



BUSINESS AS MISSION
GLOBAL THINK TANK

REGIONAL GROUP REPORT

Missional Business from Singapore

BAM Think Tank Singapore
Regional Group Report

Missional Business from Singapore

A Singapore Journey

Report by the Business as Mission Think Tank
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Singapore Centre for Global Mission



BUSINESS AS MISSION
GLOBAL THINK TANK

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† Preliminary list as of October 1, 2013

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Foreword

The Global Think Tank on Business as Mission has opened up a unique forum for collaboration among practitioners and leaders from around the world. When we began this second Think Tank initiative, we focused on a key word: *invigorate*. The purpose of the Think Tank has been to invigorate the global business as mission movement, to equip and encourage those who want to serve God and the common good in and through businesses—among all peoples.

To that end we launched over 30 national, regional and international working groups. Some of these groups focused on a particular issue in the BAM movement, and others were concentrating on BAM in and from a particular region or country.

The objectives for these groups were to listen, learn, share and connect. We developed tools and templates for the working groups to effectively collaborate through virtual meetings, as well as face-to-face consultations. Each group has produced materials, including papers, analyses, case studies, tools and resource directories, as a result of this dialogue.

To enable a meaningful and constructive conversation in and between groups, we have used the following working definition of business as mission:

Business as mission is:

- Profitable and sustainable businesses;
- Intentional about Kingdom of God purpose and impact on people and nations;
- Focused on holistic transformation and the multiple bottom lines of economic, social, environmental and spiritual outcomes;
- Concerned about the world's poorest and least evangelized peoples.

This definition emerged from the first Think Tank on BAM, which among other things produced the Lausanne Occasional Paper on Business as Mission, as well as the BAM Manifesto: http://www.lausanne.org/docs/2004forum/LOP59_IG30.pdf.

The Think Tank project has resulted in a massive global gathering of both intellectual and social capital for the BAM movement. As well as the written materials, we have built networks and have gathered together in person at the working group Leaders Forum and at the Global Congress on Business as Mission, both held in Thailand in April 2013. The intention is to now share and disseminate these gathered resources as widely as possible.

This report is one in a series of papers from the 30 plus working groups. Hundreds of leaders in the BAM community, from every continent, have contributed to these reports. Additional Think Tank reports may be found at <http://bamthinktank.org/reports>.

In 2014 we will publish a comprehensive BAM 2.0 paper, a follow up to the Lausanne BAM Paper of 2004.

These reports are not the end or the final destination of the BAM Think Tank, but should rather be seen as important reflections by BAM practitioners and other leaders who will continue to journey together. We need to continue to grapple with issues, and address needs and gaps. Some groups will continue and new initiatives will emerge. The BAM movement is on the move!

It has been a privilege to facilitate this unprecedented and global collaboration over the last two years. Looking back we can see that at times we have achieved less than we have hoped and planned for. But we have also witnessed that God is able to do more than we could have ever imagined.

Our sincere thanks goes to all those who have co-laboured with us to bring the Think Tank initiative to fruition. We want to especially thank the Steering Group, the Issue and Regional Group Leaders, the Support Team and our spouses Mark and Jennifer for their steadfast support.

We pray that these papers, case studies, tools, recommendations and resources would go out widely, and encourage and equip you as well as invigorate the global BAM movement.

“Now to him who is able to do immeasurably more than all we ask or imagine, according to his power that is at work within us, to him be glory in the church and in Christ Jesus throughout all generations, for ever and ever! Amen” (Eph. 3:20-21, NIV).

Jo Plummer & Mats Tunehag

September 2013

Co-Chairs

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Executive Summary

Missional Business from Singapore A Singapore Journey

Singapore is a multi-racial, multi-cultural city state with a population of 5.3 million. Due to its size, the Singapore economy is heavily dependent on the global export market for its continual growth. Singapore entrepreneurs and business professionals often look beyond the shores of Singapore for growth markets and for new opportunities. Thus Singapore businesspeople are accustomed to an externally focused business environment, in an export-oriented economy. Many foreign companies are attracted to Singapore, a result of attractive incentives offered by the government and the availability of managerial talent in Singapore.

In terms of the history of missional business—or business as mission—in Singapore, there were some early forays into business by individuals, as well as by churches, some of which date back some 20 years. Some of these early attempts at business were started primarily as platform to gain access to or to remain in the field for those sent as missionaries. Many of these early enterprises faced setbacks of various kinds and some were subsequently closed down when the business was not viable or did not fit the context of the country, or the business owners found it too demanding. Some of these early attempts at business survived and persisted after having gone through several business cycles, with their most recent iteration better informed by the growing literature on business as mission.

Business as mission (BAM), though not entirely new to the church in Singapore, is not widely adopted as part of the church's missional strategy. Many of the churches seem more attuned to involvement in social enterprises than with BAM enterprises, since BAM tends to be considered more commercial in nature. This in part is due to the notion that profits in a commercial business is synonymous with profiteering and that the lower profit motivation of social enterprises is congruous with the purpose of the church, and thus is more appealing to the Christian mindset and ministry.

