

STARTUP AND CHANGE THE WORLD

Guide for Young Social Entrepreneurs

Planning to start a social enterprise?

Youth Social Enterprise Initiative (YSEI) has developed a guidebook dedicated to young innovators who are equipped with great ideas and are intent on unleashing them to change the world.

It's full of information, tips and profiles to help you choose your path, develop a plan and create impact.



www.ysei.org



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-T. E Lawrence, Seven Pillars of Wisdom

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FOREWORD

“We need a world of social entrepreneurs to bring about innovative solutions for a better future in the world. I want to see them ‘rocking’ all over the world.” **Walter Fust,**
Director-General of SDC

It is estimated that over a billion people in the world do not have access to clean and safe drinking water. In South Africa, there is a very unique social enterprise that is addressing the challenge of access to clean and potable water in various communities. Led by social entrepreneur Trevor Field, Play Pumps International, is both a simple and revolutionary idea that brings about a practical solution to a very complex problem.

A play pump is a children’s merry-go-round that pumps clean and safe drinking water from a deep borehole to water tank, every time children spin it when they play. The tank is connected to a tap in the community that provide a source of clean drinking water. Not only is the play pump an ingenious solution from an inventive perspective, it also has a unique element of financial sustainability. An advertisement placed on the water tank connected to a Play Pump helps finance the installation and maintenance of each pump, ultimately making it a replicable solution in other communities.

I have always imagined a world where the spirit of entrepreneurialism triumphs over big and sluggish bureaucracies to bring about a positive change in society. In its true essence, entrepreneurship is all about innovation and impact. Entrepreneurs are often highly-driven individuals who have a deep passion to realize their ideas and solutions. They are very effective at recognizing opportunities, mobilizing resources, managing risks, crafting compelling strategies, and building strong business models. The word ‘social’, placed before ‘entrepreneur’, merely denotes a shift in mission from traditional business entrepreneurs. Social entrepreneurs, in contrast, aim to create social impact innovatively while staying afloat in the marketplace.

We have to re-examine how we as human beings operate in this world. A radical redefinition of the roles of business, non-profits and governments is required. Continuing in this trajectory is definitely not sustainable. I would like to call upon the next generation of business and non-profits to take on this challenge by transcending to more sustainable models. Non-profits and social enterprises have to find new ways of staying afloat in the marketplace while not sacrificing the impact they wish to create. Business, will have to redefine how it measures profits and begin taking into account the social and environmental costs it creates in the world.

Startup & Change the World is born out of the shared experiences of a small group of young social entrepreneurs that formed Global Knowledge Partnership’s (GKP) Youth Social Enterprise Initiative (YSEI). YSEI was set in motion in 2005, and today delivers financing and capacity building support to high-impact youth social enterprises in developing regions. This book is an imperative guide as you begin your journey into social entrepreneurship. It will help you understand the essential skills every social entrepreneur needs to realize their dreams. These skills are just as valuable in the social sector as they are in business. If anything, they are even more urgently needed.

Let this guide be a passport to a more viable career path and the creation of a better future.



INTRODUCTION

The idea for this guidebook arose from the various planning sessions that took place prior to the implementation of Global Knowledge Partnership's program – Youth Social Enterprise Initiative (YSEI). The authors, who are also founders of the program, saw the need for a guidebook that could serve as an aid for young and emerging social entrepreneurs who wanted to start innovative and sustainable ventures.

In a world where only one out of every thousand innovations prospers, new ventures or startups face similar prospects. Social enterprises face the added weight of creating blended values (social, environmental and economic) while attempting to stay afloat in markets driven solely by economic returns. This makes social enterprises unattractive to traditional investors because of the promise of low returns on investment. As a result social enterprises are continuously challenged to achieve their mission while having access to a limited amount of resources.

If you're one of the thousands of entrepreneurs who have great ideas but are unable to turn them into action, consider this manual a rough guide on starting your own social enterprise. We have broadly outlined all the common strategies, tactics and elements involved in planning your venture and getting off the ground. In addition, we have endeavored to bring clarity to the concept of social entrepreneurship and identify various resources that might become handy in your explorative journey.

Developing this guide has changed the way we look at present-day organizations. It is our firm belief that organizations in the future would embrace a blended value approach. We hope this guide would prove to be inspiring and of practical use to you.



In Search of Meaning¹

In Buriram, a province in the Northeast of Thailand, the heat and humidity keep the pace slow. It is early on a Monday morning and Nawee Nakwatchara, one of the founders of Grassroots Innovation Network (GIN), is running a workshop on the use and benefits of drip irrigation for farmers from a neighboring community. The farmers attending the workshop, generally walk in not expecting to learn much. A couple of slides later, they are left awestruck by the results they witness from other communities that have utilized simple low-cost solutions to overcome their agricultural challenges.

According to the UNDP, one of the highest incidence of poverty in Thailand originates from the Northeastern region. Most people living the Northeast of Thailand are farmers and for many years have been challenged by poor weather and soil conditions. Through GIN's workshops, Nawee is not only educating a growing number farmers, he's also making these simple agricultural solutions available to the communities for immediate application. Farmers that are utilizing some of these solutions are reaping significant increases in the yield of their crop. Many of them have achieved overall income increases of up to three to five times from the average.

All of us have a little bit of "Nawee" in us. We are constantly in search of inspiration and meaning in our lives. As we grow older, we begin learning that life is more than work, money, power or prestige. Instead, it is about making a positive difference in a world that lacks solutions to manage a wide spectrum of complex social problems such as poverty, social oppression and environmental degradation.

Nawee is neither a social activist nor a social bureaucrat. At 27, he is one of a few young social entrepreneurs, dedicated to bring about innovative solutions for specific social problems.

"Social Entrepreneurship is about innovation, impact and income. We have seen that the function of entrepreneurs is to reform or revolutionize the pattern of production."

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What is Social Entrepreneurship?

Over the years, social entrepreneurship has been gaining momentum across the globe. More and more of us desire to make a difference in the world we live in. The emergence of this new sector is significantly shifting the course of human development. Social entrepreneurs save millions of lives and make this world a safer place to live in. They create innovative solutions to address social and environmental problems.

The concept of social entrepreneurship is as impressive as it is confusing to many. Most people understand it as a not-for-profit business venture that either channels its profits towards supporting social initiatives or creates job opportunities for the poor. They are not wholly inaccurate. Social entrepreneurship involves even more; it ranges from a wide variety of innovative approaches to solve impending social and environmental problems, thus resulting in systemic, sustainable social transformation without regard for the resources presently in hand.

A recent paper by Roger Martin and Sally Osberg published in the Stanford Social Innovation Review helps bring increased clarity to the definition of social entrepreneurship. Before embarking on defining social entrepreneurship, the authors begin by understanding the core characteristics of entrepreneurship since the word “social” merely modifies entrepreneurship. Both authors come to conclude that social entrepreneurship is defined by the following components:

ability to identify a stable but inherently unjust equilibrium that causes the exclusion, marginalization, or suffering of a segment of humanity that lacks the financial means or political clout to achieve any transformative benefit on its own

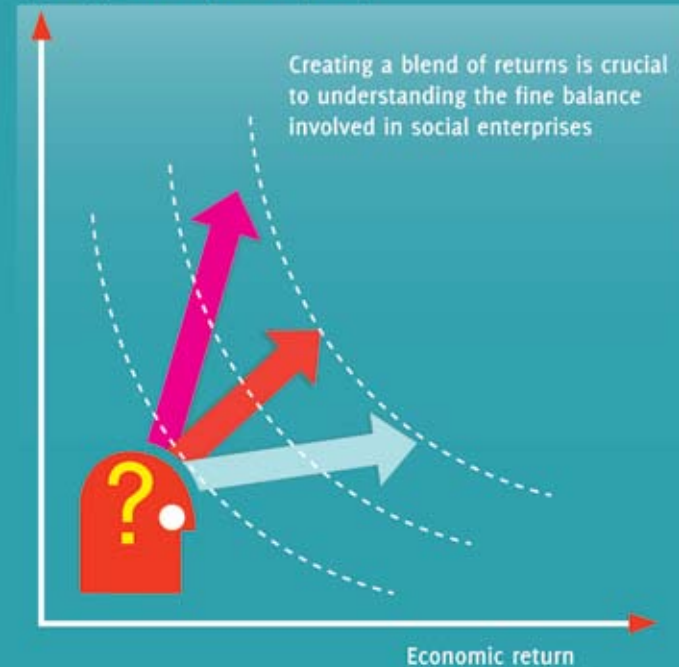
ability to identify an opportunity in this unjust equilibrium, developing a social value proposition, and bringing to bear inspiration, creativity, direct action, courage, and fortitude, thereby challenging the stable state's hegemony;

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

Social Enterprise Spectrum

Social / Environment return
(purely philanthropic enterprises)

Creating a blend of returns is crucial to understanding the fine balance involved in social enterprises



The graph above indicates the spectrum social enterprises tend to exist while balancing the creation of social/environmental returns and economic returns

Professor Gregory Dees from the Fuqua School of Business, Duke University, explains it best, “In addition to innovative not-for-profit ventures, social entrepreneurship can include social purpose business ventures, such as for-profit community development banks, and hybrid organizations mixing not-for-profit and for-profit elements, such as homeless shelters that start businesses to train and employ their residents. The new language helps to broaden the playing field. Social entrepreneurs look for the most effective methods of serving their social missions”.

