

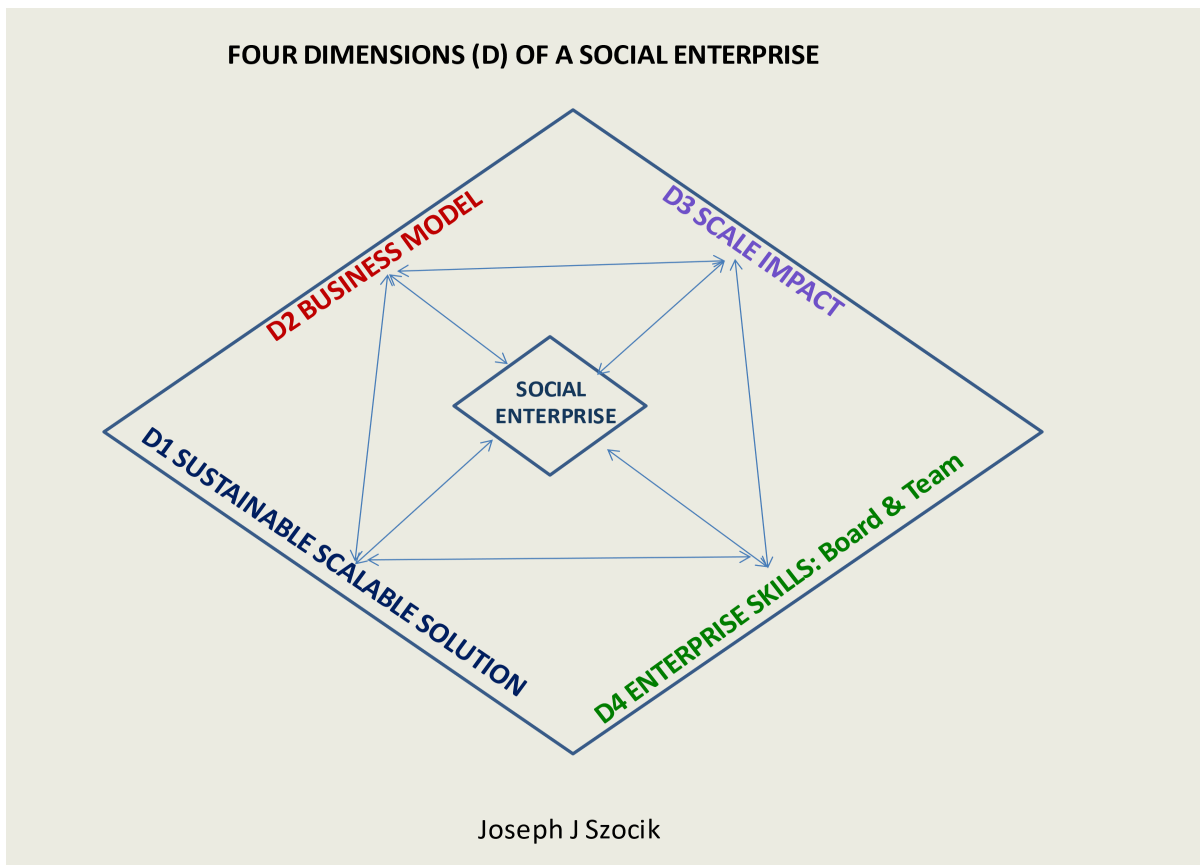
# Social Enterprise Essentials

## S.E.E.

### IN

## Four Dimensions

### A Very Short Start-Up Guide for Social Activists



Joseph J. Szocik

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## ACKNOWLEDGEMENTS

Writing this Very Short Start-Up Guide would not have been possible without the extensive quality research and writing on Social Entrepreneurship produced by the many academics, teachers, entrepreneurs, and practitioners in the field. Their collective work provides the foundation for developing social enterprises that strive to make the world a better place. Many of the authors of these sources are identified by name or by following a link crediting the source of a quote or concept in the Guide.

Apologies to all, in advance, for any errors in referencing their work.

My thanks to all.

Special thanks to colleagues who reviewed various draft versions and offered many helpful suggestions for improvement: Charles Venti (Social Activist), Ronald Zorilla (Social Entrepreneur), Nancy Scott (Business Professor), Erin Madore (Entrepreneur), Teresa Chahine (Professor and Author Re: Social Entrepreneurship), Rick Smyre (Futurist and Co-Author, *Preparing for a World that Doesn't Exist - Yet: Framing a Second Enlightenment to Create Communities of the Future*)

Loving Thanks to my wife Paula for her many patient professional comments and edits.

## PREFACE

### SOCIAL ENTREPRENEURSHIP

#### WHAT'S NEXT?

\**“The world is changed.*

*Much that once was is lost...”*

\*Opening lines of the movie, *Fellowship of the Ring*.

The post COVID19 world is filled with uncertainty.

One way the world has changed is by an increasing demand for social entrepreneurs (SE) who apply business disciplines to generate positive impact to improve/solve social, economic, and environmental problems.

- There are **10m** social enterprises worldwide, which is about 3% of all businesses.
- Social enterprises have a combined annual revenue of **US\$2tn**, this is about 2% of global GDP.
- Social enterprises are creating **200m** jobs.
- There is a financing need of **US\$1.1tn** among social enterprises.
- **1 in 2** social enterprises are led by women (compared with 1 in 5 in conventional enterprises)
- The sector is **2x** larger than the US\$875bn advertising.

<https://www.pioneerspost.com/news-views/20240118/new-research-there-are-10m-social-enterprises-world-wide-reveals-global-alliance>

Two of the challenges SEs face have particular importance.

1—On the **Strategic Level**, so-called “Wicked Problems” will continue to be the most challenging social problems facing social entrepreneurs.

Wicked problems include climate change; drug addiction; human trafficking; income inequality; racial, ethnic, and religious discrimination; unsustainable capitalism, and others (See Module 11).

The urgent need to address wicked problems reflects their powerful impact in degrading the overall quality of life locally, regionally, and globally.

Effective responses to wicked problems will involve bringing about social change on the scale described by the following definition by **Martin and Osberg** (See Module 6):

“(1) identifying 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) identifying an opportunity in this unjust equilibrium, developing a social value proposition, and bringing to bear inspiration, creativity, direct action, courage, and fortitude, thereby challenging the stable state’s hegemony; and

(3) forging 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.”

Organizing social change on this scale will require A) increasing the number of social entrepreneurs who elect to attempt ameliorating or eliminating a wicked problem and B) providing social entrepreneurs access to the skills, education, and resources they need (See Module 10).

2—On the **Operational Level** social entrepreneurs will need to greatly improve the sustainability of their social enterprises. Currently 83% of social enterprises fail in three years or less (See Module 5).

If social enterprises continue to fail so quickly it’s difficult to see how they can generate sufficient positive impact to affect significant change in the social problem(s) they target.

Implementing a culture of continuous improvement to reduce waste and increase effectiveness, efficiency, and economy will guide the social enterprise to higher degrees of sustainability (See Module 8).

I hope this Short Guide will assist practitioners to make a strong start in building their social enterprise to meet the many challenges they will face in positively impacting social problems.

**Reflection:** “The technical cleverness of the few is no substitute for the political will of the many.”

*(Starting With the People, Yankelovich and Harman)*

## INTRODUCTION

**LEARNING OBJECTIVE:** This Guide is intended to provide aspiring social entrepreneurs with a concise, user-friendly, and representative, selection of essential methodologies, practices, and tools to start, scale, and sustain a social enterprise that delivers positive impact to targeted social problems.

If you are considering starting a social enterprise you have probably read many accounts praising Social Entrepreneurs (SEs) for following their “passion” and “bliss” as they set out on a “journey” to move the world to a better place by trying to solve or ameliorate social, environmental, or economic problems while earning revenue to sustain and/or scale their social enterprise while supporting their family. The popular phrases, “doing well by doing good” and “make meaning and money,” capture the prevailing spirit of many social enterprise initiatives.

Relatively less attention has been given to the journey’s incredible difficulty. Many experienced entrepreneurs, and social entrepreneurs, compare their journey to riding an emotional rollercoaster, encompassing joy, despair, euphoria, loneliness, anger, anxiety, self-doubt, triumph, broken friendships, divorce, sleepless nights (you know you’re an SE when you stare at the bedroom ceiling at 3:00 a.m. worrying about payroll), stress, physical and emotional suffering, drudgery (emptying wastebaskets, scrubbing toilets in your bare bones start-up) with failure, financial loss, or even bankruptcy among the most likely journey’s end. (See Module 5, Failure.)

I wrote this Guide to assist the brave souls attempting to launch a social enterprise to be successful, while hoping to minimize their failure and emotional suffering.

**TIP:** A hint of the hard road ahead is previewed in the following two short articles.

### **10 Things You’ll Wish You Knew Before Launching Your Business**

<https://www.forbes.com/sites/theyec/2020/09/10/10-things-youll-wish-you-knew-before-launching-your-business/#5f0d87f62635>

### **19 Ugly Truths About Business And Entrepreneurship-all too familiar**

<https://www.inc.com/nicolas-cole/19-ugly-truths-about-entrepreneurship-that-everyone-should-know-before-they-star.html>

**Reflection:** “When you are going through hell...keep going.” Winston Churchill

## GUIDE FORMAT

It is probably obvious that this is not an academic paper or an article for an academic journal. This Guide contains no guarantees for success nor simple, “by the numbers” formulas.

The format is a synthesis, blending aspects of the following:

- *A Monograph* focused on the central theme of developing a social enterprise that can deliver positive impact on a targeted social problem.
- *A Conversational Blog* expressing my opinions and sharing what I consider to be valuable information related to the Monograph’s central theme.
- *A Curated Compendium of Research on Social Entrepreneurship* with links to books, articles, PDFs, and source materials as I mention them. Almost all this material is available as a free download. It is hoped that providing the links with the excerpted material will enable the reader to quickly obtain more detailed information on the issue at hand, followed by greater clarity and understanding. The material presented seeks to focus on the essential tasks required to develop a sustainable social enterprise that delivers positive impact on a social problem and/or that assists you to execute the work required by a particular task.

N.B. The pronouns used by the author are retained in any material I cite.

- The material you access on a topic from a link is a sample of the vast amount of material on that topic. Check other sources until you feel you have a representative understanding of the topic.
- As a “short” guide it’s inevitable that many important topics will be only briefly reviewed. My hope is that the Guide presents a representative review of essential concepts and methodologies needed to make a strong start on developing a social enterprise to positively impact your targeted problem.
- Topics I feel are especially important are hyper-linked with the URL.

**The Guide is organized around what I call the Four Dimensions of a Social Enterprise:**

1. A Sustainable Solution
2. A supporting Business Model
3. Scaling Impact
4. Deploying the skills needed to execute dimensions 1-3.

Each module covers an aspect of developing a social enterprise that attempts to deliver positive impact on a social problem. Modules average about 8 pages.

Breaking the “Big Picture” down into major component parts will, hopefully, assist the social entrepreneur to understand and apply the module’s material. Each module features excerpts from various sources with links to a referenced source that the reader can use to gather additional information on the topic being addressed.

It may be helpful to consider the Four Dimensions as a scaffold or platform supporting the delivery of positive impact on a targeted social problem. Social enterprises work on an incredible variety of social problems. The targeted problem, solution, business model, and required skills and resources will vary among initiatives but the Four Dimensions will be present in some form.

I’ve emphasized key aspects of select topics under the headings of **“TIPS”** or **“KEY TAKEAWAYS”**

**N.B. Chanakya** advises us “to learn from other’s mistakes because we can’t live long enough to make them all ourselves.” (Module 5)

I’ve adapted his insight as follows: I’ve borrowed best practices and lessons learned from thought leaders and practitioners because they are too useful not to share.



## **SUGGESTIONS on READING the GUIDE**

Part 1 is structured to assist you in getting off to a strong start in launching your enterprise.

Part 2 is structured to assist you in expanding the design of your enterprise to optimize the functioning of all Four Dimensions as parts of a mutually reinforcing enterprise system.

Part 3 contains resources, tools, and information that can assist you in developing and sustaining your enterprise to deliver and scale positive impact on both tame and wicked problems.

### **REFLECTION:**

*When Heaven is about to confer a great office on any man,  
It first disciplines his mind with suffering,  
and his bones and sinews with toil.  
It exposes him to want and subjects him to extreme poverty.  
It confounds his undertakings.  
By all these methods it stimulates his mind,  
And hardens him....  
Then it is seen if he is ready.*

Mencius 371BC

## **MODULE 1- CUTTING THROUGH THE FOG OF SOCIAL ENTREPRENEURSHIP**

All social enterprise founders will quickly confront the Fog of Social Entrepreneurship. The Fog can obscure seeing a clear way forward and delay taking positive action while burning time, money and other resources.

### **CUTTING THROUGH THE FOG OF SOCIAL ENTERPRISE**

What I characterize as the Fog of Social Entrepreneurship is formed by a mix of the following factors:

- The complex dynamics of building a sustainable social enterprise.
  - Decisions must be made in real time with incomplete information.
  - An overwhelming volume of information must be processed and applied.
  - The complexity of integrating business practices with social activism.
  - The crushing daily workload.
  - Staff conflicts.
  - Work-life balance is an ongoing struggle.
  - Many setbacks are unexpected and must be quickly managed.
  - Competitors pose constant ever-changing challenges.
  - Stakeholders and allies often have different goals, tactics, priorities, and other differences.
  - The resistance to enterprise change efforts, by supporters of the status quo, must be countered.
  - The emotional roller coaster of euphoria, despair, stress, anxiety, and financial worry.

These factors are embedded in all enterprise undertakings.

**To assist cutting through the Fog I propose reviewing:**

A) Four core tasks that guide the work required to develop a social enterprise that delivers positive impact on a targeted social problem.

B) Tools and methodologies aligned with the Four Dimensions of Social Entrepreneurship in Figure 1.

C) Five key milestones marking the transition from delivering Value to Transformative Scale in Figure 2.

Consider the combination of A + B + C as a lighthouse beam illuminating a portion of your voyage. They can help you navigate but you still need to do the work to complete your voyage and cope with the unexpected.

**CORE TASKS**

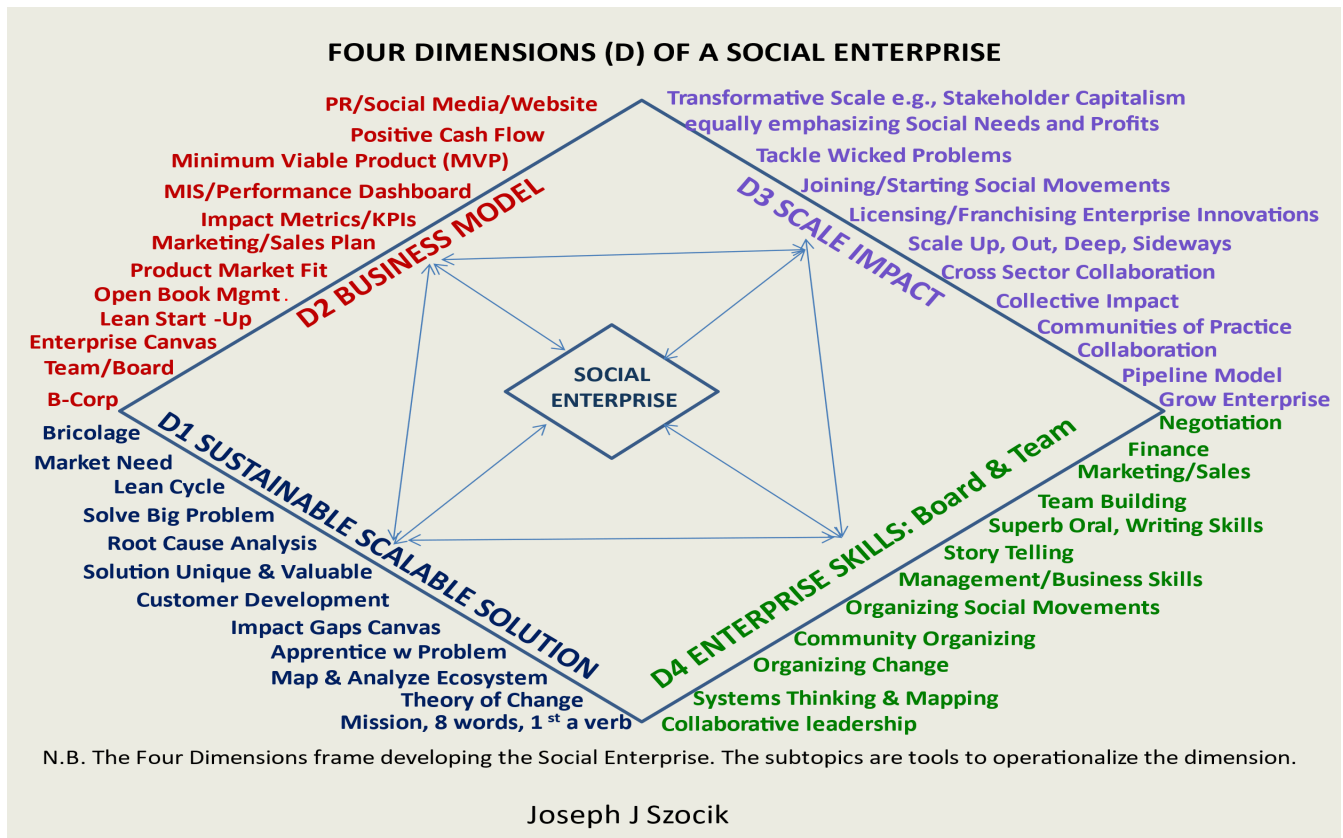
**The core tasks collectively outline part of WHAT the social entrepreneur must do.**

1. Developing a solution to deliver positive impact to social problems by starting or growing something good or minimizing or eliminating something bad; this is the END goal of a social entrepreneur.
2. Developing a solution that is both unique and valued by the population suffering from the targeted problem is one of a social enterprise's defining challenges. If the solution is not valued, no one will buy it; if it is not unique, existing products or services will continue to dominate the market.
3. Executing the social enterprise to develop and integrate:  
A sustainable solution that delivers positive impact on its targeted social problem.  
A business model that supports the formation and delivery of the solution to end users—your customers. Essentially, you need to produce your solution and sell it.
4. Applying the skills of both change-agents and entrepreneurs to successfully execute their solution and business model is the responsibility of the social enterprise's team and board of directors.

As you conduct research and learn from experience, you will find that the essential means to achieve your goal of positive impact fall into the following four dimensions of social entrepreneurship.

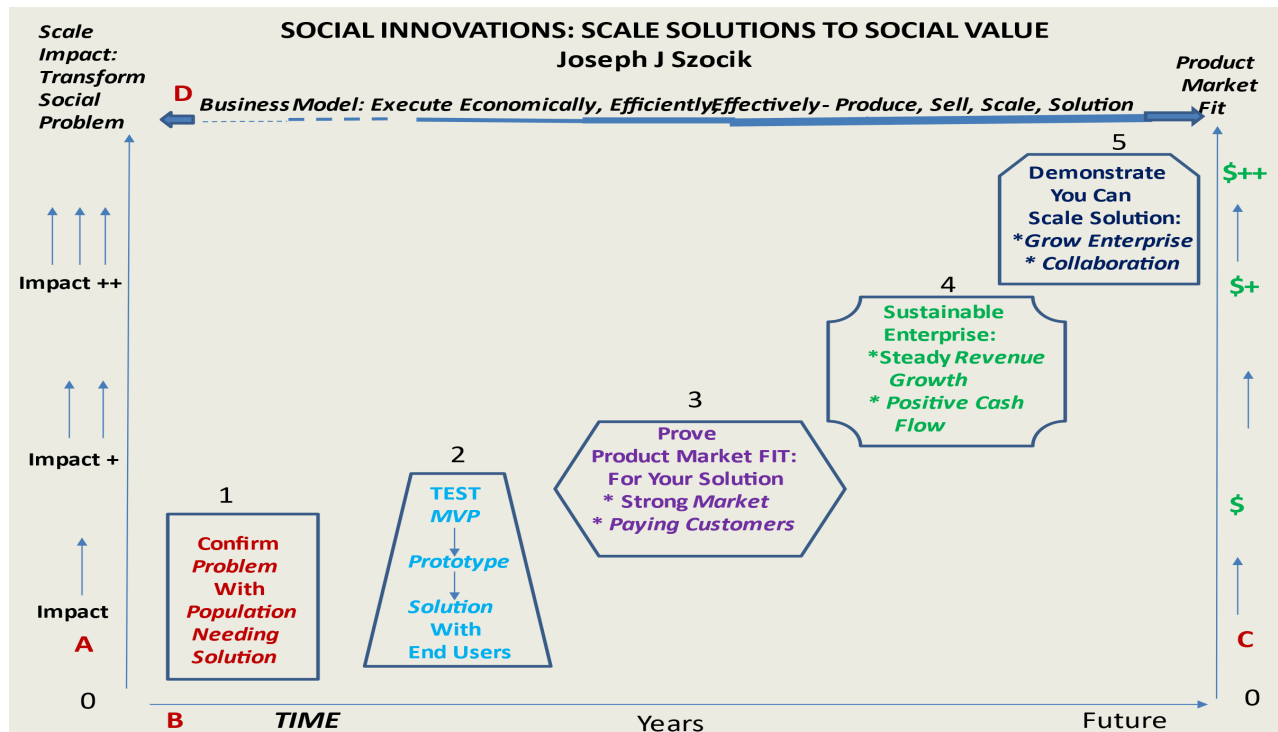
Figure 1 outlines the essential dimensions of social entrepreneurship. The color-coded sub-topics, aligned with a dimension, are representative of some, but not all, methodologies, and tools for operationalizing the dimensions. These and other tools and methodologies are some of the ways HOW to both implement the core tasks and to execute the milestones in Figure 2.

FIGURE 1



Previously, I mentioned that the end goal of a social enterprise was to deliver positive social impact on a social problem. This will require growing the social enterprise to reach the five milestones outlined in Figure 2. These milestones will help you assess your progress in building a sustainable social enterprise that can deliver positive impact on a social problem.

FIGURE 2



**TIP:** Each Milestone prepares the way for the others; each milestone should increase the positive impact it generates (**A**); each milestone should also increase the earned revenue and financial sustainability of the enterprise (**C**). The increasing thickness of line **D** represents the increase in operational excellence required by the business model to manage enterprise growth.

### Milestone 1: Some Key Points

- The end goal of a social enterprise is to ameliorate or solve a social problem.
- One of the enterprise founder's first tasks is to ensure they have a clear grasp of the problem as experienced by the population suffering from the problem.
- Map and analyze past and present problem solutions.
- Mapping and analyzing the problems' ecosystem will inform your understanding of the problem.
- Ensure that the people suffering from the problem clearly tell you what they want as a solution. Their requirements should guide your design of the initial MVP.

### Milestone 2: Some Key Points

- After developing a clear picture of the problem, you plan to solve, your next step is to test the solution you plan to scale.

- You can test and evaluate your solution as a minimum viable product (MVP) or a prototype to assess how well the solution is likely to be adopted by end users in your target population.
- Do the people suffering from the problem really **need** your solution? Will they pay for it?
- How have past and present solutions failed to meet the needs of your target population?

### **Milestone 3: Some Key Points**

- Your solution must achieve product/market fit.
- The market itself must be big enough to support growth; paying customers/end users must be generating sufficient revenue to support and eventually grow your enterprise.
- Your Business Model will need to develop the capacities to manage the development, production, and sale of your solution.

**TIP:** Various experts currently estimate that you will fail if you take significantly more than two to three years to achieve product/market fit.

<https://leanb2bbook.com/blog/time-product-market-fit-b2>

### **Milestone 4: Some Key Points**

- Your enterprise must become financially sustainable to be capable of supporting additional scaling initiatives.
- Two metrics assess your sustainability: revenue growth and, most importantly, positive cash flow.

### **Milestone 5: Some Key Points**

- With the support of your sustainable enterprise, you can scale your impact to increase ameliorating or eliminating your targeted problem.
- Scaling impact can be achieved either by increasing the number of end users and/or increasing earned revenue.
- Broadly speaking, you can scale impact by growing your own enterprise and/or collaborating with allies in your ecosystem.

### **Summary:**

As you work on developing your social enterprise keep the following in mind:

Solve: Your enterprise must solve or positively impact a social problem.

Scale: Your enterprise must work to scale up the positive impact on your targeted problem.

Support:

- Your enterprise must attract/earn the resources it requires to stay in operation.
- You need to develop and continuously improve your business model's capacity to execute the increased workload related to developing, improving, marketing, selling, and managing all the processes necessary to support the enterprise.

**Sustain:** Your enterprise must sustain/scale the positive impact of your solution.

**TIP:** There is a vast volume of material on all aspects of social entrepreneurship and starting and developing a social enterprise.

One of the most useful for cutting through the fog of startup is the "Customer Development Manifesto." I suggest reading the four brief pages before moving on to the other modules. I'll refer to the Manifesto in several other modules.

<https://growthorientedsustainableentrepreneurship.files.wordpress.com/2016/07/en-customer-development-manifesto.pdf>

**Reflection:**

"Life is not meant to be easy, or happy; life is suffering; therefore, to survive and thrive in life, you must pursue something meaningful, that has a purpose. When you find those moments of happiness, you enjoy them, but they should not be the goal of your pursuits, your pursuits should be something great."

- Friedrich Nietzsche

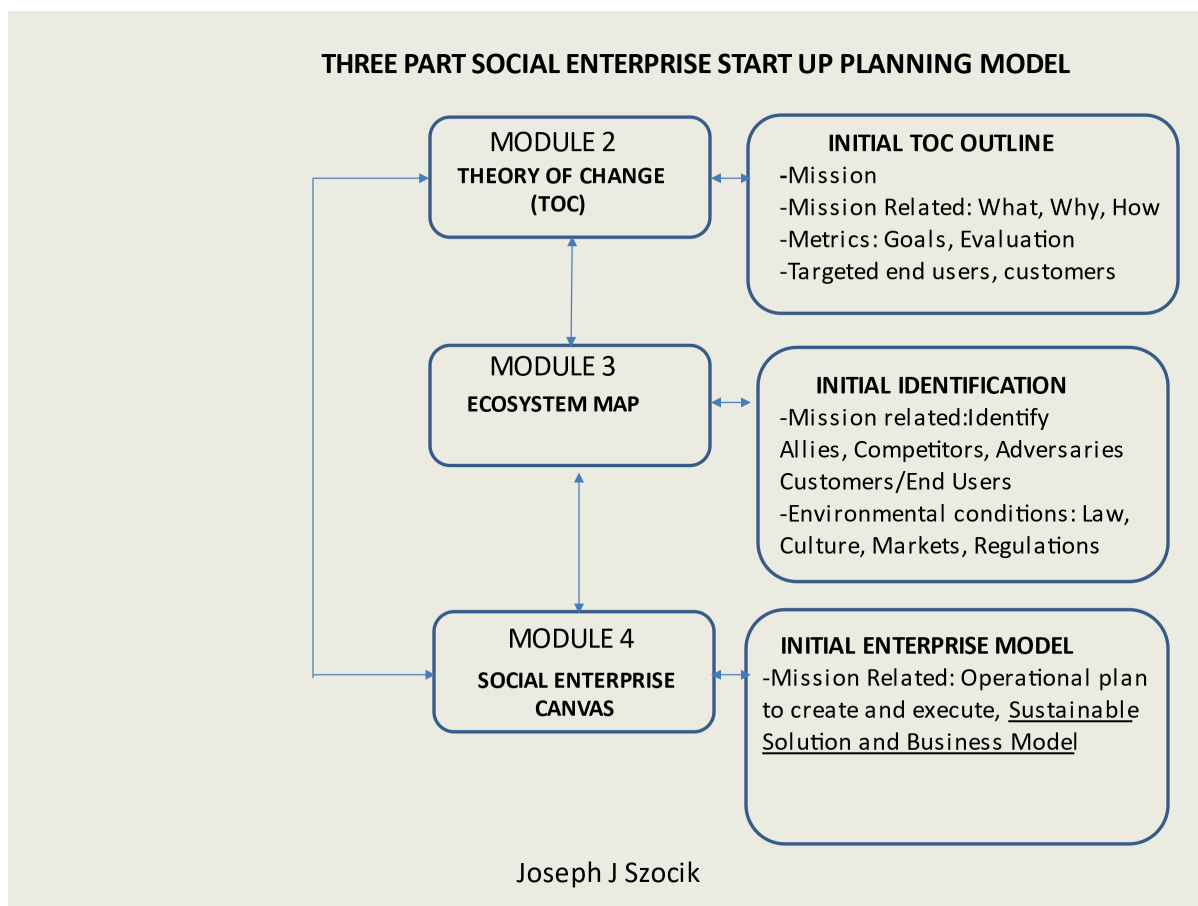
## MODULE 2-PRELIMINARY STARTUP PLANNING, PREPARATION, THEORY OF CHANGE

### LEARNING OBJECTIVES

- Answering the questions below will assist you to do the preliminary research and planning to avoid burning through cash and time before your enterprise runs out of runway.
- Use your preliminary responses to complete your initial Theory of Change (Figure 4).

Modules 2, 3, and 4 overlap, complement, and reinforce each other as illustrated by Figure 3.

FIGURE 3



Taking the time and doing the work to research and think through your answers to tasks 1 through 11 below will assist you in developing an initial plan to start your enterprise. I say “initial” plan because as many have observed, “No business plan survives contact with customers!”



## **ORGANIZING PRELIMINARY PLANNING and STARTUP**

The order of the following tasks does not indicate a required sequence. I would expect that many practitioners will shift between tasks as their planning and research evolve.

The questions under each task may appear to overlap but I believe they provide a slightly different perspective to think through key issues.

**TIP:** Prior to addressing the tasks, you may find it helpful to review the Social Enterprise Canvas in Module 4.

**TIP:** Think of the tasks as a series of “prompts” that provide different perspectives to begin answering “What will you Produce and Sell.”

**TIP:** As you work through tasks 1 through 11, keep revising your Theory of Change (Task 11).

### **1—Write your mission statement in 8 words or fewer; the first word must be a verb.**

(Required of applicants to the Mulago Foundation)

**TIP:** Your Mission Statement defines the value you hope to deliver to solve your targeted problem.

<https://medium.dave-bailey.com/how-great-founders-make-their-vision-sound-inevitable-4dad232aae7>

**TIP:** “When everything is in flux, stick to purpose” (Source Unknown)

### **2—Answer Peter Drucker’s five most essential questions you will ask about your enterprise:**

1. “What is our mission?”
2. Who is our customer?
3. What does the customer value?
4. What are our results?
5. What is our plan?”

<https://visionroom.com/sums/Sums-The-Five-Most-Important-Questions.pdf>

**TIP:** Even preliminary answers to these questions will start to flesh out the operational detail of your mission.

### **3—Answer William Sahlman’s nine basic questions about the business that every business plan should**

**answer:**

1. “Who are the new venture’s customers?”
2. How does the customer make decisions about buying a product or service?
3. To what degree is the product or service a compelling purchase for the customer?

4. How will the product or service be priced?
5. How will the venture reach all the identified customer segments?
6. How much does it cost (in time and resources) to acquire a customer?
7. How much does it cost to produce and deliver the product or service?
8. How much does it cost to support a customer?
9. How easy is it to retain a customer?"

**TIP:** Answering these questions will assist in planning your marketing and sales research and your operations.

**TIP:** The following is a must-read:

[https://web.stanford.edu/class/e145/2008\\_winter/materials/sahlman.pdf](https://web.stanford.edu/class/e145/2008_winter/materials/sahlman.pdf)

**TIP:** "You Are What You Charge For" (Source Unknown)

**4—Answer four questions to challenge the value of your business idea:**

1. What makes your business idea unique?
2. How does this help others?
3. Do your potential customers think this is a good idea?
4. How easy would it be for someone else to copy your business idea and undercut you?

<https://medium.com/swlh/4-questions-to-challenge-the-quality-of-your-business-idea-aa5852c26b6f>

**TIP:** Use the answers to clarify the question: Is your product both unique and valuable?

**5—Answer the customer development questions posed by Steve Blank**

1. Have we identified a problem a customer wants to see solved?
2. Does our product solve the customer's need?
3. If so, do we have a viable and profitable business model?
4. Have we learned enough to go out and sell?

<https://blog.12min.com/the-four-steps-to-the-epiphany-pdf/>

**6—Answer four questions from the Lean Start-Up Summary by Eric Reis:**

1. Do consumers recognize that they have the problem you are trying to solve?
2. If there was a solution, would they buy it?
3. Would they buy it from us?
4. Can we build a solution to that problem?

**KEY TAKEAWAY:** Success is not delivering a feature; success is learning how to solve the customer's problem.

<http://www.kimhartman.se/wp-content/uploads/2013/10/the-lean-startup-summary.pdf>

**7—Answer the following Key Questions for Social Entrepreneurs (Professor Jay Rao, Babson University):**

1. Why would anyone want to work for you?
2. Why would anyone want you (enterprise and staff) as their neighbor?
3. Why would anyone want to buy from you?
4. Why would anyone want to invest in you?

