Key considerations for social enterprise as a mechanism for sustainable funding

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What is Social Enterprise

Organizations that address a basic unmet need or solve a social or environmental problem through a market-driven approach.

- The Social Enterprise Alliance
Some Types of Social Enterprises

Provide service
Buy one, give one
Donate part of proceeds

"Almost all new ideas have a certain aspect of foolishness when they are first produced."

-Alfred North Whitehead
Key Considerations

- Agility
- Risk
- Marketing
- Timing
  - Services
  - Finances
  - People
Agility

Ramp ideas up quickly
Close elements down quickly
Nonprofit Fear of Risk

Community dollars
Responsibility to steward
Appearance
  ■ Gambling
  ■ Don’t need money
  ■ Commitment to mission

What are the risks?

Fail
Lose money
Distract from mission services
Confusion
Tips for Organizations with Risk

May not be comfortable
Someone needs to lean in
Be open and transparent

- **Avoid**
  - Eliminate cause of risk
- **Mitigate**
  - Reduce probability or impact of risk
- **Accept**
  - Contingency plans for risk
- **Transfer**
  - Have third party take on responsibility

Source: World Economic Forum
The mission of TBP is to support adults and kids impacted by cancer by ensuring sustainable funding to the Cancer Support Community of Greater Ann Arbor, and to provide brides with a socially-conscious, eco- and budget-friendly option for purchasing their wedding gowns.
Data Driven Marketing

- Analytics
- Geo & Demo
- Survey Information
- Appointy

Data Driven Marketing

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11/21/17
THIS is why we do what we do. ❤️

#GivingTuesday is a week away. This #GivingTuesday give a gift that lasts. Gift Support, Gift to the Cancer Support Community of Greater Ann Arbor.

Lily's Story: Our little family ended up facing cancer five days before my 34th birthday. I knew I needed help. Within two weeks of my diagnosis, I was sitting in a comfortable chair at the Cancer Support Community attending my first 12 Step Cancer Support group giving me a source of comfort. I didn't feel alone. I hoped to meet another young family and CBD made this happen. As our children started, I
Donor Cultivation in Marketing

Publicly & privately acknowledge

Keep in touch!
- Buyers become donors
- Donors become volunteers
- All are marketing tools

Timing is everything
Timing - State of Services

“Tail wagging the dog”

Quality
Stability

Timing - People

Inventory
- Staff
- Social Capital
- Stakeholders
Timing - Finances

Evaluate

- Cash reserves
- Investments
- Stability of development activities

Timing - Finances

Use what you know

Fundraising & expense ratio:
Total Fundraising Expenses/Total Expenses

Revenue and expense ratio:
Total revenues/Total Expenses

*** Conflicting beliefs around these formulas
Is it the **right time** to embrace **risk**?
- State of services
- People
- Finances

**Be agile!**
- These practices need to be evaluated both initially and on an ongoing basis

**Know your message**