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Social Entrepreneurship and its Impact on Women in Poverty.

by

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**An Honors Thesis in partial fulfillment of the requirements for the degree Bachelor of
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Introduction

Poverty is a complex issue that will require complex solutions. There is a disconnect between the two as people living in poverty usually connect it to ideas of self-esteem, pride, and confidence. In contrast, people who aren't living in it will connect poverty to the lack of material possessions and more physical needs. Proposed solutions and ventures that seek to assist those living in poverty must consider that each individual living in poverty has a different situation. This paper will explore the effect that social enterprises have on Women in poverty by providing employment, training, and support. The company Trades of Hope will be the focus of this paper as they have a unique business model that combines direct selling channels with social entrepreneurship as they aim to alleviate poverty through their partnership with women artisans around the world. Defining social entrepreneurship and the strategies that social enterprises employ will allow the effectiveness of Trades of Hope to be analyzed. Through this, I hope to uncover potential implications of the issues impoverished women face in seeking employment. Exploring the realities of impoverished women and how they approach gaining employment in societies that typically do not support women in the workforce will provide further insight into the specific economic needs of these people. By conducting a review of the current literature about social enterprises, we can compare industry practices with Trades of Hope to better understand how their approach sets them up to reach their individual goals as a business. I plan on using this paper to further explore the methods they use to empower women through employment. By looking at Trades of Hope and their methods of employment, training, outreach, and marketing to help bring financial stability to women in need, we can analyze the effectiveness and impact of the company and its strategy as a whole.

Defining Social Entrepreneurship

In order to fully understand how social entrepreneurship impacts women in poverty, it is important to explore the definition of the concept and where it came from. Social entrepreneurship is not a modern term, but the development of modern consumerism and the interaction between the public, business, and social issues has brought the idea into modern practice. First appearing in Howard R. Bowen's 1953 book, *Social Responsibilities of the Businessman*, social enterprises have been a topic of public interest for many years. It entered public consciousness widely in the 1980s through a number of entrepreneurs spearheading the movement for businesses aiming to achieve some kind of social benefit as a result of their business. The term "social entrepreneurship" can be defined in a number of ways. A 2006 paper published in the *Journal of World Business* defines social entrepreneurship in the following way: "social entrepreneurship is exercised where some person or group: aim(s) at creating social value, either exclusively or at least in some prominent way; show(s) a capacity to recognize and take advantage of opportunities to create that value; employ(s) innovation, ranging from outright invention to adapting someone else's novelty, in creating and/or distributing social value; is/are willing to accept an above-average degree of risk in creating and disseminating social value; and is/are unusually resourceful in being relatively undaunted by scarce assets in pursuing their social venture"

In this definition, the ideas of social value and capitalizing on opportunities to create that value. This separation is important when discussing social entrepreneurship as it separates the social

aspect from the entrepreneurship aspect, and as we break down both aspects of the term, we better understand how they are meant to fit together and how the meaning changes when combining the two words.

The social aspect of this phrase refers to the goal that the venture aims to meet. These businesses having a social goal simply means that the results of their ventures should stem from a “desire to benefit society in some way or ways.” The value creation of a social venture lies in the effect that the venture has on a particular area of society. Social value aims “to contribute to the welfare or well-being in a given human community” (Paredo, 4). When a business considers itself a social enterprise, there is some disagreement about whether it is a socially valuable outcome for that business to earn a profit. Most people consider both not-for-profit businesses as well as for-profit businesses able to claim social entrepreneurship as their title, however. This research will focus on for-profit businesses and how their goals of increasing social welfare are motivated and empowered by profit generation.

What defines an entrepreneur is not as concrete as defining the social aspect of this concept. Entrepreneurship cannot be defined so simply as just someone who starts their own business because the word and the associations people make with it are much more complicated than that. Some researchers have defined it as “the process of attempting. . . to make business profits by innovation in the face of risk” (Tan). While this is adequate for identifying entrepreneurs who do not have social goals in mind for their businesses, there is a disconnect between this definition and the definition of an entrepreneur with the goal of creating social value as well as monetary value. The definition of an entrepreneur can be described as “the recognition and “relentless” pursuit of new opportunities to further the mission of creating social value, continuous engagement in innovation and modification and bold action undertaken without acceptance of existing resource limitations” (Dees 1998). This research will focus on entrepreneurship through the lens of for-profit businesses that are motivated to create social value, and whose foundation was inspired by a need to improve social welfare.

