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How does a socially-driven for-profit balance mission and profit?: The Case of Joya Bride

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Authors	Muehlke, Marcelia
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How does a socially-driven for-profit balance mission and profit?: The Case of Joya Bride

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Marcelia Muehlke

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Executive Summary

Socially-driven businesses straddle the line between non-profits and for-profits with their dual goals of mission and profit. These goals will sometimes come into conflict—therefore a social enterprise must have policies in place to ensure a balance between profit and mission. This paper explores this topic through the case of Joya Bride, a socially-driven for-profit wedding dress company. The paper begins with a description of Joya Bride and then introduces the key research question: *How does a socially-driven for-profit balance mission and profit?* Next is a literature review on social enterprise, problems in the clothing industry, and women and development. A description of research methods follows. Research methods employed are a literature review, interviews with industry experts, a review of existing social enterprises, and producer interviews/visits.

The analysis section of the paper presents the mission-driven documents and policies developed for Joya Bride as part of this capstone project. Each mission-driven aspect was researched through academic books and articles, expert interviews, and by examining existing examples from organizations similar to Joya Bride. With this research and these examples in mind, a version was created for Joya Bride. The first document created is mission and vision statements for the company. Joya Bride's mission is *to provide brides with a gorgeous wedding dress that matches their values of social justice, environmental sustainability, and empowering women. We accomplish our mission by partnering with women's cooperatives and other ethical producers who offer safe, fair, and empowering work. By partnering with these groups we support women to help themselves, their families, and their communities.*

The second document developed is a Code of Conduct for Joya Bride producer partners. The code of conduct is framed largely in the positive, stating what Joya Bride believes in and is working toward, rather than against. The third mission-driven aspect is internal governance structures including: (1) proposed membership for an advisory board including two seats reserved for mission-focused individuals, (2) a decision to give money to social and environmental causes, and (3) nine internal accountability principles taken from a fair trade governing body and applied to Joya Bride. The fourth mission-driven policy developed for Joya Bride is an evaluation proposal. Creating the evaluation proposal prompted many important questions and helped guide the creation of the mission. The evaluation can be used now and for many years in the future.

The paper concludes with broader a discussion of mission versus profit and the role the documents and policies described above will play in ensuring a balance between the two goals. Finally, the full text of the documents and policies described in the paper are included in the paper or the appendix for reference. This paper is intended not only as a Capstone project to conclude the master's degree in public policy and administration, but also as a founding document for Joya Bride. Sections of this document could be presented to potential funders, employees, or other interested parties. Hopefully, this research and the documents created will also be useful to other socially-driven for profits as they consider how to balance mission and profit.

Introduction & Research Question

This paper is the final product for The Center for Public Policy and Administration's (CPPA) capstone class. The capstone class is the culmination of a student's experiences at CPPA. Students use the capstone class to do a client-based project or research a topic of their choice in depth. This capstone was a hybrid of the two types—the client is Joya Bride, a business that I own, and I have done targeted research to understand how the business should balance mission and profit.

Joya Bride Joya Bride is a socially-driven for-profit that makes socially- and environmentally-responsible wedding dresses. The company had its “soft” (or friends and family) launch in March 2012 and plans a full public launch in late 2012. The business has not yet legally incorporated—choosing a legal structure is one of the issues this paper will touch on. Joya Bride partners with women's sewing cooperatives and other carefully chosen producers in Southeast Asia to produce silk wedding dresses for sale in the United States. Joya Bride works to minimize its negative environmental impact but its focus in the first year will be labor and social issues. Over time, Joya Bride will work back along the supply chain to improve both social and environmental conditions. While Joya Bride's primary goal is to empower women and therefore help children and communities, the company's survival depends on producing an attractive and high quality product. Therefore, a difficult balance must be achieved between product quality and social and environmental goals. Ideally, these two concerns will not come into conflict, but there is a good chance they will—how to deal with that conflict is the topic of this paper.

Joya Bride has made its first few sales and is currently working to find the right source for silk and a “cut and sew” (clothing maker) group to work with. The company has several promising leads for silk makers and cut and sew producers. Joya Bride is also developing its first collection of dresses, with two designs nearly complete. The business is also developing its brand, logo, website, and key

messaging. Finally, Joya Bride is deciding how to sell its products. Most likely, dresses will be sold online direct to customers, through trunk shows at bridal shops across the country, and wholesale through bridal salons in targeted cities.

Capstone Research Question Although Joya Bride has made considerable progress, many key decisions have yet to be made. Therefore, this is the perfect time to consider how Joya Bride should manage its profit and mission motives. This is the research question that drives this paper: *How does a socially-driven for-profit balance mission and profit?* This paper will examine this question through the case of Joya Bride. Despite this focus on one socially-driven for-profit, the research and many of the findings will be relevant to similar organizations that are established or being created. There is no agreed upon definition for a socially-driven for-profit or a “social enterprise.” Therefore, each organization must define that term for itself in both theory and practice. This paper outlines the research performed and decisions made about how mission and profit will be reconciled for Joya Bride.

The first step in this process was to determine how to formalize Joya Bride as a mission-driven organization. If Joya Bride were a non-profit, this would be a given. How to do this as a for-profit, however, is less clear. Therefore, ways to establish Joya Bride as a mission-driven business were identified: (1) its purpose (beyond profit), (2) how to ensure the environmental and social qualifications of producer partners, (3) internal governance structures, and (4) what mission-driven aspect would be measured and how. In January 2012 Joya Bride did not have a mission, a producer code of conduct, an evaluation plan, internal governance structures, or an evaluation plan. Over the last five months, each of these areas has been researched and then decisions have been made and documents/policies have been created for Joya Bride. This paper discusses these decisions and documents and outlines the research behind them.

This paper is organized into three major sections: a literature review, a description of methods used, and description and analysis of mission-relevant aspects developed for Joya Bride. The analysis section reviews the research used to create mission-driven documents and policies for Joya Bride. The mission-driven elements are (1) a mission and vision statement, (2) a producer partner code of conduct, (3) several internal governance structures, and (4) a proposed evaluation for Joya Bride.

Literature Review

Social Enterprise

Although the idea of “social enterprise” or “social entrepreneurship” has become very popular in recent years, there is no agreed upon definition of what these terms mean. Generally speaking, a social enterprise is an organization that draws on business strategies and blurs the boundaries between the private, public, and social sectors.ⁱ A social enterprise can be a nonprofit—one that uses some earned-income strategies (such as a hospital), or one that is addressing a social problem in a new wayⁱⁱ (such as Teach for America). A social enterprise can also be a for-profit business—one that uses social impact rather than profit as its measure of success (such as Newman’s Own) or one that creates “transformational systems change.”ⁱⁱⁱ Muhammad Yunus, founder of Grameen Bank micro enterprise, defines a social business as one where “everything is for the benefit of others and nothing is for the owners—except the pleasure of serving humanity.”^{iv}

While this is a laudable goal to strive for, business that do benefit the owners in ways other than “for the pleasure of serving humanity” also exist and can be considered social enterprises. These companies often use a “triple bottom line” (a term coined by John Elkington) of people, planet, and profit, and can also be considered social enterprises or socially-responsible businesses. By contrast, Corporate Social Responsibility (CSR) is generally seen as separate from social enterprise. CSR

usually refers to traditional businesses that are working to include socially- and environmentally-responsible practices.

Given this varied understanding of what a social enterprise is, it should be no surprise that social enterprises take many forms. They can be legally structured as non-profits or for-profits (such as corporations, sole proprietorships, partnerships, etc.). Other legal forms exist just for social enterprises, for example Community Interest Companies in England. In some states in the U.S., companies can incorporate as Low-Profit Limited Liability Companies (L3Cs) or Benefit Corporations. A structure called a Flexible Purpose Corporation is currently being considered by the California Legislature.^{vi}

For-profit social enterprises can illustrate their social or environmental commitments through their legal/tax structure but also through certifications such as B-Corp or Fair Trade. While these are not legal structures, they communicate a business' values and practices, as verified by a third party group. Like organic certification, companies and products are audited by an independent group and must meet extensive criteria before receiving fair trade or B-Corp certification. Once this certification is received, the company can use the certification logo or sticker. Many customers recognize certifications and use them rather than researching every product or business they are interested in. However, certifications (and things that look like certifications) have multiplied in recent years, diluting their power.

