DELIVERABLE D.T3.2.1

Preparation of coaching material and tools for altrupreneurs (as mentors)	Version 1 11/2020

Work Package 3:	CAPACITY BUILDING OF SOCIAL ENTREPRENEURS AND ALTRU-PRENEURS
WP responsible partner:	JAIP
Task leader partner:	Budapest Chamber of Commerce and Industry

CONTENTS

1. PURPOSE OF THE MENTOR TRAININGS – SUMMARY AND INTRODUCTION

The 'Analysis of existing needs, capacity gaps and development, barriers of social entrepreneurs' in Central Europe conducted by CE Responsible partnership confirmed the main concepts of the project. Among other things highlighting the need for meaningful and thriving networks between established businesses and social entrepreneurs. By establishing and strengthening these networks the ecosystem of social enterprises in each region and on a transnational level will get new impetus and provide the prolific background necessary for flourishing SEs in Central Europe.

The purpose of the CE Responsible training is to prepare the mentors for an impactful and effective cooperation with social entrepreneurs and innovators and with their organizations or projects as well. The aim of this training syllabus is to provide a structured approach for future mentors to have a general understanding of the social enterprise field and the main drivers and challenges faced by social entrepreneurs and innovators. By examining differences and similarities between sectors and their actors the training programme will help mentors to have a stronger awareness of their motivation and their role in the mentoring cooperation. Thus, they will be able to build their mentor profile by clarifying how and on what specific areas they will be able to support social entrepreneurs and social innovators.

Even within Europe there is a huge variety of local characteristics of social sector in general and the social enterprise field in particular. Therefore, it is essential to find and select local partners (trainers and translators) who have a well-grounded understanding of the local situation and have connections to the local ecosystems. The syllabus provides a clear and systemic approach and highlights relevant good practices from the international arena. However, the local partners need to adapt this framework to the local realities as well as provide local good practices (positive cases) and introduce the local ecosystems to the participants.

The syllabus consists of four main modules.

1. The first module, **'Introduction to Social Entrepreneurship: vocabulary, sector, roles and challenges'** introduces the main concepts in relation to social entrepreneurship highlighting the interconnectedness of these decisive elements. The module also gives a better understanding of the SE ecosystem and its complexities. In order to build a better understanding of SEs the module provides information and insights to the specific characteristics and challenges of being a Social Entrepreneurs through role-plays and case studies.

2. The second module's goal, **'Matchmaking: The basis of cooperation'** is to lay the foundation for the matchmaking between business people and social entrepreneurs, mentors and mentees. It introduces a logical framework that conceptualizes the similarities between organizations coming from various background, sectors and with differing agendas. The similarities will be examined on four levels of cooperation: the structural level, the major operational areas, the dynamic areas of leadership and then on the personal level. This module helps participants to obtain a better understanding of the mutually beneficial nature of cooperation among the public, the business and the social sectors. Enabling future mentors to analyse and clarify their personal agenda and to create a strategic vision that mobilizes their businesses' resources in the mentoring process.

3. The third module introduces various **'Cooperation areas and tools'**. In the two first modules the syllabus laid the foundation of the preparation of the mentors by first highlighting the peculiarity of the social sector (differences) then by providing a logical framework that conceptualizes the similarities and confirm the value of collaboration. In the third module the participants will be able to explore and acquire tools in the relevant cooperation areas. These areas include strategy development in business modelling, social impact planning and measurement, innovation management and digitalization. As a result, mentors will be enabled to strengthen their effectiveness as mentors.

4. The final module **'How a successful mentor will create value'** aims to equip participants with basic coaching tools through exercises. the space to develop their profile as mentors. It also provides tools and a structured approach for self-reflection and a space to help them understand their motivations and key drivers in the mentoring work. By the end of the training the mentors will be able to finalize their mentor profile and be ready to start their cooperation with their mentees.

The syllabus provides both a theoretical and practical guide to participants for a better understanding the nature of social entrepreneurs and the unique challenges that they encounter. It enables the mentors to be more transparent and clearer about themselves and define their own role in order to become effective in their mentorship. **Additionally, the training also gives the participant a new understanding of the value and mutually beneficial nature of cooperation with social entrepreneurs and innovators.** Thus making the partnership between established for-profit businesses and social enterprises equally advantageous and long lasting.

MODULES AND THEMES	LESSONS
1. Introduction - Differences: Definitions, sectors and roles	**3**
A. Basic definitions and framework	1
B. Characteristics and challenges	1
C. Role play and best practices	1
2. Matchmaking - Similarities: The basis of cooperation, levels of matching	**4**
A. Sectors, industry	1
B. Organizational levels (functional areas)	1
C. Leadership level (dynamic areas)	1
D. Personal level (values, skills and competencies)	1
3. Cooperation areas and tools	**4**
A. Digitalization and digital transformation	1
B. Innovation	1
C. Social Impact	1
D. Strategy	1
4. How a successful mentor creates value	**4**
A. Coaching tools and exercises	2
B. Developing the mentor profile	2
Total	**15**

This deliverable (Preparation of coaching material and tools for altrupreneurs) is part of the WP-T3 and the A.T3.2.

WP-T3	CAPACITY BUILDING OF SOCIAL ENTREPRENEURS AND ALTRU-PRENEURS
A.T3.1	Coaching for social entrepreneurs
D.T3.1.1	Preparation of coaching material about innovation processes
D.T3.1.2	Preparation of coaching material about fundraising, managing risk, for sustainability strategies
D.T3.1.3	Preparation of coaching material about strategic use of ICT and communication tools
D.T3.1.4	9 national coaching reports
D.T3.1.5	Designing coaching material into Coaching Toolbox for social enterprises

WP-T3	CAPACITY BUILDING OF SOCIAL ENTREPRENEURS AND ALTRU-PRENEURS
A.T3.2	Coaching for altru-preneurs mentors
D.T3.2.1	*Preparation of coaching material and tools for altrupreneurs (as mentors)*
D.T3.2.2	9 Reports about organization mentoring awareness sessions
D.T3.2.3	Organization of workshops
D.T3.2.4	Designing coaching material and tools into Coaching Toolbox for altru-preneurs

2. SYLLABUS OF MENTOR TRAININGS

'Introduction to Social Entrepreneurship: vocabulary, sector, roles and challenges'

What is the difference between innovation and social innovation? What is the relevance of civil society in the functioning of our society? What is the relationship between the third sector and the social economy? What is a social enterprise? How does it differ from a not-for-profit entity? What is the difference between a social enterprise and a social entrepreneur? What is social impact and how do we measure it?

In order to create a basic understanding of the social enterprise field it is necessary to introduce the main concepts and provide a framework and common language to all participants. This helps in the training of participants (business people) to have a better and deeper understanding of social entrepreneurs, creating the basis of mutual respect and learning.

The competent adaptation of the first module of the syllabus to the local realities is crucial. This ensures that the local training program adequately prepares the mentors in each region.

a. Definitions and theoretical concepts in the area of social entrepreneurship

<u>**Social innovations**</u>[1] are new social practices that aim to meet social needs in a better way than the existing solutions. There are various definitions of social innovation, however, they usually include the broad criteria about **social objectives, social interaction between actors or actor diversity**, **social outputs**, and **innovativeness**[2]. A transformative social innovation does not only introduce new approaches, but it often changes the social institutions that created the problem in the first place.

Social Innovation has an inter-sectoral approach and is universally applicable. Social Innovations are launched by a variety of actors, including research institutions, companies and independent organizations, which tend to use their respective definitions of Social Innovation.

Social Innovation focuses on

- **the process of innovation, how innovation and change take shape** (as opposed to the more traditional definition of innovation, giving priority to the internal organization of firms and their productivity).
- **on new forms of cooperation (business models),** especially on those that work towards the attainment of a sustainable society.

Social innovation can take place within government; the for-profit sector, the non-profit sector (also known as the third sector), or in the spaces between them. Historical studies suggest that transforming any system may take many years, and requires not only the capacity for multiple partnerships, but also for engaging policy, legal and economic institutions.

Social innovation is often an effort of mental creativity that involves fluency and flexibility from a wide range of disciplines. The social innovation theory of 'connected difference' emphasizes three key dimensions to social innovation:

1. Innovations are usually new combinations or hybrids of existing elements, rather than completely new.
2. Their practice involves cutting across organizational or disciplinary boundaries.
3. They leave behind compelling new relationships between previously separate individuals and groups.

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[1] https://en.wikipedia.org/wiki/Social_innovation

[2] The innovation should be at least "new" to the beneficiaries it targets, but it does not have to be new to the world.

Recent Examples of Social Innovation[3] *include* charter schools, emission trading and fair trade. The driving mechanisms of social innovation are exchange of ideas and values, shifts in role and relationships and integration of private capitals with public and philanthropic support.

