

## **Episode 147 - Dr. Rukshan Fernando and Andy Germak: Social Entrepreneurship as a Social Work Practice**

[00:00:08] Welcome to in social work. The podcast series of the University of troppo School of Social Work at W.W. dot. In social work dot org. We're glad you could join us today. The purpose of social work is to engage practitioners and researchers and lifelong learning and to promote research to practice and practice to research. We're so sure. Hello and welcome to IN SOCIAL WORK. I'm your host Charles Syms. Before beginning today's offering I would like to let you our listeners know that we will be taking the next four weeks off to enjoy the beautiful Buffalo summer weather. We will return in August. See you then. If I asked you to think about the word entrepreneurship what most often comes to mind. I know when I think about entrepreneurship or being entrepreneurial I most often think business perhaps more specifically using business innovation to make money not necessarily a bad thing. But I think that most of us have not considered engaging in these types of activities using the lens of social consciousness. Our two guests will do just that in this podcast. Professors Rukshan Fernando and Andy Germak will explore the developing social work practice of social entrepreneurship Dr. Rukshan Fernando directs the S.W. program in the Department of Social Work at Azusa Pacific University. His research interest focused on a diverse array of community economic development strategies nonprofit management and macro social work education. He has taught community practice and nonprofit management courses for BSW students for 10 years. Dr. Fernando has served as the associate director of housing unlimited in Rockville Maryland.

[00:02:17] He is also involved with the Association for Research on nonprofit organizations and voluntary action and the Association of Community Organization and social administration Dr. Fernando has a Ph.D. in community development from southern New Hampshire University and an MSW from the University of Michigan. Andy Germak is Professor of Professional Practice and founding executive director of the Center for Leadership and Management at the School of Social Work at Rutgers the State University of New Jersey. He previously served for more than three years as the executive director of the Institute for Families at Rutgers. Professor Germak has held a variety of leadership and direct service positions in the nonprofit human service sector including president and CEO of the Mental Health Association of Morris County New Jersey. Professor Germak influential article social entrepreneurship changing the way social workers do business will be followed by a forthcoming book essential business skills for social work managers. Professor grammatic received his MBA from the New York University's Stern School of Business and an MSW from the Silberman's School of Social Work at Hunter College in New York. In this discussion our guest will define social entrepreneurship look at how social entrepreneurship is different than traditional entrepreneurship. They will explore the forms that it can take in social work practice as well as offer practice examples. Professors Fernando and Germak identify who they see as leaders in this field of practice and offer thoughts on how a social worker interested in this field might ready themselves.

[00:04:20] Finally recognizing the potential conflict between the entrepreneurial aspects and the social imperatives of this work they identify some ethical pitfalls that social workers engaging in this work will need to be aware of professors Fernando and Germak were interviewed in June of 2014 by Dr. Kelly Patterson assistant professor at the University at Buffalo School of Social Work. Hello. Today we are interviewing Andy Germak and Rook's Fernando about social entrepreneurship. So let's start out by defining the concept of social entrepreneurship exactly what do you mean when you use that term. Well this is Andy

speaking and I can start out with this. This is a relatively big question and it's actually one that's been debated amongst practitioners and academics for a number of years. But essentially what we're talking about here is pursuing innovative solutions to social problems. And so a little bit more specifically I mean the way that I've come to define social entrepreneurship is that it is a practice in which an entrepreneurial individual. So that is somebody who behaves in a businesslike way and undertakes new opportunities either an individual or a group of people working together sets out to solve some social sector problem by way of combining a business practice orientation with a social sector orientation to yield an enterprise that produces both financial and social returns and we can go into a little bit more detail on what those things mean in a second but that's an overall definition for the concept. Well what does it mean to be a social entrepreneur. Oh this is ruction and you know a lot of social entrepreneurs are sort of both and people and sort of getting back to the definition that Andy just mentioned.