The dichotomous view between the sacred and secular, ministry and business is one of the challenges that besets the development of BAM as a mission strategy. Another challenge is the discomfort of having profit as an intrinsic part of a missional business. A third challenge is the differing notion about what is a holistic ministry. Alongside a sound theology of missions, there is a need to review the theology of work as well the theology of business as part of a wider effort to seek the adoption of business as mission as a mission strategy.

Some in Christian circles have considered Singapore as an “Antioch of the East”, drawing parallels between these two important centres of commerce that bridged the East and the West. This is also an expression of aspiration for Singapore to become an important sending centre for global missions. Singapore has also been seeking to position itself as an important hub in numerous aspects of commerce and trade as part of an ongoing effort to chart its course for continual economic growth and prosperity. Perhaps through business as mission, Singapore could truly fulfill the expectations of so many who have gone before, and claim the recognition of being the Antioch of the East. In order for this to become true, the Singapore church must be prepared to incorporate missional business as part of its overall missions strategy to reach the world for Christ.

Missional Business from Singapore

A Singapore Journey

Introduction

Introduction to Singapore

Singapore is a multi-racial, multi-cultural city state with a population of 5.3 million, of which approximately 12.2% are Protestant Christians. There are about 225 churches registered with the National Council of Churches of Singapore (NCCS), with main line denomination churches—such as the Anglican, AOG, the Methodist, the Presbyterian, the Baptist, the Brethren and the Evangelical Free churches—and three independent mega churches forming the greater majority. There are also numerous small independent churches that are not part of the NCCS.

Singapore has an export-oriented economy with an estimated GDP (current figures) of US \$270 Billion, with the estimated per capita GDP of \$61,046 based on purchasing-power-parity (IMF World Economic Outlook). Due to its size, the Singapore economy is heavily dependent on the global export market for its continual growth.

Singapore entrepreneurs and business professionals often look beyond the shores of Singapore for growth markets and for new opportunities. Thus the Singapore businessmen are accustomed to an externally focused business environment, in an export-oriented economy.

The managerial and professional talent pool is well developed in Singapore, along with a robust business infrastructure and a good education system. Many foreign companies tend to locate their regional headquarters in Singapore, a result of attractive incentives offered by the government and the availability of managerial talent in Singapore.

Group purpose and process

The chief purpose of the Singapore Regional Group of the BAM Think Tank has been to collect data relating to missional enterprises that have either been birthed by Singaporeans or by Singapore churches. The group has analyzed this data to determine what we can learn from such enterprises. Further, we have explored how as a group we can network to promote and further missional business—or business as mission—as an integral part of global missions strategy of the church in Singapore.

The Singapore Regional Group consists of individuals that represent a cross-section of the churches in Singapore. In addition to the members of the group, there have been others who have also provided invaluable comments, input and advice that were helpful in the writing of this report.

The Singapore group began by considering the working definition of business as mission (BAM) used by the BAM Think Tank¹. Whilst there were differing views on the working definition, the scope of what is a BAM enterprise was discussed at some length. The assumption that a BAM enterprise was cross-cultural and located within a developing

¹ BAM Think Tank working definition of BAM, under 'What is Business as Mission?' <http://bamthinktank.org/faq>

economy was closely examined. Upon some consultation with the BAM Think Tank, the group decided to include Christian social enterprises in Singapore within this working definition.

This report is submitted to the global Church community through the work of the BAM Think Tank Singapore Regional Group on behalf of the churches in Singapore.

A Singapore BAM Journey

The Singapore Regional Group members were able to identify a dozen existing business as mission enterprises that were either birthed by Singaporeans or by Singapore churches. Interviews were conducted and views were sought via email as part of the process of capturing a broad based perspective of the BAM journey in Singapore.

History and viability of missional businesses from Singapore

There have been some early business initiatives launched by Singapore churches as well as by Singaporeans, some dating back more than 20 years. Many of these early initiatives were birthed because of the need to gain access or to remain in the target countries by missionaries being sent out. The understanding and conduct of these early enterprises predates the publishing of the Lausanne Forum in 2004 that produced the Lausanne Occasional Paper on Business As Mission, and thus would have differed from the present working definition of BAM used by the current BAM Think Tank. The notion of having a real and sustainable business was less of an initial priority of these early missional businesses as they were primarily viewed as visa platform.

However, some of the early missional entrepreneurs quickly realized that running a business as a platform for obtaining visa does not lend towards being credible or sustainable, and that it is also not consistent with the message of their own ministry. Some of these early attempts at business survived and persisted after having gone through several business cycles, with their most recent iteration better informed by the Lausanne Occasional Paper. These early missional entrepreneurs quickly came to know that their ministry and the business operation is inextricably linked and inseparable. This did not exempt them from the constant struggles within the business, with tensions between the time needed to operate their business and the time needed for their 'ministry'.

