



a project of the Progress Group

Greater Good Project Launch November 12, 2009

Program Overview

The [Greater Good](#), as introduced by Richard Eidlin, is a comprehensive business development program, run by The Progress Group. The project identifies, trains and funds low- and moderate-income, for-profit entrepreneurs along Colorado's Front Range. The goal is to introduce triple bottom line and sustainable business practices to entrepreneurs from under-served communities (minorities, veterans, youth, elderly, disabled), who are often challenged by access to capital and information. The objective is to enable these entrepreneurs to secure new clients, distinguish themselves from competitors and strengthen their market position. The net result will be the development of dozens of successful, civic-minded companies that help restore economic vitality to local communities and increase self-sufficiency.

While sustainability has revolutionized the business world in last decade, these practices and concepts have not been widely applied by low-income entrepreneurs. The Greater Good intends to change this in Colorado through training programs that 'bake' triple bottom line strategies into the business operations of these emerging companies. The Greater Good sees business, particularly entrepreneurs, as a catalyst for addressing society's greatest challenges.



Participants in the Launch

Kevin Johansen

Beth Parish

The Greater Good provides an 'ecosystem of services.' Working closely with many of Denver's leading nonprofit economic development groups, the Project identifies early stage companies interested in sustainability and corporate social responsibility. The eight-week Academy provides hands-on training for entrepreneurs. During the course, each participant will be assigned a mentor; successful entrepreneurs and business leaders. An investment fund will be created to provide loans to qualified emerging triple bottom line businesses.

Session 1 – Sustainable Enterprise: A Tool for Creating Economic Opportunity

The panel included: Cec Ortiz, Deputy Director, Denver’s Office of Economic Development (OED), Tracey Stewart, Economic Self-Sufficiency Coordinator of the Colorado Law & Policy Center, Beth Parish of Regis University and Kevin Johansen of The Business Catapult.

- **Cec Ortiz** noted that OED is focused on supporting small business development and expansion, connecting people to jobs, and the City’s long-term sustainability. The Greater Good, she added is a good example of how to support businesses, families and communities.
- Cec noted that the City’s ‘Economic Prosperity Taskforce’ is exploring initiatives to help reduce poverty and strengthen local communities. Linking workforce development, community development and entrepreneurship is part of a strategy for empowering people from disadvantaged backgrounds to launch (and grow) new companies that hire local residents. While municipalities can’t create direct jobs, they can provide the policies, incentives and programs to encourage that to happen.



Cec Ortiz



Tracy Stewart

- **Tracy Stewart** described how micro enterprise and triple bottom line strategies can help low-income people become self-sufficient. This requires building a social network that reaches beyond one’s immediate neighborhood. It’s important to involve people who are financially solvent, have resources and can serve as a role model and mentor.
- The Center produces a ‘Self Sufficiency’ standard every three years. For a family of four in Denver County the standard amounts to \$45,000. Contrast this with an average outlay of public assistance of \$23,000 for the same size family not meeting the standard. It is estimated that someone running a business making \$50,000 will pay \$12,000 in personal taxes.
- **Beth Parish** described the triple bottom line as a business plan with a *profit* bottom line, *people* bottom line and an *environmental* bottom line. The challenge is avoid the financial bottom line from taking precedence over the other two, equally important metrics.

- She noted there are four types of ‘Social Enterprise’:
 - Non-profits looking for revenue streams other than grants; wherein a business is launched to support the broader mission.
 - Non-profits, where the business is the basis of the mission.
 - For-profits that use some of their profit to address a social cause.
 - For-profits that reinvest some of their profits in the community.
- **Kevin Johansen** noted that all successful entrepreneurs must value the importance of ‘knowing how your network works.’ Low-income entrepreneurs must be able to access resources from outside their local communities and economies.
- Being an entrepreneur is hard work, eight in ten businesses fail within first two years, and nine in ten fail within five years. However, with *at least* \$100K in capital, the failure rate drops to four in ten.
- Successful entrepreneurs must be coachable and think about their business as both a customer and investor would. Planning for success and having a short, mid- and long-term plan is essential. Finally, being an entrepreneur requires making difficult decisions and driving the process.