While there are a range of certifications and legal structures available to social enterprises, most of them are new because social entrepreneurship is relatively young. Early social enterprises were founded in the late 1970s and early 1980s and include Stonyfield Farms, Patagonia, Seventh Generation, Ben & Jerry's, Interface carpets, Grameen Bank, and more. By the 1990s social entrepreneurship "started to gain serious attention [and] the field has gained the momentum of a

social movement over the last ten years.”^{vii} Some people trace the roots of social enterprise to other sources—nonprofits seeking earned income as government and philanthropic dollars became scarce, or a more general recognition of the limited ability of government to solve social problems,^{viii} or for-profits’ increased interest in providing social services.^{ix} Early on, social enterprises were often assumed to be or be associated with nonprofits,^x but this trend seems to have reversed,^{xi} leaving the term ambiguous. Terms such as “for profit social enterprise,” “hybrid social venture,” “for-profit social business,” “social purpose business ventures,” “fourth sector organizations,” and “for profit with a non profit soul” have all been used for for-profit social enterprises.^{xii} However, it is important to note that these terms are not used consistently and “social enterprise” or “social entrepreneurship” can denote a for-profit, non-profit, hybrid, or other legal structure.

While for-profit and non-profit social enterprises have many things in common, two of the biggest distinctions are ownership and funding sources. For-profits are owned by one or more equity investors and their goal is to earn returns for those owners.^{xiii} In terms of funding, while non-profits can access foundation and government funding, this is less common for their for-profit sisters. For-profit social enterprises can access private capital and commercial loans much more easily. Hybrid organizations and new legal structures allow new sources of funding for social enterprise (such as Program Related Investments), but these funding sources have been slow to materialize.

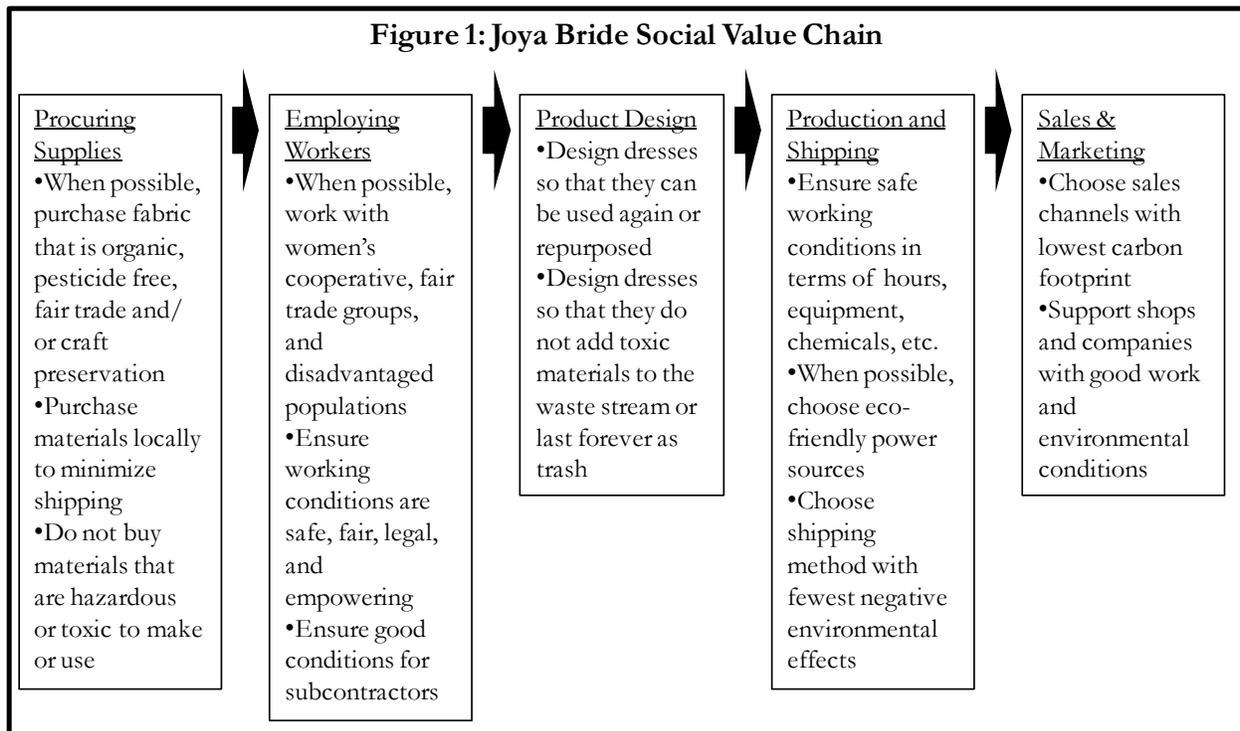
The following definition of social enterprise will be used for the purposes of this paper: “an organization or venture that achieves its primary social or environmental mission using business methods, typically by operating a revenue-generating business.”^{xiv} The next section of this paper will describe what this definition means for Joya Bride, the case study examined in this paper.

According to Matthew Nash’s chapter *Social Entrepreneurship and Social Enterprise* in The Jossey-Bass Handbook of Nonprofit Leadership and Management, successful social enterprises must have a

sound social impact theory and a sound business model. The sections below explore these topics in more detail.

Joya Bride & Social Impact There are many ways a company can create positive social or environmental outcomes. There are also many ways to describe or show that the company has those effects. This section will give a brief overview of Joya Bride’s social impact using a social value chain model. The mission and evaluation sections of the paper will go into more detail on Joya Bride’s social impact theory and logic model.

A social enterprise can use a Social Value Chain to illustrate the different aspects of the business and how some or all of these activities are be used for social/environmental betterment. An example of a social value chain,^{xv} as applied to Joya Bride, is below in figure 1.



The social value chain model is broken out into five areas: procuring supplies, employing workers, product design, production and shipping, and sales and marketing. Joya Bride has identified ways to

help people and the environment at each of these steps. While some of these activities are being enacted, others are not possible right now but are planned for the future. In terms of procuring supplies, Joya Bride is working to purchase fabric that is organic, fair trade certified, made with good labor conditions, made without pesticides/chemicals, and/or that allows communities to preserve local crafts. Joya Bride is working to find fabric that is grown and woven close to its cut and sew facility to minimize shipping and therefore environmental impact. Joya Bride avoids using supplies that are hazardous to use or make.

For employment, Joya Bride strives to work with women's cooperatives. When that is not possible, carefully chosen producers that are fair trade, treat workers well, or that employ disadvantaged populations are selected. In the U.S., Joya Bride plans to work with the refugee population to finish dresses. Joya Bride tries to avoid the use of sub-contractors. When sub-contractors must be used, Joya Bride works to ensure that they work in safe, fair, and legal conditions equivalent to salaried workers. Product design is another area where Joya Bride can have a social and environmental impact. The company is trying to make dresses that can be used more than once—either by having them convert from long to short, by making them dye-able, or by offering ways they can be repurposed after the wedding. With production and shipping, Joya Bride hopes to support producer companies' transition to green energy sources. In the future, Joya Bride will strive to use shipping methods with the lowest carbon footprint. Unfortunately, currently, due to a low volume of sales dresses must be flown rather than shipped. Finally, in terms of marketing and sales, Joya Bride strives to portray “real” women who are healthy and strong. In addition, the company will strive to use sales channels that have a low carbon footprint and that employ good work and environmental conditions.

While Joya Bride hopes to have a positive impact at each step in its social value chain, we recognize that it will not be possible to do everything perfectly right from the beginning. In order for this social venture to survive, customers must be satisfied with their dress and the services as they buy it. Therefore, Joya Bride must walk a fine line of providing customers with an outstanding product while also meeting social and environmental goals. The next section will give a brief overview of Joya Bride's business model.

Joya Bride's Business Model Joya Bride will operate as a for-profit business that sells wedding dresses, bridesmaids dresses, and other wedding attire and accessories. While the purpose of the business is to reduce poverty, empower women, and pressure the clothing industry to improve work and environmental conditions, it must at least break even in order to survive. To be successful, there must be people who want to buy this product at a price that covers costs.

We believe this market exists—each year more than two million brides search for the perfect bridal gown.^{xvi} Despite a growing interest in “green” or sustainable weddings, there are few options for sustainable or ethically-sourced wedding dresses. Currently, socially- and environmentally-conscious brides are encouraged to custom-make their gowns with a local seamstress, which can be a costly endeavor. “Green” brides are also encouraged to rent or purchase a used dress, an unattractive option to those who want something unique to them. Other available options include purchasing a dress made from alternative fibers such as organic cotton or hemp, which are often aesthetically inferior to traditional fabrics.