This tension between time spent in the business and on 'the ministry' is often an issue of time management. However, the views of the sending agency or supporting church on this issue, may result in attempts to dictate, as well as limit, the time spent on the business so that 'ministry' may not be adversely affected. These views were not just prevalent during the earlier days of missional enterprises, they persist to the present. These dichotomous views are rooted in the sacred-secular divide that holds that some vocations and activities are sacred and others are not. Such views are also contradictory to a strong and well-run missional business.

Some of the early missional business initiatives were not viable and not sustainable. Though the Singapore group did not carry out a detailed autopsy of these failed businesses, based on the anecdotal evidence it was apparent that the demise of these enterprises were not necessarily due to lack of capital. The probable underlying cause of the failure of these early missional businesses lies in the chosen products or services and the insufficient market for them. In other words, the businesses may not have fully

understood the needs of the market or had adequate product offerings to ensure their viability and sustainability.

There remains until today businesses with declared missional intent that are offering products that are primarily targeted at the Christian community in Singapore. These tend to be the Christian-themed handicraft products and souvenirs. The longer term viability of such businesses are not well understood.

A common challenge is the ability of the missional business to price their products or services at a level that the market will accept and is at the same time appropriate for the viability of the business itself. An example of this is a language centre in East Asia that struggles to break even with a course fee structure that the local students can afford. In contrast a boutique hotel in East Asia was deliberate in their pricing model to avoid competition with local establishments, as its primary market was the affluent traveler both from abroad and from the major cities.

Deficiency in business planning, execution and follow-up, as well as the deployment of inadequate or untrained resources are other probable causes for the failings of missional businesses from Singapore.

Many of the current missional business from Singapore tend to be either in the service sector or agricultural sector of the target country's economy. Singapore entrepreneurs are likely to have more experience in the service sector as compared to the agricultural sector, and this must be considered when planning for missional business.

Learnings and observations from missional business cases

Security

Many of the BAM enterprises, to a varying degree, expressed concerns over the security of the information collected by the Singapore group. Due to security sensitivity, many of the enterprise operators did not wish to be profiled in this report. In response to this concern, this report excludes any specific reference to any people, place or details of the businesses.

Early initiatives

Based on interviews, the group learnt that there were some early initiatives launched in the late 1990s. Some of these early BAM initiatives were closed down after several years of struggle. In another case, there were feasibility studies and research carried out prior to the launch of missional businesses in the Central Asian region by a large Singapore church. A few years after launching, the business struggled to find the right person from Singapore to manage the business. Eventually a foreign national was chosen to revamp and to manage the business, and the business was able to gain its footing in a growth sector that was very different from what was earlier envisaged. However, in this business the link to a missional strategy is no longer apparent.

Planning and preparation prior to business launch does not inoculate the business against struggles and even its demise. Like any business, a missional enterprise can fail commercially and have to be restructured.

The beginning of some of the early business examples were almost accidental, started by in-country field workers who were looking for further opportunities to remain in the field. In other words, the motivation to start the business was initially led by the need to obtain visa. Though accidental in the eyes of man, these were clearly guided by His divine hands. An

example of this is a food business launched by a group of field workers. The initial motivation was for the business to provide them the much needed visa to remain in the country. However, since they were able to address a gap in the market—the demand for good home cooked Singapore-Malaysian cuisine—the business is still thriving till the present.

The key observation here is that the business was able to offer a product that met a need or gap in the market. It found its own market niche that could sustain the business beyond what the founders could envisage. However, this particular enterprise did face some challenges in raising their startup capital. The sending agencies were not prepared, ready, or capable to meet the capital needs of this enterprise. The founding entrepreneurs had to rely on interest-free loans from friends and supporters to raise the working capital.

The success and longevity of the business has led to new issues and challenges. Like any other business, the continual innovation of business must be sustained beyond its founders. The need to develop the next generation of entrepreneurs was keenly felt by the founders of this restaurant soon after the business became stable.

Initiatives by individuals

There were some BAM initiatives launched by individual Christians who were led by the Lord to start businesses in the surrounding Southeast Asian countries. Some of these began as social enterprises with little or no motivation to seek long-term profitability. The general intention has been to provide a source of income for local pastors and missionaries. The success and longer term viability of this kind of business has been mixed, depending on the type and nature of the business.

One key observation is that if the business initiator is not intimately involved with the business and leaves the entire operations to the local partner, the business is most certainly set up to fail within a short span of time. It appears that it is quite necessary for the BAM entrepreneur to be on the ground to run the business. A good example of this is a boutique lodge, started and funded by a Singaporean couple. The lodge was able to sustain itself till the present due in no small part to the presence of a Singaporean field worker who assumed the role of the general manager. Though not an official 'business' of the associated church in Singapore, the lodge received continual support from the church by sending qualified personnel to work at the lodge either on a short or long-term basis.

Another necessary practice is to develop close ties with the community in the country. Those BAM business that develop with collaboration with locals seem to be able to gain sufficient traction to develop a sustainable business. A cashew farm in Indo-China is one such example where the Singapore entrepreneur was able to secure sufficient buy-in from the various rural communities to grow cashew trees.