Equipped with powerful world-changing ideas, social entrepreneurs have created IT-related jobs for the most destitute in Cambodia; introduced electricity to rural communities in Brazil; created low-cost cataract surgeries in India; developed simple agricultural technologies in Thailand; started banks to provide credit for the poor in Bangladesh; and marketed fair trade coffee. Like a doctor who tries to

find the best cure for his or her patients, social entrepreneurs simply try to find the best possible solutions for the world's problems - poverty, unemployment, lack of education, environmental damage, etc.

David Bornstein, the author of the acclaimed book, 'How to Change the World: Social Entrepreneurs and the Power of New Ideas' states the following, "What business entrepreneurs are to the economy, social entrepreneurs are to social change. They are the driven, creative individuals who question the status quo, exploit new opportunities, refuse to give up, and remake the world for the better." In the business world, entrepreneurs are motivated by profits, whereas, social entrepreneurs are motivated by finding better ways to solve the problems that plague our societies – their bottom-line is lives.

Social entrepreneurs are visionaries, like artists they have the ability to visualize something that doesn't exist and they will not stop till they have realized their dreams. Social entrepreneurs are just as innovative and solution-oriented as traditional entrepreneurs. They also build bridges; develop a network of relationships and contacts. In addition, they have the ability to communicate an inspiring vision in order to influence and motivate people around them - partners, team members, volunteers, etc.

One of the unique qualities that social entrepreneurs possess is the ability to influence the big picture. According to Bill Drayton, CEO, chair and founder of Ashoka, "Social entrepreneurs are not content just to give a fish or teach how to fish. They will not rest until they have revolutionized the fishing industry. They are the driven, creative individuals who question the status quo, exploit new opportunities and refuse to give up."

Muhammed Yunus of Grameen bank challenged the perception that poor people are not credit worthy and he created a bank that lends to the poor. And in the process he created a new way of lending to the poor, which today is popularly known as micro-finance. Dr. Kurien not only revived the local milk dairy in Gujarat but in the process revolutionized the whole milk industry and in a few years transformed India from a milk deficient country to one of the top milk producers in the world.

Social entrepreneurs are working to solve social problems but they are not just concerned with the problem in hand. They work to bring change to the social dynamics and systems that have created and maintained the problem. They work as catalysts for social transformation; in the short term they will create small changes in the system but these changes will work as pressure points to eventually trigger and cascade larger social transformation in the longer term. Javed Abidi has not only championed the cause of disabled people but he has also influenced national government policy to include the disabled within India's national census.

Social Technopreneurship

For the 3 billion people in the world that live on less than USD2 a day, inventions and gadgets such as the internet, personal computer, i-pod and pocket pc are irrelevant towards improving their lives. According to Paul Polak, founder of International Development Enterprises – an organization that creates demand for affordable technologies to help the world's poor, particularly subsistence farmers; "Ninety percent of the people who design things are addressing the problems of the richest 5 percent of people in the world".

Professor Michael Porter from the Harvard Business School argues that "Innovation is the central issue in economic prosperity," innovation and technology can help the poor as much as the rich. The United Nations' annual Human Development Report in 2001 which studied the relationship between technology and economic prosperity came to the conclusion that poor people need more innovation and access to technology, not less.

The relationship between technology and economic prosperity is strong. Technological innovations in plant-breeding gave birth to higher-yielding wheat, which brought about the Green Revolution in India and other parts of the world during the 60s to stave off widespread famine. Medical innovations such as the use of antibiotics and vaccines have helped decrease the human mortality rates by saving lives. More recently, the widespread use of information and communication technologies (ICTs) has helped the poor gain access to useful information and knowledge such as up-to-date crop prices and effective agricultural techniques which have ultimately led to increased productivity and income gains.

We have seen in the last 15 odd years that global markets, global technology, global ideas and global solidarity can enrich the lives of people everywhere. However the challenge is to ensure that the benefits are shared equitably for people - not just for profits. In the business sectors, ICTs are helping efficient communication, cost cutting, improving resource allocation processes and efficiently implementing programs.

In the social sectors ICTs are generating new possibilities to attack problems of rural poverty, inequality and environmental degradation. If ICT is integrated into society and supported by policy reform, it can be part of the solution for improving education, healthcare, environmental protection, government administration, and local economic development.

The quest for ICT4D started way back in early 1990s when the financial community and investors were getting swept over by the dot com boom. The

development professionals became quite attracted with the idea that information and communications technologies could enable poor nations to leapfrog over many slow, painful stages of social and economic growth. The concept attracted enough attention to earn itself a catchy abbreviation - ICT4D (Information and Communications Technologies for Development).

A lot of funding was suddenly made available to projects which were trying to do things ranging from e-governance to reduce corruption and village kiosks to provide local content. Suddenly there were computers, along with the promise of a better life, shipped over to small villages where there had never been electricity or telephone, often not even safe water. And almost everyone fumed at the infamous Bill Gates statement that medicines and not computers are of use to the world's poorest people. Now, after years of research and experience, a greater sense of realism about the potential benefits and dangers of ICT4D has prevailed.

Today we have the hindsight to ask questions like, how can internet be useful to people who cannot read or write? Does it make sense to provide computers to village schools where there are no teachers? Is access to technology financially sustainable? Even if villagers do learn how to use the computer and get a web browser open, where will they go? Which meaningful sites will they visit? Where is the content? Is it local?

A clear example of an effective ICT-based solution is the ITC e-choupal initiative. While many traditional telecentres operating in rural communities have faced many challenges in trying to achieve financial sustainability, the e-choupals have tried to create value by not only providing relevant and accurate crop information (such as crop prices) to farmers but also the opportunity to sell their produce directly to large export companies. Within a few months, the e-Choupals have broken even and are turning a profit. The e-choupal utilizes the internet to effectively address social challenges while being financially sustainable at the same time.

The other successful example of using ICTs is Cambodia based Digital Divide Data. DDD is a non-profit Non-Governmental Organization (NGO) that develops sustainable and integrated educational and vocational opportunities for disadvantaged groups by providing outsourced data services, such as digitalization of data, to business and public sector customers. They have a dual mission, one that is focused on providing high quality services to its customers and at the same time facilitate human development of its employees. All revenues are channeled back into the operation in support of the social mission and to provide social benefits to its staff. Employees receive above average wages for a shorter than average workday (six hours), as well as health benefits, education and training opportunities.

DDD is an interesting model for the creation of ICT-based employment and income generation opportunities for disadvantaged groups in developing countries by setting up a non-profit and economically sustainable ICT enterprise.

When it comes to ICT4D the pitfalls are many, pictures of school children playing with a computer, a Buddhist monk using a mobile phone, or tribal folks men trying out a palm-top are quite attractive and they trap us into believing that we are fixing the world's ills with things and gadgets. Though when applied correctly, ICTs-from phones, radio and television to computers and internet-can also liberate millions of people from ignorance, ill-health and unemployment.

A lot of ICT4D projects also suffer from the "New Toy" phenomenon. There is overemphasis on new information technologies in isolation from the existing ones like telephone, radio. But companies like VOXIVA integrating old technologies with new but never losing sight that at the end the technology has to benefit people by creating value. Voxiva deployed a web-based, real-time disease surveillance system that doesn't require all health facilities to have a PC. Instead, Voxiva implemented a PC-compatible solution for the Ministry of Health of Peru that allowed health workers to use existing infrastructure telephones and mobile phones to report incidents of disease.

Same language subtitling (SLS in short) pioneered by Brij Kothari is also a successful example of how technology can be used innovatively. Brij has invented "Same language subtitles" on popular songs to help early-literates improve their literacy skills. SLS subtitles film songs, which are popular across India, and builds on people's familiarity with the lyrics. With SLS, they can read the words to their favorite songs. Brij has tied up with the Government and through the state television centre the subtitles with the songs reach to 100 million early literates at almost zero extra cost.

