



PLANTING THE SEEDS FOR SOCIAL STARTUP SUCCESS

10 THINGS TO REMEMBER WHEN STARTING A SOCIAL ENTERPRISE

Kathleen Kelly Janus



Taking on the social challenges of our time,

be it treating diseases, hunger, climate change, or improving education is no small feat, and starting a social enterprise dedicated to solving these problems can be daunting. As Bill Drayton, founder of Ashoka, once said, “Social entrepreneurs are not content just to give a fish or teach how to fish. They will not rest until they have revolutionized the fishing industry.” Does this sound like you? If you’re considering embarking on the journey of social entrepreneurship, read through these 10 helpful tips and hints so you can successfully launch, scale up, and make a difference.

1. You Need a Compelling Why

Before you get started, you’ll need to get clear on your mission. As Albert Einstein once famously said, “If I only had an hour to save the world, I would spend fifty-five minutes defining the problem, and only five minutes finding the solution.” This couldn’t be more true when it comes to solving social injustices. With constantly evolving political, economic, and social forces at play, the most successful social entrepreneurs fall in love with the problem, as opposed to their particular solution.

Take the case of Springboard Collaborative, an organization that provides training workshops to parents about the importance of reading to their children. Founder Alejandro Gac-Artigas crafted an argument for the program so compelling that he was able to convince schools to fund it and run it on their premises. He got the idea for the training workshops by digging

deeply into the well-documented problem that students from lower income families often experience a regression in their reading skills during the summer break from school. He knew research showed that when young children's parents read to them at home, their abilities improved. When he dug further, he learned that the parents of the children experiencing the slide were not reading to them at home as much, if at all, as the parents of more privileged children. From his own teaching experience, he knew that school personnel did not generally engage actively with low-income parents, but his experience of growing up in a low-income neighborhood assured him those parents would respond positively to outreach. He formulated a theory that if schools reached out to the parents of the affected children, explained the problem and offered training in reading to their children, many parents would be receptive and would in fact begin reading to their children. Schools backed him because he had such a well-articulated argument for the program's efficacy. Years later, he has ample data that proves the concept.

What are you setting out to achieve? This will be essential when hiring a team, seeking out funding, and even crafting your pitch. Break down your goals into steps that can serve as benchmarks, so you can show the outcome with cold, hard data.

The most successful social entrepreneurs fall in love with the problem, as opposed to their particular solution.



2. Measure, Measure, and Measure Some More

Measuring impact is key to the success of any social enterprise. Over the last decade, there has been a sea change in how nonprofits gather and analyze data. One report found that 75 percent of nonprofits now engage in at least some measurement of their program results, and that roughly the same number have invested significantly in measuring their impact in the last five years.

The demand for data is particularly strong among the up-and-coming generation of donors, so finding a way to measure your impact and refine your programs accordingly should not be overlooked. Indeed, all the leaders of top-performing social startups I interviewed reported that impact measurement was a core part of their organizations' DNA, central to driving their operations, as well as to their fundraising. If organizations don't embrace these practices, they are at high risk of losing funding and stagnating in low- to no-growth mode. Find a measurement method that makes sense for your organization, and don't be afraid to get specific.

3. Surround Yourself with Experts

Experts in your field don't necessarily need to be those speaking on boards and fielding interview requests. Instead, look to people in your community. If you're aiming to change the school system or feed the homeless, find experts and potential staff who are immersed in that community. After all, they know it better than anyone else.



Here are some key ways that you can engage experts to enhance your chances of success:

- **Hire an executive coach:** The vast majority of the top-performing nonprofit leaders I've encountered work with a coach. Being an executive director can be a lonely role, and if you've never done it before, you might find yourself asking a lot of questions. Don't think that you need to reinvent the wheel. Seek advice from someone who has answers.
- **Recruit pro bono assistance:** There are countless professionals out there who want to be helpful to your cause, and have valuable skills to help. Nonprofit leaders regularly rely on pro bono help for legal questions, to support impact measurement and for communications coaching. Pro bono aggregator organizations, such as Volunteer Match and the Taproot Foundation, help find highly qualified volunteers.
- **Rely on your board of directors:** Your best bet for surrounding yourself with experts is to bring them on your board so that you can rely on their advice on a regular basis. Too often conversations about board recruitment start with "Who do we know?" as opposed to "Who do we need?" Jan Masaoka from Blue Avocado talks about how an organization should ask two questions: (1) What are the three most important things for our board to accomplish this year? and (2) Do we have the right people on the board to make that happen? Your answers will give you the clarity with which to write good job descriptions to show to potential candidates.