<u>**Civil society**</u>[4] can be understood as the "**third sector**" of society, distinct from government and business, and including the family and the private sphere. It comprises civil society organizations and non-governmental organizations. The third sector is also referred to as the **voluntary sector** or social sector. The term *social sector* refers to that part of social and economic activity done for the purpose of benefiting society and which is funded, in part or whole, through charitable gifts. Other common terms relating to those organizations in this sector are non-profit, not-for-profit, philanthropic sector, mission-based sector, non-governmental organizations, and tax-exempt organizations.[5]

C*ivil society* is also used in the sense of

1. the aggregate of non-governmental organizations and institutions that manifest interests and will of citizens,
2. or individuals and organizations in a society which are independent of the government.

Civil society sometimes used in the more general sense of "the elements such as freedom of speech, an independent judiciary, etc., that make up a democratic society"[6] Especially in the discussions among thinkers of Eastern and Central Europe, civil society is seen also as a normative concept of civic values.

<u>**Social economy**</u>[7] actors are economic and social players (associations, cooperatives, foundations and mutuals) active in all sectors of society to respond to people's needs. They are characterized by a different way of doing business: a form of entrepreneurship which is driven by the general interest or by a social objective rather than by economic performance and which embodies the principles of solidarity and social justice, with a strong element of participation, co-decision (staff, users, members) and democratic governance.[8]

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[3] https://www.gsb.stanford.edu/faculty-research/centers-initiatives/csi/defining-social-innovation

[4] https://en.wikipedia.org/wiki/Civil_society

[5] https://www.wisegeek.com/what-is-a-social-sector.htm

[6] https://www.collinsdictionary.com/dictionary/english/civil-society

[7] https://en.wikipedia.org/wiki/Social_economy

[8] https://www.socialplatform.org/service/social-economy-and-entrepreneurship/

The social economy is a major socio-economic player of the European social market economy. There are 2.8 million social economy enterprises and organizations, ranging from SMEs to large EU groups, that operate in all sectors, employing 13.6 million citizens ad accounting for 8% of the Union's GDP. The social economy is formed by enterprises and organizations (mutual, cooperatives, associations, foundations and social enterprises) of all sizes, ranging from SMEs to large companies and groups, that operate in all the economic sectors such as: industry, education, healthcare and social services of general interest, agri-food, ethical and cooperative finance, insurance, renewable energy, re-use and recycling, retail and consumption; housing, tourism, culture and leisure, building, professional services, digital economy, and so on.[9]

Social enterprises[10] have both business goals and social goals. As a result, their social goals are embedded in their objective, which differentiates them from other organizations and corporations. A social enterprise's main purpose is to promote, encourage, and make social change. Social enterprises can provide income generation opportunities that meet the basic needs of people who live in poverty. They are sustainable, and earned income from sales is reinvested in their mission. They do not depend on philanthropy and can sustain themselves over the long term. Their models can be expanded or replicated to other communities to generate more impact.

In recent years, many non-profits have chosen to take on social enterprise models as it has become increasingly difficult to obtain financing from outside sources. The social enterprise model offers non-profit organizations an alternative to reliance on charitable donations. This may allow them to increase their funding and sustainability, and assist them in the pursuit of their social mission. However, two potential issues emerge: 1) distraction from the social goal in pursuit of a contradictory business activities and 2) inadequate skills, resources, and capabilities for the adoption of the social enterprise model.

Social enterprises can be structured as a non-profit or for-profit, and may take the form (depending on in which country the entity exists and the legal forms available) of a **co-operative, mutual organizations, a social business, a benefit company, community interest company, a company limited by guarantee or a charity organization.**

In contrast to the organizational focus of social enterprises social **entrepreneurship and social entrepreneur emphasizes the change agents**, who creates and implements new solutions.

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[9] https://www.socialeconomy.eu.org/socialeconomy/
[10] https://en.wikipedia.org/wiki/Social_enterprise

Social impact[11] is a *significant, positive change that addresses a pressing social problem or challenge. There is a general agreement that highlights the importance of intentionality in relation to social impact. Thus, c*reating social impact is the result of a deliberate set of activities with a goal matching this definition.

It's also critical to clearly differentiate between the broad term of "impact" and a more deliberate definition of social impact. Impact on its own implies an influence or effect on virtually anything, given its context. Social impact, however, is grounded in the effect it has on a pressing social challenge. There is a common understanding that the social impact must be a positive one, improving the conditions around the current situation.

A healthy debate about what is pressing today is welcome and necessary as societal conditions invariably shift. Local contexts might differ from each other, perhaps mirroring global needs or occasionally running counter to them. But a level of consensus is required, often based on ensuring a foundation of human dignity and opportunity, which is most pressing for underserved populations and those lacking essential resources or services.

Social progress demands deep, structural movement of the status quo. Tackling symptoms of problems or trifling around the edges remains insufficient. Moreover, the phrase "social impact" is increasingly 'en vogue' and often misused to imply even minimalist change. **In order to retain a potent and persuasive term, it is necessary to demand that social impact stands for a significant shift in society.**

Social impact assessment/measurement[12] includes the processes of analysing, monitoring, measuring and managing the intended and unintended social consequences, both positive and negative, of planned interventions (policies, programs, plans, projects) and any social change processes invoked by those interventions. Its primary purpose is to bring about a more sustainable and equitable biophysical and human environment.

Exercise No1. Mapping of the local ecosystem: List of all relevant and important actors and institutions, with their underlying strategies and goals.

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[11] https://businessimpact.umich.edu/about/what-is-social-impact/
[12] https://www.iaia.org/wiki-details.php?ID=23

b. What are the key characteristics and success factors of being a social entrepreneur?

We introduce the main defining characteristic and factors of a social entrepreneur. However, many **of the characteristics are shared with entrepreneurs. Thus, we try to highlights some of the similarities and differences between social entrepreneurs and traditional counterparts.**

Many experts believe that the most useful and informative way to define social entrepreneurship is to establish its congruence with entrepreneurship, as social entrepreneurship is grounded in the same elements (context, characteristics and outcome) as their traditional counterparts. Highlighting differences too much is confusing and unhelpful.

Entrepreneurial characteristics

Even though there isn't one comprehensive list of what makes a successful entrepreneur. Still academic research and expert agree on the basic characteristics and personality traits that characterize (describes) many successful entrepreneurs. In other words, these traits or personality characteristics could contribute to the success of the entrepreneur.

In the following two tables we distinguish between primary and secondary characteristics.

Primary characteristics are integrated, basic elements of the person (through development of personality and socialization). Thus the changing of these personality traits is very limited. The secondary characteristics are also basic personality traits, however they can be developed and trained.

Primary entrepreneurial characteristics (values and traits)	Short description of primary characteristics
Uncertainty tolerance	Ability to bear and adapt to stressful and fast changing situations, and unpredictable environments. His/her long-term planning is not affected negatively by uncertainty.
Risk appetite (risk taker)	There is a healthy willingness in taking on risk. S(he) is able to assess, identify and manage risks related to his/her actions and decisions. Risks do not deter him/her in realizing his/her plans.
Self-discipline and inner driven (motivated)	S(he) is able to control and manage his/her decisions and actions. S(he) is aware of her/his goals, inner drive and motives (intentions).
Personal autonomy (Independence)	Strong desire for autonomy (an individual's capacity for self-determination and self-governance). S(he) demands/needs autonomy in decision making and action in order to function effectively and successfully.
Ability for instinctive actions	Even though s(he) is forward thinking and rational s(he) is able to trust her/his gut. S(he) is able to adjust her/his decisions and actions according to his/her instincts even is situations requiring quick response.
Pro-activity	Instead of being reactive s(he) is able to recognize challenges and problems in advance and look for solutions when they arise.
Passionate	S(he) is able to use her/his passion and enthusiasm as the driving force in his/her entrepreneurial activities. His/her own work provides deep satisfaction and satisfy his/her social and psychological needs.
Low level of fear of failure	The possibility of failure (negative outcomes) has only a limited effect on his/her ability to make decisions and take actions. The fear of failure does not raise his/her stress level to an unmanageable (unbearable) level effecting negatively his/her performance.

Success orientation	S(he) is determined both in her/his decision and actions to achieve her/his primary long-term goal, getting recognition (monetary and otherwise) for his/her hard work.
Log-term commitment	S(he) is committed to his/her goals, irrespective of the results of her/his actions. S(he) is also committed to the stakeholders affected by her/his pursuit.

Secondary characteristics (traits and competencies)	Short description of secondary characteristics
Self-knowledge and self confidence	S(he) has some information about her/his own 'self', and is willing and able to broaden her/his understanding of his/herself by rethink them and gathering new information from time to time. S(he) has positive feeling about her/his own 'self'.
Receiving and handling feedbacks	S(he) is willing and able to listen to and take in feedbacks (both positive and negative). S(he) is ready to process (accept) them and when necessary make changes in her/his behaviour.
Time management	S(he) is good at prioritizing, planning and delivering on time. S(he) is able to assess the time demands of her/his tasks realistically and plans processes and timetables accordingly.
Effective (situation dependent) communication	S(he) uses appropriate communication styles, effective tools and methods. S(he) is flexible and able to adjust them in order to suit the situations and the other party involved.
Customer management/relationship	S(he) can recognize different client types and is able to respond to their unique needs by adjusting her/his communication style and behaviour. S(he) has empathy that enables her/him to recognize their unspoken needs and expectations.
Innovation and creativity	Instead of using routine procedures s(he) is able to try out new and innovative solutions, use existing resources in new ways and with new methods.
Effective resource management	S(he) is able to identify, manage and utilize the available resources (human, financial and others) effectively.
Pays attention to the changes in the environment and its needs	S(he) functions in an open system. Thus s(he) constantly monitors the external environment by collecting and analysing the relevant information.