Social "technopreneurs" from the Stanford University to farms in Kenya are working on developing new innovations and applying never-before used technologies to address challenges in a variety of development fields. Like your typical business "technopreneur" from Silicon Valley, social "technopreneurs" either invent or integrate the use of technology to solve a problem. In addition, they establish local manufacturing plants and marketing networks to stimulate demand for their innovations.



2 Changing World

"The first industrial revolution, of which we are still beneficiaries, is flawed, it is not working, it is unsustainable ... it is the mistake. And we must move on to another, better industrial revolution, and get it right this time."
Ray Anderson, Founder and CEO of Interface, Inc.

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I'm sure many of us will certainly agree that as a group, we as humans have never achieved so much wealth and prosperity in such a short period of time. At the same time though, it must be said that we have never faced so many complicated and challenging problems. Just to get an idea of what it is we're talking about, the Copenhagen Consensus assesses and rates the biggest challenges facing the world (after narrowing down the number of development challenges to just ten from a bigger pool):

Copenhagen Consensus



Although much of it is still debatable, the question remains, in times such as these, why aren't there effective solutions for these problems? Do we not have the resources or the people to take on these challenges?

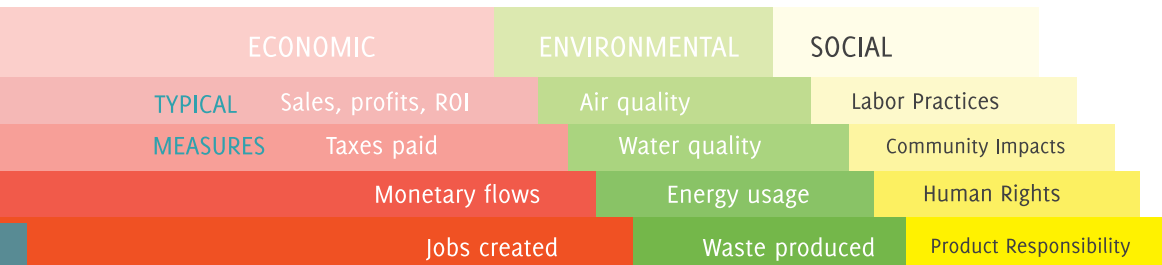
Economics has taught us that all humans make rational choices and decisions; and from a utilitarian perspective we have been conditioned to engage in activities that maximize on economic profit. If something has been labeled uneconomic, it is left unattended because it fails to earn enough profit in terms of money. As a result, over time the economic system that we operate in becomes skewed and ultimately fails to yield appropriate solutions for emerging social and environmental problems such as poverty and pollution. This phenomena is what Thomas Homer-Dixon calls "The Ingenuity Gap" in his book. Simply put, an ingenuity gap arises when the amount of problems far outnumber the supply of effective solutions.

Somewhere along the evolution of free-market capitalism, the world has managed to create and leave unattended a wide array of problems while achieving impressive amounts of growth and development. Both globally and locally, we view and treat social and environmental degradation as separate and disconnected from our business and commercial activities. This line of thought evokes a deep flaw embedded in the way we do things.

Future of Capitalism

In *Capitalism and Freedom*, Milton Friedman, a strong advocate of laissez-faire capitalism, stated "there is one and only one social responsibility of business-to use its resources and engage in activities designed to increase its profits..." To burden business with wider goals, he argued, was "pure and unadulterated socialism".

THE TRIPLE BOTTOM LINE



Unfortunately, current approaches to capitalism have hit a plateau in its efforts to build economic value while attempting to address social and environmental challenges. Business, in this day and age, has had to come to grips with issues around sustainable development while serving its customers and building on shareholder value. Although more and more businesses are adopting social programs such as corporate social responsibility (CSR) initiatives, they're doing so only as independent activities outside their business model, usually intended as exercises to boost their corporate image.

With a significant portion of our pursuits demanding purely economic returns, our response to solve the costly "externalities" (what we now call social and environmental challenges) has been skewed out of proportion. The solution is not to continue developing new regulations and complicated social initiatives, as they are both time-consuming and ineffective. Therein lies the problem, our understanding of value creation has become obsolete.

The blended value proposition, pioneered by Jed Emerson, is a nascent concept that can help shed some light on the true nature of value creation. According to Emerson, there is a significant disconnect in our current understanding of value creation, where, for-profit organizations are meant to create economic value while non-profit organizations create social value. Unfortunately, this model has become rather anachronistic to cope with the challenges of a more modern society.

Both for-profit and non-profit entities create a wide array of values, beyond what their legal structures denote. Business creates a significant amount of social value such as the creation of jobs, payment of taxes, and delivering products and services to its customers. It also creates negative impact on the environment by generating waste and pollution. At the same time, non-profits create a significant amount of economic value; in many countries, non-profits represent a significant amount of a country's GDP.

Businesses traditionally judge their own performance against one bottom line – the financial one. Increasingly, however, they are being asked to consider how they affect the environment and their communities. The Triple Bottom Line (TBL) is a relatively new concept that allows companies and organizations to measure their performance based on the adoption of sustainability or blended value creation.

Benefits of the Triple Bottom Line (TBL)

1. Reducing operating costs

Employing innovative processes such as reducing energy use, increasing manufacturing efficiency, recycling/reusing waste can result in significant cost savings.

2. Improving identification and management of risk

Organizations would be able to anticipate risk and ensure legal compliance by assessing their environmental and social impacts, and listening to the concerns and perceptions of staff, suppliers, regulators and customers

3. Creating value by improving reputation and positive customer response

Good organizational performance in relation to environmental and social issues can build reputation while poor performance, when exposed, can damage brand value.

4. Increasing ability to attract and retain employees

Organizations that are more socially responsible create healthier working environments, thus making it easier to recruit and retain employees. This can help reduce recruitment and training costs too.

5. Increasing learning and innovation

Organizations that address environmental and social impacts can discover new forms of innovation that results in new markets and value creation.

Social and other hybrid enterprises are helping shape the future capitalism. They are paving the way for a more holistic business model that redefines the understanding of value creation for one that maximizes their full value potential, while bearing in mind it is a blend of economic, social and environmental returns.



Future World Trends

Sir Ken Robinson mentioned once “Nobody has a clue what the world would look like in 5 years time and yet we’re meant to be educating for it”. The rate at which the world is changing has become harder to grasp. Real change arrives very subtly, almost as an invisible undercurrent that determines the direction the world is headed. A couple of things are certain though, issues around creativity and social and environmental development would come to dominate. So here are some new developments, some of which are already underway, that could shape our world in the future.

1. Do-it-yourself...DIY

Anyone would be able to do anything. We won’t need to consult experts anymore. All we’ll need is access to the internet which is awash with resources such as encyclopedias, blogs, forums, etc. The focus will shift from groups to individuals who want to voice their thoughts and ideas on issues. With power of influence democratized for the individual, we won’t have to wait for business or government to take action. We can start spreading our message and taking action

2. Embracing diversity

Due in part to rapid globalization and migratory labour, we will be living in a multiethnic, multiracial world of open borders. The mix of races, religions and nationalities would become a key asset for any country’s or organization’s economic and cultural vitality. The more the diversity the better. Some of the most developed and progressive cities are cosmopolitan and are a melting pot for a diverse group of people. The common stereotype is that immigrants lead to higher crime and poverty but only the opposite is true. Immigrants build on human capital, contribute by paying taxes and fight poverty.

3. Liberated education

Existing education systems have mined our minds just as the industries have mined the earth. These systems have been built with the sole purpose of educating people to fit into an industrial world. We are at a dawn of a new age - the conceptual age, a time when a person’s creativity and imagination would dominate. Instead of a one-size-fits-

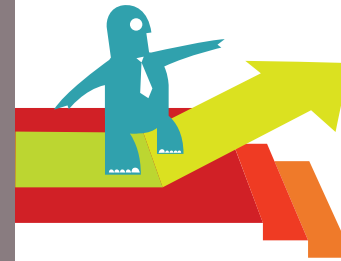
all curricula, in the future, children would be able to undergo tailored and specialized education which would not only suit their interests but significantly develop their unique talents.

4. Global goes local

Globalization has made our world into a global village. While we continue to view the world as becoming one, we are also witnessing the re-emergence of many local identities. As an example from the technology end, only 10% of Asian youth are on Myspace, a popular social networking platform. This does not mean that Asian youth are not embracing new forms of technologies and media, instead they prefer to get onto their own localized version of Myspace - Mixi, SHE, Baidu, etc. From the socio-political arena, the integration of the European Union has made it possible for local governments to bypass national institutions and communicate and build partnerships at a regional and global level.

5. Be green and make green

Business would have to redefine its reason of existence from purely making money to value creation. Companies should exist to create value for its stakeholders and the creation of profit enables them to continue their service to the world. Social and environmental elements would have to be taken into account as part of a company’s bottom-line in order to ensure long-term growth and sustainable development.



