

Dragons did image of social firms no favours

It's time social enterprise is given the respect it deserves, says **Ashish Poddar**

Remarks made on BBC2's *Dragons' Den* have misled the public about the nature of social enterprise. This is a real shame as there have been very few social entrepreneurs who have pitched to the dragons. Moreover, it will have reinforced the misconceptions of social enterprise that many banks and other lenders have.

The dragons could not grasp that social enterprises are there to be profitable, like any other business. It's what happens with the profits that is the difference.

The social enterprise that pitched to the dragons appeared to have a viable business. In fact, one dragon said she might have invested had the company not been 'about charity'. And that's where the problem started. The terms charity and social enterprise were construed as the same thing. Other dragons pitched in with words of wisdom such as 'you cannot mix business with charity'. From then on, it seemed that the dragons were closed off to learning what social enterprise entailed.

I believe the social entrepreneur could have explained things better. However, that does not excuse the dragons from not exploring more about social enterprise in a way to elicit the facts, and maybe even learn something themselves. It's a pressure situation and the person pitching needs support and respect, not ridicule. In this way,



Dragons' Den, where a pitch from a social enterprise left the entrepreneurs puzzled

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everyone can make a more informed decision, and that's good for everyone.

For successful business people to make such statements is difficult to grasp. Have they not come across businesses premised on social ideals that have done very well? Equally, are they unaware that consumers are increasingly opting for services and products from businesses that are socially responsible? It is a market differentiator. And that the public sector, with its millions upon millions pounds worth of contracted out services, is increasingly scrutinising businesses that take social responsibility seriously?

The biggest disappointment was the almost derisory tone that an individual should want to benefit non-commercial causes. Some prefer to invest in a private yacht, others may choose to build a community or make life fairer for more people. It's a

personal choice and neither is worthy of derision. There are many people who respect the fact that there are individuals who take a wider view of life and rather than ask for donations take an entrepreneurial approach to enriching society. I believe that is worthy of a whole heap of respect, especially on national television.

The things worth most in life are those money just cannot buy. For me and other social entrepreneurs, money is just an enabler to the bigger things in life. I head up www.freshties.com, which has been chosen by Round Table International as the global networking website for their 30,000 business members. We have support from the highest levels, including Gordon Brown, David Cameron, Sir Menzies Campbell, universities and charitable groups. Our remit is using technology to help build community. Our profits are used to build local enterprises in the heart of communities across the world so communities support themselves, and they, not bureaucrats, decide how best money is used for their needs.

Freshties has faced barriers from lenders, and that's why the comments on *Dragons' Den* are so unhelpful. More needs to be done to inform people about what social enterprise is all about and the exciting innovations that it creates.

Ashish Poddar is an ex-City lawyer who heads up the social enterprise www.freshties.com

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