Taking initiative and (personal) responsibility	With a proactive approach s(he) can initiate activities, generate procedures and activate resources. S(he) takes full responsibility for these activities and their results.
Precise and realistic targeting (setting of goals)	S(he) is able to formulate and communicate with clarity and precision his/her long- and short-term goals. S(he) manages the realisations of these goals and reviews them regularly.

Social entrepreneurs: characteristics and challenges

One important way to distinguish a traditional entrepreneur from a social entrepreneur is through the goal he hopes to achieve. While the traditional entrepreneur aims to create a product, service or process for which a consumer will pay, the social entrepreneur aims to create a product, service or process from which society will benefit. **In essence, traditional entrepreneurs aim to create commercial value where social entrepreneurs aim to create social value.[13] Thus the critical distinction between entrepreneurship and social entrepreneurship lies in the value proposition itself.** For the entrepreneur, the value proposition anticipates and is organized to serve markets that can comfortably afford the new product or service, and is thus designed to create financial profit. The social entrepreneur, however, neither anticipates nor organizes to create substantial financial profit for the investors – whomever they might be. **Instead, the social entrepreneur aims for value in the form of large-scale, transformational benefit that accrues either to a significant segment of society or to society at large.** The social entrepreneur's value proposition targets an underserved, neglected, or highly disadvantaged population that lacks the financial means or political clout to achieve the transformative benefit on its own.

What distinguishes social entrepreneurship is the primacy of social benefit, what Duke University professor Greg Dees in his seminal work on the field characterizes as the pursuit of "mission-related impact."

Social entrepreneurs have the following three components:

1. They identify a stable but inherently unjust equilibrium that causes the exclusion, marginalization, or suffering of a segment of humanity that lacks the financial means or political clout to achieve any transformative benefit on its own;
2. They identify an opportunity in this unjust equilibrium, and develop a social value proposition, that bear inspiration, creativity, direct action, courage, and fortitude, thereby challenging the stable state's hegemony; and

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[13]https://ssir.org/articles/entry/social_entrepreneurship_the_case_for_definition

3. They forge a new, stable equilibrium that releases trapped potential or alleviates the suffering of the targeted group, and through imitation and the creation of a stable ecosystem around the new equilibrium ensuring a better future for the targeted group and even society at large.[14]

Types of tensions in social enterprise management[15]

Due to the dual purposes (missions) of social enterprises, organizations cannot directly employ the typical management strategies of established business models. Prioritizing social good over financial stability contradicts rational firm management, which typically prioritizes financial and profit-seeking goals. As a result, different management issues arise that range from stakeholders (and management) agreeing on the firm's goals, but disagreeing on an action plan; to management and stakeholders disagreeing on the firm's goals.

Tensions are separated into four distinct categories:

- **Performing tensions** arise as organizations seek to fulfil various conflicting goals such as varying stakeholder demands, social mission goals, and performance metrics. A major challenge is figuring out how to gauge success with conflicting goals.
- **Organizing tensions** are caused by inconsistencies in organizational structure, culture, and human resource practices. Many social organizations grapple with whom to hire, as many want to help disadvantaged people, but also need workers with business skills to ensure the success of the enterprise. Organizations face the challenge of deciding on which organizational structure and legal form (e.g. Non-Profit, for Profit) to operate under.
- **Belonging tensions** arise from identification or a sense of belonging to contrasting goals and values, which creates internal organization conflict. These tensions are amplified with the maintenance of relationships with stakeholders who may have conflicting identities from the organization.
- **Learning tensions** are a result of conflicting time horizons (i.e. short term vs. long-run). In the short term, organizations aim for stability which can be evaluated based on metrics such as costs, profits, and revenues, but in the long run they want growth, flexibility, and progress in achieving their social mission.[16]

Cost of failure for a social entrepreneur

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[14] https://ssir.org/articles/entry/social_entrepreneurship_the_case_for_definition

[15] https://en.wikipedia.org/wiki/Social_enterprise

[16] https://en.wikipedia.org/wiki/Social_enterprise

"Starting a social enterprise is a high gain and high-risk strategy."[17] Even though there are so many benefits in a social enterprise both personal and community wise, mission alone is not a business strategy. The odds of failure for any type of SMEs start-ups are high. **But the cost of failure for a social enterprise can be even greater than for social project or an SME from human and social perspectives.**

If we understand the price of failure for these organisations, the lack of experience of social enterprise founders in setting up and operating businesses becomes very relevant. Running a business is very different from running a civil society organisation or a project, it requires fundamentally different set of skills, financial and operational knowledge, industry specific relationships and resources as well as a relevant network. **This lack of business knowledge might causes problems on various levels:**

- Identifying and selecting business opportunities,
- Selecting and securing proper financing,
- Operating it in a cost-effective and economic manner,
- Managing risks and leveraging potential success.

Exercise No2. What are the main challenges of being a social entrepreneur (that is different from my entrepreneurial experience)? How can I relate to these challenges? Is there anything that I can learn from a social entrepreneur?

    c. Role play and best practices

Challenges of being a Social Entrepreneur

Through this exercise the participants (future mentors) will be able to get a deeper understanding of the challenges of the social entrepreneur and the realities of the sector. The roleplay has a dual purpose. It helps the participants to get to know each other at the beginning of the training. Secondly it introduces the players (using various entrepreneurial characters' virtual avatars) to the world of the social entrepreneurs, through a team exercise of social enterprise development.

Game description
The Social Seducement game SocialPlaNet is designed as an internet-based serious online role paly game.
https://www.socialseducement.net/game-and-resources?fbclid=IwAR0f98nrtjWpxRiuSnb-IEJKlMeublCUETCFUSUGHfqms7KBlj3ck_QQw4Y

Social PlaNet is a web-based simulation game which puts players in the role of would-be social entrepreneurs.

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[17] Steven L. Dawson, Social Enterprise: Proceed, with Caution

- Players play in groups of 3-6 people, each using an avatar to represent them.
- Players go through the game as a group, and have a choice of different roles: task leader, follower, as well as a range of business roles.
- They have access to a facilitator who supports the group in line with their needs while players pass through the game.
- Together, players develop an idea for a social enterprise, and work through a series of tasks and missions to scope out the key activities, values, income streams etc of their 'fantasy social enterprise'. Real-life stories stimulate thinking about common business challenges.
- Quizzes need to be solved and missions accomplished. In doing so, players accumulate points which they can spend to furnish their in-game office.
- At the end of the game, players receive a completed business model canvas which they can choose to develop into a full business plan.

Training methodology, processing of the gained experience
All team members participate in the online game (role paly) at the same time, taking on the role of a specific character. The facilitator is the trainer, who is able to control and direct the team decision making process, as well as provide feedbacks throughout the virtual game.

The game can be played either during the training session or afterwards at home as an exercise.

Processing questions

- How did you feel yourself during the game? What kind of feeling did you identify in the various state of the game?
- What kind of competencies (existing or otherwise) had to mobilize during the game?
- Which of these do you use regularly in your work? Is there any of which you use less?
- The end result of this game is a business model canvas. What kind of enterprise profile does it have? How (in what way) is this business model and its profile different from your own firm's?
- How and in what way did the other team members help to solve the problems (exercise)?
- Overall what is your opinion? What kind of challenges do social entrepreneurs need to take on?

Case studies (international and local best practices)

List of social enterprise examples: https://www.thesedge.org/socent-spotlights/22-awesome-social-enterprise-business-ideas

Bank for the Poor: Grameen Bank[18]

By establishing Grameen Bank in 1983, Muhammad Yunus sought to realise his vision of self-support for the very poorest people by means of loans on easy terms. The bank has since been a source of inspiration for similar microcredit institutions in over one hundred countries.[19]

Goodwill Industries International, Inc.[20]

Goodwill is most famous for thrift stores that bring us Halloween costumes and 90s grunge revival outfits. But they do so much more than that: they also bring employment opportunities for at-risk individuals, job training and other community-based programs to help the people who are somehow prevented from getting a job. When brick-and-mortar retail was hammered by recessions in the new millennium, Goodwill adapted, making a successful transition to e-commerce in 2007. Now, you can hunt for vintage gold jewellery, designer handbags or mid-century musical instruments on shopgoodwill.com.