Social Enterprises: Business Structure

Social enterprises can take a number of different forms when it comes to the structure of the business. It is important to note that the operating structure of a business will differ depending on the social goals it is trying to accomplish and the place in the value chain that its social goals affect. Businesses can generate value through different steps in their operation (Dees & Anderson). This social value chain includes procuring supplies, employing workers, designing the product or service, producing the product or service, and marketing the product to consumers. Depending on the social goal of a particular enterprise, they may focus on one area of operation to enact their goals. If they have a goal of sourcing sustainable materials from fair trade origins, then they may focus on the step of procuring supplies as their way of creating social value. There are also different types of social enterprises including trading enterprises, financial institutions, community organizations, nongovernmental organizations, and charities. According to Nicholls and Cho (2015), trading enterprises such as cooperatives, collectives, and other organizations that share ownership with their workers or employees, as well as financial institutions like credit unions, cooperative banks, and revolving loan funds, can be considered social enterprises because they operate on a membership basis in order to collect and redistribute funds (p. 752). Community organizations include registered social enterprises, community centers, some small shops, sports teams, and housing cooperatives. These types of organizations

trade commercially and exist with a certain purpose or goal in mind, and they operate with the goal of reinvesting their profits into the community (“Social Enterprise.” *Corporate Finance Institute*, 15 Dec. 2022). This research will focus on community organizations that trade commercially and that operate with the goal of investing profits back into their community in order to reach their social goals.

Social Enterprises: Marketing Strategy

The approach that social enterprises take to market their businesses is imperative to achieving their social goals. These companies must communicate both the social benefit that their company produces as well as the value of the good or service that they produce as a way of financing their business. The marketing strategy of social enterprises is going to be different than typical for-profit business marketing strategies. According to Dees and Anderson (2003), social enterprises may view their product as a pathway to complete social goals rather than being solely focused on communicating its value. Thus, they often use cause-related marketing strategies, which involve donating a portion of profits to a social or environmental cause (p. 63). This strategy allows them to communicate their social mission to customers and build a reputation as a socially responsible organization. Social media marketing is another effective strategy for social enterprises. By using social media platforms, social enterprises can engage with their target audience and build a community around their social mission. Through social media, they can share their story and their impact, which helps to establish a strong brand identity and foster customer loyalty. Consumers are increasingly interested in supporting organizations that align with their values, and social enterprises can appeal to socially-conscious consumers by promoting their social mission. Social enterprises use their social mission as a way to differentiate themselves from their competitors and appeal to consumers who value social or environmental impact (Cone). Ultimately, social enterprises use marketing strategies that are unique to their social mission. Cause-related marketing, social media marketing, and using their social mission to differentiate themselves from competitors are some of the strategies they use. These strategies allow social enterprises to build a loyal customer base, establish a strong brand identity, and fulfill their social mission.

Social Enterprises: Relationships with Employees

Social enterprises aim to create social or environmental impact while also generating profits. As such, they often prioritize their employees as a crucial part of their social mission. Social enterprises communicate and partner with their employees in several ways to promote their social good, including providing fair wages, offering training and development opportunities, and involving employees in decision-making processes. According to Mair and Marti (2006), social enterprises often prioritize paying their employees a living wage and offering benefits such as healthcare, retirement plans, and paid time off. This can contribute to employee well-being and job satisfaction. Additionally, social enterprises partner with their employees by providing training and development opportunities (p. 40). This can include on-the-job training, mentorship programs, and skills development workshops. By investing in their employees, social enterprises not only support their growth but also contribute to the development of the wider community (Haugh). Moreover, social enterprises often involve their employees in decision-making processes. This can include soliciting feedback from employees,

encouraging employee participation in company meetings, and involving employees in the development of social impact initiatives. According to Lehner and Nicholls (2014), social enterprises involve their employees in decision-making processes to promote a sense of ownership and empowerment among their staff, which can contribute to job satisfaction and employee retention. They also communicate and partner with their employees in several ways to promote their social mission (p. 308). By offering fair wages and benefits, providing training and development opportunities, and involving employees in decision-making processes, social enterprises can support employee well-being and contribute to the development of the wider community.

