
Understanding the Role of Sustainability in Social Ventures

Sally L. Fortenberry, Ph.D. and Shweta L. Reddy, Ph.D.

Department of Fashion Merchandising, Texas Christian University, Fort Worth, Texas

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Introduction

Most people start a business with one key objective in mind and that is making a profit. Yet some companies seek to not only make a profit but to provide a tangible benefit to society and the environment. Market-based for-profit ventures have with remarkable momentum become the preferred vehicles for addressing many perceived social and environmental problems (Cooney & Shanks, 2010; Prahalad, 2004; Yunus, 2010). These social enterprises, defined as businesses that actively pursue both revenue-generating and socially beneficial goals, are often part of larger social enterprise industries, where for-profit organizations use the market to “promote social and environmental concerns” (Raynolds, 2009, p. 1083). Examples of social enterprise industries include fair trade, organic agriculture, socially responsible investing (SRI) or ethical employment practices. While there are many definitions of social entrepreneurship one that many entrepreneurship scholars and practitioners tend to agree on was articulated by Mair and Marti (2006): “A process of creating value by combining resources in new ways. Second, these resource combinations are intended primarily to explore and exploit opportunities to create social value by stimulating social change or meeting social needs. And third, when viewed as a process, social entrepreneurship involves the offering of services and products but can also refer to the creation of new organizations” (p. 37).

Review of Literature

Caniato, Cardi, Crippa and Moretto (2011) identify Small Alternative Firms (SAFs) as small companies that are redefining their business models and supply chains to improve their environmental performance. The criteria used to identify SAFs are that these companies have always had control over their manufacturing thereby having direct control over the main phases of their product production and processes. SAFs have control over their product design and their process design. According to Caniato et al., (2011), the SAFs consider the relationship between environmental and social sustainability as synergistic. Thus, the SAFs focus on all three pillars of sustainability. This becomes clearer when considering these small alternative firms sell their products directly to final consumers who are usually individuals that are deeply sensitive to both environmental and social issues. Also, these companies are relatively new, which permits them to utilize a sustainable strategy based on the Triple Bottom Line idea. SAFs have a strong impact on environmental performance, and these companies are open to utilizing greener processes. SAFs also use green criteria to select their suppliers and try to foster sustainable practices within their supply chain (Caniato, et al., 2011). Some SAFs may opt for a more radical change, which includes the elimination of distributors and retailers in the supply chain. These newer SAFs are likely to use online selling techniques to reach the consumer market directly. Opting for online selling is not a green approach but this choice makes it possible for these companies to increasingly focus on both social and environmental sustainability.

Methodology

Case study methodology is used to investigate two small alternative (SAFs) fashion enterprises located in Fort Worth, Texas, U.S.A., that have identified environmental and social sustainability as key elements to compete and to survive in the market. Data sources included personal interviews, reviews of websites, personal observations and examination of products. A purposeful sample of two local companies, both which identify themselves as sustainable social ventures, were selected for the case study. Given the exploratory nature of this study, the research is based on the definition by Yin (2003), a case study “investigates a contemporary phenomenon within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident”. The business model presented in the Caniato, Cardi, Crippa and Moretta (2011) research is used as a framework for investigating practices and measurable performance used by the two small alternative firms. These include drivers, as adapted from De Brito et al (2008); practices, classified according to a three-dimensional framework identified by Fine (1998); and performance indicators based on the criteria that companies are trying to improve through the adoption of sustainable practices.