While there are a limited number of options for brides who want dresses made out of eco-friendly fabrics, there are no mainstream options for brides who want to ensure that their dress wasn't made in a sweat shop. Brides have expressed frustration with this lack of options on websites like *www.theknot.com*, saying things like “I'm not interested in ordering a dress from a sweatshop in

china”^{xxvii} and “[that dress] will likely be made in a sweatshop, which I personally would take issue with.”^{xxviii}

Despite their high cost (the average dress in 2011 costs about \$1,100),^{xix} mainstream bridal gowns are often made with low-quality fabrics and poor workmanship. In addition, textile and garment production have serious environmental and social impacts. Fabric production, as well as bleaching and dyeing methods, contaminate water supplies, harming both communities and the natural environment. In addition, garment production is recognized as one of the most exploitative industries of workers.^{xx}

Problems in Clothing Manufacturing

Clothing manufacturing has serious negative effects on people and the environment. Apparel factories are labor intensive, employ mostly women, and use harmful chemicals and dangerous machinery. According to the United Kingdom nonprofit Labor Behind the Label, “workers across the world face a daily grind of excessive work hours, forced overtime, lack of job security, poverty wages, denial of trade union rights, poor health, exhaustion, sexual harassment and mental stress. Even in factories which on the surface look clean and modern, workers are often deprived of the internationally-recognised [sic] basic rights.”^{xxi}

Looking at one county in Southeast Asia, Cambodia, paints a more specific picture of these issues. Although Cambodia’s labor standards are higher than those in Bangladesh, China, Thailand, or Vietnam,^{xxii} the industry still has many problems. In Cambodia, more than 90% of garment workers are women.^{xxiii} Many of these women migrate from rural areas to work, and for 75% of clothing factory workers this is their first full time job.^{xxiv} These women face many issues at, and traveling to, work. Almost 10% of women in one report said that they or a close friend had been raped in the previous year. Verbal sexual harassment is common in garment factories (especially large ones) and

not eating enough, and inhaling cloth debris and chemicals lead to workers feeling dizzy or fainting.^{xxv}

In addition to problems in the cut and sew industry, there are also environmental and human health problems with making fabric. According to the Natural Resource Defense Council, making one ton of fabric pollutes as much as 200 tons of water with harmful chemicals. Making fabric is also very energy intensive.^{xxvi} Both natural and artificial fibers harm people and the environment but more than half of the cloth produced each year is artificial. Artificial cloth is usually made from oil, and production yields solvent and chemical-laden gas, liquid, and/or solid wastes that are harmful to the environment and people.^{xxvii} Once made, cloth may be treated with flame retardant or other chemicals which are suspected of being harmful.^{xxviii} Dying fabric is also problematic, since dyes are often toxic, carcinogenic, or both.^{xxix} Finally, even producing natural fibers (such as cotton, linen, and silk) degrades the environment and can hurt people due to intensive fertilizer and pesticide use.

International Development and Women's Work

Women around the world are more likely than men to be poor. At the same time, they have the greatest potential for improving their own lives and helping their families and communities.

According to United Nations Women, “women are more likely than men to be poor and at risk of hunger because of the systematic discrimination they face in education, health care, employment, and control of assets.” Some groups estimate that women make up 70% of the world's poor. They earn less than men for their work and are more likely to work in insecure, low-wage, and unsafe work. In sub-Saharan Africa and South Asia, an estimated eight in ten workers are categorized as in vulnerable employment.^{xxx} Women who migrate to other countries to work can gain status, economic independence, and help support their families through remittances (which make up as much as 10% of GDP in some countries). Women now make up about 50% of migrant workers in

Asia and Latin America. However, women migrant workers also face many risks. These women often end up jobs that pay the least or are unregulated, such as housekeeping or sex work.^{xxxii}

Despite these risks, women are migrating to other countries, to other places within their home country, and are working in many capacities. According to the International Labor Organization (ILO), “We know that work is the best route out of poverty.” The ILO says that with “decent work” comes better lives and livelihoods, stability and peace, basic rights, children in school rather than working, healthier work places and homes, and much more.^{xxxiii} Research shows that women invest more of their earnings in their families and communities than men. One study in Brazil found that when the mother controlled household income, child survival increased by 20%.^{xxxiiii} Therefore, when women earn a living wage their children can be healthier and better educated.

In his book Building Social Business, Muhammad Yunus (founder of Grameen Bank micro lending) experienced this firsthand. He says, “female borrowers brought much more benefit to their families than male borrowers. Children immediately benefited from the income of their mothers. Women had more drive to overcome poverty. Lending to women in the poor villages of Bangladesh, we realized, was a powerful way to combat poverty for the entire society. (p. x)” Therefore, whether women control money through microenterprise, employment, or other means, it has a profound effect on the women, their families, and their communities.

With this understanding of social enterprise, problems in the garment industry, and the potential for women to drive economic development through work in mind, we move now to research methods used in this project.

Methods

A range of academic and applied research methods were used to study the role of mission in social enterprises. Methods included a literature review of relevant topics, interviews with industry experts, visiting and meeting with potential producer partners, and a review of existing social enterprises and their documents and policies.

Literature Review

I performed a literature review to more fully understand the concepts of (1) mission and vision statements, (2) producer codes of conduct, (3) evaluation, (4) social enterprise, (5) problems in apparel manufacturing, and (6) women's work and development. The UMass Amherst (and interlibrary loan) book collections, Academic Search Premier, Lexis Nexis Academic, and class syllabi were used to select sources. Non-academic documents sources such as those from the International Labor Organization, The United Nations, and Fair Trade industry organizations were also used. While these documents are not peer reviewed, they provided valuable information about policies, laws, and best practices.

Interviews with Industry Experts

Interviewing industry experts provided another perspective on my research about mission in socially-driven for-profits. Interviewees were selected based on their expertise in a subject area. Most of these interviews took place in person and lasted 30 – 60 minutes. Questions for each interviewee were prepared based on an initial literature review. Findings from the interviews include expert opinions on topics such as the role of mission in a social enterprise, legal structures, and codes of conduct. Interviewees also provided example documents and suggestions for additional readings. A list of experts interviewed is available in Appendix A.

Review of Social Enterprises

After performing a literature review on a subject such as mission statements (to understand the theoretical background), I then reviewed current, applied examples from a range of organizations. Organizations were purposively chosen. To better understand how social enterprises use mission statements, five organizations were chosen (see the Mission and Vision section below). These organizations were all socially-driven, for-profit clothing makers. Some were purposively selected because they are well-respected. Others were purposively chosen because they are large or well-known (as illustrated by internet search engine ranking). Mainstream clothing companies were excluded because they are driven by profit rather than a social or environmental mission. A similar process was used for the code of conduct section, but the purposive sample for included a mix of socially-driven and traditional clothing companies, since both use codes of conduct. Finally, in the analysis section, the best known companies were chosen as examples.

Producer Interviews and Visits

Between March 17 and April 5 I visited or spoke with three silk makers and seven cut and sew producers for potential collaborators. These producers were selected based on several factors. The first factor was social and environmental responsibility—was the sewing producer fair trade, a cooperative, or a small producer group with safe, fair, and legal work conditions? Did silk producer make organic material, preserve a traditional craft, or did it focus on economic development? Second, could the group produce high quality silk or garments? Third, was the group located in the countries I would visit on my trip to Southeast Asia?

Meetings lasted from 30 minutes to several days and involved conversations, site visits, and reviewing documents and sample products. Each visit included at least one conversation about the producer's workers, work conditions, and goals. Many of the organizations I visited followed fair

trade principles or had the goal of preserving a traditional craft or allowing people to make a living wage in their home town rather than migrating to a city for work. When a producer I was meeting with seemed promising, I also discussed my draft Producer Partner Code of Conduct with them in more detail. I also walked through production areas and spoke with workers whenever possible. These visits gave me insight on which producers would be good partners for Joya Bride.

Analysis

In January 2012 Joya Bride did not have a mission or vision statement, a producer code of conduct, internal governance principles, or any way to evaluate its mission-driven work. Each of these topics is discussed below and includes academic research, current examples, and the document or decision Joya Bride has developed.

Mission and Vision

While both for-profits and non-profits have mission statements, these statements play a very different role depending on what type of organization creates it. Social enterprises also have mission statements and use them in a way that reflects their dual goals of mission and profit/self-sustaining earned revenue. In traditional businesses, a mission statement “is generally defined as the broadly stated identification of the basic business scope and operations that distinguish it from other organizations.”^{xxxiv} In the business sector, earning a profit can be assumed as the primary mission, with the state mission describing how profit will be accomplished. Nonprofits, by contrast, use mission statements for more substantive purposes. First, a nonprofit mission serves a boundary function or a way to focus what the organization will and will not do. Second, a nonprofit mission is a way to attract and motivate donors, staff, and volunteers. Third, a nonprofit mission serves as the criteria against which a nonprofit can be evaluated.^{xxxv} While profit serves this function in a

business, nonprofits judge success by looking at progress with toward the mission. In nonprofits, three groups are affected by the mission: staff, donors/volunteers, and users of the service.^{xxxvi}

Therefore, a mission statement is also a way to build trust.

