

Introduction

This is a tool to help you establish whether or not your idea for a social business is a feasible proposition. If it is not, there is no point in proceeding with the idea as it stands. Until feasibility is established do not waste your time, energy or money on acquiring resources or detailed planning, let alone registering a legal entity such as a company.

'Social businesses' include social enterprises, co-operatives, community businesses, mutuals and employee owned businesses.

A feasibility assessment (or feasibility study) is not the same as a business plan. The feasibility study says what can be done and the business plan tells people how it can be done.

When the time comes to begin writing a business plan the starting points for much of the content will come from this feasibility study.

When the business plan is ready, you can begin acquiring resources, including the legal vehicle. The most appropriate legal form will be identified in the business plan.

There may be a cross-over period in which the business plan is started before the feasibility study is complete, but it is important that resources are not acquired before feasibility is established. It is particularly important that a company or society is not registered before the business plan is complete as you could end up with an inappropriate legal form, which could be an expensive mistake.

A comprehensive guide to the process of starting a co-operative or community enterprise can be found [here](#).

How to use this interactive tool

The Guidance section consists entirely of information that will help you compile your feasibility assessment. The Templates section is a set of templates which, when filled in, will make up your feasibility assessment. This can then be detached from the Guidance section and published.

The basic idea is that you enter text in the boxes in the Templates section. The existing text is not protected from editing, however, so you can customise each template, for example to add space for free commentary, but be sure not to delete anything important!

You may need to insert extra rows in some of the tables in the templates.

Internal hyperlinks look like this: [jump](#).

Save your work frequently. Save it as a new version (include the version number in the filename) before you make any major edits so that you can go back to the previous version if anything goes wrong. Also, save it as a new version every time you copy it to other people.

It is important to think of this as a work in progress. If you can't complete all the sections that doesn't mean that your social business idea is necessarily infeasible, it may simply be that the information is not available yet.

You can use this tool to identify areas where you need to find external help and to specify exactly what support you require.

If you need to share your feasibility study before it is complete, you could temporarily replace the missing part(s) with an explanatory statement.

When you have finished, you can print off all the completed templates and bind or staple them together or you may be able to convert those pages to a .pdf document – your Feasibility Study.

[navigation](#)

The Mission

The objective of this section is to help you write a succinct mission statement that describes your social business's purpose.

All social businesses begin with a vision – an idea of how the world could be a better place if a project could be established based on a set of values and with particular aims. At first, the vision may be poorly defined. A good place to start is to describe those values and aims the best you can – that will help to focus and clarify the vision.

The vision alone is insubstantial. To bring the project into reality is a creative act. It is the crystallisation of the vision around a seed. That seed is the mission statement. Formulating a mission statement will enable you to clearly share the vision with others so that a coherent enterprise can be constructed.

If you find it difficult to write a short mission statement, it may be that you have many apparently disparate aims. What is the common thread or unifying principle? You may be able to express the mission in terms of the intended [social impact](#), or, for a co-operative, the member benefits.

Here are two examples that may help:

- Oxfam: To create lasting solutions to poverty, hunger and social injustice
- Creative Commons develops, supports and stewards legal and technical infrastructure that maximises digital creativity, sharing and innovation.

Note that a mission statement is not the same thing as a marketing slogan or strapline.

Write your mission statement with longevity in mind. It will guide the development of the enterprise beyond the foreseeable future, so draft it very carefully – consider every word – and make sure it is agreed by the whole [team](#) and not a simple majority.

Once you have agreed a mission statement, pin it to the wall. It is important that everybody involved knows the mission statement – this will help to keep activity focused on the mission, resolve conflict and misunderstanding and guide strategic planning.

Check any proposed new activity against the mission statement. If it is considered to be off-mission, you should have an overwhelmingly good reason – and consensus – before going ahead.

[jump to template](#)

[navigation](#)

Motivation

Ask yourself, “Why do I want to start up this enterprise?” If it is for personal or collective enrichment then it cannot be considered to be a social business. Nor can it be considered to be a social business if its mission is campaigning or research.

