Coaching material and tools for altruistic entrepreneurs (as mentors) and adaptation

Mentor Syllabus – 4 modules

1) *Introduction to Social Entrepreneurship:* *vocabulary, sector, roles and challenges*

2) *Matchmaking: The basis of cooperation*

3) **Cooperation strategies and best practices**

4) *How a successful mentor will* **create value**

Cooperation

Main questions of the module:

What are the tools that I will use in my work as a mentor?

How do I prepare myself for becoming a mentor?
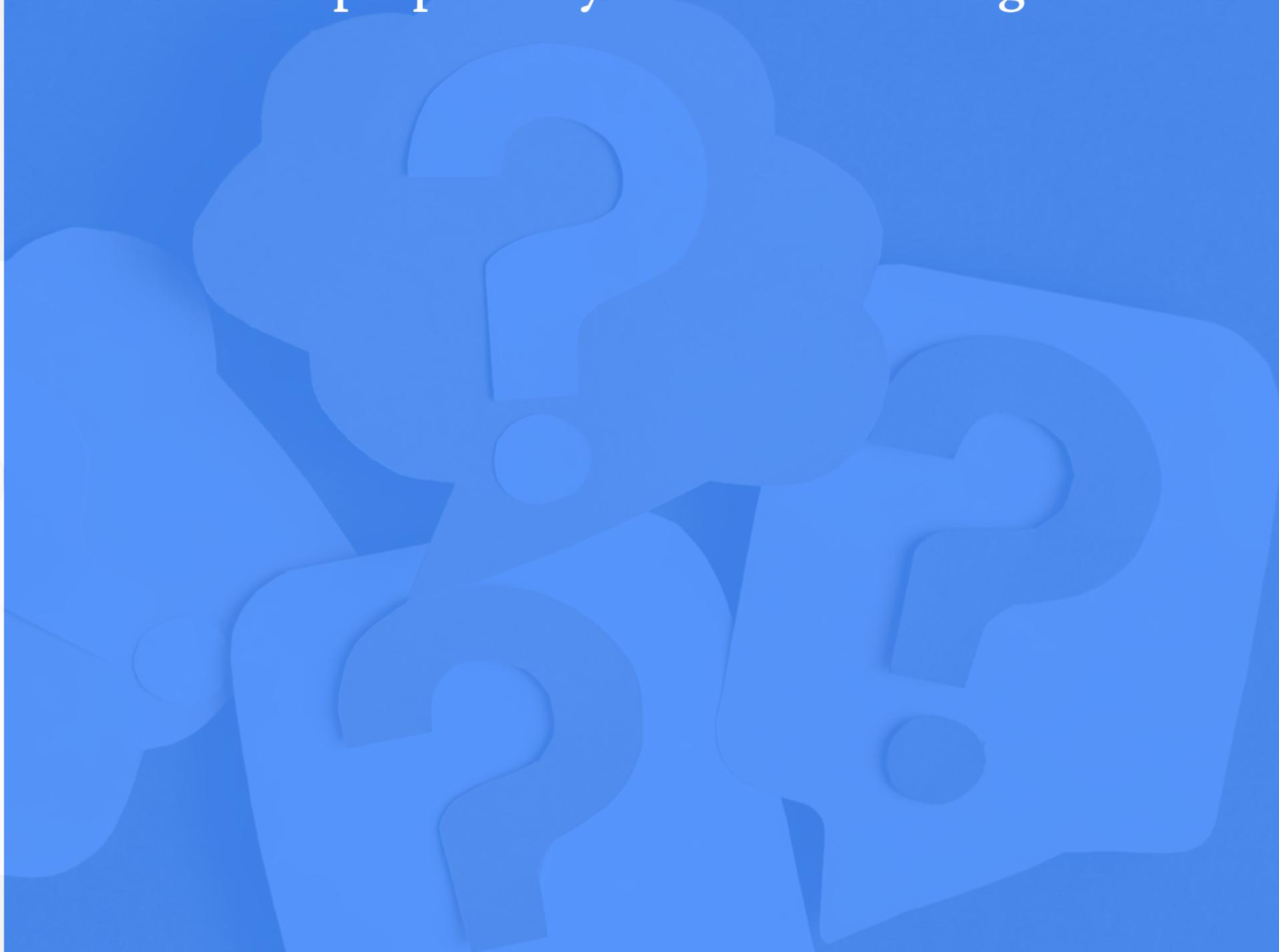
Introduction

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.