Joya Bride's position as both profit-seeking and mission-driven makes its use of a mission statement more complex. Joya Bride's mission will be used like that of a nonprofit since it will help to focus the organization on its social and environmental goals. This will be particularly important when decisions arise that put profit and mission in conflict. Hopefully, Joya Bride's mission will also help attract and retain capable and dedicated staff. Finally, like a nonprofit, Joya Bride's mission will be a way to judge the success of the organization beyond its financial profits or losses (see the Evaluation section, below). Despite these similarities, an uncomfortable tension exists regarding the focus of a social enterprise mission. Should the mission refer to both customers and producer partners or producer partners only? How will customers respond if the mission includes or excludes their needs? Reviewing the mission statements of organizations similar to Joya Bride (mission-driven, for-profit clothing companies) sheds light on this topic. See figure 2 below.

All of the mission statements from similarly-positioned social enterprises reference both the product created and the population the business is serving to varying degrees. The Global Mamas mission explains the organization's work in the most detail and uses inspiring language. Fair Indigo, by contrast, leads with and focuses on their product. Some organizations used their mission statement to show what they were against, while others used positive language about what they supported. These examples show that there are many ways to write a mission for a social enterprise like Joya Bride.

Figure 2

Mission Statements from Socially-Driven Clothing Companies

Company	Mission Statement
Global Mamas/ Women in Progress	...transforms the lives of women in Africa by creating sustainable income opportunities which lead to financial independence. [WIP] reduces the economic inequality of women by significantly increasing wages and generating new jobs through the production and export of Global Mamas fair trade products. This in turn improves the standard of living for women, their families, and the larger community. WIP believes that helping women gain financial independence is the most effective way to create prosperous communities.
Mata Traders	Our mission is to work with organizations that educate, employ, and empower women. Spending time with these groups has helped us realized that even the most traditional women, when given the opportunity, thrive in a sphere of meaningful work that is outside their homes and families. We have also learned that equality in the workplace IS possible in a country as socially stratified as India. Whether a beginner sewer or the marketing director, all the women that make our clothing and accessories have a voice. We are so proud to be a part of that voice by bringing you their quality handiwork in a high fashion, fairly traded product line.
Proxy Apparel	Our Mission is to be the leading provider of fair-trade woman's fashion and apparel while working to empower and employ women in a sweat-shop free and sustainable world.
Fair Indigo	Our mission is to create high-quality, wearable styles without the exploitation of workers and the environment that too often goes with the territory. With incredibly efficient operations and word-of-mouth advertising, we can keep our prices real too.
Sevya Handmade	...is committed to preserving the indigenous art forms of India that face the danger of extinction. Sevya provides sustainable livelihood to thousands of artisans throughout India, which enables them to pass their knowledge on to the next generations. Each Sevya product is a true work of art, handmade using the finest natural materials.

Creating a logic model, or “a picture of how your organization does its work” (W.K. Kellogg Foundation 2004, p. III) is a useful step in creating a mission statement. A logic model spells out assumptions underlying a program, the actions the program will take, and the expected short- and long-term outcomes. Linking these elements causally helps an organization identify all the steps it must take and how those steps lead to measurable outputs as well as less tangible outcomes. Two different types of logic models for Joya Bride

are included in Appendix D and Appendix E. Developing these logic models informed Joya Bride's mission, a draft of which is below.

Joya Bride's mission is to provide brides with a gorgeous wedding dress that matches their values of social justice, environmental sustainability, and empowering women. We accomplish our mission by partnering with women's cooperatives and other ethical producers who offer safe, fair, and empowering work. By partnering with these groups we support women to help themselves, their families, and their communities.

This mission statement makes it clear that Joya Bride is focused both on the product it creates and the social and environmental impact it can have. The mission is supposed to inspire, explain, and to anchor the business in its social and environmental goals. Hopefully it will help attract great staff, funders, and volunteers. In addition, this statement is the foundation for Joya Bride's evaluations of its social and environmental impact. Over time, this mission statement will most likely evolve.

A vision statement is often related to the mission statement but plays a slightly different role.

Whereas the mission gives direction and purpose, the vision statement imagines what the future will look like when the organization has "successfully implements its strategies and achieved its full potential" (Bryson in Renz, p. 248). A vision statement can also include "the organization's mission, its values and philosophy, basic strategies, its performance criteria, some important decision rules, and the ethical standards expected of all employees" (Bryson in Renz, p. 248). By clearly stating these things, expectations are clear and workers and volunteers can use the mission statement for guidance rather than requiring constant managerial oversight.^{xxxvii} Vision statements with this level of detail are often created during strategic planning sessions and after several years of operation.

Therefore, the vision statement below will serve as a starting point for Joya Bride.

Joya Bride envisions a future where all brides wear wedding dresses that improve the lives of women around the world and make brides look more beautiful and feel more joyful on their wedding day. We see a world in which social justice and environmental sustainability are the norm for business and where women are equal and able to live a dignified life and live up to their full potential.

Over time, and in conversation with stakeholders, this vision statement will become more specific and help guide the work of Joya Bride.

Code of Conduct

The second mission-driven aspect of Joya Bride is its producer code of conduct. To understand what a code of conduct is and what role it plays in a social enterprise, the following background information is helpful. When companies from developed countries produce goods in developing countries the implications are complex. Some people focus on the positive: jobs and technology are brought to countries that desperately need both. The technology can help those countries accelerate their development in order to “catch up” with other countries. Other people focus on the negative: when people are desperate for work companies can easily take advantage of them in terms of wages, health and safety, the environment, and more. In addition, some people point out that companies that can easily move put poor countries in competition with one another, which results in a race to the bottom. While this situation hurts individuals, it also hurts governments.

When countries have to offer tax breaks and other “sweeteners” to attract businesses, this hurts their ability to create and fund domestic policy that best serves the country and its citizens.^{xxxviii} This situation increases the relative strength of multinational corporations as compared to individuals and even governments, leaving governments unable to oversee businesses operating within their borders. Without governments or an international body to regulate these companies, nonprofits and nongovernmental organizations have played the role of pressuring corporations to change.^{xxxix} This has led businesses to develop voluntary codes of conduct in order to assure customers, governments, and NGOs of fair labor, health and safety, and environmental standards. A code of conduct is a document created by a company or industry group that outlines policies and practices that the brand and its suppliers will adhere to. While these can improve work and environmental

conditions, they can also reduce the chance that governments or other oversight bodies will develop stricter standards enforced by a third party group.

There are several types of codes—those created by individual businesses, those created by industry groups, and those specifically targeted at Corporate Social Responsibility (CSR, or sociopolitical issues). When companies create and use a shared code it has many benefits—economies of scale, standardization,^{xi} and reduced reputational risk since everyone is using the same standard.

Drawbacks include vague standards, negative incentives to do anything more than make superficial claim,^{xii} and downward pressure to the lowest common denominator in order to keep participation high.^{xiii}

CSR codes focus on sociopolitical issues and “call for companies and industry groups to voluntarily assume some of the costs associated with the industry’s negative externalities. (Sethi 2011, p5)”

According to Sethi (2011), effective CSR codes need to be acceptable to all relevant stakeholders, must not hurt a business’ competitiveness, must be able to adapt over time, and must be understood in terms the context of time and circumstances (p6). Sethi goes on to describe codes of conduct as “‘private law’ or a ‘promise voluntarily made’ whereby an institution makes a public commitment to certain standards of conduct. (p6)”

With this background information and research in mind, we move to examining codes of conducts currently used by a mix of traditional and social enterprise manufacturing companies. The companies include Life is Good (clothing and lifestyle), Levi Straus (denim), Global Mammas (fair trade clothing), and DZI, inc. (fair trade handicrafts). Reports on fair trade principles and women’s empowerment also provide inspiration and guidance. Interestingly, research on women’s empowerment very closely paralleled content traditionally covered in codes of conduct.^{xliii}

Although these reports and codes of conduct all cover the same topics (such as preventing child labor), they do so in very different ways. For example, the mainstream clothing companies' codes were framed in the negative. Levi Strauss' code says "Use of child labor is not permissible. Workers can be no less than 15 years of age and not younger than the compulsory age to be in school..."^{xliv} The fair trade groups, by contrast, tend to frame things in the positive and to comment on broader issues. For example, Global Mamas uses language like "ensuring the rights of children" and "All Global Mamas are paid a fair and living wage for their work."^{xlv} I think the positive statements about rights and work conditions will be much more compelling to customers and producers. Therefore, the Joya Bride code of conduct is stated positively as much as possible. However, it is also important to make it clear (both to customers and producers) that the company does not do certain things. Therefore, some statements about what is *un*acceptable are also included. The Joya Bride Code of Conduct is included in Appendix B.