<https://www.youtube.com/watch?v=8N7VSrdjNfY>

**TIP:** These questions will assist you to think about the enterprise culture and values you wish to establish.

**8—A better way to help frame strengths is to look at it from the customer’s perspective (Leila Nazari):**

1. What problem do you solve for your audience that no one else solves?
2. What is the level of awareness of the problem?
3. What are people doing today to solve the problem?
4. How easy is it for someone to build the solution in-house?
5. How easy is it to switch providers?
6. What does the competition do better than you, according to customers?
7. Is the problem severe or frequent enough that it warrants spending money on?
8. How do you quantify the benefit you provide?

<https://bettermarketing.pub/the-swot-is-dead-a977f2efebb8>

**9—Answer the most important startup question:**

**“When do we run out of money, and are we on track to reach the milestones needed for sustainable financing before then?”**

<https://www.forentrepreneurs.com/most-important-startup-question/>

**TIP:** Ask this repeatedly and periodically to know what your runway (time) is to make changes to correct problems before you run out of money.

**10—Metrics**

- You are what you measure (a lesson from Lean Methodology)
  - ☐ Develop quantifiable metrics to measure the social impact of your sustainable solution.

- ☐ Develop quantifiable metrics to measure the financial performance of your business model.

**TIP:** Take care to distinguish between “vanity metrics” and “actionable metrics.”

<https://fizzle.co/sparkline/vanity-vs-actionable-metrics>

- The following frameworks will assist you to identify and set metrics for your enterprise.
  - ☐ The United Nations Sustainability Framework with 17 categories of sustainable activities:  
<https://news.un.org/en/story/2015/12/519172-sustainable-development-goals-kick-start-new-year>
  - ☐ The Star Communities Sustainability Framework with 49 categories of sustainable project areas developed by ICLEI:  
<http://www.starcommunities.org/wp-content/uploads/2014/06/STAR-The-Most-Sustainable-Communities-in-the-Country.pdf>
  - ☐ The Star Communities Sustainability Framework for Seattle with its actual scores for each of the 49 sustainable categories:  
<http://www.starcommunities.org/wp-content/uploads/2014/06/STAR-The-Most-Sustainable-Communities-in-the-Country.pdf>

**TIP:** Remember to develop separate metrics for Inputs, Activities, Outputs, and—most importantly—Outcomes, which are your actual results!

## **11—Think through and WRITE your Theory of Change (ToC) for your social enterprise:**

What is a Theory of Change?

“It helps organizations, programs, networks or initiatives articulate social change efforts through clarifying: Intentions—why are you doing what you are doing?

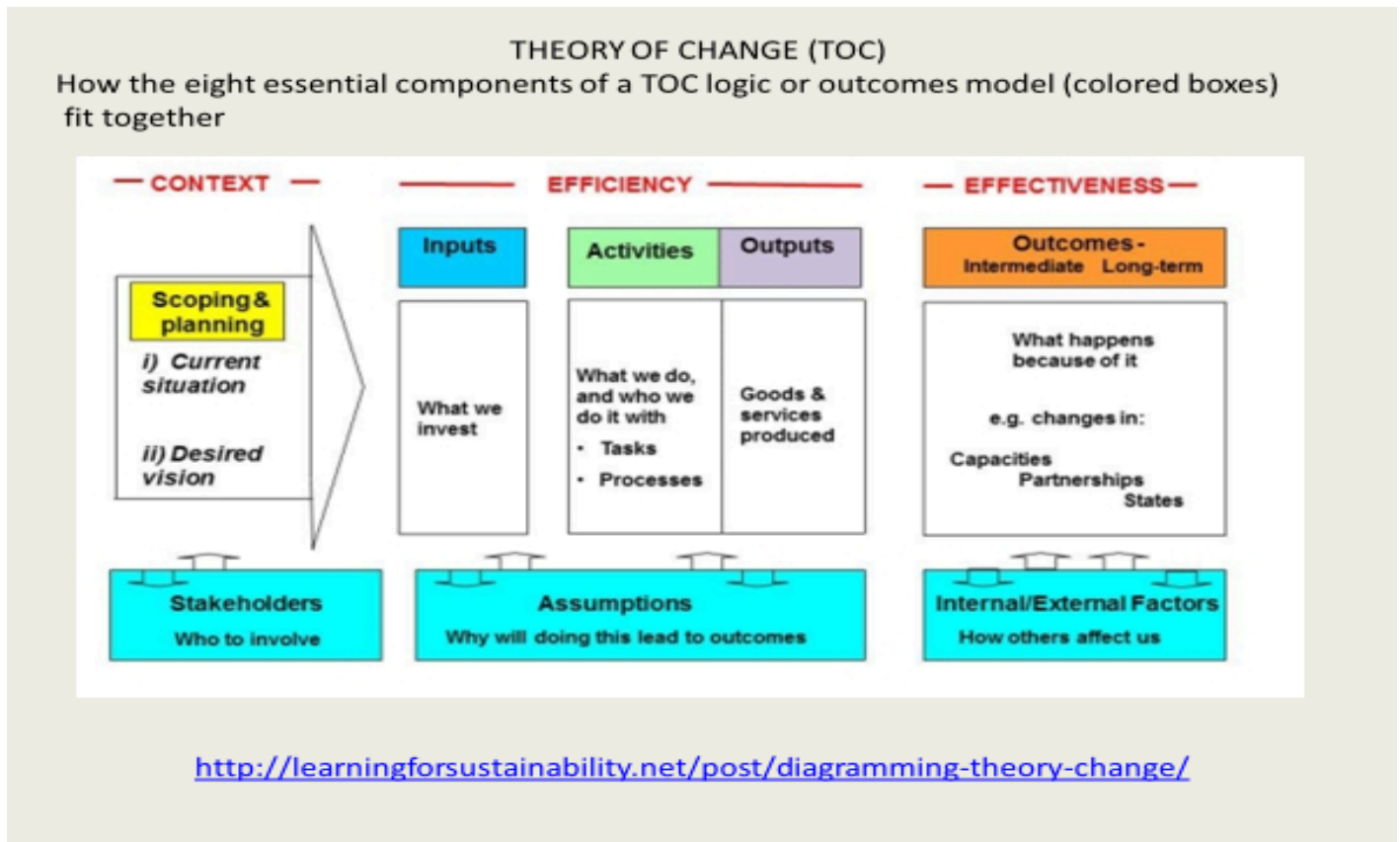
- Expected outcomes—what do you expect will happen as a result of your actions?
- Shows the pathways and interventions necessary to reach intended results.
- Can be reflective or prospective.
- Lays the foundation for planning, future activity, and expected outcomes.
- Articulates outcomes that will guide evaluation.
- Demonstrates an organization’s reasoning and approach to its work.
- Brings discipline and alignment to practice; ensures logical coherence to an organization’s work and expected results.”

<http://informingchange.com/uploads/2015/01/Theory-of-Change-Template-9.1.16.pdf>

## How

As you think through tasks 1 through 11, record, your initial answers in an initial Theory of Change (Figure 4).  
Revise as needed.

**FIGURE 4**



<https://learningforsustainability.net/post/diagramming-theory-change/>

**TIP:** After completing a draft ToC, I suggest you try drafting your first version of an Elevator Pitch. This is a one minute or less overview of the who, what, why, how, where, when of your enterprise. Practice the Pitch with friends and Board members, seek feedback, and refine the next version of the ToC..

<https://www.mindtools.com/pages/article/elevator-pitch.htm>

**TIP:** If you Google, “Theory of Change, Images,” you can review many alternative schematics.

**TIP:** Developing a Logic Model can complement and assist you in developing your ToC.

**TIP:** To review instructive differences between the ToC and the Logic Model, click below.

<https://www.annmurraybrown.com/single-post/2016/03/20/Theory-of-Change-vsThe-Logic-Model-Never-Be-Confused-Again>

## Recommended Reading for This Module

**1—Steve Blank**, “Why the Lean Start-Up Changes Everything”

<https://hbr.org/2013/05/why-the-lean-start-up-changes-everything>

**2—Steve Blank**, *The Four Steps to the Epiphany: Successful Strategies for Products that Win*, “Customer Development Manifesto” chapter

[https://web.stanford.edu/group/e145/cgi-bin/winter/drupal/upload/handouts/Four\\_Steps.pdf](https://web.stanford.edu/group/e145/cgi-bin/winter/drupal/upload/handouts/Four_Steps.pdf)

<https://medium.com/mbreads/the-four-steps-to-the-epiphany-7aee0c8e0f8e>

**3—Peter Drucker**, *The Five Most Important Questions You Will Ever Ask About Your Organization*

<https://visionroom.com/sums/Sums-The-Five-Most-Important-Questions.pdf>

**4—Marc Andreessen**, *The Pmarca Guide to Startups*

**TIP:** Must-read Modules in the Pmarca Guide are:

- Why not do a startup
- When the VCs say “no”—Reviews different types of risk and how to avoid them
- The only thing that matters—Reviews product/market fit
- Luck and the entrepreneurs: The four kinds of luck

<https://fictivekin.github.io/pmarchive-jekyll//index.html#guide-to-startups>

**5—Jessica Livingston**, *Founders at Work: Stories of Startups Early Days*

Interviews with founders of Apple, PayPal, and thirty other companies presented in an easy-to-read Q&A format, discussing mistakes made, ideas for achieving success and avoiding failure.

[file:///C:/Users/Joe%20Szocik/Downloads/SocialEntrepreneurs\\_Founders-At-Work.pdf](file:///C:/Users/Joe%20Szocik/Downloads/SocialEntrepreneurs_Founders-At-Work.pdf)

**6—Eric Reis**, *The Lean Startup: How Today’s Entrepreneurs Use Continuous Innovation to Create Radically Successful Businesses*

[file:///C:/Users/Joe%20Szocik/Downloads/The\\_Lea\\_n\\_Startup\\_How\\_Today\\_s\\_Entrepreneu%20\(2\).pdf](file:///C:/Users/Joe%20Szocik/Downloads/The_Lea_n_Startup_How_Today_s_Entrepreneu%20(2).pdf),

**7—Steve Blank, Bob Dorf, et al.**, *The Start Up Owner’s Manual: The Step-by-Step Guide for Building a Great Company*

**TIP:** Read the “Customer Development Manifesto” chapter as you revise your ToC.

<https://growthorientedsustainableentrepreneurship.files.wordpress.com/2016/07/en-customer-development-manifesto.pdf>

**Reflection:**

“There are a thousand hacking at the branches of evil to one who is striking at the root.” - Thoreau

## MODULE 3: MAPPING AND ANALYZING THE SOCIAL ENTERPRISE ECOSYSTEM

### INTRODUCTION

An essential task for every social entrepreneur is to map and analyze the ecosystem related to their mission, sustainable solution, and customers/clients. Mapping the Ecosystem provides the social entrepreneur with critical information for developing their sustainable solution and scaling impact.

This Module is intended to introduce social entrepreneurs to the what, why, and how of mapping and analyzing their social ecosystem.

A fundamental task in mapping and analyzing the ecosystem, related to the particular social mission undertaken, involves obtaining direct feedback on the problem and solutions as experienced first-hand by the people affected by the problem, as noted below by **Madeleine Clarke and John Healy**:

“We believe the most effective way to promote systems-level social change is to place the voices of people who use social services—the people for whom change matters most—at the center of change processes. But while many philanthropic organizations tout the importance of listening to the “end beneficiaries” or “service users,” the practice nevertheless remains an underutilized methodology for countering systemic obstacles to change and, ultimately, reforming complex systems.”

[https://ssir.org/articles/entry/complex\\_systems\\_change\\_starts\\_with\\_those\\_who\\_use\\_the\\_systems](https://ssir.org/articles/entry/complex_systems_change_starts_with_those_who_use_the_systems)

### WHAT

To organize ecosystem change efficiently and effectively, social entrepreneurs need a map of their ecosystem that identifies the key players and relevant environmental conditions, along with the relationships between them.

As noted by **Paul N. Bloom and J. Gregory Dees**, “The first step social entrepreneurs must take when creating an ecosystem map is to define their organization’s ultimate intended impact, as well as the series of steps that will lead to that impact—that is, they must define their theory of change. They must ask themselves: “What do we want to accomplish?” “How will achieving this result make society a better place?” “What’s the first step on the path to this change?” “How will taking this step get us closer to our goal?” “Why do we believe that this step will lead to change?”

Next, social entrepreneurs must identify the various parts of their ecosystem, including the players (individuals and organizations) and the environmental conditions (norms, markets, laws) that do or potentially could

influence their ability to create and sustain the organization's intended impact. The distinction between players and environmental conditions is a bit artificial because the two often affect one another, but for mapping purposes it is useful to look at the ecosystem through both of these lenses." (See Figure 5)

[HTTPS://SSIR.ORG/ARTICLES/ENTRY/CULTIVATE\\_YOUR\\_ECOSYSTEM](https://ssir.org/articles/entry/cultivate_your_ecosystem)

## WHY

Every social entrepreneur, and the social enterprises they develop, operates within an ecosystem comprised of organizations and environmental forces. **Emily Anthony and Julie Edsforth** offered the definition below in their excellent article, "Strategic Planning Toolbox: Ecosystem Mapping Leads to Insights, Innovation and Excitement."

"In the context of the nonprofit world, **an ecosystem map is a visual depiction of the landscape within which a nonprofit operates as a means to identifying gaps in essential services and functions, strategizing beyond symptoms of a problem, and addressing the larger systemic issues and problems at play.** (original emphasis) It's a way to graphically represent and grasp the complexity and dynamics between all the entities, functions, relationships, opportunities and environmental factors within a particular issue area."

<http://confocal-manawatu.pbworks.com/w/page/123803442/Ecosystem%20Mapping>

**TIP:** The above description of an ecosystem map applies to a social enterprise as well as an NPO.

**TIP:** The ecosystem for each social entrepreneur will vary with the social problem they are addressing. The social entrepreneur working on a solution related to renewable energy will operate in an ecosystem that is very different from the ecosystem of a social entrepreneur working to assist substance abusers.

The mapping and analyzing process guides developing the social enterprise's value-added solution, organizational structure, service delivery model, marketing strategy, staff recruitment, earned revenue, and financing.

Mapping and analyzing your ecosystem will assist you with such essential tasks as:

- Identifying allies and collaborators
- Identifying adversaries and competitors
- Identifying potential funders and investors
- Identifying potential clients and customers
- Understanding which organizations are delivering solutions to the social problems you have targeted
- Developing your own value-added solution(s) that complement, without duplicating, existing efforts



- Developing a strategy to scale up impact to achieve transformative scale. “Close the gap between present real-world conditions on problems and the ideal state you want to achieve.” (**Paul Bloom**, Duke University)
- Starting or joining collaborative efforts to scale solutions to social problems
- Identifying potential customers and markets for your solution
- Testing the design of your solution with potential customers to develop a Minimum Viable Product (MVP)

## HOW

- Read “Cultivate Your Ecosystem” by **Paul N. Bloom and J. Gregory Dees**  
[https://ssir.org/articles/entry/cultivate\\_your\\_ecosystem](https://ssir.org/articles/entry/cultivate_your_ecosystem)
  - Review the suggested readings at the end of this Module for additional advice.
  - Use Figure 5 as a guide for mapping the components of your ecosystem.
  - To map your eco-system, you need to gather information. I suggest starting with the following three methods:
    1. Desk Research; including but not limited to:
      - Articles in academic journals
      - Annual reports from organizations that are key-players
      - Websites
      - Articles in mainstream media
      - Industry publications
      - Blogs
    2. Participatory Action Research. Interview key individuals from organizations in the ecosystem including consumers/clients. One of the strengths of participatory action research is interviewing stakeholders IN PERSON. Do NOT rely solely on email, texts, or telephone calls.  
[http://www.scielo.br/pdf/ep/v31n3/en\\_a09v31n3.pdf](http://www.scielo.br/pdf/ep/v31n3/en_a09v31n3.pdf)
- TIP:** Polish your Elevator Pitch before you start interviewing stakeholders. Everyone will want to know who you are and why you want to talk with them, and your Pitch can be the perfect introduction.
3. Apprenticeship with the problem. Volunteer, intern, or work directly with the population you plan to serve through your social enterprise.

<http://tacklingheropreneurship.com/wp-content/uploads/2016/02/tackling-heropreneurship-daniela-papi.pdf>

<https://isaacjefries.com/blog/2018/3/29/apprenticing-with-the-problem>

FIGURE 5

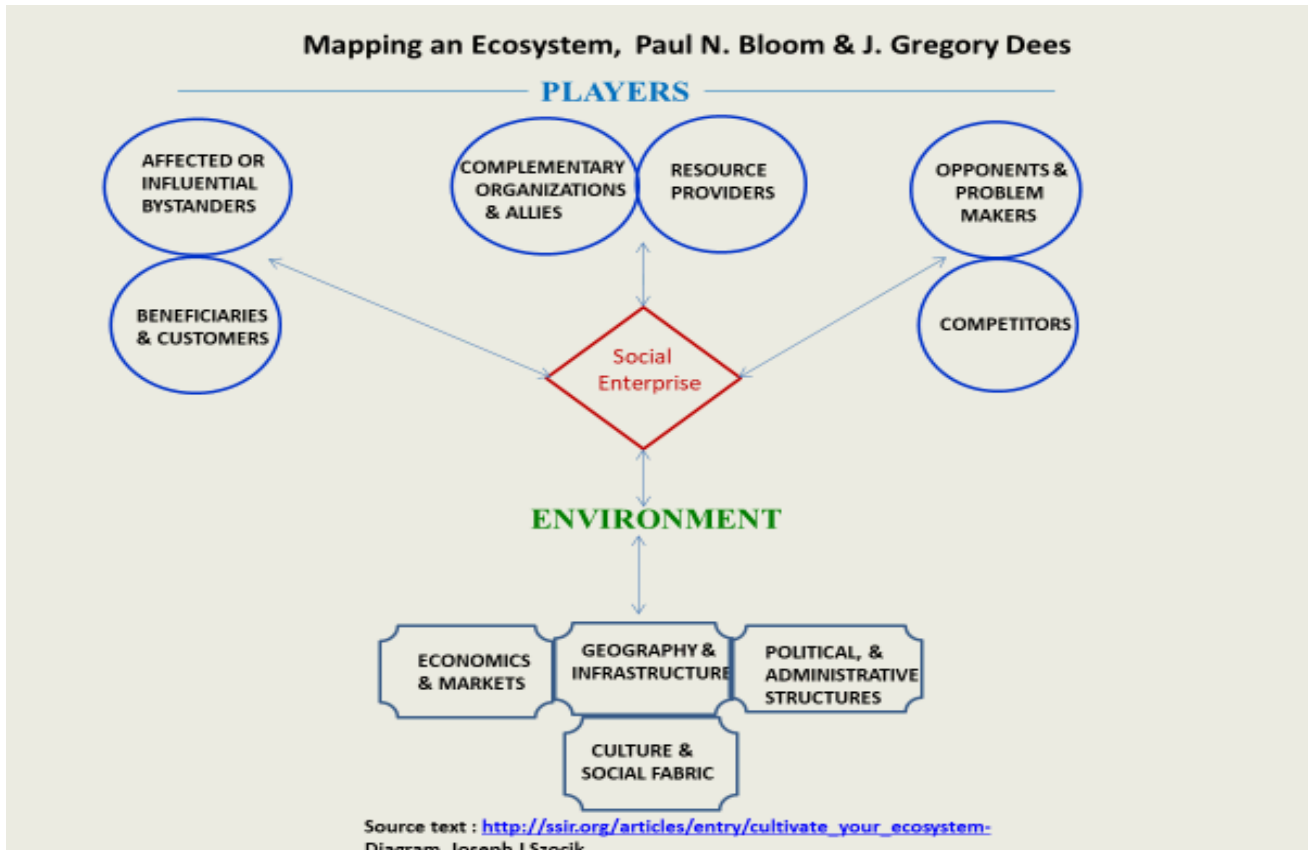


Diagram: Joseph J. Szocik, 2019    Text: [http://ssir.org/articles/entry/cultivate\\_your\\_ecosystem](http://ssir.org/articles/entry/cultivate_your_ecosystem)

TABLE 1

## Ecosystem Players

<p><b>RESOURCE PROVIDERS</b> Providers of financial, human, knowledge, networking, and technological resources.</p>	<p><b>BENEFICIARIES AND CUSTOMERS</b> Clients, patients, customers, and others who benefit from social entrepreneurs' activities. In some cases, the paying customers might not be the ultimate beneficiaries.</p>
<p><b>COMPETITORS</b> Organizations that compete with the social entrepreneur's organization for resources and those that compete to serve the same beneficiaries.</p>	<p><b>OPONENTS AND PROBLEM MAKERS</b> Contribute to the problems social entrepreneurs are addressing, undermine the ability of organizations to achieve and sustain their intended impact, or oppose their efforts politically</p>
<p><b>COMPLEMENTARY ORGANIZATIONS AND ALLIES</b> Organizations or individuals who facilitate a social entrepreneur's ability to create impact. This includes partners who perform critical steps in the social entrepreneur's Theory of Change, individuals and organizations supporting the same cause, and people providing important complementary services.</p>	<p><b>AFFECTED OR INFLUENTIAL BYSTANDERS</b> This is a catchall category designed to provoke social entrepreneurs to think about players who have no direct impact now, but who are affected by their efforts or who could influence their successes. Of particular importance are organizations that could be harmed if the social entrepreneur succeeds.</p>

Table: Joseph J. Szocik, 2019 Table Text: [http://ssir.org/articles/entry/cultivate\\_your\\_ecosystem](http://ssir.org/articles/entry/cultivate_your_ecosystem)

## ENVIRONMENTAL CONDITIONS OF ECOSYSTEMS

<p><b>POLITICS AND ADMINISTRATIVE STRUCTURES</b> Includes rules and regulations along with the political dynamics of the jurisdictions in which social entrepreneurs operate. It also includes the processes and procedures affecting these rules, including levels of corruption among politicians and enforcement officials.</p>	<p><b>ECONOMICS AND MARKETS</b> Includes the overall economic health of the regions in which social entrepreneurs operate and seek resources, as well as the region's distribution of wealth and income, economic prospects, levels of entrepreneurial activity, and relevant markets.</p>
<p><b>GEOGRAPHY AND INFRASTRUCTURE</b> Includes not only the physical terrain and location, but also the infrastructure that social entrepreneurs count on for transportation, communication, and other operating needs. What works in dense urban areas may not work nearly as well in sparsely populated rural areas.</p>	<p><b>CULTURE AND SOCIAL FABRIC</b> Covers the norms and values, important subgroups, social networks, and demographic trends of the people living in the area. Though less concrete, these conditions are as important as infrastructure, politics, and economics.</p>

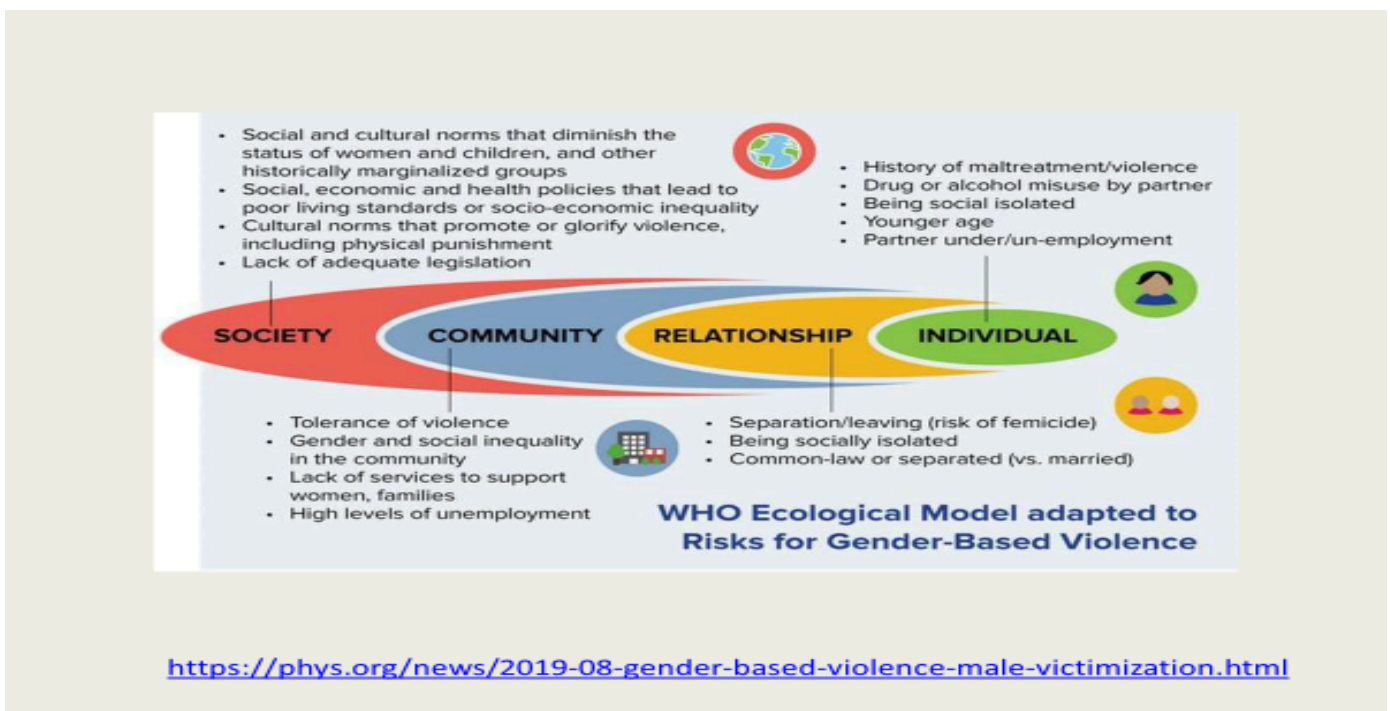
Table: Joseph J. Szocik, 2019 Table Text: [http://ssir.org/articles/entry/cultivate\\_your\\_ecosystem](http://ssir.org/articles/entry/cultivate_your_ecosystem)

After you and your team and colleagues feel you have made a good start on mapping the ecosystem, you can begin your initial version of the Social Enterprise Canvas in Module 3.

**TIP:** Mapping your ecosystem is an iterative, never-ending task. Ecosystem dynamics, structure, and players are constantly changing, which requires the social enterprise to repeatedly adjust and pivot.

**TIP:** Figure 5A illustrates the dynamics and constituent elements of an ecosystem ranging from the macro social environment to the Individual. Creating your version can assist organizing your mapping and solution.

**Figure 5A.**



## SUGGESTED READINGS

- BUILDING ECOSYSTEMS FOR SYSTEMS CHANGE

<http://www.mspsguide.org/resource/building-ecosystems-systems-change>

- SOCIAL INNOVATION ECOSYSTEMS

[http://www.buildingchangetrust.org/download/files/BCT\\_SIE\\_Report\\_Final.pdf](http://www.buildingchangetrust.org/download/files/BCT_SIE_Report_Final.pdf)

- Metamapping the ecosystem building the next economy.

<https://thenextsystem.org/metamapping-the-ecosystem-building-the-next-economy>

- Creating entrepreneurial communities: Building community capacity for ecosystem development  
Accepted for publication in *Community Development*, Special Issue on Community Entrepreneurship, Forthcoming

**Markley Deborah M., Lyons Thomas S., Macke Donald W.**

<http://www.tandfonline.com/doi/abs/10.1080/15575330.2015.1041539?journalCode=rcod20>

- Dialogues of Sustainable Urbanization: Social Science Research and Transitions To Urban Contexts;  
Source: [pressbooks.com](http://pressbooks.com).....featured in the following.....“A Deeper Look At Social Entrepreneurship: Key Trends In 2016 (And Beyond),” **Arthur Gopak**

**TIP:** I think this article has the best single image of the macro level Social Entrepreneurship Ecosystem

<http://yfsmagazine.com/2016/07/06/a-deeper-look-at-social-entrepreneurship-key-trends-in-2016-and-beyond/>  
[d/](#))

### Reflection:

“Fighting evil, however you define it, is vivifying. Life is worth living no matter what it brings,  
if only such combats may be carried to successful terminations and one’s heel set on the tyrant’s throat.

Working to conquer a problem or ill is the most vital part of living.”

- William James

## MODULE 4—SOCIAL ENTERPRISE CANVAS AND NOTES ON BUSINESS PLANS

**WHAT:** The Social Enterprise Canvas is a customized version of the classic Business Canvas (**Osterwalder and Prigneur, *Business Model Generation***). It provides a framework for organizing information on key aspects of starting a social enterprise.

**WHY:** Completing a SE Canvas provides the enterprise team and key stakeholders with a user-friendly overview of the enterprise’s key features; assists in developing a “60-second elevator pitch” to “sell” the enterprise to collaborators and funders; provides a foundation for developing collateral material; can accelerate developing and testing a Minimum Viable Product (MVP) to determine whether the product/market fit can generate sufficient revenue or requires redesign.

**HOW:** Initially, transfer material from your research on the tasks in Modules 2 and 3. Reproduce the canvas on a whiteboard and update it in accordance with new information, ideas, and feedback from face-to-face discussions with stakeholders in your ecosystem, particularly beneficiaries.

**TIP:** If you Google, “Social Enterprise Canvas, Images,” you can review multiple versions.

**TIP:** As you refine your canvas it can serve as a visual aid for discussions with stakeholders.

<b>PURPOSE</b> ① Your reason for doing this venture, clearly defined in terms of the social or environmental problems you want to solve.		<b>IMPACT</b> ② What is the intended social or environmental impact of your venture?		
<b>PROBLEM</b> ① List your top 1 to 3 problems.	<b>SOLUTION</b> ① Outline a possible solution for each problem.	<b>UNIQUE VALUE PRO...</b> ① Single, clear, compelling message that states why you are different and worth paying attention.	<b>UNFAIR ADVANTAGE</b> ① Something that can not easily be bought or copied.	<b>CUSTOMER SEGME...</b> ① List your target customers and users.
<b>EXISTING ALTERNATIVES</b> ② List how this problem are solved today.	<b>KEY METRICS</b> ② List the key numbers that tell you how your business is doing.	<b>HIGH-LEVEL CONCEPT</b> ② List your X for Y analogy e.g. Youtube = Flickr for videos.	<b>CHANNELS</b> ② List your path to customers (inbound or outbound).	<b>EARLY ADOPTERS</b> ② List the characteristics of your ideal customers.
<b>COST STRUCTURE</b> ① List your fixed and variable costs.		<b>REVENUE STREAMS</b> ② List your sources of revenue.		

<https://upmetrics.co/canvas/social-lean-canvas>

## Notes on Business Plans

You may or may not need to develop a business plan for your startup social enterprise. The one-page “[Business Canvas](#),” attributed to **Osterwalder and Prigneur** in their classic book, *Business Model Generation*, has been suggested by numerous business experts as an alternative to the standard business plan (current thinking: 5 pages max) for developing a new enterprise.

[https://www.skipt.nl/wosmedia/10309/business\\_model\\_generation\\_summary.pdf](https://www.skipt.nl/wosmedia/10309/business_model_generation_summary.pdf)

**TIP:** Reread “Why the Lean Start-Up Changes Everything,” by **Steve Blank**

<https://hbr.org/2013/05/why-the-lean-start-up-changes-everything>

This article reviews the flaws in the traditional approach to developing a business plan and reviews the advantages of the Lean Start-Up approach that can be used to develop your Enterprise Canvas.

The following excerpt from the article summarizes flaws in the traditional business planning process.

“After decades of watching thousands of start-ups ... we’ve now learned at least three things:

1. Business plans rarely survive first contact with customers.
2. No one besides venture capitalists and the late Soviet Union requires five-year plans to forecast complete unknowns. These plans are generally fiction and dreaming them up is almost always a waste of time.
3. Start-ups are not smaller versions of large companies. They do not unfold in accordance with master plans.

The ones that ultimately succeed go quickly from failure to failure, all the while adapting, iterating on, and improving their initial ideas as they continually learn from customers.

One of the critical differences is that while existing companies *execute* a business model, start-ups *look* for one. This distinction is at the heart of the lean start-up approach.”

**TIP:** If at some point you have a compelling need (i.e., raising money) to write a formal business plan I suggest you consult:

- **William Sahlman**, “How to Write a Great Business Plan”

[https://web.stanford.edu/class/e145/2008\\_winter/materials/sahlman.pdf](https://web.stanford.edu/class/e145/2008_winter/materials/sahlman.pdf)

- **Osterwalder and Prigneur**, *Business Model Generation*

[https://www.skipt.nl/wosmedia/10309/business\\_model\\_generation\\_summary.pdf](https://www.skipt.nl/wosmedia/10309/business_model_generation_summary.pdf)

- Lean Start-Up Summary

<http://www.kimhartman.se/wp-content/uploads/2013/10/the-lean-startup-summary.pdf>

**TIP:** Many enterprises go through a trial-and-error period before they “pivot” to success. It’s uncommon for an enterprise to follow a linear path from start-up to success without experiencing setbacks.