Social businesses are invariably set up to meet a need – to supply something that is missing in the fabric of the community. Ask yourself, “What is that need, exactly? What is the evidence for it? Do other people recognise the need? Can I quantify it? What difference would it make if that need was met? Do I still want to do it? Do I really have the energy, the commitment and the capacity to see it through?”

A little introspection at this early stage could be a critical reality check.

[jump to template](#)

[navigation](#)

Community

Having identified the need in the community that your social business will address, can you now describe or define that community?

Describe how the need being addressed impacts this community. Does it affect individuals, families, schools, the local economy etc.?

Estimate the size of the community in terms of population, geographical area etc. Within that community, what is the scale of the problem? If you draw on research to do this, cite your sources.

[jump to template](#)
[navigation](#)

Stakeholder analysis

This is a useful exercise to carry out. It helps to clarify how the enterprise relates to the various elements of the community of which it is a part and in due course it will help you determine the most appropriate legal form.

First, list all the groups and bodies that have an interest in the success of the project. This will include but not be limited to:

- Those impacted by the social output
- Strategic partners
- Investors
- Workers
- Local authorities and government agencies

The next stage is to identify, for each of these groups:

- What is their interest?
- Is satisfying them crucial to success? For example, you won't get very far if you don't pay your taxes.
- Will they influence the development of the enterprise? Should they be involved in governance? If so, how?

You can then prioritise the stakeholders in terms of a) how important it is to satisfy them and b) how much influence they have. The one at the top of the list is your key stakeholder. These are the people you are actually working for.

[jump to template](#)
[navigation](#)

Business Model

Describe the business model that your social business intends to use. Note that this is different from the [organisational structure](#) and from the legal form, which you don't need to consider at this stage.

A social business has both commercial activity and social product. Although these will be closely linked, you should be able to describe each in their own terms as follows:

Commercial activity

What goods and or services will you be selling? These are your **outputs**. It is important to be as clear and as detailed as possible about this. They could be, for example, tangible products, specialist services, or, for knowledge-based enterprises, education or consultancy.

What do you need to buy in order to produce your outputs? These are your **inputs**. Again, they could be tangible goods or less tangible things like expertise or data. They may include training.

What are the processes by which the inputs become outputs? This is, if you like, the machinery of the business and is at the very heart of the enterprise, so you need to clearly describe these processes in some detail.

Your business may or may not be set up to make a profit for its members. Even if it is not for personal profit, it must nevertheless make a surplus or it will not be sustainable. If it relies on a constant stream of donated time or money, these count as inputs (although this model is not recommended as it has an obvious critical dependency).

Therefore the outputs must generate more money than the cost of the inputs. This in turn means that the business activity must add value to the inputs. You should be able to say how your business creates value in this way, how it makes something that wasn't there before, that your customers will pay so much for that it more than covers the cost of your inputs.

You should also be able to say why you think your enterprise will be able to generate value for the foreseeable future. How will you develop your products? How will you assure quality?

[jump to template](#)
[navigation](#)

Social product

What exactly are the outputs that will have the positive social impact that you intend? In order to substantiate your claim that your business is a social business you will need to provide evidence that it has achieved its social objectives. Therefore you will need to:

- Set targets for social outputs
- Measure and record activity against these targets
- Report the results (and possibly have those reports audited)

How will you do these things?

Some social outputs are easy to measure, such as qualifications delivered or number of meals-on-wheels delivered. These are called hard outputs. If you are dealing in soft

outputs, such as increased self-confidence or work-readiness in individual clients, you will need to consider how you will measure and record them. For a social business, these systems are part of the business model.

In the world of social business, the following terms have particular meanings, which you will need to understand not least so that you can deal with other agencies without ambiguity:

- **Social output:** This is your social product, as described above.
- **Social outcome:** This is the effect that your social output has on the community. For example, the number of meals-on-wheels clients getting adequate nutrition over a given period.
- **Social impact:** This is the difference that your social output makes. For example, if you did not deliver meals-on-wheels it may be that some clients would be catered for by carers, so it would seem that your service does not have such a great impact after all. However, it now becomes clear that what you are really providing is respite to carers – that may be your main social impact in this scenario.

