

Leicester Stride

Main theme: Building on your strengths as an organisation

Leicester STRIDE was set up in 2000 as a trading arm for local homeless charity Shelter Housing Aid and Research Project. STRIDE began by selling second-hand and ex-catalogue furniture while delivering training under the 'New Deal' programme and has steadily grown over the last ten years. STRIDE now employs 60 people and has a turnover of around £250,000. As well as running several furniture shops they operate a farm, a garage, a salon and a catering business.

STRIDE serves as a fine example of what a voluntary organisation can achieve by developing trading activities. Managing Director Phil Saunders explains how STRIDE has grown to become one of the region's largest social enterprises...

"There is a small charity called Shelter Housing Aid and Research Project (SHARP) and I joined them approximately 18 years ago. In my previous life I was involved in retail logistics for Marks & Spencer but I eventually took voluntary redundancy and was unemployed for a bit. While I was out of work I went to train in health and social care and got involved in the charity while I was a mature student. I worked as part of the re-settlement team working with homeless people and helping them move into tenancies. I helped set-up a small furniture re-use project. We had a grant and a couple of volunteers and a Transit van and provided homeless people and families with donated furniture. In the Spring of 2000 we lost our grant funded for that project – there were big spending cuts and lots of organisations in Leicester got hit.

We managed to get £6,000 from the local housing association and £6,000 from the council who I think felt a bit sorry for us! At that time we didn't really know what a social

enterprise was but thought we'd set up some kind of venture where we could sell donated furniture and then hopefully we'd get our grant back within the next year. However at that point I was able to tap into my previous experience working on returned goods for Marks & Spencer, I had the right contacts and we were able to buy returned furniture very cheaply.

We also had a little factory shop and we ran a sheltered workshop training people under what was known as the 'New Deal' for long-term unemployed people.

Our background as a charity was providing support and re-settlement for people so we tied that in with our experience in selling furniture. We were able to offer work-placements for people who were not mainstream – former homeless people, people with addictions, people with behavioural problems and offenders who couldn't be put in traditional placements."

STRIDE was very successful in marrying their expertise working with challenging client groups with Phil's retail experience and soon they began selling more than just furniture...

"Our next venture was called Stoneworks and we had former homeless people working to make garden statues and even garden gnomes at one stage! Then we needed to do some maintenance on our site: we had a handyman and thought perhaps we could deliver training in recognised DIY qualifications. Soon we started to work with young people who were excluded from school and gradually we grew into providing vocational training and work placements for young people. At the moment we have about 400 people on vocational training courses.

We took an old motor project that provided motor vehicle maintenance training for young people excluded from school, and



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also set up a salon to do hair and beauty training. We have a big garage that now sells cars and does MOTs and stuff, we've also got our own farm – our first pigs have been dispatched and we've actually got our own pork now!

We set up our café because we had about 150 kids hanging around our main site every day and they were getting themselves into mischief during the lunch break so we put a canteen in an empty unit so they would have somewhere to go. We get 150 customers a day plus the 20 or 30 staff there and so we just generated another business from the resources we already had. We try to generate as much business as we can from within the organisation. Take our garage for example – it fixes all of our vehicles so rather than going to a private contractor and paying £30 an hour we use our apprentices and trainees to do it at cost."

Over the last ten years STRIDE has evolved into a large and diverse business, Phil believes STRIDE's management team is an important factor in their on going success...

"We've a strong leadership team, David Brazier our CEO is a strategist, I'm the entrepreneur that runs the business day to day and Sharon Burton, our finance director, looks after the systems and procedures that keep the business working. We also have very good department heads that run the different areas of the business. Unless you're Richard Branson on speed there's no way one person could run this! You need a hell of a team and good organisational structure."

Phil offers some advice for other voluntary organisations that are considering trading activities...

"My advice would be to take all the advice you can get and use the resources that are out there. Learn from other people's experiences as well – I'm a big believer in

visiting different organisations and sharing good practices too. Cash flow has been an absolute nightmare for us and although our furniture business generates ready money, in our training business it can be as much as six months before we get paid so you need to have cash reserves.

Make sure you're committed because this job is not 9 to 5 and not everyone is cut out for an 80 hour work week! We've gone for this heart and soul and put a lot of effort in, it's like running your own business but without the financial rewards. Of course the reward you do get is the satisfaction that you're actually helping some people."

Key lessons:

- By building on the strengths of your organisations there is scope to develop a wide range of trading activities
- There may be opportunities to develop trading activities to serve internal markets as with STRIDE's café
- Develop a strong leadership team to manage the trading activities as they grow

Legal structure:	Company Limited by Guarantee
Main activity:	Furniture sales and trading
Number of employees:	60
Turnover:	£2.5million
Location:	Across Leicestershire and Nottinghamshire
Date formed:	2000
Date written:	February 2010
Website:	www.leicesterstride.co.uk

This case study is one of a series produced by the Capacity Builders funded 'Stepping Up To Enterprise' project in the East Midlands.

The case studies tell the stories of voluntary or community organisations and how they moved to developing trading. The case studies are available on the website www.oneeastmidlands.org.uk/sute.