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.

Cooperation strategies and best practices

1. Digitalization and digital transformation
2. Innovation
3. Social Impact: main concepts and tools
4. Strategy

Digitization and digital information

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

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.

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

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

Innovation management

Innovation management 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.
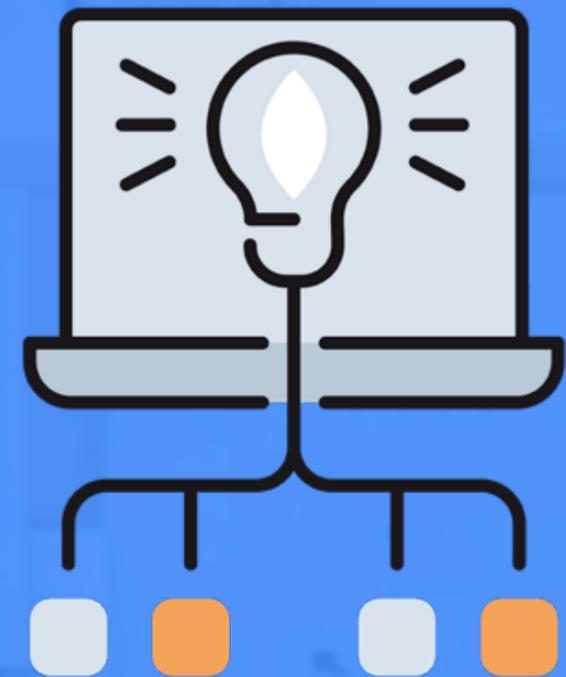
By utilizing innovation management tools, management can trigger and deploy the creative capabilities of the work force for the continuous development of an organization.

Common tools include brainstorming, prototyping, product lifecycle and idea management, design thinking, etc.

Innovation management: examples

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
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

Innovation management: tools

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 – 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/