3

A Viable Career

Young Innovators

In developing regions, young people represent a significant share of the population – almost half of Asia is made up of young people, more than 40 percent of Latin America is under the age of 30 and approximately 30 percent of Africa consists of young people. The role that young people play in a rapidly globalizing world is being scrutinized, because their collective decisions determine the future of mankind.

Young people are keen to offer fresh problem-solving ideas to address social and environmental challenges. However, their efforts remain obscure and ineffective because of their limited access to opportunities. In addition, society commonly perceives young people as brash misfits who belong to a consumerist, fast-food and myopic culture.

Young people are trapped in a vicious circle of not being able to effectively bring about social change as they are limited to take on positions as volunteers, interns and community service workers. As a result, development as a profession ranks much lower for young people than joining the private sector or government. Being associated with organizations such as 'NGO' and 'CSO' are considered 'uncool' by their peers and has negative connotations as organizations that are commonly known as irrationally radical and uncompromising.

Worse still, jobs are badly paid. In Asia, where family influence is still paramount, it is extremely rare for families to encourage their children to join the development sector because of the lack of growth opportunities, low pay and little social recognition that it offers. As a result capable young people become disinterested in pursuing development as a profession.

Can the creative energy of youth be productively directed to support development? The answer lies with young people embracing social entrepreneurship. Although still considered by many as an anomaly in the

Many years ago Rudyard Kipling gave an address at McGill University in Montreal. He said one striking thing which deserves to be remembered. Warning the students against an over-concern for money, or position, or glory, he said: "Some day you will meet a man who cares for none of these things. Then you will know how poor you are." **Halford E. Luccock, Professor of Homiletics at Yale's Divinity School**

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system, the movement of social entrepreneurship is sweeping the globe and gaining recognition as an innovative, highly impacting and sustainable approach to achieve equitable and sustainable development objectives. The future impact of the movement lies with youth and if it is to bring increased effectiveness and innovation to conventional development, the most dynamic young people must embrace it.

Young people understand the concept of social entrepreneurship almost immediately. They can easily relate to the engagement, passion and energy (all part of 'youth DNA') that social entrepreneurs commonly possess. Successful social entrepreneurs show what development professionalism can mean. These people are passionate, dynamic, efficient and innovative, and eager to make a difference in the world. Repeatedly, they have proved that small things do matter and can become socially significant and worthwhile.

Social entrepreneurship has its challenges as well. I'm sure many of you at some point in life have had an idea for starting something totally new or improving something that already exists. I'm sure some of you might have actually tried to implement your idea even though your friends and family must have thought you were crazy for going ahead. I'm sure very few of you are still in the midst of striving to realize your dream because you believe that it works and will change the world in some way or another.

Being an entrepreneur is more than holding a job. It is a state of mind. No one can be certain of whether they are entrepreneurs until they become one – and even then uncertainty prevails. Social entrepreneurs are even further away down the uncertainty path. They face far more challenges when implementing their ventures as opposed to traditional business entrepreneurs. Social entrepreneurs usually work with small amounts of capital to achieve their organization's mission and at the same time have to try to stay afloat in the market.

Guy Kawasaki, a seasoned Silicon Valley entrepreneur advises in his book "The Art of the Start" that there is only one question that any entrepreneur should try to answer before starting a new venture:

DO I WANT TO CREATE MEANING?

Kawasaki adds that entrepreneurs that are driven towards creating meaning above everything else ultimately succeed over those that are driven by money, power or prestige. Creating meaning is a very powerful motivator as it allows entrepreneurs to focus on the venture's primary reasons for existence - improving lives and making the world a better place. Without such goals, entrepreneurs can easily lose interest in striving to survive when the going gets tough.

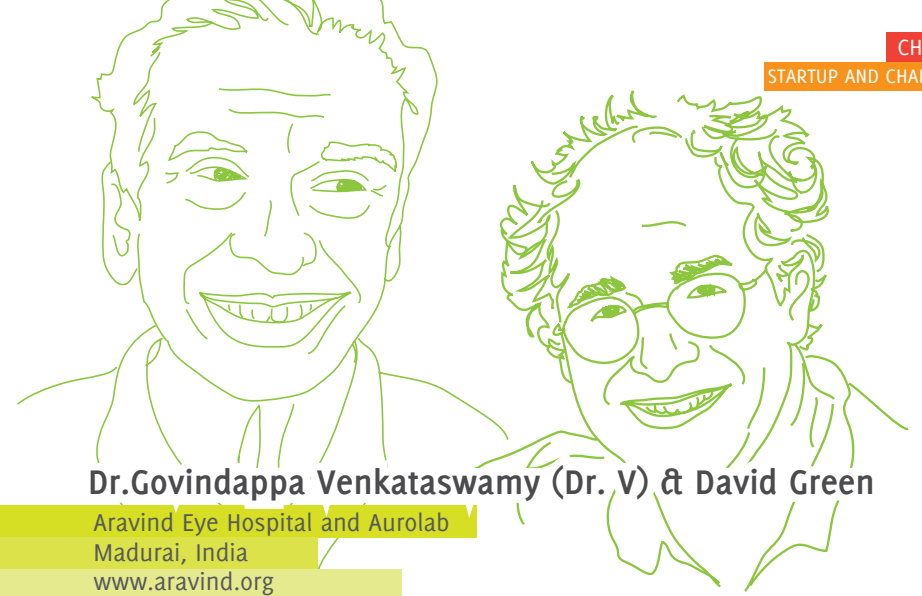


Social Entrepreneurs

The social entrepreneurs profiled in this section have created unique solutions for problems that they have identified in their local communities, native countries, and, sometimes in the world.

Have you noticed a terrible wrong which needs to be corrected?

The following sections of this book attempts to guide you through the process of transforming your idea into an innovative solution and ultimately a social startup that can create long-lasting impact.



Dr. Govindappa Venkataswamy (Dr. V) & David Green

Aravind Eye Hospital and Aurolab
Madurai, India

www.aravind.org

Mission: Making medical technology and health care services accessible, affordable and financially self-sustaining

Dr. Govindappa Venkataswamy or as he is more famously known as “Dr. V” is the perfect definition of a social entrepreneur, one whose idea is highly innovative, impactful and sustainable. Shortly after graduating from medical school, he developed rheumatoid arthritis which crippled his hands. Instead of giving up, he went on to become an eye surgeon, trained himself how to hold a scalpel and eventually performed more than 100,000 cataract surgeries.

Starting out from an 11-bed hospital has given rise to the Aravind Eye Care System which consists of a network of hospitals, specialty clinics, training programs and a lens factory (Aurolab). The goal of the system is dedicated to making medical technology and health care services accessible, affordable and financially self-sustaining.

The incidence of cataracts blind about 8 million people a year in India mainly because many cannot afford the simple surgery to restore their vision. The Aravind system innovatively provides top-quality eye care to a high number of patients to keep costs down. Today, Aravind is India’s largest provider of eye surgery, treating more than 1.4million patients a year. It remarkably provides free care to approximately 66 percent of those patients because their costs are covered through revenue generated from paying patients.

Aurolab was a recent joint venture with social entrepreneur and “compassionate capitalist” David Green. All of the surgeries performed at Aravind Eye Hospital use products made through Aurolab. It manufactures affordable intraocular lenses, spectacle lenses, optical lenses, suture needles, cataract kits and hearing aids now used in more than 120 countries around the world.

David noticed that the number of surgeries the hospital can perform could be greatly increased if the costs of the lenses were reduced. After digging deeper and discovering that the actual costs of manufacturing the lenses could be reduced to just \$10.00 a pair, he decided to pursue establishing Aurolab with Dr.V to manufacture the lenses.

It is often said that the gift of life is sight. Dr. V and David Green have both proven through their resilience that miracles can be manufactured and it is possible to eradicate needless blindness.