**TIP:** When/if you have to pivot, “Focus on the big thing where, if you moved the lever, it would significantly change the business.”

<https://blog.asmartbear.com/one-priority.html>

**TIP:** After you draft and refine your enterprise canvas, an instructive way to evaluate it is to draft a pitch deck and accompanying presentation and do a mock interview for financing from a Venture Capital (VC) firm. Recruit an audience of friends and supporters whom you trust to provide honest, critical, feedback as to whether your presentation makes a compelling case for investment.

Use the feedback to refine your Canvas and strengthen your presentation and pitch deck for an actual pitch to a VC firm.

<https://www.forbes.com/sites/alejandrocremades/2018/03/02/how-to-create-a-pitch-deck/#607c053956c0>

**Reflection:** “It ain't what you don't know that gets you into trouble.

It's what you know for sure that just ain't so.”

American humorist Josh Billings



## MODULE 5: FAILURE, AND OTHER REALITY CHECKS

Starting an enterprise is hard.

Growing an enterprise that lasts 3+ years is harder.

Developing a social enterprise that can deliver a sustainable solution to positively impact a social problem may be the hardest of all.

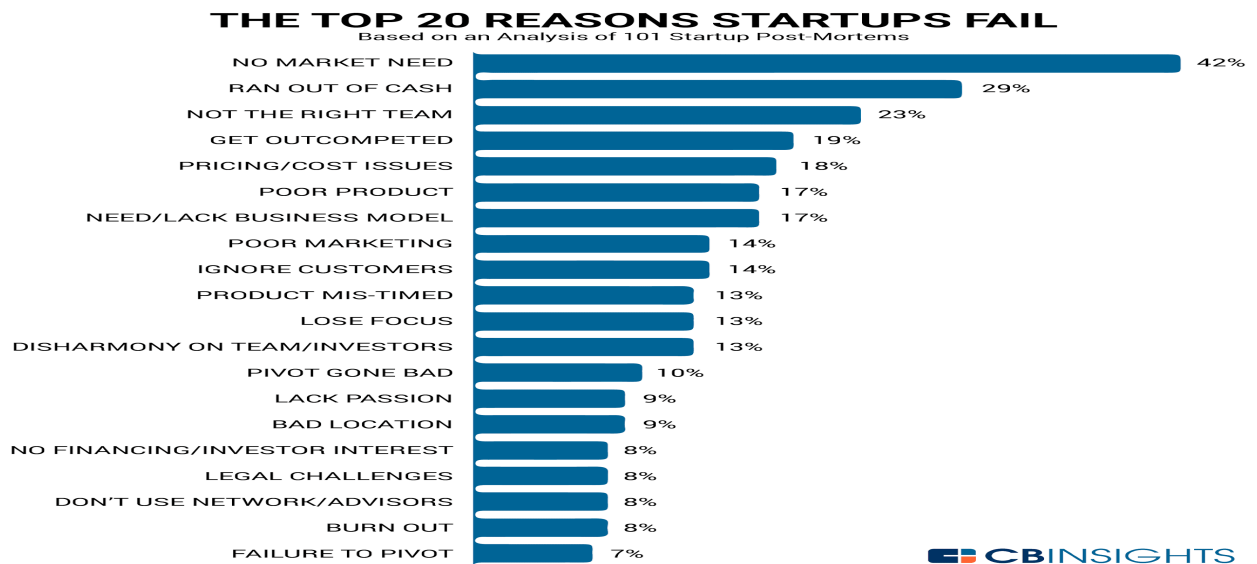
**TIP:** Before you quit your day job and/or start burning cash to start an enterprise, I suggest you review the material on failure in this Module. Particularly helpful are the sites that provide accounts of their failures by enterprise founders.

Disasters, like COVID-19, have always created opportunities. Opportunities have always prompted innovation and innovators who have launched new ventures, which is promising for the future of social entrepreneurship. In the post COVID-19 new normal, social problems are likely to proliferate and intensify while money, allies, and other resources are likely to be more focused on meeting immediate humanitarian needs.

Even in the best of times most new ventures fail. Few are sustained for more than a few years.

The new normal will increase the importance of social entrepreneurs exercising a ruthless focus on due diligence in planning their social enterprise; developing the capacity to positively impact social problems and learning to work with collaborators.

The following material is intended to provide the reader with an initial understanding of why enterprises fail and, hopefully, help them avoid as many causes of failure as possible.



<https://www.entrepreneur.com/article/307724>

**TIP:** Running out of cash is a symptom of failure not a cause.

**TIP:** Before sinking all your assets into a new enterprise review the Facts on Enterprises, Compensation, Enterprise Size, and Revenue to assess risks.

#### SOME FACTS ON ENTERPRISES

- According to Forbes, 90 percent of startups fail.

<https://www.forbes.com/sites/neilpatel/2015/01/16/90-of-startups-will-fail-heres-what-you-need-to-know-about-the-10/#e2ec64866792>

- 50 percent fail within five years.
- 70 percent fail within 10 years.
- 46 percent of all companies in the US fail due to “incompetence”.

<https://www.startups.co/articles/why-do-startups-fail>

- “...many social enterprises get lost early on in their journey, with about 83% of social enterprises staying operational for less than 3 years”.

<https://phys.org/news/2017-09-demystifying-social-entrepreneurship-a-data-driven-approach.html>

- The most frequent time for a startup to fail is about 20 months after raising their first round of funding.

<https://www.inc.com/lisa-calhoun/research-says-this-is-number-1-reason-startups-fail-even-after-first-round-funding.html>

- The average life-span of an S&P 500 company is under 20 years, down from 60 years in the 1950s, <https://www.cnn.com/2017/08/24/technology-killing-off-corporations-average-lifespan-of-company-under-20-years.html>

### **Fast Facts on Owners' Compensation and Founders' Age**

- “The salaries of a small business owner in the United States range from \$29,462 to \$160,606 a year, according to PayScale, a compensation research company. The average business owner salary is \$59,000 per year.”

<https://www.thebalancesmb.com/average-small-business-owner-salary-in-the-u-s-4176311>

#### ● US share of entrepreneurs by age in 2022

□ Age 20-30      6%

□ Age 30-40      30%

□ Age 40+        64%

<https://www.statista.com/statistics/224596/changes-in-composition-of-new-entrepreneurs-in-the-us-by-age/>

### **Fast Facts on Business Size and Revenue**

- “Over 99 percent of America’s 28.7 million firms are small businesses. The vast majority (88 percent) of employer firms have fewer than 20 employees, and nearly 40 percent of all enterprises have under \$100k in revenue.”

<https://www.jpmorganchase.com/corporate/institute/small-business-economic.htm>

### **Great Sites That Analyze Startup Failures**

- [Autopsy IO](http://autopsy.io/)

“We have gathered and analyzed over 2000 failed startups.....”

<http://autopsy.io/>

- 463 (and counting)- [Startup Failure Post-Mortems](https://www.cbinsights.com/research/startup-failure-post-mortem/), regularly updated....

<https://www.cbinsights.com/research/startup-failure-post-mortem/>

- Failure Institute

<https://thefailureinstitute.com/annual-report/>

- F\*CK Up Nights, First Edition  
<http://fuckupnights.com/wp-content/uploads/2015/08/Fuckup-Book-english-OK-FUN.pdf>  
<https://fuckupnights.com/blog/fuckup-knowledge-investigations-research/>
- FAILORY: Start Up Failure Review, Start Up Cemetery  
<https://www.failory.com/blog/startup-failure-rate>

### Some Short (3/5 pages) Background Articles on Failure

- **TIP:** Each article below can be scanned in about 5 minutes. I strongly recommend taking the time to review them before proceeding to the next Module.

□ Articles mostly written by founders or CEOs reviewing why they failed:

- **Five reasons social enterprises fail**

<https://www.theguardian.com/social-enterprise-network/2013/jun/28/five-reasons-social-enterprises-fail-business>

- **6 Reasons Social Enterprises Fail**

<https://www.inspire2enterprise.org/6-reasons-social-enterprises-fail/>

- **50 Reasons Why Some Businesses Fail While Others Succeed**

<https://www.successharbor.com/why-some-businesses-fail-while-others-succeed-02132015/>

**KEY TAKEAWAY:** Your length of time before failing is short. You need to focus on generating earned revenue from paying customers ASAP.

**Reflection:** “Keep working no matter what happens. If things are good, keep working. If things are bad, keep working.”

Moby (Musician)

**Reflection:** “Learn from the mistakes of others, you can’t live long enough to make them all yourselves!”

Chanakya

## **PART 2**

## MODULE 6: SOCIAL ENTERPRISE: BACKGROUND AND KEY CONCEPTS

### Introduction

The following observations provide a context for this Module.

1. The Social Enterprise is the indispensable vehicle for delivering positive impact to improve or eliminate a social problem as illustrated in this simple schematic:

Social Entrepreneur → Idea → Enterprise → Impact → Scale Impact → Transformative Change

2. Social enterprises fall on a “change continuum” ranging from tame to wicked problems (See Module 11).

At one end of the “the change continuum” are social enterprises that address symptoms of social problems: they alleviate a problem by providing services as needed on a regular or recurring basis (e.g., Salvation Army, Red Cross, FEMA, homeless shelters, food banks etc.). At the other end of the continuum are social enterprises/organizations that target the root cause(s) of a problem to either eliminate the problem or minimize dysfunctional, unjust conditions. **Martin and Osberg** described efforts such as these as “replacing a stable, unjust equilibrium with a new equilibrium that is more just” (e.g., The United Nations (world peace), World Health Organization (eradicate tuberculosis), Habitat for Humanity (a world where everyone has a decent place to live), etc.)

I feel both types of efforts are deserving of praise and often form complementary parts of transformational change (e.g., providing hungry people with a meal can lead to a global effort to eliminate hunger).

Following are brief excerpts from scholars and practitioners who have been particularly influential in shaping both the discipline of social entrepreneurship and the structure of social enterprises that deliver positive impact.

Collectively these excerpts will frame critical issues influencing your startup development and future research.

#### **Greg Dees, “The Meaning of Social Entrepreneurship”**

Dees is widely recognized as the “godfather” of social entrepreneurship. His definition, excerpted below, influenced the subsequent evolution of both the social entrepreneurship discipline and the role of social entrepreneurs as expanded and updated by leading contemporary scholars and practitioners.

According to Dees, social entrepreneurs play the role of change agents in the social sector, “by:

- Adopting a mission to create and sustain social value (not just private value),
- Recognizing and relentlessly pursuing new opportunities to serve that mission,
- Engaging in a process of continuous innovation, adaptation, and learning,
- Acting boldly without being limited by resources currently in hand...
- Exhibiting heightened accountability to the constituencies served and for the outcomes created.
- .... Social entrepreneurs are reformers and revolutionaries, as described by Schumpeter, but with a social mission. They make fundamental changes in the way things are done in the social sector. Their visions are bold. They attack the underlying causes of problems, rather than simply treating symptoms. They often reduce needs rather than just meeting them. They seek to create systemic changes and sustainable improvements. Though they may act locally, their actions have the potential to stimulate global improvements in their chosen arenas, whether that is education, health care, economic development, the environment, the arts, or any other social field.”

<https://community-wealth.org/sites/clone.community-wealth.org/files/downloads/paper-dees.pdf>

#### KEY TAKEAWAY—1

- Social entrepreneurs are reformers and revolutionaries who attack underlying causes of problems and seek to create systemic changes in addition to treating symptoms.

**Lluis Pareras**, Excerpts from the TED talk, [5 Keys to Success for Social Entrepreneurs](#)

- SEs understand that the real value of an idea is nothing, zero, nada...
- Impact/change depends on *execution* of the idea....

<https://www.youtube.com/watch?v=fZYidUe8ANM>

#### KEY TAKEAWAY—2

Understand that while the idea is important, without proper execution the idea is worthless.

**Guy Kawasaki**, Excerpts from TED talk, [Top 10 Mistakes Entrepreneurs Make](#) | Startup Grind

- “Fundamental in a company, when you cut out all the bullshit, there are only two real functions, you need to make something, and you need to sell it...”

[https://www.youtube.com/watch?v=IBt\\_zZZZSLI&t=1796s](https://www.youtube.com/watch?v=IBt_zZZZSLI&t=1796s)

### KEY TAKEAWAY—3

Starting up an enterprise will almost immediately swamp the founder and initial team with an enormous amount of work ranging from cleaning the bathrooms to seeking funding.

It's critical that the founder and team continue to have a laser focus on what and how are they going to make a unique and valuable product and how are they going to sell it.

#### **Felipe M Santos**, "A Positive Theory of Social Entrepreneurship"

Santos points out that "what distinguishes social entrepreneurship from commercial entrepreneurship is a predominant focus on value creation & sustainable solutions as opposed to a predominant focus on sustainable advantage & value appropriation" and that "for social entrepreneurs the central unit of analysis is the sustainable solution and its underlying business model." (emphasis added)

<https://sites.insead.edu/facultyresearch/research/doc.cfm?did=41727>

### KEY TAKEAWAY—4

- Creating a sustainable solution—supported by a business model—to create value is central to social entrepreneurship.

**Marc Andreessen**, "Product Market Fit," originally published on his blog [blog.pmarca.com](http://blog.pmarca.com).

- The #1 company-killer is lack of market.
- The key factor that matters is getting to product/market fit.
- Product/market fit means being in a good market with a product that can satisfy that market.

[https://pmarchive.com/guide\\_to\\_startups\\_part4.html](https://pmarchive.com/guide_to_startups_part4.html)

### KEY TAKEAWAY—5

Simply researching your targeted market is insufficient. Success and the ability of your company to sustain and scale its impact requires you to execute in producing a product that can satisfy the customers in your market.

**TIP** When you go the Pmarchive website you can click on 1-9 at the top and access all the other entries in what is widely acknowledged as one of the most influential blogs ever produced for entrepreneurs by one of the most successful entrepreneurs of the Silicon Valley era.

#### **Guy Kawasaki**, "Lessons of Steve Jobs"

Your product needs to be both unique and valuable. If its unique but not valuable there is no market. If it's valuable but not unique you will fight it out with competitors based on price.



<https://www.youtube.com/watch?v=rWv-KoZnpKw&t=711s>

#### KEY TAKEAWAY—6

Concentrate your efforts on developing a sustainable solution that customers find unique and valuable.

**Roger L. Martin and Sally R. Osberg**, *Social Entrepreneurship: The Case for Definition*

The authors define social entrepreneurship as having the following three components: “(1) identifying 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) identifying an opportunity in this unjust equilibrium, developing a social value proposition, and bringing to bear inspiration, creativity, direct action, courage, and fortitude, thereby challenging the stable state’s hegemony; and (3) forging 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.”

[https://ssir.org/articles/entry/social\\_entrepreneurship\\_the\\_case\\_for\\_definition](https://ssir.org/articles/entry/social_entrepreneurship_the_case_for_definition)

#### KEY TAKEAWAY—7

- Some, but not all, social entrepreneurs change an unjust equilibrium to alleviate suffering of a targeted group by creating a stable ecosystem around a new, more just equilibrium.

**Jeffrey Bradach and Abe Grindle**, “Transformative Scale: The Future of Growing What Works”

The authors observe, “We need a new path to close the gap between what we’ve achieved to date and what we still need to accomplish. . . . That new path requires innovative ways of thinking about scale. It is no longer sufficient simply to scale what works in an incremental manner. Three years ago, an article in the *Stanford Social Innovation Review* proposed the notion of scaling *impact* rather than organizations, asking, “How can we achieve 100x the results with just 2x the organization?” More recently, Chertavian and other social sector pioneers have started to tackle an even more fundamental question: How can we grow our impact to actually solve problems we care about? In short, how can we achieve truly *transformative scale*?”

[https://ssir.org/articles/entry/transformative\\_scale\\_the\\_future\\_of\\_growing\\_what\\_works](https://ssir.org/articles/entry/transformative_scale_the_future_of_growing_what_works)

#### KEY TAKEAWAY—8

- How can we grow our impact to actually solve problems we care about? In short, how can we move from incremental impact to achieve *transformative scale*?

**Daniela Papi-Thornton**, “Tackling Heropreneurship: Why we need to move from “the social entrepreneur” to social impact”.

“Many educators and funders share my concern that the focus now is on a distilled and mass-produced version of the promise of the social entrepreneur.

They mostly focus on training people with the skills they need to start a social business, neglecting the many other skills required to fully understand a problem and fuel social change.”

The author emphasizes the importance of aspiring social entrepreneurs to “apprentice with the problem” viz. gaining real world experience with their targeted problem and related ecosystem before rushing to solutions.

[https://ssir.org/articles/entry/tackling\\_heropreneurship](https://ssir.org/articles/entry/tackling_heropreneurship)

#### **KEY TAKEAWAY—9**

Educators and educational institutions need to educate social entrepreneurs to perform both as business leaders and as change agents; including an educational component, “apprenticing with the problem,” as preparation for formulating a sustainable solution, to prepare aspiring social entrepreneurs to better understand the problem they seek to address.

**Johanna Mair**, “Social Entrepreneurship: Taking Stock and Looking Ahead” (November 2010)

“Social entrepreneurship as viewed in this essay refers to a process of catering to locally existing basic needs that are not addressed by traditional organizations. Depending on the need addressed, the process usually involves the provision of goods or services and/or the creation of missing institutions or the reshaping of inadequate ones. However, the main objective is to change or modify the social and/or economic arrangements that create the situation of failure to satisfy basic needs. ... The defining purpose of social entrepreneurship, regardless of the financial model, is to effect social change by altering the social, economic, and political day-to-day realities at the local level. It is therefore the local context that shapes opportunities for social entrepreneurship and determines the strategies and tactics employed.”

<https://media.iese.edu/research/pdfs/DI-0888-E.pdf>

#### **KEY TAKEAWAY—10**

The late, great, Tip O’Neill famously observed that “all politics is local.” Similarly, Mair has astutely observed that all implementation is local. The emerging discipline of Impact Investment has sought to fund triple-bottom-line ventures that balance benefits related to People, Planet, Profits; we can now add Place.

Place-based economic development is a growing approach to improving the quality of life in communities, particularly in the so called “left behind places,” impoverished communities bypassed by economic prosperity.

**Thomas S. Lyons and Gregg A. Lichtenstein**, “A community-wide framework for encouraging social entrepreneurship using the pipeline of entrepreneurs and enterprises model”

“Herein, we re-introduce a model of our creation, which we call the Pipeline of Entrepreneurs and Enterprises (hereafter referred to as “the pipeline” or “the pipeline model”). We created this model to facilitate thinking about commercial, or business, entrepreneurship and its relationship to community economic development. We would argue, however, that it has value in framing social entrepreneurship more broadly as well. ... The pipeline can be used to “map” the entrepreneurs and enterprises operating in the given community. ... The pipeline model can also be applied directly to the management of a community’s portfolio of social entrepreneurs and enterprises. ...”

[https://www.researchgate.net/publication/290567761\\_A\\_community-wide\\_framework\\_for\\_encouraging\\_social\\_entrepreneurship\\_using\\_the\\_pipeline\\_of\\_entrepreneurs\\_and\\_enterprises\\_model](https://www.researchgate.net/publication/290567761_A_community-wide_framework_for_encouraging_social_entrepreneurship_using_the_pipeline_of_entrepreneurs_and_enterprises_model)

#### **KEY TAKEAWAY—11**

The pipeline model provides a framework for both upgrading the skills of social entrepreneurs and assisting social enterprises to progress through the life-cycle stages of a business (e.g., pre-venture, growth, maturity). The pipeline framework also assists a community to link pertinent resources of the entire ecosystem—colleges, social agencies, businesses, and financial institutions—to promote place-based economic growth and improve the quality of life for residents.

**Ernesto Sirolli**, “Want to help someone? Shut up and listen!”

Sirolli is a social entrepreneur who organized successful projects with a one-on-one approach to cultivating social enterprises in Africa, Australia, and other parts of the globe. He pioneered Enterprise Facilitation and founded the Sirolli Institute.

Listen to his TED talk and let the hippo story help guide your efforts as a change agent.

<https://www.youtube.com/watch?v=chXsLtHqfdM&t=201s>

**KEY TAKEAWAY—12** If you want to help someone shut up and listen.

**Anja Cheriakova**, “The emerging social enterprise – Framing the concept of social entrepreneurship”

“The academic and business communities have devised several approaches to social entrepreneurship, mostly originating from Europe and United States, which have shaped the debate on what social entrepreneurship is. In the US the focus lies on individual entrepreneurs and their leadership skills, while in Europe social entrepreneurship is more related to the organization and the broader network in which it operates. However, on both sides of the Atlantic, four schools of thought can be distinguished, each focusing on different aspects of social entrepreneurship: income generation, social impact, job creation and change agents. Each weighs the economic, social and governance dimensions of social entrepreneurship differently.”

**KEY TAKEAWAY—13**

The US and Europe may approach social entrepreneurship from different perspectives (Individual vs. Organization) but converge their actions in four broad areas.

<https://www.thebrokeronline.eu/the-emerging-social-enterprise-d78/>

**Duncan Green**, “Why social entrepreneurship has become a distraction: it’s mainstream capitalism that needs to change” Blog entry on interview with Pamela Hartigan, Director of the Skoll Centre for Social Entrepreneurship at the University of Oxford Saïd Business School.

“I (Hartigan) do believe that transformational systems change will never be achieved on a massive scale by non-profit organizations or even by well-meaning ‘hybrids.’ I very much believe that the way forward is through business. And so, I have come to feel increasingly uncomfortable with the term ‘social entrepreneurship’ and its main actor, the ‘social entrepreneur’.

But the reason is not because I have bought into the notion that capitalism as we now practice is the solution—but because I firmly believe that every entrepreneur must be a ‘social entrepreneur’. The way

business has operated in the last 50 years must be disrupted because we will not survive as a society or a planet if we do not tear down the walls that compartmentalize economic, social, and environmental activity.

To achieve profits in the short term, corporations exact a ‘social and environmental price’ and that price is high and rising.

The key to sustainable capitalism is reasonable profits as opposed to maximizing profits. In the current system, a segment of society is trying to maximize profits without concern for the impact on the well-being of the society as a whole, while another segment of social organizations has to deal with the fallout. The system is not working.

Fortunately, there are a growing number of people, particularly among the young, who embrace the notion of ‘entrepreneurship for society’. ...”

<https://frompoverty.oxfam.org.uk/why-social-entrepreneurship-has-become-a-distraction-its-mainstream-capitalism-that-needs-to-change/>

#### **KEY TAKEAWAY—14**

**Duncan Green** is the author of two must-reads for social entrepreneurs: *How Change Happens* and *From Poverty to Power*.

The call for sustainable capitalism is part of a growing movement advocating transitioning from shareholder capitalism to stakeholder capitalism, a.k.a., enlightened capitalism, compassionate capitalism, sharing capitalism among other terms. Advocates include Michael Porter of Harvard Business School; Richard Branson, billionaire entrepreneur; and John Elkington, originator of the triple bottom line: People, Planet, and Profit. The call for sustainable capitalism reflects a growing awareness that the root cause of our most intractable problems a.k.a. “wicked problems” (e.g. poverty, income inequality, discrimination) includes an inequitable economic system and that addressing root causes effectively to change unjust equilibriums requires working to transform what has been called “unsustainable capitalism” to “sustainable capitalism.”

**TIP.** Developing a social enterprise that can bring about meaningful change to a social problem involves more art than science. Social entrepreneurs and their team will utilize tools and methodologies from numerous sources to create a unique venture, as memorably described by Montaigne:

“ Bees cull their several sweets from this flower and that blossom, here and there where they find them, but themselves afterward make the honey, which is all and purely their own, and no more thyme and marjoram: so the several fragments he borrows from others, he will transform and shuffle together to compile a work that shall be absolutely his own; that is to say his judgement.”

<https://www.faena.com/aleph/michel-de-montaigne-on-the-education-of-our-children>

**Reflection:** “Each time a man stands up for an ideal, or acts to improve the lot of others, or strikes out against injustice, he sends forth a tiny ripple of hope, and crossing each other from a million different centers of energy and daring those ripples build a current which can sweep down the mightiest walls of oppression and resistance.”

Senator Robert F. Kennedy, June 6, 1966

## MODULE 7: DEVELOPING YOUR SUSTAINABLE SCALABLE SOLUTION

I suggest you review your prior research, particularly information collected from stakeholders, from Modules 2, 3, and 4.

This Module consists of two parts.

Part I provides the SE with two frameworks—Figures 6 and 7—to analyze existing solutions developed by members of their ecosystem and utilize lessons learned to develop your enterprise’s own value adding solution.

Part II provides the SE with suggestions and tools for further developing their sustainable solution as needed to increase the solution’s value relative to the problem being addressed and enhance the product/market fit to increase the solution’s sustainability by generating earned revenue.

Modules 2, 3, and 6 provide materials to prompt your thinking through issues involving customer development.

I’m drawing from material in these Modules to assist fine tuning your sustainable solution.

- Examine the population suffering from the social problem you have targeted. Are they the end users of your solution? What is their demographic profile, geographic location, age, gender, education, ethnicity, religious affiliation, income, etc.?
- What are their pain points?
- Why are they dissatisfied with past and present attempts to solve their problem?
- Do they need the solution you offer?
- Will they buy your solution?
- Can you produce the solution you have developed?
- Do you know enough to go out and sell your solution?
- Does your solution have a positive impact on your targeted problem?
- Can you scale the impact of your solution either by growing your enterprise or collaborating with allies?

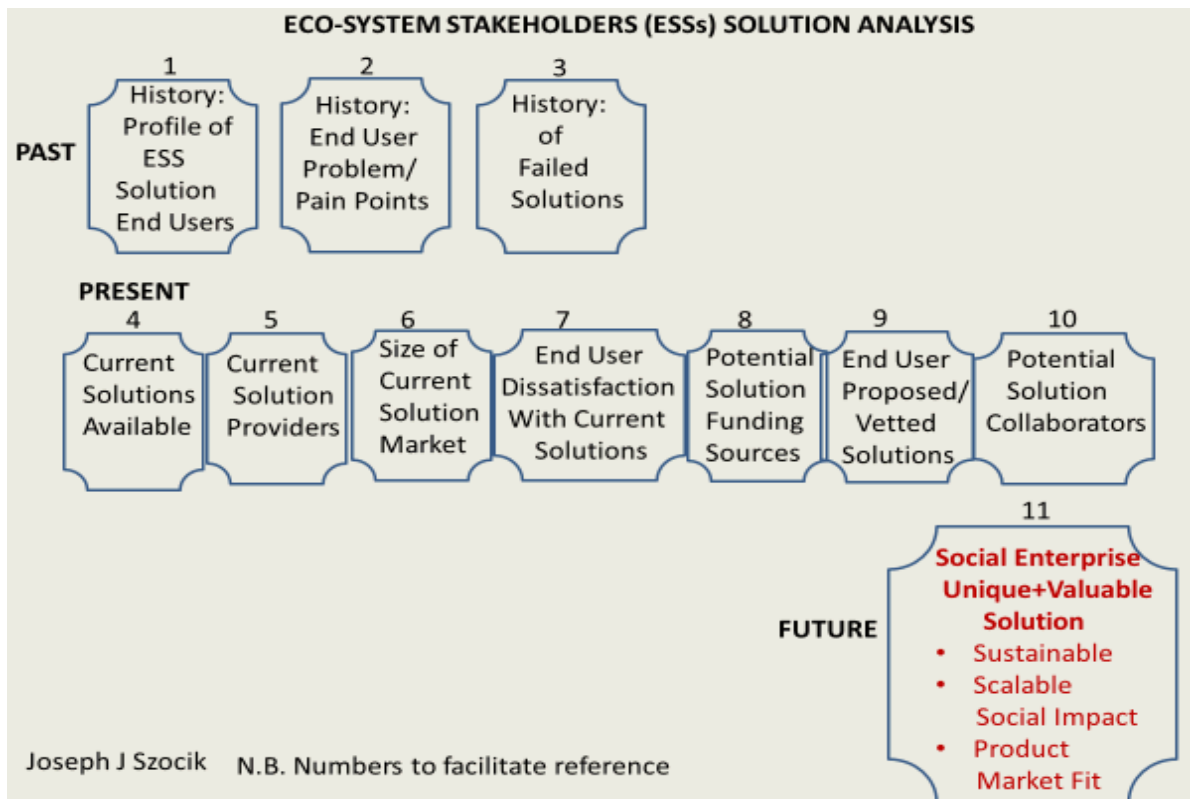
**TAKEAWAY.** Developing a sustainable solution is your most critical task. The solution you offer to customers, a.k.a. end users, will shape all your subsequent work in this and the other three dimensions.

**TIP:** Read or reread The Customer Development Manifesto for a short overview developing a sustainable solution.

<https://growthorientedsustainableentrepreneurship.files.wordpress.com/2016/07/en-customer-development-manifesto.pdf>

Figure 6 provides a framework for A) recording key data related to your sustainable solution obtained through research and mapping your ecosystem (Past & Present), and B) reevaluating the future degree of “value added” provided by your sustainable solution.

**FIGURE 6**

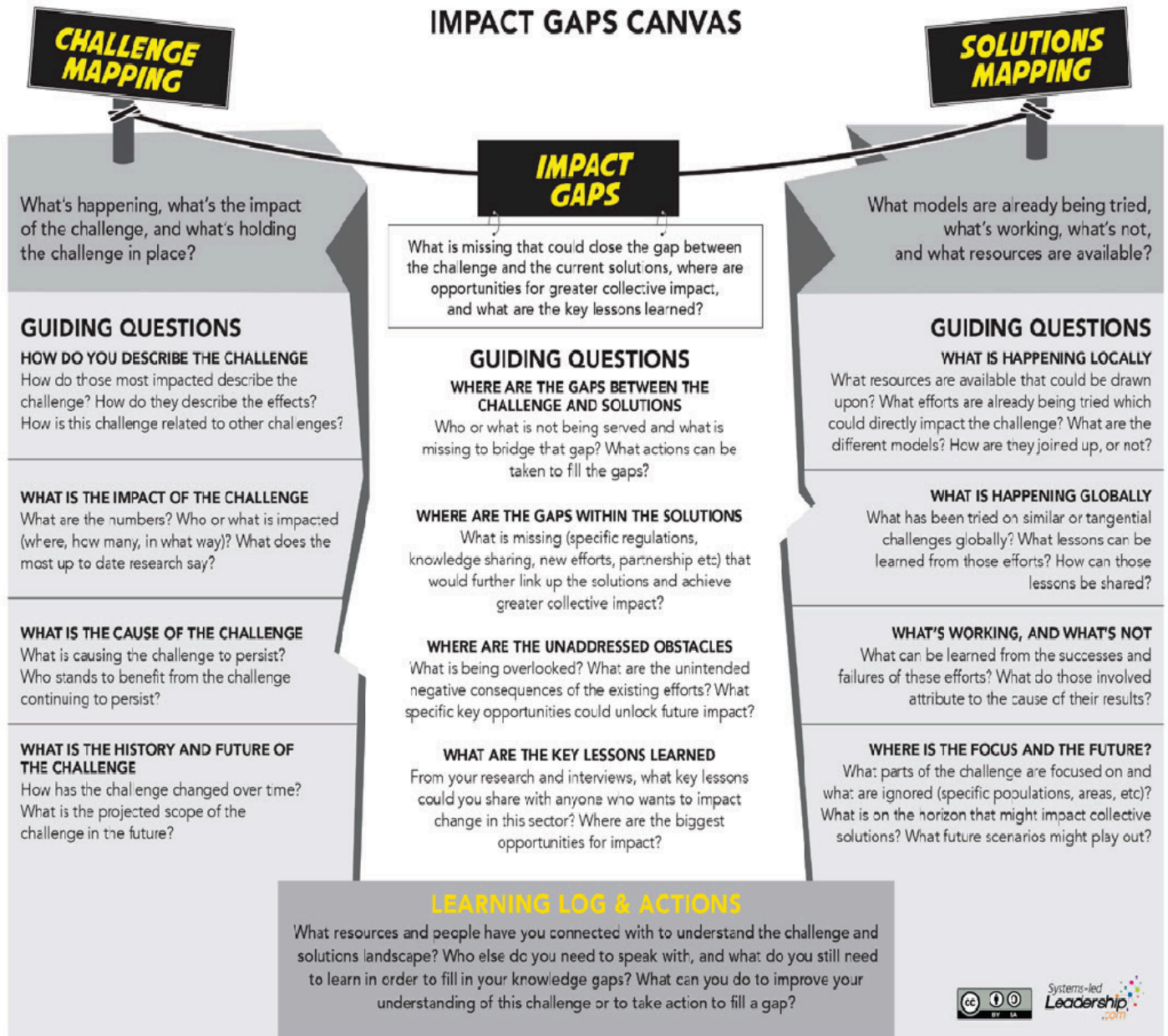


**Tip:** Use your research from Eco-system mapping to record what you have discovered. Evaluate your enterprise’s targeted end users/customers to validate that your solution meets their needs.

