

APS 1015H: Social Entrepreneurship
Faculty of Applied Science and Engineering
University of Toronto

Course Overview

This course is designed for engineering students interested in applying their engineering knowledge and skills to address pressing social or environmental issues of our time. Using the principles of entrepreneurship, this course provides students with an understanding of the systems within which these challenges occur, analyze the range of opportunities and tensions that can be defined within a system, and construct a solution to respond to an important issue.

This course will engage students independently and in groups through a variety of approaches that embed the principles of entrepreneurship and social change. Lectures will blend theory on key issues related to social entrepreneurship, as well as workshop-style sessions with industry experts and social entrepreneurs. These sessions will help students to understand the broader systems within which social or environmental challenges are situated, and how to introduce solutions into these systems that integrate the principles of entrepreneurship to yield benefits to communities and society as a whole. Students will apply these lessons through individual and group assignments that progressively build on each other through the course of the semester.

Course Objectives

Social entrepreneurship is attracting growing amounts of talent, money, and attention. Along with its increasing popularity has come wide diversity in understandings of what social entrepreneurship is, and how it can be applied in practice. In this course, you will:

1. **Learn the principles of social entrepreneurship and systems analysis:** You will be introduced to examples and best practices, successes and failures, and opportunities and constraints, in the field of social entrepreneurship.
2. **Apply entrepreneurial principles to address gaps in a social system:** Using tools and conceptual frameworks presented in class, you will learn how to identify gaps in a social system and construct a social entrepreneurship solution to address these gaps.
3. **Apply your engineering knowledge to advance societal outcomes:** You will be provided with new perspectives on the opportunities for leveraging an engineering education to positively impact social and environmental change.

Pedagogy

We will use a variety of teaching methods to encourage intellectual understanding and a personal connection to the subject matter. Lecture sessions will be coupled with experiential techniques such as case studies, simulations, exercises, and group discussions. Guest speakers will also be a key component to student learning.

The "live case" method is one way that we make the lecture real. Instead of using a written case study, real social entrepreneurs will be invited to class to present a high level description of their business (mission, motivation, goals, etc). We then pose a series of questions to the students related to the entrepreneur's venture.

Your active contribution in class is an important aspect of the course and will enhance our learning experience.

Course Texts

Required Course Texts & Supplemental Readings

Alexander Osterwalder and Yves Pigneur. “Business Model Generation”, Self Published, 2009.

David Bornstein and Susan Davis, “Social Entrepreneurship: What Everyone Needs to Know”, Oxford University Press, 2010.

IDEO, “Human Centered Design: Toolkit”. 2nd Edition. Download at:
<http://www.hcdconnect.org/toolkit/en/download> (sign up and login first)

Recommended Course Texts

Andrew Wolk and Kelley Kreitz, “Business Planning for Enduring Social Impact”, Root Cause, 2008.

Course Instructors

Norm Tasevski

Email: norm@socialentrepreneurship.ca

Office Hours: By appointment (preferably via Skype, Google Hangout or phone)

Alex Kjorven

Email: alex@socialentrepreneurship.ca

Office Hours: By appointment (preferably via Skype, Google Hangout or phone)

Course Grading

Major Assignment - Building a Business Case for a Social Entrepreneur (60%)

The best method of learning what it means to be a social entrepreneur is to work directly with those that have chosen the social entrepreneurship path. In this vein, students will work directly with real social entrepreneurs to build a business case for a solution that enhances their business venture.

In class 3, students will meet and workshop with two social enterprises (to be confirmed). By class 9, students will design a compelling and informed argument for why the social entrepreneur you’ve been working with should pursue the course of action you’ve determined in your analysis.

Students will work in groups to identify and design their business cases, in close collaboration with the social entrepreneurs engaged in the course.

The grading scheme for this assignment:

- Part 0: Group members identified (no grade)
- Part 1: Diagnosis of the current state of the business (in-class, class 3) - 10%
- Part 2: Business Venture Storyboard (current) (due class 5) - 10%

- Part 3: Recommended business model, financial model and business targets (due class 8) - 20%
- Part 4: In-Class Presentation: The business case (due class 9) - 20%

Specific details for the assignment (key deliverables, expectations and timelines for submission) will be provided in class 2.