Women in Poverty: Opportunities for Employment

According to Beamish and Loughlin (2020), women living in poverty face significant barriers to employment opportunities, education, and social mobility, and consistent and safe employment opportunities can be transformative for these women by providing economic stability, social support, and a way out of poverty. Research has shown that access to employment opportunities can have a profound impact on women's well-being, health, and overall quality of life. Consistent and safe employment opportunities can provide economic stability for women in poverty. A study conducted by the International Labour Organization found that women who are employed in secure and formal jobs are more likely to have higher earnings, better working conditions, and access to social protections such as health care and retirement benefits (International Labour Organization. 2018). This economic stability can help women provide for themselves and their families, reducing the risk of poverty and increasing their social mobility.

The workplace can be a source of social connection and community, providing women with a sense of belonging and purpose. A study conducted by the World Bank found that women who are employed in the formal sector are more likely to have access to social networks, mentorship opportunities, and role models who can help them navigate the challenges of balancing work and family responsibilities (World Bank. 2019). Access to consistent and safe employment opportunities can also have a positive impact on women's health and overall well-being. Research has shown that women who are employed in secure and formal jobs are more likely to have better health outcomes and access to health care (Muntaner). This can be particularly important for women who are the primary caregivers for their families, as they may be more likely to prioritize their family's health needs over their own.

Despite the numerous benefits of consistent and safe employment opportunities, women in poverty often face significant barriers to accessing these opportunities. According to Dill and Zambrana (2009), women living in poverty face significant barriers in accessing consistent and safe employment opportunities due to factors such as discrimination, lack of education and training, and limited access to childcare and transportation. In order to promote gender equality and reduce poverty, it is crucial to address these barriers and create policies and programs that promote access to secure and formal employment opportunities for women.

Women in Poverty: Cultural Differences

Cultural ideals regarding women's employment vary significantly around the world and have a profound impact on women in poverty. In many societies, women are expected to

prioritize their role as caregivers and homemakers, limiting their access to education and formal employment opportunities. These cultural ideals can perpetuate gender inequality and contribute to women's economic marginalization and poverty.

One factor that influences cultural ideals about women's employment is religion. In some societies, religious beliefs and values promote traditional gender roles and discourage women from pursuing formal employment. For example, a study conducted by the United Nations Development Programme found that in Yemen, religious beliefs that emphasize women's roles as wives and mothers contribute to a culture that values women's domestic work over formal employment. Similarly, in many Hindu communities in India, cultural norms and religious beliefs promote the idea that women should prioritize their roles as wives and mothers, limiting their access to education and employment opportunities (United Nations Development Programme. 2014).

Another factor that influences cultural ideals about women's employment is the prevalence of gender stereotypes. In many societies, gender stereotypes perpetuate the idea that women are not suited for certain types of work or that their primary role should be in the home. These stereotypes can discourage women from pursuing education and formal employment opportunities and can limit their ability to earn a living wage. For example, a study conducted by the International Labour Organization found that gender stereotypes are a significant barrier to women's participation in the construction industry in India, where women are often seen as physically weak and not suited for manual labor (International Labour Organization. 2018).

Cultural ideals about women's employment can also vary based on socioeconomic factors such as education and income. In many societies, women who are educated and have higher incomes are more likely to have access to formal employment opportunities and to challenge traditional gender roles. According to Baah-Boateng and Asare-Bediako (2020), in many societies, women with higher education and income levels are more likely to access formal employment opportunities and challenge traditional gender roles. However, for women living in poverty without education and formal employment opportunities, cultural beliefs and attitudes towards women's employment can reinforce economic marginalization and poverty.

