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Community Enterprise at The Working Centre 2012-2014 Broader Learnings

Introduction

From 2013-2014, funding from the Lyle S. Hallman Foundation has supported The Working Centre to develop our unique model of social enterprise. Over two years we have built the concept of Community Enterprise at The Working Centre, and proven a broad model of building sales to increase revenue, which is then reinvested to build a stronger infrastructure for promoting and integrating multiple projects.

The Working Centre's ten Community Enterprise Projects cover a wide range of activities from urban agriculture to community filmmaking to bikesharing and more. Projects also range in maturity, with younger projects like The Green Door Clothing Store and Arts Space and the Hacienda Sarria Market Garden still building toward sustainability, and more established projects like Worth a Second Look Furniture and Housewares and Recycle Cycles Community Bike Shop bringing in revenue that can be reinvested into our model.

This report outlines the broader learnings that we have gained in building our model of Community Enterprise, and identifies successful approaches we have taken. These approaches include developing a core product line, building visual appeal, using print and digital media as complements for promotion, cross-marketing and cross-selling between projects, participating in community events, designing a gift card system, opening multiple avenues of access, investing in staff learning, integrating projects through our organizational infrastructure, and building the broad concept of Community Enterprise at The Working Centre.

Role as Community Tools Projects

Throughout our exploration of this broad range of approaches, we have remained actively conscious of the role of these projects as Community Tools. Community Tools invite everyone to participate in learning to use tools productively. They have a cooperative and neighbourhood structure that invites people out of isolation to build skills, form relationships, and join a group serving a community.

As our Community Enterprise Projects mature, we are conscious of growing them as inclusive spaces that are responsive to community needs and shifts.

This consciousness is reflected in the pricing of the products that are sold through the projects. Prices for core services and items are set low in order to be broadly accessible. Artisan products are priced to be comparable to products sold by local craftspeople, as we seek to nurture local creation and exchange.

This focus means that we are not just creating Social Enterprises – we are creating Community Enterprises.

Community Enterprise at The Working Centre: Building the Concept

By the end of this project, we had developed our concept of Community Enterprise – a model that uses an enterprise approach, and focuses on building community. We are not just bringing responsible business practices into our enterprises; we are combining the important community building concepts of The Working Centre, with the innovation and entrepreneurial nature of social enterprise.

As a result, we have developed a language that describes our enterprises accurately, in a way that our supporters and others in the community understand and are willing to support. Throughout our exploration of these ideas, project staff would ask questions like – how can I worry about generating more catering revenue, while also making sure that we are including those who are most vulnerable in the preparing of catering orders? We continue to have the conversations internally that reflect how much is too much – what is our own learning curve, and what takes us away from our core philosophy?

We have integrated this philosophy and approach into our website, a print catalogue, the language of our centre, and on a large stand-up poster display that is used at community events. In this way we are reflecting how community enterprises integrate with the rest of The Working Centre's projects and activities: highlighting the common threads that bring everything together.

Community Enterprise Projects

Our main Community Enterprise Projects are:

- Hacienda Sarria Market Garden & GROW Greenhouse
 - CSA Fresh Produce
 - Flowers
 - Microgreens
 - Herbal teas and products
 - Fresh Produce supplying local restaurants and stores
- Queen Street Commons Café
- Maurita's Kitchen Catering
- Queen Street Commons - Freshly roasted coffee
- Books for Sustainable Living
- Computer Recycling
- Commons Studio including equipment rentals, film production and learning
- The Green Door Clothing
- The Green Door Arts Space including soap making, crafts from recycled clothing, oils and body products, screen-printed t-shirts.

- Worth A Second Look Furniture and Housewares
- Community Access Bikeshare
- Recycle Cycles

Building Sustainability vs. Increasing Revenue

Over the two years of this report Working Centre Social Enterprise income increased by 129%. Our first strategy was to develop revenue directly from the work of the project. We have learned that during a new project's first three years, there is the need for outside support through other granting sources such as government or foundations as the project develops its mission and market. In the later years this strategy may be relaxed and refocused.