Individual Assignment - Systems Map for an Established Social Venture (30%)

The focus of this assignment is for students to describe an established social enterprise using the lens of systems mapping. Students will work individually to identify a specific social enterprise to study. Students will describe the organization, draw the systems map that this organization operates in, and identify the gap in the system and describe the organization's solution using a storyboard.

Students will prepare the following:

- A one-page systems map - 15%
- A one-page storyboard - 15%

Specific details for the assignment (key deliverables, expectations and timelines for submission) will be provided in class 2. Examples of social enterprises you may choose to study will be provided; any other examples must be approved by instructors via an email request.

Due Date: One week after the final class (can be handed in any time earlier in the semester).

Class Participation (10%)

Participation grades will be based on the quality of participation during in-class discussions, in-class group exercises, and questions for guest speakers. Obviously, attendance in class is a prerequisite! Evidence of participation outside of the classroom (e.g. posting on social entrepreneurship blogs, emailing the professors) may also be factored in.

Submitting Assignments

All assignments are due, in soft copy, at the **start** of the class in which they are due. After class start, a late penalty will be assigned (10%/day). No hard copies will be accepted.

All assignments are to be submitted via email to alex@socialentrepreneurship.ca

Group members and numbers will be assigned by the end of class 2. *Please cc all group members when submitting an assignment.*

For simplicity, please use the following format for the Subject line of the email:

“APS1015 - Group (#) - Part (#)”

Session Schedule

Class 1: Introduction to Social Entrepreneurship and Social Systems

This introductory class provides an overview and brief history of social entrepreneurship, and the motivations for wanting to be a social entrepreneur. Students will also be exposed to the basics of social systems in preparation for the class 2 systems mapping exercise.

Readings:

- “Social Entrepreneurship: The Case for Definition”, by Roger L. Martin & Sally Osberg. Stanford Social Innovation Review, Spring 2007:
http://www.ssireview.org/articles/entry/social_entrepreneurship_the_case_for_definition/
- “The Process of Social Entrepreneurship: creating opportunities worthy of serious pursuit”, by Ayse Guclu, J. Gregory Dees, and Beth Battle Anderson.
<http://www.caseatduke.org/documents/seprocess.pdf>

Useful Resources:

- “Primer on Social Innovation: A Compendium of Definitions Developed by Organizations Around the World”, by Geraldine Cahill. The Philanthropist, Vol. 23, No.3, 2010.
<http://thephilanthropist.ca/index.php/phil/article/view/846>

Class 2: Deep Dive into Social Systems

This lecture focuses the dynamics within systems, how to identify and analyze gaps as well as evaluate how change takes place within more complex systems. Students will be introduced to the process of systems mapping and will participate in a class exercise to create and analyze a systems map for a specific social system. Students may apply the lessons from this lecture to the preparation of their major assignment, which will be introduced in this class (due Class 9).

Readings:

- The Language of Systems Thinking: "Links" and "Loops"
http://www.solonline.org/?page=Tool_LinksLoops

Class 3: Social Enterprise Workshop

In -Class Assignment: Business Diagnosis

Guest Presenters

Jenise Lee, CEO & Founder, Clean Care

TBA, Public Inc.

This lecture will be structured workshop-style, in collaboration with Clean Care and Public Inc. Students will be introduced to these two real-life social enterprises and have the opportunity to better understand the social problems these organizations are trying to solve and the challenges they are facing in doing so. This workshop is the first step in analyzing the two beneficiary organizations as part of developing proposed solutions, which make up the final assignment.

