

THE RISE OF SOCIAL ENTERPRISES

Understanding Social Enterprises and their Impact

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The Emergence of Social Enterprises in the Business World

The emergence of social enterprises in the business world is a noteworthy trend that we must pay attention to. Firstly, there has been a substantial increase in the number of social enterprises globally. This rise indicates a growing interest in businesses that prioritize social impact alongside profitability.

INCREASING NUMBER OF SOCIAL ENTERPRISES

Social enterprises have been on the rise globally, with a significant increase in their numbers.



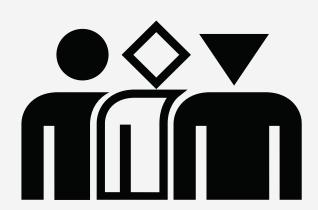
ENTREPRENEURIAL APPROACH WITH A SOCIAL MISSION

Social enterprises combine business principles with a social mission, aiming to create positive change.

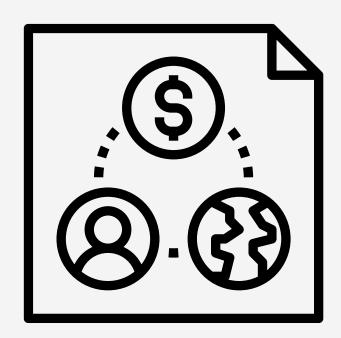


DIVERSE SECTORS AND INDUSTRIES

Social enterprises operate across various sectors, including healthcare, education, and environmental sustainability.



The 3Ps



These three dimensions—People,
Planet, and Profit—are interconnected,
and they collectively contribute to the
overall goal of sustainability. Balancing
these dimensions is critical for
achieving long-term sustainability in
various aspects of life, from business
practices to environmental
conservation and social well-being.

Drop & Wash | The Rise of Social Enterprises 2023

PEOPLE

In the context of sustainability relates to the well-being of individuals and communities. It involves fair labor practices, social equity, diversity, and fostering a positive societal impact. Sustainable initiatives should prioritize people's welfare and promote social responsibility.



PLANET

The "Planet" aspect of sustainability pertains to environmental well-being. It involves addressing the impact of human activities on the natural world, including climate change, resource conservation, pollution reduction, and protecting ecosystems. The objective is to conduct activities in a manner that minimizes harm to the planet and supports ecological health.



PROFIT

Linked to economic sustainability. It ensures that activities, whether in business or other sectors, are financially viable and generate returns. However, within the 3Ps context, profit serves as a means to support and sustain the other two pillars (People and Planet), rather than being the primary focus. Sustainable practices should be economically viable while also considering their social and environmental impacts.



How Social Enterprises are Changing the Game

Reimagining Business Models

Social enterprises are disrupting traditional business models by prioritizing social and environmental impact.



Empowering Marginalized Communities

Social enterprises create opportunities for marginalized communities and address social inequalities.



Collaboration and Partnerships

Social enterprises foster collaboration with stakeholders, including governments, NGOs, and businesses.



SeMY - The Social Enterprise Accreditation Rating

Recognizing Social Enterprise Excellence

SeMY is an accreditation rating system that recognizes social enterprises for their impact and sustainability.



Criteria for Accreditation

SeMY evaluates social enterprises based on their social impact, financial sustainability, and governance.



Promoting Transparency and Accountability

SeMY provides a framework for social enterprises to showcase their performance and credibility.



SOCIAL ENTERPRISES AND THEIR ROLE IN SUSTAINABLE DEVELOPMENT



Addressing Social and Environmental Challenges

Social enterprises contribute to sustainable development by tackling pressing social and environmental issues.



Creating
Employment
Opportunities

Social enterprises provide job opportunities, especially for disadvantaged individuals and marginalized communities.



Promoting
Community
Development

Social enterprises empower communities, fostering social cohesion and resilience.

Application Process:

Apply through the SE.A MED online platform.

Submit necessary documents for review.

Receive approval or rejection notice within specified timelines.

For SE.A Plus, obtain an SE accreditation certificate from MED and apply to the Ministry of Finance and Inland Revenue Board.



STAGES OF ACCREDITATION(OLD):

STAGE 1 (BASIC SE)

Social enterprises can self-declare their status on the SE.A platform by providing basic information about their revenue sources. This helps them get recognized as registered social enterprises.

STAGE 2 (SE.A ACCREDITATION)

To achieve SE.A accreditation, social enterprises need to meet specific eligibility criteria, including impact auditing. This status allows them to provide tax deduction receipts to donors.

STAGE 3 (SE.A PLUS)

SE.A Plus is the highest level of accreditation and confirms a social enterprise's status with the recognition of the Ministry of Finance and Inland Revenue Board of Malaysia. It enables them to issue donation receipts to individual and corporate donors.

The Social Enterprise Accreditation (SE.A) Guidelines (Old)

Main Accreditation Criteria



Create Positive Impact



Allocate Resources



Financial Sustainability

SE.A CRITERIAS (OLD)



51% of workforce is from target beneficiary groups; and/or



35% of the business cost is channeled towards providing income, training or subsidised goods or services to target beneficiary groups; and/or



35% of the production raw materials or resources is spent on achieving the environmental mission; and/or

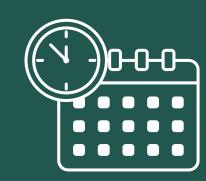


51% of the profits is distributed towards solving the social mission.

BASIC SOCIAL ENTERPRISE (SE.ASAS)



Organizations must meet the description of a social enterprise that is in effect in Malaysia. Registered under written laws in Malaysia.



Must have been in operation for at least 6 months.