Paul Meyer

Voxiva

Washington D.C. USA

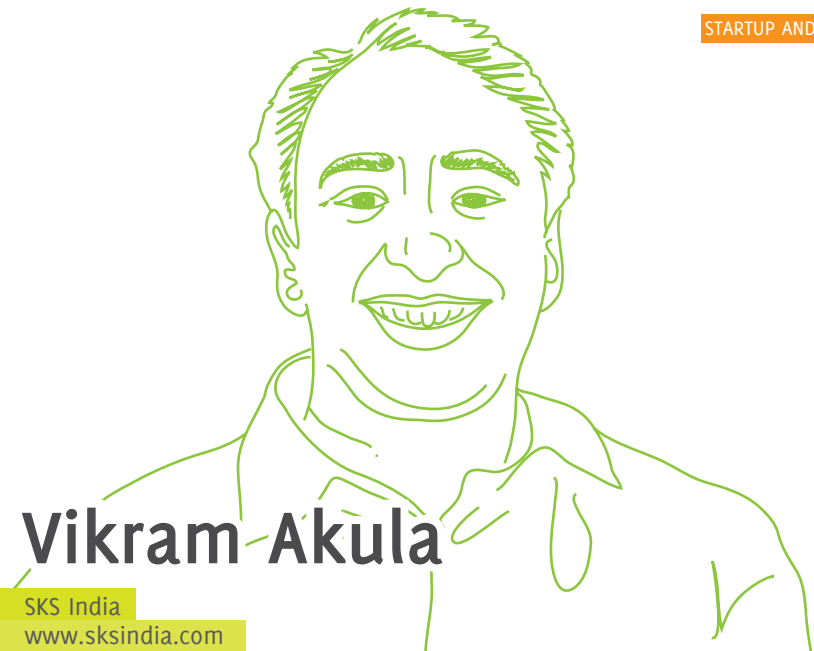
www.voxiva.net

Mission: Providing practical technology solutions for monitoring disease outbreaks

Not all innovations created to address social, medical and environmental challenges have to be high tech. At least Paul Meyer, the founder of Voxiva, thinks so. Before venturing into Voxiva, Paul was involved in setting up the infrastructure to launch internet service in postwar Kosovo and also a White House speechwriter. Very simply, Voxiva is a tech company that helps monitor disease outbreaks and other health information. It has helped officials in Africa track epidemics by setting up an alert system in which local health officials can key in data on a phone which is then fed into a central database.

Voxiva's databases collect information from doctors in remote villages and map it out so health officials can identify potential disease outbreaks. According to Paul, in the past the documentation of tracking disease outbreaks was done on paper and the diseases usually spread fast across an entire region before the health ministry can respond to prevent deaths. Instead, the use of simple and low-cost technology like cell phones has proved to be a better solution than setting up an internet-based tracking and alert system.

How is information collected and dispersed in places where computers and sometimes electricity is far behind modern-day infrastructure? Health workers send their findings by dialing a toll-free number and entering prearranged codes into an automated voice menu. They can leave a voice mail with information about patients' conditions, or listen to a message with the latest medical advice and information.



Vikram Akula

SKS India

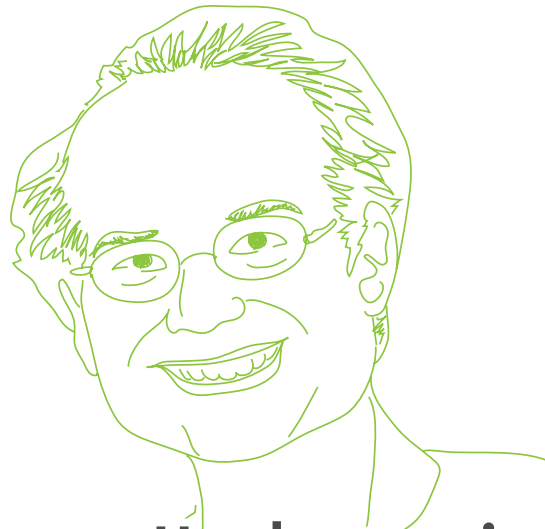
www.sksindia.com

Mission : Empowering the poor to become self-reliant through affordable loans

Vikram Akula first encountered poverty while visiting relatives in Medhak, India. In 1998 he returned to India and founded SKS in one of the poorest parts of India - Medhak, Nalgonda and Nizamabad Districts of the Telangana region of Andhra Pradesh, with the mission of empowering the poor to become self-reliant through a community-owned banking program that provides poor women with loans for both income-generating activities as well as for emergencies.

Traditionally, the poor find it difficult to access credit as it commonly involves high interest rates and the compulsory provision of collaterals. In many parts of rural India, the poor have to borrow from mandis (rural money-lenders) who sometimes charge interest rates on loans up to 1500 percent. As a result, the poor become locked in a vicious circle of debt and have to resort to becoming bonded labor to pay off their debt. SKS provides small, low-interest loans primarily for emergencies and income-generating activities.

Recently, SKS introduced the Smart Card Project as an innovative approach to drastically lower the costs of delivering financial services to the poor, particularly those in remote and isolated areas. By bringing affordable banking services to the doorstep of the poor, SKS hopes to reduce the number of poor people in India which amount to around 400 million people today.



Jeremy Hockenstein

Digital Divide Data (DDD)

Phnom Penh, Cambodia

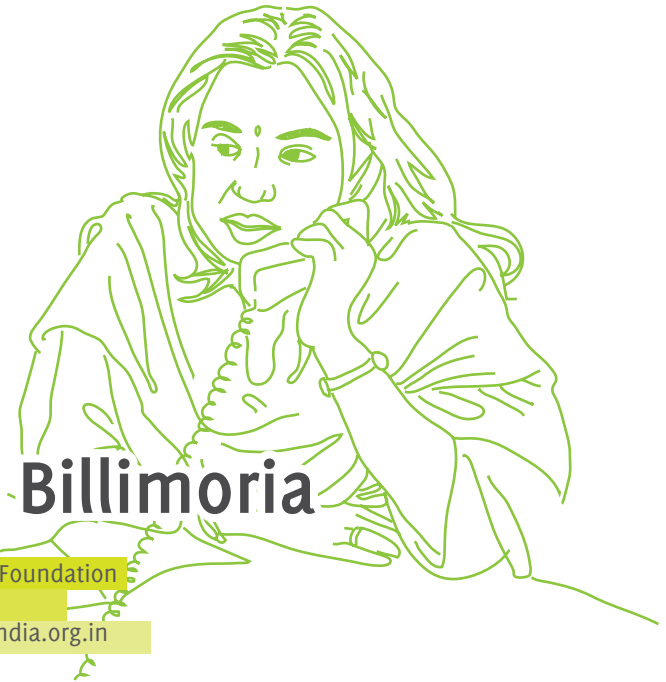
www.digitaldividedata.com

Mission : Providing IT jobs to the disadvantaged and disabled

Walking into the offices of DDD, you find people from various walks of life sitting in front of their computers, busily working away. DDD provides job opportunities for the underprivileged and disabled who are traditionally excluded from society and more importantly from participating in the traditional economy which in Cambodia has bleak growth prospects.

On vacation to Cambodia in November 2000, Jeremy Hockenstein realized that for a population that is very eager to learn, there were very few opportunities for work. A year later, he returned to Cambodia with an idea of creating a data entry company similar to those found in other developing countries such as India, but employing the disadvantaged and disabled.

Today, DDD is Cambodia's biggest IT employer that promises to deliver high-quality data-entry services to its outsourcing customers whilst promising to facilitate the human development of its employees through fair wages, health care, education, and career advancement opportunities. As a result, the organization is able to generate more than enough revenue to cover its costs while achieving its social mission.



Jeroo Billimoria

Childline India Foundation

Mumbai, India

www.childlineindia.org.in

UNICEF estimates that there are around 800,000 street children in the urban areas of India. Street children remain the ultimate testament of the indecency of society in which innocent children are left to fend for themselves without any sort of protection. Street children have little or no access to basic rights, shelter, family ties, and are vulnerable to various kinds of abuse.

Jeroo Billimoria was pursuing a post-graduate course in social work at the Tata Institute of Social Sciences (TISS) when she received regular phone calls from children at a nearby railway station, urgently asking for her help at random hours of the day. The idea for Child-line arose as the solution to provide a 24-hour toll-free hotline backed by an extensive round-the-clock network of groups that can respond to provide emergency and support services for the street children.

Childline is manned by the street children themselves as it continues to spread across India. Until recently, it has reached out to over 4.5 million children across the nation. Jeroo plans to collaboratively replicate the model in 158 cities within the next ten years based on her experience in Mumbai.



Nick Moon & Martin Fisher

KickStart (formerly known as ApproTEC)

Nairobi, Kenya

www.kickstart.org

Mission : Develop and promote the use of practical technologies by grassroots entrepreneurs to run profitable small scale enterprises

KickStart, formerly known as ApproTEC was founded against the traditional view that poor people needed charity. The founders of ApproTEC, Nick Moon and Martin Fisher believe that the poor are eager to improve themselves and needed concrete opportunities to build on their entrepreneurial abilities.

KickStart designs and manufactures practical technologies that help people work more productively. Its technologies include manually operated micro-irrigation pumps and sunflower and sesame seed oil press. The company markets these technologies at significantly low costs to local entrepreneurs so that it can be used to start new small businesses and increase the productivity of existing farmers.

What is the impact of KickStart's practical technologies? It's latest research shows that 35,000 new businesses have been started with the company's tools and 35 million dollars of annual profits and wages have been generated by local entrepreneurs in both Kenya and Tanzania.



