

Social Entrepreneurship Workbook

A guide to developing your own Social Enterprise



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Notes

Who is a social entrepreneur and what is a social enterprise?

Meet Craig and Marc Kielburger:

Humanitarians, activists and **social entrepreneurs**, brothers Craig and Marc Kielburger believe that together, we can change the world. Over 20 years ago, they set out on a bold mission: to work with developing communities to free children and their families from poverty and exploitation. Their vision expanded to include empowering youth at home, connecting them

with global issues and social causes, and partnering with schools to inspire young change-makers from within the classroom. And with the launch of ME to WE, they created an innovative social enterprise that provides products that make an impact, empowering people to change the world with their everyday consumer choices.

Traits and skills of a social entrepreneur:

- ▶ Leadership
- ▶ Self-starter
- ▶ Confident
- ▶ Passionate
- ▶ Problem-solver
- ▶ Critical thinking
- ▶ Creativity
- ▶ Risk-taker



ME to WE case study:

ME to WE is a social enterprise—a new type of business that exists to make a direct positive social and/or environmental impact on the world. ME to WE differs from for-profit businesses that merely promote social responsibility. While for-profit businesses often support social change through their policies of corporate social responsibility, the company's first goal is to make a profit. On the other hand, as a social enterprise ME to WE makes social change its primary objective, and that's where its profits are directed. ME to WE provides products that make an impact, empowering people to change the world with their everyday consumer choices. ME to WE Trips give young people and adults the opportunity to participate in development projects overseas. Through ME to WE Artisans, women in developing countries create beadwork and accessories that allow them to earn a fair wage. Other socially conscious product offerings include greeting cards and inspirational books. Every product sold makes a direct, measurable impact in a developing community where ME to WE's charity partner, WE Charity, works, empowering these communities to build a better future. ME to WE is structured to offset expenses and help provide in-kind services to WE Charity. Those contributions are valued at well over a million dollars annually. One of the social enterprise's most notable honors is the national Ernst & Young Social Entrepreneur of the Year Award, which recognizes how ME to WE uses business practices to redefine a triple bottom line—people, planet and profit.