**Figure 7—**The Impact Gaps Canvas, developed by **Daniela Papi-Thornton**—is an excellent tool for identifying gaps in the existing set of solutions in your ecosystem and developing a strategy to fill the “Impact Gaps.” Once you have finalized your solution and tested it repeatedly with your end users, assess how it fills one or more Impact Gaps.

**FIGURE 7**





<http://re-code.ca/wp-content/uploads/2018/01/Social-impact-educator-kit-1.pdf>

## PART II

Your ecosystem mapping (Module 3), along with your analysis of existing solutions, should have provided you with data on how to improve the value of your proposed solution. Below are suggestions for developing and delivering your solution to your targeted end users.

### **Human Systems Dynamics** (HSD) Institute

HSD is grounded in inquiry. Answers have short shelf lives in complex systems, and a good question can last a lifetime. Adaptive Action poses three key questions to keep you moving forward.

- **What** do you observe? Know for sure? Wonder?
- **So, what** is working, and what is not?
- **Now what** will you do to make a difference for the future?

<https://www.hsdinstitute.org/what-is-hsd/inquiry-based.html>

**TIP:** How can you apply this method to clarify your solution's value and uniqueness?

### **IDEO**

IDEO is a global design company specializing in Human-Centered Design (HCD) utilizing local residents to develop solutions to their critical issues.

**TIP:** How can you use HCD principles with end users to better design your product?

<https://www.ideo.com/>

### **Jobs to Be Done Theory**

"Jobs Theory goes beyond superficial categories to expose the functional, social, and emotional dimensions that explain why customers make the choices they do. People don't simply buy products or services; they pull them into their lives to make progress. We call this progress the "job" they are trying to get done, and understanding this opens a world of innovation possibilities.

People don't simply buy products or services; they 'hire' them to make progress in specific circumstances."

**TIP:** What problems do your end-users want a product to solve?

<https://www.christenseninstitute.org/jobs-to-be%20done/>

## **Blue Ocean Strategy**

“Blue ocean strategy is the simultaneous pursuit of differentiation and low cost to open up a new market space and create new demand. It is about creating and capturing uncontested market space, thereby making the competition irrelevant. It is based on the view that market boundaries and industry structure are not a given and can be reconstructed by the actions and beliefs of industry players.”

**TIP:** How can you move from the “red” ocean filled with competitors to a “blue” ocean where you are the first entrant?

<https://www.blueoceanstrategy.com/what-is-blue-ocean-strategy/>

**TIP:** Ask stakeholders the following question: “What did they do before you came along?”

(Jason Cohen, Smart Bear Blog)

“In other words, how did your targeted customers/clients address their pain points without your solution? How were your targeted customers/clients dissatisfied with the ecosystem’s existing solutions?”

<https://blog.asmartbear.com/before-you-marketing.html>

## **Unconventional Innovation Centre**

The Centre for Research in Unconventional Innovations (CRUI) is a research center established by international scholars from the UK, US, Ireland, France, Germany, Norway, and China. It was founded to study the management practices and strategies pursued by firms in unconventional innovations.

Firms are increasingly embracing unconventional innovations to innovate faster and cheaper.

<https://unconventionalinnovation.org/>

**TIP:** Read The 10 most innovative nonprofits of 2023.

<https://www.fastcompany.com/90848954/most-innovative-companies-not-for-profit-2023>

**Reflection:** “The dictum of success for the 21st century is this: We cannot become what we need to be by remaining what we are.” Max Dupree

## MODULE 8-SOCIAL ENTERPRISE BUSINESS MODEL BASICS

### INTRODUCTION

In Module 6 several sources identified that the social enterprise had two key tasks: produce a product or service to positively impact the social problem you targeted and sell your product or service to finance and grow your enterprise.

The following material will assist you to build out the business model you outlined in your one-page business canvass (Module 4) by reviewing proven tools and methodologies re: Strategy, Company Culture, Operations, Accountability, Financing, Support.

**TIP:** “Business plans rarely survive first contact with customers”

<https://hbr.org/2013/05/why-the-lean-start-up-changes-everything>

A couple of points to introduce the following material. If your enterprise grows and becomes sustainable the culture will change.

In the early phase of startup, operations are likely to be dominated by innovating and refining the enterprise solution. The initial staff may be proficient in technical skills and developing innovative products or services. At some point, usually as the enterprise prepares to sell its solution, it becomes necessary to add support functions, such as marketing, marketing materials, expanding HR to handle increased staff, and accounting to handle revenue, billing, legal, shipping, etc.

New staff with the needed support skills will differ from the initial tech staff and the support functions will grow larger and larger. Also, the changes in staff, along with the addition of support functions to the tech functions, will change the company’s culture in significant ways.

The founder needs to anticipate these changes and plan accordingly.

**TIP:** You may want to review founders accounts of failure (Module 5) to guide your business planning.

### STRATEGY

Review and build on your previous work.

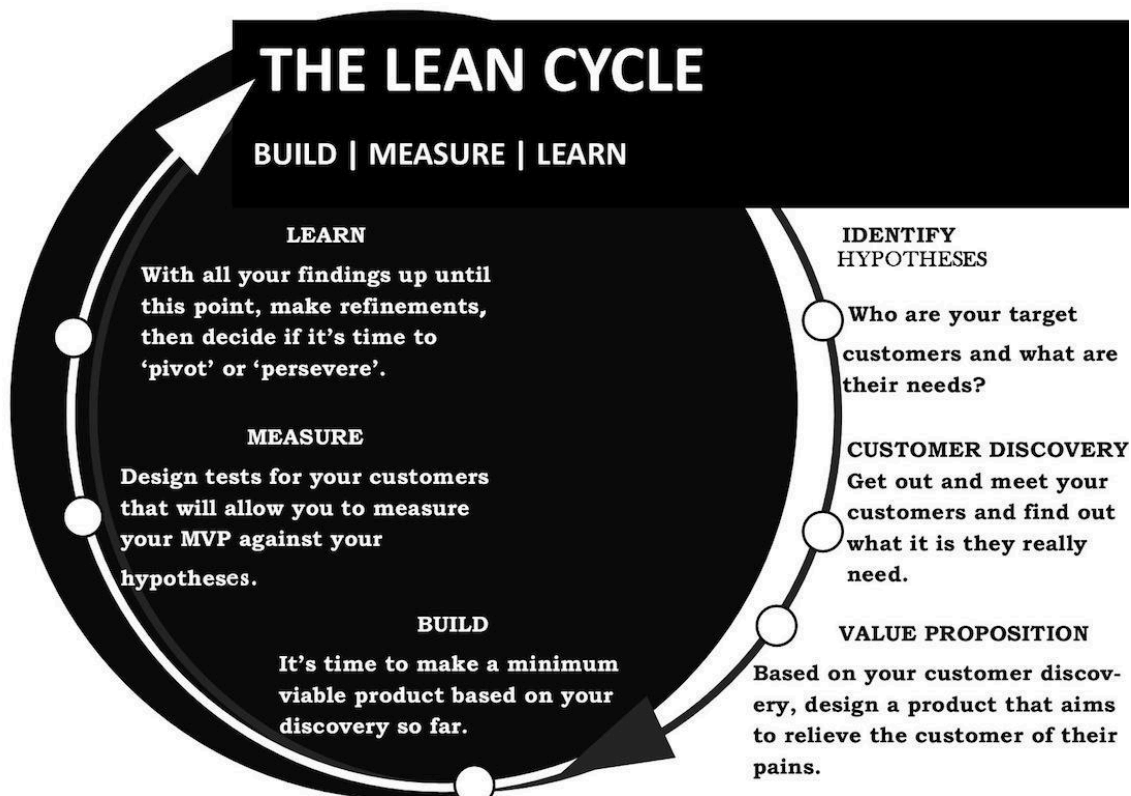
- Mission Statement: I suggest using no more than eight words and the first must be a verb.
- Current version of your Theory of Change (Module 4).

- Business model: Use the current version of the One-Page Business Canvas (Module 4).

## OPERATIONS

Producing the Solution: **Steve Blank and Eric Ries** are widely known and respected authors who have popularized the Lean Start Up approach over traditional production systems, See Figure 8.

FIGURE 8



<https://www.tbd.community/en/a/lean-startup-social-entrepreneurs>

**"The Lean Product Process"** is an actionable framework to achieve product-market fit. It breaks the process down into six steps (expands on Figure 8):

- Identify target customers,
- Select underserved needs,
- Define Product Value Proposition,
- Shortlist Minimum Viable Product feature set,
- Build a prototype, and

- Test with customers.

This process minimizes rework as it facilitates rigorous step-by-step product thinking.”

<https://www.productbookshelf.com/2017/01/the-lean-product-process/>

### **Product Development Model**

The Model provides a guide for refining, marketing, and selling your product solution. The Six stage process assists you to work through the various tasks needed to move your product from an idea to market.

- Idea Generation
- Product Definition
- Prototyping
- Initial Design
- Validation and testing
- Commercialization

<https://asana.com/resources/product-development-process>

**Takeaway:** The Product Development Model complements and builds out the initial lean production process.

### **Customer Development**

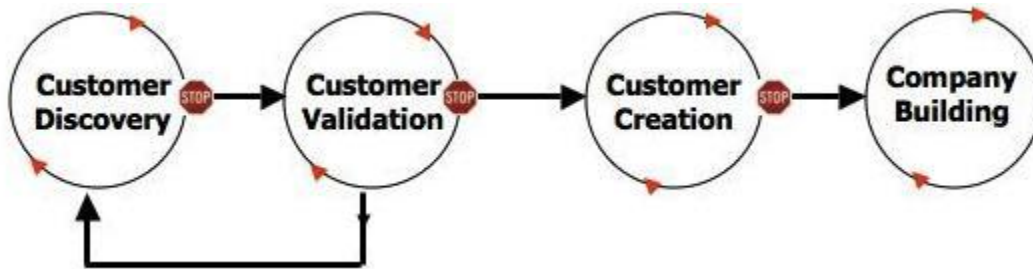
“The Customer Development model (Figure 9) of a startup starts with a simple premise: learning and discovering who a company’s initial customers will be, and what markets they are in, requires a separate and distinct process from product development. The sum of these activities is Customer Development. Note that I am making a concerted effort not to call Customer Development a “sales process” or a “marketing process.” The reason will become clearer as we talk about how to organize the team for the Customer Development process in a later chapter. However, early on, we are neither selling nor marketing. Before any of the traditional functions of selling and marketing can happen, the company has to prove that a market could exist, verify that someone would pay real dollars for the solutions the company envisions, and then go out and create the market. These testing, learning, and discovery activities are at the heart of what makes a startup unique, and they are what make Customer Development so different from the product development process. ...

In addition, the model is built on the idea that every startup has a set of definable milestones that no amount of funding can accelerate. More money is helpful later, but not now. The Internet Bubble was the biggest science experiment in this area. You cannot create a market or customer demand where there isn’t any



customer interest. The good news is that these customer and market milestones can be defined and measured. The bad news is that accomplishing these milestones is an art. It's an art embodied in the passion and vision of the individuals who work to make their vision a reality. That's what makes startups so exciting... The Customer Development model is *not* a replacement for the Product Development model, but rather a *companion* to it. As its name should communicate, the *Customer Development model focuses on developing customers* for the product or services your startup is building." (Original emphasis)

FIGURE 9



[https://web.stanford.edu/group/e145/cgi-bin/winter/drupal/upload/handouts/Four\\_Steps.pdf](https://web.stanford.edu/group/e145/cgi-bin/winter/drupal/upload/handouts/Four_Steps.pdf)

**Minimum Viable Product (MVP)** version of your proposed solution.

- “A Minimum Viable Product is that version of a new product which allows a team to collect the maximum amount of validated learning about customers with the least effort.” (*The Lean Start-up*, Eric Reis) Test the MVP with customers ASAP.
  - Refine/retest the MVP as needed to achieve positive responses from paying customers, aka customer creation

**TIP:** Figuring out your MVP and testing it with your targeted customers to improve your offering to meet THEIR needs is one of the most important steps you must undertake as quickly as possible in order to actually start generating revenue.

**TIP:** Read “What does ‘Minimum Viable Product’ actually mean, anyway?” (**Elon Musk**, on making sense of a confusing idea.)

<https://www.freecodecamp.org/news/what-the-hell-does-minimum-viable-product-actually-mean-anyway-7d8f6a110f38>

**TIP:** Review Debunking MVP Myths below and review the MVP section in Appendix 2.

[https://medium.com/@kunjan\\_11546/debunking-mvp-myths-b866c06a5052](https://medium.com/@kunjan_11546/debunking-mvp-myths-b866c06a5052)

**KEY TAKEAWAYS:**

- Developing your sustainable solution to achieve product/market fit is likely to involve a non-linear process requiring multiple versions of your MVP and prototype.
- Critical challenges include customer discovery; refining your product/service; developing the processes, e.g., marketing and sales to execute product /market fit to generate earned revenue as soon as possible.
- Continuous Improvement

The following resources can provide an invaluable objective, third party, independent report card on how well your performance matches your goals.

- Even if you do not actively utilize these resources, you can benefit from their methodologies.
  - You can download the evaluation criteria and apply it to your enterprise.
  - You can usually visit organizations that have been awarded a prize, tour the facility, and ask questions.

✓ B IMPACT ASSESSMENT

The B Impact Assessment (BIA) is a proven tool a company can use to measure its impact on its workers, community, environment, and customers. Social entrepreneurs can use the **free** assessment to periodically obtain an independent report on how well they are meeting their social goals.

<https://bimpactassessment.net/>

✓ BALLE QUICK IMPACT ASSESSMENT (QIA)

BALLE Quick Impact Assessment (QIA) is a shorter, custom version of B Lab’s Business Impact Assessment (BIA), with an emphasis on Localism—practices that support healthy, sustainable communities backed by strong, resilient local economies.

<http://www.forwardevernj.com/qia>



**TIP:** More costly third-party assessments of organizational performance include **The SHINGO Prize** which measures operational excellence and the **Baldrige Quality Award**, one version for businesses and another for NPOs. Fees can be expensive.

<https://www.nist.gov/baldrige/baldrige-award/award-process-fees>

## COMPANY CULTURE

The following are building blocks to support developing a work culture that is experienced by staff as fair, equitable, respectful, promotes professional growth, and provides compensation consistent with industry standards or better.

- **Incorporation Status:** Choices include LLC, NPO, B-Corp, Benefit Corporation, and others. Consider B-Corp, Benefit Corporation, or both: Because they must consider the impact of their decisions on society and the environment, along with profitability, their purpose is similar to the goals of a social enterprise.

N.B. Currently there are 8214 certified B-Corps, in 162 industries, located in 96 countries.

<https://bcorporation.net/>

- **Open Book Management:** “...A management philosophy, in which a company shares all its financial information with all employees in order to empower and enable them to make better business decisions. This level of trust and transparency can also enhance Belonging and Employee Engagement. In order to have that effect, open-book management companies really have to create a culture that helps train employees in what do with the information and how to participate.”

<https://consciouscompanymedia.com/glossary/open-book-management/>

**TIP:** Updating and sharing financial data with employees and Board members will assist tracking financial information such as expenses, profits, losses, and cash flow.

- **Balanced Scorecard:**

The scorecard complements the performance dashboard (below) in part by focusing on key metrics the dashboard tracks and in part by linking long-term strategy with shorter-term activities.

“The Balanced Scorecard (or **balance score card**) is a strategic performance measurement model which is developed by Robert Kaplan and David Norton. Its objective is to translate an organization’s mission and vision into actual (operational) actions (strategic planning).

In addition, it can help provide information on the chosen strategy more, manage feedback and learning processes and determine the target figures. The (operational) actions are set up with measurable indicators that provide support for understanding and adjusting the chosen strategy. The starting points of the balanced scorecard are the vision and the strategy that are viewed from four perspectives: the financial perspective, the customer perspective, the internal business processes, and learning and growth.”

<https://www.toolshero.com/strategy/balanced-scorecard>

- Human Capital:

*Founder/CEO*

I had the good fortune to take a class at MIT’s Sloan School of Management with Richard Beckhard, a founder of Organizational Development.

In one of the first classes, as I remember, he reviewed the changing role of the “Boss.”

- He observed that it was no longer possible for the Boss to be the best at everything—operational demands had multiplied and become ever more complex.

The Boss now had to adapt in the following ways:

- Accept that they now had to focus on doing only those duties that the Boss could do.
- Acknowledge a primary responsibility to assist staff to develop proficiency in critical functions.
- Accept that even though they might be the best at doing a particular task they had to assist staff to perform at an acceptable level of competency.
- Accept that they did not have the time to do some of the tasks they love to do.

Easier said than done, and good luck with getting the Boss to put aside their ego to follow this advice.

*Team*

Assembling the right team is one of the most important tasks you will undertake. Consider the following:

- A-level players hire A+ level players. Put your ego aside and always hire up.

- Hire staff with the guts to engage in principled disagreement—respectful, fact-based critiques of organizational goals, practices, performance, an antidote for insidious, dreaded, and deadly groupthink.
- Insure you have the mix of skills needed to succeed. A staff of rock star coders and no marketing expertise is probably a recipe for failure.
- Remember two essential functions, you need people to produce a product/service and to sell it.

### *Board of Directors*

- In my experience, most founders and newly minted CEOs make the same mistake—they pack the Board with colleagues, friends, and relatives who can be easily manipulated.
- Most Boards fail to be diligent in carrying out their fiduciary oversight, fail to replace members on a scheduled basis, fail to ask the CEO to answer tough questions, become too cozy with the CEO, and meddle in organizational issues that are the responsibility of the staff.
- Be diligent in selecting Board members whose skills meet critical needs and complement—not duplicate—skills of your team (e.g., production of your solution, marketing, sales, financing).

**TIP:** You may find it helpful to add strategic advisors who have expertise that matches emerging needs as the enterprise grows. Advisors can be short-term appointees who leave, with thanks, after their project is completed.

### **ACCOUNTABILITY**

**Metrics:** Metrics are essential to tracking goals, income, profits, and other key performance indicators.

There are various types of metrics and not all forms of metrics have equal value.

- Start-Up Metrics
  - Financial: Revenue, Gross Profit, Net Profit, etc.
  - Burn Rate: How quickly are you running through start up cash?

- Customer Metrics: Customer acquisition cost (CAC), Customer lifetime value (CLV), Customer churn rate (CCR), Net Promoter Score (NPS)

<https://foundersnetwork.com/blog/startup-metrics/#:~:text=>

- Production Metrics: Production Volume, On-Time Delivery, Production Costs Revenue per Employee, First Time Right, etc.

<https://www.netsuite.com/portal/resource/articles/erp/manufacturing-kpis-metrics.shtml>

**TIP:** Beware Vanity Metrics. Vanity metrics are metrics that make you look good to others but do not help you understand your own performance in a way that informs future strategies.

<https://www.tableau.com/learn/articles/vanity-metrics#>:

- Lean Accounting: “The term *Lean accounting* describes the financial reporting practices used by a company that embraces Lean thinking: focusing on the value delivered to the client and on waste elimination through better workflow and material management.

Lean accounting means aligning financial management with your company’s Lean strategies. Through that process, not only do the accounting affairs improve but also the economics of your business.”

<https://kanbantool.com/kanban-guide/lean-accounting#>:

- Management Information System (MIS):

Much has been written about organizing an MIS department. In addition to the basics of staff and IT, I recommend adding:

- Performance Dashboard:

“In short, what organizations really need is a **performance dashboard** that translates the organization's strategy into objectives, metrics, initiatives, and tasks customized to each group and individual in the organization. A *performance dashboard* is really a *performance management system*.”

<https://www.bpmpartners.com/2018/10/09/what-are-performance-dashboards/>

**Takeaway:** The dashboard will provide the capacity for monitoring organizational performance and generating timely reports.

**TIP:** Google “Performance Dashboard, free images” for further information.

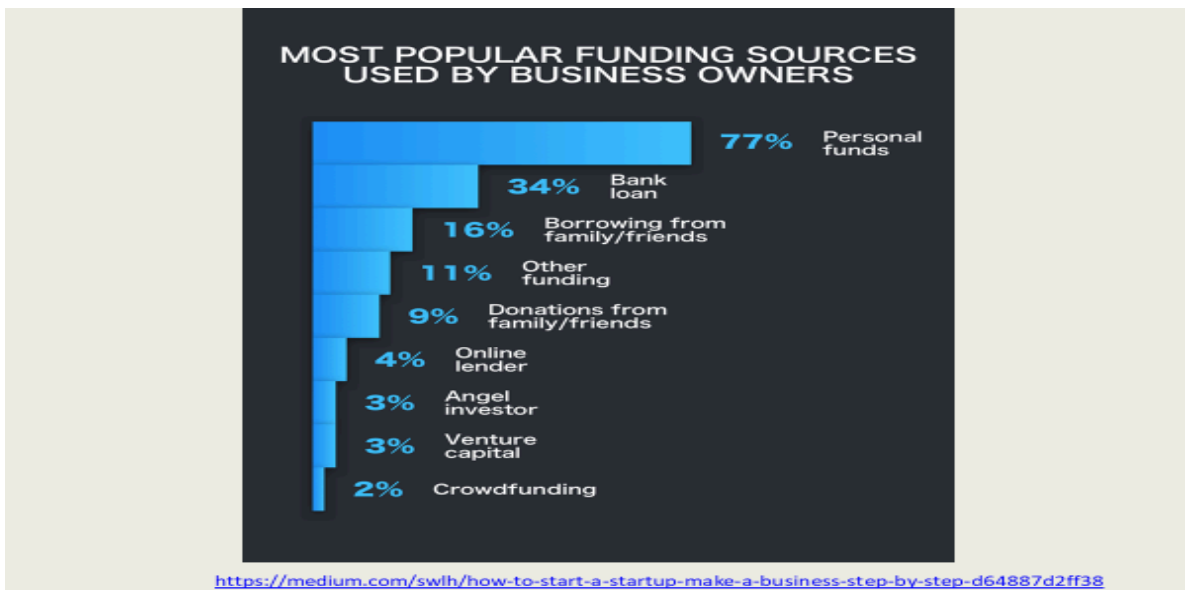
**TIP:** The MIS not only provides critical information, but if the information is regularly and openly displayed to all employees, the information assists in creating an organizational culture of transparency, inclusion, and honesty, which can both improve organizational performance and attract and retain talented staff.

## FINANCING

There is a wealth of free material on Venture Capital, Bank Loans, Private Investors, and Foundations. Some additional sources of start-up funding include parents, friends, spouses; max out credit cards; tap personal savings and retirement funds; tap home equity; get or keep a side gig; sell treasured possessions; explore Impact Investing; Small Business Administration (SBA) financing; partnering with others.

### Sources of Financing

Figure 10



<https://medium.com/swlh/how-to-start-a-startup-make-a-business-step-by-step-d64887d2ff38>

**TIP:** According to Census data, more than 40 percent of all small businesses started up for under \$5,000. Sixty-four percent of entrepreneurs in a recent Intuit survey started with less than \$10,000.

<https://www.businessnewsdaily.com/5-small-business-start-up-costs-options.html>

**TIP:** In 2009 the Kaufman Foundation estimated the start-up costs for a business at \$30K

<https://www.mbda.gov/news/blog/2011/11/how-estimate-cost-starting-business-scratch>

**TIP:** A must read...**What I wish I knew about fundraising as a first-time founder**

<https://medium.com/@preethikasireddy/what-i-wish-i-knew-about-fundraising-as-a-first-time-founder-243644968567>

**TIP:** Calculate A) Start-Up and living expenses; B) Estimate expected earned revenue; C) Review cash on hand; D) Calculate when you will run out of cash if earned revenue falls short; E) Review calculations with an experienced business accountant; F) calculate amount of initial start-up capital.

#### **SUPPORT FUNCTIONS:**

- All of the following are essential functions. Consider when its financially feasible/necessary to add staff or outsource; Marketing, Sales, Human Resources; Legal; Accounting, Payroll, Insurance, social media; building a communications strategy among other functions.

#### **SOME HELPFUL ARTICLES**

**The Beginner's Guide to Starting a Social Impact Business**

<https://changecreator.com/the-beginners-guide-to-starting-a-social-business/>

**10 steps to start your business**

<https://www.sba.gov/business-guide/10-steps-start-your-business>

**11 Impact Business Models New Entrepreneurs Need to Know About!**

<https://changecreator.com/what-are-the-unique-challenges-of-starting-a-social-enterprise/>

**Reflection: Success** is only **one percent** of your work, and the **rest bold overcoming of obstacles.**

Soichiro Toyota to employees in the 1950s

## MODULE 9: SCALING IMPACT

A Reminder: The desired “END” or goal for the social enterprise is bringing about positive impact to social problems, by starting or growing something good or minimizing or eliminating something bad.

### Some Scaling Strategies to Consider

- Platform Strategy: serve or join scaling needs of other organizations (e.g. Amazon).
- Develop a common model in many locations (e.g. Salvation Army, Habit for Humanity, United Way).
- Grow your enterprise (e.g., increase locations, and/or numbers served).
- License or franchise your unique solution (e.g., Mc Donalds, KFC).
- Sector Collaboration: coordinate with ecosystem members targeting the same problem.
- Multi-Sector Collaboration: coordinate impact with public, private, and non-profit organizations.

**Thomas S. Lyons and Gregg A. Lichtenstein**, A community-wide framework for encouraging social entrepreneurship using the pipeline of entrepreneurs and enterprises model

- “Herein, we re-introduce a model of our creation, which we call the Pipeline of Entrepreneurs and Enterprises (hereafter referred to as “the pipeline” or “the pipeline model”). We created this model to facilitate thinking about commercial, or business, entrepreneurship and its relationship to community economic development. We would argue, however, that it has value in framing social entrepreneurship more broadly as well. ... The pipeline can be used to “map” the entrepreneurs and enterprises operating in the given community. ... The pipeline model can also be applied directly to the management of a community’s portfolio of social entrepreneurs and enterprises. ...”

[https://www.researchgate.net/publication/290567761\\_A\\_community-wide\\_framework\\_for\\_encouraging\\_social\\_entrepreneurship\\_using\\_the\\_pipeline\\_of\\_entrepreneurs\\_and\\_enterprises\\_model](https://www.researchgate.net/publication/290567761_A_community-wide_framework_for_encouraging_social_entrepreneurship_using_the_pipeline_of_entrepreneurs_and_enterprises_model)

### TIP

Scaling impact should be supported by a strong and growing foundation of customers using your solution, along with positive financial revenue.

- **TIPS**
- Scaling impact to transform a social problem from a stable, unjust equilibrium to one that is more just will almost always require a collaborative effort.
- Collaborative efforts involve a diverse cast of stakeholders.

- A diverse cast of stakeholders will likely feature a partly, unaligned set of values, goals, tactics, and strategies for change.
- One of a change agent’s major challenges will be to forge enough of a consensus on goals and strategies to scale stakeholder impact on a targeted social problem.
- Developing such a consensus among stakeholders is likely to be a time consuming, complex process.

## Module Organization

Part 1 Reviews a number of tools that can assist in devising strategies to scale impact.

Part 2 Reviews some of the methodologies for executing strategies to scale impact.

### PART 1

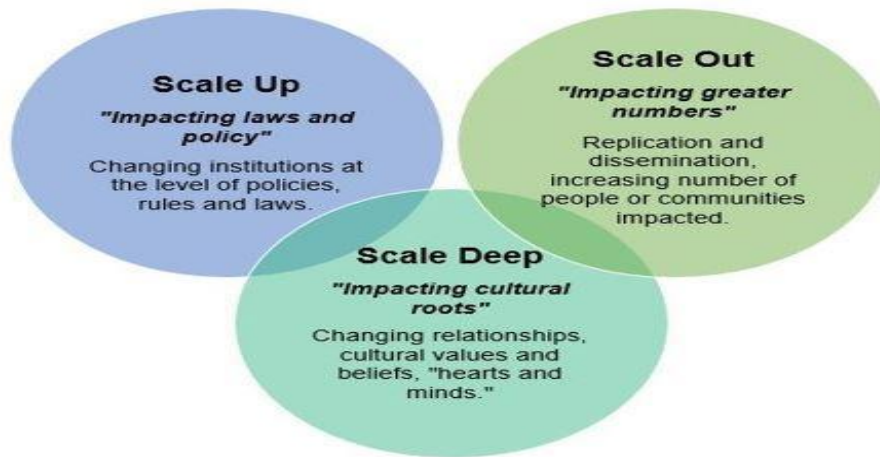
Scaling impact is one of the essential goals of a social enterprise. Approaches to scaling impact range from addressing symptoms of a problem to attempting to address root causes through systemic change. This is among the most difficult challenges in all three sectors—public, private, and nonprofit.

The McConnell Foundation’s research on scaling impact provides SEs with initial guidance to implement a scaling strategy (see Figure 13 and Table 2). I haven’t found a better schematic for introducing this topic.

In their brilliant paper, (link below) **Darcy Riddle** and **Michele-Lee Moore** note that “To effect large system change, niche or local-level innovations must span spatial and institutional scales to achieve broader systemic impact. Leaders of social innovation, in particular those who work in nonprofit organizations and funders of nonprofit and civil society organizations, are increasingly concerned with scaling the positive impact of their investments. This study examines the case of the J.W. McConnell Family Foundation and the implementation of a deliberate strategy, named the Applied Dissemination initiative, to build grantee capacity and to accelerate their initiatives to achieve systemic change.”



**FIGURE 13**



<https://mars-solutions-lab.gitbook.io/living-guide-to-social-innovation-labs/doing/scaling/scaling-up-out-deep>

Source: Riddell, Moore, *Scaling Out, Scaling Up, Scaling Deep*. 2015.

**TABLE 2**

DESCRIPTION	MAIN STRATEGIES
<p><b>Scaling Out</b> <i>Impacting greater numbers</i>                      Based on the recognition that many good ideas or initiatives never spread or achieve widespread impact.</p>	<p><b>Deliberate replication:</b>                      Replicating or spreading programs geographically and to greater numbers.  <b>Spreading principles:</b>                      Disseminate principles, with adaptation to new contexts via cogeneration of knowledge.</p>
<p><b>Scaling Up:</b> <i>Impacting law and policy</i>                      Based on the recognition that the roots of social problems transcend particular places, and innovative approaches must be codified in law, policy, and institutions.</p>	<p><b>Policy or legal change</b> efforts: New policy development, partnering, advocacy to advance legal change and redirect institutional resources.</p>
<p><b>Scaling Deep:</b> <i>Impacting cultural roots</i>                      Based on the recognition that culture plays a powerful role in shifting problem domains, and change must be deeply rooted in people, relationships, communities, and cultures.</p>	<p><b>Spreading big cultural ideas</b> and using stories to shift norms and beliefs.  <b>Investing in transformative learning</b> and communities of practice.</p>
<p><b>Crosscutting strategies For scaling:</b> <i>Cross-cutting strategies</i> were those approaches all participants reported using to scale their initiatives, and were not specifically associated with scaling out, up, or deep.</p>	<p><b>Making scale a conscious choice</b>  <b>Analyzing root causes and clarifying purpose</b>  <b>Building networks and partnerships</b>  <b>Seeking new resources</b>  <b>Committing to evaluation</b></p>

**Table Text**

[https://mccconnellfoundation.ca/wp-content/uploads/2017/08/ScalingOut\\_Nov27A\\_AV\\_BrandedBleed.pdf](https://mccconnellfoundation.ca/wp-content/uploads/2017/08/ScalingOut_Nov27A_AV_BrandedBleed.pdf)

**Table by Joseph J Szocik**

**TIP:** Scaling Deep, changing cultural values and beliefs presents the most difficult challenges to change agents.

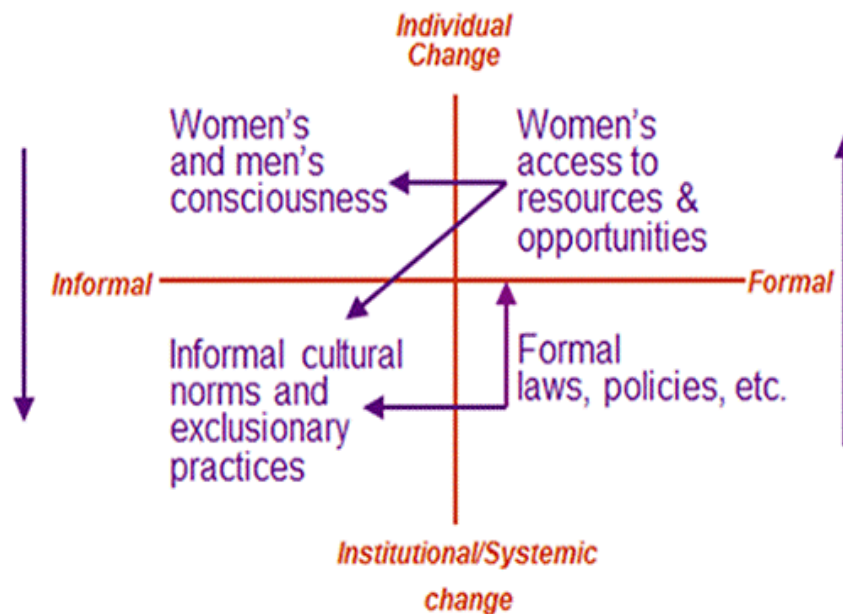
**TIP:** Consider how you would apply the following methodologies and tools to scaling your impact. Also consult Toolboxes, 1 and 2 in Appendix 1.

