

There are as many flavors of Christian missional business as there are Christian entrepreneurs. This variety is a wonderful expression of God's creativity, and his desire that we work on things together in community. But most such companies are small, and typically challenged to grow to sustainable resiliency without a formal eco-system of capital, expertise, and market access. Cottage industry is limited in its ability to serve as an economic base for believers in a community, and to spiritually impact other parts of society. Commercial heft gets things done.

Critics rightfully point out that creating powerful institutions invariably tempts human ambition, greed, and narcissism; and can delude even the best leadership into thinking growth for growth's sake is the primary mission. Yet scale, and the wealth it facilitates, is not inherently evil if institutions are designed and governed in ways that intentionally eliminate such temptation. It is possible to build large enterprises that retain the simple purity of empowering the Great Commission for which they exist. This paper provides a blueprint for one approach to scaled commerce that addresses key issues of ownership and control. It is a model, not the model.

### The Social Business

Community exists where a group of individuals share an affinity interest in something; such as protecting the environment, commercializing a novel technology, or living the Gospel. The English word 'commerce' derives from the Latin '*commercium*', just as 'community' derives from '*communitatem*'. Both contain the root '*com*' meaning 'with' or 'together'. This linguistically reflects a long-standing recognition that God's design for mankind intended that commerce be an expression of community relationship, not the other way around. It clarifies the distinction between Christian owned and run businesses that exist for the benefit of their owners, and missional social businesses that exist for the benefit of whatever communities they are purposed to express.

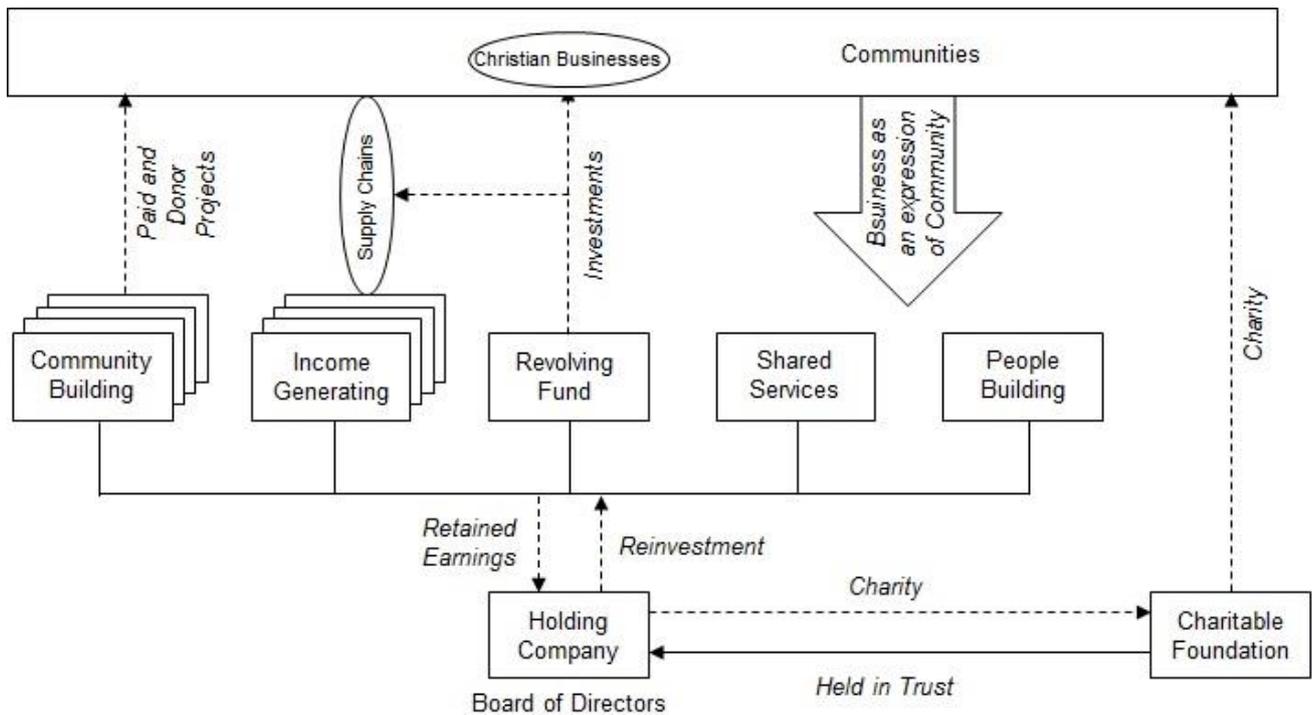
A conventional for-profit company maximizes financial return to the owners. Capitalist self-interest ensures that lots of resources are available to support such a mission. A social business, in contrast, is generally understood to have at least three purposes; generating sustaining profits, stewarding the environment, and building up society. The first is needed to fund the third, and cheaper business practices that violate the second are disavowed. Businesses with a Christian mission expand their social purpose to include the Great Commission.