Cafédirect[21]

Cafédirect was founded in 1991 as a response to the 1989 global collapse in coffee prices. Its aim was to "give coffee bean, cocoa and tea growers a larger slice of the purchase price for the products." Cafédirect secured its first commercial contract for Co-op and Safeway's Scottish stores in 1992. It was the first coffee brand to carry the Fairtrade certification mark. The company reinvests about 60pc of its profits into grower training and development programs.[22]

Dialogue Social Enterprise[23]

Dialogue in the Dark, has empowered more than 4,000 blind people in 19 countries and more than 130 cities from disadvantaged backgrounds by giving them for the first time in their life the opportunity to showcase their talents and skills. They manage the exhibitions and teach visitors how to see without eyes, thereby acquiring leadership, communication, and management skills. The vast majority of the "Dialogue in the Dark" employees have never held a formal job before, and 40 percent of them successfully gain a job placement with a "normal" company in the private or public sector between a week and a year and a half with Dialogue.

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[18] http://www.grameen.com/introduction/

[19] https://www.nobelprize.org/prizes/peace/2006/grameen/facts/

[20] https://www.goodwill.org/about-us/

[21] https://www.cafedirect.co.uk

[22] https://en.wikipedia.org/wiki/Cafédirect

[23] https://www.ashoka.org/en/fellow/andreas-heinecke

Mobile School[24] - Bringing non-formal education to the streets

An estimated 150 million children and youth grow up in harsh conditions. They live and work on the streets of big cities, are on the move from conflict or natural disasters or run away from socio-economic problems at home. For these children, the streets become their main learning environment, where they develop essential survival skills and build their identity. Non-formal education and outreach work are crucial to help them grow into positive contributors to society. Mobile School has developed an integrated outreach methodology to support street educators worldwide in unlocking the potential of these children in the environment where they feel most comfortable, the streets.

Find local examples of social enterprises and social innovation projects.

Exercise No3. What can I as a mentor learn from these best practices? Are there any other good local or international examples that I can share? What do I like particularly in these examples?

'Matchmaking: The basis of cooperation'

What are the main differences and similarities between the different sectors of society? What do we share (mentor and mentee) as leaders and managers? How can the social sector help my business?

The goal of the module **'Matchmaking: The basis of cooperation'** is to lay the foundation for the matchmaking between business people and social entrepreneurs, mentors and mentees. It introduces a logical framework that conceptualizes the similarities between organizations coming from various background, sectors and with differing agendas. The similarities will be examined on four levels of cooperation: the structural level, the major operational areas, the dynamic areas of leadership and then on the personal level. This module helps participants to obtain a better understanding of the mutually beneficial nature of cooperation among the public, the business and the social sectors. Enabling future mentors to analyse and clarify their personal agenda and to create a strategic vision that mobilizes their businesses' resources in the mentoring process. **The module starts off with the introduction of the sectors of society and the unique role each of them play in the collaboration process of social innovation.**

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[24] https://www.mobileschool.org

Various levels of matching

Neither the mentors, nor the social entrepreneur can be independent of the social, economic, political and legal realities of society they live in. Both of these actors operate in a specific location. They are part of the local, regional, national or global economic system, their organizations' sustainability depends on and affected by external forces. In return they have impact (both positive and negative) on their surroundings and their stakeholders. This bi-directional impact (deriving from their social and environmental embeddedness) characterizes all organizations thus creating a shared experience and linkage between the different economic actors.

The social environment/space (society itself) is relevant and decisive for both 'traditional' businesses and social enterprises in more than aspect. First of all, all organisations operate in a space composed of social groups that are affected by their work. Secondly companies often integrate particular social issues, problems in their vision, mission and strategic goals, or in their business model (e.g. customers) that they strive to solve.

1. Sectors of society

In order to lay the foundation for the matchmaking of the mentoring we need to introduce the main sectors of society: government, business (private) and the non-profit or civil society sectors. All three sectors are relevant and play an integrant role in answering the needs and satisfying the wants of society, tackle the many problems it faces. Their focuses and available resources may differ, even their solutions could be different, still they are all embedded in society and have true relevance for the wellbeing us all. As they all operate within society, for the benefit of society the cooperation of these actors is unquestionable and imperative.

In the following three sections we will identify the relevant operational and functional areas that are shared by all organisations independent of their sectors.

2. Industry level

Both types of businesses (social and traditional businesses) operate in a particular industry. In case the businesses of the mentor mentee pair operate in the same industry they can be considered competitors. As they are both competing within a particular industry for customers and available resources. However, in a transparent and well-defined mentoring relationship this kind of similarity should not be a problem. In case there is no industry level overlap between mentor and mentee a deeper strategic partnership can be developed more easily.

3. Organizational level (functional)

Both traditional and social enterprises are organisations. The organization is nothing less than a 'living' organism. It transforms and develops in response to the external stimuli. All these changes occur on various areas, in various functions of the organization.

The organizational operation is controlled by guiding principles. These principles are basic statements that describe the firm's response and relations to its environment that control the organization's decisions and actions. In our case the business as well as the social/community aspects of the organizational operation is relevant.

i. Social/community side of the operations

As mentioned above all organization's operation is embedded in its unique external environment. In order to achieve its goals (while in operation) it has direct and indirect impact on various internal and external actors. While there are some stakeholders that are fairly obvious, including employees, customers/clients or suppliers, on whom the organizations' impact is clear. Other stakeholders might not be so apparent, such as the organisation local community or indirectly affected constituents of its operation.

However a growing number of organisations include social or environmental elements in their vision, mission, or in their strategic goals that affect their daily operation. In the life of these organizations the social aspect is evident not only on an impact but also on a strategic level.

ii. Business and financial side of the operations (strategic elements, operational elements, etc.)

We already established that social enterprises are market payers due to their business activities. It is also important to stress that both mentors and mentees operate businesses with specific, though sometimes distinct business models. Still the areas of their business models (see business model canvas) are mostly similar, fundamentally defining their operations. Traditional businesses and social enterprises both need to have grounded value propositions, paying customers, they both need to achieve positive cash flows and generate revenues while operating their business cost efficiently and securing the necessary financing. Due to the newness of the social enterprise sector and their lack of maturity the available financing is more limited compared to their traditional counterparts. Therefore, it is essential to support the social enterprises to develop their business models and revenue generating capabilities thus helping them to be less reliable on grants.

iii. Operational, including HR

In order to achieve our strategic goals, we need to manage the important operational areas of the organization. These areas are human resource management (HR), external and internal communication, administration, financial management, marketing, product

and service development, project management, among other areas. The importance of each of these areas in a given organizations can be very different. They are determined by sector or industry specific characteristics and by the availability of resources. Still the areas of operation (or in other words the functional areas) are universal and inherent parts of any organization.

iv. Leadership - Dynamic areas

We looked at the operational framework of the organisation as a possible aspect of the matching. However, a well-functioning venture has loads of constantly changing elements and dimensions. These altering dimensions are often linked to the lifecycle development of the organization. Even in the mentoring process, the lifecycle of two organizations matters. Even if there is a match on other levels the lifecycle of the participants' organization may affect their cooperation. They may be able to cooperate with each other in a certain time period but may be less effective at other times. Some of these dynamic areas are:

1. Strategy setting of systemic goals

The vision and mission of an enterprise is often set or quite stable for at least 10-15 years. Strategic goals and tactics change more rapidly in response to the constantly changing environment and market realities.

2. Action/implementation

For all organisations and ventures their concrete activities result in achieving their strategic goals.

3. Analysing external environment and impacts

The responsibility of the leadership is to continuously monitor and analyse the changes of the markets and the external environment. Management also needs to monitor the organization's impact on its stakeholders, on society and on the environment. Social enterprises have been using impact measurement to demonstrate their impact and as a performance management tool by collecting and data and analysing it. Therefore within the mentoring process social entrepreneurs who have competency in impact measurement will have the opportunity to share their experiences with their mentors. Thus mentoring becomes a two-way interaction between mentor and mentee.

4. Personal level

After looking at the organizational level similarities we should turn our attention to identifying personal similarities. In a mentoring collaboration shared values and attitudes, personal sympathy, agreement over strengths and developmental areas are the key elements to success.

I. Values

Personal values are those standards (expectations) that apply (refer) to a person's behaviour.

Clearly defined personal value play an important role in finding the right mentor mentee match. It also contributes to a successful mentoring process and enables efficient and sustainable cooperation between the partners. Not only in mentoring but also in everyday life interacting and cooperating with people who have realistic self-image is so much easier and more productive.

Values can be grouped or categorized in various ways. The following structure might help us to identify our dominant values that actually drive our actions. The identified values also can play an important part in the mentoring process and in the cooperation between the two participants.

- **Performance oriented values** –reveal our attitude towards results.
  - proficiency, competency, performance, innovation potency, passion, flexibility, etc
- **Communication values** – describe/reveal the way (style, manner) we communicate and interact with each other
  - transparency, openness, sensitivity, objectivity, etc.
- **Cooperation value** – refer to our way of working and cooperating with others
  - loyalty, team spirit, conflict tolerance, trust, appreciation, personal responsibility, accountability, partnership, etc.
- **Moral values** – describe the characteristics of our ethical behaviours
  - Integrity, fair play, honesty, tolerance, etc.