Dr. Victoria Hale

One World Health

San Francisco, USA

www.oneworldhealth.org

Mission : Development of pharmaceuticals for the developing world

Dr. Victoria Hale is recognized by many as a leading socio-economic innovator. Her organization, One World Health, is the first ever non-profit pharmaceutical company that develops drugs for neglected diseases of the poor world.

Dr. Hale wanted people in developing countries who were suffering from various tropical diseases to gain access to low cost, safe and effective medicines. Most of the new medicines for tropical diseases did not exist because established pharmaceutical companies did not find it profitable to produce them.

Utilizing a unique business model, Dr. Hale has led an effort to build a pharmaceutical company that would cater towards global need instead of financial return. As a result various new therapies for tropical diseases such as malaria, diarrhea, and schistosomiasis are being developed.



Ashok Khosla is known for experimenting with innovative ideas and actions that have often been thought of as unfashionable and unconventional. In 1972, he became the founding director of India's first environmental agency and was a pioneer in the design and implementation of the basic structures required to integrate the environment with a developing economy.

10 years later, he founded Development Alternatives—a non profit Indian agency that deals with furthering sustainable development and the environment within rural areas. Here, he successfully exploited commercially viable technologies and set up a range of projects, from village power plants that use rural agricultural waste as fuel to mini factories that recycle paper and local enterprises that make low-cost roofing tiles.

Development Alternatives has set up a mini enterprise system to create jobs in the rural community. By integrating innovative ideas, ICT's and management support systems, they have been able to achieve financial, social and environmental sustainability in these once undeveloped areas. These development programs have allowed the rural poor to stand on their own feet and raise their standard of living as well as the quality of their environment.

Khosla's masterstroke lies in involving the government, to build partnerships that last and rural programs that endure. His work has had a ripple effect, and has not been limited to India. He has given time to environmental causes on a global scale, by playing an active role in environmental organizations like the WWF, IUCN, IISD, championing the widespread use of environmentally sustainable development. With, age posing no barrier, Khosla still actively pursues environmental issues and is currently working on TARAhaat.com, an Internet portal for Rural India.



When Trevor Field retired as an advertising executive, he teamed up with an inventor, named Ronnie Stuiver, to come up with the concept of a play pump. Ronnie, who was known for drilling boreholes for wells in South Africa, practically implemented Trevor's innovative way to tackle South Africa's water woes.

A play pump is a children's merry-go-round that pumps clean, safe drinking water from a deep borehole to a high level water tank, every time children start to spin it. This tank is connected to taps in the community to provide a source of clean, cold drinking water. Play pumps are cheap and easy to install and are a better means of supplying and storing water than the former expedition that people would take to obtain it. Nearly 700 Play pumps have been installed in South Africa and they are true examples of an innovative instrument that is 'Serious Fun'—giving the children an outlet for their energy, while providing safe water to more than a million people living in rural communities.

In his true ad-man style, Field's next idea was to use the play pump's water towers as makeshift billboards, selling ad space to help pay for the upkeep. The advertisements are often triggered at creating awareness in the youth, and Trevor in particular, has reserved a spot for the national 'lovelife' campaign, which helps educate children about HIV and AIDS.

Still, over 1 billion people do not have access to clean water. Furthermore, drinking unsafe water takes the lives of 6,000 people daily, and is responsible for 80 percent of all sickness in the world. Trevor now aims to expand his play pump idea to encompass more African countries, in an attempt to try and eradicate water scarcity.



Rahul Raj

Meal Exchange
(founded in 1993) Canada
www.mealexchange.com

Meal Exchange is an innovative social enterprise that began 13 years ago, while its founder Rahul Raj was still attending university. He recognized that hunger in Canada was a serious problem that had to be addressed. Currently, there are 5.5 million Canadians at risk of hunger and 19 percent of Canada's population lives below the poverty line.

Meal Exchange allows students to transfer unused meal plan points into groceries, which can then be delivered to local community organizations and food banks. The idea of Meal Exchange came about when Rahul realized that he, like many other university students, had money left on his university meal card at the end of the school year.

Meal Exchange is run based on a franchise concept, where each campus runs a Meal Exchange Chapter. Today, up to 45 post-secondary and 5 secondary educational institutions across Canada hosts a Meal Exchange program. It is estimated that in the year 2003 alone, over \$260,000 worth of food was donated to community organizations.

Rahul Raj is currently in the process of creating a social change practice for a leading marketing and branding firm in Toronto. He now intends on influencing governments, businesses and NGOs to participate and contribute to profitable social causes in both Canada and lesser developed countries.



Jennifer Corriero

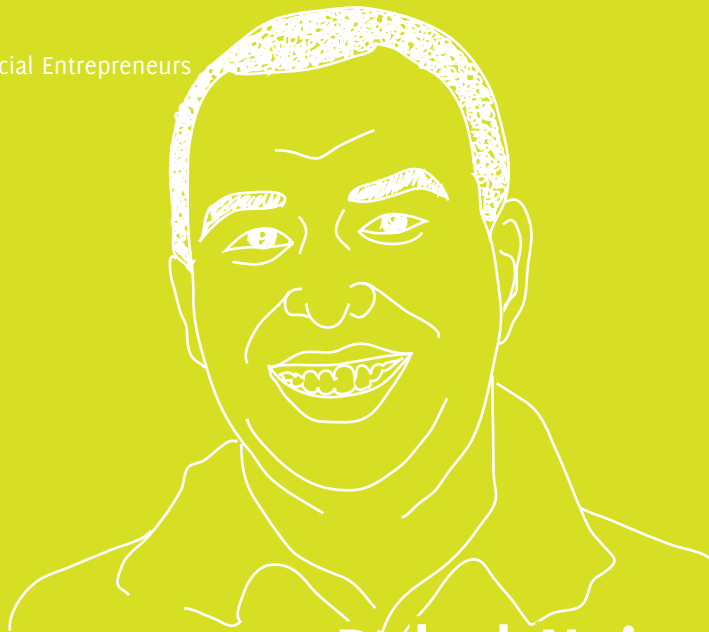
TakingITGlobal
Canada
www.takingitglobal.com

Jennifer Corriero is a living example of the youth-quake that shook business to its core in the last five years. While still a high-school student, she mastered the skills of the Internet and has since become one of the leading proponents of youth involvement in the online world. A few years later, she co-founded TakingITGlobal, a non-profit social venture that connects and supports many young, aspiring social entrepreneurs.

TakingITGlobal.org is an online community that connects young people to find inspiration, access information, get involved, and take action in their local and global communities. TakingITGlobal tries to create a sense of self-belief in the youth, by showing them how to make a difference in the world they live in. It is currently the world's most popular online community for young change-makers and has over 115,000 members across 200 countries.

TakingITGlobal encourages the youth to express themselves by means of a blog or a short profile. In this way, young people from all over the world become cognizant of the different problems plaguing our society. This form of expression also consoles the youth in that they are not the sole wagers of a war against the destruction of the world.

Jennifer has also made some valuable contributions as an ambassador for the Canadian Foundation for AIDS Research and as a pioneer in the ICT4D industry for social entrepreneurship. She is currently organizing the Youth Employment Summit with the intention of providing jobs to youth who are keen to shape the future (young social entrepreneurs).



Rahul Nainwal

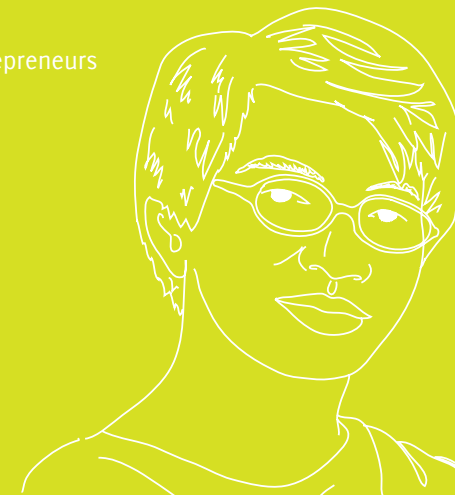
MITRA Technology Foundation
www.ivoindia.com

In the year 2000, after graduating from the Institute of Rural Management, Anand, (IRMA), Rahul co-founded MITRA, a non-profit social venture, with 2 of his batch mates. MITRA focuses on promoting volunteering in India, and is the flagship of the “iVolunteer” program.

iVolunteer is a volunteering platform that connects and recruits volunteers and presents them with the opportunity to provide their services both in India and abroad. iVolunteer is India’s largest e-volunteering program and has placed over 1600 volunteers. It is also the sole overseas volunteering program in India and currently places an average of 120 volunteers a month.

iVolunteer is not an online community service and is in fact a long-term volunteering service that funds selected volunteers to help out in depressed areas for a minimum of 2 years. In an attempt to give back to the community, iVolunteer hopes to create a volunteering movement where Indians take charge of their country’s destiny and build a stronger, more vibrant and more developed India.