It is hard enough to create and grow a business that intentionally sub-optimizes its financial return to bless society. It is that much harder when it is designed for perpetual benefit and provides no promise of a financial liquidity event. Social business requires purposeful business and investment leadership that is motivated by shared- rather than self-interest.

The organization chart on the following page illustrates the most important parts of the social business enterprise vision. It is intentionally inverted to demonstrate that senior leadership supports the rest of the organization and the organization expresses and serves the community. A holding company consolidates majority ownership in several organization types, each of which is described below.

### Holding Company

The Holding Company is a legal entity that has no operations of its own. It is owned by a Trust, the Trustee for which is an attorney, and which beneficiary is the Charitable Foundation. This structure is perpetual; the assets are never fully liquidated into the Foundation so long as it remains relevant to the purpose described in the Trust Agreement. This structure ensures corruption cannot exploit equity ownership, and it removes all motivation for executives to perform financial engineering on their own behalf.



A Board of Directors comprised of five to seven full-time persons governs the Holding Company and its holdings. Directors have the following roles:

- Discern God’s will and operationalize it through the business units.
- Perform such market, technology, and other research as is required to support decision-making.
- Define and communicate the integrating mission and values.
- Allocate consolidated operating earnings.
- Appoint and oversee operating unit leadership.
- Keep relevant the content of the Trust Agreement.

The Board has a mix of spiritual gifts, contain both genders, and represent a cross-section of the geographies served by the social business. Directors are compensated, but none is an operating manager to ensure there is no personal interest to defend. The Board may invite anyone to assist its activities, but all final decisions rest with the Board members. Board members sit as co-equals in all affairs, with Jesus as President and Chairman seated at the head of the table. Jesus requires consensus decisions.

The management teams of each operating business unit report to the Board, which determines what protocol it uses to hold leadership accountable and best support their success.

The Holding Company consolidates all operating unit earnings after costs and then discerns their best and highest use, including:

- Reinvestment in operations
- Acquisition or disposition of business units
- Investment in Christian entrepreneurial ventures
- Earnings retention
- Distribution to the Charitable Foundation

### Income Generating Companies

These are conventional, for-profit companies whose purpose is to generate free cash flow supporting the rest of the social business purpose. They are ideally tier 1 B2B and B2C suppliers or retailers that compete strongly within their markets, whether regional or global. Some of these companies have vertically integrated,

wholly owned value chains. Others depend on external tier 2 and tier 3 suppliers. Each operating company or unit has a management team that is both spiritually mature and commercially competent.

### Community Building Organizations

These are for-profit or non-profit organizations whose purpose is to supplement government services in a community or in a region. This is accomplished via both paid contractual carve-out and donor activity. Example programs or projects include:

- Provide educational services
- Manage population health service delivery
- Build water, transport, and other infrastructure
- Support agricultural value chain development

It is conceivable that in future we may see more autonomous, self-governing communities organizing their own affairs amidst sovereign national government failure. The Community Building Organizations may step in upon request to assist with stabilizing governance and providing transitional leadership.

### People Building Organization

Each person has a God-given calling, gifting, and destiny designed to better our world. This organization provides training, mentoring, and practical experience. Commercial training matures emerging leaders in the operating organizations. Spiritual training is provided to the broader community. The organization partners with external ministry groups to provide elements of these curricula. The organization actively manages the pipeline of talent throughout the enterprise.

### Revolving Investment Fund

The investment fund pools capital for investments in companies started by community entrepreneurs, particularly those that will provide products and services to the tier 1 companies or otherwise extend its mandate and impact. Most Christian entrepreneurs will choose to build personal wealth by owning their own businesses, and the investment fund provides a way for the social business to encourage and support growth of a dynamic community economy. It also ensures that God's people resource God's work, and the community does not need to compromise its values to raise capital.

The fund revolves in the sense that it may initially invest for a majority position in a venture, and then scale back that holding to minority levels over time as the original capital plus an agreed amount is returned to the fund. Investments are made via private equity and not credit, as stipulated in Torah.

