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Investing in Employment and Hope

Social Enterprise
Messaging Guidelines

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Social Enterprise Messaging Guidelines

APCO Worldwide was commissioned by REDF to develop messaging guidelines for organizations and other stakeholders helping those facing the greatest barriers to work get jobs through social enterprise. The goal of this document is not to develop a new definition, but to help normalize the term and equip the network with specific recommendations to communicate a more unified message. Ultimately, the goal is to increase awareness and excitement about this field among community leaders, funders, business leaders, consumers and government officials. These guidelines build on prior work including "Preserving the Meaning of Social Enterprise," by Jim Schorr and Kevin Lynch and "Social Entrepreneurship: The Case for Definition," by Roger L. Martin & Sally Osberg, both pieces published by the Stanford Social Innovation Review. Given that this work was commissioned by REDF and leveraged the insights of many members of the SE4Jobs Network, it is primarily geared towards social enterprises with a social mission to support those facing the greatest barriers to work.

This document includes: overarching key messages, tailored guidance for communicating to specific audiences and recommended next steps.

PROCESS

Throughout the development of these guidelines, it was a priority to make it an inclusive process, to ensure the output reflected the best thinking and to boost the uptake of the messaging once the final deliverable was complete. In May 2014, we launched the project at the REDF Social Enterprise Leadership Convening. In June 2014, APCO Worldwide conducted a communications and messaging survey of people working with social enterprise. More than 60 people completed the web-based survey, which included both closed and open-ended questions. The process also included a review of previous works related to the topic of defining social enterprise. The results are summarized in Appendix A and were used to inform a series of 15 in-depth interviews. These interviews were conducted with practitioners, government officials, funders and business partners actively involved in the social enterprise field (see Appendix B for list). We selected many of these stakeholders based on recommendations we received from the survey. We are grateful to the many social enterprise stakeholders who contributed their time and wisdom to inform this process.

WHAT IS A SOCIAL ENTERPRISE?

There are currently inconsistencies in how people use the term social enterprise, but there is agreement that *social enterprises leverage a business approach to address a social mission*.

WHAT ARE SOCIAL ENTERPRISES FOCUSED ON EMPLOYMENT?

The primary goal of this particular exercise was to provide guidance for those active in the integrated SE4Jobs (Social Enterprise for Jobs) movement. Specifically:

(Our) social enterprises are mission-driven businesses focused on hiring and assisting people who face barriers to work.

- ✓ **They earn and reinvest their revenue to provide more people with jobs that build skills and a career path.**

- ✓ **They help people who are willing and able to work,** but have the hardest time getting jobs.

- ✓ **In doing so, they enable people to realize their full potential through a more financially sustainable and cost-effective model than many workforce development programs.**

- ✓ **Use a demand-driven approach to meet employer needs.**

Social enterprises are not…

- **Any nonprofit doing innovative work** – Both social entrepreneurship and social innovation are broader terms that reflect new approaches to addressing social problems, not necessarily through an earned-income business approach.
- **All businesses with charitable campaigns** – While important, businesses who simply donate to charitable causes are not social enterprises. A core focus on reinvesting the earned revenue from the business to further the social mission of the organization is crucial**.**

KEY TERMS

Based on our conversations with key industry leaders over the past several months, we identified the following key words and phrases being used to describe social enterprises. As appropriate, these buzzwords can be highlighted to reiterate key points that will resonate with most audiences. Examples:

> Business rigor, problem-solving, cost-effective, sustainable, innovative, measurable impacts on people, families and communities

COMMUNICATING TO DIFFERENT AUDIENCES

Overall Guidance:

- Research your audience prior to speaking of your organization's goals so you can tailor your messages based on what will resonate.
- Arm yourself with at least three data points and real-life examples of your work; this will bring your mission and services to life.
- Showcase the multifaceted benefits of the social enterprise model (the prioritization of these benefits differs based on the audience – see audience-specific recommendations below).
- Do not define a social enterprise as either a non-profit or for-profit organization, as the business and social elements can be buried under these titles.