Seeking outside funding entails a high level of work to build relationships with funders, writing proposals, maintaining the separate financial tracking system for each funder, and writing reports. There is no doubt that these outside sources are crucial as they provide either capital or operating start-up costs that give the project time to develop its social role while building its own income. We will continue to use this strategy for newer projects, or for new initiatives within projects, but it is not a long-term strategy.

The main focus for developing project sustainability is through a solid project infrastructure that is able to add revenue streams, such as building the market for flowers and living greens for the Hacienda Sarria Market Garden or new bike parts that help people more easily fix their bikes at Recycle Cycles. This also means analyzing the cost side of each revenue stream to ensure that added revenue is not more costly than the income it brings in.

Building Visual Appeal

A key component of inviting people to walk in and check out our projects has been learning to create visually appealing displays and promotional materials.

This shift has been particularly significant at The Green Door Clothing Store and Arts Space, which has its storefront on a small lane. As we learned to create abundant displays using layering techniques, we attracted increased interest from passers-by, resulting in higher traffic in the shop.

We have used this learning to other projects. At the Queen Street Commons Café, we have built an abundant display shelf dedicated to Community Enterprise at The Working Centre. For community events, we have invested in booth equipment that reflects the aesthetic of our project spaces, and that is versatile for layering and featuring different displays.

We have also translated this learning to our promotional materials. In 2014, we invested in a day-long professional photo-shoot of products from all ten Community Enterprise

Projects. The photographs that were produced have allowed us to promote products through their visual appeal – a new step for us in print and online.

Using Print and Digital Media as Complements for Promotion

As we have built our print and online catalogues over the past two years, we have learned about key differences in print and digital media, and how to use the two channels to complement each other effectively.

The Community Enterprise photo-shoot we staged in 2014 provided us with the photographic material for a print catalogue. The 20-page catalogue showcases each Community Enterprise project using photographs of items made and sold in each project, alongside explanatory text describing core ideas and activities. We use the print catalogue at community booths and in displays, sometimes displaying relevant pages in a picture frame. We have found the combination of eye-catching visual and textual information to be effective at drawing interest from people who are new to learning about our projects.

Due to the cost of creating and distributing print material, we have developed an approach that uses print material to invite interest, and then directs to more information online. We use the print catalogue as a “for display” item, and invite people to take home a colourful 2-inch-by-six-inch “catalogue bookmark” which gives some key information about Community Enterprise at The Working Centre and links to our online catalogue.

Our online catalogue features a digital version of our print catalogue, as well as purchasing features that we have learned work best in an online format. Website visitors can browse specific products and purchase them directly, choosing a mail or pickup option depending on the product. Due to the continually developing nature of our Community Enterprise Projects and the products we offer, we have found that offering sales of specific products works best online, where information can be easily updated. Through these learnings, we have developed a broad strategy of using print materials to invite interest in our projects, and directing to our online catalogue to drive sales of specific items.

Developing a Core Product Line

Complexity, while one of The Working Centre’s main sustainability strategies, also makes it difficult for the community to grasp how they can engage with these projects. Over the past two years we have simplified our product line, and have focused on producing higher quality products. In this way, we have also been able to simplify the invitation to community members as we invite them to participate in supporting this concept of Community Enterprise. This core product line also allows us to market particular products, but also to bundle and cross-market items from different projects.

Cross-Marketing and Cross-Selling Between Projects

A key to building a base of regular supporters has been our approach of inviting people who visit one of our projects into a broader awareness of Community Enterprise at The Working Centre.

In stores, we have learned to cross-sell key products that identify another Community Enterprise project. For example, at The Green Door Clothing Store and Arts Space, we feature freshly-roasted coffee from the Queen Street Commons Café and flowers from the Hacienda Sarria Market Garden. The placement of these products creates interest in The Working Centre's other Community Enterprise projects, and builds recognition and a market for key items.