Governance Structure

In addition to mission and vision, Joya Bride's legal and internal governance structure must also be chosen. A for-profit legal structure was selected for a number of reasons. First, since Joya Bride is designed to make and sell wedding dresses, a for-profit model seems most logical. Although there are other organizations that make and sell clothing/goods that are 501(c)3 nonprofits (such as Global Mamas, Aid to Artisans), they are more involved in training and establishing the producers they work with. Second, a for-profit structure makes it easier to get loans and financing. Third, by incorporating as a for-profit, the owners can keep control of the business (rather than having a legally-required nonprofit board of directors) and can sell the business in the future. Finally, choosing a for-profit legal structure is a signal to customers. While some people believe that

organizations choose nonprofit status in order to signal quality to customers,^{xlvi} others believe that a for-profit status signals efficiency, high quality customer service, and other positive attributes.

As a for-profit organization Joya Bride can incorporate as a sole proprietorship, a Limited Liability Corporation, or one of many other legal structures. Joya Bride could also select one of the newer legal forms such as a low profit limited liability corporation or a benefit corporation. However, these new legal structures are largely untested in the courts. In addition, the funding that is supposed to be available to these types of organization has not yet materialized. Finally, as one interviewee explained to me, these new legal structures confuse people rather than inspire them. Researching a legal structure for a socially-driven business could be a capstone topic in itself.

Therefore, this section will focus on internal (non-legal) organizational structures and decisions that relate to Joya Bride's mission. These structures include: (1) how Joya Bride will accomplish its mission (through business activities only or through donations of money or goods), (2) the structure of an advisory board, and (3) internal policies for working with producer and supply chain partners.

Giving back: business model versus charity First, how will Joya Bride work toward its mission of social justice, environmental sustainability, and empowering women? In the purest definition of a social enterprise, “everything is for the benefit of others and nothing is for the owners—except the pleasure of serving humanity.”^{xlvii} However, in reality, many social enterprises do earn profits and benefit owners and investors as well as the population that is targeted for service. Where on this continuum of profit versus mission should Joya Bride fall? In addition, how should Joya Bride “serve humanity”? Is it enough to provide safe, fair, and empowering jobs and prevent environmental degradation? Or should the business also fund charitable organizations, support political change, or give back in other ways? The following examples show three different ways that companies (that could be defined as social enterprises) give back.

Patagonia Clothing Company – founded in 1972, Patagonia’s mission is to “Build the best product, cause no unnecessary harm, use business to inspire and implement solutions to the environmental crisis.”^{xxlviii} Patagonia works to accomplish this mission by giving time and services and donating at least 1% of sales to grassroots environmental groups. The company uses recycled and organic fabrics as much as possible. It also designs clothing that can be recycled, encourages people to repair clothing and equipment, and promotes reduced consumption.

Newman’s Own – Newman’s Own gives 100% of its profits to charity. Since 1982 Newman’s Own has donated more than \$330 million to thousands of charities through the Newman’s Own Foundation. Many of Newman’s Own products are organic and/or fair trade^{xliv}.

Toms Shoes – Toms donates a pair of new shoes to a child in need for every pair of Toms shoes purchased. Wearing shoes helps prevent soil-borne diseases, cuts, and allows children to attend school where shoes are required.¹

These three socially-driven companies illustrate three different ways socially-driven businesses can “serve humanity.” A company can donate 1% or 100% of its profit to charity or environmental groups, design environmentally-sustainable products, or give something tangible to people in need. Or, according to David Bornstein, “at the highest level, success for a social entrepreneur is not building the biggest or best organization in the field. It is about changing the field” (2010, p. 68).

Given this research and Joya Bride’s goals, Joya Bride will be structured similar to Patagonia.

Sustainability and social responsibility will be built into the business model along with a commitment to producing a high quality product. Like Patagonia, Joya Bride will most likely give 1% of its sales to environmental work, and hopefully 1% to social justice and women’s empowerment work.

Having a socially- and environmentally-responsible business model is important for Joya Bride as a social enterprise and as an organization that wants to use business as a vehicle for change. Donating

money, however, will be a more familiar structure for consumers. Since many consumers will spend just a few seconds learning about Joya Bride before deciding whether to read more or move on, it is essential that the company has something easy and accessible to tell in those few seconds. Finally, for many customers giving money to charity will seem more meaningful. Therefore, this will be an important way not only to find customers but also to engage them emotionally and help drive sales.

Advisory Board Joya Bride's second internal governance structure related to mission will be its advisory board. A business advisory board is similar to a non-profit board in that it provides advice, connections, and sometimes financial support. It differs from a nonprofit board in that it is not accountable (legally or otherwise) to any outside body or to the business. Instead, advisory board members provide guidance and advice to the company (usually for free) as the business requests it. For a traditional for-profit, a board usually consists of experts in the company's industry, people with connections to potential customers or resources, and experts in areas such as marketing. Eight to ten people is a good target size for an advisory board.^h Given this research, and Joya Bride's dual goals of profit and mission, its advisory board will have representatives to help with both business operations and mission-driven aspects. Ideally, Joya Bride's advisory board would consist of:

1. Wedding industry expert with contacts in wedding dress sales and supply chain
2. Marketing expert with strong connections
3. Someone interested in Joya Bride's mission who has a history of supporting social enterprises financially.
4. Upper-level manager at a mainstream company with strong social- and environmental credibility (e.g. Patagonia, Eileen Fisher, etc.)
5. Fair trade expert with strong connections
6. Social enterprise expert with strong connections
7. Expert related to Joya Bride's mission of social justice, environmental responsibility, and women's empowerment.
8. Upper-level manager at a nonprofit, foundation, or NGO that does work related to Joya Bride's mission.

This mix of advisers would support Joya Bride's business and mission-driven goals. Having both represented on the board would ensure that both perspectives were taken into consideration at

difficult times and at transition points. Having mission experts on the board would also signal that Joya Bride takes its mission as seriously as its profit. Finally, while there are two board positions dedicated to mission-focused individuals, many of the other positions bridge the gap between mission and profit (for example the philanthropist, the fair trade expert, the social enterprise expert, and possibly others). These people who balance profit and mission in their own organizations will also be very valuable in decisions where mission and profit come into conflict.

Supply Chain Relations & Internal Accountability The third governance structure that Joya Bride will enact to ensure a balance between mission and profit is principles for working with supply chain partners. Many of these principles are included in Joya Bride’s producer code of conduct. That document is supposed to be a two-way agreement between Joya Bride and its producers, but it is easy to focus on the code as things the *producer partners* must do. Therefore, Joya Bride is also committed to an internal Code of Practice based on Principles for Fair Trade Federation Members.^{lii} The full text of this document is included in Appendix F. The nine principles are listed below, with notes on how they will apply specifically to Joya Bride.

1. *Create Opportunities for Economically and Socially Marginalized Producers* – Joya Bride will work with disadvantaged populations and will make the interests of its producers its primary concern.
2. *Develop Transparent and Accountable Relationships* – Joya Bride will maintain long-term relationships with its producer partners that are open, fair, predictable, and based on respect. Joya Bride will communicate openly and clearly for problem solving and proactively.
3. *Build Capacity* – Joya Bride will support producer partners to increase sales, improve technical knowledge, and share best practices and lessons learned.
4. *Promote Fair Trade* – Joya Bride will educate consumers about its producer partners and fair trade and will pressure the wedding industry to change by setting an example.
5. *Pay Promptly and Fairly* – Joya Bride will pay on time and for the real cost of labor, time, materials, and other factors and will provide fair advance payments.
6. *Support Safe and Empowering Working Conditions* – Joya Bride will encourage producers to involve workers in decisions and will ensure equal, fair, and safe conditions.
7. *Ensure the Rights of Children* – Joya Bride will ensure children’s rights and will help prevent child trafficking and exploitative child labor.

8. *Cultivate Environmental Stewardship* – Joya Bride will reduce, reuse, reclaim, and recycle whenever possible and will make and encourage environmentally sustainable practices.
9. *Respect Cultural Identity* – Joya Bride will consider the effects of business on cultural heritage and will work to balance these two concerns.

Although Joya Bride cannot apply for membership with the Fair Trade Federation right now, it will do so as it is eligible. To earn membership, Joya Bride must illustrate its work in each of these nine areas. Therefore, establishing policies and norms in each area will be a key element of the business. Working toward these nine principles and defining policies and practices for them will again provide structure and accountability for Joya Bride's mission. These principles and the policies and practices around them will provide a balancing force when mission and profit come into conflict.

Evaluation

The last mission-driven element created for Joya Bride is an evaluation plan. While a for-profit shows its success through profit, Joya Bride must not only show a profit but must also describe progress on its mission. Joya Bride must understand and be able to communicate its social and environmental effects for several reasons. First and most importantly, as a social enterprise Joya Bride has a responsibility to continually work to reduce its negative effects and work toward its mission of social justice, environmental sustainability, and empowering women. Second, the business will want to understand its effects so it can communicate how it differs from, and hopefully is better than, mainstream bridal and clothing companies. Third, a clear understanding of the company's effects makes it easier to attract investors interested in both a financial and social return on their investment. Finally, a thoughtful evaluation will help Joya Bride to make better decisions while starting the business, and to keep reflecting on and improving its work once it is established.