Businesses (B2B)

In communicating to any business partner, emphasize what makes you a smarter and differentiated business choice (e.g., committed/enthusiastic employees, innovation, selling a unique product). Great social enterprises speak in business terms and can demonstrate success as it relates to customers, sales and the bottom line. Proving the organization as a viable business choice is crucial in order to secure and maintain long-term business relationships. Anecdotal accolades should be supplemented with metrics demonstrating a track record of success, including sales and revenue. Highlight that sourcing from social enterprises can be brand-enhancing and may appeal to both consumers and employees.

Initial Sell

- Initially, provide light touch opportunities to get engaged and this will often lead to deeper engagement.

- Whenever possible, bring prospective business partners to you versus going to them. Words can rarely express what visuals can and seeing the impact and the professionalism will leave a lasting impression. This includes providing the opportunity for business partners to meet those served by the programs. By providing an opportunity to get to know the program participants, you can help begin to shift prospective partners' views and stereotypes.

Tailor Your Message Based on Your Offering and Audience

Our interviews also uncovered an important distinction to make depending on whether the social enterprise is selling a service or a good. Given that artisanal goods are generally not seen as a necessity, and gaining attention apart from competition means differentiating oneself based on deeper messaging about characteristics, we heard from those surveyed that the faces behind the work and the social mission should be at the forefront. Conversely, social enterprises that offer a service will largely be competing from a more straightforward and economical perspective, prompting the need to focus on efficiency and the business solution the social enterprise offers, with the societal element as a support point.

Hierarchical Ranking of Proof Points, Based on Offering

Service	Goods
• Efficiency, price • Social mission • Spotlight on employees	• Social mission • Spotlight on employees • Efficiency, price

In addition to differentiating your message based on your offering, tailor your communication based on who you are speaking to within the business. For example, procurement is likely to be more interested in how you can compete in terms of efficiency and price. Those in CSR or HR function in the company may be particularly interested in the social mission. At the executive level, a hybrid-approach may resonate best.

Consumers (B2C)

For most goods and services, the market is saturated with options, making the need to properly position one's offering to consumers from both an economical (of good value) and humanitarian perspective. More than just the actual product, with consumers, building an appealing branding campaign is key. It's about showcasing the all-around company and mission, not just the benefits of a particular good or service.

In order to sufficiently appeal to a consumer's buying habits, social enterprises should:

- Exceed consumer expectations, including taste, quality, service and price.
- Showcase that consumers are not only receiving a better product, but helping society at large. Reinforce this point by adding specific data points and personal stories for those who have been employed through a social enterprise.

Government

There is limited understanding of what social enterprise is in the public or government sector, yet on the whole those that take the time to understand it, get behind it. Social enterprise can **appeal to government stakeholders on both sides of the aisle**, due to its emphasis on leveraging business acumen to address pervasive societal issues in a **cost-effective** and **scalable** way. Social enterprise also presents and exciting opportunity to **innovate**, particularly in the government sector where that is so hard to do – and takes a more sustainable approach than most other interventions.

When communicating with government stakeholders, it is important to demonstrate:

- The ability to address both workforce development and economic development challenges.
- The community needs met.
- Cost-savings compared to other models and measurable impacts at the local, state and federal level.
- Evidence of sales and people getting jobs.

At the local government level, social enterprises have found success by:

- Demonstrating that they are a community asset and are providing a solution to a particular problem the community may be facing, principally in blighted neighborhoods.
- Getting involved in the city on an ongoing basis.

For social enterprises focused on employment, one key is emphasizing skill development and training on the job for those facing barriers.

Funders

Funders have different focus areas and motivations, so it is important to research prospective funders in advance to target your outreach based on issues of mutual interest, and align your communications with their focus areas. That said, the following emerged as key areas of focus for funder communications:

- Focus on the **use of business strategies and results** to carry out the work of the social sector, which appeals very broadly.
- Emphasize the catalytic/ripple effects through society.
- Highlight that social enterprise uses an **earned-revenue model to offset program costs**.
- **Combine numbers with personal stories.** Blend quantitative data and qualitative testimonials to tell a comprehensive and compelling story. Coupling outcome and impact data with stories about the lives changed creates an effective blended package.
- **Emphasize exceptional leadership.** Examples include an ability to engage with and secure buy-in from different sectors and a willingness to admit failure and learn from it, an ongoing interest in bettering the business by proactively seeking feedback and the courage to take risks, particularly in the name of innovation.

