

Making Everything Easier!™

Social Entrepreneurship

FOR
DUMMIES®

Learn to:

- **Start and run a socially conscious enterprise**

Use today's most progressive business tools

Incorporate socially responsible concepts into your business plan

Implement ideas and processes

Mark B. Durieux, PhD

Applied and clinical sociologist

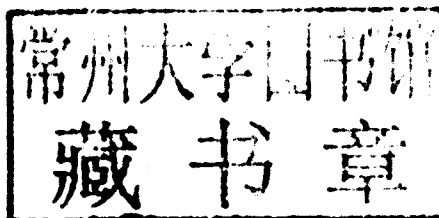
Robert A. Stebbins, PhD

*Faculty Professor and Professor Emeritus,
Department of Sociology, University of Calgary*



Social Entrepreneurship FOR **DUMMIES®**

by Mark B. Durieux, PhD,
and Robert A. Stebbins, PhD



WILEY

Wiley Publishing, Inc.

Social Entrepreneurship For Dummies®

Published by

Wiley Publishing, Inc.

111 River St.

Hoboken, NJ 07030-5774

www.wiley.com

Copyright © 2010 by Wiley Publishing, Inc., Indianapolis, Indiana

Published simultaneously in Canada

No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, scanning or otherwise, except as permitted under Sections 107 or 108 of the 1976 United States Copyright Act, without either the prior written permission of the Publisher, or authorization through payment of the appropriate per-copy fee to the Copyright Clearance Center, 222 Rosewood Drive, Danvers, MA 01923, (978) 750-8400, fax (978) 646-8600. Requests to the Publisher for permission should be addressed to the Permissions Department, John Wiley & Sons, Inc., 111 River Street, Hoboken, NJ 07030, (201) 748-6011, fax (201) 748-6008, or online at <http://www.wiley.com/go/permissions>.

Trademarks: Wiley, the Wiley Publishing logo, For Dummies, the Dummies Man logo, A Reference for the Rest of Us!, The Dummies Way, Dummies Daily, The Fun and Easy Way, Dummies.com, Making Everything Easier, and related trade dress are trademarks or registered trademarks of John Wiley & Sons, Inc. and/or its affiliates in the United States and other countries, and may not be used without written permission. All other trademarks are the property of their respective owners. Wiley Publishing, Inc., is not associated with any product or vendor mentioned in this book.

LIMIT OF LIABILITY/DISCLAIMER OF WARRANTY: THE PUBLISHER AND THE AUTHOR MAKE NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE ACCURACY OR COMPLETENESS OF THE CONTENTS OF THIS WORK AND SPECIFICALLY DISCLAIM ALL WARRANTIES, INCLUDING WITHOUT LIMITATION WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE. NO WARRANTY MAY BE CREATED OR EXTENDED BY SALES OR PROMOTIONAL MATERIALS. THE ADVICE AND STRATEGIES CONTAINED HEREIN MAY NOT BE SUITABLE FOR EVERY SITUATION. THIS WORK IS SOLD WITH THE UNDERSTANDING THAT THE PUBLISHER IS NOT ENGAGED IN RENDERING LEGAL, ACCOUNTING, OR OTHER PROFESSIONAL SERVICES. IF PROFESSIONAL ASSISTANCE IS REQUIRED, THE SERVICES OF A COMPETENT PROFESSIONAL PERSON SHOULD BE SOUGHT. NEITHER THE PUBLISHER NOR THE AUTHOR SHALL BE LIABLE FOR DAMAGES ARISING HEREFROM. THE FACT THAT AN ORGANIZATION OR WEBSITE IS REFERRED TO IN THIS WORK AS A CITATION AND/OR A POTENTIAL SOURCE OF FURTHER INFORMATION DOES NOT MEAN THAT THE AUTHOR OR THE PUBLISHER ENDORSES THE INFORMATION THE ORGANIZATION OR WEBSITE MAY PROVIDE OR RECOMMENDATIONS IT MAY MAKE. FURTHER, READERS SHOULD BE AWARE THAT INTERNET WEBSITES LISTED IN THIS WORK MAY HAVE CHANGED OR DISAPPEARED BETWEEN WHEN THIS WORK WAS WRITTEN AND WHEN IT IS READ.