[00:06:22] Social entrepreneurs are not only concerned about running healthy profitable businesses they're not just concerned about that entrepreneurial aspect of an organization and how it carries out its work in society but they're also concerned about the social issues that are pressing our world today whether it be global problems such as healthcare or financial access gender empowerment. So social entrepreneurs are people that are concerned not only about profits but they're also concerned about the social reality social issues of our day. And there are people that fundamentally look at things holistically they look at things from social perspectives from financial perspectives from environmental perspectives. And actually they look at things from very social work perspective because they look at the whole environment that the person group or community deals with but they try to do that in a way where the organization that they're starting or looking to expand does it a profitable way. And so this person needs to have not known the skills that social workers have with Rupi assessment skills or intervention skills but they also had the business acumen they need to understand how to run a good organization from a business perspective how to tap into investments how to tap into foundation money. So those are some of the elements of what it means to be a social entrepreneur. Well well are you born an entrepreneur or can it be learned. And what about the social aspect of it. So that's an excellent question. This is Andy again and there's been a little bit of debate around this as well in the academic literature but I tend to think that most of what we're talking about can be learned which is good news.

[00:08:14] I think for social workers and those studying in our field however there are some general kind of attributes that I think entrepreneurs and especially social entrepreneurs bring to the table some of which might be trait based so these might be things that people are born with but more often than not these evolve over time through the course of one's life. But just take for an example young children that go out and start lemonade stands. For example when they're 5 6 7 years old I mean this is something that happened in many of our communities that that's a very business like an entrepreneurial venture at a very early age. But there are some aspects of social entrepreneurship I'd just like to touch upon. I did some research on this topic a couple of years ago and we found that the following attributes her comment to social entrepreneurs and that these are the following someone who seeks personal fulfillment in their work. And I think we can see many of us in social work doing that. In addition not having a focus on making money again so aligned with social work orientation. I believe the next is being able to significantly achieve certain things and having an achievement orientations next. Having a closeness to a social problem or issue and finally having a strong desire to help society. So all of these aspects of social entrepreneurs I think ring true for many of us in social work and actually kind of speaks to the fact that some of this comes from our upbringing and some of this I

think can be taught and can be cultivated through an educational program. What makes social entrepreneurship fundamentally different from traditional for profit entrepreneurship destruction.

[00:09:56] I can begin with that question and I think the biggest difference is this aspect of a triple bottom line and that social entrepreneurs are not just concerned about from a business perspective the money they're not just concerned about making money increasing wealth. That's not the only concern that they have which is might be more aligned with traditional entrepreneurship social entrepreneurship takes a triple bottom line approach when possible placing equal priority on the social financial and environmental and I would add community issues when thinking strategic planning developing their Social Entrepreneurship Initiative or endeavor. OK. Well does social entrepreneurship always involve groundbreaking innovation or can it take on different forms in social work. I could start out with this one this is Andy I think the answer to this is no. That it doesn't always need to involve groundbreaking innovation. I think if we look at some of the traditional definitions of business entrepreneurship stemming from economists such as Joseph Schumpeter where he talked about in the nineteen 20s and 30s talked about creative destruction and kind of the building of new industries and groundbreaking innovation. I think it's social work. We have examples of organizations that have been around for long periods of time that are not so much disrupting industries but they're really thinking innovatively and everything that they do in a very good example of what I'm talking about could be Goodwill Industries International so goodwill as many of us know this organization offers a variety of social services and communities but also operates retail stores and sells clothing and items directly to the community and uses a lot of the proceeds are pretty much all the proceeds to reinvest back into services. So this is not necessarily the most groundbreaking innovation in the retail space but it is a way of looking at doing business in a very innovative way.

[00:12:04] I think ruction I think also it's how we sort of cream things and I think you know when we think about social history we think of Jean Adams and her work with the Hull House in Chicago. She was doing destructive groundbreaking kinds of things and she was meeting the needs of immigrants from Western and Eastern Europe meeting people's needs in new fresh ways that hadn't been thought of or hadn't been tapped and identified. And so in many respects the foundation of our profession sort of starts with entrepreneurs like Jean Adams and others. Well then let me ask you if social workers been engaged to a large extent in social entrepreneurship and if not what are some of the reasons for this. Sure I'll build just upon what ruction just said regarding kind of social work history beginning with Jane Adams in the Settlement House Movement. I think many social workers have been involved in this type of activity for a long time. However it's only been within the past three decades or so that social entrepreneurship has sprung up as a kind of a new area and most of the dialogue around social entrepreneurship again in modern history does not really involve social workers and I think a lot of the reason for this is because as a profession we as social workers have grown away from macro practice in general kind of focused much more on clinical practice and the whole advent of licensing laws have focused we're refocused social workers onto the micro and clinical practice areas. But I mean I think there's hope in what I'm saying and that I think we have roots in this area but we're not technically not at the table with a lot of social entrepreneurship dialogue.