https://diytoolkit.org/about/

Social Impact: Theory of Change
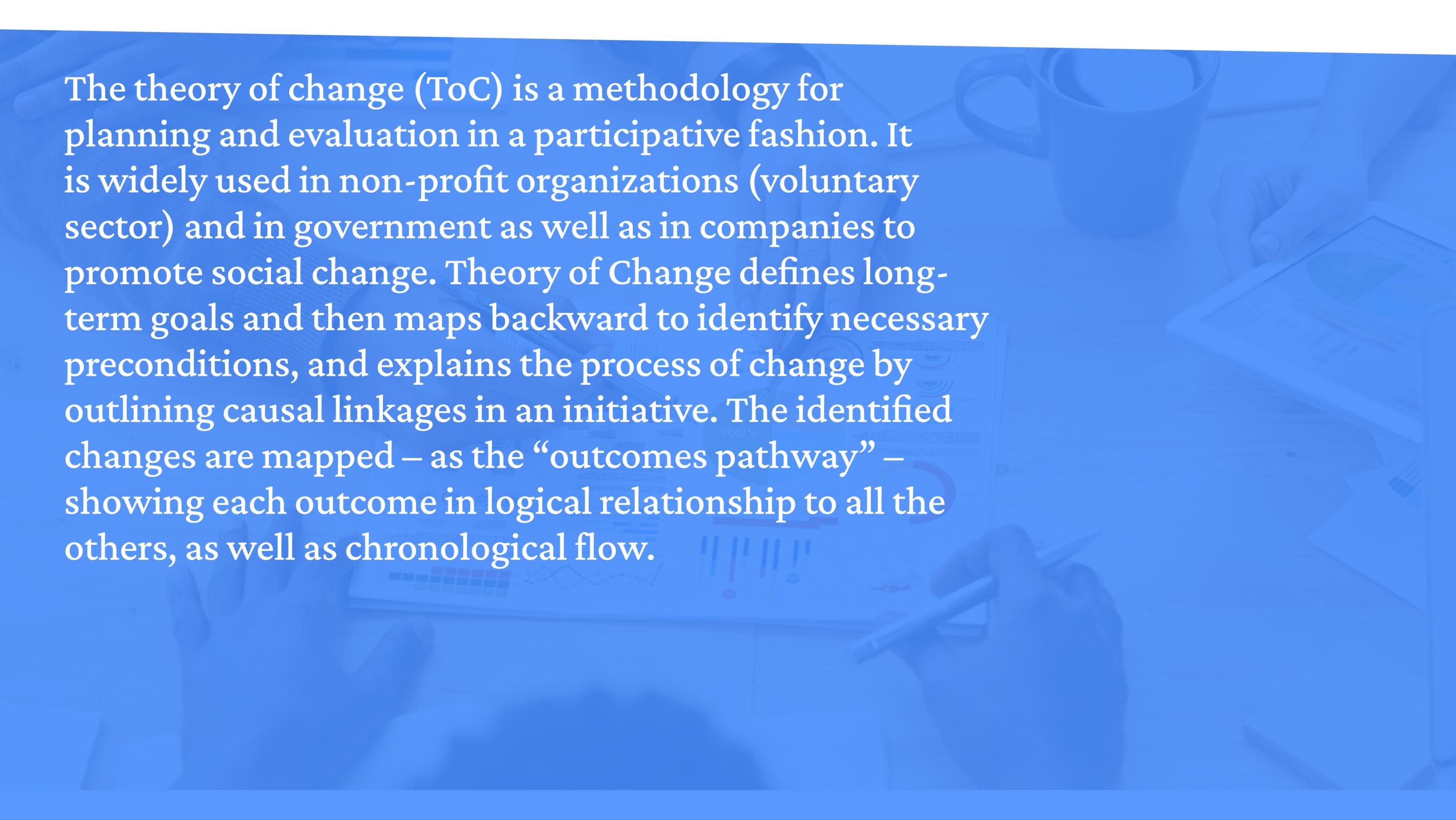
The theory of change (ToC) is a methodology for planning and evaluation in a participative fashion. It is widely used in non-profit organizations (voluntary sector) and in government as well as in companies to promote social change. Theory of Change defines long-term goals and then maps backward to identify necessary preconditions, and explains the process of change by outlining causal linkages in an initiative. The identified changes are mapped – as the "outcomes pathway" – showing each outcome in logical relationship to all the others, as well as chronological flow.
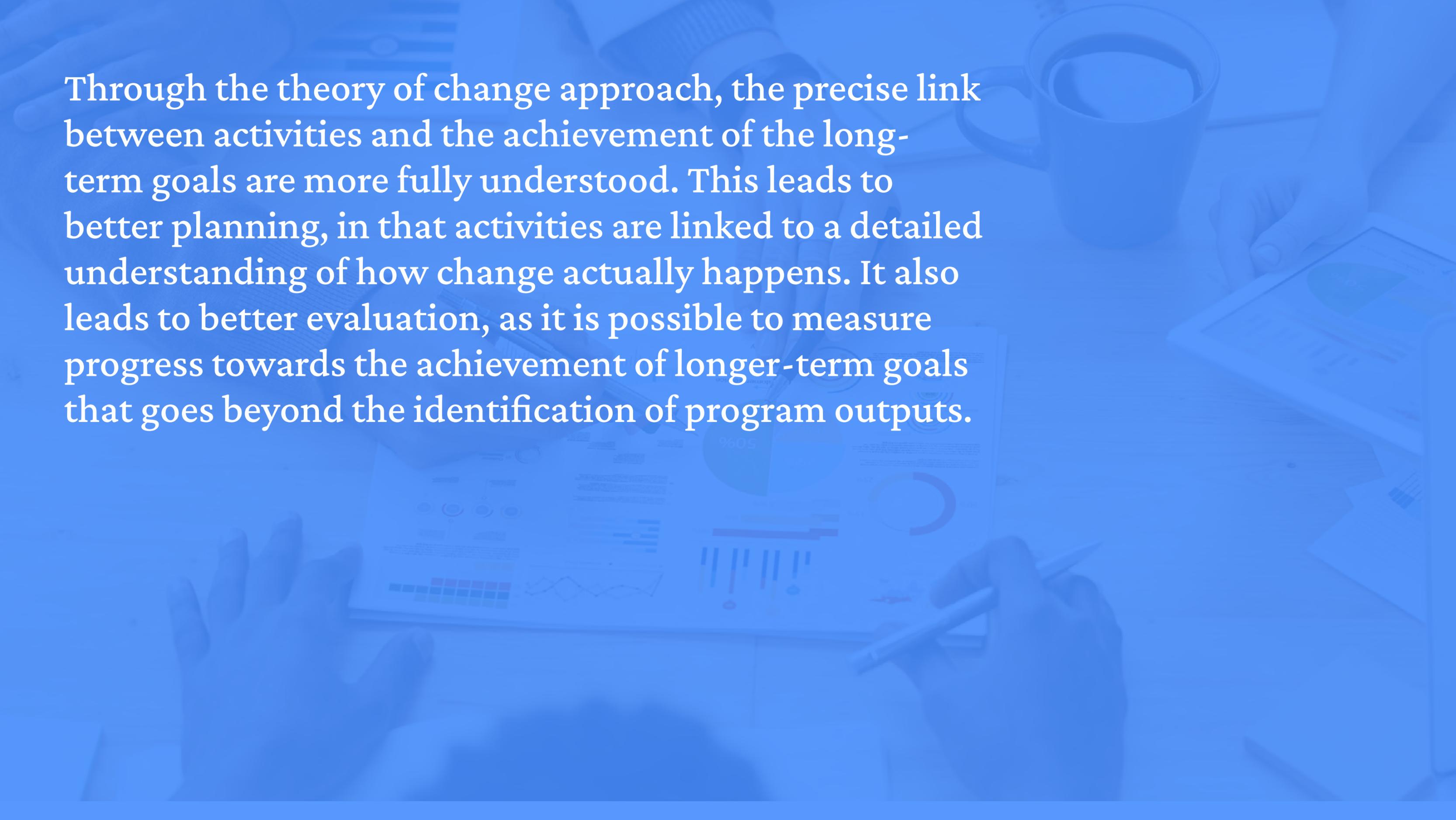
Through the theory of change approach, the precise link between activities and the achievement of the long-term goals are more fully understood. This leads to better planning, in that activities are linked to a detailed understanding of how change actually happens. It also leads to better evaluation, as it is possible to measure progress towards the achievement of longer-term goals that goes beyond the identification of program outputs.

