

Please see below the summary of notes from the March 2024 Social Economy ROUNDTABLE meeting focused on 'Are Social Economy Organisations making the best use of Technology to grow their businesses?'

INTRODUCTION

The social economy in the United Kingdom has witnessed a significant transformation in its approach to technology. This shift has been catalysed by the need to adapt to the changing landscape brought about by the COVID-19 pandemic. This has been evident in the West Midlands and many social businesses now have the ability to work remotely. However, there are still many challenges for the sector regarding pace of change, affordability, skills of leaders and staff, digital poverty, understanding of the potential of solutions and poor development of innovative operations. The Roundtable participants had very far-reaching discussions and this was a broad question!

'Enterprise technology' (a term widely used to describe technological solutions in businesses) refers to software and hardware solutions designed specifically to meet the needs of organisations rather than individual users. It is used and designed to make businesses more effective, productive and streamlined. It helps staff to start and finish their work that would otherwise be more complicated or time consuming - and it can on occasion provide solutions that are only possible with modern technology.

For the last few decades, the focus has been on managing technologies, tools, applications, frameworks, data ecosystems and other things that work together. This is often less dynamic and does not necessarily stimulate innovation.

Understanding 'the change' we operate in is important. We are now living in a world of drones revolutionising the workplace, smart hospitals, industrial robots and machine learning – any device can be 'smart' connected and capable of capturing data and establishing feedback loops to improve products and services and generate new revenue streams. As the range of physical devices and the information they gather explodes for social economy organisations this creates real challenges for leaders and the choices they need to make.

Evidence and Research

Research from Deloitte's (2022) shows that by 2025, 30% of new industrial control systems will include analytics and Artificial Intelligence (AI) capabilities, up from less than 5% in 2021. If other companies are heavily investing in technology to aide their businesses, this indicates that social economy organisations should too.

Adaptation and Change

A [survey](#) conducted by the National Council for Voluntary Organisations ([NCVO](#)) revealed that 81% of charities altered their digital technology usage during the pandemic. This adaptation has led to a 45% improvement in service accessibility due to online operations. Many social economy organisations had to embrace technology to continue to deliver their services during the pandemic. This was done quickly but at a cost. Organisations struggled to find technology service providers to support these changes.

Investment in Technology

To support remote working, 82% of organizations reported the adoption of digital technology by their staff members. However, prior to the pandemic, only 41% of these organisations were using this technology.

Skill Development

The pandemic has also increased the level of digital skills required by staff and volunteers, with a notable rise in teleconferencing, email communication, online security, and handling online transactions.

Barriers to Technology

Use Despite these advancements, organisations face barriers such as the cost of equipment/software and the digital skills of both staff/volunteers and service users.

Tech for Good Movement

The '[Tech for Good](#)' movement has gained momentum, with over 490 companies in the UK using technology to address societal challenges, valued at over [£2.3 billion as of 2018](#).

SOLUTIONS AND CHALLENGES IDENTIFIED FROM THE ROUNDTABLE

Our three speakers all provided excellent examples of how they are using technology both for their organisations and to support the growth of the sector.

Many thanks to:

- [Joanna Fianu](#) (lead on [EBay for Change](#), [SEUK](#))
- [Drew Currie](#) (Founder, [hibretOne CIC](#))
- [Simon Fenton](#) (CEO, [Forward Carers CIC](#))

We heard about a sales platform that gives access to 20 million potential customers where social businesses can sell their goods and how selling online has become a valuable access to market for many social businesses, eg. an Irish social enterprise that sells recycled pet bedding.

Drew uses software as a service for his social enterprise. He generates revenue to create surpluses which he uses to create social value. Drew also spoke about the practical applications he uses to provide business support which included Chat GPT for writing bids, the designing of bespoke apps to help him effectively run his business and he spoke about how effectively technology is deeply integrated into everything he does.

Simon described his journey as a new social entrepreneur 9 years ago needing to run a contract from Birmingham City Council and needing to identify and use a range of technology to support their social enterprise with evidence gathering, data collection and project management with 30 sub-contractors. Simon highlighted how his social enterprise has used different systems over the 9 years and described 3 system updates. Forward Carers CIC most recent system (no 3) is a [Salesforce](#) backend to provide funders, commissioners and themselves with the capacity to collect relevant data for delivering their contracts. They have opted for joint ownership for GDPR and have joint protocols.