### Shared Services

This organization provides administrative support that would normally be duplicated in each operating unit (eg., finance, human resources, legal, supply chain, technology). It centralizes expertise, amortizes shared asset infrastructure, and helps keep operating companies lean and focused on their core competencies.

Because there are economies of scale in both distribution and purchasing, these may also be centralized as shared services. New companies can immediately benefit from leveraging the established business development, logistics, warehousing, and procurement expertise shared by the established companies.

### Charitable Foundation

The Foundation owns all the social business assets in the name of its mission of building up the community of Jesus' followers. It also receives and directs a portion of annual earnings to charitable work.

Social business staff are paid a fair living wage, but not necessarily the highest in the market. Some of the resulting labor savings accrue to the Charitable Trust, so the staff are active participants in deciding what charitable work it supports. It is an important part of expressing community membership.

## Communities

The social business has as its unifying purposes demonstrating the Gospel wherever it touches secular culture, and discipling the community of believers with which it interacts or expresses. This is illustrated by including the Communities box at the top of the organizational chart. You do not mandate spiritual communities; they are organic fellowships that form out of common relational affinity. Likewise, the social business does not overly institutionalize its engagement; it allows the community to determine in what ways it wants to express itself through the social business. The geographic reach of the companies' operations defines the scope of community engagement potential it has.

Each operating organization begins every shift with a period of light exercise and musical worship, followed by a brief review of vision/values. The focused productivity and Godly favor that result give overwhelming return on this investment. It strengthens the sense of shared employee experience that facilitates relational feedback loops well beyond the workplace.

## Leadership

The vision presented herein demands principled leadership. It entrusts to persons of character the responsibility for substantial organizational activity and asset stewardship. It requires the maturity of apostles who had walked with the Messiah for three years learning his ways. It requires servants who are literally dead to money, social acclaim, and power over others. It requires leaders who have a deep personal relationship with our Creator, good spiritual discernment, and who hold all things lightly in the name of perfect obedience.

*"...you know that we who are ~~teachers~~ [leaders] will incur a stricter judgment."*

[James 3:1, annotated]

The annotation above is intentional. The ancient Jewish sectarian communities were led by a 'Teacher of Righteousness' who determined and enforced the values of the group. The synagogue leader, who frequently was the village government, is called Rabbi, also meaning 'Teacher'. Leaders in God's Kingdom understand his ways, and mature others into them through teaching and example. In this sense, Leaders are Teachers and also Fathers and Mothers.

The first Jerusalem congregation followed this tradition. The senior leaders understood that their role was to capture and teach a visionary Gospel that had not yet been written down. They needed a team of managers to take care of daily community operations. Note the honor bestowed on those who would serve tables, and the level of character demanded of persons assigned this highly symbolic task.

*"...select from among you seven men of good reputation, full of the Spirit and of wisdom [to wait on tables]...But we will devote ourselves to prayer and to the ministry of the word."*

[Acts 6:3-4, annotated]

Only trusted members of a community can mobilize a critical mass of community favor and resources toward a shared social business vision without using compulsion. The Christian fellowship everywhere is looking for leaders with prophetic vision and unimpeachable character who can guide them in common purpose. They want to support commercial leaders who have God's heart.

Communities and Institutions have different leadership types. The job of leaders in organic communities is to facilitate activity that fulfills group *shalom*. Leaders of institutions exercise Jesus' delegated authority to fulfill the institutional mission.

The organizational chart inverts the traditional notion of authority, placing leadership where it belongs; at the bottom supporting and serving the rest of the enterprise. This foundational leadership is plumb with the Chief Cornerstone Officer, who is Messiah Jesus. Everybody in the enterprise is serving somebody, and the job of leadership at all levels is to ensure that all service remains in plumb alignment.

Rabbis 'sitting in the Seat of Moses' were granted authority in ancient Jewish communities to legally 'bind' and 'loose' behaviors in the community. This is the paradigm Jesus was using when delegating authority to his chosen leadership team.

*"I will give you the keys of the kingdom of heaven; and whatever you bind on earth shall have been bound in heaven, and whatever you loose on earth shall have been loosed in heaven."*

[Matt. 16:19]

The 'key to the kingdom' is the ability to know God's mind. When he has decided something, we can act knowing it will be done. The corollary is that we never act in presumptive authority without his approval. This is a legal exchange between heaven and earth, and business decisions have legal consequences in both the natural and spirit realms. Like Moses, we ensure alignment with God's wisdom on a matter before utilizing the authority we have been granted.