In order to address the impact of cultural ideals on women in poverty, it is important to promote gender equality and challenge traditional gender roles. This can be achieved through education and awareness-raising campaigns that promote the value of women's participation in the workforce and challenge gender stereotypes. Policies and programs that promote access to education and formal employment opportunities for women can help to reduce the impact of cultural ideals on women's economic marginalization and poverty (Kabeer, 2019, p. 1).

Limitations of Partnerships

Social enterprises are businesses that prioritize the social and environmental impact of their operations over profits. In pursuit of their mission, social enterprises often engage in partnerships with merchants and other companies. These partnerships can provide valuable resources and expertise, but they also come with limitations that can hinder the success of the social enterprise. One of the main limitations of merchant and company partnerships in social enterprises is the potential for conflicting goals and values. Companies may be primarily focused on generating profits, while social enterprises prioritize social and environmental impact. According to Salamzadeh and Bevins (2019), conflicting goals and values between companies and social enterprises can lead to disagreements about the direction and priorities of the

partnership, ultimately resulting in the partnership ending prematurely (p. 115). Another limitation is the potential for power imbalances between the social enterprise and the merchant or company partner. Another potential problem for social enterprises working with partners is that the social enterprise may be in a weaker negotiating position than its partner. This can lead to unfavorable terms for the social enterprise, with its partner dominating the partnership. This can make it difficult for the social enterprise to achieve its goals and maintain its independence. (Doherty, Haugh, & Lyon, 2014, p. 428).

It is also important to consider the challenge of measuring the social impact of the partnership. Unlike traditional business partnerships, where success is often measured in financial terms, social enterprise partnerships must also demonstrate their social impact. Measuring social impact is often complex and time-consuming, and may require significant resources that the social enterprise may not have.

One way to address these limitations is for social enterprises to carefully select their merchant and company partners. This requires a thorough assessment of potential partners' values, goals, and track records. It also requires clear communication about the goals and expectations of the partnership, as well as a willingness to adapt and adjust as needed. Additionally, social enterprises can leverage the power of networks and collaborations to overcome the limitations of individual partnerships (Bridoux, Coeurderoy, & Durand, 2017). By partnering with other social enterprises, non-profits, and stakeholders, social enterprises can pool their resources and expertise to achieve their goals and maximize their social impact. Merchant and company partnerships can be valuable for social enterprises, but they also come with limitations that must be carefully navigated. By selecting partners carefully, maintaining clear communication, and leveraging collaborations, social enterprises can overcome these limitations and achieve their mission of creating positive social and environmental change (Kickul & Bacq).

Results of Partnerships

Partnerships between social enterprises and merchants can provide a range of results and benefits, both for the social enterprise and the merchant. These partnerships can support the growth and sustainability of social enterprises while also helping merchants to achieve their business objectives. In the article "Building a sustainable social enterprise: The case of Café 435," Chen and Lin (2019) argue that partnerships between social enterprises and merchants provide access to new markets, as merchants can leverage their existing networks and customer bases to promote and sell the products and services of social enterprises. This, in turn, allows social enterprises to reach new customers and expand their impact, while providing merchants with unique products and services that can differentiate them from their competitors. (Chen & Lin, 2019).

Another benefit of these partnerships is the potential for increased revenue and profitability. According to Groza and Pronschinske (2019), partnering with social enterprises can enable merchants to offer socially responsible and sustainable products that align with the values and priorities of consumers, leading to increased sales and customer loyalty, while also generating positive social and environmental impact.

Partnerships can also provide benefits in the form of increased visibility and brand awareness. According to Jones and Milligan (2017), partnerships between social enterprises and merchants can provide benefits in terms of differentiation, knowledge sharing, and social and environmental impact. Merchants can leverage the compelling stories and missions of social

enterprises to enhance their own brand and appeal to socially responsible consumers. In addition, partnerships can facilitate knowledge sharing and collaboration, with merchants bringing valuable expertise in areas such as marketing and logistics, and social enterprises offering insights into local markets and communities. Finally, by supporting social enterprises, merchants can contribute to poverty reduction, economic development, and environmental sustainability, creating positive social and environmental outcomes for the community and society as a whole. (Jones & Milligan, 2017).

