrastructure, pooling of resources, using the expertise of various partners.

The collaboration between social entrepreneurs, for-profits, researchers, communities and the funders significantly reduce the risks of failure and potential financial shocks are either avoidable or easy to absorb. Thus one of the main arguments of this paper is that the innovative collaborations in the realm of social economy are both worth considering and supporting.

There are many factors that enhance the value of social economy, but in our opinion the most important one is to design and implement promising and cost-effective solutions to significant challenges faced by society and governments, that otherwise won't be possible and/or affordable.

This sums up the purpose of the paper that potential of social economy can be showcased by investing in and developing products and services for high value, high impact areas.

In the following sections, the paper shares examples of EPIC products which enable innovative service provision at affordable prices. The value proposition is in the combination of innovation, affordability and responsiveness to emerging societal challenges e.g. graceful aging through social enterprises focused on technological advancements.

Section 4:

Case Study: High Value High Impact products and services

Human Endeavour believes in making its own space in the industry through demonstrated impact and positive results of its programs, products and services. In York Region, Human Endeavour is known, and has been rewarded, for its innovative thinking and leadership in community development. To mark the first decade of Human Endeavour's services, we are sharing this test case of high value, high impact design.

The case study relates to our award winning seniors' wellness program HOPE (Healthy Outcomes of Preventive Engagements), and offers valuable facilitative and assistive system for frail seniors who want to age at home with grace, independence and dignity.

Canada's population is aging. The 2011 census reported that almost 15% of Canadians were 65 years or older, and this population is expected to double by 2036, while the number of those over 80 is expected to quadruple by 2051. Increasing population of seniors (65 years or older) poses a serious challenge to the ailing healthcare system across Canada.

Despite representing only 15% of the Canadian population, seniors are disproportionately high consumers of the health care system. Seniors account for 40% of acute hospital stays, and visit their family physician twice as often as non-senior adults.seniors are still responsible for 50% of provincial and territorial health care spending².

² <http://healthydebate.ca/2013/08/topic/community-long-term-care/who-will-care-for-canadas-seniors>

Canada's 5.2 million seniors make up about 15 per cent of the population, but account for almost half of all health costs. If nothing changes, he *[author of the article]* said, seniors will account for 59 per cent of health costs in 2031³.

Taking care of aging population in a cost effective manner where compassionate care of seniors is a priority fits well with social economy's basic principle.

An RBC survey found that 83% seniors would choose staying at home with care as needed⁴.

Hence this area presents a great socio-economic opportunity for social enterprises to test and pilot solutions that assist in graceful aging and reducing the cost of healthcare.

There are a number of innovative social business possibilities that can be utilized to develop solutions to keep seniors healthy and at their homes, avoid hospital admissions / readmissions and reduce burden on the healthcare system.

One such business solution is remote monitoring of seniors activities and vital signs to assist in their independent living. TeleHealth is a broad term that refers to the provision of health care services, education and information services from a distance. It allows remote doctor-patient consultation (TeleMedicine), remote monitoring of activities of daily living (TeleCare), remote monitoring of vital signs (TeleHealth), uploading important health data to a data centre, trigger alarms automatically and health education services. Through TeleHealth, medical practitioners are able to evaluate the health situation, prescribe treatment and detect fluctuations in the patient's medical condition at home and intervene.

In 2005-2007 Kent NHS (UK) trialed a TeleHealth pilot with 250 patients suffering from chronic obstructive pulmonary disease (COPD - a lung disease). Each patient received a device to monitor

³ <http://ottawacitizen.com/news/national/could-new-approach-to-seniors-save-canadas-health-care-system-top-doctor-says-yes>

⁴ CBC News posted Oct 24, 2013.

vital signs. Results were automatically uploaded to a central computer, where community matrons and practice nurses monitored them and offered advice remotely or visited when necessary.

As a result, COPD hospital admissions fell 50%, leading to savings of £30,000 to £40,000. Cost of hospital admissions to £1.2m savings per year and home visits were cut by 80%, saving on travel costs, allowing healthcare providers to better prioritise their work⁵.

UK's NHS asserted that TeleHealth was the answer to "confused, disjointed, fragmented mess" of today's health and social care system and estimated that the widespread use of tele-health could save them up to £1.2bn over five years⁶.

The TeleHealth sector is state of the art advance technology solution that has been considered the territory of high technology for-profit firms whose purpose is to provide service and maximize profit for shareholders.

In order to contest and change these trends, Human Endeavour with its EPIC Technology and EPIC Health social enterprises decided to strive for it.

TeleHealth technologies can be a valuable tool in addressing challenges of aging Canadian population. Connecting patients to health support and management tools outside a medical facility using remote health care devices can revolutionize the healthcare industry.

Human Endeavour's motto - *building an economy that cares* – makes it demonstrate that there is no better socio-economic entity to take care of seniors than a social enterprise.