For general information on our other products and services, please contact our Customer Care Department within the U.S. at 877-762-2974, outside the U.S. at 317-572-3993, or fax 317-572-4002.

For technical support, please visit www.wiley.com/techsupport.

Wiley also publishes its books in a variety of electronic formats. Some content that appears in print may not be available in electronic books.

Library of Congress Control Number: 2010922554

ISBN: 978-0-470-53808-1

Manufactured in the United States of America

10 9 8 7 6 5 4 3 2 1



WILEY

***Social
Entrepreneurship***
FOR
DUMMIES®

About the Authors

Mark B. Durieux, PhD: Mark is an applied and clinical sociologist who teaches and consults widely with community groups and the public concerning the contemporary study and practice of compassion and social entrepreneurship. He also teaches a comprehensive range of sociology courses at the university level — everything from social statistics and research methods to social psychology and leisure. But his courses in the areas of the sociology of compassion, social entrepreneurship, and grounded theory methodology are well known for their innovative content and delivery. Mark is currently collaborating with a number of extremely supportive and well-respected academic and frontline colleagues in developing and creatively extending the last three areas.

Robert A. Stebbins, PhD: Robert is faculty professor in the Department of Sociology at the University of Calgary. He has also taught at the University of Texas at Arlington and Memorial University of Newfoundland. Robert received his doctorate in sociology in 1964 from the University of Minnesota. Among his 35 books are *A Dictionary of Nonprofit Terms and Concepts* (with David H. Smith and Michael Dover) and *Serious Leisure: A Perspective for Our Time*. Robert was elected Fellow of the Academy of Leisure Sciences in 1996 and, in 1999, elected Fellow of the Royal Society of Canada. His own serious leisure includes volunteering in Calgary's French-language community. He has helped establish two social enterprises and served on the boards of directors of several others.

Dedication

To Friedel (mom); Barney (dad); Sherry (wife and very best friend); Meghan, Matthew, and Emma (fantastic children, really!); Bob Stebbins and Jaber Gubrium (super-supportive colleagues); and the truly compassionate and social entrepreneurial friends and folk I encounter daily.

—Mark Durieux

To Karin.

—Robert Stebbins

Authors' Acknowledgments

Books as complicated as this one always have a supporting cast who work behind the scenes to bring them to fruition. This book has been no different. Stacy Kennedy was our first contact with Wiley Publishing; she patiently and efficiently worked out the many details of the writing schedule and the publisher's contract. She also put us in contact with Corbin Collins, who was responsible for reworking our manuscript to fit the distinctive style of the *For Dummies* series; this book would not have been published without his extensive knowledge and experience in this area. Finally, we want to thank Elizabeth Kuball, who edited the entire text, bringing it to the polished level of publication that you're about to read, as well as Eric Corey Freed who worked behind the scenes to ensure technical accuracy and made a variety of most helpful suggestions.

Publisher's Acknowledgments

We're proud of this book; please send us your comments at <http://dummies.custhelp.com>. For other comments, please contact our Customer Care Department within the U.S. at 877-762-2974, outside the U.S. at 317-572-3993, or fax 317-572-4002.