We are in the process of translating this approach to our website, where we plan to promote related products to visitors shopping online.

Cross-marketing and cross-selling is particularly effective as all of our Community Enterprise Projects share a common base of core ideas and approaches, while offering very different types of products. People visit our different projects to find items that match a wide variety of needs, drawn by the inclusive spaces, affordable prices and quality of products.

Participating in Community Events

Our approach of participating actively in community events has created greater visibility and understanding of Community Enterprise at The Working Centre. We have strategically brought our products and presence to a wide range of community events, where we practiced effective techniques – many community people had a “story” of how they had connected with The Working Centre, but had not grasped the larger ideas of Community Enterprise at work within The Working Centre. We debated and discussed ways that this message could be shared in understandable ways.

A project that has led our community outreach approach is Community Access Bikeshare (CAB). From 2013-2014, CAB staff and volunteers participated in 65 community events. This consistent community presence has been key to building CAB membership, to integrating the concepts of Recycle Cycles and to shaping the ideas of The Working Centre's growing role as a hub for building bike culture in Kitchener.

In 2014, we invested in booth equipment that features a main sign promoting Community Enterprise at The Working Centre (we designed and printed a large stand-up sign that reflected the integration of the ideas of enterprise and service that make up Working Centre approach. This brings together our strategies of visual appeal and cross-selling, and easily broadens conversations with community members who come to check out our booths. Often we meet people who have heard of The Working Centre but who are new to learning about our Community Enterprise Projects, and who become interested in getting involved through buying products or volunteering.

We have learned as a community organization, bringing conversations to people in community spaces is key to inviting people to participate in our projects.

Organizational Infrastructure

Over the past two years we have significantly modified and developed organizational infrastructure pieces, including:

- Researching our obligations and allowable activities under the Charitable Registrations Act in Canada to ensure our activities aligned with our charitable status.
- Realigning our financial record keeping system to build a more consistent model of tracking and analysis for each project. We had previously allowed each project to develop within its own nature, and have now aligned the tracking and reporting to build a sustainability analysis.
- Over the past two years this financial analysis has developed so radically that it becomes difficult to reflect a consistent lens for comparison. In 2012 Community Tools Revenue was \$886,675; in 2013 it was \$1,114,550; in 2014 it was \$1,300,000; in 2015 we are projecting to maintain this revenue at \$1,300,000.
- A common invoicing system complemented by the following of accounts payable at a project level to build on existing relationships.
- Flow of supply and return between projects selling each other's products; overall improved communication between projects.

Designing a Gift Card System

A significant challenge over the past two years has been designing a system of gift cards. Just at the end of 2014 we made it possible to purchase a unified Gift Card concept for purchasing items at any Working Centre Community Enterprise project.

There are a number of reasons why this was difficult.

- The Community Enterprise idea has helped to blend a number of diverse project ideas so that people can understand how these projects fit together.
- Staff needed to understand the multiple ways the card could be used in order to support the at-the-counter conversations as the cards were being purchased.
- Our accounting system needed to develop a mechanism for tracking gift card sales and giving "credit" to each project as items were sold, in order to support our deeper analysis of sales and promotions.
- The photo-shoot provided us with visuals to make the cards appealing and to reflect the quality of the products and projects.
- We were also able to develop some selected gift certificates to promote ideas like a gift of a Coffee Share (fresh roasted coffee weekly), a flower share (a

weekly bouquet of flowers during the growing season), a Community Shared Agriculture share (fresh produce weekly); weekly healthy meal pick-up, etc.

At the end of this project, we have the infrastructure pieces aligned, and the concepts outlined. Our next steps will be to market these options more broadly. This new model of gift cards was launched for the Christmas season in 2014, and offers a new way to invite people into our projects.