Key Terms

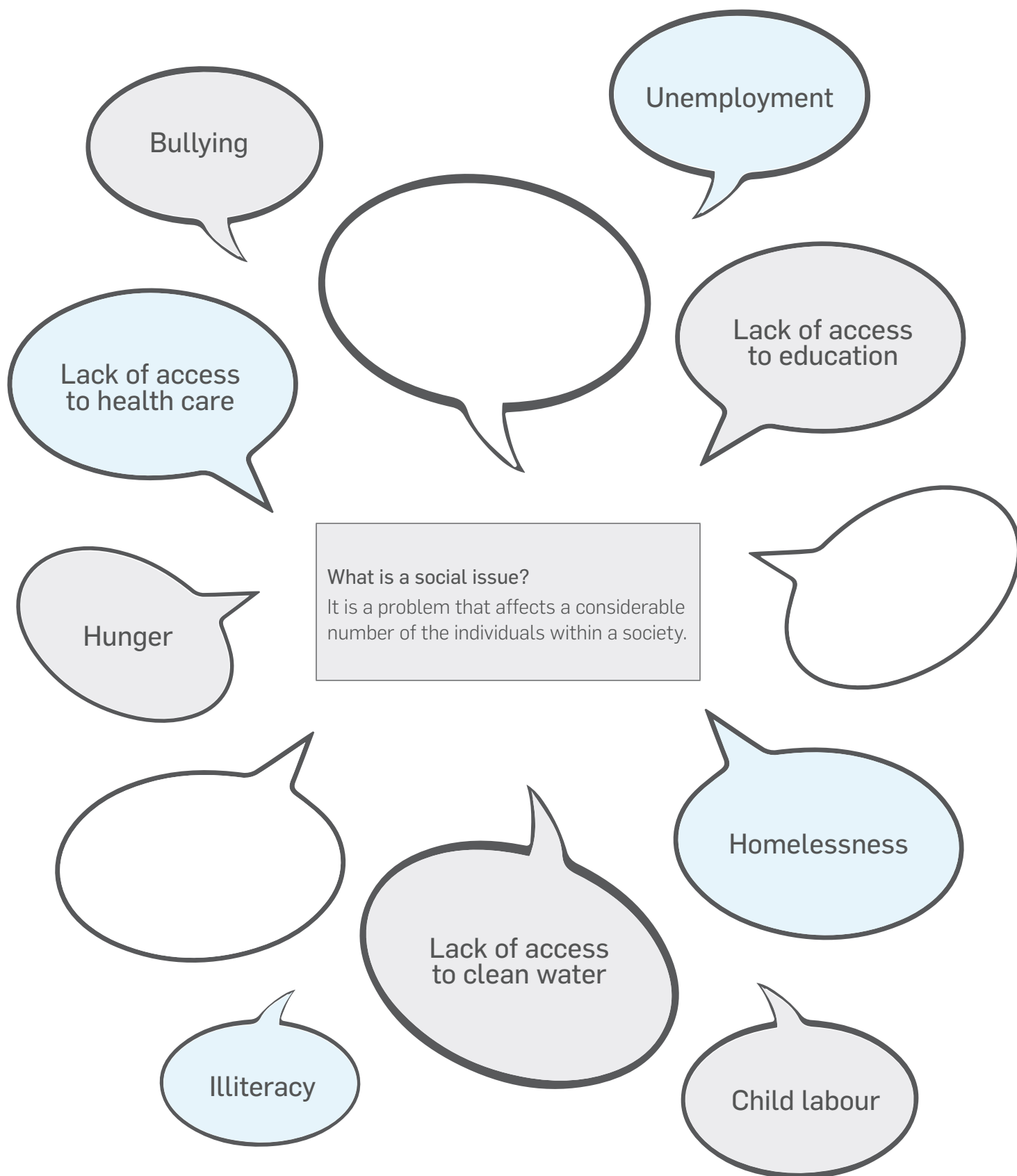
- ▶ **Entrepreneur**—A person who sets up a business or businesses, taking on financial risks in the hope of profit.
- ▶ **Issue**—An important topic or problem for debate or discussion.
- ▶ **Social Entrepreneur**—Someone who drives social innovation and transformation in various fields, including education, health, environment and enterprise development.
- ▶ **Social Enterprise**—A for-profit entity or business that provides a social or ecological product or service; while profits are generated, the main aim is to grow the social venture and reach more people in need.
- ▶ **Not-for-profit/non-profit**—An organization that raises money to pursue its objectives. Not-for-profits rely heavily on charitable donations to operate. Registered charities are often exempt from paying government taxes.
- ▶ **Sustainable**—Able to be maintained at a certain rate or level.
- ▶ **Regenerative**—The capacity to bring into existence again.
- ▶ **Fundraising**—Collecting money for a cause, organization, non-profit, etc. usually in exchange for a good or service (e.g., cookies, lemonade, car wash, etc.).

Traits and skills of a social entrepreneur:

Highlight some traits and skills you have that make you a social entrepreneur. What skills do you need to build on?

What skills or traits of a social entrepreneur do I have?	What skills do I need to develop?
	Who do I need to help me?

What social issue are you passionate about?



Passion + Issue = Change

Identify what social issue you are passionate and what change you wish to make. This will fuel your own social entrepreneurship work.

Passion How do you enjoy spending your time	Issue What issue are you most passionate about?	Change How will you make your impact?
<i>E.g., singing</i>	<i>E.g., water security</i>	<i>E.g., host a talent show with the entrance fee going to the WE Walk For Water Event. Join the movement and be part of WE's commitment to raise enough funds to give 50,000 people access to clean water for life.</i>

Problem chart: causes and effects

Gain a stronger understanding of the causes and effects related to the issue you are passionate about. In your Problem Chart, start by writing the problem at the center and then look at its causes and effects. Keep digging to go deeper into the issue to find its supporting and root causes.

<p>Effects: These are the results created by the problem. Consider not only the effects that this problem may have on an individual but also on families and communities. When considering the effects, ask yourself "Then what happens?"</p> <p>Example: Children are sick from contaminated water. Illness prevents students from going to school.</p>			

<p>Problem: This is the key issue(s) that's being studied.</p> <p>Example: Families lack reasonable access to clean water.</p>			
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<p>Causes: These are the situations or factors that led to the problem. When exploring the root causes of a problem, ask yourself "Why does this problem exist?" Dig deeper to consider the "causes of causes"—the multiple layers of factors that contribute to a problem.</p> <p>Example: The nearest water source is the contaminated river two miles away. There is no access to a sustainable source of clean water in the community.</p>			

Solution Chart:

You will research your selected issue by conducting a needs assessment. You will then consider and map out solutions to the issue that will serve as the social mission of your enterprise.