A common observation is that since they received little or no support from their church or sending organization, many of these individuals had to depend on their own creative and entrepreneurial drive to solve and overcome hurdles in starting their missional enterprise. These missional entrepreneurs would benefit from a coach or mentor coming alongside them to give input and encouragement. This could be part of the accountability structure which missional enterprises so sorely need.

Social enterprises

There is perhaps a greater awareness of social enterprises compared to BAM, as the Singapore Government actively promotes and encourages participation in social enterprises within Singapore. The common and prevailing perception is that social

enterprises are meant to carry out social work and meet specific social needs. The profit motivation tends to be a lower priority compared to the social mission of the enterprise. This lower priority in profit motivation does not negate the need of the business operation of the social enterprise to be sustainable.

We found in the context of Singapore some blurring of distinction between the business as mission enterprises and social enterprises. One example of such a social enterprise is a local cafe² that provides employment for ex-addicts as part of a comprehensive ministry towards reaching and rehabilitating drug addicts.

Another example is a startup social enterprise in Singapore that seeks to provide employment opportunities to disadvantaged women. This startup operates in the fashion industry and seeks to establish missional enterprises in Indo-China as part its supply chain.

Missional business as a strategy

On the surface, the understanding of what missional business is seems fairly straight forward to many Christians in Singapore. However, on a deeper level, the workings and operations of these kinds of enterprises appears to be puzzling to many. This is perhaps due in part to the fact there are not many who have seen or who have worked closely with a missional business. Though there are instances of such missional enterprises launched from Singapore, many are located outside of Singapore. The existence, work and impact of these is only just beginning to be known by the churches.

As a global business centre, Singapore is reputed for its good regulatory framework for businesses and the norms of strong corporate governance practices. While the prevailing legislative environment does not explicitly prohibit the church participation in a commercial enterprise, it does require regular and close scrutiny of the commercial activities of all charitable institutions. The legislative environment that encourages strong corporate governance practices ought to be a good sign for missional entrepreneurs from Singapore that are accustomed to such demands.

Business is an area that is outside of the comfort zone of many pastors and missions leaders. Thus, understandably, that makes it more difficult for a pastor or a missions leader to drive the adoption and implementation of business as mission as an integral part of the overall mission strategy of the church or of the agency. Therefore, it falls on the business people within the church to get involved and drive this strategy.

Having profit-making embedded in the intrinsic purpose of a missional enterprise is perhaps one of the key reasons why there is some discomfort and hesitation by the church to consider and adopt missional business as part of their own mission strategy. A clearer understanding of the theology of business will help inform the church and ease the discomfort. “There is a serious lack of theological framework that engages BAM and Social Enterprises, principles that guides development, practices and societal engagement” (Lui 2012³).

The practices espoused by business as mission do cause one to critically examine the more traditionally-held notion of mission, of holistic ministry and perhaps to some extent the definition and support of a missionary.

² See http://www.breakthroughmissions.org.sg/SVCS_cafe.html.

³ Timothy Liu , 2012, *Brief Summary - Literature Review Social Entrepreneurship* – see Appendix B. Singapore Regional Group Report – July 2014

Each group, each denomination may have their own perspective of what is holistic ministry. BAM can cast a perspective that may challenge the envelope of holistic ministry, as well cause the sending group to review its definition of a missionary. For example, is the BAM entrepreneur sent as a missionary? Associated with that is the myriad of related issues about how best to support a sent out missionary if they are starting a business.

For the business operation itself, there is the need to critically examine business practices to ensure that they operate within a sound and biblical framework, and that the culture and values of the missional enterprise is firmly anchored upon the Word of God.

Summary of needs and issues

Needs and gaps

The following are needs and gaps that have been identified concerning missional business in and from Singapore⁴:

- There is a urgent need to address urban poverty, which is unique only to metropolitan cities, especially elderly care and self sustainability. There is a lot of room to learn about such issues—versus rural poverty—from neighboring countries.
- There is also growing awareness of the issue of human trafficking within Singapore. There is a need to cast such societal issues as missional issue that could be addressed through missional business.
- There is a lack of general awareness among the churches concerning business as mission and its work outside of Singapore.
- The level of awareness amongst leaders in the churches and mission agencies is not sufficient and hence the commitment to BAM is in its early stages. Perhaps, deep down within the Christian mindset, business is still considered in an unsavory light, very much tainted by associations with corruption, greed and exploitation. The church will be better served with a theology of business is informed by and anchored in Scriptures.
- The supporting structures needed for BAM work are not clearly understood. This may have contributed towards the lack of awareness, or the lack of focus, and even to producing less impactful missional businesses.
- Investing in missional enterprises is conceptually foreign and rarely promoted within the church. It is rather inconceivable for one believer to contemplate risking their own funds for missional business. Perhaps the expectations for return on investment discourages some and colors the views of others. Yet a great deal of financial resources reside within the church in Singapore. There is a need for investment strategy to be informed by the Bible, in particular as it relates to investment into missional businesses.