Opening Multiple Avenues of Access

Many of our activities in the past two years have been part of a wider approach of opening multiple avenues of access to our Community Enterprise projects. These avenues include:

- Hearing about a location through word of mouth and walking in to check it out
- Talking to staff and volunteers at a community booth
- Receiving the print catalogue at a special event
- Receiving a catalogue bookmark at an event that links to the online catalogue
- Shopping online and receiving an item by mail
- Shopping online and then coming in to a project for pickup
- Ordering an item in one project and picking it up at another – for example, ordering coffee at The Green Door Clothing Store and Arts Space and picking it up at the Queen Street Commons Café
- Receiving a Gift Card and coming in to a project to redeem it

By building multiple ways for people to learn about and access Community Enterprise at The Working Centre, we make it easy for people with a broad range of needs and preferences to connect with us.

Investing in Staff Learning

As we have moved toward greater integration of our projects in terms of promotion, sales, avenues of access and organizational infrastructure, we have learned that bringing staff along in the process is crucial.

We have learned that cross-experiences of different projects and activities are an important component of training and orientation for new staff members. Cross-experiences help staff to get to know projects other than the one in which they are based, to understand how a broad range of projects and activities relate together, and to form relationships with people working in each of our projects. New staff members engage in a half-day tour of all of The Working Centre's projects, and have significant time dedicated to shadowing across a broad range of projects. By request we have recently been broadening tours to include staff members who have been at The

Working Centre for a longer time and who until now have not had a chance to experience the same type of wide orientation.

When staff members are knowledgeable about our different projects and maintain familiar working relationships, information is passed smoothly between projects, communication is easy when issues arise, and our integrated model functions well.

Development Forward

This two-year project is just a beginning of our efforts to create sustainable Community Enterprise projects. Following are some of our ideas to continue to develop:

- The bundling of these ideas helps others to understand more about The Working Centre in the community, and allow for the opportunity to expand into new product areas. For example, a key sustainability option in our Community Access Bikeshare project is local advertising – the linking of this advertising to Community Enterprise makes this mobile form of advertising more appealing.
- Increase integration in local stores – We provide some items to resellers – can we build on the integration of our product line with local wholesalers?
- Improve cross-marketing and cross-selling at each of our locations.
- Improve specific markets for each product, while also promoting cross-pollination of product ideas.
- Order-tracking system between projects, to smooth out system of ordering product at one location and picking up at another.
- Building a market of regular customers and nurturing relationships – this is happening at some of our locations, such as Maurita's Kitchen, where we have built a base of regular customers for catering orders.
- Build Online Catalogue orders; seeing ways that Catalogue promotion can strengthen specific sales.
- Explore the practicality of a staff role that works to build integration between the social enterprise projects.
- Strengthen internal systems around timely production and supply to each location, connection to accounting, consistent invoicing and supply systems for wholesale suppliers, strengthen logistics and improve timeliness of back and forth pieces between projects
- Strengthen the ability of project staff to talk about each other's products and how these projects all align within a Community Enterprise model.
- Promote the Community Enterprise Gift Certificates, plus the individual Gift Certificate ideas more widely to the community

Remaining Rooted in Community

In closing, we return once again to the main purpose of our projects – to provide a welcoming and creative community space that involves people from all walks of life. As we sharpen our innovation and enterprise skills, we remain committed to nourishing the relationships that are important in our projects, and understand these projects as important community work. We remind ourselves that we are aiming to increase the sustainability of these vital community projects – not to turn them exclusively into profit centres that must be self-sustaining. They function within the broader context of our dynamic and innovative community organization.

We are grateful for the Lyle S. Hallman Foundation for the opportunity offered to us in this two-year project. The grant has not paid for all the work involved in this realignment but has helped us focus on the best way to position our social enterprise projects. Three years ago, we were entering a phase where the enterprises were growing but lacked a wider infrastructure. Now there is continued revenue growth, a wider public profile for all of our enterprises, the enterprises are bundled together more clearly, and the services these enterprises provide are growing. The Lyle S. Hallman Foundation support for this work has been crucial in helping us achieve these goals.