Note that positive **environmental impact** (or reduced environmental damage) does not count as a social outcome. Your business will need additional systems if you want to monitor your environmental impact. Use the same approach: set targets, measure progress, record, report and (optionally) audit.

[jump to template](#)

[navigation](#)

Organisational Structure

Unless your social business is run by only one person, you will need some kind of organisational structure.

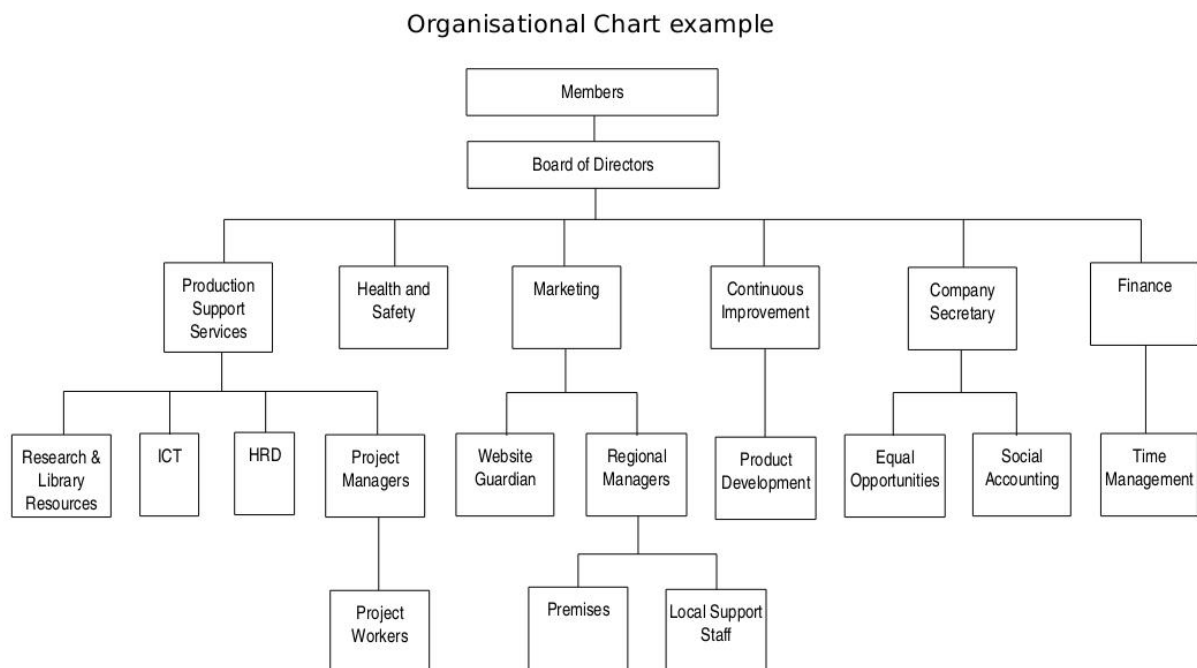
There are certain functions that all businesses need to have, such as:

- Governance and strategic planning
- Financial management
- Marketing
- Human resource management
- Operations

These will need to be carried out by individuals, teams or departments. Can you describe how these and other functions that are particular to your business model will be managed?

You will need to understand the difference between governance and management. Management is about making sure that the business is run according to policy; governance is about setting policy and strategy. You will need structures for both.

At this stage you don't need to draw up a detailed organisational chart for your social business, but if you can, do. It may look something like this:



You should, however, be able to describe the relationships between the main groups that make up the business, such as:

- Owners (proprietors who take all the risks and rewards)
- Members (where proprietorship is open to any who meet the membership criteria)
- Associate members (with fewer rights and responsibilities than full members),

probationary members (on a pathway to full membership) or other categories of membership

- Board of directors or trustees
- Shareholders
- Managers
- Workers

You may be considering something more complex, such as a consortium of member organisations or a franchising system, or you may intend your organisation to have partnerships or close relationships with other organisations or statutory bodies. This is often the case with social businesses. You should be able to specify these relationships.