II. Competencies and skills

See module 1 for the list of competencies and skills for successful entrepreneurs.

III. Work-life balance

On a daily basis we wrestle with the fact that our time is limited. We need to divide our limited time between the expectation of our work and the responsibilities (work around our house, kids, shopping, etc.) of or personal life. Often, we attempt to do the impossible and try to fit everything in 24 hours. Sometimes even our peers or the organisation we work in pressure us into unsustainable coping mechanisms. Naturally we also need to spend some time away from responsibilities and enjoy the company of our family and friends, treat ourselves with things and experiences that we desire, that fulfil us.

Identifying personal preferences and then being able to make the right match between mentor and mentee is crucial in the mentoring process. Even from the very practical point of scheduling meetings, similarities in time management and preferences in organizing the meeting (time of day, place and ambiance, etc.) contribute to the success of the mentoring work.

Exercise No4. Make a personal list that covers all relevant cooperation levels and areas. You will be able to use this list as a starting point for creating your mentor profile. Try to be as specific as possible when listing all those characteristics that describe you, your preferences, experiences and skill as a business mentor.

2. 'Cooperation strategies and best practices'

What are the tools that I will use in my work as a mentor? How do I prepare myself for becoming a mentor?

This module introduces various **'Cooperation areas and tools'**. In the two first modules the syllabus laid the foundation of the preparation of the mentors by first highlighting the peculiarity of the social sector (differences) then by providing a logical framework that conceptualizes the similarities and confirm the value of collaboration. In the third module the participants will be able to explore and acquire tools in the relevant cooperation areas. These areas include strategy development in business modelling, social impact planning and measurement, innovation management and digitalization. As a result, mentors will be enabled to strengthen their effectiveness as mentors.

In this module methodologies and tools will be introduced. These tools are structured according to the main focus areas of development in the mentor-mentee process. Trainers should place special attention in each thematic section to find local tools as well as digital solutions.

Toolbox: Methodologies and tools

▪ Digitalization and digital transformation

Digitization, Digitalization and Digital Transformation[25]

Digitization refers to taking analogue information and encoding it into zeroes and ones so that computers can store, process, and transmit such information.

Digitalization has various definitions. Some base their definition of digitalization on *social life* – in other words, how people interact. Both work and leisure domains become digitalized in which many domains of social life are restructured around digital communication and media infrastructures. Others define digitalization as a way that digital technologies change business models and provide new revenue and value-producing opportunities. In other words, it is the process of moving to a digital business. Digitalization also affects business operations and transforms the world of work. Thus, the acquisition of digital skills becomes a prerequisite for individual, industry, and regional success.

Digital transformation goes beyond digitalization. It requires cross-cutting organizational change as well as the implementation of digital technologies in order to achieve customer-driven strategic business transformation. In reality, digital transformation requires the organization to deal better with change overall, essentially making change a core competency as the enterprise becomes customer-driven end-to-end. Such agility will facilitate ongoing digitalization initiatives but should not be confused with them.

To summarize the differences, we digitize information, we digitalize processes and roles that make up the operations of a business, and we digitally transform the business and its strategy. Each one is necessary but not sufficient for the next, and most importantly, digitization and digitalization are essentially about technology, but digital transformation is not. Digital transformation is about the customer.

Digital tools
https://www.themodernentrepreneur.com/business-tools/
https://startupnation.com/grow-your-business/digital-tools-new-business/
https://enterprisersproject.com/what-is-digital-transformation

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[25] https://www.forbes.com/sites/jasonbloomberg/2018/04/29/digitization-digitalization-and-digital-transformation-confuse-them-at-your-peril/#7b8067282f2c

https://www.liferay.com/resources/l/digital-business

▪ **Innovation**

Innovation management[26] is a combination of the management of innovation processes, and change management. It refers to product, business process, marketing and organizational innovation. It allows the organization to respond to external or internal opportunities, and use its creativity from various stakeholders (workers, clients) on all levels, to introduce new ideas, processes and products. By utilizing **innovation management tools**, management can trigger and deploy the creative capabilities of the work force for the continuous development of an organization. **Common tools include brainstorming, prototyping, product lifecycle and idea management, design thinking, etc.**

Innovation management typologies[27]

IMT typologies	Methodologies and Tools
Knowledge management tools	knowledge audit, knowledge mapping, document management, intellectual property rights management
Market intelligence techniques	technology watch/search, patent analysis, business intelligence, CRM, geo-marketing
Cooperative and networking tools	groupware, teambuilding, supply chain management, industrial clustering, Agile
Human resources management techniques	teleworking, corporate intranet, online recruitment, e-learning, competence management, flat organization
Interface management approaches	research and development - marketing interface management, concurrent engineering
Creativity development techniques	brainstorming, lateral thinking, TRIZ, S.C.A.M.P.E.R method, mind mapping
Process improvement techniques	benchmarking, workflow, business process re-engineering, Just-in-Time
Innovation project management techniques	project management, project appraisal, project portfolio management

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[26] https://en.wikipedia.org/wiki/Innovation_management
[27] https://en.wikipedia.org/wiki/Innovation_management

Design and product development management tools	computer-aided design, rapid prototyping, usability approaches, quality function deployment, value analysis
Business creation tools	business simulation, business plan, spin-off from research to market

Social innovation platforms and toolkits

Skyrocket Platform is a new digital environment for Innovators. This is where Challenges meet Social Innovations.

https://skyrocketplatform.eu/wp/wp-content/uploads/technology_for_si_infographic.pdf

DIY – Development Impact & You[28] – Practical tools to trigger and support social innovation. The DIY Toolkit has been especially designed for development practitioners to invent, adopt or adapt ideas that can deliver better results.
https://diytoolkit.org

Further toolkits financed by the EU
https://digitalsocial.eu/uploads/digital-social-toolkit.pdf
https://www.siceurope.eu/learning-portal/experimental-hubs/how-set-process-social-innovation
https://www.kl.nl/en/publications/the-european-social-innovation-toolkit-2018/

- **Social Impact: main concepts and tools**

Theory of Change

The **theory of change**[29] (ToC) is a methodology for planning and evaluation in a participative fashion. It is widely used in non-profit organizations (voluntary sector) and in government as well as in companies to promote social change. Theory of Change defines long-term goals and then maps backward to identify necessary preconditions. Theory of Change explains the process of change by outlining causal linkages in an initiative, i.e., its shorter-term, intermediate, and longer-term outcomes. The identified changes are mapped – as the "outcomes pathway" – showing each outcome in logical relationship to all the others, as well as chronological flow.
Through the **theory of change** approach, the precise link between activities and the achievement of the long-term goals are more fully understood. This leads to better

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[28] https://diytoolkit.org/about/
[29] https://en.wikipedia.org/wiki/Theory_of_change

planning, in that activities are linked to a detailed understanding of how change actually happens. It also leads to better evaluation, as it is possible to measure progress towards the achievement of longer-term goals that goes beyond the identification of program outputs. [30]

Steps of creating theory of change[31]

1. Identifying long-term goals
2. Backwards mapping and connecting the preconditions or requirements necessary to achieve that goal and explaining why these preconditions are necessary and sufficient.
3. Identifying your basic assumptions about the context.
4. Identifying the interventions that your initiative will perform to create your desired change.
5. Developing indicators to measure your outcomes to assess the performance of your initiative.
6. Writing a narrative to explain the logic of your initiative.

Useful tools for theory of change

https://diytoolkit.org/tools/theory-of-change/
https://usaidlearninglab.org/lab-notes/what-thing-called-theory-change
https://knowhow.ncvo.org.uk/how-to/how-to-build-a-theory-of-change
https://www.aecf.org/m/resourcedoc/aecf-theoryofchange-2004.pdf

Impact value chain

The **impact value chain**[32] has become a popular starting point for defining social impact as it clearly differentiates between inputs, outputs, outcome and social impacts.

- **Inputs:** all resources, whether capital or human, invested in the activities of the organization.
- **Activities:** the concrete actions, tasks and work carried out by the organization to create its outputs and outcomes and achieve its objectives.
- **Outputs:** the tangible products and services that result from the organization's activities.
- **Outcomes:** the changes, benefits, learnings or other effects (both long and short term) that result from the organization's activities.
- **Social Impact:** the attribution of an organization's activities to broader and longer-term outcomes. In order to accurately (in academic terms) calculate social impact you need to adjust outcomes for:

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[30] https://www.theoryofchange.org/what-is-theory-of-change/

[31] https://www.theoryofchange.org/what-is-theory-of-change/how-does-theory-of-change-work/

[32] http://www.oltreventure.com/wp-content/uploads/2015/05/EVPA_A_Practical_Guide_to_Measuring_and_-Managing_Impact_final.pdf

- **Deadweight:** what would have happened anyway;
- **Attribution**: the action of others;
- **Drop off:** how far the outcome of the initial intervention is likely to be reduced over time;
- **Displacement:** the extent to which the original situation was displaced elsewhere or outcomes displaced other potential positive outcomes
- **Unintended consequences** (which could be negative or positive).

