

SOCIAL ECONOMY



KEITH BEATY / TORONTO STAR

Trevor Chasse, who had few workplace skills, proved himself when hired by Chris and Jennifer Fedus, at their Active Green and Ross franchise.

'All they need is someone to give them a chance'

Hiring and training people who might otherwise fall through the cracks boosts bottom line

STUART LAIDLAW
FAITH AND ETHICS REPORTER

HAMILTON—In the quarter-century since he left high school, Trevor Chasse has bounced from job to job. He managed, most of the time, to keep his head just above water.

But with no college or university education and no marketable skills, surviving became harder and harder as the years wore on and dead-end jobs filled his resumé. So, when yet another bout of unemployment hit just over a year ago, Chasse, now in his 40s, feared the worst.

His salvation, it turned out, came at the back end of a suburban shopping mall, where an entrepreneurial couple was looking to build a small auto repair business and maybe help their community a little along the way.

Chasse is now the public face of an Active Green and Ross franchise. Working the front counter and the phones, he is the first person a customer meets. Lacking experience and know-how, his wages were once subsidized through a provincial employment program. Today, he's a full-fledged and valued member of the staff.

"Chris and Jennifer have been very supportive," he says.

Chasse's employers, Chris and Jennifer Fedus, are at the forefront

of a new experiment in the social economy, a sector of the market that combines business savvy with the kind of work most often done by charitable groups or social service agencies.

Traditional social economy enterprises operate as non-profit businesses and put as much, if not more, emphasis on social goals — helping the mentally ill or immigrants or street kids, for example — as on the business end of things. As such, they have rarely broken beyond the niche markets they serve.

But Toronto financier Bill Young wanted to take the concept mainstream.

His idea: Rather than relying on social service agencies to find jobs for the hard-to-employ, why not figure out ways to get established businesses to hire some of these people?

"We're taking an established brand name and working our model into it," he says.

Young, who made his fortune in the dot-com boom and wanted to put his windfall to good use, founded Social Capital Partners with the money from the sale of his computer business to GE in the early 1990s.

He set up an investment fund of more than \$10 million to lend seed money to social economy opera-

tions. Hoping to boost the influence of the sector, he began the hunt for companies willing to trade his financing for a commitment to social service work.

So far, Active Green and Ross has been the biggest taker, signing up two of its franchises, in Hamilton and Barrie, to be testing grounds for the project.

"It's gone well for us," says Peter Steele, general manager for the 75-store chain.

Thanks to a Toronto financier, the social economy experiment promises projects will go beyond niche markets

In fact, it's gone so well the company plans to get all its franchisees involved in the program by backstopping any Social Capital loans used to buy a franchise or expand an existing one. The chain has just bought 28 Speedy Muffler locations, most of which it plans to franchise out.

"I fully expect the bulk of them to take part in the Social Capital program," Steele says of the former Speedy locations.

The commitment is a huge boost to the program and takes Young far down the road toward his goal of mainstreaming the social economy.

His intention is to use the Active Green and Ross experiment to prove that business and social justice are a good mix — not only compatible but also mutually beneficial.

Joanne Norris, director of social returns at Social Capital, says businesses soon find that job satisfaction and productivity both jump. Her job is to help people like the Fedus get the staff they need.

"The average business owner is crazy busy and not familiar with the social service system," she says.

Young says he is not looking to replace the enterprises and agencies that address society's most challenging needs but to expedite their work by finding other models of help for those who don't need so much assistance. By giving the less-needy employment, he says, the more intense operations can focus limited resources on those needing the most help.

Jennifer Fedus appreciates the logic in that.

From her office, she can see Chasse working with ease, fielding phone calls, checking price lists and helping customers who come through the door unannounced. She shudders to think what could happen to a man in his 40s without job skills if it weren't for this form of the social economy.

"A guy like that, he could easily fall through the cracks, just by circumstance," she says. "All they need is a chance, for someone to take a risk and give them a chance."

WHAT IS SOCIAL ECONOMY?

Even those in the midst of the social economy have a tough time pinning down exactly what it is, the result of the rapid growth and development of the innovative sector.

Every time participants think they've figured it out, someone comes along with a new way to express it. At Trent University, a professor and a grad student have launched a research project aimed at simply coming up with a working definition. A conference on the social economy in Toronto last year spent most of its time trying, unsuccessfully, to develop a definition.

But this much is clear: Social economy projects invariably combine business acumen with a commitment to helping society's less fortunate. It might be a café run by former psychiatric patients, or a sewing shop employing only immigrant women.

However it is manifested, a social economy enterprise is part social service agency and part business. The projects are run like businesses but the profit motive comes second to helping target clients.

The operators can be as single-minded about growing their businesses as the most ardent capitalist, but they measure success differently. It's not about the bottom line, but about making society a little better any way they can.

Stuart Laidlaw



Active Green and Ross franchise owners Chris and Jennifer Fedus are pleased with the program.

'Teamwork' has new meaning

Jennifer Fedus says hiring staff through the Active Green and Ross program is a breeze.

Social Capital screens applicants and sends only those most suited for the job, she says. The result is less paperwork, fewer resumé to sort through and a quicker turnaround in filling vacant jobs.

Through Social Capital, Fedus can even access government wage subsidies for those deemed hard to employ. Half of Trevor Chasse's salary was covered for his first six months on the job as he gained experience.

Fedus also says many of the benefits are less tangible but equally important. The established employees become mentors to the Social Capital recruits, showing them the ropes and leaving for home each night feeling like they, too, have helped to make the world a little better. It all puts meaning to business buzzwords like "teamwork" and "shared goals" like nothing else can.

After nearly 18 months on the job, in fact, Chasse is using his experience to help the latest Social Capital recruit, a kid half his age, ease his way into the work world.

Stuart Laidlaw