If you intend the business to be owned and democratically controlled by its members then you may want to adopt a co-operative structure. There are many types of co-operative but they all conform to a specific set of principles. You can find out more about what a co-operative is and what the co-operative values and principles are [here](#).

If you are considering a co-operative option you should be able to say what type of co-operative you are considering and what advantages you expect the co-operative ethos to confer.

If you are considering a model that involves employee ownership, you can find out more about that [here](#).

[jump to template
navigation](#)

Who We Are

In this section, we focus on individual people and how they (will) work together.

Sometimes a social business comes about when a group of people from a community recognise that something needs to be done so they come together to address the problem. Sometimes an individual takes a leadership role, driving a project forward and motivating others to get involved. Usually a community project will go through stages that alternate between these two approaches.

The general idea, though, is that there should be some kind of **steering group** that will see the project through until incorporation (registration of a company or other legal form), whereupon it is replaced by a management committee, board of directors or trustees (as appropriate for the legal form).

The steering group must have strong representation from the community in question. What will be the form of that representation in your social business? How formal is it, i.e. is/are the representative(s) appointed by another body (e.g. a parish council) or are they self-appointed? Are they recognised by the community as a leader or representative and can they feed back to the community?

Who else is a member of the steering group? What expertise do they bring to the project?

Name every member of the steering group, give a short biographical profile, describe the roles that they have been given and their areas of expertise.

The steering group itself should have proper meetings. That is to say whilst they do not need to be fully formalised committee meetings they should be recognised as meetings rather than simply discussions, and, importantly, decisions should be agreed and recorded.

If decisions are not agreed and recorded and plans are not written down, it cannot be said that a steering group is in place. The external bodies and support organisations that you will need to work with will not have a defined group that they can deal with.

How committed are the members of the group? They will not be taken seriously unless they have significantly invested time, energy and probably money in the project and are committed to registering a company or society.

Are there gaps in the steering group that need to be filled? If so, what is the recruitment plan?

There should be at least three people who are prepared to be the first board of directors – the Founder Members. Usually, most of the steering group will become most of the Founder Members so they should be prepared for this from the outset.

[jump to template](#)

[navigation](#)

The Market

The market is the group of consumers that may be interested to receive your commercial products, services *and social output*. It may consist of a number of smaller groups, or segments, that you need to address separately.

The success of your Social Business depends upon the ability of the market to support it, so it is vital that you understand your market.

It is important for a social business to distinguish between customers and clients:

- **Customers**, or purchasers, are those who pay for goods and services;
- **Clients**, or beneficiaries, are those to whom goods, services – and **social product** – are delivered.

Therefore your social business will have one or more of the following markets:

- Customers who are also clients and purchase services for themselves. They may use their own money or funds provided to them by other organisations to buy from you;
- Funders who give you money to recruit and serve beneficiaries;
- Customers who pay you to deliver services to their own clients;
- Commercial customers paying full rate, possibly in part persuaded by the fact that some of the profit made will be applied to *pro bono* work for beneficiaries that you select.

Describe all of the markets you intend to operate in and how you intend to engage with those markets. Whilst at this pre-start stage you don't need a full-blown marketing plan, you should be able to provide evidence to support your assertion that these markets are big and capable enough to support your enterprise in the long term.

[jump to template](#)
[navigation](#)

Investment

No business is instantly profitable. Until it becomes profitable, your social business will require investment. You will not be able to launch your enterprise until you have raised investment. Feasibility therefore depends upon securing investment. However, it will be difficult to raise money before feasibility is established – a classic Catch 22 situation.

The key to breaking this deadlock is confidence. This is one reason why you need a good feasibility study – to inspire confidence in potential investors.