Figure 13, from The Women’s UN Report Network, provides a useful snapshot of the dimensions and challenges involved in the change process.

As a social entrepreneur, you cannot add social value or close the gap between real world conditions of a problem and the ideal state without bringing about change. An often-overlooked aspect of organizing a major social change is the need to change individual and societal norms and values before, or in parallel with, seeking to change systems, laws, and political structures.

**FIGURE 14**

***What Are We Trying To Change?***



<http://wunrn.com/2015/01/gender-at-work-framework/>

A recent article (Spring 2018) in the *Stanford Social Innovation Review* (SSIR) entitled, “Social Enterprise is Not Social Change: Solving systemic social problems takes people, politics, and power—not more social entrepreneurship” succinctly framed a key challenge for social entrepreneurs viz. the need to go beyond the impact of social enterprises by organizing people, power, and politics to solve systemic social problems.”

[https://ssir.org/articles/entry/social\\_enterprise\\_is\\_not\\_social\\_change](https://ssir.org/articles/entry/social_enterprise_is_not_social_change)

Figure 15 assists you in mapping the relative power held by allies and adversaries. In turn, this assists you to evaluate the merits of different change strategies at any one point in time, evaluate the likelihood of success, and adjust as needed.

**FIGURE 15**

**STAKEHOLDER MAP**

Stakeholder Names and Roles	How Important ? (Low – Med – High)	Current Level of Support? (Low – Med – High)	What do you want from stakeholders ?	What's important to stakeholders?	How could stakeholders block your efforts?	What is your strategy for enhancing stakeholder support?

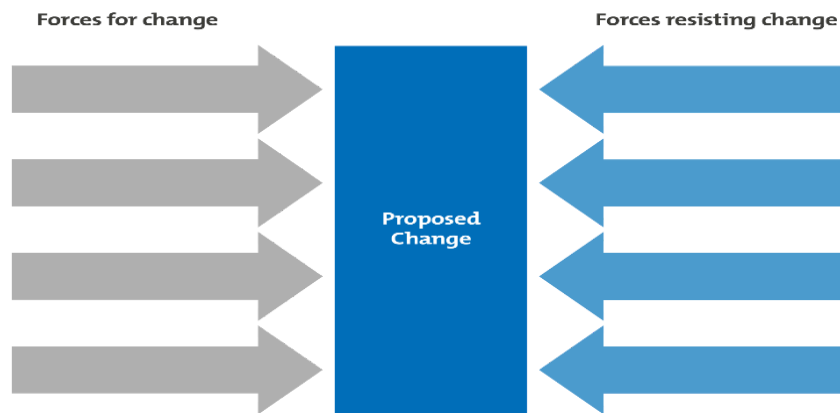
<https://innovationforsocialchange.org/en/stakeholder-analysis/>

<https://innovationforsocialchange.org/en/stakeholder-analysis/>

## Force Field Analysis

The Force Field Analysis tool, Figure 16, is useful for analyzing the forces for and against a change, and for communicating the reasoning behind your impact decisions. (See Table 3)

**Figure 16**



[https://www.mindtools.com/pages/article/newTED\\_06.htm](https://www.mindtools.com/pages/article/newTED_06.htm)

## Impact Metrics

An essential part of scaling impact is to assign quantifiable metrics to your sustainable solution, measure progress, and assess making changes to your solution approach.

Several Global Evaluation Frameworks have been developed that can assist social entrepreneurs with assigning metrics, monitoring, evaluation, and reporting.

- Impact Reporting Investment Standards (IRIS)  
<https://iris.thegiin.org/>
- Social Return on Investment (SROI)  
<https://www.betterevaluation.org/en/approach/SROI>
- Global Impact Investment Rating System (GIIRS)  
<http://b-analytics.net/content/company-ratings>
- Universal Standards for Social Performance Management  
[https://sptf.info/images/usspm\\_impl\\_guide\\_english\\_20171003.pdf](https://sptf.info/images/usspm_impl_guide_english_20171003.pdf)

**TIP:** Be sure to differentiate between vanity metrics and actionable metrics

<https://www.ruleranalytics.com/blog/analytics/vanity-metrics-actionable-metrics/>

## PART 2

Social enterprises vary in their approach to scaling impact. As previously noted in the Introduction to Module 3, at one end of the “the change continuum” are social enterprises that address symptoms of social problems: they alleviate pain, by providing services on a regular or recurring basis (e.g., Salvation Army, Red Cross, FEMA, homeless shelters, food banks, etc.).

At the other end of the continuum are social enterprises/organizations that target the root cause(s) of a problem to either eliminate the problem or minimize dysfunctional, unjust conditions. Martin and Osberg described efforts such as these as “replacing a stable, unjust equilibrium with a new equilibrium that is more just” (e.g., The United Nations (world peace), World Health Organization (eradicate tuberculosis), Habitat for Humanity (a world where everyone has a decent place to live), etc.).

Both types of efforts are deserving of praise and often form complementary parts of transformational change (e.g., providing hungry people with a meal can lead to a global effort to eliminate hunger).

Social entrepreneurs may find themselves trying different methodologies, depending on the problem they attempt to solve, their enterprise’s stage of development, the current resources available in their ecosystem, and the current solutions extant in their ecosystem.

The following are brief summaries of current thinking on methodologies that hold promise for scaling impact.

The assigned numbers are to facilitate reference and are not intended to indicate priority or a sequence.

### **1—Grow the Impact of your Enterprise**

In “Innovation is Not the Holy Grail,” **Seelos** and **Mair** make the often overlooked point that social enterprises can scale impact by perfecting their core routine activities. One approach is to apply Lean Methodologies to improve operational effectiveness and efficiency. A complementary approach is to increase the volume of service delivery and establish additional service centers.

“Most of the value that established social sector organizations create comes from their core, routine activities perfected over time. Efficiently producing and providing standard products and services creates tremendous value, particularly in places with widespread poverty....

For organizations that have found a working model in a particular context, efforts toward predictable, incremental improvements—exploiting what an organization knows how to do well, rather than developing

innovations, exploring new activities, or creating new knowledge—may generate superior outcomes over time.”

[https://ssir.org/articles/entry/innovation\\_is\\_not\\_the\\_holy\\_grail](https://ssir.org/articles/entry/innovation_is_not_the_holy_grail)

## 2—Collaboration

As with almost every topic related to social entrepreneurship, there is a vast quantity of material on collaboration. The Wilder Foundation has published excellent material and research on collaboration that I recommend to all practitioners. Particularly helpful is *Collaboration Handbook: Creating, Sustaining, and Enjoying the Journey.*

The authors, **Michael Winer** and **Karen Ray**, offer the following definition: “Collaboration provides an opportunity and a challenge to bring people together in ways that are more than the sum of individuals. And we can apply many of the key elements of effective collaboration to any joint effort.”

Some of the Modules I have found particularly useful are:

- Page 22 succinctly summarizes the difference between Cooperation, Coordination, and Collaboration  
**TIP:** They are very different.
- Page 138 lists the 19 factors that research shows are common to successful collaborations. N.B. Consult page numbers at the top of the page, not at the bottom  
**TIP:** The list of 19 factors provides a handy guide for planning collaboration, as well as a checklist for evaluating a collaborative effort before you join it.

<https://files.eric.ed.gov/fulltext/ED390759.pdf>

## 3—Collective Impact

Collective impact is a form of collaboration featuring a number of independent organizations that share an ecosystem (e.g., education, literacy, economic development, etc.).

The *Stanford Social Innovation Review* (SSIR) published the article “Collective Impact” by **John Kania and Mark Kramer** in which they identified five conditions for collective success

”Our research shows that successful collective impact initiatives typically have five conditions that together produce true alignment and lead to powerful results: a common agenda, shared measurement systems, mutually reinforcing activities, continuous communication, and backbone support organizations. (emphasis added)

[https://ssir.org/articles/entry/collective\\_impact](https://ssir.org/articles/entry/collective_impact)

#### **4—Cross Sector Collaboration**

SSIR published an overview of cross sector collaboration that social entrepreneurs can use as a guide to meet social challenges at scale.

“... cross-sector collaboration—alliances of individuals and organizations from the nonprofit, government, philanthropic, and business sectors that use their diverse perspectives and resources to jointly solve a societal problem and achieve a shared goal.”

<http://stanford.ebookhost.net/ssir/digital/52/ebook/1/download.pdf>

#### **5—Communities of Practice**

Communities of Practice (CoPs) provide social entrepreneurs with an excellent tool for organizing social change, Wenger–Trayner offers the following widely cited definition:

“Communities of practice are formed by people who engage in a process of collective learning in a shared domain of human endeavor: a tribe learning to survive, a band of artists seeking new forms of expression, a group of engineers working on similar problems, a clique of pupils defining their identity in the school, a network of surgeons exploring novel techniques, a gathering of first-time managers helping each other cope.”

<http://wenger-trayner.com/introduction-to-communities-of-practice/>

The following schematic, Figure 17, is used by the California Adult Literacy Professional Development Project.

**FIGURE 17**



<https://www.calpro-online.org/communitiesofpractice.asp>

**TIP:** CoPs can be organized top down or bottom up; they can be scaled from neighborhoods to global regions; they tend to develop organically and are directed by members.

Social entrepreneurs can take a lead in forming a CoP or joining an existing CoP in their ecosystem.

## **5—Systems Analysis of First and Second Generations**

The problems social entrepreneurs tackle are commonly described as “tame” and “wicked.” (There is much more on Wicked problems in Module 11.) Tame problems are commonly defined as having an agreed upon definition and solution. The “waterfall method” is an example of a first-generation systems approach applied to tame problems. The following schematic, Figure 18, is an example of the waterfall methodology.



FIGURE 18



<https://www.javatpoint.com/jira-waterfall-model>

## 6—Organizing Social Movements

American history, starting with the American Revolution, is filled with examples of long standing, seemingly unsolvable wicked problems, which sparked social movements that changed an unjust equilibrium to one that reduced or eliminated injustice, viz. the Abolitionist movement ended legal slavery; the Suffragette movement resulted in women winning the right to vote; the Civil Rights movement reduced discrimination against Afro-Americans; the Gay Rights movement reduced or eliminated discrimination and legal barriers faced by members of the LGBTQ? communities.

Current wicked problems, such as drug addiction, human trafficking, climate change, discrimination, racism, and income inequality, are all probably unsolvable without a social movement that works to change values, laws, and economic systems that place profits ahead of social, human, and environmental quality of life.

**TIP:** In Appendix 1, Table 4, Toolbox has material related to organizing social movements. Additional material is listed in Appendix 2, Resources.

**TIP:** Before social movements, such as the Suffragette movement, achieved their goal they engaged in decades of protest, education, rallies, political lobbying, often at great personal cost to organizers.

**KEY TAKEAWAY:** Social movement activists need to play the “long game.”

## 7—Bricolage

“**Bricolage** theory is mainly focused on explaining how entrepreneurship emerges in economically depressed, or resource-poor areas. The concept of making something out of nothing is the key driver of the theory.

“Nothing” refers to under-utilized resources that can be recombined into productive resources.”

<https://www.frontiersin.org/articles/10.3389/fpsyg.2021.801202/full#:~:>

**TIP:** In local place-based development efforts it’s often necessary to build on local resources (e.g., industries, workforce skills) while developing a more holistic economic development plan.

Mapping your local ecosystem is often a crucial first step.

**TIP:** I suggest revisiting Johanna Mair’s article in Module 5 on place-based development.

## 8—Transformative Scale (TS)

Transformative Scale is the ultimate goal of scaling impact.

The following two approaches that guide scaling initiatives can assist social entrepreneurs in executing their scaling strategy.

- Roger L. Martin & Sally R. Osberg’s definition of TS was introduced in Module 1. And repeated at the start of this Module.
- Another somewhat related approach to scaling impact has been expressed by numerous scholars and practitioners: it is articulated as “closing the gap”; making gradual improvements to a problem that narrows the gap between the negative status quo and more ideal/beneficial conditions.

**Reflection:** “Never underestimate the power of a small group of committed people to change the world. In fact, it is the only thing that ever has.” Margaret Mead

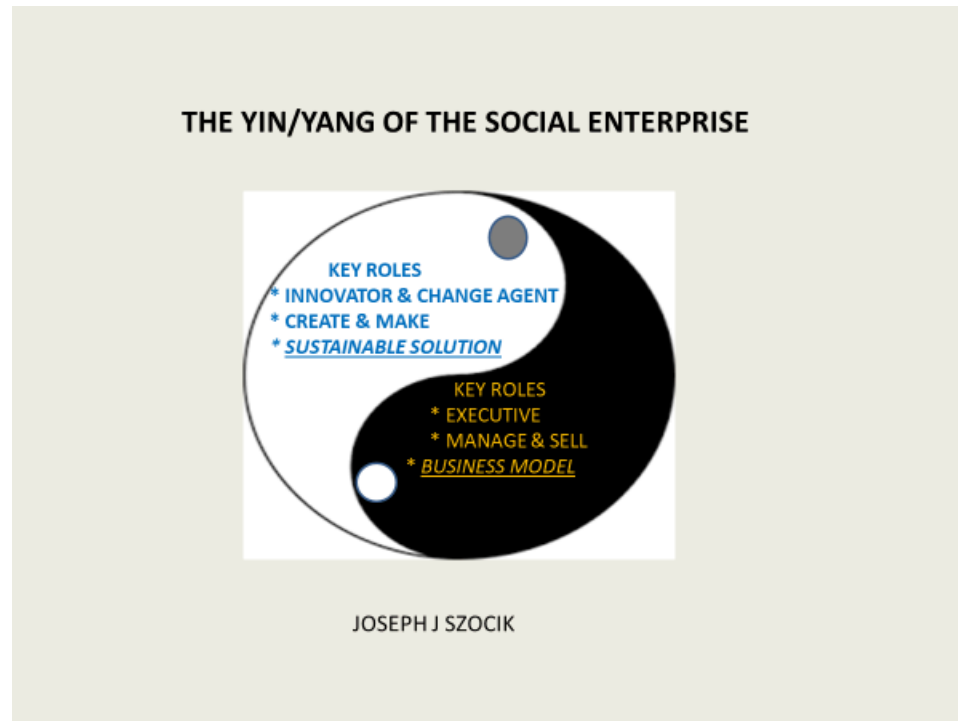
## MODULE 10: SOCIAL ENTERPRISE SKILLS

The Social Enterprise requires an operational capacity with two complementary skill sets:

- Skills related to entrepreneurship and business management.
- Skills related to organizing social change.

Figure 19 illustrates the complementary skill sets.

FIGURE 19



Skills related to entrepreneurship and managing a business are well known and a rich array of material on topics such as management, financing, marketing, human resources, accounting, and branding, is readily available along with business education courses and degrees. Information on these skills is so readily available that the reader will have no difficulty accessing it

Skills related to organizing social change are relatively less well known and equally critical to developing a social enterprise that delivers impact to solve or assist in solving social problems.

**TIP:** Both management and social change leadership are more art than routine. Both skills are similar in many ways (e.g., negotiation). A key difference is that management leadership tends to be more hierarchical, top down, while change agent leadership tends to be more collaborative (e.g., leadership without formal authority).

Daniela Papi–Thornton included this insightful snapshot on required social entrepreneurship skills in her article, “[Tackling Heropreneurship](https://ssir.org/articles/entry/tackling_heropreneurship)”: “To really change a system, I believe people need a more holistic set of skills, including systems thinking, an understanding of collaboration tools to further collective impact, and lateral leadership skills such as the ability to lead without power and to galvanize movement toward a common goal across a diverse and disjointed solutions ecosystem. They also need a grounded understanding of themselves and their skills, such as how they like to work, which roles in a team best fit their skills, and if/how their risk tolerance fits with the range of social impact career options. Finally, if they plan to take a leadership or strategic role in solving a problem, they need a deep understanding of the reality of that problem.”

[https://ssir.org/articles/entry/tackling\\_heropreneurship](https://ssir.org/articles/entry/tackling_heropreneurship)

**TIP:** Organizing social change is perhaps the most difficult challenge in any society. The complexity involved makes organizing social change a rival to economics for the title of “the dismal science.”

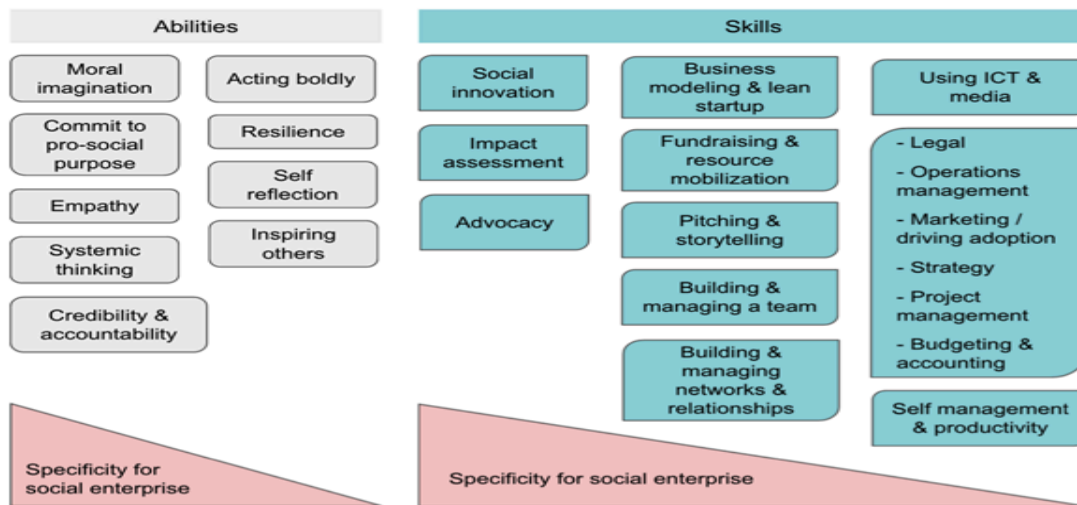
Figure 20 was developed by **Romy Kraemer** who built and led the [DO School](#)'s Venture Lab from 2011 to 2016. Currently, Kraemer works at the [Guerrilla Foundation](#), a progressive philanthropic startup with a focus on advocacy and activism.

The following is her description of her research and findings:

“I looked at 39 global programs, massively open online courses (MOOCs), and other online resource collections for social entrepreneurs to identify the range of skills and abilities education programs are focusing on—and not focusing on. While the divide between skills and abilities is not clear-cut, for the purposes of this discussion, we can distinguish them by imagining a person who has learned how to apply IDEO’s [Human-Centered Design Toolkit](#) (a knowledge-based skill set) versus one who can empathize with others (an emotional ability).

Below is my summary of the competencies social impact education currently considers relevant. Whereas students often learn skills (blue) in the classroom, they need to discover and build abilities (gray) through practical experience, and ideally coaching and guided reflection.”

FIGURE 20



[https://ssir.org/articles/entry/critical\\_competences\\_for\\_social\\_impact\\_leaders](https://ssir.org/articles/entry/critical_competences_for_social_impact_leaders)

### Social Movement Organizing Skills

American history, from its inception, has regularly featured social movements to eliminate injustice and improve our nation's quality of life (e.g., The American Revolution, Abolitionist movement, Suffragette movement, Labor movement, Civil Rights movement, Feminist movement, and Gay Rights movement).

I believe new social movements will be required to address Wicked Problems such as climate change, income inequality, racial and gender inequality, recovering from the destruction of COVID-19, political disenfranchisement resulting from unrestricted campaign financing, gerrymandering, voter suppression, and reforming the tax code to fund infrastructure, environmental stewardship, and improved standards of living, viz, "more for more."

Below is a methodology and framework (Parts 1-3) I excerpted from *Organizing for Social Change 4<sup>TH</sup> Edition Midwest Academy Manual for Activists* written for organizing and scaling social movements by applying the skills and abilities below.

#### "Part I: Direct Action Organizing

1. Introduction
2. Fundamentals of Direct Action Organizing

3. Choosing an Issue
4. Developing a Strategy
5. A Guide to Tactics
6. Organizing Models: The Underlying Structure of Organizations
7. Meetings to Pressure Officials (Actions)
8. Holding Accountability Sessions
9. Building and Joining Coalitions

## **Part II: Organizing Skills**

10. Recruiting
11. Developing Leadership
12. Planning and Facilitating Meetings
13. Public Speaking and Presentations Using PowerPoint
14. Using the Media
15. Online Organizing
16. Designing and Leading a Workshop
17. Tactical Investigations
18. Working with Organization Boards
19. Grassroots Fundraising

## **Part III: Support for Organization**

20. Working with Religious Organizations
21. Working with Local Unions, Central Labor Councils and Building and Construction Trades Councils
22. Building Labor-Community Partnerships
23. Controlling Your Work: Administrative Systems
24. Supervision
25. Financial and Legal Matters
26. Working for the Long Haul
27. The Breakdown of the Real Economy

Publisher: The Forum Press 714-545-3114

<http://phennd.org/update/4th-edition-organizing-for-social-change/>

Organizing a social movement may be necessary to mobilize the number of people and political support to change or develop law and regulations to replace an unjust social equilibrium with one that is more just.

### **Alternative Leadership Styles for Social Entrepreneurs**

The following are approaches to leadership that emphasize leading in collaborations or networks, they emphasize skills required to lead without formal authority in contrast to traditional top-down command and control leadership styles common in hierarchical organizations.

- Value-Based Leadership  
<https://www.inc.com/brent-gleeson/how-values-based-leadership-transforms-organizational-cultures.html>
- Distributed Leadership  
[https://www.mnsu.edu/activities/leadership/distributed\\_leadership.pdf](https://www.mnsu.edu/activities/leadership/distributed_leadership.pdf)
- Network leadership  
[https://ssir.org/network\\_entrepreneurs](https://ssir.org/network_entrepreneurs)
- Lateral Leadership  
<http://www.cmpartners.com/negotiators-pause/lateral-leadership-new-approach-leadership-todays-evolving-corporate-environment/>
- Adaptive Leadership  
<https://www.toolshero.com/leadership/adaptive-leadership/>
- Servant Leadership  
<https://www.greenleaf.org/what-is-servant-leadership/>

- Proximate Leadership

[https://ssir.org/articles/entry/effective\\_change\\_requires\\_proximate\\_leaders#](https://ssir.org/articles/entry/effective_change_requires_proximate_leaders#)

**TIP:** Briefly review the different leadership styles and assess the best fit for your mission, the enterprise's stage of growth, and your team.

### **Network Leadership Example**

"If you want to go fast, go alone, but if you want to go far, go together. So goes a favorite African proverb for many of us engaged in social impact work. That philosophy was front and center at this year's *Stanford Social Innovation Review* Non-Profit Management Institute, which focused on the theme of network leadership. This is an approach "that views leadership as a collective process that can catalyze the power of networks to create social change."

<https://impact.webershandwick.com/the-power-of-collaboration-creating-social-change-with-network-leaders-hip-9fbcc6d70874>

### **Story Telling**

"Anyone who has a new idea and wants to change the world will do better by telling stories than by any amount of logical exhortation." A Changemaker's Eight-Step Guide to Storytelling

[https://www.changemakers.com/sites/default/files/a\\_changemakers\\_guide\\_to\\_storytelling\\_12\\_10\\_13.pdf](https://www.changemakers.com/sites/default/files/a_changemakers_guide_to_storytelling_12_10_13.pdf)

- **Using Story to Change Systems**

[https://ssir.org/articles/entry/using\\_story\\_to\\_change\\_systems](https://ssir.org/articles/entry/using_story_to_change_systems)

- **How to Tell Stories about Complex Issues**

[https://ssir.org/articles/entry/how\\_to\\_tell\\_stories\\_about\\_complex\\_issues](https://ssir.org/articles/entry/how_to_tell_stories_about_complex_issues)

### **TIP**

Consult Appendices 1 and 2 for material on Methodologies and Tools related to Collaboration,

Cross sector Collaboration, Social Organizing, Systems Thinking, and other skills social entrepreneurs need to employ to scale impact.



**Reflection:** “The first responsibility of a leader is to define reality. The last is to say thank you. In between the two, the leader must become a servant and a debtor.” Max Depree

## MODULE 11: WICKED PROBLEMS

Here is a review of some key aspects of tame and wicked problems, with an emphasis on wicked problems.

Wicked problems present the social entrepreneur with their most difficult challenges.

### FIRST PASS: PROBLEM TYPOLOGY

Critically important and challenging social problems facing social entrepreneurs are commonly placed into the following categories, referred to as a “continuum of complexity”:

- **Tame problems** can be challenging and complicated but are solvable with linear “waterfall” solutions.
- **Feral Problems** may require solutions that are more complicated than tame problems (e.g., regional efforts to manage scarce resources, *viz.* managing water supplies, that involve several local governments).
- **Wicked problems**, a.k.a. “messy,” “fuzzy,” or “complex” problems are considered by many to be unsolvable—there is no consensus on defining the problem and or a solution, (e.g., widespread poverty, drug addiction, human trafficking).
- **Super Wicked problems** have an embedded deadline for their effective solution (e.g., climate change); no central authority dedicated to finding a solution; those seeking a solution are also causing the problem.

These problems have different levels of difficulty requiring different leadership models, solution approaches, and time frames.

At present (2023) the most commonly discussed problems are tame and wicked problems, with super wicked problems rapidly attracting more attention.

The following will, hopefully, provide a foundation for understanding the key differences between tame and wicked problems and how to approach attempting solutions.

### Simple, Complicated, Complex problems

“**Simple problems** (such as following a recipe or protocol), may encompass some basic issues of technique and terminology, but once these are mastered, following the ‘recipe’ carries with it a very high assurance of success. **Complicated problems** (like sending a rocket to the moon), are different. Their complicated nature is often related not only to the scale of the problem, but also to their increased requirements around coordination or specialized expertise. However, rockets are similar to each other and because of this following

one success there can be a relatively high degree of certainty of outcome repetition. In contrast, **Complex Problem systems** are based on relationships, and their properties of self-organization, interconnections and evolution. Research into complex systems demonstrates that they cannot be understood solely by simple or complicated approaches to evidence, policy, planning and management. The metaphor that **Glouberman** and **Zimmerman** use for complex systems is that they are *like raising a child*. Formula has limited application. Raising one child provides experience but no assurance of success with the next. Expertise can contribute but is neither necessary nor sufficient to assure success. Every child is unique and must be understood as an individual. A number of interventions can be expected to fail as a matter of course. Uncertainty of the outcome remains. The most useful solutions usually emerge from discussions within the wider family and involve values.

**Organizational Implications**

Complicated systems are all fully predictable. These systems are often engineered. We can understand these systems by taking them apart and analyzing the details. From a management point of view, we can create these systems by first designing the parts, and then putting them together.

However, we cannot build a complex adaptive system (CAS) from scratch and expect it to turn out exactly in the way that we intended. CAS are made up of multiple interconnected elements and are adaptive in that they have the capacity to change and learn from experience – their history is important. Examples of CAS include the stock market, ecosystems, immune systems, and any human social-group-based endeavor in a cultural and social system.”

<https://learningforsustainability.net/post/complicated-complex/>

**Differences between Tame and Wicked Problems.**

<https://www.apress.com/it/blog/all-blog-posts/software-design-problems-wicked-or-tame/15558942>

**TABLE 3**

<b>TAME PROBLEMS</b>	<b>WICKED PROBLEMS</b>
<ul style="list-style-type: none"> <li>● Relatively easy to define and can be treated as separate from other problems and the environment.</li> <li>● Information needed to solve or make sense of the problem is readily available, well-structured and easy to put to use.</li> <li>● There is a consensus about the best method among problem solvers and those with the</li> </ul>	<ul style="list-style-type: none"> <li>● Relatively difficult to define and cannot be easily separated from other problems and the environment.</li> <li>● Information needed to solve or make sense of the problem is ill-structured, changing, and difficult to use.</li> <li>● There is neither a consensus among problem solvers over what is the best method nor a</li> </ul>

<p>problem, who accept and agree with the legitimate problem solvers.</p> <ul style="list-style-type: none"><li>• This class of problems has precedents that one can learn from or use advice from others to become a legitimate problem solver.</li><li>• Stakeholders to the problem defer to the expertise of the problem solver and seek little or no say in the process beyond that requested.</li></ul>	<p>clear agreement about who is and/or is not a legitimate problem solver.</p> <ul style="list-style-type: none"><li>• These problems are unique and changeable; therefore, attempts to solve them make learning difficult and progress toward a solution erratic.</li><li>• Stakeholders to the problem join the problem solvers in possessing conflicting views of the problem, its solution, and the degree of involvement of the problem stakeholders</li></ul>
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**TIP:** Google: [compare difference between tame and wicked problems, images](#); review many versions

## SECOND PASS: DEFINITION

In 1973, **Horst W.J. Rittel** and **Melvin M. Webber**, two University of California Berkeley professors, published an article in *Policy Sciences* introducing the notion of “wicked” social problems, it named 10 properties that distinguished wicked problems from hard but ordinary problems.

**1. There is no definitive formulation of a wicked problem.** It’s not possible to write a well-defined statement of the problem, as can be done with an ordinary problem.

**2. Wicked problems have no stopping rule.** You can tell when you’ve reached a solution as with an ordinary problem. With a wicked problem, the search for solutions never stops.

**3. Solutions to wicked problems are not true or false, but good or bad.** Ordinary problems have solutions that can be objectively evaluated as right or wrong. Choosing a solution to a wicked problem is largely a matter of judgment.

**4. There is no immediate and no ultimate test of a solution to a wicked problem.** It’s immediately possible to determine if a solution to an ordinary problem is working. But solutions to wicked problems generate unexpected consequences over time, making it difficult to measure their effectiveness.

**5. Every solution to a wicked problem is a “one-shot” operation; because there is no opportunity to learn by trial and error, every attempt counts significantly.** Solutions to ordinary problems can be easily tried and abandoned. With wicked problems, every implemented solution has consequences that cannot be undone.

**6. Wicked problems do not have an exhaustively describable set of potential solutions, nor is there a well-described set of permissible operations that may be incorporated into the plan.** In contrast, ordinary problems come with a limited set of potential solutions.

**7. Every wicked problem is essentially unique.** An ordinary problem belongs to a class of similar problems that are all solved in the same way. A wicked problem is substantially without precedent; experience does not help you address it.

**8. Every wicked problem can be considered to be a symptom of another problem.** While an ordinary problem is self-contained, a wicked problem is entwined with other problems. However, those problems don't have one root cause.

**9. The existence of a discrepancy representing a wicked problem can be explained in numerous ways.** A wicked problem involves many stakeholders, who all will have different ideas about what the problem really is and what its causes really are.

**10. The planner has no right to be wrong.** Problem solvers dealing with a wicked issue are held liable for the consequences of any actions they take, because those actions will have such a large impact and are hard to justify.

<https://hbr.org/2008/05/strategy-as-a-wicked-problem>

#### **Some Examples of Wicked Problems:**

Homelessness; drug addiction; human trafficking; climate change; poverty; public education; racism; domestic violence; discrimination (e.g., racial, sexual, religious); and competition for scarce resources, water, and food.

### **THIRD PASS: WHAT MAKES A WICKED PROBLEM COMPLEX**

**3.1** Rittle and Webber made it clear that by calling some problems wicked, they did not mean that they were "bad" or "evil." In 1973, they wrote in their [classic article](#): "We are calling them wicked not because [they] are ethically deplorable. We use the term 'wicked' in a meaning akin to that of 'malignant' (in contrast to 'benign') or 'vicious' (like a circle) or 'tricky (like a leprechaun) or 'aggressive' (like a lion, in contrast to the docility of a lamb)."

[http://www.sympoetic.net/Managing\\_Complexity/complexity\\_files/1973%20Rittel%20and%20Webber%20Wicked%20Problems.pdf](http://www.sympoetic.net/Managing_Complexity/complexity_files/1973%20Rittel%20and%20Webber%20Wicked%20Problems.pdf)

**Fredrik Andersson and Ruth McCambridge** [define wicked problems](#) as "inherently public issues—namely, that they are highly contentious topics e.g., affecting a broad population in a given jurisdiction about which there are multiple, deep-seated, conflicting stakeholder interests and perspectives. Understanding them simply as "social problems" for which there are "innovative solutions" is a fundamentally insufficient framework."

<https://nonprofitquarterly.org/2018/02/19/disproving-hero-myth-social-entrepreneurship/>

**3.2** ["The body of concepts](#) surrounding wicked and ill-structured problems has served to draw attention to complexity in social, natural, and political processes, as well as to alert us to their indefinability, intractability,

and entanglements. But this conceptualization has also suffered from significant shortcomings, which limit its validity and usefulness.