Issues

Some of the issues and challenges faced by the Singapore churches are:

- The financial resources needed to fund missional business. Where should these funds come from? The church needs to understand how to invest in missional business. The use of institutional funds of the church for investment in missional businesses is not tenable as the rules governing charitable ownership will be a great

⁴ See also thoughts and reflections by Mason Tan and Timothy Lui in Appendix A.

encumbrance. What structure is then most appropriate and effective to fund missional business?

- How does one define and measure the impact of a missional business, especially in a high cost environment like Singapore? What if the business does not succeed, should the field be abandoned?
- The churches in Singapore are accustomed to sending missionaries out to the field. However, the status and position of one sent to a BAM work may not be clearly understood within the local church context. The person that is sent to be involved in a missional business does not fit neatly into the mold of a traditional missionary. Can and should the business be fully supporting the entrepreneur or business professional that is involved in a missional business?
- An issue that is commonly raised is the viability of the business. In the case that the business is unprofitable, what will happen to the business and to the ministry of the one sent? A related issue is the question of the distribution of profits should the business become very profitable.
- Ownership of the business. Who should own the business? Should the sending organization, be it the church or mission agency, own the business? Or should the BAM entrepreneur own the business? What about ownership of the missional enterprise by local believers that were disciplined through the business?
- Risk management. A common question raised in the BAM discussion is the impact of business risk on the church. There is a concern to insulate the church from any undue negative risks from a business.

Conclusion

Business as mission—or missional business—is becoming conceptually more familiar, gaining greater awareness amongst mission groups and the churches. Previous lack of familiarity may have contributed towards the hesitation in fully embracing BAM as part the missional strategy of the church. Growing familiarity with the practices and operations of BAM, as well as the underlying concept and theology will help the adoption of the BAM strategy.

From a practical perspective, it is critical to examine the role of profits and the place of profits within a missional enterprise. It is also important to understand the practices of holistic ministry as part of the overall understanding of BAM.

Alongside this there must be clear teachings on the theology of work and the theology of business to ensure that all missional entrepreneurs are well-grounded and operating within clear scriptural framework. Questions about ownership of the missional enterprise also should be examined and clearly understood in the light of clear biblical guidelines and principles. The sacred-secular divide must also be critically examined in the light of the Bible's teaching in order to be able to incorporate business as mission as a crucial part of the church's missional strategy.

Some in Christian circles have considered Singapore as an "Antioch of the East", drawing parallels between these two important centres of commerce that bridged the East and the West. This is also an expression of aspiration for Singapore to become an important sending centre for global missions. Singapore has been seeking to position itself as an important hub in numerous aspects of commerce and trade as part of an ongoing effort to

charts its course for continual economic growth and prosperity. Perhaps through business as mission, Singapore could truly fulfill the expectations of so many who have gone before, and claim the recognition of being the Antioch of the East. In order for this to become true, the Singapore church must be prepared to incorporate business as mission as part of its overall missions strategy to reach the world for Christ.

We encourage the churches of Singapore to encourage one another and work together to embark on missional business for the greater glory of God.

Recommendations and Action Plans

Recommendations

The following are broad recommendations of the BAM Think Tank Singapore Regional Group to the Church in Singapore:

1. Adopt BAM as an integral strategy of the church for global missions.
2. Challenge and encourage entrepreneurs or business professionals in the local church to use their experiences and skills in missional business. Train business people to understand the BAM principles of holistic ministry without the sacred-secular divide.
3. Challenge and encourage members of the church to serve in the work of BAM, as business mentors and consultants.
4. Set aside financial resources to invest in the work of BAM. This includes the training of members to adopt an investment strategy that is informed by Scripture.
5. Encourage members to support the work of BAM by the giving of their time in prayer and deploying their resources to be invested in missional business.

Action Plans

Potential action plans for continued work by a Singapore BAM Group are:

1. Create a BAM networking platform under the auspices of a non-denominational agency to promote the sharing of ideas and lessons learned in BAM. This could enable the links needed for collaboration in missional businesses and be the outward connection to the global BAM movement.
2. Cast vision for BAM work to be part of global missions. This could be part of the agenda of the national missions movement in Singapore.
3. Create a missional business network to mobilize resources for BAM work. This could be more targeted at the Christian business people and professionals.

Those wishing to communicate with the author or the contributing group regarding these Recommendations and Action Plans may do so at tun@sofiva.net or info@bamthinktank.org.

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Appendix A – Reflections on Missional Business in Singapore

Thoughts and reflections from Mason Tan, Christian entrepreneur:

- What observations can you make about the BAM work in Singapore?
- The biggest challenge of BAM in Singapore is the high real estate cost and living cost. I believe this high entry barrier is preventing many from launching BAM companies. This is speaking from the perspective of meeting the objective of long term sustainability for the business. This requires careful, extended planning to find the right business model to overcome such hurdles.
- What do you see are some of the needs and gaps to further develop BAM businesses and strengthen the BAM movement in Singapore?
- There is an urgent need to address urban poverty, which is unique only to metropolitan cities, especially elderly care and self sustainability. There is much room to learn about such issues—versus rural poverty—from neighboring countries.
- What do you think are some of the main issues faced by BAM work in Singapore? The two biggest challenges are: 1) financial resources involved, and 2) to define and measure the impact especially in a high cost environment such as Singapore.
- What are some of your thoughts on any recommendations you wish to make to the general BAM movement and to the global church?
- Need to ensure there is meaningful Key Performance Indicators (KPI) or impact measurements to reflect accountability and sustainability.

