



Initial Feasibility Test

This test will help you look in more detail at your chosen social enterprise idea to see if it really is the viable opportunity you're looking for.

Taking each question in turn assign a rating (**1 = no / don't know, 2 = only somewhat, 3 = mostly, 4 = yes, very much so**) and write a couple of sentences to explain your rating ("We rated this dimension a '4' because..."), and another sentence to cite the evidence that supports your explanation ("We know this because....").

The test will probably require that you do some research for several of the questions; expect that this will take about 30-40 hours over a period of 4-6 weeks to do.

First, clearly describe the proposed product or service that you want to provide via a social enterprise and how any surplus would be used for social gain.

Do you want to do it?

1. Will it create a social impact that is related to your organization's mission **and** deliver on the outcomes and priorities the Council wishes to be achieved (*state which outcomes and priorities you will deliver against*)?
2. Will your board members and senior management support it?
3. Is there a staff member who will take personal responsibility for seeing that it succeeds?

Can you do it?

4. Will it build on what you already do well as an organisation?
5. How much of the product / service will you deliver?
6. Have you made sure that this level of delivery is achievable?
7. Will you be able to effectively promote and sell it to your customers?

8. Do you have the staff (both managerial and operational) you will need to operate?
9. Will this venture idea be feasible from a legal and regulatory perspective?
10. Have you identified what your main barriers might be and are you sure that you can overcome them?
11. Who will be your customers?
12. Can you clearly describe how your customers will find it beneficial to them?
13. Do you have a positive reputation or relationship with your target customers?
14. Is there evidence these customers are interested and willing to pay for it?
15. Are they growing in numbers or buying more each year?
16. Can you clearly describe the criteria (features, pricing, etc.) these customers use when selecting this kind of product or service?
17. Do you know what alternatives these customers consider when they look for this kind of product or service (i.e. who or what your competition is)?
18. Will it be difficult for another organisation to replicate what you are planning to do?
19. Is there a clear rationale for why they will prefer your product or service to the alternatives they have?

Will the Social Enterprise be financially viable?

20. Do you have clear financial goals and/or success criteria for what you are planning?
21. Is there evidence what you are planning will meet or exceed these goals?
22. Does the minimum sales level required to meet these goals seem achievable?
23. Do you know what the start-up costs for this Social Enterprise will be and where the funding will come from?

Closely based on the Quick Feasibility Test produced by ROLFE LARSON ASSOCIATES
- the earned income experts www.RolfeLarson.com