- First, accounts of these problems are often prone to *totalizing*, that is, to regarding the problems as intractable masses of complexity, so conflict-prone and/or knotty that they defy definition and solution. One significant consequence of this totalizing approach is that it lacks a basis for breaking the problem down into smaller, more manageable parts. It is difficult, without an organizing framework, both to understand the parts – and how they work – and situate them within the bigger context. In short, it lacks an analytic typology...
- Secondly, the temporal variant of totalizing is that ‘wicked problems’ require transformational responses. This apocalyptic style of analysis describes big, fast-moving problems that require big, fast-moving solutions.
- A third challenge in some wicked problems analysis is that it tends to invoke a conception of ‘success’ which is almost impossible to achieve...”

<https://doi.org/10.1080/14494035.2017.1361634>

#### **FOURTH PASS: TACKLING WICKED PROBLEMS**

Some points to keep in mind:

- Wicked problems are complex, and you can’t solve complex problems with simple solutions.
- Wicked problems may never be completely solved but will need to be resolved again and again at different points of time.
- You do not really understand wicked problem dynamics until you get your hands dirty working on a solution.
- **Politics:** “All problems of public policy are also inherently political problems, and therefore all policy problems have the potential, or even the tendency, to have some wicked characteristics.”

“The wicked problems paradigm serves as a reminder that the *political arenas of policy argument* constitute the battlefields for complex social policy arguments.”

<https://www.tandfonline.com/doi/full/10.1080/14494035.2017.1361635>

- **Public Policy:** “This normative element is that these wicked problems must be solved, and indeed can be solved through developing the appropriate policies. Certainly, solving the problems is important, but

governments may have to admit that many of the issues which they must address may not be solvable in any final and definitive manner.”

<https://www.tandfonline.com/doi/full/10.1080/14494035.2018.1488797>

- **Six Step Approach:** Wicked problems cannot be solved with linear tools and methods that work with tame problems. Jeff Conklin proposed a six step approach to simplifying the complexity of a wicked problem before proposing a solution.

[http://app.ihl.org/Events/Attachments/Event-2656/Document-5306/2\\_CN\\_Wicked\\_Problems.pdf](http://app.ihl.org/Events/Attachments/Event-2656/Document-5306/2_CN_Wicked_Problems.pdf)

## **FIFTH PASS: THE ROOT CAUSE OF CONTEMPORARY COMPLEX PROBLEMS IS OFTEN THE CURRENT FORM OF CAPITALISM**

The current form of capitalism practiced in the USA places profits over and above social and environmental needs. Solving these problems will require transforming what has been called shareholder capitalism to stakeholder or sustainable capitalism, which balances profits with social needs. Instead of the “best in the world,” the new perspective advocates for “the best for the world.”

<https://www.forbes.com/sites/ericagies/2012/02/21/five-ways-to-rein-in-rogue-capitalism/#3c1e36732767>

### **5.1 BEYOND THE TRIPLE BOTTOM LINE**

The following is from an interview with **John Elkington**, the originator of the Triple Bottom Line concept of People, Planet, and Profit.

**“Q. After 25 years you’ve “recalled” the Triple-Bottom Line (TBL) – the sustainability framework you brought to the world to examine a company’s social, environment, and economic impact. Tell us why and what this means going forward.**

**A.** As I said in the *Harvard Business Review* article, this is probably the first management concept subjected to a recall by the person who invented it.

So why recall it now? The Triple Bottom Line has failed to bury the single bottom line paradigm. From the outset, the goal was *system change*—pushing toward the transformation of capitalism. It was never supposed to be just an accounting system. It was originally intended as a genetic code, a triple helix of change for tomorrow’s capitalism, with a focus on *breakthrough change*, disruption, asymmetric growth (with

unsustainable sectors actively sidelined), and the scaling of next-generation market solutions. Some businesses did move in this direction, as I point out, among them Denmark's Novo Nordisk, Anglo-Dutch Unilever, and Germany's Covestro.

But we have a hard-wired cultural problem in business, finance, and markets. Too many companies understood the concept as a balancing act, adopting a trade-off mentality. Profit first, then people and planet. Whilst CEOs, CFOs, and other corporate leaders move heaven and earth to ensure that they hit their profit targets, the same is very rarely true of their people and planet targets."

<http://www.marketingjournal.org/beyond-the-triple-bottom-line-interview-with-john-elkington/>

Elkington's call to transform capitalism is echoed by thought leaders around the globe. These include Michael Porter, Richard Branson and, many others, such as **Frank Dixon, Founder of Global Systems Change.**

**5.2** "The prevailing business mentality — that companies are independent entities that should focus mainly on their own well-being — is an irrational, reality-ignoring, unintentionally destructive view of business. It is based on the illusion of separation. This reductionistic (*sic*) perspective produces widespread unintended consequences, such as rapid environmental and social degradation. Resolving the major challenges facing humanity requires adopting a whole system perspective. This illuminates the need for a new Corporate Social Responsibility (CSR) paradigm.

Current CSR approaches are focused largely on voluntarily reducing negative environmental and social impacts, for example, by lowering pollution and selling lower-impact products. But flawed economic and political systems compel all companies to degrade the environment and society. They are the root causes of the major environmental, social and economic problems addressed by the United Nations Sustainable Development Goals (SDGs). Current CSR approaches are focused on symptoms instead of root causes. They provide many benefits, but ultimately will not achieve sustainability. Addressing symptoms instead of causes is like trying to put out a fire while simultaneously throwing gasoline on it.

The new CSR paradigm, which I call Whole System Sustainability, is based on the reality that companies ultimately cannot prosper apart from the larger systems that sustain them. It shifts the focus from maximizing the well-being of business to maximizing the well-being of society.

The challenges of finding effective and sustainable solutions to many social problems are substantial, and solutions may require many of the ingredients associated with successful business innovation. However, solutions to social problems—such as sustainable alleviation of the constellation of problems associated with



long-term poverty—often demand fundamental transformations in political, economic, and social systems. The test of business entrepreneurship is the creation of a viable and growing business organization. The test of social entrepreneurship, in contrast, is change in social systems that create and maintain the problem, although the organizations involved may become smaller or less viable as they catalyze societal transformation.....we are particularly interested in social entrepreneurship as a catalyst for social transformation. More specifically, this study focuses on social entrepreneurship that creates innovative solutions to immediate social problems and mobilizes the ideas, capacities, resources, and social arrangements required for sustainable social transformations.”

<https://www.greenbiz.com/article/whole-system-sustainability-new-csr-paradigm#:~:text=>

**TIP:** Systems solutions require two forms of collaboration: 1) collaboration between the various sectors of society e.g. politics, economy, education, religion, etc.; 2) collaboration between the organizations comprising a sector. Individual excellence of whether of an organization or practitioner is not sufficient for improving/ending a wicked problem.

## **SIXTH PASS: SOME FUNDAMENTALS OF FRAMING & TACKLING WICKED PROBLEMS**

There is no ready-made formula, algorithm, or guide, to an effective intervention on a wicked problem.

There are no interventions that are quick, simple, easy, or inexpensive.

All effective interventions require collaboration with ecosystem stakeholders in the public, private, and non-profit sectors.

I recommend utilizing the following three materials from social entrepreneurship and social change as a framework for organizing your approach to generate positive impact on your targeted social problem.

- **Getting Started**

Social entrepreneurs, **Martin and Osberg**, define social entrepreneurship as having the following three components:

“(1) identifying 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) identifying an opportunity in this unjust equilibrium, developing a social value proposition, and bringing to bear inspiration, creativity, direct action, courage, and fortitude, thereby challenging the stable state’s hegemony; and (3) forging 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.”

[https://ssir.org/articles/entry/social\\_entrepreneurship\\_the\\_case\\_for\\_definition](https://ssir.org/articles/entry/social_entrepreneurship_the_case_for_definition)

**TIP:** Review the work in defining your Solution in Module 7; also consult Appendices 1 and 2.

- **Develop The Necessary Skills**

**Greg Dees**, widely acknowledged as the godfather of Social Entrepreneurship, emphasizes the critical importance of the following roles in Social Entrepreneurship.

“Social entrepreneurs are reformers and revolutionaries, as described by Schumpeter, but with a social mission. They make fundamental changes in the way things are done in the social sector. Their visions are bold. They attack the underlying causes of problems, rather than simply treating symptoms. They often reduce needs rather than just meeting them. They seek to create systemic changes and sustainable improvements. Though they may act locally, their actions have the potential to stimulate global improvements in their chosen arenas, whether that is education, health care, economic development, the environment, the arts, or any other social field.”

<https://community-wealth.org/sites/clone.community-wealth.org/files/downloads/paper-dees.pdf>

**TIP:** Review Appendices 1 and 2 for related resource material.

**KEY TAKEAWAY:** A successful social entrepreneur must combine basic management skills with the skills of a change agent, social reformer, and social revolutionary.

- **Collaborative Organizing of Local, National, and Global Movements**

Many wicked problems (e.g., income inequality, racial discrimination, restricting voting rights, climate change) will require integrating action at the local, community level combined with action in Congress to change and/or implement laws and regulations that positively impact social problems.

American history offers many examples of national social movements to correct social problems (e.g., American Revolution, Abolitionist Movement, Suffragette Movement, Civil Rights Movement, LGBTQ movement, MeToo movement, Black Lives Matter, etc.).

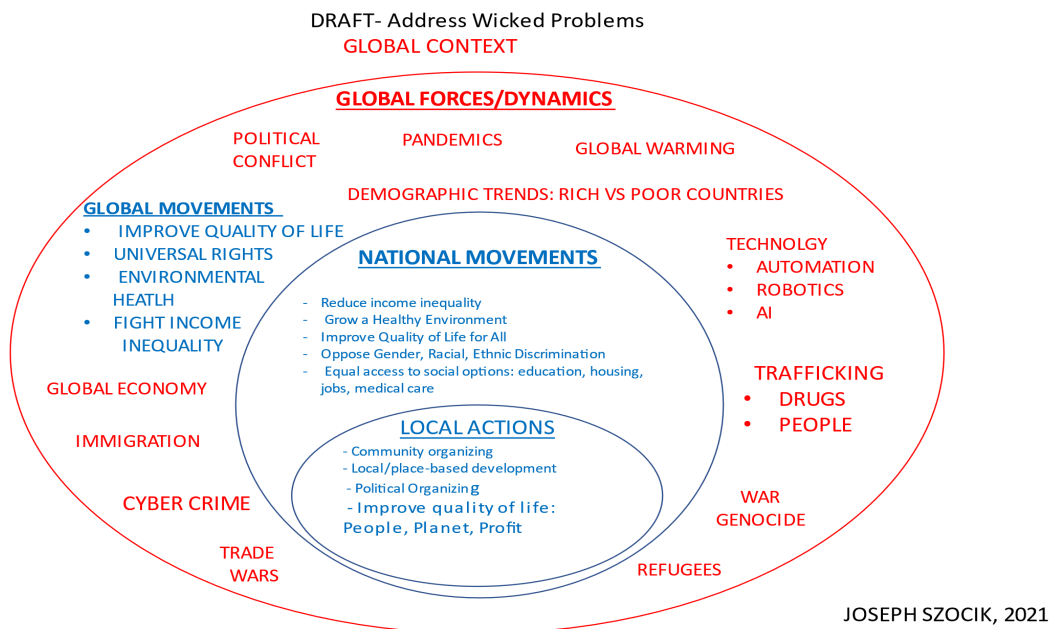
Every social movement has started with, and included, local community, political initiatives that grew into national movements to achieve their goals. Globalization now requires global collaboration.

I suggest that organizing an effective intervention to a wicked problem and adding positive impact will require a two-track action strategy.

Track 1 will feature local community-based organizing to address local needs and place-based “tame” problems.

Track 2, will expand on local initiatives in Track 1, related to wicked problems, by collaborating with national and global colleagues to scale up national and multi-national social movements to impact the root causes of social problems. (Figure 21)

**FIGURE 21**



**TIP:** See Toolbox 1, Resources 1-5, to review organizational methodologies particularly well-suited to complex problems; Review Module 9 Scaling Impact; Appendix 2 lists resources re: Change, Wicked Problems, Social Entrepreneurship.

**TIP:** Review Steve Blank: ‘Lean’ Meets ‘Wicked’ Problems—The Wicked Swiss Army Knife, Tools applied to 8 Wicked problems by students recruited from the Imperial College Business School and the Royal College of Art.

<https://poetsandquants.com/2023/07/17/steve-blank-lean-meets-wicked-problems/>

**REFLECTING ON WICKED PROBLEMS—A BRIEF SUMMARY**

I make no claim to being an expert on wicked problems or having a definitive understanding of how to approach solutions. However, the following observations on wicked problems may help you find your bearings. The section on wicked problems in Appendix 2 lists some sources: reviewing them will provide a good introduction to the subject.

In no particular order:

- Wicked problems have been referred to as complex, fuzzy, messy... Somewhere, I read a definition of a wicked problem as “a significant, complex social problem embedded in causal webs” (source unknown). Think of the giant spider from *Lord of the Rings*.
- Rather than the binary view on wicked and tame problems, think of a complex problem as being on a continuum of complexity or “probemicity” (*sic*).
- As starting points, constants in wicked problems are defining the problem, its multiple stakeholders, the pros and cons of attempted solutions, and the conflicting cultural, social, ethical, and religious values of stakeholders.
- Attempting to solve wicked social problems involves social systems, they always involve politics, and political organizing is always part of the solution.
- There may be no sustained or perfect solutions—you may have to settle for the best solution possible at the time.
- As a change agent, you must involve the people affected by the problem in defining the problem and in supporting solutions.
- Social/public issues are connected to each other, so trying to change a problem in isolation often makes things worse; unintended negative consequences often follow system interventions.
- You really can’t understand a wicked problem until you get your hands dirty trying to organize a solution.
- You can’t make something better, or less bad, without change. Change is always resisted. The more significant the change, the greater resistance by the members of the *status quo* who benefit from the continuation of the *status quo*.
- You need to take the long view. American history shows it can take decades to positively impact a wicked social problem (e.g., slavery, women’s right to vote, LGBTQ+ rights, among other issues).
- Paste this on your wall: “The technical cleverness of the few is no substitute for the political will of the many.” *Starting Over*, Yankelovich and Harman

- "...public decision-making, in practice, reflects the interests of power elites, regardless of formal democratic processes such as legislative elections. In this view, the issues chosen for policy attention and the way those issues are defined will generally reflect the structural power of business, their lobbyists, and political representatives...."

<https://www.tandfonline.com/doi/full/10.1080/14494035.2018.1488797>

## CODA

**Reflection:** "Let me give you a word of the philosophy of reform. The whole history of the progress of human liberty shows that all concessions yet made to her august claims, have been born of earnest struggle. The conflict has been exciting, agitating, all-absorbing, and for the time being, putting all other tumults to silence. It must do this, or it does nothing. If there is no struggle there is no progress. Those who profess to favor freedom and yet depreciate agitation, are men who want crops without plowing up the ground, they want rain without thunder and lightning. They want the ocean without the awful roar of its many waters. This struggle may be a moral one, or it may be a physical one, and it may be both moral and physical, but it must be a struggle. Power concedes nothing without a demand. It never did and it never will. Find out just what any people will quietly submit to and you have found out the exact measure of injustice and wrong which will be imposed upon them, and these will continue till they are resisted with either words or blows, or with both. The limits of tyrants are prescribed by the endurance of those whom they oppress."

Frederick Douglass, 1849

**Reflection:** You cannot understand a system until you try to change it.

Kurt Lewin

**Reflection:** The center of the problem is that none of them knew the center of the problem.

Nassim Nicholas Taleb

**Reflection:** "Wicked problems are human problems and the difficulty in solving these intractable challenges is not necessarily the problems themselves, but the dysfunctional incoherence of the people trying to solve them!"

Alan Watkins and Ken Wilber

## MODULE 12-REVIEW-GETTING STARTED

### Essential points requiring constant focus.

- Solving a social problem requires a solution (i.e., a product and/or service).
- Your enterprise must *develop* a product and *sell* the product.
- Your product must be both *unique and valuable* to your targeted customers.
- You must establish *product market fit* with paying customers.
- You must reach *positive cash flow* to sustain your enterprise.
- Time Management. Research has shown that most social enterprises last less than three years.

As a start, you must focus on achieving Milestones 1-5 outlined in Module 1, Figure 2.

- The following twelve practices comprise basic building blocks for both a social enterprise's long-term sustainability and more ambitious scaling initiatives.
- The practices, culled from Modules 1-10, are drawn from the extensive literature on best practices and lessons learned, as shared by experienced change agents, social activists, social entrepreneurs, researchers, and academics.

#### 1. Initial planning: Theory of Change (TOC)

- Remember the value of an idea is nothing, the value comes from executing the idea. The TOC assists you to add details for the initial planning for executing your social enterprise.

#### 2. Initial planning: Map your ecosystem.

- The TOC assists you in initial identification of your potential customers, competing solutions, providing a background for "going out" in the field and meeting with stakeholders, customers, allies, competitors, and draft an initial ecosystem map.
- Remember there are no facts within your enterprise, only opinions (Steve Blank); you need to go outside your walls to get the facts.

#### 3. Initial planning: Complete your initial Social Enterprise Canvas

- The information developed by drafting your TOC and Ecosystem Map will assist in drafting your initial Social Enterprise Canvas to guide executing your enterprise's mission.
- Remember, *"If you don't know where you are going you will probably wind up somewhere else,"* (D.P. Campbell) the canvas provides the initial roadmap to execute your mission.

#### **4. Prioritize Identifying and Consulting with your Targeted Customers.**

- How do customers describe the problem you want to solve?
- How are customers dissatisfied with current and past solutions?
- How do they assess the value of your solution?
- Will they pay for your solution?

#### **5. Assemble your Team and Board.**

- A prime cause of enterprise failure is a lack of staff with the needed skills.
- Remember, the "Heropreneur" is a myth; no founder can be successful without the right team; the team must include people who can both produce and sell your product/solution; VCs invest because of the team more than because of your idea.
- Remember to recruit a board with complementary skills and networks.
- Most importantly, resist creating a rubber stamp board stacked with friends and relatives.

#### **6. Assess Product/Market Fit ASAP**

- Learn from your customers, develop your initial Minimum Viable Product (MVP), and test your prototype in the market as quickly as possible to achieve a product market fit that can generate revenue to sustain your enterprise.
- Achieving product/market fit with customers and generating earned revenue for your value-added sustainable solution is a Key Performance Indicator (KPI).
- Remember, product/market fit requires a product that customers find both valuable and unique. If it's valuable but not unique you probably will fight it out with established, well-financed competitors, based on price. If it's unique but not valuable there is probably no market for it.
- "No market need" is the single most common cause of enterprise failure.

#### **7. Focus on Marketing, Sales, and Earning Revenue ASAP**

- The start-up phase is filled with exciting tasks viz. recruiting a team, meetings with stakeholders, searching for investors, developing your product.

- Remember, a common cause of failure is being distracted by all these necessary, initial, tasks while neglecting to develop the marketing and sales processes that can determine your product/market fit.

**TIP:** Social enterprises, social organizations, and businesses share the reality articulated by Sister Generose Gervais, **'No money, no mission ... and .... No mission, no need for money.'**

If the social enterprise can't generate money to sustain itself, it can't fulfill its mission; AND if its mission is unclear or perceived as having no or little value, the enterprise will fail.

## **8. Financial Management**

- Burning cash is one aspect of a start-up over which you have some control.
  - Initially, if possible, recruit part-timers and/or offer some equity in place of cash.
  - Practice Open-Book Management to provide transparency on finances.
  - Involve the Board in periodic financial review.
  - Include financial metrics on your Performance Dashboard.
  - The founder(s) should refrain from taking extravagant salaries prematurely and using enterprise funds for personal expenses.
- Remember, the most important question for a start-up is "When do we run out of money?"

## **9. Measure and Evaluate your Progress**

- You can't change what you don't measure.
- Customizing quantifiable metrics a.k.a. Key Performance Indicators (KPIs) related to the problem you are attempting to address and the positive impact you plan to generate are among your essential first steps.
- In addition to identifying metrics, you must establish a business model that includes processes to track and evaluate key data that measures your progress, particularly cash flow, revenue projections, and positive impact.



- Use the B IMPACT ASSESSMENT and BALLE QUICK IMPACT ASSESSMENT (QIA) tools, to periodically get an independent, objective, third-party evaluation of enterprise execution re: efficiency and effectiveness.
  - Waste is anything the customer does not want—a key lesson from the Toyota Production System.
  - Eliminating waste from your enterprise can free up cash and speed up critical processes.
- Remember, third party evaluations are one of the best antidotes for dreaded, often fatal, “groupthink,” as well as a catalyst for your essential ongoing improvement of operations.

## **10. Continuous Learning**

- The disciplines of Social Innovation, Social Entrepreneurship, and Social Enterprise separately and collectively contain more material than any person can possibly master.
- Any founder who aspires to significantly impact a social problem with their sustainable solution has no choice but to engage in continuous learning.
- Unexpected developments in their own ecosystem or in the world at large will require understanding and force adjustments to their action plan.
- New research, methodologies, technologies, and tools are constantly becoming available and altering the competitive environment.
- One way to prioritize learning is to concentrate on material related to your ecosystem, sustainable solution, business model, and the skills of change agent and entrepreneur.
- The practical value of continuous learning, particularly by reading, is attested to by billionaires such as Mark Cuban, Jeff Bezos, Bill Gates, and Warren Buffet.

## **11. Avoid Self-Inflicted Wounds**

Many firms fail due to one or more of the following internal causes:

- Friction, conflict between co-founders.
- Poor communication between employees.
- Toxic groupthink (i.e., we are rock stars who are experts on everything we need to know).

Some steps to avoid or minimize self-inflicted wounds.

- Insure team/board agreement on a clear Mission Statement

- Develop a culture of transparency, honesty, and mutual respect.
  - Publicly display your Performance Dashboard with your up-to-date metrics.
  - Practice Open Book Management to publicly share financial data with employees.
  - Develop and display a Balanced Scorecard customized to your social enterprise.

## 12. Work/Life Balance

- Burn out by the founder(s) is one of the common reasons an enterprise fails.
- Try to insure that your schedule includes fun, health, family, and socializing activities.

**Reflection:** “Success is only one percent of your work, and the rest bold overcoming of obstacles.”

Soichiro Toyota to employees in the 1950s

**Reflection:** “I am only one, but I am one. I cannot do everything, but I can do something. And because I cannot do everything, I will not refuse to do the something that I can do.” Edward Everett Hale

## PART 3

## **APPENDIX 1**

## TOOLBOX

### INTRODUCTION

Table 4 Identifies methodologies and tools that can be applied to form solutions to problems on the complexity continuum *viz.* tame to wicked to super wicked problems.

The Methodologies and Tools reviewed were selected partly from personal experience and partly to provide a representative sample of methodologies and tools that can save the social entrepreneur precious time in carrying out the many tasks required to operationalize Dimensions 1-4.

Toolbox 1 reviews tools and methodologies particularly applicable for, but not exclusive to, addressing wicked problems.

Toolbox 2 reviews tools and methodologies applicable for, but not exclusive to, addressing “tame” problems. All methodologies can be applied to tame and wicked problems or their sub-components.

As with every other aspect of developing a sustainable social enterprise the social entrepreneur practitioner will learn through experience which tools best serve their needs and select accordingly.

The tools numbered in the Toolboxes can be explored further by reviewing their matching description below.

### REFERENCES

<sup>1</sup>Principle of Analytical Activism: Chapter 15 (Root Cause Analysis)

**NOTE. Description of how to apply Root cause Analysis to solve problems.**

[https://www.thwink.org/sustain/publications/books/03\\_CommonPropertyRights/chapters/CPR\\_Book\\_PrinciplesOfAnalyticalActivism.pdf](https://www.thwink.org/sustain/publications/books/03_CommonPropertyRights/chapters/CPR_Book_PrinciplesOfAnalyticalActivism.pdf)

<https://www.thwink.org/sustain/glossary/LawsOfRootCauseAnalysis.htm>

<https://thwink.org/sustain/glossary/RootCause.htm>

<sup>1A</sup>-Solving Difficult Large-scale Social Problems with Root Cause Analysis: A Thwink.org Publication

[https://www.thwink.org/sustain/publications/pamphlets/08\\_SolvingSocialProblems/SolvingSocialProblems.pdf](https://www.thwink.org/sustain/publications/pamphlets/08_SolvingSocialProblems/SolvingSocialProblems.pdf)

<sup>1B</sup> Apollo Root Cause Analysis™/Reality Charting® - ARCA™

[https://www.epsrca.com/wp-content/uploads/2012/11/2014-Aug-EPS.Apollo.RCA\\_.202T.Public.Seminar.pdf](https://www.epsrca.com/wp-content/uploads/2012/11/2014-Aug-EPS.Apollo.RCA_.202T.Public.Seminar.pdf)

<sup>2</sup>On the Planning Crisis: Systems Analysis of First and Second Generation, Horst Rittel

**NOTE. Comparison of first and Second generation system methodologies**

[http://courses.cs.vt.edu/~cs5984/spring\\_2005/reading/Rittle.pdf](http://courses.cs.vt.edu/~cs5984/spring_2005/reading/Rittle.pdf)

<sup>2A</sup>Leadership in wicked times

**Note. An excellent example of a second generation system addressing wicked problems**

<https://www.forbesindia.com/article/insead/leadership-in-wicked-times/63469/1>

<sup>3</sup> *Organizing for Social Change 4<sup>TH</sup> Edition Midwest Academy Manual for Activists* Publisher: The Forum Press  
714-545-3114

**NOTE. A prime source for organizing social movements**

<http://phennd.org/update/4th-edition-organizing-for-social-change/>

<http://www.theforumpress.com/Organizing-TOC.pdf>

<sup>3A</sup> Collective Strategy: A Framework for Solving Large-Scale Social Problems

**NOTE: The seven (7) questions comprise a Collective Strategy to tackle large scale social problems.**

[https://foundationforinclusion.org/wp-content/uploads/2018/03/FFI-Research-Brief-no\\_001.pdf](https://foundationforinclusion.org/wp-content/uploads/2018/03/FFI-Research-Brief-no_001.pdf)

<sup>4</sup>Eight (8) Stages of Successful Social Movements Moyer

**NOTE. Article with the full description of the eight stages and much more**

<http://www.historyisaweapon.com/defcon1/moyermap.html>

<sup>5</sup>Making Change: How Social Movements Work - and How to Support Them, Manuel Pastor, Rhonda Ortiz

**NOTE. Article with the description of the ten tasks and six capacities and much more on social movements**

[https://dornsife.usc.edu/assets/sites/242/docs/making\\_change\\_full\\_document.pdf](https://dornsife.usc.edu/assets/sites/242/docs/making_change_full_document.pdf)

<sup>5A</sup> Enterprise Facilitation

**NOTE. Enterprise Facilitation works by transforming passion, skill, and motivation into viable local businesses.**

<https://managingwholes.com/-community-enterprise-facilitation.htm/>

<sup>6</sup>Agile Method a.k.a. Waterfall

**NOTE. “The agile approach to projects starts out with the expectation that the requirements (or features) will evolve and change during the course of the project. “**

<https://www.wrike.com/project-management-guide/faq/what-is-waterfall-project-management/>

<http://ineasystemsteps.com/wp-content/uploads/2012/05/Agile-Project-Management-TOC+Ch1.pdf>

<sup>7</sup>Building capability by delivering results: Putting Problem-Driven Iterative Adaptation (PDIA) principles into practice Matt Andrews, Lant Pritchett, Salimah Samji and Michael Woolcock

**NOTE. "PDIA offers a framework and a method for the development community to do things differently."**

<https://www.oecd.org/dac/accountable-effective-institutions/Governance%20Notebook%202.3%20Andrews%20et%20al.pdf>

<sup>8</sup>New Tools for Resolving Wicked Problems: Mess Mapping and Resolution Mapping Processes  
Robert E. Horn Stanford University and MacroVU, Inc., Robert P. Weber Strategy Kinetics, LLC

**NOTE. Article describing how to use Mess and Resolution maps to resolve Wicked problems**

[http://www.strategykinetics.com/New\\_Tools\\_For\\_Resolving\\_Wicked\\_Problems.pdf](http://www.strategykinetics.com/New_Tools_For_Resolving_Wicked_Problems.pdf)

<sup>9</sup>Lean Start Up Methodology

**NOTE: The Lean start up methodology features continuous learning and innovation to quickly reach product market fit and build sustainable businesses.**

<http://theleanstartup.com/principles#:~:text=The%20Lean%20Startup%20method%20teaches,that%20they%20think%20people%20want.>

<sup>9A</sup> Customer Development Model

**NOTE: The customer development model emphasizes focusing on validating customer needs rather than the traditional product development model.**

<https://medium.com/mbreads/the-four-steps-to-the-epiphany-7aee0c8e0f8e>

<sup>10</sup>System Improvement Process (SIP)

**NOTE. "The *System Improvement Process* was developed... to solve large-scale difficult social problems,"**

<http://www.thwink.org/sustain/glossary/SystemImprovementProcess.htm11>

<sup>11</sup>DMAIC Process- Define, Measure, Analyze, Improve, and Control

**NOTE: Problem solving process associated with lean Six Sigma but can be applied to other problems**

<https://goleansixsigma.com/dmaic-five-basic-phases-of-lean-six-sigma/>

<sup>12</sup>SIPOC, SUPPLIERS, INPUTS, PROCESS OUTPUTS, CUSTOMERS

**NOTE. "Provides a structured way to discuss the process before rushing off and drawing process maps"**

<https://ianjseath.files.wordpress.com/2009/04/sipoc.pdf>

<sup>13</sup>Carver: A 6-Part Tool for Ranking and Assessing Risks

**NOTE: Title says it all**

<https://hbr.org/2018/09/a-6-part-tool-for-ranking-and-assessing-risks>

<sup>14</sup>Six Building Blocks for Distributed Organizing Campaigns

**NOTE: The six "building blocks" has helped distributed campaigns score impressive movement victories**

<http://netchange.co/reports>

<sup>14A</sup>Cracking Complexity

**NOTE: The 10 step Formula for solving complex problems has received wide spread praise and acceptance.**

[https://www.leadershipnow.com/leadingblog/2019/06/cracking\\_complexity.html](https://www.leadershipnow.com/leadingblog/2019/06/cracking_complexity.html)

<sup>15</sup>S.C.A.L.E.R.S. MODEL

**NOTE. "A conceptual model that proposes seven drivers that can stimulate successful scaling...."**

<http://lup.lub.lu.se/luur/download?func=downloadFile&recordId=8916478&fileId=8916481>

<sup>16</sup>A.R.E.A. METHOD

**NOTE: AREA guides you to gather information one perspective at a time to control any rush to judgement**

<https://www.areamethod.com/the-area-method/>

<sup>17</sup>McKinsey 7 Step Problem Solving

**NOTE:"...seven internal elements of an organization that need to align for it to be successful."**

[https://www.mindtools.com/pages/article/newSTR\\_91.htm](https://www.mindtools.com/pages/article/newSTR_91.htm)

<sup>18</sup>S.M.A.R.T

SMART is a planning tool to help make goals clear and reachable, Specific, Measurable, Achievable, Relevant, Time Bound

<https://www.mindtools.com/pages/article/smart-goals.htm>

<sup>19</sup>Developing a Value-Based Decision-Making Model for Inquiring Organizations

**NOTE. "This model provides a framework... to better understand multiple perspectives in decision making...."**

<http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.4.8337&rep=rep1&type=pdf>

<sup>20</sup>Issue-Based Information System (IBIS): A Tool for All Reasons

**NOTE. "A way to support coordination and planning of political decision processes"**

[http://www.cognexus.org/IBIS-A\\_Tool\\_for\\_All\\_Reasons.pdf](http://www.cognexus.org/IBIS-A_Tool_for_All_Reasons.pdf)

<sup>21</sup>Performing a Project Pre-mortem

**NOTE. "A method called a *premortem*, which helps project teams identify risks at the outset."**

<https://hbr.org/2007/09/performing-a-project-premortem>

<sup>22</sup>What is scrum?