[00:13:53] Well if I was a social worker or perspective social work student and I wanted to engage in social entrepreneurship what programs are available to me. This is ruction and first program I think these Boston College. They're doing some very interesting things

around social innovation. There are other programs that are starting to think about this new and interesting ways whether it be used in Southern California or it might be in California at Berkeley or even schools like Steve Pennsylvania who instead of maybe creating specific classes in social entrepreneurship have done a number of dual degrees so that that may be even interested in clinical micro practice tend balance to schools up with this is that human of an MBA. But there are more and more social programs that are looking at social entrepreneurship because they see the value that ethos and profession can bring to this arena which is still emerging. It's still a new emerging arena and it's arena that young people millennial generation Y students are very intrigued very passionate about because people that are Millennials or Generation Y cohort really want to getting Deej in social problems and want to make impact in solving some of those social problems. If I could just add to that just quickly Kelly I think that unfortunately there aren't many social work programs available although there are few as scientists pointed out in my case I got my MSW and then realized I needed or wanted some higher level business skills and I went back to get an MBA degree. And I think that this is inherently Crus disciplinary work.

[00:15:40] And so if social work students are those thinking about this field could think more interdisciplinary and think about perhaps getting a dual degree or looking at other programs that will give you the hard business skills because frankly in much of our curriculum we don't teach accounting. We don't teach financial management marketing sales and these types of things. Well Andy when you were discussing the history of social work you mentioned Jane Adams. So who is the Jane Adams of social entrepreneurship. It's a good question. So I don't know first of all say that I'm not sure the field is mature enough in social entrepreneurship to really name somebody as an equivalent to Jane Adams but if we go back a few years and we look at 2006 and Mohammad Yunus and the Grameen Bank in Bangladesh states jointly won the Nobel Peace Prize for the work that he and his banking group had done in Bangladesh to help mostly women lift themselves out of poverty. Muhammad Yunus has noticed kind of the father of microcredit and so much of his work in South Asia has been around offering loans micro loans or small loans 3 4 5 10 dollar loans to women in poverty to help them start their own small enterprises or do things where they can leverage the credit to build better lives. So I think ricksha may have some thoughts on this as well but I think that Muhammad Yunus might be known as one of the leaders in this movement in modern history and he is I would agree with you. I think in addition to Muhammad Yunus I think Bill Drayton who is the founder of Szcuka which is a foundation that supports entrepreneurs all over the world.

[00:17:27] He was one of those leading thinkers of social entrepreneurship back in the 1980s when this idea of a bottom line was first taking off and then another person I think is Gregory DE's who's University who was the first person ever to create a social entrepreneurship class business school and convinced people in the business community that social entrepreneurship and businesses actually should have a social conscience. I think these are two other people I would add as being leaders and pioneers in this field. That's great. Rick Shine I would add that Greg DE's in 1998 wrote a seminal article called The Meaning of social entrepreneurship and it's an article that I've read many times and most of us in this space have looked at and used in our teaching but yeah definitely I would agree that those are some key people in this field. Well in regards to social work what are some of the ways that social work educators can encourage the development of social work or social entrepreneurs to begin with this. And I think first of all and he's mentioned this previously in our discussion today. I believe Sōsuke and kookiness can really encourage future social workers to getting Bolten's loosely by allowing people and creating spaces where students get comfortable with the market links to financial business

language and seen as a valuable skill set to have. I think also we need to think about how we can be more flexible in our field internships where students stand at especially at the MSW level can do internships in social on all kinds of organizations so that he can get a context he can get experience and get an appetite for this kind of work. And yet no ideas. Well just one or two ideas.