Useful tools for theory of change

https://diytoolkit.org/tools/theory-of-change/

https://usaidlearninglab.org/lab-notes/what-thing-called-theory-chang

https://knowhow.ncvo.org.uk/how-to/how-to-build-a-theory-of-change

https://www.aecf.org/m/resourcedoc/aecf-theoryofchange-2004.pdf

https://en.wikipedia.org/wiki/Theory_of_change

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

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

Social Impact: Impact Value Chain

The **impact value chain** 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 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 calculate social impact you need to adjust outcomes for:

  - **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).

Social Impact: Impact measurement

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.

For the detailed steps, please check the complete coaching material.

Step 1
Setting Objectives

Step 2
Analysing Stakeholders

Step 3
Measuring Results: Outcomes, Impact and Indicators

Step 4
Verifying & Valuing Impact

Step 5
Monitoring & Reporting

Social Reporting Standard

The **Social Reporting Standard (SRS)** 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.

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

https://en.wikipedia.org/wiki/Social_Reporting_Standard

Sustainable Development Goals

The **Sustainable Development Goals (SDGs)** 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.

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.

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.
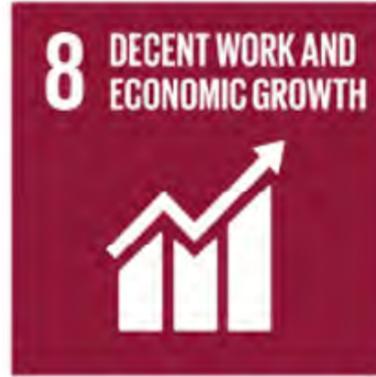
SDG Tools and Indicators

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/

Strategy: Business Model Canvas

Business Model Canvas 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 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.

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/

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

The Business Model Canvas

Key Partners 🔗

Who are our Key Partners?
Who are our key suppliers?
Which Key Resources are we acquiring from partners?
Which Key Activities do partners perform?