**NOTE. "Scrum is a framework within which people can address complex adaptive problems...."**

<https://www.scrum.org/resources/what-is-scrum>

<sup>23</sup>5 Whys: Getting to the Root of a Problem Quickly

**NOTE. A simple but powerful tool to reveal a problems' underlying causes....**



[https://www.mindtools.com/pages/article/newTMC\\_5W.htm](https://www.mindtools.com/pages/article/newTMC_5W.htm)

<sup>24</sup>How Occam's Razor Works, Josh Clark

**NOTE. Occam's razor a tool to slice through a problem or situation and eliminate unnecessary elements.**

<https://science.howstuffworks.com/innovation/scientific-experiments/occams-razor.htm>

<sup>25</sup>Backcasting

**NOTE. "A way of planning in which a successful outcome is imagined in the future..."**

<http://www.naturalstep.ca/backcasting>

<sup>26</sup> Polycentricity: From Polanyi to Ostrom, and Beyond Paul D. Aligica\* and Vlad Tarko\*

**NOTE. "...polycentricity, tentatively defined as a social system of many decision centers..."**

<https://asp.mercatus.org/system/files/Polycentricity.pdf>

<sup>27</sup>Systems Change—Big or Small? (Targeted System Change) Odin Mühlenbein

**NOTE. "To tap the full potential of a systems change we should include smaller, more targeted changes."**

[https://ssir.org/articles/entry/systems\\_changebig\\_or\\_small](https://ssir.org/articles/entry/systems_changebig_or_small)

<sup>28</sup>Monte Carlo Simulation

**NOTE. "The key feature of a Monte Carlo simulation... it can tell you how likely the resulting outcomes are."**

<https://www.riskamp.com/files/RiskAMP%20-%20Monte%20Carlo%20Simulation.pdf>

<sup>29</sup>Solving Big Social Problems by Thinking Small ("Jugaad Innovation")

**NOTE. Title says it all**

[https://ssir.org/articles/entry/solving\\_big\\_social\\_problems\\_by\\_thinking\\_small?utm\\_source=Enews&utm\\_medium=Email&utm\\_campaign=SSIR\\_Now](https://ssir.org/articles/entry/solving_big_social_problems_by_thinking_small?utm_source=Enews&utm_medium=Email&utm_campaign=SSIR_Now)

<sup>30</sup>Applying Behavioral Economics towards Social Change, Jeff Mohr

**NOTE: Behavioral economics aids diagnosing what's driving current behaviors and designing interventions**

<https://blog.kumu.io/applying-behavioral-economics-towards-social-change-9bec77253e18>

<sup>31</sup>Fermi Estimates

**NOTE: Often an estimate within a factor of 10/20 is enough to make a decision; Fermi estimates can save time**

<https://www.lesswrong.com/posts/PsEppdvGRisz5xAHG/fermi-estimates>

<sup>32</sup>Applying artificial intelligence for social good, Mckinsey Global Institute Nov. 2018

**NOTE: AI has the potential to help tackle some of the world's most challenging social problems.**

<https://www.mckinsey.com/featured-insights/artificial-intelligence/applying-artificial-intelligence-for-social-good?cid=other-eml-alt-mgi-mck-oth-1811&hlkid=485b551e30be4defadc2592045042ed6&hctky=2269412&hdpid=465daed6-1d79-427b-9ff3-417da5844a17>

What are quantum computers and how do they work? WIRED explains

<https://www.wired.co.uk/article/quantum-computing-explained>

<sup>33</sup>Six Thinking Hats, Edward DE Bono

**NOTE: " A method for effective team meetings, problem solving, decision making and proposal/design evaluation"**

<https://www.miun.se/siteassets/fakulteter/nmt/summer-university/bonopdf>

<sup>34</sup>We're failing to solve the world's 'wicked problems.' Here's a better approach  
Stephan Manning, University of Massachusetts Boston and Juliane Reinecke, Warwick Business School,  
University of Warwick

**NOTE: Advantage of taking small steps to address wicked problems**

<https://apnews.com/278cf1ae713c4df2b3fec1d5b7621b3b>

<sup>35</sup> Fishbone Diagram

**NOTE: One of the most user friendly tools for visually outlining root cause analysis**

<https://www.cms.gov/medicare/provider-enrollment-and-certification/qapi/downloads/fishbonerevised.pdf>

<sup>36</sup> TRIZ

**NOTE: The challenge that TRIZ addresses is how to get more of one feature without deteriorating the performance of other features.**

<https://www.managementstudyguide.com/triz-matrix.htm>

<sup>37</sup>Logic Model

**NOTE: The logic model is a tool that can support many activities, planning, management, evaluation, others**

[http://www.pointk.org/client\\_docs/File/logic\\_model\\_workbook.pdf](http://www.pointk.org/client_docs/File/logic_model_workbook.pdf)

<sup>38</sup>Community Organizing (CO) Toolbox

**NOTE: CO offers community members a vehicle for developing their capacity as citizens, and building power**

<https://d3n8a8pro7vhmx.cloudfront.net/nfg/pages/447/attachments/original/1490650482/The-Community-Organizing-Tool-Box.-A-Funders-Guide-to-Community-Organizing.-Neighborhood-Funders-Group.pdf?1490650482>

<sup>39</sup>Force Field Analysis

**NOTE: Force Field Analysis helps you to weigh the pros and cons of a decision, and helps you to think about what you need to do to make change successful.**

[https://www.mindtools.com/pages/article/newTED\\_06.htm](https://www.mindtools.com/pages/article/newTED_06.htm)

<sup>40</sup> Socio-Technical Theory

**NOTE:** “Sociotechnical systems (STS) in organizational development is an approach to complex organizational **work design** that recognizes the interaction between people and technology in **workplaces**. The term also refers to the interaction between society's complex infrastructures and human behavior. In this sense, society itself, and most of its substructures, are complex sociotechnical systems.”

[https://en.wikipedia.org/wiki/Sociotechnical\\_system](https://en.wikipedia.org/wiki/Sociotechnical_system)

<sup>41</sup>Smart Simplicity

**NOTE: Smart Simplicity identifies a framework for simplifying complex problems**

<https://www.bcg.com/publications/2017/people-organization-operations-mastering-complexity-through-simplification.aspx>

<sup>42</sup> Adaptive Action

**NOTE:** “Adaptive Action is an iterative, deceptively simple planning process that allows you to move forward in uncertainty. When you feel like you cannot move forward because you don't know what to do, you can always use Adaptive Action to identify your next wise action.”

<https://www.hsdinstitute.org/resources/adaptive-action.html>

<sup>43</sup> CYNEFIN FRAMEWORK

**NOTE:** “The Cynefin framework is a problem-solving tool that helps you put situations into five "domains" defined by cause-and-effect relationships. This helps you assess your situation more accurately and respond appropriately.”

<https://www.mindtools.com/pages/article/cynefin-framework.htm>

<sup>44</sup> GOAL QPC

**NOTE: Goal QPC has developed the award-winning Memory Jogger series of planning, problem solving and quality improvement tools**

<https://goalqpc.com/>

<sup>45</sup> MIND TOOLS

<https://www.mindtools.com/>

<sup>46</sup> Why Blockchain? What Exactly Are the Societal Implications?

**NOTE Blockchain, a public record of transactions, has profound implications for the nature of capitalism**

<https://richtopia.com/tech/blockchain>

<sup>47</sup> Plan, Do, Check Act (PDCA)

**NOTE:PDCA is an iterative four-step method used for the control and continuous improvement of processes and products.**

<https://asq.org/quality-resources/pdca-cycle>

<sup>48</sup>The PHOENIX CHECKLIST

The checklist has a proven track record of assisting groups to tackle tough problems. It prompts more thinking on the causes of problems and supports planning to solve the problem.

[https://en.wikiversity.org/wiki/Thinking\\_Tools/Phoenix\\_Checklist](https://en.wikiversity.org/wiki/Thinking_Tools/Phoenix_Checklist)

**Reflection:** “When you stop learning, you start dying”, Einstein

**Table 4 Toolbox 1-METHODOLOGIES/TOOLS, TO APPROACH SOLVING COMPLEX PROBLEMS i.e. FERAL, WICKED, SUPER WICKED (Some content edited to fit)**

<sup>1</sup> Analytical Activism: Nine Principles & Root Cause Analysis	<sup>2</sup> Second Generation Systems Approach (SGSA)	<sup>3</sup> <i>Organizing for Social Change</i> <sup>4</sup> <sup>TH</sup> Edition Midwest Academy <i>Manual for Activists</i>	<sup>4</sup> Eight Stages of Successful Social Movements, Moyer	<sup>5</sup> Movement Building: Ten Tasks, 6 Capacities
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<p><i>Definition of root cause</i> as the <b>deepest cause in a causal chain that can be resolved</b>, plus additional criteria as needed for the problem type. .</p> <p>Following causal flow by starting at problem symptoms and working backward to the root causes.</p> <p><b>Principle 1. Root Cause Resolution</b> <i>Difficult complex system problems can be solved only by resolving their root causes.</i></p> <p><b>Principle 2. Sufficient Process Maturity</b> <i>The more difficult the problem, the better the solution process must be</i></p> <p><b>Principle 3. Sub-problem Decomposition</b> <i>Difficult social problems are too complex to solve without decomposition</i></p> <p>1-How to overcome change resistance 2-How to Achieve Proper Coupling 3-How to Avoid Excessive Solution Model Drift</p> <p><b>Principle 4. Understanding Causal Structure</b> <i>The behavior of a social system emerges from its causal structure. Social system structure is the nodes, relationships, and interacting feedback loops that describe what causes the dynamic behavior of the system.</i></p> <p><b>Principle 5. Model Based Problem Solving</b> <i>Difficult social problems are too complex to solve without developing a glass box model (Computer model)</i></p> <p><b>Principle 6. Consideration of Dominant Social Agents</b> <i>The goals of a social system’s dominant social agents determine the fundamental behavior of the system.</i></p> <p><b>Principle 7. Viewpoint of Defect Resolution</b> <i>Social system problems are best seen as a process with an unacceptably high defect rate. The defects are emitted by the social system with the problem.</i></p> <p><b>Principle 8. Avoidance of the Fundamental Attribution Error</b> <i>So that analysis can focus on systemic causes rather than individual social agent causes.</i></p>	<ol style="list-style-type: none"> <li>The knowledge needed to solve a problem is concentrated in many heads and not in a few.</li> <li>The people who have the best expertise and most knowledge are those who are likely to be affected by the solution.</li> <li>Ask those who become affected and not the experts.</li> <li>SGSA rests on the insight that nobody wants a solution forced on them. People who are the ultimate beneficiaries of the solution want to be actively involved in the planning process.</li> <li>Planning is more deontic in nature (based on general political, moral and ethical attitudes)</li> <li>Planning is a political process.</li> <li>Some of the steps/decisions needed to develop a solution need not necessarily be scientific.</li> <li>The choices for a solution or a step depends on who make the decision and the final solution depends on their judgement.</li> <li>Communicating the basis of judgments is crucial for a successful solution since decisions arrived at are more intuitive and less scientific.</li> <li>The planner/designer plays the role of a facilitator and not that of an expert/one who offers solutions to problems faced.</li> <li>Casting doubt on the choices made is a virtue.</li> <li>Moderate activism and optimism are a part of the facilitator's attitude.</li> <li>Every solution is treated as a venture and the people who are part of the solution should share the risk.</li> <li>Planing process is an argumentative process (one of raising questions and issues towards which the facilitator can assume different positions and argue for or against the positions. The options</li> </ol>	<p><b>Part I: Direct Action Organizing</b> <i>Fundamentals of Direct Action Organizing</i></p> <p>Choosing an Issue Developing a Strategy A Guide to Tactics Organizing Models: The Underlying Structure of Organizations Meetings to Pressure Officials (Actions) Holding Accountability Sessions Building and Joining Coalitions</p> <p><b>Part II: Organizing Skills</b></p> <p>Recruiting Developing Leadership Planning and Facilitating Meetings Public Speaking and Presentations Using PowerPoint Using the Media Online Organizing Designing and Leading a Workshop Tactical Investigations Working with Organization Boards Grassroots Fundraising</p> <p><b>Part III: Support for Organization</b></p> <p>Working with Religious Organizations Working with Local Unions, Central Labor Councils and Building and Construction Trades Councils Building Labor-Community Partnerships Controlling Your Work: Administrative Systems Supervision</p>	<p><b>Stage 1: Normal Times</b> <b>Problem exists but is not on social or political agenda.</b> <b><u>Movement goals of Stage 1:</u></b></p> <ul style="list-style-type: none"> <li>Build organizations, vision and strategy. Document problems and powerholders roles. Become informed.</li> </ul> <p><b>Stage 2: Prove failure of official institutions</b> <b><u>Movement goals of Stage 2:</u></b></p> <ul style="list-style-type: none"> <li>Prove and document the failure of official institutions and powerholders to uphold public trust and values.</li> <li>Begin legal cases to establish legal and moral basis for opposition.</li> <li>Build opposition organizations, leadership, expertise.</li> </ul> <p><b>Stage 3: Ripening Conditions Recognition by the public of the problem and its victims slowly grows.</b></p> <p><b><u>Movement goals of Stage 3:</u></b></p> <ul style="list-style-type: none"> <li>Prepare grassroots for new movement. Educate/win over progressive community.</li> <li>More local nonviolent actions.</li> </ul> <p><b>Stage 4: Take-Off</b> <b>• A catalytic (“trigger”) event occurs that starkly and clearly conveys the problem</b></p> <p><b><u>Movement goals of Stage 4:</u></b></p> <ul style="list-style-type: none"> <li>Put issue on social agenda. Create a new grassroots movement.</li> <li>Alert, educate and win public opinion.</li> <li>Legitimize movement by emphasizing and upholding widely held societal values</li> </ul> <p><b>Stage 5: Movement Identity Crisis -- A Sense of Failure and Powerlessness</b> <b>• Those who joined the movement when it was growing in Stage 4 expect rapid success. When this doesn't happen there is often hopelessness burn-out.</b></p> <p><b><u>Movement goals of Stage 5:</u></b></p> <ul style="list-style-type: none"> <li>Recognize movement progress and success. Counter “negative rebel” tendencies.</li> <li>Recognize that movement is nearing Stage Six and pursue goals appropriate to that stage.</li> </ul>	<p><b>1.A vision and a frame</b> In a world of challenges, social movements help to identify the source of problems, the groups and individuals that stand in the way of solutions, and the way in which resolving those issues will lift up our best and highest selves.</p> <p><b>2.An authentic base in key constituencies</b> One key element of a social movement is its commitment to organizing – the on-the-ground, one-to-one work that is part science, part art, and all important to organizational sustainability.</p> <p><b>3.A commitment to the long-haul</b> Movements pivot from issue to issue constantly referring back to a worldview and an agenda. To do this requires long-term focus and long-term investments.</p> <p><b>4.An underlying and viable economic model</b> Social movements have an underlying economic model that is viewed as being sensible &amp; viable</p> <p><b>5.A vision of government &amp; governance</b> Progressive forces suggest that democracy requires certain economic and social protections to level the playing field.</p> <p><b>6.A scaffold of solid research</b> Social movement groups in the U.S. have become even more conscious about the power of using research as a scaffold to support and weave together the personal stories generated by base constituencies.</p> <p><b>7.A pragmatic policy package</b> Social movement organizations are at the ready with practical programs to rework job training, use public bonds to build parks, and/or remake health care to better serve the poor.</p> <p><b>8.A recognition of the need for scale</b> The scale of the social problems faced – and the extent of power on the other side – often requires a scale of organizational capacity to match.</p> <p><b>9.A strategy for scaling up</b> Most social justice organizations are working hard to move from the local to the regional to the state to the national.</p> <p><b>10.A willingness to network with other movements”</b> No one wins alone. It is critical that social movements that may be focused on particular issues and particular constituencies are able to find their way to potential allies in other movements.</p>
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<p><b>Principle 9. Systemic Change Resistance as a Separate Problem</b>  <i>How to overcome systemic change resistance must be treated as a separate problem to solve.</i></p> <p><b>The Six Laws of Root (R) Cause Analysis</b></p> <ol style="list-style-type: none"> <li>All causal problems arise from their root (R) causes.</li> <li>Superficial solutions (S) fail because <b>S &lt; R</b>.</li> <li>Fundamental (F) solutions can succeed because they can be designed such that <b>F &gt; R</b>.</li> <li>If analysis shows no <b>F &gt; R</b> exists, the problem is unsolvable.</li> <li>Difficult large-scale social problems have multiple root causes.</li> <li>Due to lock-in, difficult systemic problems can be solved only by correctly engineered mode changes.</li> </ol> <p><b>ROOT CAUSE DEFINITION</b></p> <ol style="list-style-type: none"> <li>It is clearly a major cause of the problem symptoms.</li> <li>It has no productive deeper cause.</li> <li>It can be resolved.</li> <li>ts resolution will not create bigger problems. Side effects must be considered.</li> <li>There is no better root cause. All alternatives have been considered.</li> </ol>	<p>available are deliberated and a decision taken to move towards the next step)</p> <p><sup>2A</sup><b>THE FAIR LEADERSHIP PROCESS FOR TAMING WICKED PROBLEMS</b>  Phase 1: Frame the problem  *Avoid excellent solution to the wrong problem</p> <p>Phase 2: Explore “better” options.  *Engage others in evaluating options.</p> <p>Phase 3: Take a decision, explain it thoroughly and set the right expectations  * Engage in debates with multiple stakeholders.</p> <p>Phase 4: Execute the plan with commitment.  *Give your fullest most honest effort and be ready to admit its not working.</p> <p>Phase 5: Evaluate the outcomes for progress and learning, adapt and restart the cycle.  *Publicly compare progress vs plans; share lessons learned; adapt and renew change effort as needed.</p>	<p>Financial and Legal Matters</p> <p>Working for the Long Haul</p> <p>The Breakdown of the Real Economy</p> <p><sup>3A</sup><b>Collective Strategy: A Framework for Solving Large-Scale Social Problems &amp; Tools</b></p> <p>Q1 (goal)—What are you trying to achieve? <u>participatory goal-setting</u></p> <p>Q2 (indicators)—How will we know it’s been achieved? <u>collective impact</u></p> <p>Q3 (barriers)—What are the main barriers? <u>group model building</u></p> <p>Q4 (factors)—What factors affect those barriers? systems mapping</p> <p>Q5 (model)—How are all the factors and barriers related? <u>system dynamics</u></p> <p>Q6 (strategy)—What are the clearest paths to success? <u>strategy dynamics</u></p> <p>Q7 (influencers)—Whose work affects which factors? <u>influence mapping</u></p> <p><b>N.B. COLLECTIVE STRATEGY PROCESS MUST BE BOTH PARTICIPATORY &amp; ITERATIVE</b></p>	<p><b>Stage 6: Winning Public Opinion</b>  • <b>The movement deepens &amp; broadens</b>  <b>Movement goals of Stage 6:</b></p> <ul style="list-style-type: none"> <li>Keep issue on social agenda.</li> <li>Win over involve public majority</li> <li>Activists committed to the long haul.</li> </ul> <p><b>Stage 7: Success: Accomplishing Alternatives</b>  • <b>Majority now opposes current policies and no longer fears the alternative.</b>  <b>Movement goals Stage 7:</b></p> <ul style="list-style-type: none"> <li>Recognize movement’s success and celebrate, follow up on the demands won, raise larger issues, focus on other demands that are in various stages, and propose better alternatives and a true paradigm shift.</li> <li>Create ongoing empowered activists and organizations to achieve other goals</li> </ul> <p><b>Stage 8: Continuing the Struggle</b>  • <b>Our struggle to achieve a more humane and democratic society continues indefinitely. This means defending the gains won as well as pursuing new ones.</b>  <b>Movement goals Stage 8:</b></p> <ul style="list-style-type: none"> <li>Retain and extend successes.</li> <li>Continue the struggle by promoting other issues and a paradigm shift.</li> <li>Recognize and celebrate success. Build ongoing grassroots or power bases</li> </ul>	<p><b>SIX KEY CAPACITIES TO ORGANIZE SOCIAL MOVEMENTS</b></p> <ol style="list-style-type: none"> <li>The ability to organize a base constituency.</li> <li>The capacity to research, frame and communicate.</li> <li>The ability to strategically assess power.</li> <li>The capacity to manage large and growing organizations.</li> <li>The capability to engage and network with others.</li> <li>The ability to refresh organizational vision and organizational leadership.</li> </ol> <p><sup>5A</sup> Enterprise Facilitation</p>
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**Toolbox 2: Methods, Tools Targeting, Complicated, Simple, & Tame Problems (Some content edited to fit)**

FIRST GENERATION PROBLEM SOLVING	<sup>10</sup> SYSTEM IMPROVEMENT PROCESS ANALYTICAL METHOD	PROBLEM SOLVING TOOLS	PROBLEM SOLVING TOOLS	GENERAL PURPOSE TOOLS & METHODS
<p><sup>6</sup> <b>Waterfall approach a.k.a. linear 1st Generation Systems Problem Solving</b></p> <p>The typical stages of waterfall project management:</p> <p>Requirements: Manager analyzes and gathers all the requirements and documentation for the project.</p> <p>System design: Manager designs the workflow model for the project.</p> <p>Implementation: This is the stage where things get built.</p> <p>Testing: Each element is tested to ensure they work as expected</p> <p>Deployment: The service or product is officially launched</p> <p>Maintenance: In this final, ongoing stage, the team performs upkeep and maintenance</p> <p><sup>7</sup><b>PROBLEM DRIVEN ITERATIVE ADAPTATION (PDIA)</b></p> <p><b>1 Focus on solving locally nominated problems; not adopting transplanted “best practices”</b></p> <p><b>2 Decision making that encourages “positive deviance” and experimentation</b></p> <p><b>3 Embeds experimentation in tight feedback loops to facilitate rapid</b></p>	<p><b>STRATEGY</b></p> <p>1.What are the critical subproblems?</p> <p>2. What are the root causes of each subproblem?</p> <p>3. What are the high leverage points for resolving the root causes?</p> <p><b>FOUR MAIN STAGES</b></p> <p>1.Problem Definition</p> <p>How to overcome <b>change resistance</b>. Presently the human system is strongly resisting changing from unsustainable to sustainable behavior.</p> <p>How to achieve <b>proper coupling</b>. Presently the human system is improperly coupled to the environment. The feedback loops necessary for sustainable environmental impact are simply not there.</p> <p>How to avoid excessive <b>model drift</b>. The model governments use to run themselves is incapable of solving the sustainability problem. It has drifted so far from what's needed that it's broken.</p> <p>2. Analysis</p> <p>3. Solution Convergence</p> <p>4. Implementation</p> <p><b>FIVE SUBSTEPS OF ANALYSIS</b></p> <p>Find the immediate cause of the subproblem symptoms in terms of the system’s dominant feedback loops.</p> <p>Find the intermediate causes, low leverage points, and superficial (symptomatic) solutions.</p>	<p><sup>11</sup><b>D.M.A.I.C. Six Sigma Method</b> Define the problem.</p> <p>Measure, quantify problem.</p> <p>Analyze, identify cause of problem.</p> <p>Improve, solve root cause and verify improvement.</p> <p>Control, maintain gains &amp; pursue perfection.</p> <p><sup>12</sup><b>S.I.P.O.C. Method</b> Suppliers</p> <p>Inputs</p> <p>Process</p> <p>Outputs</p> <p>Customers</p> <p><sup>13</sup><b>C.A.R.V.E.R. Method</b> Criticality: how essential an asset, system</p> <p>Accessibility: how hard to attack the asset</p> <p>Recoverability: how quickly you could recover</p> <p>Vulnerability: how well (or not) the asset could withstand an attack</p> <p>Effect: how much of an impact if asset damaged</p> <p>Recognizability: how likely asset seen as vulnerable</p> <p><sup>14</sup><b>Six building blocks of distributed organizing campaigns</b></p>	<p><sup>15</sup><b>S.C.A.L.E.R.S. Method</b> Staffing</p> <p>Communication</p> <p>Alliance Building</p> <p>Lobbying</p> <p>Earnings Generation</p> <p>Replication</p> <p>Stimulating Market Forces.</p> <p><sup>16</sup><b>A.R.E.A Method</b> Absolute: Perspective of the research target</p> <p>Relative: Perspective of outsiders to the research target</p> <p>Exploration &amp; Exploitation</p> <p>Analysis: Synthesis of all the prior perspectives</p> <p><sup>17</sup><b>McKINSEY 7 STEP MODEL</b> Strategy</p> <p>Structure</p> <p>Systems</p> <p>Shared Values</p> <p>Skills</p> <p>Style</p> <p>Staff</p> <p><sup>18</sup><b>S.M.A.R.T. Goal Planning</b></p>	<p><sup>20</sup><b>Issue-Based Information System (IBIS): A Tool for All Reasons</b></p> <p><sup>21</sup><b>Pre-Mortem Analysis</b></p> <p><sup>22</sup><b>Agile Development/SCRUM</b></p> <p><sup>23</sup><b>5 WHYS Tool</b></p> <p><sup>24</sup><b>Occam’s Razor</b></p> <p><sup>25</sup><b>Backcasting</b></p> <p><sup>26</sup><b>Polycentric Approach</b></p> <p><sup>27</sup><b>Systems Change-Big or Small (Targeted System Change)</b></p> <p><sup>28</sup><b>Monte Carlo Simulation</b></p> <p><sup>29</sup><b>Juggad Innovation</b></p> <p><sup>30</sup><b>Behavioral Economics</b></p> <p><sup>31</sup><b>Fermi Estimate</b></p> <p><sup>32</sup><b>A.I./Quantum Computer/ Virtual modelling</b></p> <p><sup>33</sup><b>Six Thinking Hats</b></p> <p><sup>34</sup><b>Wicked Problems: Small Steps Approach</b></p> <p><sup>35</sup><b>Fishbone Diagram</b></p> <p><sup>36</sup><b>TRIZ</b></p> <p><sup>37</sup><b>Logic Model</b></p> <p><sup>38</sup><b>Community Organizing Toolbox</b></p>



<p><b>experiential learning as opposed to long learning lag times and post facto evaluations</b></p> <p><b>4 Actively engages broad sets of agents to ensure that reforms are viable, legitimate, relevant and supportable (as opposed to a narrow set of external experts promoting the "top down" diffusion of innovation</b></p> <p><b><sup>9</sup>Lean Start Up Methodology</b></p> <p>Principles</p> <p>1-Entrepreneurs are everywhere</p> <p>2-Entrepreneurship is Management</p> <p>3-Validated Learning</p> <p>4-Innovation Accounting</p> <p>5-Build-Measure-Learn</p> <p><b><sup>9A</sup>The Customer Development Model</b></p> <p>1-Customer Discovery</p> <p>2-Customer Validation</p> <p>3-Customer Creation</p> <p>4-Company Building</p>	<p>Find the <u>root causes</u> of the intermediate causes.</p> <p>Find the feedback loops that should be dominant to resolve the root causes.</p> <p>Find the <u>high leverage points</u> to make those loops go dominant</p> <p><b>Analytical Method:</b></p> <ol style="list-style-type: none"> <li>1. Identify the problem to solve.</li> <li>2. Choose or design an appropriate process.</li> <li>3. Use the process to hypothesize analysis or solution conclusions.</li> <li>4. Design an experiment(s) to test the hypothesis.</li> <li>5. Perform the experiment(s).</li> <li>6. Accept, reject, or modify the hypothesis.</li> <li>7. Repeat steps 3, 4, 5, and 6 until the hypothesis is accepted.</li> <li>8. Implement the solution.</li> <li>9. Continuously improve the process as opportunities arise.</li> </ol> <p><b><sup>8</sup>Mess Maps</b></p> <p><b>Are a kind of knowledge map that portray the major organizations and societal sectors involved in a mess. It generally summarizes a particular group's understanding of the problems, causes, influences, and relevant data about the mess.</b></p> <p><b>Resolution Map</b></p> <p>Combines "simulated hindsight" with interactive meetings. Participants leverage knowledge at many levels of abstraction to develop a desired outcome, &amp; ID key events necessary for that outcome</p>	<ol style="list-style-type: none"> <li>1. Establishing a people-powered theory of change</li> <li>2. Designing supporter paths and roles</li> <li>3. Establishing a recruitment and onboarding process</li> <li>4. Setting up coaching and support for distributed supporters</li> <li>5. Platforms and tools to support a distributed community</li> <li>6. Defining milestones and moments of a distributed campaign</li> </ol> <p><b><sup>14A</sup>10 Steps Solving Complex Problems</b></p> <ol style="list-style-type: none"> <li>1. Acknowledge the Complexity</li> <li>2. Construct A Really, Really, Good Question</li> <li>3. Target A Requisite Variety of Solvers</li> <li>4. Localize the Solvers</li> <li>5. Eliminate the Noise</li> <li>6. Agree on the Right Agenda</li> <li>7. Put people On A Collision Course</li> <li>8. Advance Iteratively and Emergently</li> <li>9. Change How People Interact</li> <li>10. Transate Clarity &amp; Insights to Action</li> </ol> <ol style="list-style-type: none"> <li>10.1 Things to do</li> <li>10.2 Things to Try</li> </ol>	<p>Specific (simple, sensible, significant).</p> <p>Measurable (meaningful, motivating).</p> <p>Achievable (attainable).</p> <p>Relevant (reasonable, realistic and resourced, results-based).</p> <p>Time bound (time-based, time limited, time/cost ...</p> <p><b><sup>19</sup> Developing a Value-Based Decision-Making Model for Inquiring Organizations</b></p> <p>Key domains to integrate.</p> <ul style="list-style-type: none"> <li>• Theoretical</li> <li>• Social</li> <li>• Political</li> <li>• Religious</li> <li>• Aesthetic</li> <li>• Economic</li> </ul>	<p><b><sup>39</sup>Force Field Analysis</b></p> <p><b><sup>40</sup>Socio-Technical Theory</b></p> <p><b><sup>41</sup>Smart Simplicity</b></p> <p><b><sup>42</sup> Adaptive Action</b></p> <p><b><sup>43</sup>Cynefin Framework</b></p> <p><b><sup>44</sup>Goal QPC</b></p> <p>Examples of Tools</p> <p>Free Templates</p> <p>Interpersonal Skills</p> <p>Project/Process Management</p> <p>Lean Six Sigma</p> <p>Strategic Planning</p> <p>Memory Jogger Training Materials</p> <p>Quality Improvement Toolkit</p> <p><b><sup>45</sup> Mind Tools</b></p> <p>Examples of free/low cost Tools</p> <p>Leadership Tools</p> <p>Team Tools</p> <p>Strategy Tools</p> <p>Problem Solving Techniques</p> <p>Decision Making Tools</p> <p>Project Management Skills</p> <p><b><sup>46</sup>Blockchain</b></p> <p><b><sup>47</sup>P.D.C.A</b></p> <p><b>Plan</b></p> <p><b>Do</b></p> <p><b>Check</b></p> <p><b>Act</b></p> <p><b><sup>48</sup>PHOENIX CHECKLIST</b></p>
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		10.3 Revealed Complexitie		
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## APPENDIX 2

## RESOURCES

There are dozens of books and articles you can review from the Guide's modules. The following material is intended to assist you to conduct further research on critical topics as you develop your social enterprise.

**TIP:** Before purchasing a book- Google the title to see if a free PDF is available

**TIP:** Before purchasing a Course or Tool Kit check out the free offerings e.g. Coursera, +Acumen

**TIP:** For Colleges both Ashoka and Enactus have programs to develop social entrepreneurship offerings

**TIP:** When you read an article check the references at the end for additional relevant articles; ditto with Source Index in books

**TIP:** Review/skim the listed resources quickly, some of them will aid your mapping of your ecosystem or provide funding.