Case Study: Trades of Hope

Trades of Hope is a social enterprise that aims to empower women around the world by providing them with a sustainable income through the sale of artisanal products. Founded in 2010 by Chelsie Antos and Gretchen Huijskens, Trades of Hope is a direct sales company that partners with artisan groups in countries such as India, Haiti, and Kenya to create handmade jewelry, accessories, and home décor. Their business model focuses on creating a market for these artisanal products in the United States and Canada, where Trades of Hope employs independent consultants who sell the products through home parties, online sales, and social media. The products sold by Trades of Hope are handmade by partner artisans in countries around the world. These artisans use traditional techniques to create unique pieces that reflect the cultural heritage of their communities. Trades of Hope aims to preserve traditional craftsmanship and promote cultural exchange by selling these products in their target markets

Trades of Hope's profit structure is based on a direct sales model. The company partners with independent consultants who sell the products and earn a commission on their sales. The company also invests a portion of its profits back into its artisan partners, providing funding for programs such as microloans and education initiatives that support the economic and social well-being of their communities. Trades of Hope's mission statement is "to empower women out of poverty through sustainable business" (Trades of Hope). The company's core values include providing a sustainable income for women, creating opportunities for personal and professional growth, and promoting social responsibility. The company's priorities are to support the economic empowerment of women, promote ethical and sustainable production practices, and create meaningful connections between consumers and artisan communities. Trades of Hope prioritizes the economic empowerment of women by providing them with a sustainable income and creating opportunities for personal and professional growth. The company also prioritizes ethical and sustainable production practices by partnering with artisan groups that prioritize fair wages, safe working conditions, and environmental sustainability. Trades of Hope also aims to create meaningful connections between consumers and artisan communities by sharing the stories of their artisan partners and highlighting the cultural significance of their products.

Trades of Hope: Business Structure

Trades of Hope uses a multi-level marketing (MLM) method to sell its products. This means that the company's sellers, also known as "Compassionate Entrepreneurs," earn commissions not only on the products they sell but also on the sales made by the people they recruit to join the company as sellers. It starts when a Compassionate Entrepreneur purchases a starter kit from Trades of Hope, which includes a selection of the company's products and marketing materials. The seller then hosts parties, both in-person and online, where they

showcase and sell these products to their friends, family, and acquaintances. When a sale is made, the seller earns a commission on that sale. The MLM aspect of Trades of Hope comes into play when a seller recruits others to become Compassionate Entrepreneurs themselves. When someone signs up to become a seller under a Compassionate Entrepreneur, that person becomes a member of the Compassionate Entrepreneur's "downline." This means that the original seller earns a percentage of the sales made by that person, in addition to their own sales.

The commissions earned by Compassionate Entrepreneurs are based on a tiered structure, with higher commissions earned as the seller reaches certain sales milestones and recruits more people into their downline. Trades of Hope also offers bonuses and incentives for top-performing sellers, such as free products and trips to visit the artisans who make the products they sell. The direct selling and MLM methods used by Trades of Hope provide women with a flexible and empowering way to earn income and support themselves and their families, while also making a positive impact in the world by supporting artisans and communities in need.

Trades of Hope and its combination of Direct Selling as a business channel and its partnership with Artisans from around the world is an intentional choice that they believe sets them apart from other businesses and allows them to create a bigger impact. Simply put, Trades of Hope uses the direct selling method because they want to expand its network and use the structure of direct selling and its relational aspects of it to create a bigger network and spread awareness of its mission. In their company compensation plan, Trades of Hope states that "Our community of Trades of Hope Partners advocate and sell for our Artisans far more than we could alone. They create a higher demand for our Artisans' fair trade fashion accessories, which increases our Artisans' income exponentially" (Trades of Hope). Given that the Trades of Hope partners are selling their products through home parties, social media, and online sales, the company relies on their partners to spread the message as they market their products and persuade customers to make purchases based on the stories that their Artisans share.

