



Social Enterprise... A Business with a Blogging Conscience

Everything has intended and unintended consequences. As the world's population increases due to better health care and nutrition delivery, the unintended consequences include increasing poverty rates and environmental damage. Out of these unintended consequences has grown an industry made up of social enterprises that tackle tough issues in unique ways. The addition of technology tools 'like blogging and social media sites' has only made it easier for these enterprises to fulfill specific corporate missions. As a viable business model, social enterprises have contributed significantly to changes in the way corporate America communicates with customers and vendors, teaching lessons that minority and woman business enterprises (MWBs) can turn into success.

A social enterprise is an organization that uses business methods to achieve a social, environmental or economic mission. Though there are businesses that have social and environmental components to their mission, the social enterprise is set apart by the fact its business activities, products and services specifically and directly address social needs like reducing poverty rates, increasing healthcare access, creating jobs, improving access to the marketplace for the historically underrepresented MWBs, generating economic growth, increasing wage rates and improving communities.

The social enterprise can include for-profit and nonprofit organizations, but to fit this category, the business model must include a social purpose and derive a major portion of income from earned revenue. Revenue may be earned solely by the business in the private or nonprofit marketplace or in conjunction with nonprofit generating mixed revenues. All or a portion of profit is used to pursue social, economic or environmental goals. For example, a social enterprise may employ low income workers, offering them a living wage and skills training. The business may be able to legally pay less but chooses not to do so in order to lift community members out of poverty.

No Idea Constraints

Social enterprises evolved mostly from nonprofits and cooperative organizations beginning in the 1970s when the collective social awareness level was raised in areas like alternative energy, low income housing, outpatient mental health facilities, elderly care and education. Probably one of the clearest examples of a social enterprise that most people are familiar with is Newman's Own. The business is the first private sector company to generate profit, pay taxes and then donate all profits to charitable and educational organizations. Started by the famous actor Paul Newman and his associate A.E. Hotchner to sell food products, the company has donated over \$300 million to a host of charities like Feeding America.



The social enterprise has been hugely successful in general as people take a more active role in social, environmental and economic issues. That is the first lesson for the MWBE – deliver the right message to the right people in support of the right purpose and business growth will naturally follow. Technology has supported the ideal message delivery system too. Social enterprises by their very definition were poised to embrace new forms of communication that enabled them to network with people supportive of their missions. That is the second lesson for the MWBE. It is important to take advantage of communication tools like blogging that make it easy for a company to:

- Inform the public of its mission and goals
- Keep the consumer informed about governmental and private activities that impact the mission
- Engage people by making the company easily accessible for comments and questions
- Promote the mission by advertising special events, activities and projects
- Announce successes in fulfilling the mission of the organization
- Promote business growth through networking
- Collaborate

Social enterprises are designed to generate innovative solutions to issues of importance to the local or global community. Blogging sites and posts on social media sites serve as a sphere of new ideas and contributions from Internet users who are not constrained by organizational policies and culture. Blogging is a technological version of the brainstorming that is still formally used in organizations to generate new product and customer service ideas.

The third lesson for the MWBE is that adopting the same willingness, exhibited by social enterprises to engage anyone interested in the business mission can rapidly expand a network. Blogging is a process that shapes and funnels new concepts and ideas until they are workable. For example, the social enterprise writes a blog announcing that poverty rates rose in the community and what follows will be an outpouring of ideas as to how the business can best respond.

Blogging can build online communities to promote business growth. One of the many barriers that the MWBE often faces when trying to develop contracts with established corporations is anonymity. The procurement officer doesn't know you or your business so there is no comfort zone. One of the reasons Tier 1 suppliers get contracts over and over again is due to the fact there is a working relationship established with a level of trust. Proving your minority enterprise has the right expertise is difficult until you get the first contract.

Enter social media. An active blog filled with posts that promote innovation, creativity and community engagement is a powerful marketing tool. Used as a reference to leverage corporate relationships, the simple act of blogging can transform the MWBE from an untested supplier to an



experienced active participant in the marketplace. This assumes that you have used the blog wisely to advance your business through networking and intelligent sophisticated business posts.

Social Supply Chain Networking

One of the trends appearing is the social supply chain. The social supply chain refers to online networks of people like corporate suppliers. They can be drawn into the design and planning stages of product development and production while bypassing organizational boundaries. The goal is to leverage the knowledge of suppliers to minimize supplier risk and improve innovation and performance. The collaborative nature of social media enables supply managers to inject information like survey results and risk assessments into discussions. Ongoing input from suppliers builds the expert reputation of the business and can lead to larger contracts. Even better news for MWBEs is that supply managers can opt-in to individual supplier blogs to get real time information or to follow threads. The MWBE promotes its brand through information sharing while gaining a competitive edge.

This is good news for the MWBEs because the project owner can drill down to embedded suppliers in the supply chain and go right to the source for innovative ideas. Social media can begin to equalize the competitive process in a way laws have been unable to accomplish.

There's a lot to learn from the methods employed by social enterprises to promote their missions. It's easy to underestimate the effectiveness of marketing and information tools like blogging because they are so user friendly. However, in their ease of use is found remarkable power to promote competition through information sharing and networking. Developing social media tools is well worth the time spent.