

Support for Social Entrepreneurship

Executive Summary

Social entrepreneurship aligns well with the priorities of the federal government. It differs from traditional business entrepreneurship in that the focus of a social entrepreneur is on the impact their business will have on society rather than the achievement of maximum profits.

Just outside the small village of Aylesford in Nova Scotia's Annapolis Valley is Rohan Wood Stables, an innovative family run business founded in 2003 that combines the benefits of recreational and competitive riding with therapeutic riding and equine assisted therapy. Rohan Wood Stables' approach to this equine business is innovative because it goes beyond the traditional profit motive by having a social mission that uses the resources and participants of its traditional riding program to enable programs for those with physical and mental exceptionalities including a new program to support Veterans and their families struggling with PTSD. This is all done in an environment that promotes physical literacy, healthy active living, youth development, cross generational relationships and citizen engagement.

Rohan Wood Stables provides the federal government with a case study in social entrepreneurship that it should be encouraged to support because the immediate tangible and long term intangible benefits of government engagement would produce greater social effect and be much more sustainable and economical than if the government tried to address the social issue alone.

In addition, the Rohan Wood Stables business model is enabling four of the six key themes of the Finance Committee:

- Balancing the federal budget to ensure fiscal sustainability and economic growth;
- Supporting families and helping vulnerable Canadians by focusing on health, education and training;
- Ensuring prosperous and secure communities, including through support for infrastructure; and
- Maximizing the number and types of jobs for Canadians

In particular, federal support is needed to bridge the existing gap between the ease with which traditional businesses attract capital and the challenges experienced by social enterprises to do so. In the case of Rohan Wood Stables, provincial government engagement provided the opportunity to start the business. Now, as demand outstrips supply at Rohan Wood Stables, support is needed to grow the business further and enable its business model to be replicated beyond the boundaries of Nova Scotia. Federal government support can be through various incentives, such as grants, tax concessions and/or partnerships with both the business and the province in which it operates.

Web Links to Videos

[Our Vision for the Future](#)

[Our Clients](#)

[Our Volunteers](#)

[Free Spirit Therapeutic Riding Association Camp](#)

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Social Entrepreneurship – Rohan Wood Stables

Background

One of the priorities of the Federal Government should be to promote social entrepreneurship. Social entrepreneurship differs from traditional entrepreneurs in that a social entrepreneur focuses on the impact their business will have on society rather than the achievement of maximum profits.

Because social entrepreneurs are trying to impact their society positively from a business perspective, by necessity they seek to understand the broader context of social issues so that they can develop innovative ideas and mobilize available resources into workable business solutions. Social entrepreneurs, like Rohan Wood Stables, are innovators that seize opportunities to improve systems, invent new approaches, and create solutions to change society for the better with important social and economic benefits for its community. Also, being a part of a business with a social mission matters to employees and supporters: they want to join more and stay longer.

Social entrepreneurs are very advantageous to the government, as not only do they contribute to the Canadian economy from a business perspective, but they are improving social satisfaction by addressing social issues that the government may not be addressing or that the government may be struggling to address effectively.

Rohan Wood Stables Business Model

After years of working with horses, we knew as a family the positive effect horses can have for human wellness and so wanted to make equine assisted activities as accessible as possible. So using the resource base of the family as a catalyst to start the business with the vision and equine expertise of one member of the family, we turned a small farm house and a three stall barn into a business that uses horses to facilitate healthy active living. Since the business and the family are fronting all the program developmental costs, it takes time to get programs into place.

Our programming is filling a void as rural communities have few services that provide opportunities for those with exceptionalities, mental health conditions and for youth at risk. In addition, very few sports offer opportunities for cross-generational relationship building. Without increased infrastructure capacity, current programming cannot meet the demand for these services nor offer planned new innovative programs.

Since 2004, over 500 individuals have participated in Rohan Wood Stables' recreational and competitive equine programs, and an additional 150 youth have taken part in Canadian Pony Club activities. Since 2012, therapeutic riding programming has served 200 persons with exceptionalities, plus the 175 volunteers who support this amazing group. Including family and friends, and the businesses supported by "the barn", it is estimated that 5% of the county's population has been positively affected by our initiatives. We base success on the self-confidence that we witness our clients gaining through working with horses. Our programs are developing engaged, young leaders with a strong work ethic who are giving back to the facility

and to the community. The cross-generational friendships between riders, volunteers and family members are truly unique, and our programs have been included in a self-esteem study with a local university.