RECOMMENDED NEXT STEPS

This final section includes suggestions for enhancing communications and collaboration in the social enterprise space, as expressed in the survey and interviews. In order for the movement to continue to gain momentum, the following tools and tactics represent priority areas stakeholders should consider pursuing. Please share this with colleagues and others in your social enterprise networks and contact Leeann Alameda (lalameda@redf.org) with any questions.

Uptake of Messaging Study

One important next step is translating the results into action in a disciplined way. There needs to be clear and consistent messaging used by those operating in this space in order to address the significant communication challenges identified by virtually all the social enterprise stakeholders we consulted through this process. We hope that all those reading this will take the following actions:

- Share these guidelines with others working in the social enterprise for jobs space.

- Review your organization's communication materials including fact sheets and website content and look for ways to enhance your messaging, while also incorporating learnings into talking points for networking, media interviews and speeches.
- Continue to stay informed and contribute to the conversation, including participation in written dialogue, such as sharing and commenting on articles where other social enterprise leaders are quoted.
- Review the other suggested actions outlined below and explore ways to get involved to make this a more cohesive and collaborative space.
- Look for the forthcoming Social Enterprise Case Study compilation and go to REDF Workshop: redfworkshop.org.

Campaign/Public-Facing Commitment

There is widespread interest in joining forces on a public-facing campaign or commitment that would spark collaboration and raise public awareness of social enterprise in the U.S. This could take shape in one or more ways; here are some examples of new movements and aspirations:

- The Buy Social Movement, led by Social Enterprise UK, is admired by many of the people we consulted as part of this process. That campaign arose because Social Enterprise UK members wanted a way to drive more business their way. They targeted three core customer bases: social enterprises, the private sector and consumers - one at a time over a three year period. In addition to a directory of social enterprises, consumers were also engaged after the group established the first 'Social Saturday' in September 2014, with an accompanying PR and social media campaign assisting with drawing further attention toward the cause.
- The Conscious Capitalism initiative aims to "develop a community that believe and demonstrate that business can generate both profit and a higher purpose." With chapters and events taking place throughout the nation, the opportunity exists to engage with leading CEOs to identify ways they can work with social enterprises for various needs.

Based on our interviews, suggested criteria for a possible collective commitment included:
- Focused on social enterprise stakeholders exclusively, as defined in this document.
- Cross-sector involvement.
- Ambitious, clear and measurable goal. The most popular focus area for such a goal was to set an ambition target for # of people facing barriers that have gotten or stayed employed. From a communication perspective, people felt it would be particularly effective to provide proof points including the average unemployment rates for difficult to serve populations and the cost-savings of getting these vulnerable populations to work and off of government handouts. See Appendix A for a full list of suggestions.
- Involvement by one or more signature funders.
- Big name/celebrity engagement.

Appendix

Social Enterprise Messaging Study – Pre-interview Survey Results

Memo of key findings

In June 2014, with REDF funding, APCO Worldwide conducted a communications and messaging survey of people working with employment-focused social enterprise organizations. More than 60 people completed the web-based survey, which included both closed and open-ended questions. The results, which are summarized below, were used to inform a series of approximately 15 in-depth interviews.