Trades of Hope: Marketing Strategy

Trades of Hope's direct selling model is one of the main ways that they market their product. Their sellers take on a lot of the marketing burden through their in-person sales parties which drives a lot of their business. This allows customers to see and touch the products in person and also provides a personal connection between the seller and the buyer. In addition to the direct selling model, Trades of Hope also utilizes social media to promote its products and mission. The company has a strong presence on Facebook, Instagram, and Pinterest, where they share stories about their artisans and promote new products.

Trades of Hope also offers a monthly subscription service called "Hope Chest" which provides customers with exclusive products and early access to new releases. This creates a sense of exclusivity and incentivizes customers to continue their relationship with the company. Another key aspect of Trades of Hope's marketing strategy is its focus on giving back. The company donates a portion of its profits to organizations that support women and children in need. This not only aligns with the company's mission but also creates a sense of social responsibility and can be a powerful motivator for customers to support the company. Overall, Trades of Hope's marketing strategy emphasizes the company's mission and values, as well as the quality and uniqueness of its products. By utilizing direct selling, social media, and a focus on giving back, the company is able to build strong relationships with customers and create a loyal customer base (Trades of Hope)

Trades of Hope: Relationships with Employees

Trades of Hope has a unique relationship with its employees, including its Compassionate Entrepreneurs (sellers) and artisan partners. The company's management style emphasizes collaboration, communication, and empowerment.

For its sellers, Trades of Hope provides training and support to help them succeed in their roles. The company offers online training courses, marketing materials, and a community of fellow sellers who can offer advice and support. Additionally, the company's compensation plan is designed to reward sellers for their hard work and incentivize them to grow their business. Trades of Hope also emphasizes the importance of communication between its sellers and customers. The company encourages its sellers to build personal relationships with their customers, which can lead to repeat business and positive word-of-mouth advertising (Trades of Hope).

For its artisan partners, Trades of Hope operates under a fair trade model, which means that the company pays fair wages to its artisans and provides them with safe working conditions. The company also works with its artisan partners to develop new products and designs that meet market demand while honoring their traditional craft techniques (Trades of Hope).

Trades of Hope's management style with both its sellers and artisan partners is based on mutual respect and empowerment. The company believes in the power of collaboration and encourages all of its employees to share their ideas and feedback. While there are differences in the relationship between Trades of Hope and its sellers versus its artisan partners, the company's values of fairness, collaboration, and empowerment are consistent across both groups. The company works to create a sense of community and shared purpose among all of its employees, whether they are selling products or creating them. Trades of Hope's management style is focused on building relationships, empowering its employees, and creating a positive impact in the world (Trades of Hope). By valuing collaboration and mutual respect, the company is able to create a supportive and engaging work environment for all of its employees.

Trades of Hope: Combatting Employment Roadblocks

Trades of Hope partners with artisan groups in developing countries, where women often face limited opportunities for safe and fair employment. The company works with these groups to create handcrafted products that are sold through its online marketplace and community of sellers. By doing so, Trades of Hope provides a market for these artisans' products and helps to create sustainable income streams for them. One of the ways that Trades of Hope addresses the issue of safe employment is by ensuring that the artisan groups it partners with provide safe working conditions for women. The company requires its partners to comply with its strict standards for workplace safety, including ensuring that workers have access to safety equipment, appropriate training, and protective gear (Trades of Hope). Another way that Trades of Hope addresses issues related to safe employment is by ensuring that the women it works with are paid fair wages for their work. The company's model is based on the principles of fair trade, which means that artisans are paid fair prices for their products and receive a living wage. This helps to ensure that the women who work with Trades of Hope can support themselves and their families. In addition to providing safe employment opportunities for women, Trades of Hope also supports other initiatives that empower women, such as funding education programs and providing

resources for women to start their businesses (Trades of Hope). By doing so, the company helps to create a more sustainable and equitable world for women, both in developing countries and beyond. Overall, Trades of Hope's business model is designed to address the issues that women face regarding safe employment.