Investment comes in many forms. It's not just about cash loans and grants, it's also the work that people such as yourself put in for free and the goodwill, gifts, opportunities and expertise that your supporters provide for free. The time and energy that people put into starting up an enterprise on a voluntary basis is known as “sweat equity”.

In your feasibility study you should try to describe and quantify the investment that your social business requires to get it to the point where it becomes profitable and self-sustaining – the “break even point” – well beyond the launch date.

When it comes to raising money, although you may not be able to be very accurate at this stage, you should say how much you think you will need, for what and for how long. This can be broken down into:

- Capital investment – money for large purchases; and
- Working capital – the cash needed to ensure that all bills can be paid on time.

Once you have an idea of all your investment requirements you should say where you think it will all come from. If you have started talking with potential investors or if you have been promised support from individuals, including members of the [steering group](#), you should detail this.

[jump to template
navigation](#)

Other Critical Factors

Consider your critical success factors – those things that absolutely must be in place. For example, is the project dependent upon the acquisition of premises? Is there a particular contract that must be in place? Achieving these goals must be a priority for you, so what is your plan?

If there are several critical success factors, how do they relate to each other and what is their sequence? You may find a conundrum, for example you can't sign a lease agreement until the business is incorporated but to incorporate before all the pieces are in place could be a costly mistake. How will you handle that?

[jump to template
navigation](#)

Risk analysis

People who read your feasibility study will be looking for evidence that you have considered and taken steps to mitigate against risks. There are various ways you could do this but at this stage a SWOT analysis would probably be appropriate. To do this, list all the project's:

- Strengths
- Weaknesses
- Opportunities and
- Threats.

It's a good idea to involve the whole [steering group](#) in this exercise in order to get a comprehensive overview of the enterprise.

Once you are satisfied that your lists are complete, look at all the weaknesses and threats and consider what you can do to eliminate, reduce or minimise them.

Finally, consider contingency plans and exit strategies. For each of the things that could go wrong, what would you do if it did? How could you scale down or close down without risking what you and others will have invested?

[jump to template
navigation](#)

Implementation Plan

This is last piece of the puzzle. Having designed your social business in enough detail to give confidence in its feasibility, you now need to demonstrate that it is actually possible to get it off the ground.

There will be several stages, processes and events in starting up your social business. Some of them will take place in parallel. Can you draw a diagram showing how they link together and how they are dependent upon each other? Try to put a timescale on it. If there is uncertainty here, indicate earliest and latest dates by which you expect each event to be completed by.

Think of each event as an objective to be achieved. For each objective, say:

- Exactly how it will be achieved
- Who is responsible for ensuring that it happens
- What resources they will need and where they will come from
- How progress will be monitored

Think of this as a reality check. If you find that achieving any of these objectives is actually unrealistic then you have a problem and you may have to go back a few stages in your planning to address the issue. If one of the unrealistic objectives is also a [critical success factor](#) then you have a serious problem and you should put everything on hold until this is resolved.

It may be useful to extend your implementation plan beyond the start-up point and into the early stages of the growth and further development of the business, perhaps up to the break-even point.

[jump to template](#)
[navigation](#)

Feasibility Checklist

Name

What will the enterprise be called, or how is this project being referred to?

The Mission

Mission statement drafted:

Motivation

Motivation analysis drafted:

Community

Community analysis carried out:

Stakeholder analysis carried out:

Business Model

Commercial activity described:

Social product described:

Organisational Structure

Organisational structures described:

Who We Are

Steering group description drafted:

The Market

Market analysis complete:

Investment

Capital requirement calculated or estimated:

Sources of income identified:

Other forms of investment described:

Other Critical Factors

Critical success factors considered:

Yes / No

Risk analysis, contingency plans and exit strategy in place:

Yes / No

Implementation Plan

Implementation plan in place:

Yes / No

Authors

Who contributed to this document?

Contact Details

Who should people contact and how?