Communications Concerns: When talking about **social enterprise (SE)**, respondents say a "**communication gap**" is one of the biggest communications concerns their organization faces, including a widespread lack of understanding of the terminology. Besides the need for a clear definition of SE (i.e., having distinct messages for different stakeholder groups while maintaining an accurate and unified way of communicating about the organization overall), colleagues also point out that it is crucial to delimit the parameters of the field – in the words of one respondent, "to draw a circle around the participants – who is included and who is not; how do for-profit social impact companies differ from employment-focused social enterprises, and how to organize the thinking about the overlap." Another respondent adds that there are too many different voices from too many different organizations that may be inadvertently hampering the development of the SE movement by building silos and camps in their efforts to define it.
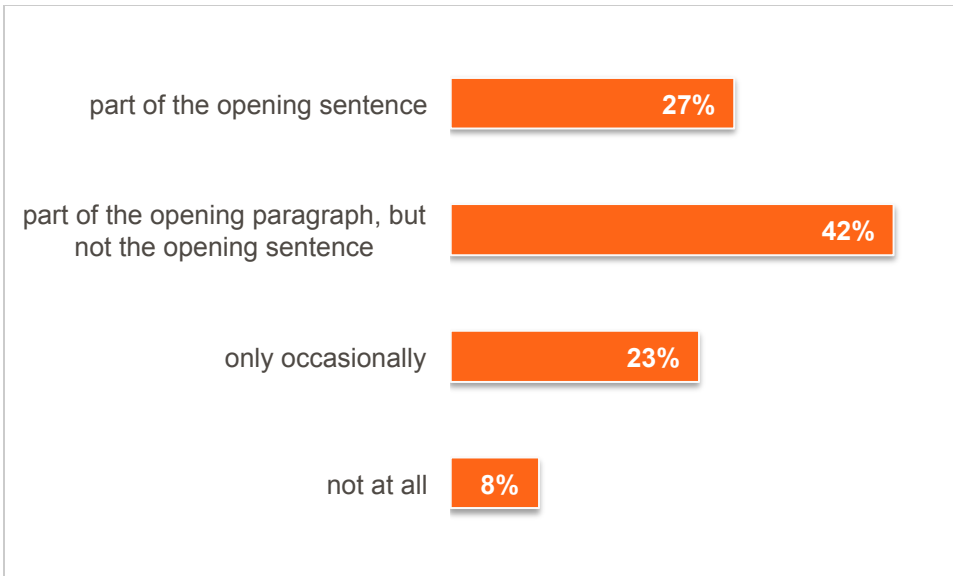
The term social enterprise is frequently confused with a more general "social entrepreneur" frame in which a person has started a social service organization, a colleague says. Most people don't understand the benefits of being a social enterprise – why the organization wouldn't just be a traditional non-profit. Thus, social enterprises have to learn how to describe their work as a business, not as a program. This will help move the discussion further. Yet, colleagues should recognize that describing their work in **business** terms could also set an unrealistic expectation, one respondent cautions.

Another challenge to overcome is the **prejudice** involved with hiring the populations served by these organizations and perceptions of quality and professionalism, as well as the notion that such service agencies are not nimble, skilled, or sophisticated enough to effectively run social enterprises. Other notable concerns include credibility about the quality of work provided by SE employees and getting potential customers to take interest in the mission.

Lastly, colleagues bring up a couple of obstacles around awareness – namely, reaching broader audiences while being constrained by underdeveloped/underutilized social networks and tight marketing budgets.

Lead Message: In describing their organization's work, respondents tend to **lead with messages** about providing skill training, case management and job placement to disadvantaged people who have barriers to employment. Some also describe their work as **building a bridge to connect clients and customers**. Some others focus on the fact that they provide funding and technical assistance to nonprofit organizations that create job opportunities for the most difficult people to employ. A common message is also the increased economic impact for all – impacting lives by providing meaningful work makes a difference in the community, especially by bringing historically disenfranchised users of community resources to the work table.

More than half of respondents use the term **social enterprise** to describe their work, although most use it in the first paragraph (42 percent) versus the first sentence (27 percent). Twenty-three percent use the term social enterprise only occasionally and eight percent of respondents do not use it at all.

part of the opening sentence	27%
part of the opening paragraph, but not the opening sentence	42%
only occasionally	23%
not at all	8%

Using the Term "Social Enterprise" with a General Audience: Using social enterprise to describe their work to a general audience currently yields the benefit of needing to be quickly self-defined and understood, colleagues say. Because the term needs to be explained, it can enable organizations to frame the conversation on their own terms. Respondents are positive about the window of opportunity associated with this. The newness of the terms creates a certain level of curiosity and intrigue, and there is plenty of social context and discourse within the general public to make people receptive to the idea.

Some say the term social enterprise conveys a dual social-financial message; it appeals to a wide audience, politically and economically, and both Dems and Reps can appreciate it. It establishes credibility in ways that the terms "nonprofit" or "public charity" do not. Implementing business methods to solve social problems shows innovation – people get and admire triple bottom line goals. People like the idea of nonprofits taking a business focused approach to generating revenue.