Trades of Hope: Addressing Cultural Differences

Trades of Hope recognizes that cultural differences can present challenges for women in the workforce, particularly in developing countries where traditional gender roles and cultural norms can impact women's access to safe and equitable employment opportunities. The company's business model is designed to address these issues and empower women to overcome cultural barriers to safe and fair employment. Trades of Hope partners with artisan groups in developing countries and the company is committed to respecting and preserving the cultural traditions of the communities it works with. The company's business model recognizes that different cultures may place different values on women's roles in the workforce, and Trades of Hope works with its partners to create opportunities that align with these values (Trades of Hope). For example, in some cultures, women are traditionally responsible for childcare and household duties. To address this, Trades of Hope works with its artisan partners to create flexible work schedules that allow women to balance their work with their family responsibilities. By doing so, Trades of Hope is helping to ensure that women are not excluded from the workforce due to cultural expectations and are provided with equal opportunities for safe and fair employment. Trades of Hope also recognizes the importance of education and cultural sensitivity in addressing issues related to cultural differences in values about employment (Trades of Hope). The company invests in education and training programs for its partners to ensure that they understand the cultural contexts in which they work and are equipped to navigate cultural barriers that may arise. Overall, Trades of Hope's business model is designed to address cultural differences in values about employment by respecting and preserving cultural traditions while creating opportunities for safe and equitable employment. By working with its partners to create flexible work arrangements and investing in education and training programs, Trades of Hope is helping to empower women to overcome cultural barriers and achieve economic independence.

Trades of Hope: Limiting Factors

Trades of Hope is a social enterprise that partners with artisans in developing countries to sell their handmade goods in the United States. While Trades of Hope's mission is to provide economic opportunities for these artisans, there are limitations that exist for the company in their relationships with their artisans, employees, and within the company itself. One of the main limitations of Trades of Hope is the challenge of ensuring fair compensation for their artisans. While the company strives to pay fair wages, there are a number of factors that can impact the artisans' earnings, such as fluctuations in the exchange rate and local market conditions. Additionally, some artisans may be limited in their ability to negotiate prices for their supplies, particularly if they are working in a crowded market with other sellers (Trades of Hope).

Another limitation for Trades of Hope is the challenge of maintaining a sustainable supply chain. The company must balance the need to provide economic opportunities for artisans with the need to ensure that their operations are environmentally sustainable. This can be

particularly challenging given the remote locations of many of the artisans, which can limit access to resources and infrastructure. One limitation is the challenge of providing adequate training and support to their network of independent consultants, who are responsible for selling the company's products. The company must ensure that its consultants have the knowledge and resources they need to effectively market and sell the products, while also supporting their personal and professional development. Another limitation is the challenge of managing growth and scaling the business without sacrificing the company's values and mission. As Trades of Hope grows, the company must balance the need to generate revenue with its commitment to social impact and environmental sustainability. This can create tension between different stakeholders, such as investors and employees, who may have different priorities and goals for the company.

Ultimately, Trades of Hope faces a number of limitations in its relationships with its artisans, employees, and within the company itself. While these limitations can create challenges, they also present opportunities for the company to grow and improve its operations. By remaining committed to its mission and values, and by working closely with its stakeholders, Trades of Hope can continue to create positive social and environmental impact while also generating economic opportunities for artisans around the world.

Trades of Hope: Results of Partnerships

One of the most significant benefits of these partnerships is that they help to support the economic development of marginalized communities. Trades of Hope works with artisans and entrepreneurs in countries such as Haiti, Guatemala, India, and Uganda, among others. By partnering with merchants in these countries, Trades of Hope helps to provide sustainable income opportunities for these individuals, which in turn supports their families and communities. The result is a positive impact on the economic and social well-being of these communities.

Another benefit of these partnerships is that they help to promote ethical and sustainable business practices. Trades of Hope is committed to promoting fair trade practices, which means that they pay fair wages to artisans and entrepreneurs, and work to ensure that their products are made in safe and humane working conditions. By partnering with Trades of Hope, merchants also become part of this commitment to ethical and sustainable business practices, which helps to promote these values throughout their communities.