Readings:

- “Design Thinking for Social Innovation” by Tim Brown and Jocelyn Wyatt, Stanford Social Innovation Review, Winter 2010,
http://www.ssireview.org/articles/entry/design_thinking_for_social_innovation/

Useful Resources:

- “Patterns, Principles, and Practices”, by Stephen Huddart. The Philanthropist, Vol. 23, No. 3, 2010:<http://thephilanthropist.ca/index.php/phil/article/view/852>

Class 4: Intervening in Social Systems (Part 1)

This class will focus on understanding how to design solutions to a gap in a social system and looks at the first two steps in the system intervention process. Students will be led through an interactive Empathy Mapping exercise followed by an introduction to Business Modeling and the components of a business model canvas.

Readings:

- Human Centered Design: Toolkit, pages 29 - 68.
- TedxSMU Kate Canales on Empathy in Design
<https://www.youtube.com/watch?v=9aYD6fBPC3c>

Useful Resources:

- OpenIDEO Challenges: <http://www.openideo.com/open>
- Ashoka Changemakers: <http://www.changemakers.com/>
- TED Talks Series on “Not Business as Usual”:
http://www.ted.com/themes/not_business_as_usual.html
- TED Talks Series on “Design That Matters”:
http://www.ted.com/themes/design_like_you_give_a_damn.html
- “Design for the Other 90%” at <http://other90.cooperhewitt.org/>
- Projects listed at the “Entrepreneurial Design for Extreme Affordability” course at the Stanford Institute of Design: <http://extreme.stanford.edu/index.html>

Class 5: Intervening in a Social System (Part 2)

Assignment Due - Business Venture Storyboard

This class will focus on the remaining 2 elements of the system intervention process: financial modeling and target setting. Students will be led through the process of understanding how to determine a viable business margin for their venture, and how to set reasonable yet motivating business targets that guide business model execution.

Readings:

- Human Centered Design: Toolkit, pages 146 - 149
- Measuring Social Impact: Theory of Change: <https://www.youtube.com/watch?v=dpb4AGT684U>

Useful Resources:

- Engineers Without Borders Canada, “Failure Report 2010”,
<http://www.ewb.ca/mainsite/pages/howeare/accountable/FailureReport2011.pdf>
- “Framing the Issue”, by Jane Wales, Stanford Social Innovation Review, Summer 2012:
http://www.ssireview.org/articles/entry/framing_the_issue_2

- “Social Enterprise in Context” and “Social Enterprise Classification”, by Sutia Kim Alter: http://www.4lenses.org/Setypology/se_in_context (follow all sub-links to [Hybrid Spectrum](#), [Dual Value Creation](#), [Financial Strategy](#), and [Program Strategy](#)) and <http://www.4lenses.org/setypology/classification> (follow all sub-links to [Mission Orientation](#), [Business/Program Integration](#), and [Target Market](#))

Class 6: Validation of Market-Based Solutions

Students will be exposed to methods for screening entrepreneurial ideas and evaluating its “business potential”. Students will be introduced to data collection methodologies and evaluate some of the challenges associated with synthesizing market data and applying this data to business decisions.

Readings:

- Human Centered Design: Toolkit, pages 121 - 145.

Useful Resources:

- “Models” and “Social Enterprise Structures”, by Sutia Kim Alter: <http://www.4lenses.org/setypology/models> (follow all sub-links to [Fundamental](#), [Combining Models](#), and [Enhancing Models](#)) and <http://www.4lenses.org/setypology/structures> (follow all sub-links to [Organizational](#), [Legal](#), and [Ownership](#))
- “Market Strategy Workbook 2: Assessing Critical Value Factors”, published by MaRS Discovery District: http://www.marsdd.com/dms/entrepreneurtoolkit/workbooks/Workbook_Marketing2_LR.pdf
- “The Canadian Social Enterprise Guide, 2nd Edition”, published by the Enterprising Nonprofits Program. Chapter 4 (Idea Identification and Feasibility Analysis): http://www.enterprisingnonprofits.ca/sites/www.enterprisingnonprofits.ca/files/uploads/SEGU_IDE_Web_Chapter_Four_0.pdf

Class 7: Considerations For Social Enterprises

This class will cover some of the key considerations social entrepreneurs face when launching and growing their social enterprise. Emphasis will be placed on marketing social enterprises where students will be provided an overview of theories around cause marketing and sustainable marketing. Operational, human and legal considerations are also reviewed which include understanding various legal forms applicable to social businesses. Students will also engage in basic financial analysis for their enterprise to determine the financial feasibility of their proposed solution.