On the flip side, some respondents don't see many benefits of using the term because it is so vague. For example, the current lack of understanding of the term social enterprise is leading to confusion as to why a social enterprise needs funding. The term social enterprise is still too obscure to use effectively with many audiences. Most suggest developing a common, widely-used definition would help, or alternatively developing an entirely new term, which could elaborate what social enterprise is and how it works.

Using the Term "Social Enterprise" with Customers or Businesses: Overall, few points are raised on the benefits side when it comes to talking to businesses. One positive aspect is that the term differentiates such organizations from traditional for-profit companies perceived as competitors; putting the business operational side of an organization into a "social" context differentiates it from a "typical" business. Certain customers like and need an association to the "social" element (for regulatory, CSR or marketing purposes). But ultimately it really depends on the customer/business (i.e., whether the customer wants/needs to engage in social good-oriented activities). From a trends perspective, SE aligns with the overall trend of younger generations wanting to "do good" with their purchasing power.

On the negative end, the still nascent term, social enterprise, raises concern over a lack of understanding as to what a social enterprise does. Some businesses and customers do not care about a social mission and are solely focused on performance. Another drawback is that using the term social enterprise leads some businesses to consider the SE to be a competitor –unfairly competing by using an advantage of access to grant funding that businesses can't get.

Some respondents find businesses are worried about the quality of the service respondents' offer when they describe their work as a social enterprise: "It implies a population that needs help and that may not be job ready." It does not sound serious - either with respect to the quality of work being delivered, or the way the social enterprise would interact with the business (i.e. securing the work, contracting, reporting, relationship management). In some cases, the term SE can lead customers/businesses to conclude that a SE's services are not relevant to them – for example, some businesses confuse the term for "social responsibility".

Using the Term "Social Enterprise" with Funders: Respondents say using the term social enterprise to describe their work to funders highlights their social impact. Using the term also allows funders to have a better understanding of social enterprise and they like the utility of unrestricted earned income supporting a social mission. Funders also appreciate the innovativeness of social enterprises. Other respondents say funders don't "get it" when they use the term social enterprise, which can lead to incorrect conclusions that their products/services are not relevant to funders. Another drawback is social enterprise doesn't always fit in the traditional workforce approach with regards to funding. This leads to funders' confusion on why they should need social enterprises and where their funds go, as well as signal that there is less of a need for funding. Respondents voice common questions they receive from funders such as, "If you are sustainable, why should I help?" and, "Where are my funds put to use in your business?" Other respondents say the term social enterprise lacks meaning and is a buzzword, whereas others suggest there are no drawbacks to using the term.

Using the Term "Social Enterprise" with Government Officials: Some respondents say using the term social enterprise conveys positives, such as entrepreneurialism, innovation and social good, and that the term social enterprise is seen as helping to solve a social issue while at the same time decreasing dependence on their funds. Overall, advantages to describing respondents' work using the term social enterprise depends on the government official's interest, but does convey the respondent's work has a social mission with a positive social impact.

Government officials also are confused as to what social enterprise means when respondents use the term to describe their work. Officials may not understand the language or terms used and have confusion on whether social enterprises are nonprofits or not. There is a perception that social enterprises are not eligible for funding. According to respondents, a social enterprise does not fit with business models that are traditionally funded, supported, and regulated by the government, leading to further confusion among government officials. Other respondents have said government officials are unfamiliar with social enterprises, so using the term is difficult.

Using the Term "Employment Social Enterprise": Few respondents (24 percent) currently use the term employment social enterprise to describe their work and more than half do not see value in starting to use this term to describe their work.