Rahul is the main reason behind widespread volunteering in India and is the Indian pioneer of overseas volunteering programs. Rahul is an engineer and also has an MBA to his credit. He makes extensive use of ICT’s in all his social ventures and often defines them about the ICT itself. But what makes him so well rounded is the fact that he is a specialist in networking, thereby making him a formidable young social entrepreneur.



Sombat Boongamanong

Mirror Arts Group (MAG)
(founded in 1998)
Thailand
www.bannok.com

Sombat’s search for other pursuits began when he became frustrated by the fact that every activity in school seemed to depend only on achieving good grades. He was never a top student and was even stopped from pursuing a university education because of the limited spots available. But, Sombat had developed a liking to theatre and while in his teens, co-founded a theatre company called MAG—The Mirror Arts Group.

In February 1999, Sombat and his organization moved to a rural part of northern Thailand to try and achieve a practical means of reflecting the problems in their society. He geared the theatre company to concentrate its efforts towards societal change, in the hope of yielding long lasting and far reaching results. After working with the local schools for some time, Sombat realized that one of their major deficiencies was the short supply of books. Capitalizing on the increasing access to the Internet in Thailand, he created a website (www.thebangkok.com) to solicit book donations from Internet users. With over 120,000 book donations, the community has been made to build a warehouse for them!

Sombat has also created an educational system and a prototype school that knocks down the barriers between different parts of the community and uses the internet to implement a variety of innovative teaching approaches. The system links the interests of children, teachers, and parents and enables everyone to participate in the educational process. The school has been connected to the “wired” world and engages students at all levels, and not just the high-performers. Sombat has used the internet to address the social needs of the community by creating both an online petition, requesting the government to provide the hill tribes with a Thai citizenship and to overcome the regional poverty by using a web-site to sell the rurally produced handicrafts such as beads, embroidered bags on local, national and global markets.

MAG is now a non-profit organization that undertakes projects to help people, in the rural areas of northern Thailand, to make a better life for themselves while still retaining their cultural identities. It is recognized by the United Nation’s Convention as an outstanding youth organization and has been appointed as a centre for children’s rights in the northern region of Thailand.



Marielle Punzalan Nadal

Ideals
Philippines
www.ideals-creatives.com

Marielle, with like-minded friends Bernice de Leon, Dan Matutina, Dang Sering and Rhea Alarcon, sees a great need to improve communication tools and strategies in the non-profit sector. Together they formed Ideals - a communications and design organization for non-profits, foundations, and development agencies. As a social enterprise, Ideals has a unique business model that supports and subsidizes projects crafted to the needs and capacities of non-profits while maintaining quality of service.

Based in the Philippines, Ideals provides communication consultancy services, conducts needs assessments, and develops communication plans and creative media solutions. Ideals believes that effective and creative communications will drive the messages and advocacies of non-profits to the heart of its target communities, raise awareness, and attract and raise more funds. In short, better communications can holistically improve the impact and productivity of non-profits.

Ideals organizes the series Design to Make A Difference, a venue for young designers (whether in fields of the arts, graphic design, architecture, photography or industrial design) to share their works and ideas among other designers, and possibly network and collaborate on projects that will hopefully result in positive change. It will serve as a platform for ideas, inspiration and action, encouraging a culture of creativity that aims for social impact.



Nawee Nakwatchara

Grassroots Innovation Network (GIN)
Thailand
www.chaobaan.net

Nawee Nakwatchara, one of the founders of Grassroots Innovation Network (GIN), is running a workshop on the use and benefits of drip irrigation for farmers from a neighboring community. The farmers attending the workshop, generally walk in not expecting to learn much. A couple of slides later, they are left awestruck by the results they witness from other communities that have utilized simple low-cost solutions to overcome their agricultural challenges.

According to the UNDP, one of the highest incidence of poverty in Thailand originates from the Northeastern region. Most people living in the Northeast of Thailand are farmers and for many years have been challenged by poor weather and soil conditions. Through GIN's workshops, Nawee is not only educating a growing number of farmers, he's also making these simple agricultural solutions available to the communities for immediate application.

Farmers utilizing some of these solutions are reaping significant increases in the yield of their crop. In the past, the annual average income of farmers in the region was approximately USD 160. Today, those who have joined GIN are earning up to USD 200 monthly based on sales of excess crops.

Young Social Entrepreneurs



Salah Uddin

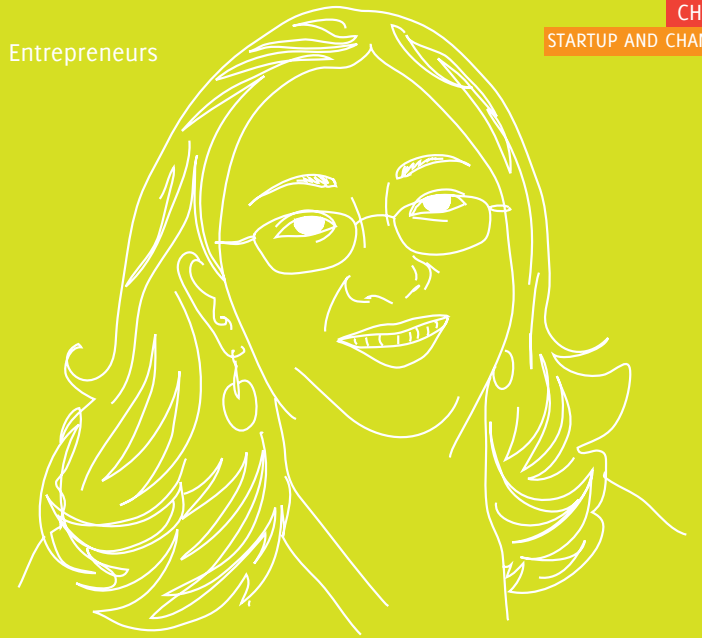
XayanIT
Bangladesh
www.xayanit.com

Salah Uddin, founder of XayanIT, is improving development, reducing brain drain and addressing the country's high unemployment rate by educating Bangladeshi youth in the field of Information and Communication Technology. XayanIT provides mentorships, employment and training in ICT focusing on web programming, administration and software development for youth.

XayanIT concentrates on outsourcing contracts from small and medium business clients, who make up the majority of the market. This past year, XayanIT has worked with three international and three national contracts. XayanIT's main partner, Dhaka University Alumni Association, provides the enterprise with both interns and domestic job contracts. Since last year XayanIT has provided employment to 20 graduates and skills development training to 50 students.

As a for-profit with social mandate enterprise, XayanIT is seeking to generate more revenue to contribute to poverty reduction in Bangladesh.

Young Social Entrepreneurs



Brinda Ayer

School and Community Horticulture Enterprise
India

Brinda Ayer is developing a sustainable horticulture model through participative implementation and is aiming to improve the overall school enrolment and child health in India with her initiative, School and Community Horticulture Enterprise (SCHE). In conjunction with the established midday meal program at a school in Karnataka, SCHE is working to make this meal available through community-based horticulture boosting not only the meal's nutritional value but also the community's self reliance.

Brinda's approach works by directly engaging the communities and mother groups, thus reducing their dependence on external market forces, to achieve its objectives of school enrolment, social equality and improvement of children's health. In addition to providing capacity building and skills development to the community, SCHE proposes to develop low cost innovative technologies such as poly-houses, green houses made of polystyrene sheets with roof top rainwater harvesting and drip irrigation system where crops, vegetables and flowers can be grown in a controlled, pest free and scientifically monitored environment.

SCHE's participative implementation model aims to foster lasting social value change and create an equitable society. By empowering local communities and developing their skills, SCHE is increasing economic and social opportunities.



Audrey Codera

Youthworks
Philippines

Addressing issues of youth unemployment and poverty in the Philippines, Audrey Codera, founder of YouthWorks, is using her expertise to encourage grassroots young people and women to make their lives better through entrepreneurship. As a project that began with providing start-up capital to three underprivileged youth, YouthWorks is now a microfinance institution that provides very low interest credits without collateral to youth. The organization also provides information, ideas, training, materials, research, toolkits and other capacity-building activities to its loan recipients through the use of Information and Communication Technologies. Audrey believes that this is the first step in fostering responsibility, thirst for knowledge, innovation and a desire to contribute to society.

This program was successfully piloted in Nanpindan and Cebu and aims to create a ripple effect in other communities. By September 2007, YouthWorks plans to reach out to 50 entrepreneurs, youth or women. Currently, 12 loans have already been offered.