4. Monitor the News

If you want to start a social enterprise, monitoring the news is key to connecting your message to a current issue. One of the most powerful ways to create a sense of urgency is to connect your message to a current issue in the news. In other words, crafting a “news hook,” which will also help you immensely with your pitches to get coverage from the media. As journalist David Henderson once said, “Just because you are worthy, doesn’t mean you are newsworthy.”

Few of the organizations I studied had an in-house public relations team. Instead, the leaders themselves constantly kept their tentacles out in the news stream, and crowd sourced the effort to all staff, who contributed relevant news links to platforms like a Slack channel as they found them.

For example, when Abby Falik of Global Citizen Year, a nonprofit that seeks to normalize the bridge year between high school and college, saw that Bill Gates had written in his annual letter that the Gates Foundation would be “focused on global citizens,” or that Malia Obama had decided to take a bridge year before attending Harvard, she used those stories to help promote her message that an immersive global year between high school and college is not remedial or a “gap,” but an aspirational next step for our country’s emerging leaders.

Setting up Google alerts can be helpful, and carving out time throughout the day to scan the news is always a good idea.

5. Recognize That You Can't Do Everything Alone

Every successful founder will tell you they couldn't possibly have made their idea work if it weren't for the incredible work of their staff. Sometimes, it's necessary to hand off work that can be better done by your team, so that you can focus on the bigger picture, like securing funding. As Jim Collins famously wrote in *Good to Great*, CEOs who took their companies to a higher, "great" level of performance "first got the right people on the bus, the wrong people off the bus, and the right people in the right seats." He stressed that these CEOs prioritized getting the senior people they needed in place before they focused on developing the strategy for taking the organization to the next level. In my research, I have interviewed several founders who told me they prioritized this way, and that it made all the difference in scaling up faster.

Every successful founder will tell you they couldn't possibly have made their idea work if it weren't for the incredible work of their staff.



6. Don't Be Afraid to Lead Collaboratively

Some of the most dynamic organizations I interviewed for my book, *Social Startup Success*, incorporated ideas of the reverse pyramid leadership structure. In other words, give your team the opportunity to act as leaders, and you will instill a sense of purpose, trust, and appreciation.

Here the key is what Harvard Business School professor Linda Hill dubbed “leading from behind.” She was drawing on a phrase used by South African president and legendary leader of the movement against apartheid, Nelson Mandela. He wrote that a great leader “stays behind the flock, letting the most nimble go out ahead, whereupon the others follow, not realizing that all along they are being directed from behind.” Hill argues that this leadership style is the best way to motivate people and to unleash their creative potential.

Take the example of Rob Gitin from At The Crossroads, an organization that supports homeless youth in San Francisco. Rob Gitin has certainly taken all his responsibilities as founder of At The Crossroads seriously. But being a strong leader who is the face and voice of an organization in no way rules out also putting the spotlight on others and attributing success to them. Gitin has often purposefully deflected attention from himself to the organization as a whole. “When you are a founder,” he told me, “people identify you as the organization. I have been conscious that the less important I make myself, the stronger and more sustainable the organization is.” Asked how he’s done that, he offered a number of insights. “Part of it is using ‘we’ language rather than ‘I’ language, saying ‘we are engaging in this process’ rather than ‘I am leading this process.’”

That goes for communication outside the organization as well, such as in meetings with funders or even clients. For example, if a client says to someone on the team, “You are the only person that really cares for me,” counselors are trained to respond, “Yes I do care about you, and there is an entire team of people at this organization that care about you too.”

Gitin acknowledged that it's important for founders and executive directors to build a high public profile, and that "you have to be comfortable using your status to open doors, but as soon as you walk through those doors, you start making the conversation about the organization." This is the key to leading collaboratively.

7. Remember to Craft a Compelling Narrative

Powerful storytelling is so important to the success of a social enterprise, so craft a narrative that shares your message, connects to your audience, and conveys the urgency of the problem.

Most people who sit down to prepare a presentation ask themselves, "What do I want to say?" as opposed to "What does my audience need to hear?" Andy Goodman, an expert in nonprofit communications, recommends that before you make any pitch, you spend some time thinking about your audience. Here is a key set of questions he suggests:

- Who will be in the audience?
- What do they know or believe that I can build on?
- What do they know or believe that I have to overcome?
- By the end of my presentation, what do I want them to have learned?
- By the end of my presentation, what do I want them to feel?