Some of the people who helped bring this book to market include the following:

Acquisitions, Editorial, and Media Development

Project Editor: Elizabeth Kuball

Contributor: Corbin Collins

Acquisitions Editor: Stacy Kennedy

Copy Editor: Elizabeth Kuball

Assistant Editor: Erin Calligan Mooney

Editorial Program Coordinator: Joe Niesen

Technical Editor: Eric Corey Freed

Senior Editorial Manager: Jennifer Ehrlich

Editorial Supervisor and Reprint Editor:
Carmen Krikorian

Senior Editorial Assistant: David Lutton

Editorial Assistants: Jennette ElNaggar,
Rachelle Amick

Cover Photos: © iStock

Cartoons: Rich Tennant
(www.the5thwave.com)

Composition Services

Project Coordinator: Katie Crocker

Layout and Graphics: Ashley Chamberlain,
Yovonne Grego

Proofreaders: ConText Editorial Services, Inc.

Indexer: Cheryl Duksta

Publishing and Editorial for Consumer Dummies

Diane Graves Steele, Vice President and Publisher, Consumer Dummies

Kristin Ferguson-Wagstaffe, Product Development Director, Consumer Dummies

Ensley Eikenburg, Associate Publisher, Travel

Kelly Regan, Editorial Director, Travel

Publishing for Technology Dummies

Andy Cummings, Vice President and Publisher, Dummies Technology/General User

Composition Services

Debbie Stailey, Director of Composition Services

Contents at a Glance

<i>Introduction</i>	<i>1</i>
<i>Part I: An Introduction to Social Entrepreneurship.....</i>	<i>7</i>
Chapter 1: Social Entrepreneurship: A Calling for You.....	9
Chapter 2: Building Public Compassion.....	23
Chapter 3: Motivation and the Volunteer Spirit.....	41
Chapter 4: Communicating for Social Change.....	59
Chapter 5: Using Trends to Harness the Next Big Things	71
<i>Part II: Establishing Your Organization</i>	<i>93</i>
Chapter 6: Finding Your Focus: Civil Society's Many Faces.....	95
Chapter 7: The Ground Floor: Doing the Initial Planning	115
Chapter 8: For-Profit and Nonprofit: Considering Your Options	129
Chapter 9: It Doesn't Grow on Trees: Funding Nonprofits	145
Chapter 10: Creating Your Brand.....	163
<i>Part III: Growing Your Organization</i>	<i>179</i>
Chapter 11: Mixing It Up: Using Social Networking and Social Media.....	181
Chapter 12: Greenroom Strategies: Winning with the Media.....	195
Chapter 13: Keeping Kafka at Bay: Dealing with Bureaucracy.....	211
Chapter 14: Going Corporate: Formally Organizing and Incorporating.....	223
<i>Part IV: Keeping Your Organization Running for the Long Haul</i>	<i>239</i>
Chapter 15: Putting the Entrepreneur in Social Entrepreneurship	241
Chapter 16: Leading Indicators: Leadership and Your Organization.....	253
Chapter 17: Managing a Social Enterprise	265
Chapter 18: No Man Is an Island: Teamwork.....	289
<i>Part V: The Part of Tens</i>	<i>299</i>
Chapter 19: Ten Great Areas for Social Entrepreneurial Action.....	301
Chapter 20: Ten Common Mistakes to Avoid.....	309
<i>Appendix.....</i>	<i>313</i>
<i>Index</i>	<i>319</i>

Table of Contents

Introduction 1

About This Book	1
Conventions Used in This Book.....	2
What You're Not to Read.....	2
Foolish Assumptions.....	2
How This Book Is Organized	3
Part I: An Introduction to Social Entrepreneurship.....	3
Part II: Establishing Your Organization.....	3
Part III: Growing Your Organization	4
Part IV: Keeping Your Organization Running for the Long Haul.....	4
Part V: The Part of Tens.....	5
Icons Used in This Book	5
Where to Go from Here.....	5

Part I: An Introduction to Social Entrepreneurship 7

Chapter 1: Social Entrepreneurship: A Calling for You.9

What Is Social Entrepreneurship?	9
Social entrepreneurship is motivation.....	10
Social entrepreneurship is organization.....	11
Social entrepreneurship is society	11
Social Entrepreneurship: How Do You Get Started?	12
Recognizing and stating objections.....	12
Taking action	14
Starting a social enterprise.....	15
The Beginnings of Social Enterprises.....	16
The International Red Cross.....	17
Ryan's Well Foundation	18
My Life My Soul	18
The Lost Boys and Girls of Sudan.....	19
Moving Forward with Your Ideas and Passion	20