Thoughts and reflections from Timothy Lui, Marketplace Ministry network leader:

- Business as mission needs to be defined as much locally as it is cross-culturally or across national borders.
- The current BAM still has a sense of 'ministry' above other social impacts in practice.
- The vision should be a movement to move all businesses owned by Christians or managed by Christian executives or senior managers to incorporate principles of BAM into 'secular' corporations. I believe this is a large part of our redeeming business for the Kingdom.
- Currently BAM initiatives are rural in context and SME⁵ in scale. Many operations are agricultural and utilize low technology. To be truly BAM and global, we need to also look at urban and globalized in context and create good models of BAM in high tech industries at scales compatible with global multi-national corporations.
- Failures of previous initiatives have been a result of being too inward looking to focus on building the church. We need to focus to build the Kingdom and see church growth as a by-product.
- It is critical to build a matrix for measuring the effectiveness of BAM initiatives, which is currently few and far between. At the same time, we need to find means to remove the language of the church, so that even non-Christian business owners are able to use them effectively.
- We need to harness the growing trend of new social entrepreneurship initiatives, for-

⁵ SME – Small and Medium Enterprises

profit or for-benefit businesses and growing awareness of Corporate Social Responsibility (CSR). Currently the BAM movement is operating outside of these circles. We also need to bring into the fold a greater number of Christian business school academics to teach and equip business school students and MBAs. Better research and teaching is needed on topics such as Authentic or Servant leadership, equitable and uplifting Human Resource Management, incorporating consideration for social costs and environmental costs into Corporate Finance etc.

- Finally, I believe that our vision for BAM is too small. We need to be realistic about the phases of growth for any new movement, but the vision needs to encapsulate our God's breadth and the depth of our missional call to be 'a blessing to the nations'.

Appendix B – Literature Review: Social Entrepreneurship

Brief Summary – Literature Review Social Entrepreneurship by Timothy Lui

Excerpts from the literature on social entrepreneurship:

The definition for social entrepreneurship today is anything but clear. As a result, social entrepreneurship has become so inclusive that it now has an immense tent into which all manner of socially beneficial activities fits. Social entrepreneurship is an appealing construct precisely because it holds such high promise. If that promise is not fulfilled because too many “non-entrepreneurial” efforts are included in the definition, then social entrepreneurship will fall into disrepute, and the kernel of true social entrepreneurship will be lost¹.

Defining Social Entrepreneurship

While defining social entrepreneurship is a challenge, we understand it as a venture that addresses issues of local and global concern by catalyzing enterprises that create sustainable change for improvement of the social conditions, quality of life and dignity of people as created in the image of God. Such enterprises focus on economic, social, environmental, and spiritual good of a community⁶.

Entrepreneurship and Social Entrepreneurship

The crucial distinction between entrepreneurship and social entrepreneurship lies in the value proposition itself.

Entrepreneurship – The value proposition anticipates and is organized to serve markets that can comfortably afford the new product or service, and is thus designed to create financial profit. Assumes market can pay for the innovation and may even provide substantial upside for investors.

Social Entrepreneurship – The value proposition targets an under-served, neglected, or highly disadvantaged population that lacks the financial means or political clout to achieve the transformative benefit on its own. Neither anticipates nor organizes to create substantial financial profit for his or her investors – philanthropic and government organizations for the most part – or for himself or herself. Instead, the social entrepreneur aims for value in the form of large-scale, transformational benefit that accrues either to a significant segment of society or society at large⁷.

¹ Martin, Roger L., & Osberg, Sally, 2007, *Social Entrepreneurship: The Case for Definition*, Stanford Social Innovation Review, Spring 2007, 29-39.

⁶ Bryan, D., Cooper, M., 2010, *A Christian Rationale for Social entrepreneurship*, The Timothy Center for Sustainable Transformation, http://www.thetimothycenter.org/ttc/images/Christian_Rationale_SE.pdf.

⁷ Martin, Roger L., & Osberg, Sally, 2007, *Social Entrepreneurship: The Case for Definition*, Stanford Social Innovation Review, Spring 2007, 29-39.

Social Entrepreneurship and CSR (Corporate Social Responsibility)

Corporate social responsibility encompasses not only what companies do with their profits, but also how they make them. It goes beyond philanthropy and compliance and addresses how companies manage their economic, social, and environmental impacts, as well as their relationship in all key spheres of influence: the workplace, the marketplace, the supply chain, the community, and the public policy realm. The term “Corporate social responsibility” is often used interchangeably with corporate responsibility, corporate citizenship, social enterprise, sustainability, sustainable development, triple-bottom line, corporate ethics, and in some cases corporate governance⁸.