Date

Date of publication of this version of this document:

Confidentiality

Is this document confidential or publicly available?

[jump to guidance
navigation](#)

The Mission

Mission statement:

[jump to guidance](#)
[navigation](#)

Motivation Analysis

Use this template to say why you want to set up a social business.

What needs will this social business meet?

Who has those needs?

What is the evidence for it?

What is my true interest in getting involved? Is it for personal enrichment?

Do I really have the energy, the commitment and the capacity to see it through? How will it impact on other aspects of my life?

[jump to guidance](#)
[navigation](#)

Community Analysis

Describe or define the community that your social business will serve and gain support from. It may have several parameters, for example:

- Geographical
- Age
- Gender
- Ethnic origin
- Income bracket
- Educational level
- Employment status

Are there socio-economic dimensions that define this community, for example is it rural or urban? Is social exclusion a factor? Be as specific as possible.

Estimate or state the size of the community in terms of population, geographical area etc.

Describe how the unmet need(s) being addressed impact(s) this community. Does it affect individuals, families, schools, the local economy etc.? What is the scale of the problem within the community?

If you have drawn on research to do this exercise, cite your sources:

[jump to guidance](#)
[navigation](#)

Stakeholder Analysis

Step 1

List all the groups and bodies that have an interest in the success of the project:

Groups and bodies	What is their interest?	Is satisfying them crucial to success?	Will they influence the development of the enterprise? Should they be involved in governance? If so, how?

Step 2

Place all the groups listed above in this quadrant:

		How important is it to satisfy them?	
		Very	Not very
Influence	High		
	Low		

Step 3

List all the very important / high influence groups in order of priority:

1	
2	
3	
4	

The one at the top of the list is your **key stakeholder**. These are the people you are actually working for.

[jump to guidance](#)

[navigation](#)

Commercial Activity

Describe the **outputs** of the business – the products and services that will be sold:

What are the **inputs** – the things you will need to buy to produce the outputs?

Describe the **processes** by which the inputs become outputs. These systems are at the very heart of your enterprise so your description should be clear and detailed:

Your business will only be viable if your customers pay more for the outputs than the costs of the inputs and processes. Therefore, the processes described must add **value** to the inputs. Describe how your business creates value – how it makes something that wasn't there before. Why don't your customers buy the inputs and do it themselves?

Note that the concepts described above apply just as much to services and to the knowledge economy as they do to trading in goods. You should still be able to model your business in terms of input, output and adding value even if your business is dealing in intangibles such as expertise.

How will you assure the continuing **quality** of your products and services, so that the business stays profitable in the future?

How will you **develop** your products and services so that they don't become obsolete?

[jump to guidance](#)
[navigation](#)

Social Product

Social output

Describe the social output of your social business:

What targets will you set, or how will you go about setting targets for social output?

How will you go about measuring and recording progress against these targets? You will need to give special consideration to this if you are dealing in 'soft' outputs such as increased self-confidence or work-readiness in individual clients.

Social outcome

What affect do you expect the social outputs described above to have on the individuals to which the social output is delivered?

Social impact

What affect will these social outcomes have on the community as a whole?

Environmental impact

Will your social business also measure and report on its environmental impact? If so, how?

[jump to guidance
navigation](#)

Organisational Structure

What you need to say about the organisational structure of your social business depends very much upon the business model and how it is to be governed. Feel free to customise this template to suit.

Note that it is entirely possible that some people within the business will have several roles and will be named more than once below.

Management functions

Edit the list of functions below as appropriate for your social business. Say who will carry out or manage these functions, or how they will be recruited or subcontracted. If any of these functions have internal structure (e.g. regional marketing), describe those structures.

Function	Management, structure
Company/Society secretary	
Operations	
Customer care	
Bookkeeping	
Financial control	
Social accounts	
Marketing	
Human resources	
Quality assurance	
Product development	

Those responsible for managing these functions will report to a Board of Directors, Management Committee or Board of Trustees (as appropriate) – made up of people with director level legal responsibilities. What will yours be called?