Partnerships with Trades of Hope also offer merchants access to new markets and customers. Trades of Hope markets its products through a network of independent merchants, who sell the products directly to consumers. By partnering with Trades of Hope, merchants gain access to a wide range of high-quality products that are ethically and sustainably produced, which can help to differentiate them from their competitors. Additionally, Trades of Hope provides marketing and promotional support to its merchants, which can help to increase their visibility and reach new customers. Partnerships with Trades of Hope can be personally rewarding for merchants. Many merchants who partner with Trades of Hope do so because they believe in the company's mission and values, and are passionate about promoting ethical and sustainable business practices. By becoming a part of the Trades of Hope community, merchants can connect with like-minded individuals who share their values and work towards a common goal. This sense of community and purpose can be a powerful motivator, and can help to create a more fulfilling and rewarding work experience for merchants.

Analyzing Impact: Trades of Hope

With social enterprises, there can be a challenge in measuring the social impact of the company and the work they are doing. Many social goals are not measurable or have impacts that are hard to quantify. Though these companies can share stories of impact and positive change that came from their work, it is difficult to adequately communicate the social benefit that a business has created. Trades of Hope takes this on by producing an impact report in which they address the change and social good they have produced. The impact report begins by outlining the company's vision and beginnings. They then move on to summarize the things they will cover in the report. The categories of impact measured in this report are the overall highlights of their impact, the impact they have had in countries across the world, their business model of sustainability, the impact of just one of their compassionate entrepreneurs, how much goes back to the artisans, how fair trade is changing lives, their nine fair trade principles, a closer look at the impact they have had in a couple of countries, their impact in America, and the values for their home team. Overall, this impact report highlights that Trades of Hope has 9,440 people in full-time employment roles and 3,906 people in part-time employment roles. For a company whose social goals are to provide safe and equitable employment for women in poverty, these numbers help to measure the impact they have had on their communities. In addition to these employment numbers, Trades of Hope has identified 42,890 people who have been impacted by their Artisan communities. This shows how their business model and relationships with their artisans have been expanding and the reach that they have been able to have. The report also explains that they have helped people in ways other than just employment. They have contributed health aid to 14,541 people and have helped educate 16,525 children (Trades of Hope Impact Report). These last statistics show how Trades of Hope has found a way to contribute to social good that is outside of its mission, but is still beneficial and creating value in society. By publishing these stats and covering the varied impact that the company has had in the various countries they operate in, Trades of Hope is able to measure the social good created by its company and define how this good aligns with its vision and goals.

Conclusion

Given the power that corporations have in today's society, there is a great ability to influence the public through a partnership with a social enterprise. As seen in the case of Trades of Hope, there are beneficial outcomes that can result from partnerships between
In conclusion, social entrepreneurship brings about numerous benefits that go beyond just financial gains. Although measuring social impact can be a challenge, companies like Trades of Hope have found ways to quantify and communicate their social good through impact reports. By measuring and sharing their impact, social enterprises can demonstrate their value to society and provide evidence that their business model is achieving its goals. Trades of Hope, for instance, has created employment opportunities for thousands of people, impacted artisan communities, provided health aid, and supported education. This goes to show that social entrepreneurship is not only an effective way to create a positive change in society but can also generate sustainable and equitable economic growth.

Social entrepreneurship has emerged as a powerful force for good in today's business landscape. It has demonstrated that it is possible to achieve financial success while also making a

positive impact on society. By focusing on social impact, social enterprises are meeting critical needs and addressing social and environmental challenges that traditional businesses often ignore. As more entrepreneurs embrace this model, we can expect to see increased innovation and more companies pursuing social missions. The potential future implications of social entrepreneurship are significant. With the increasing importance placed on social impact and sustainability, social enterprises are likely to play a larger role in the business world. They have the potential to drive positive change and reshape entire industries. As consumers demand more transparency and accountability, social entrepreneurship will continue to grow as a viable business model. This will lead to increased investment in social enterprises and more opportunities for impact-focused entrepreneurs to create innovative solutions to global problems. In conclusion, social entrepreneurship has demonstrated its positive effects on society by generating social value alongside financial returns. Its continued growth and success will depend on the ability of social entrepreneurs to innovate and create business models that are sustainable, equitable, and scalable. By supporting and investing in social enterprises, we can create a more just and sustainable future for all.

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