Readings:

- “The Canadian Social Enterprise Guide, 2nd Edition”, published by the Enterprising Nonprofits Program. Chapter 5 (Planning for Your Social Enterprise):
- “The Canadian Social Enterprise Guide, 2nd Edition”, published by the Enterprising Nonprofits Program. Chapter 7 (The Legal Context): http://www.enterprisingnonprofits.ca/sites/www.enterprisingnonprofits.ca/files/uploads/SEGU_IDE_Web_Chapter_Seven.pdf

Useful Resources:

- http://www.enterprisingnonprofits.ca/sites/www.enterprisingnonprofits.ca/files/uploads/SEGU_IDE_Web_Chapter_Five.pdf
- “Market Strategy Workbook 3: Strategic Marketing Approach”, by MaRS Discovery District. http://www.marsdd.com/dms/entrepreneurtoolkit/workbooks/Workbook_Marketing3_LR.pdf
- “Social Investment Manual: An Introduction for Social Entrepreneurs”, by Ann Kristin Achleitner et al. September 2011. <http://www.schwabfound.org/pdf/schwabfound/SocialInvestmentManual.pdf>

Class 8: Introduction to Impact Investing

This class will provide a high level overview of the emerging field of social finance and impact investment. Students will learn about the challenges associated with financing social enterprises, and will be exposed to new and innovative investment vehicles designed specifically for the social enterprise sector.

Readings:

- “Business Planning and Financial Forecasting: A Start-Up Guide”, published by Western Economic Diversification Canada and Small Business BC, Pages 13 - 32: <http://public-files.prbb.org/intervals/docs/16760815-Business-Planning.pdf>
- Financing Options for Social Enterprise”, by MaRS Discovery District. <http://www.marsdd.com/entrepreneurs-toolkit/articles/Financing-Options-for-Social-Enterprises-non-profit>
- “Financing Options for Social Purpose Businesses”, by MaRS Discovery District. <http://www.marsdd.com/entrepreneurs-toolkit/articles/Financing-Options-for-Social-Purpose-Businesses-for-profit>

Class 9: Building the Business Case for Social Entrepreneurship

Assignment Due - Business Model, Financial Model and Business Targets

This class consolidates the learning students received throughout the course. Students will build a business case for the ventures they've assessed using the techniques described in the course (storyboarding, business modeling, etc.), focusing on making a compelling and informed argument for why the social entrepreneur you've been working with should pursue the course of action you've determined in your analysis.

Readings:

- Real-world business case examples (emailed to students after class 2)

Class 10: Scaling Social Entrepreneurship

Social entrepreneurship generally aims to deliver solutions that can amplify social impact, across individuals, communities, and regions. Scaling social innovation is not always straightforward, and includes a different set of considerations than starting a social enterprise.

Readings:

- “Be Fearless” by the Case Foundation, accessible at <http://befearless.casefoundation.org/> and <http://befearless.casefoundation.org/fearless-principles.pdf>

Class 11: Emerging Issues in the Field of Social Entrepreneurship

This class focuses on understanding some of the emerging issues and opportunities currently facing the field of social entrepreneurship. The lecture will also provide students with a sense of the career opportunities available to them. This lecture will feature a guest speaker.

Readings:

- “The Social Intrapreneur: A Field Guide for Corporate Changemakers”, by Allianz, IDEO, SustainAbility, and The Skoll Foundation. Accessible at http://www.echoinggreen.org/sites/default/files/The_Social_Intrapreneurs.pdf
- “The Fortune at the Bottom of the Pyramid: Eradicating Poverty through Profits.” By C.K Prahalad, Foreword: <http://www.fastcompany.com/bookclub/excerpts/0131467506.html>

Class 12: Final Presentations

Assignment Due - In-Class Presentations

Student teams will present their proposed solutions to the participating social enterprises.

No readings for class 12.