These four needs for evaluation are quite different, and several of them may not even seem like reasons for a traditional *evaluation* where the efficacy of the program is judged. However, the

definition most people use for evaluation (judging the efficacy or value of something, often after it is done) is not the definition used in this section. Here, evaluation is defined as “a planned, purposeful, and systematic process for collecting information for decision-making and taking action within organizations and communities. As such, it is a means for asking critical questions about a program’s design, implementation, effects, and impact.”^{liii} Within this definition there is room for both summative (judgmental) and formative (developmental) evaluations.

While some of the four reasons for evaluating Joya Bride sound more summative than formative, a formative evaluation will be most useful to the organization at this point. As Carol Weiss (1998) describes, “*Formative* and *summative* relate to the *intentions* of the evaluator undertaking the study—whether to help develop the program or to render judgment on it.”^{liv} There are times when Joya Bride will need to make summative evaluations (such as when making initial producer partner selections). However, a formative evaluation will be more useful to Joya Bride now and in the future because it will allow the company to position itself as supportive and focused on improvement rather than as critical and judgmental. This position not only matches the goals of the organization, but will also make it easier for Joya Bride and its producer partners to consider and admit both strengths and weaknesses. Finally, formative evaluation does not preclude collecting and using data for marketing and reports.

The evaluation proposal outlined in Appendix C has two sections—a pre-project/start-up phase and an ongoing implementation and project modification phase. Interestingly, creating the implementation phase required many steps required for earlier phases. The evaluation proposal also includes an in-depth description of two logic models as well as an estimated budget and a timeline. This evaluation will help Joya Bride examine critical issues as the business starts and will lay the groundwork for future evaluations that can be used for many purposes.

Findings

There will come a day when Joya Bride must make a decision that will hurt either its profit or its mission. A traditional for-profit would choose profit over mission and even a social enterprise could choose to do the same. However, Joya Bride's purpose is social and environmental, but it must break even to survive and make a profit in order to grow. Therefore, while Joya Bride must focus on its bottom line, it must also work toward its goals of social justice, environmental sustainability, and women's empowerment. The documents and policies outlined in this capstone are the structure that will ensure Joya Bride is balancing its mission and profit needs.

Joya Bride's mission and vision explicitly state the organization's social and environmental goals and paint a picture of the future it is working towards. These documents will change as the business grows but will provide a solid foundation for Joya Bride's mission-driven work.

Joya Bride's code of conduct ensures that the business incorporates its mission and vision into the day-to-day operations of its producer partners. This code spells out not only what Joya Bride is against, but also what it is working towards. This document will serve as the springboard for conversations with producer partners about what the producer does now and is working to improve. The document will be used to create a list of observable or measurable items. These things can then be measured, and improved through the proposed evaluation for Joya Bride.

The proposed evaluation is an annual check-up on Joya Bride's mission-driven work. However it is also a way to identify and explore key issues as the organization is being created. Developing a logic model means that assumptions must be identified and examined, causation must be defined and defended, and outcomes should be scrutinized to see if they are realistic.

Finally, Joya Bride's internal governance policies will also help the business balance money and mission. First, by modeling Joya Bride like Patagonia, with environmental and social factors built into the business model, Joya Bride is working to enact its values through its day to day work. By donating money, it adds to its mission-related work and will help to communicate the company's purpose in an easily accessible manner. Second, by creating an advisory board that represents both mission and profit, Joya Bride is ensuring that mission and profit are operating on a level playing field. While some board members will be dedicated to protecting Joya Bride's mission, many more members will have experience negotiating conflicts and tradeoffs between mission and profit. Third, by committing to the nine Fair Trade Federation principles, Joya Bride is creating internal and external accountability for its mission.

With these structures, documents, and policies in place, Joya Bride is well-equipped to navigate the swirling currents of mission and profit. Although experience and time will determine precisely what Joya Bride's mix of profit- and mission-driven activities look like, the documents outlined in this paper provide a sound foundation from which to begin. That said, there is clearly room for more research and work. Further study should examine how mission should be incorporated into legal documents, how to translate documents and policies into action, and how to ensure that enough time is dedicated to Joya Bride's mission-related work.

Conclusion

This paper has described the creation of four mission-related aspects of Joya Bride: its mission and vision, its producer code of conduct, internal governance structures, and a plan to evaluate its effects. Each of these documents or decisions will anchor the business to its mission of supporting and empowering women around the world so that they can help themselves, their families, and their communities. I hope that the research and examples described in this paper will be useful not only

as a founding document for Joya Bride, but also for other socially-responsible businesses facing this challenge.

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Appendix

Appendix A: Expert Interviews

Name	Organization	Interview Date(s)
Dean Cycon	Dean’s Beans	January 24, 2012
Mary Jo Viederman	Tru2u, Charter 21	January 30, 2012
Ted Barber, Siiri Morely	Prosperity Candle	Multiple, January 2012
Jon Pitoniak	Verite	March 2, 2012
Mac McCoy, Jacque Wong	DZI, Inc.	March 7, 2012
Lia Valero	Malia Designs	March 14, 2012

Appendix B: Joya Bride Code of Conduct

Joya Bride Code of Conduct

Ensuring the Rights of Children: We do not tolerate child labor. Regular conversations and visits to production sites assures that Joya Bride producer partners do not use child labor.

Supporting Safe Working Conditions: Our producer partners must provide a safe and comfortable working environment for employees based on national laws, the International Labor Organization, and requests. Workers should be supported to improve workplace health and safety.

Developing Empowering Work Conditions: Empowering women helps individuals, families, and communities. Therefore, we are dedicated to helping women succeed by promoting education, training, and professional development for women, by supporting women-owned businesses, by promoting equality through community initiatives and advocacy, and by measuring progress toward gender equity.

Providing Equal & Fair Employment and Advancement: We encourage opportunities for traditionally underrepresented groups and aim to improve the relative position of women and other disadvantaged groups. Men and women must be paid equal wages for equal work. Our producer partners must prevent intolerance, harassment, mental and physical coercion, verbal abuse, retribution for complaints, and physical punishment. No discrimination based on race, color, sex, religion, political affiliation or opinion, union support, national origin, social status, disability (mental or physical), age, marital status, capacity to bear children, pregnancy, sexual orientation, genetic features, or other status of the individual unrelated to the ability to perform the job will be tolerated.

Paying Fairly and Promptly: Our producer partners pay at or above a fair and living wage. Joya Bride works with its producer partners to establish mutually beneficial prices, payment conditions, prepayments (if applicable), and product lead times. All workers must be allowed to fully participate in decisions concerning the use of benefits accruing from Fair Trade relationships.

Ensuring Freedom of Association: We are committed to working with producer partners that allow or encourage employees to establish and join unions and worker organizations of their own choosing. We believe that all employees must be allowed to organize and bargain collectively.

Preventing Forced Labor: By providing safe, fair, and empowering jobs we give women and men a viable alternative to unsafe and unfair work. This also reduces the need for children to work and for adults to leave their home community or migrate to another country, which entails many risks. We do not tolerate vendors who make use of prison, indentured, or forced labor. No physical or psychological coercion is allowed.

Cultivating Environmental Protection: We do our best to continually reduce our environmental impact and collaborate with producer partners to do the same. We encourage efficient use of raw materials from sustainable sources, reduced use of energy from non-renewable sources, improving waste management and increasing organic practices where possible.

Appendix C: Joya Bride Evaluation Proposal

The document below is a proposal for an evaluation for Joya Bride. The Program Logic section outlines the theory behind Joya Bride’s mission-driven work. Research questions describe what will be examined and then a timeline, data collection and analysis methods, and a budget give further details about the evaluation.

Program Logic

According to the W.K. Kellogg Foundation *Logic Model Development Guide*,

The program logic model is defined as a picture of how your organization does its work – the theory and assumptions underlying the program. A program logic model links outcomes (both short- and long-term) with program activities/processes and the theoretical assumptions/principles of the program.

In other words, creating a program logic model requires spelling out what a program is trying to accomplish, what activities it will do, what resources it needs, and what assumptions underlie this chain of actions and outcomes. When used for evaluation, topics such as research question, measure/data, and analysis criteria can be added. Given the usefulness of a logic model, and the varied formats they can take, I have developed two versions (See Appendices D and E).