Session II: Greater Good Project

Speakers included Christine Marquez Hudson, Executive Director of Mi Casa Resource Center, Adam Brock and Richard Eidlin of the Progress Group and Ceyl Prinster of the Colorado Enterprise Fund.



Ceyl Prinster, Christine Marquez-Hudson, Adam Brock, and Richard Eidlin

- **Christine Marquez-Hudson** explained that Mi Casa is a 33-year-old non-profit business development group helping to advance the economic success of low- to moderate-income Latino families. Mi Casa is partnering with The Progress Group to provide training for low- and moderate-income businesses, especially young entrepreneurs.
- **Adam Brock** noted that the Greater Good will support businesses that have a written business plan or that have been generating revenue for at least six months. The eight-week program, “Greater Good Academy” will meet over a two-month period, for three hours each week. The ‘faculty’ will include successful businesspeople from the community, who have a commitment to the triple bottom line and sustainability.
- The courses will cover a range of operational issues: green supply chain, social marketing/PR, human resource practices, leadership skills and financial management – all

through the lens of triple bottom line practices. The curriculum will include: class lecture, discussion groups, peer-to-peer work and practical homework assignments that relate to issues commonly encountered by businesses. The goal is to help foster successful business people who will become leaders within their communities.

- Each student will be paired with a mentor to help them implement triple bottom line practices into their business plan and operations. A ‘showcase,’ open to the public, will feature the graduates.
- **Ceyl Prinster**, President and CEO of the Colorado Enterprise Fund (CEF), described the plan to create a ‘Greater Good Investment Fund’ that would make loans in the \$15,000 to \$50,000 range to triple bottom line companies. Many small businesses have a need to access capital in order to grow. This is especially true for firms that lack the required collateral and credit history called for by conventional lenders, such as banks.
- CEF is in the business of making loans, not grants, and will look closely at prospective borrowers to determine if they can generate steady revenue and be self-sustaining. Loans will only be made to companies that are already generating revenue, and often where there is a secondary source of income. Ceyl noted that a guarantee of repayment is never a sure thing, but is enhanced by upfront screening and technical support.
- **Richard Eidlin** noted that involvement of such ‘pipeline partners’ as Mi Casa and the Rocky Mountain Micro Finance Institute will help to qualify program participants and reduce the level of financial risk.

Session III: Entrepreneur Presentations

Three early stage sustainable entrepreneurs made short presentations. After each, professional investors, Kevin Johansen and Steve Murchie, asked a series of questions and offered suggestions on how to grow the businesses.

- **Housegreening, Inc.**

Michael Eck and **Jessie Lee Grey** described their 5-year-old housekeeping company that uses nontoxic, organic and biodegradable products and environmentally sound methods for residential and commercial clients. An essential element of the company’s business strategy is to educate customers about how to live more sustainably.

Housegreening’s biggest challenge is to source quality “greeners” or cleaning staff. Michael and Jesse appreciate that cleaning is physically demanding and requires flexible employee work schedules and ongoing training about new products. Kevin and Steve suggested, finding an attorney who can guide the company along the “franchise path.”

<http://www.housegreening.com/>



Michael Eck



Karen Megel

- **Alpha Goods**

Karen Megel's company produces two natural health care products; one an insect repellent and the other a foot spray. Both are being sold at area farmers markets. Karen hopes to soon have a large natural foods chain carry the products. Alpha Goods was founded in part through her work with Mi Casa and Rocky Mountain Microfinance Institute.

Steve suggested Karen talk more about the business (e.g. operations, marketing strategy, capital needs) rather than just the product. Kevin suggested that the company name did not easily communicate the type of business Karen operates. alphagoods@comcast.net

- **MobilizeUs**

Co-owners **John Hand** and **Debra Brown** described the company's group text messaging services. Target audiences are large groups of people who share a common need for specific information. These include: school sports teams, social groups, humanitarian organizations, and social activists. Both John and Debra work from home and are committed to growing the business by hiring locally and supporting causes they believe in. Their main challenge is overcoming a long sales cycle, which presents a liquidity issue. <http://www.mobilizeus.com/about.php>



Debra Brown and John Hand

Steve and Kevin suggested identifying their sales targets more precisely, along with the responsible point person within those organizations, to accelerate the sales process. They also recommended concentrating on being the best within a certain niche market.

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