Sustainable Social Ventures

Tribe Alive, founded by a social entrepreneur, has had an ecommerce presence since 2014 and wholesales their products to other companies through JOOR, an ecommerce platform. Most recently Tribe Alive opened a store-front location in order to directly market their lifestyle collection to their customers. Tribe Alive partners with female artisans in Guatemala, Haiti, India, Honduras and even Fort Worth, Texas to employ marginalized women and empower female artisans to determine their own futures through sustainable employment (Tribe Alive, 2018). Women comprise more than three-quarters of the artisan workforce, and the effect is exponential. When women are empowered to earn an income, they reinvest 90 percent of that income back into health, education, food, children and their communities. Tribe Alive is a social enterprise, combining business and social justice. They measure success by the positive social and economic impact on their artisans and their communities. Their customers’ purchases have a positive impact on the artisans’ lives, thus Tribe Alive works closely with artisans to offer products directly to consumers, cutting out middlemen and excessive mark-ups. In fact, Tribe Alive takes only half of the mark-up of its competitors, ensuring their customers receive the best possible value. The company collaborates closely with smaller artisan groups, often the most disadvantaged and marginalized, to extend the distribution of their products to reach more customers. The company is committed to identifying and partnering with artisan groups with limited access to markets due to their remote locations, small-scale technical capabilities or lack of technical support. Consequently, Tribe Alive expects them to protect and uphold the human rights of artisans, regardless of gender, race, ethnicity, socioeconomic status, sexual orientation, age, ability or disability, or any markers of identity. Tribe Alive believes artisans should have access to safe, healthy working environments free of harassment, discrimination and child labor. Tribe Alive is committed to raising awareness about human rights and social justice issues through their work. At Tribe Alive, environmental sustainability is at the core of their mission. Manufacturing processes are free of toxic chemicals and dyes and synthetic, non-biodegradable fibers, are never used. Nearly all of their products are made with upcycled or organic materials, such as cotton and linen, and all packaging is created using upcycled materials that otherwise would have ended up in landfills. By 2020, Tribe Alive plans to eliminate the use of plastics entirely from their supply chain. Responsibly sourced leather from tanneries committed to the ethical treatment of animals is used. This means no animal is ever killed for its hides. Rather, the leather comes from animals that have died naturally or are a byproduct of the meat industry. These practices have helped to reduce carbon emissions, lessen water and energy use and

vastly minimize the consumption of new raw materials. Tribe Alive believes in slow fashion and meaningful consumption. From apparel to accessories, the venture team designs timeless pieces in classic silhouettes and high-quality materials. Years from now, their clothes should still be in use, not in a landfill.

Symbology, founded in 2012, also fits the description of a SAF. According to Caniato et al. (2011), one of the motivators for SAFS is the need to find new ways to compete and to market their products. The founder was inspired to start Symbology after traveling to India on an anthropology-focused research trip in 2006 to explore fair trade initiatives involving women artisans (Symbology, 2018). Symbology works with these artisans to preserve traditional textile arts and culture, to empower women artisans and to provide sustained employment and fair wages (Symbology, 2018). Symbology is out to make fair trade affordable and contemporary. They merge artisanal fabric production techniques with fashion forward designs that give customers a one-of-a-kind item. Symbology sells directly to their customer through the use of ecommerce and local popup shops at non-competing venues. The company envisions fashion as a platform to empower the poor, preserve traditional arts and connect women worldwide. The U.S.-based team custom designs fabrics and garment styles to create a truly unique piece, one that celebrates cultural artforms to tell a story of empowerment for both its maker and wearer. Symbology uses silhouettes that flatter all body shapes and offers inclusive sizing, bringing confidence to their customers. Each collection showcases a series of motifs and symbols that are imbued with meaning, reflecting the deep heritage behind the piece. Many cultures in disparate parts of the world, throughout different eras, have used strikingly similar motifs in their artforms, a reflection of everyone’s shared humanity, which the founder used as inspiration to name the company Symbology. Symbology uses fashion as a platform to empower women, preserve handmade crafts and provide sustained employment and fair wages to marginalized artisans. Each piece is handcrafted by women artisans in developing countries including India, Chiapas, the West Bank using traditional fabric techniques like block printing, tie dye, hand beading and embroidery. The company believes that the well-being of artisans is central to who they are as a company, which is why they pay each a livable wage, allowing them to provide for their families. Through sustained work opportunities and involvement in the design process, artisan partners can affect change not just in their own lives, but the world.

Drivers	Internal	Market	Legal
Tribe Alive	Core value and founding principle	Relevance for target customer	Not relevant; company wants to go beyond regulations
Symbology	Core value and founding principle	Relevance for customer and market niche	Not relevant; company wants to go beyond regulations
Practices	Product	Process	Supply Chain
Tribe Alive	Organic cotton through fair trade suppliers; recycled and upcycled fabrics and no chemical dyes	Low energy production; collection and recycling of used products; ethical treatment of animals	Works with non-profits and female artisan groups, local production networks within countries selected; fair trade for raw materials

Symbology	Use of natural dyes and pigments	Low energy production; hand weaving and printing	Works with artisan collectives; suppliers are part of development program
Performances	Environmental	Human Rights	Business Integration
Tribe Alive	Organic cotton; recycled fabrics, recycled and natural dyes	Living wage; female workforce	Fair Trade Certified; affordable prices
Symbology	Natural dyes and prints	Living wage; female and marginalized workforce	Fair Trade Certified; culturally inclusive

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