Impact measurement/management[33]

The goal of impact measurement is to manage and control the process of creating social impact in order to maximize or optimize it (relative to costs). Managing impact occurs continuously and is facilitated by integrating impact measurement in the operation of the organization on all relevant level of decision-making.

The five steps impact measurement process described below should allow the social entrepreneur better manage his/her organization's impact. To manage impact effectively, impact measurement process should be continuously used to identify and define corrective actions if the overall results deviate from expectations.

Managing impact consist of 5 steps[34]

Step 1: Setting Objectives - Defining the scope of the impact measurement and setting objectives. The more specific the objectives the better and more effective the impact measurement is. Answering the following questions can assist the social entrepreneur in clarifying objectives.

- *What is the social problem that the SE is trying to solve?*
- *What activities are the SE undertaking to solve the social problem?*
- *What resources or inputs the SE have and need to undertake its activities?*
- *What are the expected outcomes?*

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[33] https://evpa.eu.com/knowledge-centre/publications/measuring-and-managing-impact-a-practical-guide

[34] http://www.oltreventure.com/wp-content/uploads/2015/05/EVPA_A_Practical_Guide_to_Measuring_and_-Managing_Impact_final.pdf

Step 2: Analysing Stakeholders[35] includes:

- *Stakeholder identification*: stakeholder mapping and selection (using concepts such as materiality, accountability and relevancy),
- *Stakeholder engagement*: communicating with the selected stakeholders in order to understand stakeholder expectations.

Step 3: Measuring Results: Outcomes, Impact and Indicators - In order to transform the objectives, set in Step 1 into measurable results SE needs to consider outputs, outcomes, impact and indicators. **Outputs** are directly related to the activities of the organization thus they are generally easier to measure. **Outcomes and impacts** are related to the expected and unexpected effects of the activities of the organization, hence they are outside the scope of the organization's activities and therefore more difficult to measure. **Indicators** are used to show progress towards or away from outputs or outcomes. Indicators should be sourced as much as possible from public databases such as IRIS, WikiVOIS or other databases. The following **process to select outcome indicators** is recommended:

1. **Define outcomes** as change statements, target statements or benchmark statements.
2. **Select outcomes:** you may have a list of outcome statements but you must select those outcomes that are most important, material, useful and feasible (in achievement not in measurement).
3. **Select indicators** i.e. identify two to three factors that provide measurable evidence for a sub-optimal situation. Indicators should be "SMART", aligned with the purpose of the organization, clearly defined so they can be reliably measured and ideally comparable with those used by others.

Step 4: Verifying & Valuing Impact – can be done via d**esk research, competitive analysis, or interviews and focus groups.** Numerous techniques and methodologies exist for **measuring value** created. Two main categories can be identified:

- **Qualitative:** storytelling, client satisfaction surveys, participatory impact assessment groups, progress out of poverty index.
- **Quantitative (monetization):** techniques for valuing e.g. perceived value / revealed preference and Value Game or techniques for cost / benefit analysis e.g. cost-saving methods and quality adjusted life years calculations.

Step 5: Monitoring & Reporting - The final step includes monitoring – tracking progress against (or deviation from) the objectives defined in the first step and made concrete

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[35] A stakeholder is defined as a*ny party effecting and/or affected by the activities of the organization.*

through the indicators set in the third step; and reporting – transforming data into presentable formats that are relevant for key stakeholders.

Monitoring helps the organization to evaluate the outcomes or impacts that are being achieved through its activities. The analysis of the findings of the monitoring will enable the social enterprise to make an informed decision whether any changes or adjustments to its objectives, activities or any other elements of its impact value chain is needed.

The purpose of **reporting** affects the information that should be included. Depending whether the focus is on an internal or an external audience, the various stakeholders may require different types of reports. The stakeholder analysis conducted in Step 2 should guide the development of reporting, considering the stakeholders' multiple objectives.

Standard impact reports/measurements

Social return on investment (SROI)[36] is a method for measuring values that are not traditionally reflected in financial statements, including social, economic, and environmental factors. They can identify how effectively a company uses its capital and other resources to create value for the community. While a traditional cost-benefit analysis is used to compare different investments or projects, SROI is used more to evaluate the general progress of certain developments, showing both the financial and social impact the corporation can have. The **Social Value International**[37] is the global network focused on social impact and social value, with a global membership of over 2000 organizations. This network is to facilitate the continued evolution of the method.

Further reading - A guide to Social Return on Investment
http://www.socialvalueuk.org/app/uploads/2016/03/The%20Guide%20to%20Social%20Return%20on%20Investment%202015.pdf

The **Social Reporting Standard (SRS)**[38] provides a standardized reporting guideline for initiatives and projects in the non-profit sector. The term SRS is inspired by the Financial Reporting Standards of for-profit companies. The SRS was first published in 2010 and has been used by an increasing number of users and optimized with regards to user-friendliness in 2014. The SRS report consists of three central sections. Part A describes the purpose of the report and gives an overview and description of the report's scope. Part B describes each activity and its impact. It focuses on the social problem and the approach how to solve it. Central component is the section about the impact on society and an introduction of the participating individuals. Part C includes a holistic profile of the organization and gives an overview on the financials including revenues and expenditures.

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[36] https://www.investopedia.com/ask/answers/070314/what-factors-go-calculating-social-return-investment-sroi.asp

[37] https://socialvalueint.org/social-value/

[38] https://en.wikipedia.org/wiki/Social_Reporting_Standard

SRS template and more information

https://web.archive.org/web/20150605041928/http://www.social-reporting-standard.de/wp-content/uploads/2014/08/SRS-guidelines_en.pdf
https://web.archive.org/web/20140827065201/http://www.social-reporting-standard.de/en/downloads/
https://web.archive.org/web/20140826165328/http://www.social-reporting-standard.de/en

Further links on impact measurement
The Global Impact Investing Network (GIIN) is the global champion of impact investing[39], dedicated to increasing its scale and effectiveness around the world. https://thegiin.org
IRIS+ is the generally accepted system for measuring, managing, and optimizing impact. https://iris.thegiin.org

SDGs

The **Sustainable Development Goals (SDGs)**[40] are a collection of 17 interlinked global sustainable development goals that define priorities and aspirations for 2030 and seek to mobilize global efforts around a common set of goals and targets. The SDGs call for worldwide action among governments, business and civil society to end poverty and create a life of dignity and opportunity for all, within the boundaries of the planet. Fulfilling these ambitions will take an unprecedented effort by all sectors in society — and business has to play a very important role in the process. Global challenges – ranging from climate, water and food crises, to poverty, conflict and inequality – are in need of solutions that the private sector can deliver, representing a large and growing market for business innovation. In the rush to transform business models and systems for the future, integrity and values will have a huge role to play. **For companies wanting to advance the SDG agenda, the job starts by acting responsibly – incorporating the Ten Principles of the UN Global Compact widely into strategies and operations,** and understanding that good practices or innovation in one area cannot make up for doing harm in another.[41] The 17 SDGs are integrated - that is, they recognize that action in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability.[42]

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[39] Impact investments are investments made with the intention to generate positive, measurable social and environmental impact alongside a financial return.

[40] https://en.wikipedia.org/wiki/Sustainable_Development_Goals

[41] https://www.unglobalcompact.org/sdgs/about

[42] https://www.undp.org/content/undp/en/home/sustainable-development-goals.html

More about the Sustainable Development Goals

https://sdgs.un.org/goals
https://sustainabledevelopment.un.org/post2015/transformingourworld
https://www.un.org/sustainabledevelopment/sustainable-development-goals/

SDG Compass[43] guides companies on how they can align their strategies as well as measure and manage their contribution to the realization of the SDGs. The SDG Compass presents five steps that assist companies in maximizing their contribution to the SDGs: understanding the SDGs, defining priorities, goal setting, integrating sustainability and reporting. It was developed by GRI, the UN Global Compact and the World Business Council for Sustainable Development (WBCSD), the SDG Compass incorporates feedback received through three consultation periods from companies, government agencies, academic institutions and civil society organizations worldwide.

The SDG Compass structures the activities of businesses into five steps:
1. Understanding the SDGs
2. Defining priorities
3. Setting goals
4. Integrating
5. Reporting and communicating

SDG Tools and Indicators

These inventories map existing business tools and indicators against the Sustainable Development Goals (SDGs). It allows one to explore commonly used business tools and indicators that may be useful when assessing ones organization's impact on the SDGs.

https://sdgcompass.org/business-tools/
https://sdgcompass.org/business-indicators/

GRI

The **Global Reporting Initiative** (known as **GRI**)[44] is an international independent standards organization that helps businesses; governments and other organizations to understand, report and communicate their impacts such as climate change, human rights and corruption.