## BACKGROUND MATERIALS

### Starting Up Enterprises

- *The Start Up Owner's Manual*, Steven Blank, Bob Dorf
- *Four Steps to the Epiphany*, Steven Blank
- *Succeeding at Social Enterprise: Hard-Won Lessons for Nonprofits and Social Entrepreneurs*, Social Enterprise Alliance
- *The Lean Product Playbook: How to Innovate with Minimum Viable Products and Rapid Customer Feedback*, Dan Olsen
- *Startup Evolution Curve: From Idea to Profitable and Scalable Business*, Dr. Donatas Jonikas
- *The Art of the Start 2.0*, Guy Kawasaki
- *Business Model Generation*, Osterwalder and Prigneur
- *The Lean Start Up*, Eric Reis
- *Lean Startups for Social Change: The Revolutionary Path to Big Impact*, Michel Gelobter
- *Paid to Think: A Leader's toolkit for Redefining Your Future*, David Goldsmith, with Lorrie Goldsmith
- *Ripples From Zambesi*, Ernesto Sirolli
- *How to Start a Business & Ignite your Life: A Simple Guide to Combining Business Wisdom with Passion*  
Ernesto Sirolli

- *Dead Aid*, Dambisa Moyo
- THE PMARCA GUIDE TO START-UPS, Marc Andreessen  
<https://a16z.app.box.com/s/oe4gwlcbsu23mocch18j>

### **Social Entrepreneurship-Background**

- Reclaiming Social Entrepreneurship | Daniela Papi Thornton  
<https://www.youtube.com/watch?v=RdrfMqBRfEQ>
- Ernesto Sirolli: Want to help someone? Shut up and listen!  
<https://www.youtube.com/watch?v=chXsLtHqfdM&t=189s>
- The Meaning of Social Entrepreneurship, Greg Dees  
<https://entrepreneurship.duke.edu/news-item/the-meaning-of-social-entrepreneurship/>
- *Getting Beyond Better: How Social Entrepreneurship Works*, Roger L. Martin, Sally R. Osberg,
- *Social Entrepreneurship: What Everyone Needs to Know*, David Bornstein , Susan Davis
- *Social Entrepreneurship for Dummies*, Mark B. Durieux, Robert A. Stebbins
- Mission Inc. the Practitioners' Guide to Social Enterprise, Kevin Lynch, Julius Walls jr.  
<https://www.scribd.com/book/134856800/Mission-Inc-The-Practitioners-Guide-to-Social-Enterprise>
- *The Social Profit Handbook: The Essential Guide to Setting Goals, Assessing Outcomes, and Achieving Success for Mission-Driven Organizations*, David Grant
- *The Surprising Power of Liberating Structures: Simple Rules to Unleash A Culture of Innovation*, Henri Lipmawowicz, Keith McCandless
- *SCALE: The Universal Laws of Life, Growth, & Death in Organisms, Cities, & Companies*, Geoffrey West
- *Introduction to Social Entrepreneurship*, Teresa Chahine
- *New Venture Creation: Entrepreneurship for the 21<sup>ST</sup> Century*, Timmons, Spinelli Jr.
- *Founders at Work: Stories of Startups' Early Days*, Livingston
- *Crossing the Unknown Sea: Work as a Pilgrimage of Identity*, David Whyte
- *Social Entrepreneurship: The Art of Mission-Based Venture Development*, Peter C Brinckerhoff
- *Entrepreneurship in the Social Sector*, Jane Wei-Skillern, James E. Austen, Herman Leonard, Howard Stevenson
- *The Social Entrepreneur's Playbook: Pressure, Test, Plan, Launch and Scale Your Enterprise, Expanded Edition*, Ian C. MacMillan, James d. Thompson

- *Succeeding at Social Enterprise: Hard-Won Lessons for Non-Profits and Social Entrepreneurs*, Social Enterprise Alliance
- *The Unfinished Entrepreneur*, Jonathan C. Lewis
- *Just Start*, Leonard A Schlesinger, Charles F Kiefer, with Paul B. Brown
- *Social Startup Success: How the Best Nonprofits Launch, Scale Up and Make a Difference* Kathleen Kelly Janus
- *Social Entrepreneurship: A Skills Approach*, Robert Gunn, Chris Durkin Editors
- *Small is Beautiful: Economics As If People Matter*, E.F. Schumacher
- *The Black Swan*, Nassim, Nicholas Taleb
- *Utopia for Realists: How We Can Build The Ideal World*, Rutger Bregman
- *Paid to Think: A Leader's Toolkit for Redefining your Future*, David Goldsmith, Lorrie Goldsmith
- *Handbook of Research on Social Entrepreneurship*, Alain Fayolle, Harry Matlay Editors
- *Impact Investing: Transforming How We Make Money While Making a Difference.* Antony Bugg- Levine, and Jed .Emerson
- *Goodbye Homeboy*, Steve Mariotti
- *The Entrepreneur's Manifesto*, Steve Mariotti
- *New Venture Creation: Entrepreneurship for the 21<sup>st</sup> Century*, Jeffrey A. Timmons, Stephen Spinelli, Jr.
- *Scaling Your Social Venture: Becoming An Enterprise Entrepreneur*, Paul N Bloom
- *Effective Management of Social Enterprises: Lessons from Business and Civil Society Organizations in Iberoamerica*, A Collaborative Research Project with Social Enterprise Knowledge Network
- *Going Local: Creating Self-Reliant Communities in a Global Age*, Michael H. Shuman
- *Dream Hoarders: How The American Upper Middle Class Is Leaving Everyone Else In The Dust*, Richard V. Reeves
- *Transforming Communities: How People Like You Are Healing Their Neighborhoods*, Sandhya Rani Jha

## **Organizing Change**

Some of the most informative works on the subject –valuable resources for developing your sustainable solution and solving Tame, Wicked problems

- *Create the Change You want to See*, Monica Gragg
- *Social and Cultural Change: Social Science for a Dynamic World*, Jay Weinstein 2<sup>nd</sup> Edition
- *How Change Happens*, Duncan Green

- Understanding Change: How It Happens and How to Make It Happen, Scott London  
<http://www.scottlondon.com/reports/change.html>
- Effective Activist: An Evidence-Based Guide to Progressive Social Change  
<http://effectiveactivist.com/wp-content/uploads/2018/11/Effective-Activist-zine-2018.pdf>
- *Solving Tough Problems: An Open Way of Talking, Listening, and Creating New Realities*, A. Kahane
- “*Power: A New Social Analysis*” by Bertrand Russell
- *Civic Power: Rebuilding American Democracy in an Era of Crisis*, K. Sabeel Rahman, Hollie Russon Gilman
- *New Power: How anyone Can Mobilize & Succeed in Our Chaotic Age* Jeremy Heimans, Henry Timms
- “*Kinds of Power: A Guide to its Intelligent Uses*” James Hillman
- “*Starting With the People*” Daniel Yankelovich and Sidney Harman
- Community Organizing Toolbox  
<https://d3n8a8pro7vhmx.cloudfront.net/nfg/pages/447/attachments/original/1490650482/The-Community-Organizing-Tool-Box.-A-Funders-Guide-to-Community-Organizing.-Neighborhood-Funders-Group.pdf?1490650482>
- “*Rules for Radicals: A Practical Primer for Realistic Radicals*” Saul D. Alinsky
- *Winners Take All: The Elite Charade of Changing the World*, Anand Giridharadas
- Listening—Building—Making Change: Job Profile of a Community Organizer

<http://communitylearningpartnership.org/wp-content/uploads/2014/05/CLP.Organizer-Profile-Report-Final.pdf>

- The Ripple Effect HOW CHANGE SPREADS IN COMMUNITIES  
[file:///C:/Users/Joe%20Szocik/Documents/Szocik/Szocik/A\\_CommunityChange\\_Ripple.pdf](file:///C:/Users/Joe%20Szocik/Documents/Szocik/Szocik/A_CommunityChange_Ripple.pdf)
- *The Epistemology of Resistance: Gender, And Racial Oppression, Epistemic Injustice and Resistant Imaginations*, Jose Medina
- *Leading Change*, John P. Kotter
- POLITICAL CAMPAIGN PLANNING MANUAL A STEP BY STEP GUIDE TO WINNING ELECTIONS National Democratic Institute for International Affairs  
[https://www.ndi.org/sites/default/files/Political\\_Campaign\\_Planning\\_Manual\\_Malaysia\\_0.pdf](https://www.ndi.org/sites/default/files/Political_Campaign_Planning_Manual_Malaysia_0.pdf)  
<https://iknowpolitics.org/sites/default/files/political20campaign20planning20manual.pdf>
- *The TeamNet Factor*, Jessica Lipnack, Jeffrey Stamps

- *Behavioral Economics: A Very Short Introduction*, Michelle Baddeley
- Six Building Blocks for Distributed Organizing Campaigns  
<http://netchange.co/reports>
- *Networks of Outrage and Hope: Social Movements in the Internet Age*, Manuel Castells
- *Pedagogy of the Oppressed*, Paulo Freire
- Community Organizing, Racial Equity Tools  
<https://www.racialequitytools.org/act/strategies/community-organizing>
- *How To Win A Local Election, Revised: A Complete Step-by-Step Guide*, Judge Lawrence Grey
- *The Conservatarian (sic) Manifesto*, Charles W Cooke
- *The Prison Notebooks*, Antonio Gramsci
- *Dialectic of Enlightenment*- Theodor Adorno & Max Horkheimer
- *Analytical Activism: A New Approach to Solving the Sustainability Problem and Other Difficult Problems*  
<http://www.thwink.org/sustain/glossary/AnalyticalActivism.htm>  
<http://www.thwink.org/sustain/articles/005/DuelingLoops.pdf>
- Beware thought leaders and the wealthy purveying answers to our social ills.  
[https://www.washingtonpost.com/outlook/beware-thought-leaders-and-the-wealthy-purveying-answers-to-our-social-ills/2018/09/28/517c7342-b069-11e8-aed9-001309990777\\_story.html?noredirect=on&utm\\_term=.9086c8d5d38d](https://www.washingtonpost.com/outlook/beware-thought-leaders-and-the-wealthy-purveying-answers-to-our-social-ills/2018/09/28/517c7342-b069-11e8-aed9-001309990777_story.html?noredirect=on&utm_term=.9086c8d5d38d)

## Organizing Social Movements

- *The Oxford Handbook of Social Movements*, Editors Donatella Della Porta, Mario Dani
- *Social Entrepreneurship as a Catalyst for Social Change* edited by Charles Wankel, Larry E Pate
- *The True Believer: Thoughts on the Nature of Mass Movements*, Eric Hoffer
- *Social Entrepreneurship: New Models of Sustainable Social Change* Edited by Alex Nichols
- *Effective Activist: An Evidence-Based Guide to Progressive Social Change*  
<http://effectiveactivist.com/wp-content/uploads/2018/11/Effective-Activist-zine-2018.pdf>
- *Asset Based Community Development (ABCD)*, Mike Green with Henry Moore & John O'Brien  
<https://calledtotransformation.org/wp-content/uploads/2015/09/When-People-Care-Enough-to-Act.pdf>
- *"From Poverty to Power: How Active Citizens and Effective States Can Change the World"*, Duncan Green
- *Sources of Social Power*, Michael Mann



- *The Next American Revolution: Sustainable Activism for the Twenty-First Century*, Grace Lee Boggs Scott Kurashige
- *Leadership Without Easy Answers*, Ronald Heifetz
- *Doing Democracy: The MAP Model for Organizing Social Movements*, Bill Moyer with JoAnn McCallister, Mary Lou Finley, Steven Soifer
- *How Change Happens: Why Some Social Movements Succeed While Others Don't*, Leslie Crutchfield
- *Rules for Revolutionaries: How Big Organizing Can Change Everything*, Becky Bond, Zack Exley
- *You Say You Want A Revolution: SDS, PL, and Adventures in Building a Worker-Student Alliance*, Edited by John F. Levin, & Earl Silbar
- *Wages of Rebellion: The Moral Imperative of Revolt*, Chris Hedges
- WHY SOCIAL MOVEMENTS OCCUR: THEORIES OF SOCIAL MOVEMENTS  
<http://www.beykon.org/dergi/2016/SPRING/2016XI.I.10.A.Sen.pdf>
- Social Movements and Philanthropy: How Foundations Can Support Movement Building  
[file:///C:/Users/Joe%20Szocik/Documents/Szocik/Szocik/A\\_Social%20Movements%20and%20Philanthropy.pdf](file:///C:/Users/Joe%20Szocik/Documents/Szocik/Szocik/A_Social%20Movements%20and%20Philanthropy.pdf)
- *America's Path Forward: Conversations with Social Innovators on the Power of Communities Everywhere*, Editors, Konstanze Frischen, Michael Zakaras
- *Organizing Social Change, Midwest Academy Manual for Activists*, Kim Bobo, Jackie Kendall, Steve Max
- *Social Movements: Readings on Their Emergence, Mobilization and Dynamics*, Doug McAdam, David, A Snow
- *Creative Coalitions: A Handbook for Change*, Nick Martlew  
<https://crisisation.org/wp-content/pdf/creative-coalitions-a-handbook-for-change.pdf>
- *Women, Resistance, and Revolution*- Sheila Rowbotham
- *Blueprint for Revolution: How to Use Pudding, Lego Men and other Non-Violent Techniques to Galvanize Communities, Overthrow Dictators or Simply Change the World*, Srdja Popovic
- *The Transitional Program for Socialist Revolution*, Leon Trotsky
- *CHANGE: How to Make Big Things Happen*, Damon Centola
- NINE DRIVERS FOR SPREADING CHANGE - Harwood Institute  
[file:///C:/Users/Joe%20Szocik/Documents/Szocik/Szocik/A\\_CommunityChange\\_Ripple.pdf](file:///C:/Users/Joe%20Szocik/Documents/Szocik/Szocik/A_CommunityChange_Ripple.pdf)
- *Finite and Infinite Games: A Vision of Life as Play and Possibility*, James P. Carese

- *The Quiet Before: On The Unexpected Origins of Radical Ideas*, Gal Beckerman
- *Gramsci Is Dead: Anarchist Currents in the Newest Social Movements*, Day, Richard J.F.
- *Cascades: How To Create A Movement That Drives Transformational Change*, Greg Satell
- The Collective Impact Toolkit: Tamarack Institute, Edited by Liz Weaver

<https://www.tamarackcommunity.ca/hubfs/CI%20Toolkit%20Ebook/CI%20Toolkit%20Temp.pdf?>

## **Minimum Viable Product (MVP), Minimum Viable Service (MVS) & Product Market Fit**

Some start up solution take the form of a product some as a service. Regardless a critical step is developing and testing the MVP, MVS with customers to establish its value and fit with the market.

The following are some of the many articles on these related topics.

- **Don't Crash: A Primer on Building a Minimum Viable Product**  
<https://medium.com/extendnode/dont-crash-a-primer-on-building-a-minimum-viable-product-fc32171ad6e0>
- **Build a Minimum Viable Product For Your Customers, Not For You**

<https://medium.com/@jproco/build-a-minimum-viable-product-for-your-customers-not-for-you-4e1249f95e4>

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- **How To Build a Minimum Viable Product That's Immediately Valuable**  
<https://medium.com/@jproco/how-to-build-a-minimum-viable-product-thats-immediately-valuable-9c73f29807da>
- **How to Pilot Your Minimum Viable Product**  
<https://marker.medium.com/how-to-pilot-your-minimum-viable-product-f9fe7860f54b>
- **How to Build a Scalable Minimum Viable Product**  
<https://medium.com/@jproco/how-to-build-a-scalable-minimum-viable-product-4a09c9ad8d09>
- **Build Your Business Backwards: The MVP Mindset**  
<https://becomebusiness.com/blog/build-business-backwards-the-mvp-mindset/>
- **12 Things about Product-Market Fit**  
<https://a16z.com/2017/02/18/12-things-about-product-market-fit/>
- **The 24-month journey to product/market fit**  
<https://next.amsterdam/blog/24-months-to-product-market-fit/>

- **Time to Product-Market Fit (TTPMF)**

<https://leanb2bbook.com/blog/time-product-market-fit-b2>

- **The Superhuman Product/Market Fit Engine**

[https://coda.io/@rahulvohra/superhuman-product-market-fit-engine?utm\\_medium=cpc&utm\\_source=google&utm\\_campaign=9655428196&utm\\_content=427599208309\\_c\\_&utm\\_term=finding%20product%20market%20fit&gclid=CjwKCAjw4pT1BRBUeIwAm5QuR3fuxhPvt1uF8oKjXIC5gnboM\\_Nul5aMQ7ow4ql9LXG3daCrfSyQcRoCe6QQAvD\\_BwE](https://coda.io/@rahulvohra/superhuman-product-market-fit-engine?utm_medium=cpc&utm_source=google&utm_campaign=9655428196&utm_content=427599208309_c_&utm_term=finding%20product%20market%20fit&gclid=CjwKCAjw4pT1BRBUeIwAm5QuR3fuxhPvt1uF8oKjXIC5gnboM_Nul5aMQ7ow4ql9LXG3daCrfSyQcRoCe6QQAvD_BwE)

- **Build a Minimum Viable Product For Your Customers, Not For You**

<https://medium.com/@jproco/build-a-minimum-viable-product-for-your-customers-not-for-you-4e1249f95e41>

- **Market Fit Guide**

<https://productcoalition.com/how-to-find-product-market-fit-a-practical-guide-290c40deed52>

- **How To Achieve Product-Market Fit**

<https://www.forbes.com/sites/hayleyleibson/2018/01/18/how-to-achieve-product-market-fit/#6e3bccf6476b>

## **Critiquing Capitalism: Making the Case for Reform**

- *The Cancer of Stage of Capitalism*, John McMurtry
- *Reimagining Capitalism in a World on Fire*, Rebecca Henderson
- *The Crisis of Global Capitalism: Open Society Endangered*, George Soros
- *IMPACT: Reshaping Capitalism to Drive Real Change*, Sir Ronald Cohen
- *Re-Imaging Capitalism*, Edited by Dominic Barton. Dezso Horvath, Matthias Kipping
- *The Price of Inequality*, Joseph E. Stiglitz
- *Capitalism for the Long Term*, Dominic Barton  
<https://hbr.org/2011/03/capitalism-for-the-long-term>
- *The Origin of Capitalism*, Ellen Meiksins Wood
- *Real Impact: The New Economics of Social Change*, Morgan Simon
- *Capital in the Twenty First Century*. Thomas Piketty
- *17 Contradictions and The End of Capitalism*, David Harvey

- Why the Phrase 'Late Capitalism' Is Suddenly Everywhere  
An investigation into a term that seems to perfectly capture the indignities and absurdities of the modern economy  
<https://www.theatlantic.com/business/archive/2017/05/late-capitalism/524943/>
- Commons Transition P2P Primer  
[https://p2pfoundation.net/wp-content/uploads/2017/09/commons\\_transition\\_and\\_p2p\\_primer\\_v9.pdf](https://p2pfoundation.net/wp-content/uploads/2017/09/commons_transition_and_p2p_primer_v9.pdf)

## Systems

- *Systems Thinking for Social Change*, David Peter Stroh
- *Systems Thinking Made Simple: New Hope for Solving Wicked Problems*, Derek and Laura Cabrera, Odyssey Press 2015
- *Thinking in Systems*, Donella H Meadows
- *General System Theory*, Ludwig von Bertalanfy
- *Perspectives on General System Theory: Scientific-Philosophical Studies*, Ludwig von Bertalanfy
- *Introduction to Systems Philosophy: Towards a New Paradigm of Contemporary Thought*, Ervin Lazlo
- *Systems Concepts: Lecture on Contemporary Approaches to Systems*, Edited by Ralph F. Miles Jr.
- *Applied General Systems Theory*, John P. Van Gigch
- *System -Antics: How Systems Work and Especially How They Fail*, John Gall
- *The Systems Approach*, C. West Churchman
- *Managing Large Systems: Organizations for the Future*, Leonard R. Sayles & Margaret K. Chandler
- Mop-and-Bucket Solutions Keep Us Forever Cleaning Up, Donella H Meadows  
<http://donellameadows.org/archives/mop-and-bucket-solutions-keep-us-forever-cleaning-up/>
- Blueprints for Change  
<https://blueprintsfc.org/>
- Systems Mapping Tools For Campaign Design  
[https://docs.google.com/document/d/10gpnNfm0ccpmPOXluHAgfB06-c5zg4L-aL1\\_iBRUx2I/edit](https://docs.google.com/document/d/10gpnNfm0ccpmPOXluHAgfB06-c5zg4L-aL1_iBRUx2I/edit)
- Systems Thinking For Campaigning & Organizing  
<https://docs.google.com/document/d/1QoyD8kDaNaavhpTIFDjTEZ6ytVkl-JvJBgV-Mx72RhU/edit>
- *The New Systems Reader: Alternatives to a Failed Economy*, Edited By James Gustave Speth and Kathleen Corrier
- *The Upside of Down: Catastrophe, Creativity, and the Renewal of Civilization*, Thomas Homer-Dixon
- Complexity Science and Social Entrepreneurship Adding Social Value through Systems Thinking  
[https://emergentpublications.com/documents/9780984216406\\_contents.pdf?AspxAutoDetectCookieSupport=1](https://emergentpublications.com/documents/9780984216406_contents.pdf?AspxAutoDetectCookieSupport=1)
- *The Systems Work of Social Change* Cynthia Rayner and François Bonnici

## Wicked Problems

- *Wicked & Wise: How to Solve the World's Toughest Problems*, Ken Wilber, Alan Watkins

- **Policy and Society Volume 36, 2017 - Issue 3: “Understanding policy problems: Tame and wicked problems reconsidered,”** Guest Edited by Joshua Newman, Patrik Marier, B. Guy Peters and Brian Head  
<https://www.tandfonline.com/doi/full/10.1080/14494035.2017.1361634?src=recsys>
- **Wicked tendencies in policy problems: rethinking the distinction between social and technical problems** Joshua Newman & Brian W. Head  
<https://www.tandfonline.com/doi/full/10.1080/14494035.2017.1361635>
- **Wicked and less wicked problems: a typology and a contingency framework** John Alford & Brian W. Head  
<https://doi.org/10.1080/14494035.2017.1361634>
- **What is so wicked about wicked problems? A conceptual analysis and a research program** B. Guy Peters  
<https://doi.org/10.1080/14494035.2017.1361633>
- **Forty years of wicked problems literature: forging closer links to policy studies**, Brian W. Head  
<https://doi.org/10.1080/14494035.2018.1488797>
- **The Third Dimension: Towards a Third Generation Systems Approach to Wicked Branding Problems**  
<http://www.iasdr2009.or.kr/Papers/Orally%20Presented%20Papers/Design%20Management/The%20Third%20Dimension%20-%20Towards%20a%20Third%20Generation%20Systems%20Approach%20to%20Wicked%20Branding%20Problems.pdf>
- **The ‘Wicked Problem Construct’ as a Framework for Organizational Development and Change**  
[file:///C:/Users/Joe%20Szocik/Downloads/WickedProblemManuscript\\_AHRD0039.pdf](file:///C:/Users/Joe%20Szocik/Downloads/WickedProblemManuscript_AHRD0039.pdf)
- **The complexity of wicked problems in large scale change**  
[https://www.researchgate.net/publication/282774163\\_The\\_complexity\\_of\\_wicked\\_problems\\_in\\_large\\_scale\\_change](https://www.researchgate.net/publication/282774163_The_complexity_of_wicked_problems_in_large_scale_change)
- **Coping, taming or solving: alternative approaches to the governance of wicked problems** Falk Daviter  
<https://doi.org/10.1080/01442872.2017.1384543>
- **Problematizing ‘wickedness’: a critique of the wicked problems concept, from philosophy to practice** Nick TurNOTEull & Robert Hoppe  
<https://doi.org/10.1080/14494035.2018.1488796>
  - **Three competing interpretations of policy problems: tame and wicked problems through the lenses of population aging** Patrik Marier & Isabelle Van Pevenage  
<https://doi.org/10.1080/14494035.2017.1361636>

- **Wicked Problems: Problems Worth Solving: A Handbook & A Call to Action** Jon Kolko  
[https://www.andrehabermacher.ch/wp-content/uploads/2015/12/WickedProblemsJonKolko\\_lowres\\_spreads.pdf](https://www.andrehabermacher.ch/wp-content/uploads/2015/12/WickedProblemsJonKolko_lowres_spreads.pdf)  
<https://www.wickedproblems.com/read.php>
- **10 Reasons Why Climate Change Is a 'Wicked' Problem**  
<https://thewire.in/environment/climate-change-wicked-problem>
- **Wicked Problems in Public Policy**, Brian W Head The University of Queensland  
[https://www.researchgate.net/publication/43502862\\_Wicked\\_Problems\\_in\\_Public\\_Policy](https://www.researchgate.net/publication/43502862_Wicked_Problems_in_Public_Policy)
- **Foundation for Inclusion**  
<https://foundationforinclusion.org/general/collective-strategy-platform-solving-large-scale-social-problems/>
- **Collective Strategy: A Framework for Solving Large-Scale Social Problems** By Robert D. Lamb, PhD  
[https://foundationforinclusion.org/wp-content/uploads/2018/03/FFI-Research-Brief-no\\_001.pdf](https://foundationforinclusion.org/wp-content/uploads/2018/03/FFI-Research-Brief-no_001.pdf)
- **The Infinite Game**, Simon Sinek
- **What Are Wicked Problems and How Might We Solve Them?**  
<https://www.interaction-design.org/literature/article/wicked-problems>
- **Wicked Problems in Design Thinking**, Richard Buchanan, 1992. MIT Press  
[http://web.mit.edu/jrankin/www/engin\\_as\\_lib\\_art/Design\\_thinking.pdf](http://web.mit.edu/jrankin/www/engin_as_lib_art/Design_thinking.pdf)
- **Socio-Technical Systems**  
<https://www.interaction-design.org/literature/topics/socio-technical-systems>
- **A Whole New Mind: Why Right Brainers Will Rule the Future**, Daniel H Pink
- **The Extended Mind: The Power of Thinking Outside the Brain**, Annie Murphy Paul

## COMPLEXITY THEORY and CHAOS THEORY: RESOURCES FOR ADDRESSING WICKED PROBLEMS

- **Chaos: A Very Short Introduction**, Leonard Smith
- **Order Out Of Chaos: Man's New Dialogue With Nature**, Ilya Prigogine, & Isabelle Stengers
- **Chaos Theory in the Social Sciences: Foundations and Applications**, Edited by L.Douglas Kiel & Euel Elliott
- **Complexity: A Guided Tour**, Melanie Mitchell
- **Six Simple Rules: How To Manage Complexity Without Getting Complicated**
- Yves Morieux and Peter Tollman

- *Frontiers of Complexity: The Search for Order In A Chaotic World*, Peter Coveney & Roger Highfield
- *Complexity: The Emerging Science At the Edge of Order and Chaos*, M.Mitchell Waldrop
- *Complexification: Explaining A World Through the Science of Surprise*, John L. Casti
- *Complexity: The Breakthrough Formula for Solving Just About Anything Fast*. David Benjamin David Komlos
- *Complexity: A Very Short Introduction*, John H. Holland
- *Embracing Complexity: Strategic Perspectives for an Age of Turbulence*, Cliff Bowman, Jean G. Boulton, and Peter M. Allen
- *Simplexity: Why Simple things Become Complex (and How Complex Things Can be Made Simple)*, Jeffrey Kluger
- *Emergence: The Connected lives of Ants, Brains, Cities and Software*, Steven Johnson
- **Cutting through Complexity The Engineer's Guide to Solving Difficult Social Problems with Root Cause Analysis, Starting with Environmental Sustainability**
- [https://www.thwink.org/sustain/publications/books/04\\_CuttingThrough/CuttingThrough.pdf](https://www.thwink.org/sustain/publications/books/04_CuttingThrough/CuttingThrough.pdf)

### **Scholars and Practitioners Worth Tracking** (In no particular order)

Suggest checking out each person on LinkedIn and review their published work as time permits.

- Marc Andreessen
- Daniela Papi-Thornton
- Duncan Green
- Bill Drayton
- Mary-Kate Natus
- Antony Bugg-Levine
- Elinor Ostrom
- Felipe M Santos
- Joe Procopio
- Steve Blank
- Paul N. Bloom
- Clayton M. Christensen
- Jay Rao

- Eric Reis
- Roger L. Martin
- Ernesto Sirolli
- Sally R. Osberg
- Johanna Mair
- Thomas S Lyons
- Nancy Scott
- Steve Mariotti
- Gregg A. Lichtenstein
- Teresa Chahine
- W. Chan Kim
- Renee Mauborgne
- Bill Gross

### **SE Conferences**

Worth budgeting to attend-great networking, potential funders-check websites.

- Ashoka annual conference attract attendees from around the globe, a must for Colleges that have, or want to start, a SE program.
- SOCAP annual conference attracts attendees from around the globe, a must for Innovators and organizations seeking funding.

### **Sources of Information**

On or related to Social Entrepreneurship-All have value- First eight must read, most are free, suggest signing up for all the free ones, and skimming for any interesting information

1. Google Alerts-Social Entrepreneurship/Transformative Scale/Wicked Problems/ Impact Investing
2. Stanford Social Innovation Review (SSIR)
3. The Economist (Worth subscribing)
4. McKinsey Quarterly
5. Medium Daily Digest (Cost \$5 per month, a bargain)
6. Blog –Smart Bear
7. Visual Capitalist



8. JoeProcopio.com
  9. Teaching Start up
  10. IdeaLab
- Visual Capitalist
  - Emerald Insight
  - LSE Business Review
  - Poets and Quants
  - Blue Ocean News
  - LearningforSustainability.net
  - The Nation
  - B The Change
  - Breaking Good
  - The Muse
  - The Open Circle
  - IDERA
  - Mind Tools Newsletter
  - SmartBrief on Small Business [smallbusiness@smartbrief.com](mailto:smallbusiness@smartbrief.com)
  - PEW Research Center
  - Impact Investing –Free newsletters

- Case Foundation

**On Line Courses**-Thousands of entrepreneur, social entrepreneur courses, & Degrees many are free

- +Acumen
- Coursera
- 2U
- Philanthropy University
- The Syllabus
- An increasing number of accredited Universities are offering degrees thru on-line courses

**Tool kits**-most or all are free-many others available

- Goal QPC-Check out Memory Jogger Series (I have 8)
- AshokaU-CHANGEMAKING 101: A STUDENT GUIDE TO SOCIAL ENTREPRENEURSHIP  
<https://ashoka.app.box.com/s/ftq5oriqf2gy66ifs52r4a45nflgq4ud>
- Entrepreneurial Ecosystem Diagnostic Toolkit
- 5 Toolkits for Social Enterprise, +ACUMEN
- Mind Tools (dozens of free downloads)
- *The Thinkers Toolkit: Fourteen Skills for Making Smarter Decisions in Business and in Life.*  
Morgan D Jones
- 15 Tools All Entrepreneurs Need in Their Tool Kit, Shopify
- D.I.Y Toolkit

□ 68 startup tools that entrepreneurs shouldn't live without

### **Potential Funding Sources**

- Usual Foundation Sources e.g. Rockefeller, Ford foundations, others
- Marguerite Casey Foundation
- The Lemelson Foundation
- Black Rock Capital
- Sequoia Capital
- Cordes Foundation
- Surdna Foundation
- Academics for Development
- Open Road Alliance
- Kaufman Foundation
- SEED Foundation
- Uncommon Individual Foundation
- Y Combinator
- New Resource Bank ([newresourcebank.com](http://newresourcebank.com))
- Philanthropic Ventures Foundation
- The Draper Richards Kaplan Foundation
- The Good Capital Project
- Encourage Community Foundation
- Natural Capitalism Solutions
- Change Finance
- Andreessen Horowitz
- Nonprofit Finance Fund
- Omidyar Foundation
- Victoria Mutual Foundation
- Fossil Foundation
- Schwab Foundation

- Diana Davis Spencer Foundation
- Skoll Foundation
- Foundation Center
- Grant Watch

### **SE Organizations and Related Resources**

Do an initial scan, as time permits, to get familiar with their mission and resources.

- Ashoka
- Enactus
- Euclid Network
- Oxford-Skoll Center
- CrunchBase
- Deloitte's Human Capital Trends
- Bridgespan group
- Balanced Scorecard Institute
- Learning for Sustainability
- The Max Planck Institute for the Study of Societies
- Flow Project: Radical Social Entrepreneurs
- Miller Center, Santa Clara College
- NFTE, Network For Teaching Entrepreneurship
- Social Enterprise Alliance

- IDEO
- Aspen Institute
- Social Enterprise Institute
- Collective Impact Forum
- Net Change
- Social Innovation Academy
- Failure Institute
- BALLE, Local Living Communities
- B Corp
- Global Social Enterprise Institute
- Singularity University
- Thwink.org
- Echoing Green
- Global Good Fund
- Tamarack Institute
- Blended Value
- Hope 100
- LITTLE BIRD INNOVATION

- Benefit Chicago
- Collective Impact Forum
- Positive Deviance Initiative
- Social Enterprise Alliance
- Human Systems Dynamics Institute
- Schwab Foundation for Social Entrepreneurship
- New Ventures,
- The Story Exchange-Inspiration and information for female entrepreneurs

***REFLECTION:***

If you are the smartest person in the room, you are in the wrong room.  
Attributed to Confucius

## BRIEF BIO: Joseph J Szocik

As a practitioner for over 50 years in the private, public, and nonprofit sectors, I have experienced the highs and lows of entrepreneurship. My experience includes many years of self-employment when I annually raised my own salary; started new programs within established organizations; launched NPOs; implemented community economic development ventures; organized workforce development and training programs; counseled disadvantaged clients e.g., ex-offenders, substance abusers, homeless persons and others; organized unions and political campaigns; consulting; fundraising to launch programs; assisted manufacturers and other businesses to adopt lean manufacturing methodologies; consulted on sustainable development projects with EPA, NOAA, Communities and Native-American tribes; conducted research and co-developed programs and materials for the Global Center for Social Entrepreneur Network Foundation.

Researched and co-authored papers on social entrepreneurship that were accepted by the 12<sup>th</sup>, 13<sup>th</sup>, and 14<sup>th</sup> ANNUAL GLOBAL SOCIAL ENTREPRENEURSHIP CONFERENCES; the International Association of Jesuit Business Schools (IAJBS); and Inner Compass Magazine.

**Formal Education:** BS Sociology University of Massachusetts, M.Ed., Boston University, MPA Kennedy School of Government, Harvard University, Institute of Employment and Training, Harvard University one of 82 people nationwide selected to attend this full-time, month-long program.

**RELATED SKILLS and CREDENTIALS:** *Consultant/Coach:* Negotiations, Project Management, Strategic Planning, Career Planning, Employment Interviewing/Job Search Skills, Grant Writing, Organized Cross-Sector program collaborations, *Licensed Certified Social Worker.*

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**Reflection:** *"SATISFACTION" by Otto Rene Castillo, Guatemalan Poet & Revolutionary*

The most beautiful thing  
for those who have fought a whole life  
is to come to the end and say;  
we believed in people and life,  
and life and the people  
never let us down.....