The first version, a Program Logic Matrix (Appendix D), outlines four discrete steps or goals that will move Joya Bride from its actions to its desired outputs and outcomes. Underlying this matrix is Joya Bride’s theory of change: *When women in developing countries work under safe, fair, and empowering conditions and earn a living wage they invest in themselves, their families, and their communities; this is an efficient, effective, and grassroots form of international development.*

Given this theory of change, Joya Bride has the goals of: (1) selecting silk producers and cut and sew manufacturers that follow fair trade or cooperative principles, (2) ensure that Joya Bride and producer partners share an understanding of what these principles and practices are, (3) producers implement agreed upon standards and practices, and (4) given these good conditions and pay women invest in themselves, their families, and their communities. In the Program Logic Matrix each of these four goals is accompanied by a research question, Joya Bride’s input, a measure, and criteria for analysis.

The Joya Bride Theory Logic Model (Appendix E) is less focused on evaluation and does not include criteria, research questions, or measures/data sources. Instead, this model focuses on inputs, activities, outputs, and long- and short-term effects of the program. In addition, this model includes multiple theories of change. Each of these statements are beliefs that form the underlying explanation for why the chain of events in the model will take place and work. Each of these statements should be researched to see the extent to which they are true. Examples of assumptions in this model are “when women earn a living wage they invest in health and education for their

families,” “wedding dresses can be made in a ways that minimize negative social and environmental impacts,” and “women in the US will support women in developing countries through purchases.”

These are both living documents and are crucial in the early stages of a mission-driven organization. As stated above, working on these models prompts questions related to many of the pre-project and start-up evaluation tasks.

Question and Criteria

Four major questions were developed in the creation of the Joya Bride Program Logic Matrix. Each question has corresponding criteria that ranges from highly specific and developed to observations and gut feelings. The questions and criteria are:

- 1) *Does the producer partner follow Fair Trade and/or cooperative principles?* This question was, and will be, used to select producer partners. The criterion for this question is informal—how one producer compares to others, and its willingness to adapt in the direction of fair trade principles. This question and set of criteria is the most summative of the whole evaluation. While I am leery of summative evaluations, I recognize that I need to find the best possible producer partners—those with a mix of the product quality and social/environmental standards I need. Therefore, while I use/used this judgmental evaluation initially, once I select a partner I move into a more formative role.
- 2) *Do Joya Bride and the producer partners share an understanding of fair trade and cooperatives? Do they agree on what these principles “look like” in practice?* These questions prompt a discussion between Joya Bride and the producer partner so they can come to a shared understanding of what each party means by certain terms, what they are currently doing, and what they will strive to do. Criteria include existing standards the producers use, that Joya Bride uses, and that third party groups (such as the Fair Trade Federation) use. With this question, there may be the issue of too many criterion rather than too few.
- 3) *Does the producer follow the agreed upon standards and practices?* This third question moves Joya Bride from the early, foundational stages with producer partners to a longer-term, check-in stage. Whereas the first two questions are used with new producer partners, this one is used with existing ones at monitoring check-ins that take place once or twice a year. The criteria for this question and the accompanying visits is to what extent the producer partner’s actions match the standards and practices developed in question two.
- 4) *Do workers spend money in ways that will help themselves, their family, and their community in meaningful ways?* This final question links the previous steps back to Joya Bride’s ultimate goal—social justice, environmental sustainability, and empowering women. The criteria for this question are whether there are changes in how women spend their money, or how much they spend on things like health and education. This question should be part of a larger conversation about whether/how working has affected the woman’s life.

While there are many other questions that should be asked, these are the four that I have chosen to focus on. Other areas that require critical questions to be asked are: needs assessment – what assets

and needs do the workers, their families, and their communities have? What is most important to the workers and how can Joya Bride help to address these issues? What is most important to customers—giving women jobs, donating goods or money to charity, or other? And many more.

Timeline, Data Collection & Analysis

Step one of the Joya Bride Evaluation timeline took place in March and April 2012. This phase was initial meetings with about four silk producers and about six cut and sew producers in Southeast Asia. As I met with each producer I asked about work conditions, who workers were and where they lived, pay, and other related concerns. When a producer seemed like a good fit after that initial conversation I also visited the production site. These initial conversations and visits allowed me to compare various producers to one another. I also evaluated each producer against the Joya Bride Code of Conduct which I had developed based on fair trade principles and clothing manufacturer codes. While this phase of the evaluation had some summative characteristics, I did my best to frame my code of conduct as a starting place for our discussion of work conditions. Now that I have identified a few silk makers and a few cut and sew producers that seem like a good match, I look forward to working with them in a more formative way.

Evaluation Timeline	
Time	Activity
March - April 2012	Initial visit to select producer partners
Late 2012	Follow-up visit to create shared understanding of fair trade/cooperative principles and practices
1-2 times per year	Monitor/improve practices; collect data on effects on workers and use of salary.

Late this year I will visit producers again for a longer period of time. During this visit I will meet with leaders and workers in the producer groups to discuss work and environmental conditions in more detail. There is a good chance I will be pursuing fair trade certification at that time so the requirements for certification will be a key topic of discussion. More important, however, will be to learn more about producer practices and why things are done the way they are. This will allow us to talk about different fair trade and cooperative principles and develop a shared understanding of what these principles are, and what they “look like” in practice. Defining how principles translate into practice will be essential not only to ensure safe, fair, and empowering conditions, but also because what we decide will form the basis of future evaluations.

Future evaluations will take place one to two times a year and will include visiting the production site and talking with leadership and workers. The evaluator and leadership or workers will then compare how what is observed compares to the principals and practices outlined together. The goal of these visits is to learn what is happening—what is going well that we can share with stakeholders and what can be improved. In addition, in-depth interviews will be used to find out how/if this job has changed the lives of workers. Specifically, how work has changed workers’ lifestyle, relationship

with their family, and view of themselves and future options. In addition, how do the workers spend excess money?—we will be particularly interested to know if money is spent on things like health and education that will have a ripple effect for the workers, their families, and their communities.

The next time I visit producers in Southeast Asia I hope to spend some time setting the tone for evaluation. I plan to meet with leadership and workers to discuss why evaluations are important (or not) to each group, what our goals are for the evaluation, and what we should use for criteria. Perhaps there are things the leadership or workers would like to know that could be incorporated into the evaluation. Or maybe there are things I want to learn about that have an important aspect of cultural sensitivity I didn't know about. The idea of having this conversation and coming to an agreement on evaluation goals, focus, and criteria comes from Joseph Wholey.^{lv}

During this initial conversation about evaluation, I also hope to see if producer leadership or workers would be interested in being involved. Would they be willing to do interviews or translate (confidentiality and people's roles would of course be taken into account before making a decision on this). Or perhaps people are interested in working on their English speaking and writing skills or want a refresher on their math skills or to learn how to use software like excel on the computer. This kind of involvement was inspired by David Fetterman's empowerment evaluation.^{lvi} While what I am describing is nothing near the pure version Fetterman describes, I love the idea of using evaluations as a way to build skills, understanding, and leadership with our producers.

Finally, it is important to note that if we agree to develop a set of mutually agreed upon principals and practices, annual evaluations will look a lot like David Fetterman's cyclical use of theory of use and action.^{lvii} Theory in action is what people say they are doing and theory in use is what one can observe happening. By comparing use and action and comparing them, stakeholders can see where they are in or out of alignment. Participants can also create new theories of action based on what they learn.^{lviii} By supporting our producer partners to reflect and improve, I hope to play a role closer to critical friend rather than demanding client.

Budget

Below is an estimated budget for one evaluation visit. This budget is based on the time needed for a regular annual visit to all producers (two days each with four producers). However, it can be easily adapted to estimate the cost of additional visits needed as Joya Bride prepares for and launches its work. These estimates are based on my experience with the first visit to producers earlier this year.

Where costs (such as airfare to Southeast Asia) can be split between evaluation and other business, I have attributed 25% of the cost to evaluation. I believe this shows that evaluation is an important aspect of the business. At the same time, it recognizes that these trips would most likely take place for business reasons other than evaluation.