Due to an increasing pressure from various stakeholders to be more transparent about the organizations' environmental, economic and social impacts, many companies publish some kind of sustainability report, also known as a **corporate social responsibility** (**CSR**) or **environmental, social and governance** (**ESG)** report. GRI's framework for sustainability

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[43] https://www.unglobalcompact.org/library/3101
[44] https://www.globalreporting.org

reporting helps companies identify, gather and report this information in a clear and comparable manner. The GRI Standards create a common language for organizations – large or small, private or public – to report on their sustainability impacts in a consistent and credible way. The Standards are designed as an easy-to-use modular set, starting with the universal Standards, then based on the individual organization's material Topic Standards – economic, environmental or social, are selected. This process ensures that the sustainability report provides an inclusive picture of material topics, their related impacts, and how they are managed.

GRI database
https://database.globalreporting.org
https://www.globalreporting.org/reportregistration/verifiedreports/

- ## Strategy

Business Model Canvas

Business Model Canvas[45] is a strategic management template for developing new or documenting existing business models. It is a visual chart with elements describing the value proposition of a firm or product, its infrastructure, customers, and finances. The simplicity of the business model canvas is what makes it so successful. The canvas is plain, looking much like a whiteboard. It's comprised of nine criteria (elements) that express the important character traits of the business' story (model), ranging from who you know to how you make money to what you have. The canvas is also an excellent tool for attracting the interest of business investors or other founders.

Business Model Canvas Tool

https://www.strategyzer.com/canvas/business-model-canvas
https://www.businessmodelsinc.com/about-bmi/tools/business-model-canvas/
https://bmtoolbox.net/tools/business-model-canvas/

Social Business Modell Canvas

Due to the dual focus of social enterprises the original Business Model Canvas has been altered in various ways by experts. These alterations reflect the fact that a social enterprise is a business venture, which is inherently driven by social mission. However, to tackle the social problem and make an impact in the society it needs to create a sustainable business model.

In the case of a social enterprise, the business model should be understood as *the analysis of the rationale, infrastructure, capabilities and use of resources that enable stakeholders to create value – economic and social - for themselves and for the*

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[45] https://en.wikipedia.org/wiki/Business_Model_Canvas#cite_note-6

organization.[46] These various templates are designed in order to help their users to overcome some of the challenges faced by social enterprises.[47] These are:

- **Strategy Challenge** arising from tensions and conflicts created by the parallel pursuit of economic and social goals;
- **Legitimacy Challenge** arising from the hybridity of social enterprises, which limits the possibility that stakeholders have to use using familiar categories (e.g. for-profit or non-profit) for shaping their expectations regarding the behaviour of social enterprises;
- **Mission Measurement Paradox** that arises from the practice diffused among managers of social enterprises of using growth measures instead of adequate measurements of social impact;
- **Governance Challenge** that refers to the task of designing systems and processes concerned with direction, control and accountability that are the most adequate for the pursuit of mission and objectives.

Tools for social enterprise business modelling

https://socialenterpriseinstitute.co/wp-content/uploads/2018/12/Social-Business-Model-Canvas.pdf

https://bmtoolbox.net/tools/social-business-model-canvas/

https://sehub.stanford.edu/sites/default/files/Social%20Business%20Model%20Canvas_1.pdf

Further links on social enterprise business modelling

https://www.acumenacademy.org/blog/social-enterprise-how-uncover-original-ideas-using-business-model-canvas

https://changecreator.com/9-business-model-examples-social-enterprises/

http://simpact-project.eu/tools/toolbox_business_web.pdf

https://learn.marsdd.com/article/social-enterprise-business-models/

https://acumenacademy.org/blog/creative-social-enterprise-business-model-ideas-10-ways-address-affordability?utm_medium=SocialMedia2018&utm_campaign=SocMe2018&utm_source=Twitter

Shared value[48] is a concept described by Professor Michael E. Porter of Harvard Business School and Mark Kramer, co-founder and a managing director of FSG, in their 2011 seminal *Harvard Business Review* article, **Creating Shared Value**[49]. They define shared value as

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[46] Sergio Sparviero, The Case for a Socially Oriented Business Model Canvas: The Social Enterprise Model Canvas https://www.tandfonline.com/doi/full/10.1080/19420676.2018.1541011

[47] https://en.everybodywiki.com/The_Social_Enterprise_Model_Canvas

[48] https://en.wikipedia.org/wiki/Creating_shared_value

[49] https://www.sharedvalue.org/resource/creating-shared-value-hbr/

"policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates. Shared value creation focuses on identifying and expanding the connections between societal and economic progress." The central premise behind creating shared value is that the competitiveness of a company and the health of the communities around it are mutually dependent. Recognizing and capitalizing on these connections between societal and economic progress has the power to unleash the next wave of global growth and to redefine capitalism.

The **Shared Value Initiative**[50] is a global platform for leaders seeking to solve societal challenges through business solutions and to help companies fulfil a purpose beyond profits alone.

FSG is a mission-driven consulting firm providing advisory services to corporate, foundation, and non-profit/NGO leaders. The firm was founded in 2000 by Harvard Business School Professor Michael E. Porter and Mark Kramer to help foundations create more effective strategies and impact beyond their grant dollars. https://www.fsg.org/blog

Further reading on Shared Value

Creating Shared Value by Michael E. Porter and Mark R. Kramer -2011-
Innovating for Shared Value by Marc W. Pfitzer, Valerie Bocksette and Mike Stamp – 2013-
The Ecosystem of Shared Value by Mark R. Kramer and Marc W. Pfitzer -2016-
Where ESG Fails by Michael E. Porter, George Serafeim and Mark R. Kramer -2019-

Purpose Playbook Toolkit
Purpose Playbook[51] helps companies better understand what it means to have a purpose-led organization, and how to deliver on the promise of that purpose by focusing on shared value. Shared value, the business discipline enabling companies to use their core business to drive societal change and enhance their competitiveness, is the most powerful practice to fulfil corporate purpose aspirations. The Purpose Playbook with its **workbook exercises**, **practices, and examples** helps organizations to navigate their way through creating and delivering shared value.

PDCA controlling cycle[52]
PDCA (**plan-do-check-act** or **plan-do-check-adjust**) is an iterative four-step management method used in business for the control and continuous improvement of processes and products. It is also known as the **control circle/cycle**, or **plan-do-study-act** (**PDSA**). A

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[50] https://www.sharedvalue.org/about/what-is-shared-value/

[51] https://www.sharedvalue.org/resource/purpose-playbook-executive-summary/

[52] https://en.wikipedia.org/wiki/PDCA

fundamental principle of the scientific method and PDCA is iteration—once a hypothesis is confirmed (or negated), executing the cycle again will extend the knowledge further. Repeating the PDCA cycle can bring its users closer to the goal, usually a perfect operation and output.

Exercise No5. What are the tools that I could use in my work as a mentor? Is there any other tool that I could use in my work that is not included in the module?

Is there any tool that I would need to acquire in order to become an effective mentor? Are there people around me who could help me in acquiring them?

What are the areas where I could grow with the help of my mentee? The areas that our organisations could collaborate in the future?

'How a successful mentor will create value'

How can I create real value in my work with the social entrepreneur? What are my key competencies and areas of expertise? Do I have any other relevant skills, knowledge, experience that can contribute to my work as a mentor? What is my story (values and experiences) that compels me to help? What are my weaknesses and how do they affect my work as a mentor? How will I introduce myself? What is my goal with mentoring? Do I have any hidden agenda for doing this? What do I get out of this? What are my success criterias in this work? How much resources am I willing to invest in my work as a mentor?

This final module **'How a successful mentor will create value'** aims to equip participants with basic coaching tools through exercises. the space to develop their profile as mentors. It also provides tools and a structured approach for self-reflection and a space to help them understand their motivations and key drivers in the mentoring work. By the end of the training the mentors will be able to finalize their mentor profile and be ready to start their cooperation with their mentees.

There is an increased interest in mentoring which explains the growing number of books and articles on the subject. Many of these focus on the key components of successful mentoring and effective mentor mentee relationships.

Key elements of effective mentoring include specific mentor-mentee behaviours and interactions, identified needs of both mentee and mentor in the relationship, and desirable personal qualities of mentor and mentee. **(1) open communication and accessibility; (2) goals and challenges; (3) passion and inspiration; (4) caring personal**

relationship; (5) mutual respect and trust; (6) exchange of knowledge; (7) independence and collaboration; and (8) role modelling.

Effective mentoring takes effort, and creating successful mentoring relationships requires specific skills, sensibilities, and structure from *both* the mentor and the mentee. Success happens when both parties take responsibility for making it work. Success happens when best practices are in place for the three key ingredients:

1. A good **mentor** needs to be more than just a successful individual, s(he) must have the disposition and desire to develop other people. This requires a willingness to reflect on and share one's own experiences, including one's failures.
2. A good **mentee** similarly to mentors needs certain attributes and sensibilities. This is important, because mentees must remember that mentors are doing this from the goodness of their heart, so being a good mentee is the best way to ensure the relationship enjoys a healthy purposeful existence.
3. A **mentoring relationship** must be managed and nurtured. It is a joint venture that requires both parties to actively attend to its care and feeding. [53]

There are couple of exercises that help the development of the mentor profile as well as better self-understanding of the mentors.

