

## TSIC Social Enterprise Case Study: Future First

In 2008, The Social Investment Consultancy (TSIC) launched its own social enterprise, Future First, to demonstrate the ethical values it advocates to other organisations. As well as donating a percentage of its profits, TSIC gave Future First in-house support over an 18-month period, dedicating both time and staff expertise.

Future First has since won two social-enterprise awards and, rather than depending on TSIC, it has become a financially independent organisation with its own management team and advisory board.

### About The Social Investment Consultancy

The Social Investment Consultancy (TSIC) is a strategy consulting firm operating at the intersection of the for-profit and non-profit worlds. We provide businesses, foundations, social enterprises, and non-profit organisations with the advice and support they need to best realise their goals and maximise their impact.

### About Future First

Future First was borne out of a desire to change the nature of careers advice in state schools and improve social mobility by helping students from less fortunate backgrounds to achieve their potential. A 2005 report by the Centre for Economic Performance at the London School of Economics has found that working-class children in Britain are currently less likely to climb the social ladder than in any other developed nation, owing in part to a lack of role models and knowledge about career options<sup>i</sup>.

Before launching Future First, TSIC examined how careers guidance typically affects career paths, running a series of focus groups with students and graduates. During these focus groups, pupils suggested that they were more likely to find careers advice useful were it to come from “people actually in jobs” and “people like me”, supported by better web-based materials and applications. Further discussions with social-mobility experts suggested that current advisory services were not motivating young people to find career fulfillment. This theory has since been supported by both the Equalities and Human Rights Commission’s 2009 Report and the government’s Panel on Fair Access to the Professions 2009 Report, led by Alan Milburn<sup>ii</sup>.

The “Future First Package” was developed to empower young people to make educated choices about their future. Based on the “old boys’ networks” that private schools have used successfully for years, Future First revolutionises careers advice by bringing successful former students back to their former schools to advise, inform, and inspire pupils about their career options. Supported by an interactive website, the alumni networks that Future First builds provide essential guidance for those who traditionally have had little or no access to inspirational role models.

### Project aims

The aim of this project was to create a social enterprise that would:

- Be financially independent within 12 months;
- Make a profit within 3 years;
- Work on a national scale with an independent body measuring the organisation’s social impact.

### Work undertaken

TSIC incubated Future First from its inception in November 2008 until June 2009, when it became fully independent, four months ahead of schedule. Work included:

- The provision of funding for eight months to subsidise growth until it reached financial independence;
- The creation of an advisory board that includes leading political, policy, and social-entrepreneurial figures from the education sector;
- The establishment of two separate legal entities to maximise opportunities for both social impact and long-term profitability;
- The negotiation of pro bono legal, financial, and accounting support;
- The recruitment of an independent managing director to oversee the project;
- Support and guidance during the first six months of the project;
- The negotiation of the project’s monitoring, evaluation, and impact assessment by the Sutton Trust – the UK’s leading social-mobility policy forum;

- The development of grant, award, and investment proposals, which have resulted in:
  - Winning a UNLTD social-enterprise award;
  - Winning the Young Foundation’s Learning Launchpad award;
  - Earning financial support from major foundations including the Abbey Charitable Trust and the Wellcome Trust;
  - Negotiating private investment.

Having completed trials in two schools, Future First is moving into four further schools and colleges in 2010. Future First plans to be operating in 15 schools by 2011 and in 50 by 2012, before being launched nationwide.

### Financial model

The Social Enterprise Coalition limits the definition of social enterprises to organisations that do not drive shareholder value. At TSIC, however, we believe that there is an opportunity to leverage both social impact and shareholder value without either of them being compromised. Future First is one such “second generation” social enterprise.

Future First has two revenue streams: first, by selling the “Future First Package” to schools; second, by establishing corporate partnerships. These partnerships are currently based around a membership scheme that opens opportunities to corporations looking to engage with local communities. The scheme also acts as a “kite mark” for companies, to show that they are actively investing in a long-term equal opportunities recruitment strategy.

Sceptics of profit-making social enterprises often fear that profit will be sought at the expense of social impact. Future First is modeled to create a virtuous cycle, whereby social impact actually fuels profit. The more schools Future First provides its service to, the more revenue it can drive. Without the highest level of social impact, schools will not pay for the package. The more schools who buy the package, the greater the opportunity to sell corporate memberships.

The long-term vision for Future First is to build a website that hundreds of thousands of 14-26 year olds use to get advice on their career. This will create an opportunity to work in partnership with major recruiters and recruitment companies, who will source employees through the website, presenting other new business opportunities.

## Structures

There is currently a gulf in funding opportunities for start up social enterprises in the UK and as such, Future First has had to be creative with its financing models. It has set up two distinct entities. One is a limited company which originated the Future First idea and holds all rights to it. The other is a charity licensed to provide the package to schools that sit within the London Borough of Camden.

Setting up the charitable entity has opened up avenues of charitable funding that have allowed expedited growth for Future First in Camden schools. This means that the model has grown while the business arm has been lining up social investment and corporate partnerships that will allow it to expand on a national level.

## What people say about Future First

*“Every young person should have access to a mentor – whether that’s a local businessperson or a network of former students at their school as the successful Future First programme has done.”*

### **Ed Balls, Secretary of State for Children, Schools and Families**

*“Future First provides a great way for my pupils to learn about careers and skills. Former students can be inspirational yet approachable role models and their interaction with current students raises their aspirations about what they can do in the future”.*

### **Malcolm Rose, Deputy Head, William Ellis School, London**

---

i J Blanden, P Gregg and S Machin, *Intergenerational Mobility in Europe and North America*, Centre for Economic Performance at LSE, Sutton Trust, April 2005.

ii *Staying On Report*, The Equalities and Human Rights Commission, June 2009 and *Unleashing Aspiration*, The Panel on Fair Access to the Professions, The Cabinet Office, August 2009.