The following is a list of areas based on our experience where government support could help us and other social entrepreneurs.

Financing

If it wasn't for the Provincial Government of Nova Scotia through its Farm Loan Board, Rohan Wood Stables (RWS) would not have got off the ground. The Farm Loan Board accepted the risk for starting a "horse" business by providing financing when none of the major financial institutions would. It also provided additional financing to build an indoor riding ring to allow for all year operation, thus enabling the broader social impact of RWS. This allowed for almost \$400,000 of new farm infrastructure to be erected during the immediate aftermath of the 2008 economic crisis in an area where rural infrastructure is in decline. In addition, it has provided for the full time employment of one person and some part time staff plus increased the tax base for the municipality. As a result of the business expansion, RWS now requires annually \$125,000 of direct services from other local businesses and farms. In the end not only does the community financially benefit from all spin off effects of the construction and yearly operating costs, at the completion of the terms of financing the Province of Nova Scotia will see the complete return of its funding and in the process, it will have generated the same profit a financial institution would have with a mortgage. The Federal Government is also benefitting because of increased income, payroll and sales taxes. In this case access to financing has immediate financial benefit to community businesses and all levels of government without costing the government anything in the long term.

So providing better access to financing and accepting risk especially for new and innovative ventures when others will not, is an area where the government can play a critical role. There is tendency for governments to finance or support large projects. The provision of millions of dollars of government incentives to support a company that is going to create 1,000 jobs in an area is not unusual. When after some time the company closes, it is an economic crisis for the community. If the same investment was proportionally provided to 500 small businesses that provide employment for two people, even if a hundred businesses failed the long term effect would be far greater than one of these large projects that do not last. Some of these small businesses will become the next large business as they prosper. If these small businesses were also social entrepreneurs, the positive social impact would be enormous.

Overcoming Obstacles

Sometimes the lack of training or a particular piece of equipment or infrastructure is all that is holding a business back from moving forward. To develop programming for Veterans with PTSD, Rohan Wood Stables at its own expense had three instructors certified to facilitate this service in the United States. The cost of doing so was less than \$10,000 but for a small business with limited financial flexibility, it was an obstacle to putting in place the pilot program that will start this Fall. We recognize that this pilot will not generate revenue initially, but if

proven effective could in the long run. As a military family and social entrepreneurs, this is a risk worth taking as this is a social need that is not being effectively met. Providing the means to overcome these obstacles more efficiently could energize a small business' ability to add or improve business opportunities and social impact.

Enabling Programs

Sometimes programs are in place but it is difficult for small businesses to support their clients in the most effective manner. For Rohan Wood Stables providing the appropriate level of accessibility for its clients with physical exceptionalities is difficult. The cost of providing a fully accessible washroom is beyond the means of the business at this time. When clients are on the property for an extended period of time, an accessible portable toilet is rented for the activity. Not an ideal solution but workable for the more intensive activities. Providing the ability to improve infrastructure could bring programs into force much sooner.

Enabling Access to Programs for Youth or Families at Risk

Riding is a physically active sport that supports healthy living. It is a venue for increasing physical literacy in youth and adults. In addition to the physical aspects of the sport, the social aspects promote a sense of community and foster positive relationships. Providing the means for those at risk to access these programs could lessen the burden on the both the health care and social welfare systems in the long run.

Employment Incentives

Small businesses often have to wait until enough income is being generated to allow for new employees or full time employees. As well, providing a wage that is at a high enough level to retain employees can be difficult when starting out. Incentives that provide funding to support new hires or supplement wages could allow businesses to put in place new services sooner and more effectively.

Summary

Rohan Wood Stables horse-centric focus creates non-threatening environments that foster positive relationships, promote active lifestyles and bring communities together to support persons with exceptionalities. It also provides opportunities to break down barriers to wellness through individual and group experiential activities. In the end our community is becoming more supportive through cross-generational relationships, citizen engagement and stronger social networks. View the Video links to see personal accounts of our impact.

The Federal Government can support social entrepreneurs by being a catalyst for these ventures through the use of incentives, grants, tax concessions and partnerships with both entrepreneurs and the province in which they operate.

Rohan Wood Stables is seeking to expand its programs through increased infrastructure and support for new pilot programs. We are seeking funding as low as \$25,000 to provide better accessibility for our clients with exceptionalities to a high of \$500,000 to provide an additional

indoor riding ring to allow for greater capacity and concurrent activities. More importantly we seek to work with government to eliminate barriers to growth to realize the full social potential our programs can offer.