Our self-knowledge is the sum of our understanding of ourselves, rooted in our awareness of our skills, knowledge, desires, values and goals. We are also aware of what we lack and what we would like to develop. We build our self- image on the basis of this knowledge of the self. However, this self-image is significantly shaped by how others see us, their feedbacks transform and direct our behaviour.

There are two types of self-image:

1. **actual self-image:** those characteristics, skills that we actually (and presently) have.
2. **ideal (ought to) self-image:** those characteristics and skills that we wish to have, or that we consider necessary to have in order to succeed in life. We strive to obtain them throughout our life.

This is the very reason why the self-image has a powerful motivation aspect. In order to achieve our ideal self, we are able to develop, improve ourselves, acquire new skills, and learn new things.

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[53] https://www.forbes.com/sites/maryabbajay/2019/01/20/mentoring-matters-three-essential-element-of-success/#6ee987e045a9

The following tools usher the future mentors in a coaching process., through which mentors will be able to get a deeper understanding of themselves, their skills, strengths and values.

a. Coaching tools, exercises for developing the mentor profile

<u>Work – life balance</u>

In order to guarantee the right match between mentor and mentee it is crucial to have a deep self-knowledge, a realistic understanding one's characteristics, preferences and values. An excellent way to get a glimpse of our true self is looking through 'an average day' of ours.

Exercise no.6: Prepare a 'Work-Life Balance Wheel (with the instruction of the trainer). This will show you that in your present stage of your life what kind of activities fill your days. Depict all of your activities (pro-rata) that you undertake on an average day. After you finished look at your 'Work-Life Balance Wheel. What does it show about you? What kind of a person hides behind the picture?

Make a second version, which shows your ideal (preferred) average day. How would the amount of time change (increase or decrease) for certain activities in case you had the sole say in it? Would they be new activities, would others disappear?

<u>Entrepreneurial competencies and strengths</u>

The following exercise helps the future mentors to identify those entrepreneurial competencies that are his/her strengths. These competencies will be the ones that the mentor could support future mentees most effectively. During the exercise the trainer's role is to help the mentors to select and prioritize his/her strengths and competencies in order to provide clear input for the mentor profile.

Exercise no.7: Imagine that there is a photo album in front of you with pictures of all the people from your studies and career that you've met up until now. Whose picture would you show to the trainer, those people that played an important role in discovering your talent and potentials, developing your skills and expertise?

- *Choose one of those people. If you look at him/her which successes or strengths do you have in mind? What does s(he) remind you?*
- *You have to add captions to these photos. The sentence should start with: This person taught me, that I am capable/able to…How would you finish the sentence?*
- *What are the skills and competencies that have the most photos (inspiring supporters behind)?*

Self-awareness - Identifying our values

Our internal values play a significant role in the development of our destiny and the success of our work. Those who choose goals that are in line with their values will be more successful in achieving those goals and will also be more satisfied with their lives.

To ensure the success of the mentoring process, it is essential that the mentor and mentee are guided by similar values. Of course, in order to achieve matching, geographical, sectoral, professional and other fit is also expected, but individual values also have a decisive force in terms of success. Numerous researches show that, for example, in a coaching process or just in preparation for a partnership, personal connection is more important to success than any other factor. In the case of the mentoring process, this is no different, the process is 70% more likely to be successful if the parties can work together with the help of common values and sympathy.

Take the time to identify your values based on the list of values below. It is important that these values reflect your own choices and not the expectations or social norms of those around you! If the value that is important to you is not listed, enter it in the space provided.

Value	Short description
Justice	Provide similar opportunities, respect everyone's rights
Sincerity	Openness, telling the truth
Respect	Respect for the other person
Courage	Overcoming fear, standing up for your own right
Personal integrity	The harmony of deeds and thoughts and intentions
Forgiveness	Being able to forgive and forget grievances
Peace	Non-violent resolution of conflicts
Environment	Respecting the future of our earth
Challenges	Testing the limits of mental and physical performance
Self-acceptance	Self-esteem
Knowledge	New ideas, knowledge, understanding of truth and things
Adventure	Taking risks, excitement
Creativity	Finding new solutions, innovations
Personal development	Continuous learning, acquisition of new skills, self-knowledge

Value	Short description
Inner harmony	Free from internal conflicts, harmony, calm
Spirituality, faith	Connection with the supernatural, exercise of my faith
Social relationships	Good human relationships, feel that they like us
Diplomacy	Finding common interests and positions in case of conflicts
Teamwork	Collaborate with others to achieve common goals
Help	Pay attention to the other person's needs and help him or her
Communication	Open dialogue, exchange of views with others
Friendship	A lasting, mutually helpful relationship
Consensus	Make decisions that are acceptable to everyone
Tradition	Respect long-established rules
Safety	A life free from worries, fears and risks
Stability	Certainty, predictability
Order	Clean, normal environment and appearance
Self-control	Discipline, restraint
Endurance	Completion of goals, completion of tasks
Rationality	Logical, explainable, emotionless thinking
Health	Preservation and development of physical and physical well-being and health
Joy	Personal satisfaction, bodily pleasures
Game	Lightness, solubility, fun
Prosperity	Growth, things get better and better
Family	Caring and being with our loved ones and family
Appearance	Grooming, dress well, fitness
Intimacy	Deep spiritual and spiritual connection
Aesthetics	Desire for beautiful things, works of art
Community	It is helpful to be a member of a wider community, social life
Expertise	To be good at something, to be able to do something effectively
Results	Successful completion of a visible task

Value	Short description
Progress	Ambitions, aspirations, to reach higher levels
Recognition	Let us notice our efforts and results
Authority	Have a say in how things work, others accept our opinion
Influence	Directing other people to do what I want
Competition	Win, get better results, and be smarter than others

Additional values (briefly define what this value means to you):

Value	Short description

What are the five values that are important to you? How do you feel these values are being realized in your life right now?

Value	Priority order (1-5)	Satisfaction[*]

[*] 1-not realized at all, 2-not realized, 3-sometimes realized, 4-often realized, 5-always realized

b. Developing the mentor profile

In order to pair each mentor with the right social entrepreneur –with whom a successful mentoring process can be guaranteed- you need to fill in the following form. Within the form the personal and professional questions are not separated.

1. **Personal data**
   - Name
   - E-mail
   - Phone number

2. **Important values –** Select the five most important values from the list bellow. Prioritize them from 1-5.

Value	Value
Justice	Tradition
Sincerity	Safety
Respect	Stability
Courage	Order
Personal integrity	Self-control
Forgiveness	Endurance
Peace	Rationality
Environment	Health
Challenges	Joy
Self-acceptance	Game
Knowledge	Prosperity
Adventure	Family
Creativity	Appearance
Personal development	Intimacy
Inner harmony	Aesthetics
Spirituality, faith	Community
Social relationships	Expertise
Diplomacy	Results
Teamwork	Progress
Help	Recognition
Communication	Authority
Friendship	Influence
Consensus	Competition

3. **Urgent social/environmental issues** – What are the most urgent social (environmental) problems for you? List 5 of them.

4. **Career background, education and work experience**
Present
- Current company/entreprise:
- Position:
- Location:
- Website:
- Company size (total no. of employees | no of employees under direct supervision), if any

Past and present

- Highest level of education:
- Previous workplaces:
- Industry and sector:
- Geographic area where most embedded (number of local partners):

Profile description to share on the website (maximum 200 characters)

Current company/enterprise
Website
Location
Position
Company size (total no. of employees | no of employees under direct supervision), if any
Educational background
Industry experience
Previous career stages or strategies

5. **Entrepreneurial competencies** – Choose 5 competencies from the list bellow that are your strengths. Competencies that you feel confident to be able to support your mentees with.

Uncertainty tolerance	Self-knowledge and self confidence
Risk appetite (risk taker)	Receiving and handling feedbacks
Self-discipline and inner driven (motivated)	Time management
Personal autonomy (Independence)	Effective (situation dependent) communication
Ability for instinctive actions	Customer management/relationship
Pro-activity	Innovation and creativity
Passionate	Effective resource management
Low level of fear of failure	Pays attention to the changes in the environment and its needs
Success orientation	Taking initiative and (personal) responsibility
Log-term commitment	Precise and realistic targeting (setting of goals)

6. **Areas of expertise -** In which areas you would like and could support social entrepreneurs as a mentor?

- Strategy development
- Business planning
- Social impact planning and measurement
- Leadership skills – assertiveness
- Marketing – self branding
- Presentation techniques, skills
- Conflict management and resolution
- Multitasking and time management
- Networking – building and managing contacts
- Work – life balance
- Other (specify)

7. **Previous mentoring experience** – What kind of previous mentoring experience do you have?

- Previously worked as a mentor.
- Never been a mentor before.
- Took part in mentoring as a mentee.
- Took part in mentoring within my (present or previous) company as a mentee.
- Experience mentoring during my university study.

8. **Your thoughts on your mentoring work**

What are you able to offer in the mentoring process to the mentee? (maximum 500 characters):

What do you expect from your mentee during your work together? (maximum 500 characters):