The Singapore Adopted Model

There are 4 primary models of social enterprises adopted by social enterprises in Singapore:

- **Work Integration model:** These social enterprises provide skills training and employment opportunities to the marginalised groups as a means to reintegrate them into society and encourage them to be self-reliant. It provides an opportunity to people who may not find employment on the open market. The marginalised groups include: ex-offenders, elderly, single mums, mentally-challenged, physically-challenged and youth at risks etc.
- **Profit Plough Back model:** The objective of these social enterprises is to generate profit to fund the social programmes of their affiliated or parent charities. This helps Voluntary Welfare Organisations (VWOs) and charities improve their financial sustainability and reduce their reliance on donations.
- **Subsidised services model:** These social enterprises provide subsidized services to needy and/or disadvantaged clients, and charge commercial rates to mainstream customers. This ensures that affordability will not deter an individual from receiving services.
- **Social needs model:** These social enterprises are designed to serve society’s social needs or address certain social issues⁹.

Kelly School of Business Typology of Entrepreneurial Ventures

- **Social Purpose Venture** – Founded explicitly to solve a social problem. For profit
- **Traditional Venture** – Primarily economic mission and no explicit social mission
- **Social Consequence Venture** – There are social benefits but they are not explicitly linked to the reasons why the organization is in business (closest to CSR)
- **Enterprising Nonprofits** – Have earned income activities, but are primarily focused on social mission¹⁰.

⁸ Harvard Kennedy School, Corporate Social Responsibility Initiative, http://www.hks.harvard.edu/m-rcbg/CSRI/init_define_p.html.

⁹ Social Enterprise Association, March 2011, Starting a Social Enterprise in Singapore, the Essential Toolkit v.5

¹⁰ Bryan, D., Cooper, M., 2010, *A Christian Rationale for Social entrepreneurship*, The Timothy Center for Sustainable Transformation, http://www.thetimothycenter.org/ttc/images/Christian_Rationale_SE.pdf.

Business as Missions (BAM)

As much as Social Enterprise is a fairly new movement, within the Evangelical Christian circle, so is BAM. A working definition from the Lausanne Committee for World Evangelization (Lausanne), BAM writes: *Business as Mission is about real, viable, sustainable and profitable businesses; with a Kingdom of God purpose, perspective and impact; leading to transformation of people and societies spiritually, economically and socially – to the greater glory of God* ¹¹

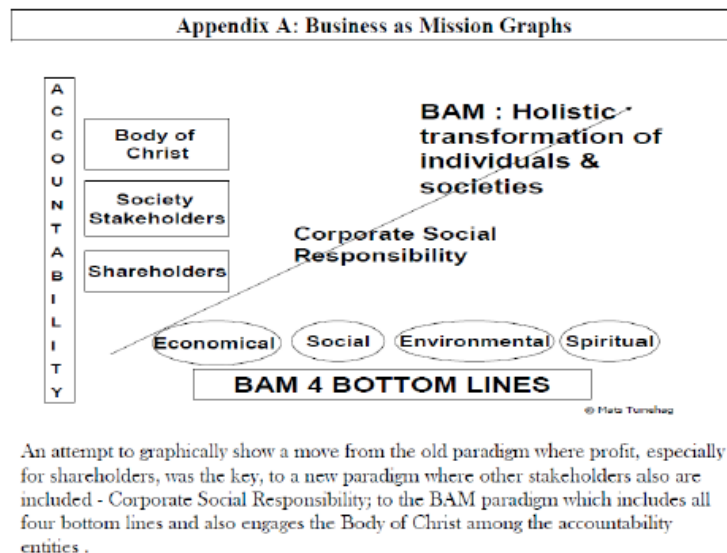


Figure 1: The Business as Mission Paradigm from Tunehag (2006)

It is important to note that in this definition of Tunehag, emphasizes that

- 1) It is REAL business plus a kingdom of God purpose and perspective
- 2) BAM is not 'tentmaking' in the traditional sense of a 'secular' job to support himself and at the same time worked in "the ministry"
- 3) Business as Mission is not *Business for Mission* (italics original)
- 4) Business as Missions does not condone NON-BUSINESS and NON-MISSIONS.
- 5) Business as Missions pursues PROFIT
- 6) Business as Missions is not about JOBS and MONEY – PER SE.

For-Benefit Enterprise

The add to the confusion, for-profit business are tackling social and environmental issues, nonprofits are developing sustainable business models, and governments are forging market-based approaches to service delivery. Out of this blurring of traditional boundaries, a different model of enterprise is emerging, driven by entrepreneurs who are motivated by social aims. In the past several decades, a steadily growing number of innovators have been pushing against the boundaries that separate for-profits, nonprofits, and governments. When the for-benefit model is broadly recognized, all this innovation will constitute a large fourth sector – which has been there all along, though cloaked by conventional adherence to old categories. As government, markets, and entrepreneurs adopt the for-benefit model, more light will be cast on the fourth sector¹².

¹¹ Tunehag, Mats, Feb, 2006, Business as Missions, http://www.businessasmission.com/fileadmin/user_upload/Documents/Business_as_Mission_Holistic_Transformation_-_MT.pdf

¹² Sabeti, Heerad, 2011, *The For-Benefit Enterprise*, Harvard Business Review, Nov 2011, 99-104.