[00:19:28] I think that it's important for faculty members and those of us who are teaching social work to remember that there's a life beyond the academy so when students graduate and leave us many of them might continue to need some mentorship especially around business practices and so for example I've been working for the past couple of years with one of our recent graduates around developing a business plan for a new venture that she has launched within her nonprofit organization and kind of troubleshooting and mentoring her around what it means to start up a social enterprise because frankly it's not something that we taught this person in our program. And so I think we can maintain these relationships even after students leave us. Kailash what are some of the ethical concerns that might arise in the practice of social entrepreneurship. So I could start with that. This is a.. I think that there are inherently some issues that could arise once we start charging money for services for example. So there are many different models of social entrepreneurship. But one popular model is where non-profit organization will develop a for profit subsidiary or for profit projects and will start selling either services or products to the community. And so what happens is sometimes a nonprofit a social service agency can get into what's called creaming where they're going after those clients and those constituents that have the greatest ability to pay. Whereas you know that's not something that social workers and tied to their code of ethics that we should be busying ourselves only with that constituency group I mean we need to really pay attention to clients that have absolutely no ability to pay.

[00:21:17] So I think we can back ourselves into that ethical quandary when we look at this business if we don't kind of plan things out accordingly reaction. I think another ethical concern especially or a social entrepreneurship organizations that are serving people from marginalized communities is that many social entrepreneurs because of their strong business background and that orientation don't see the role and value of participation of consumers in the organization itself. So making sure that people that you're serving actually have rules in the organization where they can lend their voice into the mission work operations of the organization because it's very easy for foundations angel investors people that are really interested in the impact on both the financial and social perspective to dominate the direction of the organization. So that's another ethical concern in terms of maintaining that consumer participation in the interaction. Would you please give the listeners an example of a social entrepreneurship organization. Sure. This is Andy. I will refer back to the organization I briefly introduced earlier that's being led by one of my former students. This is an organization called Parent universe and it is a subsidiary for profit subsidiary of a nonprofit organization here in New Jersey. And so its mission is to provide home visitation services and coaching services to new and expecting parents. And that is the mission. They don't specify any certain vulnerable populations they're actually looking to market their services to populations have a great ability to pay so that they can reinvest proceeds into the nonprofit organization which is much more tied into helping very vulnerable communities in our state.

[00:23:19] And so this is just a very brief example of live on the ground social entrepreneurship startup that launched about a year ago I should say that they launched a year ago and they still don't have a paying customer yet and a lot of what's been going on has been planning and marketing and kind of looking at strategic planning and everything

that comes with that. So I think I would just say for anyone interested in getting into this this is not an easy business. Oftentimes entrepreneurs whether they be technology startups or others they will go long periods of time without seeing any paying customers. And they have to try to build their business. And so this organization parent universe has been building its business for about a year. And I'm pretty hopeful that they're going to do well. But this is a long road and people have to be prepared for that. Well it's this type of relationship between a nonprofit and a for profit subsidiary. Is that common in social entrepreneurship. I think it is. And again because of the millennium generation by individuals that are involved in this they don't see organizations as government nonprofit business. Those sectors and so many social organizations have a blue identity meaning that is a for profit nonprofit configuration or composition to them. So the classifications of these organizations is still emerging in the literature. And I would add Kelly that as Ricksha notes I mean this is a very much emerging area and there are some new organizational forms in certain states in the US that are starting to sprout up such as benefit corporations or be Korps are also L C 3s or limited liability low profit corporations.

[00:25:10] But these are very new forms and the most classic form for social workers is really the 501 c3 nonprofit charitable organization and we know how those operate. And they've been operating for almost 100 years in this country. Maybe that easier for us to launch enterprises under that umbrella. But there are some new forms that are popping up. Well thank you Andy and ruction very much for the interview. Is there anything else she wanted to add function to the reminder that this is a doozy. Credible opportunities for faculty members for practitioners for future students in this area. There is a number of different types of funding sources of demand business competitions because this is an emerging area. There's lots of opportunities and I think it would be move our profession to really get on board and be part of this settlement. That's great. I would just add just quickly I think I would invite anyone who's interested to get involved in this movement so to speak. That Rick Shine and I and a few others are starting within social work. And let's keep moving this field forward there's a lot of exciting opportunities. Well I just want to thank you. Professor. Professor Fernando for taking the time with us today. Thank you thank you very much Kelly. You have been listening to Professor San Fernando and Andy Mack discuss the developing social work practice of social entrepreneurship. We hope you found it to be informative. I'm your host Carol Sims and I hope that you will be joining us again at in social work. Hi I'm Nancy Smith professor and dean of the University at Buffalo School of Social Work. Thanks for listening to our podcast.

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