Knowing the answer to these questions will allow you to tailor your remarks so you can bring your audience along with you more powerfully.

8. Realize that Failure is Learning

If you're going to start a social enterprise, you must reframe the way you think about failure. Failure is simply an opportunity to learn and innovate. Remember to instill this value in your team, and to truly believe it yourself!

But accepting failure is a lot easier said than done, especially in a sector where you are competing for donors to fund your work, and where discontinuing a program that's been bringing aid to people in need can be hard to do. The good news is that more and more donors are actually seeking transparency about failure as a virtue. Vanessa Kirsch, founder of New Profit, the multimillion-dollar venture fund for social entrepreneurs, says that failure is something they actually look for in potential investments: "If an organization walks through our door and says they've never failed, we're skeptical. At New Profit we are equally interested in the success of the pilot as what didn't work and what they learned from it."

Here are some questions you can be asking to ensure that you're fully embracing failure in your organization:

- Does your organization provide space in staff meetings, reports, blogs and/or funder meetings to have open conversations about failure?
- Does your organization have a process to incorporate into its programs lessons learned from failures?

- Does your organization regularly assess its programmatic priorities to ensure it is focusing on areas where it can have the most impact?
- Does your organization have a process for discontinuing programs when they are not having the expected impact?

What's key to figuring out what's working and what's not is being rigorous about collecting and analyzing good data. So gather your key performance indicators, evaluate your programs with full honesty, and give up on ideas and approaches that aren't working.

If you're going to start a social enterprise, you must reframe the way you think about failure. Failure is simply an opportunity to learn and innovate. Remember to instill this value in your team, and to truly believe it yourself!

9. You'll Need to Schedule "Me" Time

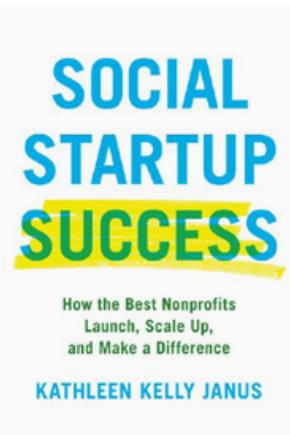
As a new social enterprise, you're constantly facing burnout. From long hours to frequent obstacles, it's easy to feel like you want to give up, give in, and frankly, take a very long vacation! Before you get to that point, make it a priority to schedule "you" time. Whether you take a long walk while on a conference call, schedule one-on-one time with your family, or practice 10-minutes of meditation every afternoon, find something that centers you and gives you a little peace during a hectic day.

10. Accept that You'll Learn Along the Way

No one knows everything when they first start off, and frankly, you will learn by doing! Dive in, stay true to your mission, stay focused, evaluate your results, and learn every step of the way. 📖



Info



**Ready to dig deeper into this idea?
Buy a copy of *Social Startup Success*.**

Want copies for your organization or for an event?
We can help: customerservice@800ceoread.com 800-236-7323

About the authors

Kathleen Kelly Janus is a social entrepreneur, author and lecturer at Stanford University. As an expert on philanthropy, millennial engagement and scaling early stage organizations, her work has been featured in the *Wall Street Journal*, *Huffington Post*, *Stanford Social Innovation Review*, *Tech Crunch*, and the *San Francisco Chronicle*. She is the co-founder of Spark, the largest network of millennial donors in the world. Based in the heart of the Silicon Valley, her book *Social Startup Success* features best practices for early stage nonprofit organizations based on a five-year research project interviewing hundreds of top-performing social entrepreneurs.

Learn more at www.kathleenjanus.com.



Powered by the love and tender care of 800-CEO-READ, ChangeThis is a vehicle for big ideas to spread. Keep up with the latest developments in business books and ideas at 800ceoread.com

This document was created on February 7, 2017 and is based on the best information available at that time.

The copyright of this work belongs to the author, who is solely responsible for the content. This work is licensed under the Creative Commons Attribution-NonCommercial-NoDerivs License. To view a copy of this license, visit Creative Commons. Cover image from Adobe Stock.

Share this
Pass along a copy of this manifesto to others. →

Subscribe
Sign up for e-news to learn when our latest manifestos are available. →