--

Who will make up the first Board of your social business? Specify if they will be representing another corporate body or a community group.

Board member	Representing

Governance

The Board will report to the members or owner(s) of the business, who will be responsible for setting strategy and policy. Do you refer to this group or individual as the Members or

the Owner(s)? Specify as appropriate:

Use the space below to describe the governance and ownership of the business in more detail. For example:

- How democratic is it?
- Is it one member one vote?
- Is it one share one vote?
- How are community interests represented in governance?
- Are all the members also directors (a collective)?
- Are there higher and/or lower levels of ownership, as in a franchise system?

Membership

If your social business is membership based, what are the criteria for membership?

Are there different categories of membership, for example:

- Probationary membership
- Associate membership
- Different categories of membership for different stakeholder groups?

If so, describe the categories:

Will all employees have a right to membership?

Co-operative

Will your social business be a co-operative?

If so, what type of co-operative will it be?

What advantages will the application of co-operative values and principles confer on your social business?

Do you need more information about co-operatives in order to answer the questions above?

Yes / No

Partnerships

Will your social business need to enter into (a) partnership(s) with (an) other organisation(s) in order to operate? If so, give the detail here:

Shareholders

Will your social business raise capital by selling shares? If so, describe the share scheme here:

Employee buy-outs

Is your social business an employee buy-out of an existing business? If so, describe all the processes involved here. Be sure to include:

- History and context
- Progress to date
- Financial modelling
- Any employee share scheme being considered
- Consultancy and specialist services obtained and required
- Projected timescales

[jump to guidance](#)
[navigation](#)

Steering Group Description

Group membership

Complete the following table for each member of the steering group. Copy and paste the table as necessary.

Name	
Roles within the group (e.g. representative of a particular community, chair, marketing manager)	
Short biographical profile	
Areas of expertise	
Contribution made to the project to date	
Commitments made to the future of the project (e.g. to be a founder member, to invest free time, loan money)	

Name	
Roles within the group (e.g. representative of a particular community, chair, marketing manager)	
Short biographical profile	
Areas of expertise	
Contribution made to the project to date	
Commitments made to the future of the project (e.g. to be a founder member, to invest free time, loan money)	

Name	
Roles within the group (e.g. representative of a particular community, chair, marketing manager)	
Short biographical profile	
Areas of expertise	
Contribution made to the project to date	

Commitments made to the future of the project (e.g. to be a founder member, to invest free time, loan money)	
--	--

How the group works together

How and when did the group come together?	
How often does it meet?	
Are decisions recorded?	
Are plans written down?	
How would you rate the cohesion of the group? Does it function well as a team? Does one individual have a strong leadership role?	

Gaps in the steering group

What gaps exist in the group (e.g. skills, community representation)?	
What is the recruitment or training plan to address each of those gaps?	

Founder Members

Who will be the Founder Members (first board of directors/trustees) of the incorporated body?

Explain if this group is different from the steering group.

--

[jump to guidance](#)
[navigation](#)

Market Analysis

Identify and describe your prospective customers in the following categories. Note the distinction between customers (purchasers) and clients (those to whom goods and services are delivered).

Customers who are also clients and purchase services for themselves. They may use their own money or funds provided to them by other organisations to buy from you	
Funders who give you money to recruit and serve beneficiaries	
Customers who pay you to deliver services to their own clients	
Commercial customers paying full rate, possibly in part persuaded by the fact that some of the profit made will be applied to <i>pro bono</i> work for beneficiaries that you select	

Which of those categories and customers will you be relying on to support your social business?

How do you know that those markets are big and capable enough to support your social business?

How will you go about engaging with those customers?

If you have carried out or are planning to carry out any market research, detail here:

[jump to guidance](#)
[navigation](#)

Investment Requirement Analysis

Step 1: Calculate your capital requirement

In this section, we work out how much money will need to be invested in your social business to get it not only launched but to the point at which it becomes profitable and self-sustaining (the break-even point).