⁵ <http://www.computerweekly.com/feature/Telemedicine-in-the-NHS-The-benefits-and-costs-of-implementing-telecare-services> ; Case study: Kent NHS trials telecare services pilot study

⁶ <http://www.bbc.com/news/business-21740393>

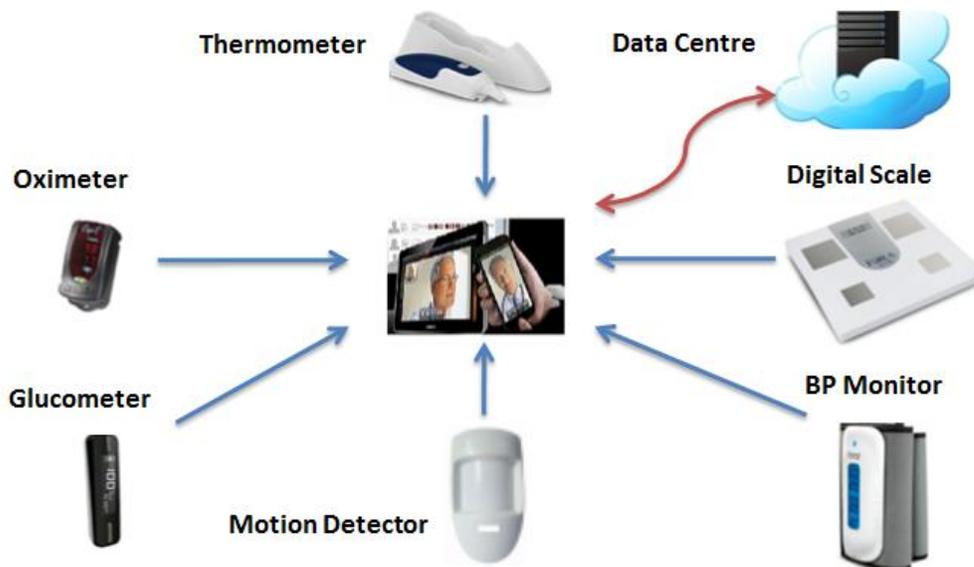
The initial demonstration of the product was given at South Lake Regional Hospital in Newmarket, ON, Canada at its Annual Geriatric day on April 18, 2015. Our academic partner Kent State University has planned to install the product in Haiti in early 2016 for remote residents.

This example shows venturing of a social enterprise into a potential multi-billion dollar industry that is currently considered a lucrative future business opportunity for for-profits like Apple, Google....and their shareholders. When social enterprises compete with for-profits in the open market and succeed on the basis of meritorious products that are also cost effective, social economy is sure to gain due recognition.

EPIC TeleHealth frontend concept diagram:

Bridging Patients' Healthcare & Lifestyle with Advance Telehealth Technology

Vital Signs and Activities of Daily Living (ADLs) monitoring at home!



Section 5:

The Partners

Human Endeavour's enterprises premise on sound business model, rely on diverse collaborations and innovative technologies to demonstrate the social economy potential, impact and benefits.

Human Endeavour has collaborated with different academic institutions since 2010. It presented many evidence based research papers on community programs in health, wellness and economic development with York University. Human Endeavour's work on immigrants' socio-economic well-being through promotion of social economy and community based enterprises connected it with Association for Non-profits and Social Economy Research (ANSER-ARES). Since 2013 Human Endeavour has also started collaborating with Kent State University in OH, USA for research on community health and social enterprising. Building on that tradition of innovative collaboration, the model under discussion also brought together partners from different sectors who have shared altruistic approach and commitment to common purpose, i.e. to work together for the broader good and to be part of unique social and economic endeavours.

In this model, Human Endeavour (a non-profit) and InfiniAims (for-profit), Kent State University along with socially committed entrepreneurs and community members are collaborating with EPIC Technology and EPIC Health social enterprises to design products for the vast emerging TeleHealth industry with the purpose of generating income and developing cost-effective products to help vulnerable seniors while also reducing the burden on the healthcare system.

Our model has four building blocks, i.e., collaborate diversely, create products innovatively, benefit inclusively, and provide a replicable and scalable model. The piloting is low-cost, low-risk, but promises high-value innovative products with benefits at scale.

Section 6:

Recommendations and the Way Forward

The paper concludes with recommendations to the social economy sector on how to establish itself as a viable sector by striving to find solutions of major challenges through innovation, technology and collaborations. In the wake of the learning of the foregoing case study and Human Endeavour's other work on social economy, innovation and social enterprises, we propose:

1. Social enterprises should focus on high value and high impact innovations to raise social economy profile, make a significant impact and address critical challenges, such as graceful aging, settlement of newcomers and poverty reduction.
2. Broad based collaborations with shared incentives between non-profits, social entrepreneurs, businesses and academia by pooling of resources and complementary expertise with manifest social responsibility should be promoted to expand the scope of impact.

Our conclusion is that the social economy sector must think outside the box and use innovation and collaboration to create its own value instead of relying on government or other support. Social enterprises need to focus on selecting areas that have relevance for the broader market and economy and assist in addressing the larger societal issues through high value, high tech and high impact interventions and products.

Annex - Brief biographies of the authors

Noor Din migrated to Canada in 1990 and obtained Master's Degree in Computer Engineering from University of Toronto. After having worked for two decades in technology industry in Pakistan and Canada, he founded Human Endeavour (www.humanendeavour.org) in 2004 to bring much needed innovations in health, economic and social sectors through outside-the-box thinking and community lead programs to make a meaningful change for the marginalized. His initiatives have received many awards for their innovation and evidence based practices. He is the recipient of 2012 3M Health Leadership Award.

Noor is currently the CEO of Human Endeavour. He is also an affiliated individual member with CERIS Metropolis Centre at York University and has presented many research papers on social economy, innovations and community based health & wellness models. Email:

noor.din@humanendeavour.org

Arshed Bhatti, is an independent researcher, international development consultant, and sits on the Board of Human Endeavour. He provides support and leadership on HE's research initiatives. He and Noor Din have teamed up on several of HE's research and conference papers. Email:

arshed.bhatti@gmail.com

Irfan Ahmed, is an Electronics Engineer and an entrepreneur who has recently migrated to Canada. He has a vast experience of working on development of custom industrial solutions based on cutting edge technologies. He is Co-Founder of Infinaims Inc., a company working on development of innovative Telecare and Telehealth Solutions. www.infinaims.com email:

irfan.ahmed@infinaims.com