MOTIVATION FOR PARTNERSHIPS
Optimization and economy
Reduction of risk and uncertainty
Acquisition of particular resources and activities

Key Activities ☑

What Key Activities do our Value Propositions require?
Our Distribution Channels?
Customer Relationships?
Revenue streams?

CATEGORIES
Production
Problem Solving
Platform/Network

Key Resources 🏭

What Key Resources do our Value Propositions require?
Our Distribution Channels? Customer Relationships?
Revenue Streams?

TYPES OF RESOURCES
Physical
Intellectual (brand patents, copyrights, data)
Human
Financial

Value Propositions 🎁

What value do we deliver to the customer?
Which one of our customer's problems are we helping to solve?
What bundles of products and services are we offering to each Customer Segment?
Which customer needs are we satisfying?

CHARACTERISTICS
Newness
Performance
Customization
"Getting the Job Done"
Design
Brand/Status
Price
Cost Reduction
Risk Reduction
Accessibility
Convenience/Usability

Customer Relationships ❤

What type of relationship does each of our Customer Segments expect us to establish and maintain with them?
Which ones have we established?
How are they integrated with the rest of our business model?
How costly are they?

EXAMPLES
Personal assistance
Dedicated Personal Assistance
Self-Service
Automated Services
Communities
Co-creation

Channels 🚚

Through which Channels do our Customer Segments want to be reached?
How are we reaching them now?
How are our Channels integrated?
Which ones work best?
Which ones are most cost-efficient?
How are we integrating them with customer routines?

CHANNEL PHASES
1. Awareness
   How do we raise awareness about our company's products and services?
2. Evaluation
   How do we help customers evaluate our organization's Value Proposition?
3. Purchase
   How do we allow customers to purchase specific products and services?
4. Delivery
   How do we deliver a Value Proposition to customers?
5. After sales
   How do we provide post-purchase customer support?

Customer Segments 👥

For whom are we creating value?
Who are our most important customers?

Mass Market
Niche Market
Segmented
Diversified
Multi-sided Platform

Cost Structure 🏷

What are the most important costs inherent in our business model?
Which Key Resources are most expensive?
Which Key Activities are most expensive?

IS YOUR BUSINESS MORE
Cost Driven (leanest cost structure, low price value proposition, maximum automation, extensive outsourcing)
Value Driven (focused on value creation, premium value proposition)

SAMPLE CHARACTERISTICS
Fixed Costs (salaries, rents, utilities)
Variable costs
Economies of scale
Economies of scope

Revenue Streams 💰

For what value are our customers really willing to pay?
For what do they currently pay?
How are they currently paying?
How would they prefer to pay?
How much does each Revenue Stream contribute to overall revenues?

TYPES | FIXED PRICING | DYNAMIC PRICING
Asset sale | List Price | Negotiation (bargaining)
Usage fee | Product feature dependent | Yield Management
Subscription Fees | Customer segment dependent | Real-time-Market
Lending/Renting/Leasing | Volume dependent |
Licensing | Volume dependent |
Brokerage fees |
Advertising |