Calculate your **capital investment requirement** by identifying and costing the large items you will need to purchase:

Item	Cost
	£
	£
	£
Total	£

Calculate your **working capital requirement** – the amount of cash you will need to inject into the business to ensure that you can pay all the bills as they fall due. You can roughly calculate your working capital requirement as follows:

Maximum amount tied up in stock at any one time	£
Add maximum amount tied up in work in progress at any one time	£
Add maximum amount that debtors will owe you at any one time	£
Subtract the minimum amount that you will owe to suppliers and subcontractors at any one time	£
Add a margin for contingency	£
Sum = working capital requirement	£

Add your capital investment requirement to your working capital requirement to give your **total start up capital requirement**:

Total start up capital requirement	£
------------------------------------	---

Step 2: Identify sources of income

Having calculated or estimated how much capital investment is required to get your social business to the break even point, the readers of your feasibility study will want to know where it's all going to come from.

List your **potential sources of income** here. Copy and paste this table as required:

Name of financier	
How much?	£
Type of finance (loan/donation/grant/shares purchase etc.)	
What for?	

Have you approached them yet?	Yes / No
If so, what has been agreed or discussed?	

Name of financier	
How much?	£
Type of finance (loan/donation/grant/shares purchase etc.)	
What for?	
Have you approached them yet?	Yes / No
If so, what has been agreed or discussed?	

Subtract the amount that you are confident of raising, as detailed above, from your total start up capital requirement to calculate the **funding gap**:

Funding gap	£
-------------	---

Say how you think the funding gap will be filled:

--

Step 3: Other investment

All start up enterprises rely to a certain extent on **sweat equity** – time given freely by activists and supporters. Use the table below to say who will be putting sweat equity into your social business, including yourself, and describe the nature of that input:

Name	Unpaid input

You may also be relying on **other** types of **donation and support** to get your social business off the ground, for example donated equipment, mentoring, consultancy or specialist services. Describe those here:

Donor or supporter	What will they provide?

[jump to guidance
navigation](#)

Critical Factors and Risk Analysis

Critical success factors

List the critical success factors for your social business – those things that absolutely must be in place – in the order in which they are to occur. Add more rows if necessary:

1	
2	
3	
4	
5	
6	

What are your plans for ensuring that the above will be achieved? Do you foresee any problems or conflicts between any of the above? If so, how will they be resolved?

--

[jump to guidance](#)
[navigation](#)

SWOT analysis

List all the strengths, weaknesses, opportunities and threats relating to this project. Add more rows as necessary.

Strengths	Weaknesses
Opportunities	Threats

Risk analysis

What will you do to eliminate, reduce or minimise the weaknesses and threats identified above? Add more rows as necessary.

Weaknesses and threats	Action to take

--	--

Contingency plans and exit strategy

Consider all the things that could go wrong and what you would then do. How could you scale down or close down without risking what you and others will have invested? Add more rows as necessary.

What could possibly go wrong?	What would you do if it did?

[jump to guidance navigation](#)

Implementation Plan

List all the processes and events that will need to be completed before your social business can begin trading. Put them in sequential order of start date, earliest first. Where the completion of one is dependent upon the completion of another, say which one(s) it is dependent upon in the third column. Add new rows as necessary.

No.	Process or event	Dependent upon	Earliest-latest start date	Earliest-latest end date
1			[e.g. 1/10-15/11 2016]	
2				
3				

Using the above as a guide, draw up a list of all the tasks that need to be carried out. Break down the processes into their constituent tasks. Think of each task as a discrete objective that needs to be achieved. This will help you fill in the rest of the columns. Add new rows as necessary.

Task	Target completion date	Who is responsible for ensuring completion?	How will it be done?	What resources are required and where will they come from?	How will progress and success be monitored and measured?

Having considered these tasks in detail, has it become apparent that some of your objectives are unrealistic? If so, fill in this table:

Unrealistic objective	Nature of the problem	How critical is it?	What can be done to resolve the problem?

[jump to guidance](#)

navigation