The broader Roundtable spoke about the importance of educational software, especially in the workplace and the social economy making better use of software to support professional development. The discussion then moved to how best to teach/support other organisations seeking to acquire better technology. It was suggested that organisations could 'peer support' one another and share experiences of different technologies and their applications.

It was suggested that this would be a great next session.

There was concern expressed regarding the digital divide and resources to replace technical infrastructure, poor confidence was described in using technology both in application and in purchasing companies all of which create huge barriers for social businesses.

A poll of the group showed that there were:

- Some adopters of AI,
- Some who had no understanding of the potential of AI,
- Some who would like to know more about how they could use it.

It was generally recognised that technology is important to support businesses to grow whether it be used for service and product delivery or for the infrastructure of the business.

THE FOLLOWING QUESTIONS WERE DISCUSSED BY THE ROUNDTABLE

1. What are the issues for social economy organisations regarding the making the best use of technology for their organisations.
2. Does size of business matter?
3. What technology is currently being used? What is current usage?
4. Device governance and resilience? How do we support organisations to approach this?
5. Where do social economy organisations access the support, they need around the best technology solutions?
6. Are costs an issue? What is the cost benefit?

These questions were all rolled into one discussion concerning use of technology within the social economy, barriers to adoption and where the support comes from to support the decision-making and implementation of new approaches.

There was a general feeling that social economy organisations were not making the best use of technology for the reasons mentioned earlier in the report. There was little understanding regarding where organisations go to for support.

Examples were given of tech support over specifying solutions for companies and social enterprises not knowing who to trust. The discussion reflected that there is very little research to support a better understanding of this topic, what technology is being used, how its funded within the social economy. However, it was noted that social economy organisations do not attend technology networking events or conferences. It was reflected it was more usual to see SME's at these events.

Is this because there is no interest, or are VCSE organisations unaware of such sessions or conferences?

The big request from the discussion was further opportunities to hear of good practice and case studies highlighting how other organisations were bringing technology into their operations.

This request was followed by having some workshops to experiment and test apps and hardware with a view to bringing them into their organisation.

The group also spoke about having access to grants and social finance to support both their learning and the implementation of new ways of working.

WHAT NEEDS TO BE CONSIDERED TO ENSURE THE HIGHEST STANDARDS OF BUSINESS CONTINUITY FOR SOCIAL ECONOMY ORGANISATIONS

Device and data management Organisations need to deploy and manage an eco-system of connected devices. Need new platforms and tools to monitor devices.

Wireless networking and the need to consider signal strength, power consumption, interference, weather, structures, number of devices etc and how an organisation can ensure the best connections.

Edge computing the cloud cannot ensure acceptable response times for e.g. autonomous vehicles, smart factories, augmented and virtual reality – responses may need to be in milliseconds, this is business critical. Need new approaches to business oversight and governance.

Devices (liability, laws, ownership and maintenance) there are considerable responsibilities for small businesses when managing devices within their organisations and there need to be protocols in place.

Data ownership of data and meta data produced by a network of devices and how this is stored legally and safely is of huge importance to any organisation.

Security a recent analysis of more than 1 million enterprise and health devices found that 98% of all traffic is unencrypted and 57% of devices are vulnerable to medium or high severity attacks. Business critical assets located outside the enterprise firewall pose additional security threats.

New expertise and skills required how do we link the necessary skills and expertise to support social economy organisations to better use technology and address the business/system risks it creates.

IN CONCLUSION

Social economy organisations in the UK are making strides in utilising technology to grow their businesses despite their lack of confidence. The pandemic has accelerated this process, leading to improved service accessibility, and requiring an increase in digital skills. However, challenges remain, particularly in terms of financial investment and skill development.

The Roundtable concluded that they would like to have further events to explore the use of technology within the sector. In particular, hearing about case studies, approaches to implementation and some experiential workshops to try out different technologies.

Future social economy infrastructure organisation Roundtables will be taking place in 2024. To express interest in attending, please email [Sarah Beaumont](mailto:Sarah.Beaumont@bssec.org.uk).

If you have any questions about this Roundtable event, please ask, we're happy to help.