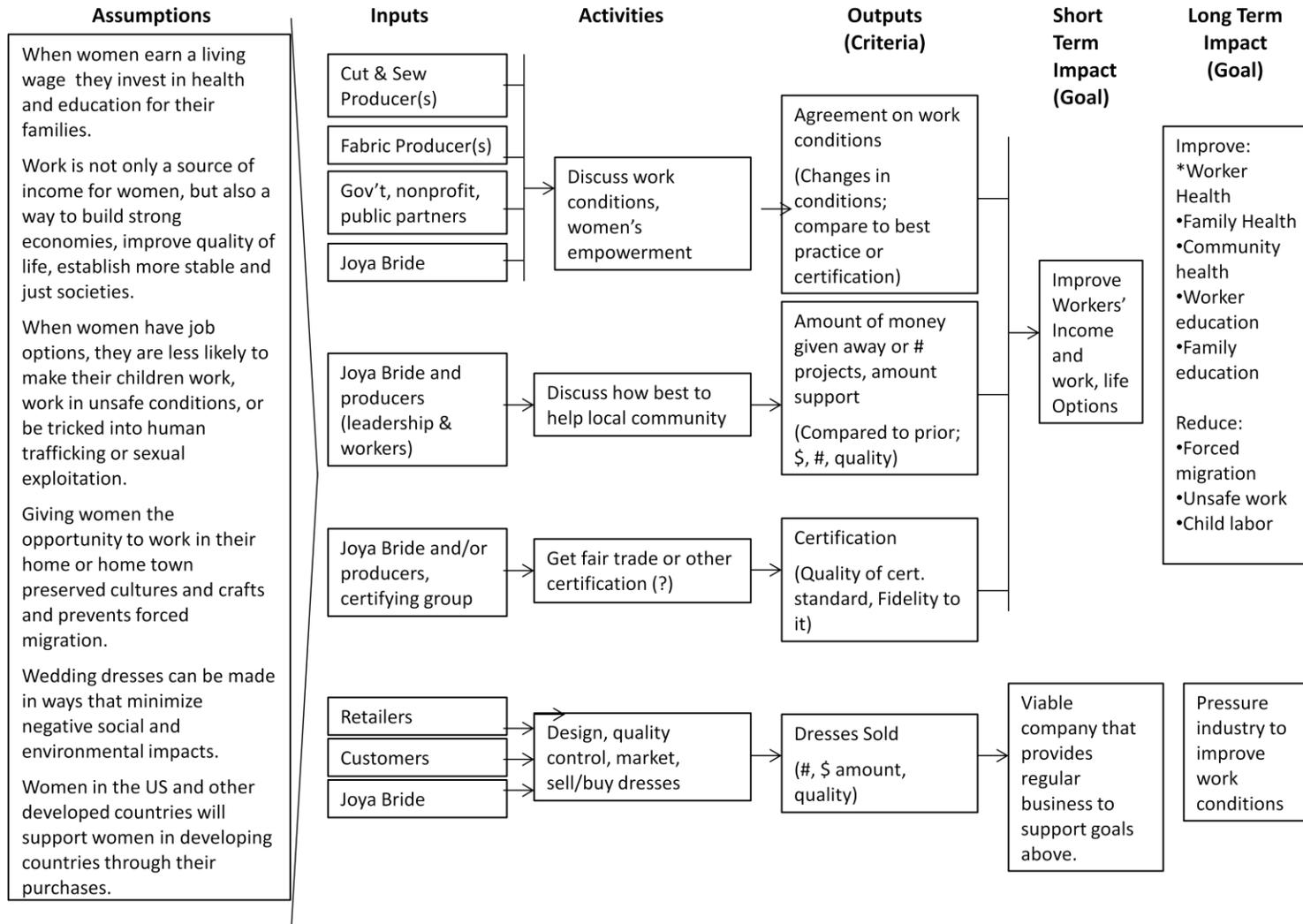
Per Visit Evaluation Budget*		
Budget Category	Cost Estimates	Explanation
Personnel Time: staff	\$0: 8 Days: producer meetings \$0: 5 Days: prepare, debrief meetings	2 days/producer*4 producers
Translator	\$400	8 days * \$50
Materials/Supplies	\$100	
Printing/Reproduction	\$50	
Communications	\$25	\$100 total cost for trip * 25%
Travel	\$375	\$1,500 total cost * 25%
Facilities/Food	\$400	8 days * \$50/day
Per Visit Total	\$1,350	
*This budget estimates the evaluation cost per trip to SE Asia to meet with producers. At least one visit per year will be required. However, a visit for evaluation can be combined with a visit for other business, so only 25% of the cost is attributed to evaluation.		

Appendix D: Joya Bride Matrix Logic Model

Joya Bride Program Logic Matrix				
<i>Theory of Change: When women in developing countries work under safe, fair, and empowering conditions and make a living wage they invest in themselves, their families, and their communities; this is an efficient, effective, and grassroots form of international development.</i>				
Program Theory/Goal	Question	Input	Measure/ Data Source	Analysis Criteria
Joya Bride selects silk producer(s) and cut and sew manufacturer(s) that follow fair trade and/or cooperative principles.	Does the producer partner follow Fair Trade and/or cooperative principles?	Joya Bride learns about producer practices.	Visit to production site(s), housing, sales venues. Meet with leadership, workers.	How this producer compared to others; its willingness to change.
Develop a shared understanding of what these principals are and what they look like in practice.	Do Joya Bride and the producer partners share an understanding of fair trade and cooperatives? Do they agree on what these principles “look like” in practice?	Joya Bride learns what fair trade/cooperative principles mean to the producer and shares what they mean to the company. The two then work together to create a shared understanding of these principles and what they look like in practice.	Conversations with producer partner leadership and workers.	Existing standards the producers uses, that Joya Bride uses, and third party groups use (e.g. Fair Trade Federation, Fair Trade Labeling Organization)
Producers implement agreed upon standards and practices.	Does the producer follow the agreed upon standards and practices?	Standards and practices developed with producer and Joya Bride.	Observe, talk about work conditions. Compare actual pay to minimum wage and living wage.	Alignment with standards and practices developed with producer and Joya Bride.
Good work conditions and pay allow women to invest in themselves, their families, and their community.	Do workers spend money in ways that will help themselves, their family, and their community in meaningful ways?	Women are empowered by good work conditions and earning a living wage.	Interviews with women on how they spend their money, particularly on health and education.	Changes? Women spend more on health and education?
This Logic Model is modeled after Rallis & Militello’s (August 2008), Beyond the Basics and Traditional, Claremont Graduate University				

Appendix E: Joya Bride Theory Logic Model

Joya Bride Theory Logic Model (adapted from W.K. Kellogg Foundation Logic Model Development Guide)



Appendix F: Fair Trade Federation Principles

- *Create Opportunities for Economically and Socially Marginalized Producers* - Fair Trade is a strategy for poverty alleviation and sustainable development. Members create social and economic opportunities through trading partnerships with marginalized producers. Members place the interests of producers and their communities as the primary concern of their enterprise.
- *Develop Transparent and Accountable Relationships*- Fair Trade involves relationships that are open, fair, consistent, and respectful. Members show consideration for both customers and producers by sharing information about the entire trading chain through honest and proactive communication. They create mechanisms to help customers and producers feel actively involved in the trading chain. If problems arise, members work cooperatively with fair trade partners and other organizations to implement solutions.
- *Build Capacity*- Fair Trade is a means to develop producers' independence. Members maintain long-term relationships based on solidarity, trust, and mutual respect, so that producers can improve their skills and their access to markets. Members help producers to build capacity through proactive communication, financial and technical assistance, market information, and dialogue. They seek to share lessons learned, to spread best practices, and to strengthen the connections between communities, including among producer groups.
- *Promote Fair Trade*- Fair Trade encourages an understanding by all participants of their role in world trade. Members actively raise awareness about Fair Trade and the possibility of greater justice in the global economic system. They encourage customers and producers to ask questions about conventional and alternative supply chains and to make informed choices. Members demonstrate that trade can be a positive force for improving living standards, health, education, the distribution of power, and the environment in the communities with which they work.
- *Pay Promptly and Fairly*- Fair Trade empowers producers to set prices within the framework of the true costs of labor time, materials, sustainable growth, and related factors. Members take steps to ensure that producers have the capacity to manage this process. Members comply with or exceed international, national, local, and, where applicable, Fair Trade Minimum standards for their employees and producers. Members seek to ensure that income is distributed equitably at all times, particularly equal pay for equal work by women and men. Members ensure prompt payment to all of their partners. Producers are offered access to interest-free pre-harvest or pre-production advance payment.
- *Support Safe and Empowering Working Conditions* - Fair Trade means a safe and healthy working environment free of forced labor. Throughout the trading chain, Members cultivate workplaces that empower people to participate in the decisions that affect them. Members seek to eliminate discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, age, marital, or health status. Members support workplaces free from physical, sexual, psychological, or verbal harassment or abuse.
- *Ensure the Rights of Children* - Fair Trade means that all children have the right to security, education, and play. Throughout the trading chain, Members respect and support the UN Convention on the Rights of the Child, as well as local laws and social norms. Members disclose the involvement of children in production. Members do not support child trafficking and exploitative child labor.
- *Cultivate Environmental Stewardship* - Fair Trade seeks to offer current generations the ability to meet their needs without compromising the ability of future generations to meet their own needs. Members actively consider the implications of their decisions on the environment and promote the responsible stewardship of resources. Members reduce, reuse, reclaim, and recycle materials wherever possible. They encourage environmentally sustainable practices throughout the entire trading chain.
- *Respect Cultural Identity* - Fair Trade celebrates the cultural diversity of communities, while seeking to create positive and equitable change. Members respect the development of products, practices, and organizational models based on indigenous traditions and techniques to sustain cultures and revitalize traditions. Members balance market needs with producers' cultural heritage.

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