Outcomes: These are the results created by the solution. Results may appear as straightforward as having achieved goals, but when you consider the ripple effects and outcomes of sustainable results, the impact is far-reaching and long-lasting. Always ask: Always ask: "Then what happens?" Example: Families have access to clean water through a local well. Girls can more easily collect water for their household. Girls now have time to go to school while also completing their chores.			




Goal: Example: Families will have reasonable access to clean water.	
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Solutions: These are the actions needed to solve the problem and achieve the goal stated at the center of the chart. When exploring solutions, ask yourself "How will this solve the problem?" Dig deeper to think holistically, so that you are looking beyond the short-term and addressing not only the symptoms of the problem but the root causes as well. Example: Providing an emergency supply of water to community members will help meet their needs in the short-term. Building a well or rain catchment system will ensure that people have access to clean water into the future.			

Setting S.M.A.R.T goals:

We set goals in hopes of achieving them. While sometimes obstacles do arise, you can set yourself up for success by setting goals that are SMART: Specific, Measurable, Attainable, Relevant and Time-bound. It's a memory device used by athletes, business executives, health professionals and many others. Use the following outline to make your goals SMARTer.

S	Specific	What, exactly, do you hope to accomplish? Be clear about all of the details involved in your goal. Answer the who, what, when, where and why.	
M	Measurable	How will you know you've achieved your goal? Be specific about what you must do to successfully achieve it.	
A	Attainable	Is your goal realistic or more of a dream? Don't be afraid to dream big, but be reasonable and set realistic goals. This is called "right-sizing" your plan.	
R	Relevant	What is the value? Is the goal important in relation to the social issue you're working on? Does it pass the "so what?" test?	
T	Time-specific	By what date will you accomplish the goal? What is a reasonable timeline you can set?	

<p>Timelines</p> <ul style="list-style-type: none"> • Build out all the steps for your action plan and set them on a timeline. • What day will you start? When do you need to have group meetings? Etc. 	<p>Resources and Allies</p> <ul style="list-style-type: none"> • Look at who will be an ally and source of help in completing your action plan: friends and groups at school, teachers, parents, local politicians etc. • Which people or groups of people can help me in my action plan? • Accountabilibuddies-! Pick a partner (or more) who will hold you accountable for your action plan. • In addition to people as resources, resources can also be materials (poster board, printing flyers) and space (rooms to host meetings and events). • What resources do I already have? What more do I need? Where can I get these resources? <div data-bbox="1379 889 1511 1068"> </div>
<p>Roles and Responsibilities</p> <ul style="list-style-type: none"> • Assign potential tasks to your allies. • Who will be doing what tasks and when are they due? • Create roles for your allies (ex. Media officer, vice president, treasurer). 	<p>Challenges and Solution</p> <ul style="list-style-type: none"> • Brainstorm potential challenges that could come up in the future. • What problems might arise and how can I prevent or solve them? Create a backup plan if something doesn't work out. • Adult allies such as educators and principals will take you more seriously if you have thought out backup plans.

Develop your idea:

You have learned about the important role social entrepreneurship plays in solving social issues. You have explored what issues you are passionate about and set your S.M.A.R.T. goals. Familiarize yourself with the chart below so you can build your business case next.