Strategyzer
strategyzer.com

Strategy: Social Business Model Canvas
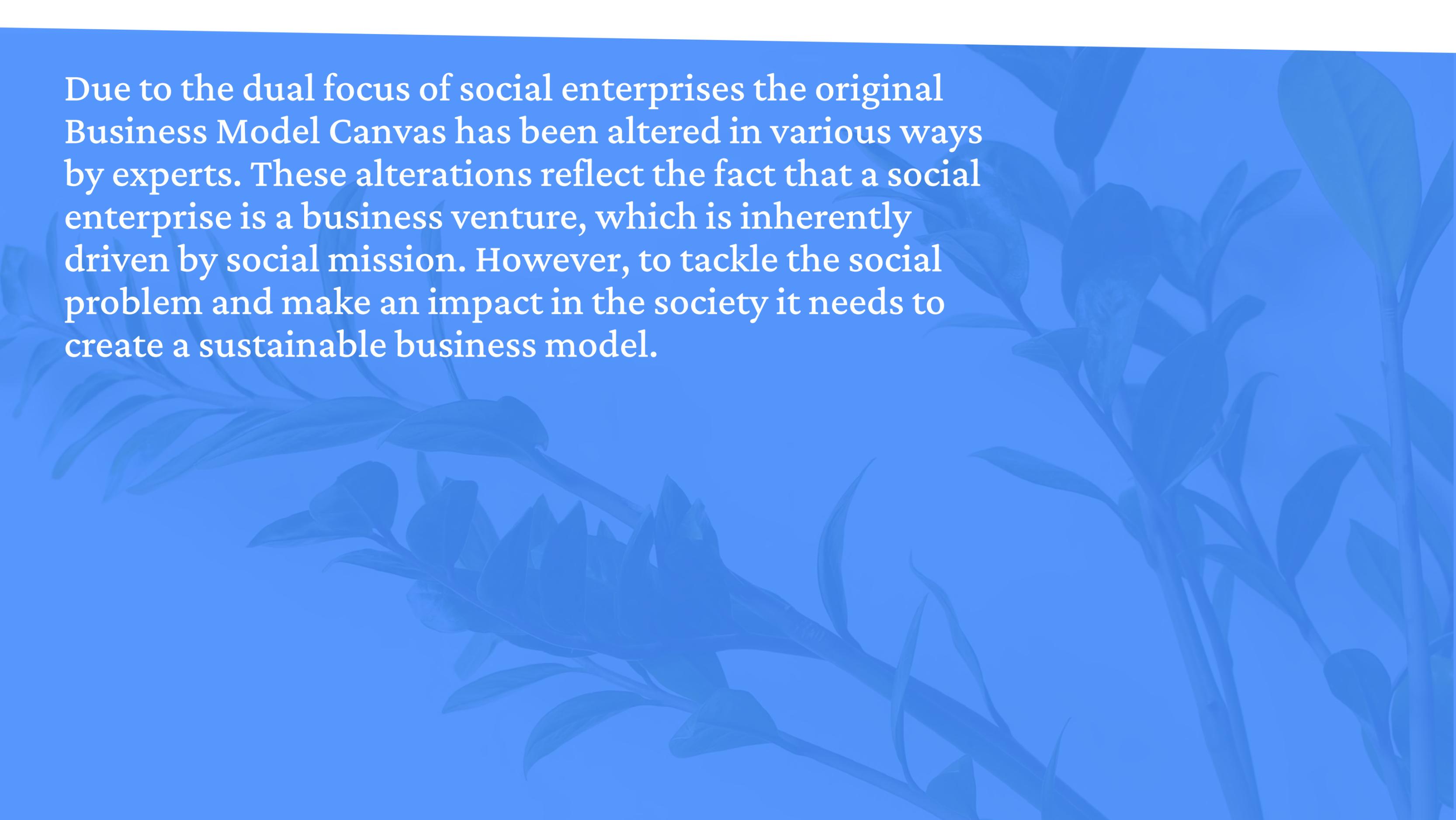
Due to the dual focus of social enterprises the original Business Model Canvas has been altered in various ways by experts. These alterations reflect the fact that a social enterprise is a business venture, which is inherently driven by social mission. However, to tackle the social problem and make an 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 organization. These various templates are designed in order to help their users to overcome some of the challenges faced by social enterprises. These are:

- **Strategy Challenge**

- **Legitimacy Challenge**

- **Mission Measurement Paradox**

- **Governance Challenge**

Strategy: Shared Value

Shared value is "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 **Shared Value Initiative** 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.

For details: https://www.fsg.org/blog

Strategy: Purpose Playbook Toolkit

Purpose Playbook 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.

PURPOSE
PLAYBOOK

Putting Purpose into Practice with Shared Value

The Purpose Playbook with its workbook exercises, practices, and examples helps organizations to navigate their way through creating and delivering shared value.

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

Strategy: PDCA controlling cycle

PDCA (plan–do–check–act or plan–do–check–adjust) is an iterative 4-step management method used in business for the control and continuous improvement of processes and products.

A 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.

https://en.wikipedia.org/wiki/PDCA

Exercise #5

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?

Questions & Support

Do you have any questions regarding the curricula?

Feel free to contact us at projektiroda@bkik.hu.