Chapter 2: Building Public Compassion.23

Public Compassion as the: Groundwork for Success	24
What compassion is	25
Why compassion is everybody's responsibility	25
How social entrepreneurs fit in.....	26

Breaking Down Exclusionary Social Distance	28
Understanding the reality of social distance	28
Tearing down social distance through social entrepreneurship	29
Attachment: Emotional Bonds and Public Compassion	31
The emergence of attachment theory	31
When attachments don't form properly	31
Applying attachment theory to social entrepreneurship	32
Supercharging Public Compassion: The Secret's in the Culture	34
Why culture matters	34
"Doing" culture	34
Spreading Public Compassion: The Clarity of Social Insight	36
Discovering social insight	36
Seeing social insight in action (and inaction)	37
Developing your own social insight	39
Chapter 3: Motivation and the Volunteer Spirit	41
What Motivates Social Entrepreneurs?	41
Altruism	42
Community engagement	43
Generosity	44
Compassion and sympathy	45
Serious Leisure: Social Entrepreneurship as a Career Choice	46
A strong sense of commitment	48
A sense of moral obligation	48
It's Not All Altruism: Rewards and Costs of Serious Leisure	49
For-Profits: The Entrepreneur as Occupational Devotee	51
Leisurely Volunteering	53
Defining what a volunteer is	53
Identifying what volunteers get out of the deal	54
Searching for volunteers	55
Chapter 4: Communicating for Social Change	59
Talking to Yourself Helps More Than You'd Think	59
Communicating in the Social Enterprise	61
The etiquette of communication	62
Communicating in small groups	63
Communicating in hierarchies: Directions and grapevines	63
Overcoming barriers to communication	65
Communication in Social Development	66
Development communication versus communication for social change	66
Participatory democracy: The foundation	67
Communicating trends and tipping points	68
Chapter 5: Using Trends to Harness the Next Big Things.	71
Identifying Major Trends Facing the World Today	71
Globalization of science and technology	72

Urbanization	76
Population growth	78
Issues Arising from the Major Trends	81
Consumption and waste	81
The nuclear family	82
Swamping governments	87
Trends in Social Responsibility and Corporate Social Responsibility ...	88
Social impact assessments	89
Ethical investing.....	90
Philanthrocapitalism	90
Microcredit and microfinance.....	91
Open access and open source	91

Part II: Establishing Your Organization 93

Chapter 6: Finding Your Focus: Civil Society's Many Faces 95

Service, Community, and Social Organizations	96
Health and Wellness Organizations	100
Family, Children's, and Youth Organizations	102
Women's and Minorities' Organizations	105
Poverty, Humanitarian Aid, and Development Organizations.....	107
Environmental Organizations	112

Chapter 7: The Ground Floor: Doing the Initial Planning 115

Planning Strategically.....	116
Setting Goals: The Foundation of Planning	118
Official goals: What you tell the world about where you're headed.....	118
Unofficial goals: Stuff you secretly hope to also achieve	120
Planning on Profit — Or Not	121
Anticipating Who Will Benefit from Your Work.....	122
Defining a human target	122
Focusing on nonhuman targets.....	123
Developing Mission and Vision Statements	125
Short and sweet: Crafting a mission statement	125
A glimpse of your future: Writing a vision statement	127

Chapter 8: For-Profit and Nonprofit: Considering Your Options. . . . 129

Introducing the Different Types of Socially Conscious Organizations:	
Nonprofit and For-Profit.....	129
Unincorporated nonprofit groups	130
Nonprofit corporations	130
For-profit corporations	130
Weighing the Pros and Cons of Nonprofit and For-Profit Organizations.....	131
Nonprofits: Everything goes back to the organization	131