Issue: What issue are you passionate about? <i>This is where you state the issue(s) you are passionate about.</i> Ex. Clean water		
Problem: What are the one to three problems that you are trying to solve? <i>You need to outline what is/are the problem/s you are trying to solve with your solution. Be as specific as you can.</i> Ex. Lack of access to clean water in a small community in Kenya, and ensuring that girls go to school by halving their hours of chores.	Solution: What product or service will you provide that will help solve the problem(s) you have identified? Ex. Starting a small social enterprise that builds customized friendship bracelets and directing 50% of the proceeds toward building a water well in a community in need in Kenya.	Uniqueness: Does your idea mimic an existing solution, does it build upon an existing one or does it present a new and innovative solution? Ex. While the idea is not unique, I provide a product that is beautiful and affordable to all. By making it affordable and customizable, more people will purchase the bracelets.
	Success: How will you measure success? What does success look like to you? Ex. Number of people who you have positively impacted, or how much money you have raised for your cause.	
Social Impact: What positive impact will your product or service have on the planet and people? Ex. The customers are happy purchasing a bracelet for their friend while also supporting a good cause. Fifty percent of the proceeds go toward building a water well in a small community in need. Families will have access to clean water and girls get to stay in school by halving their hours of chores.		

Now it's your turn to develop your idea for the Business Case Challenge:

Issue:		
Problem:	Solution:	Uniqueness:
	Success:	
Social Impact:		



Budgeting for your social enterprise

Having a budget is important in starting a successful project. Here are some items that you should start thinking about:

Starting fund: Where will you get the money from for your initial costs?

Initial/startup expenses: These are your one-time expenses to launch your product. How much will material cost you?

Ongoing expenses: These are your regular reoccurring costs.

Goal fund: What is the end financial goal that you want to reach?

Revenue: How much money are you hoping to bring in? How much will you be selling your product for?


Grants/donations: Will you be receiving any donations or applying for any grants?

Key Terms

- ▶ **Capital**—The value of everything owned, including money.
- ▶ **Emergency fund**—Money set aside for unexpected expenses.
- ▶ **Income**—Money received in a given period as wages, interest, etc.
- ▶ **Income tax**—Tax paid on personal income, such as wages or investments; regulated and collected by governments.
- ▶ **Gross income**—Salary or wages before deductions.
- ▶ **Net income**—The amount of money an individual takes home after deductions like taxes, CPP and EI.
- ▶ **Profit**—Financial gain, the sum remaining after the deduction of expenses. See also net income.
- ▶ **Revenue**—Income made from sales or earned on investments or, as with government revenue, from taxes. Revenue is gross before expenses, in contrast to net income.
- ▶ **Savings**—Money put aside to be used at a future time. Also a form of deferred spending.



Your budget:

Item	Amount (\$)	Notes
Starting fund:		
Initial/startup expenses:		
Ongoing expenses:		
Total expenses:		
Goal fund:		
Revenue		
Percent donated to the cause I am passionate about:		

Reflection

Is your goal attainable? Explain why:

Do you foresee any hidden expenses? Explain:

The art of the pitch:

You should be able to explain what your social project, enterprise, service or product does, why it's important and how stakeholders can help.

Who

Where/Why

Where/What

Goals

The Request

Hi, I'm Mary Lu, I am 14 years old and the founder of "Beads for Water." Did you know that today, one in nine people lack access to safe drinking water? Yet everyone sitting and standing in this room can go home, turn on a tap and have access to safe drinking water within seconds. By now you have probably figured out that I am passionate about water. Let me tell you a story: six months ago, a motivational speaker from WE came to my school and showed us how kids like me can make change, both locally and globally. I had already started to learn about all the issues that exist in the world and I wanted to take action with my own hands. Then I founded Beads for Water! Beads for Water creates one-of-a-kind friendship bracelets for you and your bestie while supporting the build of a water well in a small community in Kenya. Every time you purchase our friendship bracelet, 50 percent of the proceeds go toward our goal of fundraising \$10,000 to build that well, while the other 50 percent gets reinvested in our company to continue bringing you one-of-a-kind friendships bracelets. Get your friendship bracelet today and change the world with me—one bracelet at a time!

Pitch your own social enterprise

Develop your own pitch by using the following elements of an effective pitch:

Who—Describe who you are and who your customers are.

Where—Talk about your passion and identify the gap that currently exists.

What—Explain what you will do and link to important outcomes you will achieve.

Why—Point out why what you do is important, how is it different from other organizations and why will it help fill a need in your community.

Goals—Clearly state the goals of your action plan, and how you will be resilient and overcome challenges. Describe your timeline.

The Request—What help do you need and why do you think this is the right person to help you?

Tips

- ▶ Limit your words and have a few key phrases that identify with your organization/product
- ▶ Practice and get feedback from multiple people
- ▶ Be confident and positive!

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