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Use the term "Employment Social Enterprise"

24%
yes
76%
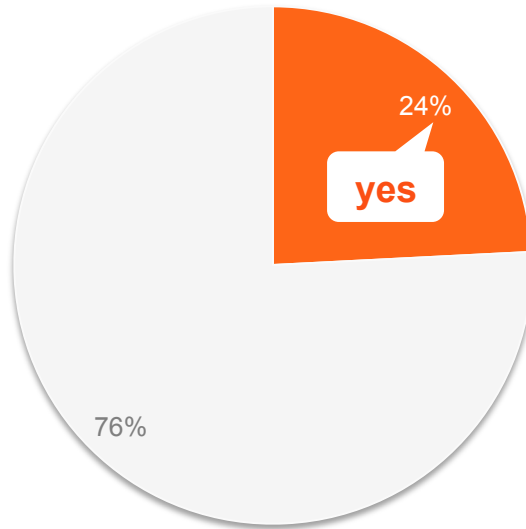
See value in using a niche term like "Employment Social Enterprise"

44%
yes
56%

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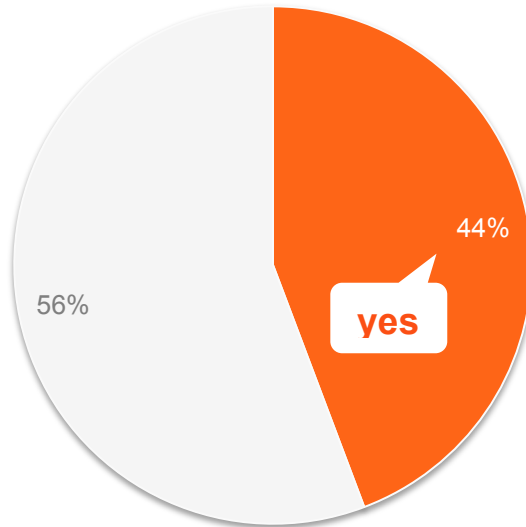
Public-Facing Commitment: The most conclusive feedback from the survey was overwhelming interest from the group to be part of a **public-facing commitment**. In fact, 92 percent of respondents said they would like to be part of such a collective commitment.

Open to being part of a public-facing commitment

8%

yes

92%
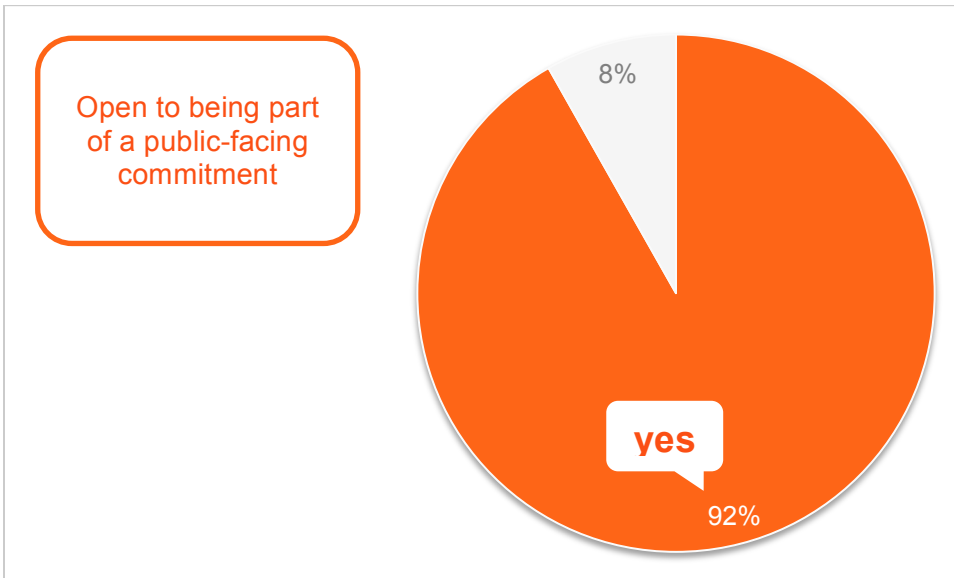
Some of the notable suggestions for such a commitment include:

- # of individuals entering or re-engaging with the workforce (most likely transitional/supportive experiences for this population)
- $ net benefit to American communities, taxpayer $ saved
- # of those people served who stay employed for one year
- # of 'traditional' employers who agree to employ from this source
- $ economic activity generated
- income level of those employed
- $ revenues earned for organization
- $ in contracts with public and private sources
- # of lives transformed
- minimum goals for retention and hourly wage
- increase in earned income from employment objectively measured over the time period
- meaningful full time jobs
- # of companies recruited as job placement partners; new public and private sector contracts secured
- # of paid labor hours