Helping society while turning a profit.....	132
Looking at the Moral Dimension in For-Profit Enterprises.....	136
Double and triple bottom lines: Adding social and environmental good to your goal of turning a profit.....	136
Practicing corporate social responsibility	138
Marketing with a conscience.....	140
Considering Capitalistic Concerns in Nonprofit Enterprises.....	141
Philanthrocapitalism: Capitalism with a twist	141
Venture philanthropy: The work of fairy godcapitalists	143
Socially responsible investing.....	144

Chapter 9: It Doesn't Grow on Trees: Funding Nonprofits.145

Achieving Charitable Status	146
You Gotta Pay Your Dues	147
Deciding how much to charge in dues	147
Maximizing the efficiency of your dues	148
Putting the Fun in Fundraising.....	150
Ongoing funding.....	150
Episodic funding	151
Capital campaign	151
Planned giving	152
Hiring out your fundraising	152
Finding Donors and Preventing Their Fatigue	154
Finding External Financial Support	155
Foundations	155
Governmental entities	157
The private sector	158
Gifts.....	159
In-kind contributions	160
Writing Successful Grant Proposals.....	160

Chapter 10: Creating Your Brand163

What's in a Name?	164
Creating an Online Presence.....	166
Reaching the right folks	166
Creating content	167
Developing an appropriate appearance.....	169
Focusing on functionality	169
Seeking commercial support and advertising.....	170
Getting Your Identity on Paper	172
Brochures	172
Flyers	172
Posters and banners.....	172
Business cards	173
Letterhead stationery.....	173
Marketing the Old-Fashioned Way	174
Logos	174
Networking.....	175

Slogans	175
Apparel.....	176
Public Relations: Imaging Your Enterprise	176

Part III: Growing Your Organization..... 179

Chapter 11: Mixing It Up: Using Social Networking and Social Media181

Social Networking and Social Media	182
Signing up with the most popular social media sites.....	182
The four functions of social media for the social entrepreneur.....	184
Following Followers on Twitter	185
Becoming a valued tweeter	187
Turning followers into collaborators	187
Networking, Online and Off	188
Balancing your physical and digital lives	188
Rapport: The key to keeping it real	189
Building whuffie and rapport	191
Collaborative Intelligence and Collaborative Learning	192
Committing to collaborative learning	192
Using social bookmarking sites to collaborate.....	193

Chapter 12: Greenroom Strategies: Winning with the Media195

Why Media Relations Matters	195
Focusing on Your Media Outreach.....	198
Feeding the Media Monster: Producing Your Materials.....	201
Planning your materials	201
Writing press releases.....	202
Assembling a media kit	204
Sending out your stuff	205
Holding a media event.....	205
Following Up to Make Sure Your Message Gets Out.....	208

Chapter 13: Keeping Kafka at Bay: Dealing with Bureaucracy211

Bureaucracy and the Chain of Command.....	211
Flat Bureaucracy: Keeping Things Lean	213
Setting limits.....	214
Staying on a bureaucratic diet	215
Avoiding the Tendency to Over-Bureaucratize	215
Having realistic expectations	215
Asking if you can do without expansion.....	216
Assessing expansion.....	216