What drives Social Enterprises?

It is interesting to note three interacting sets of factors have included the development of social enterprises internationally:

- 1) Demand side factors (i.e. public wanting services from social enterprises as customers)
- 2) Supply side factors (i.e. essentially the supply of social entrepreneurs) and
- 3) Contextual and Institutional factors impacting on the relation between the two.

There is a need to study in-depth a cross-country, comparative dimension of social entrepreneurship, thereby 'operationalizing' the notion of different 'spaces', contexts and situations in which it might flourish; and moreover, to turn to social, anthropological and cultural studies to further understand and explore its nature and variety of forms.¹³

Observations and Conclusion

From this cursory review of the social enterprise literature, there are a few observations which the author finds critical to our endeavor to further develop that can be helpful in terms of trends.

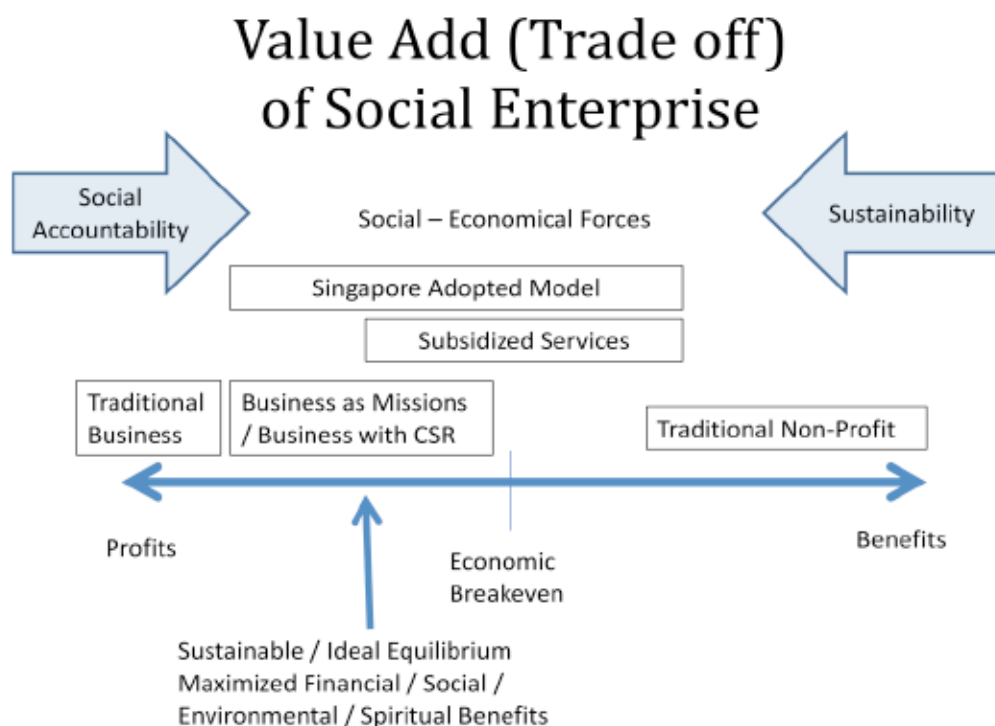


Figure 2. Value Add of Social Enterprise

Key Observations:

1) Social and economic forces are forcing traditional business and traditional non-profits to be both more socially accountable and more financially sustainable respectively. There will be more and more overlap between CSR and social entrepreneurship in time to come though their initiation points maybe from opposite directions.

¹³ Chell, Elizabeth, Nicolopoulou, Katerina, Kartas-Ozkan Mine, 2010, *Social Entrepreneurship and enterprise: International and innovation perspectives*, Entrepreneurship & Regional Development, Vol. 22, No. 6, October 2010, 485-493.

2) There is generally a sustainable/ideal equilibrium that is able to maximize financial, social, environmental and spiritual benefits. (Note also that spiritual benefits are not only pursued by Christians but also by other religions who are involved in social entrepreneurship as well).

3) There needs to be developed a measurable infrastructure that helps to balance the trade-off between financial and other benefits, quantitatively and qualitatively. Although this may be difficult in practice, there is a need to gauge the efficiency and effectiveness of the social enterprise.

4) Most of the models for social enterprises are predominantly Western in construct and more research and publication is needed from the developing and non-Western world. There lacks a deeper appreciation of the cultural forces and differences, thus the 'value' of the benefits perceived particularly in cross-cultural contexts.

5) There is a serious lack of theological framework that engages BAM and social enterprises and lack of principles that guide development, practices and societal engagement. In addition there is also a serious lack of the spiritual formation of social entrepreneurs. There is a disjoint of theology and practice even for Christians who want to be engaged in social transformation through social entrepreneurship.

For Further Reading:

Bryan, D., Cooper, M., 2010, *A Christian Rationale for Social entrepreneurship*, The Timothy Center for Sustainable Transformation, http://www.thetimothycenter.org/ttc/images/Christian_Rationale_SE.pdf

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