INTRODUCTION TO SOCIAL ENTREPRENEURSHIP

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Overview

1. Overview
   - Key Concepts
   - Definitions
2. Motivation of Social Entrepreneurship
3. Social Values
4. Intentional Evaluation
5. Model of Social Change
6. Four Core Social Change Strategies
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8. Collective Impact
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1. Overview

- Three key social institutions: Government, Market, The People; Public sector, private sector, social sector
- What is capitalism?
- What happens to social needs in government and market failure?
- *Social entrepreneurship* is the impulse to overcome all barriers to convert innovation to practice in order to achieve *social change*.
- Strictly, social entrepreneurship is not about creating social value, nor about solving social problems. It is about creating social change.
- By contrast, *classical entrepreneurship* is the impulse to overcome all barriers to convert innovation to practice in the *market* (usually for profit).

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2. Motivation of Social Entrepreneurship

- The social entrepreneur looks at the status quo, is deeply disturbed, and is sufficiently motivated to take action to *change the status quo* to alignment with *preferred social values*.

Congruence

Social Values → Dissonance with Status Quo → Motivation → Behavior → Outcomes → Social Values
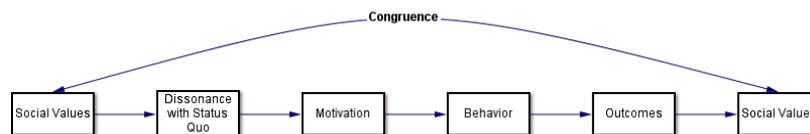
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3. What are social values?

- Not *personal* values (love, honesty, cleanliness, respect)
- Not *organizational* values (transparency, democracy, ethics)
- Rokeach (1973) "A *value* is an enduring belief that a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence."
- "A *social value* is an enduring, normative belief that describes a preferred mode of social conduct or end-state in society and justifies action to attain or sustain a preferred social order." (Whitman, based on Rokeach)

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Social Values (partial)

- Community
- Competition
- Cooperation
- Defense
- Diversity
- Education
- Efficiency
- Environment
- Equality
- Family
- Freedom
- Health

- Human rights
- Innovation
- Law
- Market
- Profit
- Solidarity
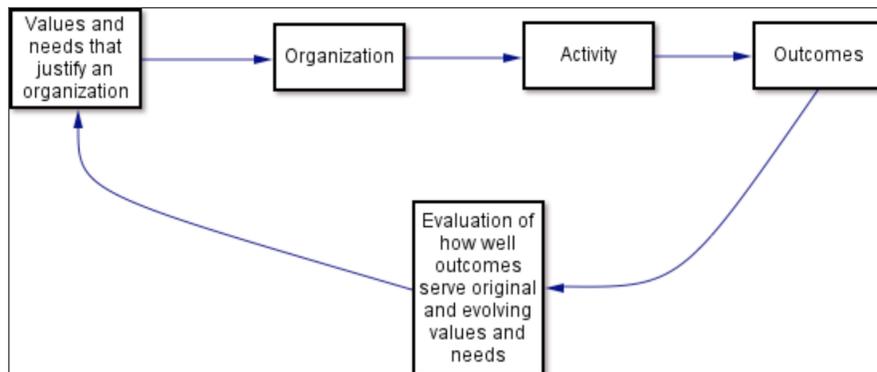- Spirituality
- Status quo
- Tradition
- Trust
- Voice
- Wealth

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A note on semantics

- Words (values) like "social justice," "equity," "structural change," "power," "organizing," etc. can have very negative interpretations, especially in the south.
- Be mindful of how language will be interpreted before using specific terms.
- A highly effective community foundation has avoided explicit use of it's social values, using strategic ambiguity to avoid alienation.
- Focus on outcomes and why those outcomes are desirable.

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4. Intentional Evaluation

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5. Model of Social Change

	SOCIAL CULTURAL	DOMAIN OF CHANGE	POLITICAL ECONOMY
TRANSFORMATIVE Systemic	**3. Normative** *Large-scale normative change in informal, behavioral rules (e.g., social values, norms), i.e., through* **Education**		**4. Codified** *Large-scale change mandated by formal, written rules (e.g., laws, regulations), i.e., through* **Policy**
TYPE OF CHANGE		**Mobilizing strategies (Grassroots, Movement, Advocacy, Capacity Building, Funding, Innovation)**	
TRANSACTIONAL Incremental	**1. Compensatory** *Incremental social change to restore or improve the status quo for a few for a short time, i.e., through* **Charity**		**2. Exchange** *Transactions of economic value usually within stable, ongoing arrangements, i.e., through the* **Market**

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6. Four Core Social Change Strategies

1. Charity (lo/no social change)
2. Market (lo/no social change)
3. Education (high *behavioral* social change potential)
4. Policy (high *regulatory* social change potential)

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7. Six Mobilizing Strategies for Social Change

1. Funding
2. Grassroots
3. Movements
4. Advocacy
5. Capacity-building
6. Innovation

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8. Collective Impact

- Orthodox approach: A philanthropic foundation funds a single nonprofit to undertake a program to solve a problem
- Collective Impact: One or more foundations fund a collective effort among selected nonprofits that (Kania & Kramer 2011):
  1. Share a common agenda;
  2. Share a method to monitor and measure progress;
  3. Undertake mutually reinforcing activities;
  4. Engage in continuous communications; and
  5. Coordinate their work through a "backbone organization."
- What problems are you addressing that you cannot solve alone?
- Who are potential partners?
- What additional capacity is required?

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9. Needshare

- Needshare = Number of people served by the program / Total number of people in need
- Needshare = 7,254 / 53,986
- Needshare = 13.4%
- If it cost $2,000,000 to serve 7,254 people, what would it cost to achieve 100% needshare? (Assume a straight line.)
- ($2,000,000 / 7,254) * 53,986 = $14,884,478
- $276 per person
- Key question: Is the budget for 100% needshare feasible?

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10. Theory of Change

- Logic model: Descriptive
- Theory of change: Explanatory

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Questions and Discussion

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