Adhocracy: Alternatives to Bureaucracy	217
Task forces.....	217
Committees.....	218
Assignments	218
Co-options.....	219
Dealing with External Bureaucracy	219
Governmental bureaucracy.....	220
Corporate bureaucracy.....	221
 Chapter 14: Going Corporate: Formally Organizing and Incorporating	 223
Forming a Group: Formal or Informal	223
Introducing Corporations: Nonprofit versus For-Profit.....	225
Weighing the Pros and Cons of Incorporation.....	226
The pros.....	227
The cons.....	228
Incorporating Your Social Enterprise	230
Registering your enterprise's name	230
Identifying and recruiting directors and trustees	231
Drafting your constitution	233
Laying down the bylaws.....	237
 Part IV: Keeping Your Organization Running for the Long Haul.....	 239
 Chapter 15: Putting the Entrepreneur in Social Entrepreneurship.....	 241
Defining What an Entrepreneur Is	241
Doing more than minding the gap	243
Identifying the characteristics of the entrepreneurial mindset.....	243
Knowing What Makes a Social Entrepreneur Different.....	244
Focusing on what is and what ought to be.....	245
Feeling people's pain.....	245
Facing trying conditions	245
Being inventive out of necessity	245
Thinking local, no matter where.....	246
Fostering Pragmatic Creativity	248
Recognizing the power of story	248
Looking at whether creativity can be learned	249
 Chapter 16: Leading Indicators: Leadership and Your Organization.....	 253
Building a Leadership Model for Social Change	254
Balancing driving and restraining forces.....	254

Making sure driving forces win	255
Social Change and Charismatic Leadership	256
Switching allegiances and reframing	257
The other-attentive and the self-absorbed	258
Social Change and Servant Leadership	259
Distinguishing servant leaders and charismatic leaders	259
The nuts and bolts of servant leadership	261
Social Change and Distributed Leadership	261
Developing Your Own Leadership	262

Chapter 17: Managing a Social Enterprise265

Recruiting Paid Staff	265
Writing a job description	265
Posting a want ad	267
Creating a job application	268
Interviewing candidates	268
Drafting an employment contract	269
Managing and Training Paid Staff	270
Planning	270
Organizing	270
Directing	271
Monitoring	271
Training paid staff	272
Recruiting Volunteers	273
Managing Volunteers	274
The role of the volunteer coordinator:	
Knowing what makes volunteers tick	275
Training volunteers	277
Whipping Up Morale	279
Keeping goals visible	280
Giving constructive feedback	280
Recognizing and rewarding people for a job well done	281
Avoiding burnout	282
Managing the Finances	284
Putting your treasurer to work	284
Cutting costs	285
Taking a Hard Look at Your Managerial Ethics	286
Talking the talk: Being honest with your team	286
Who's the fairest of them all:	
Treating your team members fairly	287
Making sure you're not exploiting your volunteers	288

Chapter 18: No Man Is an Island: Teamwork289

Being a Team Player	290
Being a Coach: Managing Teams	291
The basics of team management	291
Firing up teams	292

Using the Power of Persuasion	294
Collaborating with Your Team Members to Work toward a Common Goal.....	295

***Part V: The Part of Tens*..... 299**

Chapter 19: Ten Great Areas for Social Entrepreneurial Action . . . 301

Culture Clash: Solving Cultural Problems in Your Community	302
It's Not Easy Being Green: Tackling Environmental Problems Head-on	302
Providing the Comforts of Home: Food, Clothing, and Shelter	303
Heal Thyself: Tackling Health Problems.....	304
Movement of the People: Migration and Immigration	305
Ways of Living: Addressing Lifestyle Issues.....	306
Working for a Living: Helping Folks Find Work.....	306
Blessed Are the Peacemakers: Working for Peace and Reconciliation	307
Back to School: Education and Personal and Community Development	307
The Big City: Alleviating the Problems of Urban Life.....	308

Chapter 20: Ten Common Mistakes to Avoid. 309

Overlooking Potential Leaders	309
Mismanaging Volunteers	310
Getting Too Bureaucratic	310
Incorporating When You Don't Have To	310
Failing to Spot Trends	311
Being Unrealistic about Funding	311
Failing to Innovate	311
Choosing the Wrong Name.....	312
Not Having a Good Web Site	312
Not Using the Media to Your Advantage	312

***Appendix*..... 313**

Finding Funding	314
Creating an Identity	315
Incorporating Your Social Enterprise	315
Managing Paid Staff and Volunteers	316
Pursuing an Education in Social Entrepreneurship	316

***Index*..... 319**