Driven by the goal of addressing Social and/or Environmental issues.



Must have a clear target group.

BASIC SOCIAL ENTERPRISE (SE.ASAS)



30% of revenueobtained frombusiness activities.



Organizations wishing to apply are encouraged to attend the Basic Social Entrepreneurship Course organized by INSKEN.

ACCREDITED SOCIAL ENTERPRISE (SE.AC)



Organizations must first obtain a rating as SE.Basic.



Must have been in operation for at least 2 years.



Must have a clear
Social and/or
Environmental
Impact measurement
report.



25% of profits
 channeled to social
 and/or
 environmental
 missions.

ACCREDITED SOCIAL ENTERPRISE (SE.AC)



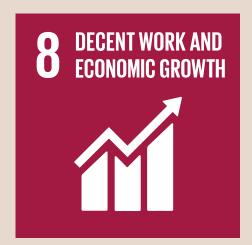
≥ 50% of revenue obtained from business activities.



Validity period - 5 years from the date of approval.

EXAMPLE OF SOCIAL ENTERPRISE

DROP & WASH



We provide meaningful employment for the urban poor, the homeless, and migrant workers. We place emphasis on the training and upskilling of our beneficiaries by transforming the unemployed marginalized B40s into success stories of productive individuals back into society.



We hire B40s regardless of age, sex, race, and background. We also encourage entrepreneurship through our Licensee Program to facilitate job creation.



Our no toxic solvent policy and green cleaning processes prevent damage to underground waters and dumping grounds. We also educate and spread awareness to micro-laundries on best practices in the PTC industry.

EXAMPLE OF SOCIAL ENTERPRISE - DROP & WASH



CEO'S Message

COVID-19 Relief

Planet & People

SOCIAL IMPACT REPORT

LEADING IN SUSTAINABILITY



Wet-Cleaning

Since our establishment in 2008, Drop&Wash is known as the pioneers of Lagoon Woolmark Wet-Cleaning, the best ecofriendly alternative to traditional dry-cleaning using Perchloroethylene, which has known harmful effects on the environment, and humankind, especially people who work with Perc. In 2020, we managed to save over 16,000 articles of clothing from being dry-cleaned.

Green Technology

The first guarter of 2020 saw us encouraging customers to clean their shoes and bags using our latest equipment, sourced from Italy, RevitaPoint2.0. As a result, we have since cleaned close to 1000 bags, shoes, carpets and other miscellaneous items using toxic-free chemicals.

One Step Towards Less Plastic

Effective 1st January 2020, we introduced our all new sustainable 10kg load EcoBags allowing customers to receive a discount every time they reuse the bag.

SUSTAINABLE GOALS



ith a strong focus on









Projek #Food4B40 is our first ever direct step to reduce food insecurity in Malaysia.

Decent Work and Economic Growth

Not only do we provide meaning employment to the communities around us, we also encourage entrepreneurship through our Licensee Program to facilitate job creation.

Reduced Inequalities

We hire and upskill the poor and the marginalized regardless of age, sex, race and background.

Responsible Consumption and Production Our systems prevent damage to underground

waters and dumping grounds while preserving the livelihood of people. We also educate micro laundries on the best practices in the On-Premise Laundry (OPL) industry.

CREATING MEANINGFUL OPPORTUNITIES

Diversity connects us to our customers and communities. Our focus is on one strategic pillar - inclusive workplace. We pride ourselves as the most inclusive On-Premise Laundry because our employment policy has never discriminated. Current and previous employees have always consisted of disabled people, retirees, exconvicts, rehabilitated persons, transgender people, single mothers, and former sex workers.

Onboarding

Prioritizing the urban poor, we hired and maintained 4 new B40 employees since the beginning of 2020, carefully monitoring their needs and and providing them the support they need. We also provide lodging for homeless employees or beneficiaries who face difficulty travelling to our outlets from their homes.

Upskilling

Our impact does not stop at just providing meaningful jobs for our employees as we also hone their skills and shape them into professional textile carers, to prepare them for a strong career in this industry should they decide to leave us. In 2020, from only having 3 beneficiaries with intermediate-level skills, we increased it by more than 4 times to 14 intermediate-level beneficiaries and 6 advanced-level beneficiaries.





The Challenges Faced by Social Enterprises and their Solutions

- **Q** Access to Funding and Capital
- A Social enterprises face challenges in accessing funding and capital, but they can overcome this through impact investment and social finance.
- **Q** Measuring Social Impact
- A Social enterprises need effective tools and methodologies to measure their social impact accurately.
 - **Q** Scaling and Replicating Impact
 - A Social enterprises require strategies to scale their impact and replicate successful models.



Continued
Growth and
Innovation

Social enterprises are expected to grow in numbers and drive innovation in the business world.



Collaboration with Traditional Businesses

Social enterprises will increasingly collaborate with traditional businesses to create shared value.



Social enterprises will have a greater influence on policy-making and the development of supportive legislation.

How to Build and Scale a Successful Social Enterprise







Develop Sustainable Business Models - Social enterprises need to create sustainable revenue streams to achieve long-term impact.



Forge Strategic Partnerships Collaboration with stakeholders,
including governments, NGOs,
and businesses, is crucial for
scaling a social enterprise.

The Power of Social Enterprises to Create Positive Change



Driving Social and
Environmental Impact Social enterprises play a crucial
role in addressing social and
environmental challenges



Empowering Individuals and
Communities - Social enterprises
empower individuals and
communities, fostering social
inclusion and economic
development.



Inspiring Others and
Challenging the Status Quo Social enterprises inspire others
to create positive change and
challenge traditional business
practices.