Md. Faisal Islam

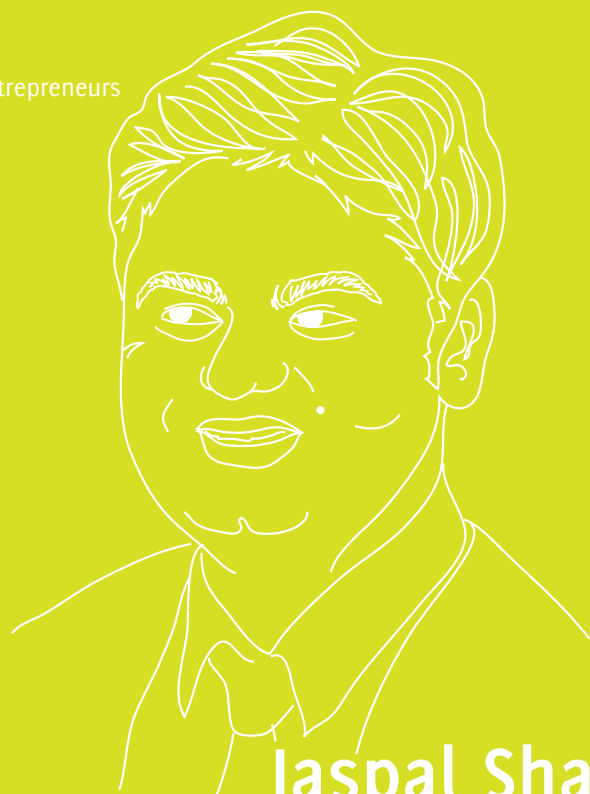
Padma
Bangladesh

Faisal, founder of Padma, is improving access to knowledge on sustainable resources management and livelihoods security by creating an Agricultural Knowledge Management System (AKMS) for marginalized rural farming communities. Faisal proposes AKMS can close the “know-do gap” through its interactive knowledge brokering strategy which relies on strong linkages with various agricultural actors that enable farmers at the grassroots level to share information with national and global expertise. The knowledge provided is tailored to local farmers’ particular needs in an understandable local language.

Padma enables farmers to overcome the barrier of accessing Information and Communication Technologies and thus opens a channel of communication at a local, national and international level. This is the best way to provide the right information, to the right person, at the right time. Information and Communication Technologies facilitate the dissemination of knowledge to the wider community with the advantage of being cost-effective.

Currently, farmers of 15 villages have been enrolled in the program, representing approximately 15,000 households.

Additionally, Padma is promoting economic empowerment of women through capacity building. Padma offers training to groups of educated and less educated women who don’t have access to IT or Knowledge Management systems. Besides the prospect of a better occupation, the program aims to raise women awareness for their fundamental and basic rights.



Jaspal Shakya

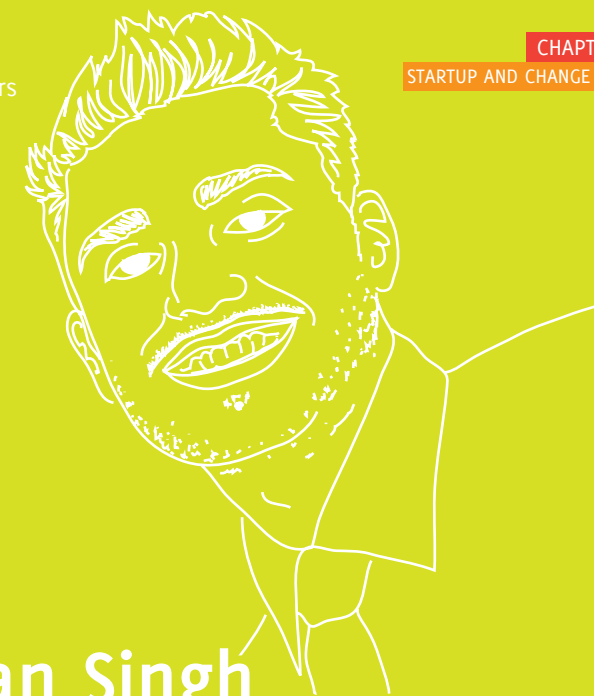
Community Friendly Movement
India

Jaspal Shakya, working with the Community Friendly Movement (CFM), doesn't intend to fight the system but work with it to induce changes. By selling quality handmade products at competitive prices in a virtual market place and by reducing the number of intermediaries, CFM is improving the livelihoods of rural artisan communities in India.

CFM uses existing technologies such as Google or eBay to create a distribution system. In addition to that, CFM has developed its virtual market place, Shop2Change, exhibiting products ranged from bags, notebooks, to wooden or metal bangles. CFM also decided to extend the concept of tipping by creating Tip2Change. Customers have the possibility to leave a certain amount of money when buying a product. This money goes directly to the worker who was involved in the production process. The online store is in its testing phase and they are hoping to launch it in May-June 2007.

From the initial 6 artisan communities in mid-2006, CFM has expanded to 15 communities representing 870 people based in the regions of Rajasthan, Gujarat, Uttar Pradesh, Delhi, etc. In May 2005, CFM started a monthly newsletter "Toran" to send updates to its members.

Started with the aid of a seed grant from the Ford Foundation in 2005, CFM now collaborates with YSEI, Hivos, Reuters, iCongo, Fair Trade Federation and Co-op America. In 2005, CFM was selected by the World Bank as one of the four innovative projects from across the globe using ICT and youth to make a presentation at the UN 60th Anniversary celebration in Washington, D.C



Raj Ridvan Singh

SOLS 24/7
Timor-Leste

Raj's initiative, SOLs 24/7, is providing Timor-Leste's underprivileged youth with holistic life-skills education, enabling them to become responsible, dynamic, disciplined and socially conscious citizens.

Raj's education model, which was pioneered in Cambodia and can easily be replicated in cities across Timor-Leste, is based on an education program focusing on academic skills, leadership, character building skills and lessons on social consciousness. Academic skills consist of training in English, entrepreneurship, business, marketing, accounting, management and basic computer usage. With soft-skills focusing on capacity-building, students are increasing their confidence and discipline. Social consciousness lessons highlight issues on HIV, domestic violence, drug abuse, environment and religious tolerance and encourage students to participate in community services.

With this 24-month educational program, Raj is able to empower future leaders of the country and reduce Timor-Leste's Dependence on external assistance.

10 Success Traits

INNOVATIVE TENACITY EXPERTISE PASSIONATE INFECTIOUSNESS FOCUSED RESOURCEFULNESS GOAL ORIENTED LEADERS ECSTASY

INNOVATIVE Social entrepreneurs think 'out of the box'; they find the best possible solution for a problem even if it appears to be unconventional

TENACITY Social Entrepreneurs challenge the status quo; they exploit opportunities and refuse to give up.

PASSIONATE Social entrepreneurs have a strong belief and passion in what-ever they do. They will not stop until they have realized their goal.

EXPERTISE Social entrepreneurs have very deep knowledge in the fields they pursue. This allows them to find new solutions for existing problems.

INFECTIOUSNESS Social entrepreneurs can influence people around them to support their mission and work.

FOCUSED Social entrepreneurs see and act upon what others miss: opportunities to improve systems; create solutions; and invent new approaches that bring social change.

RESOURCEFULNESS Social entrepreneurs operate within a social context rather than the business world, they have limited access to capital and traditional market support systems. As a result, they must be exceptionally skilled at mustering and mobilizing human, financial and political resources.

GOAL ORIENTED Ultimately, social entrepreneurs are driven to produce measurable returns or outputs.

LEADERS Social entrepreneurs are natural leaders, they have the ability to lead and inspire others.

ECSTASY Social entrepreneurs have a bright outlook on life; they realize their efforts improve the lives of many.



4

Getting Started

IDEAS THAT WORK

Not every idea that comes to you is capable of making a difference. Most ideas are short-lived. Of the ideas that are good, only a handful is nurtured into something worthwhile.

Most of us don't know what to do with an idea, others who do know, presume that the stakes are too high and therefore can't waste their time and money to follow the dream to completion. Its one thing to have a great idea but it takes a lot of courage, determination and perseverance to take that idea to its logical end.

That's where the entrepreneurs come in; if they have an idea that they believe in, they should be willing to face any constraint, any challenge and any number of failures to turn it into a successful venture.

Entrepreneurs work on the principles of lateral thinking and have a structured methodology to achieve what they seek. The idea may be born out of some random thought, but the evolution of the idea into a venture plan takes place only when given a structured thought process from start to end.

Ideas come from breaking down the barriers of the thought process that resist change, by exploring new ground and by taking the mind to dizzying heights, from where everything looks small and clear. They come from listening, observing, contemplating, and debating continuously.

Tom Peters once said, "Innovation comes from angry and driven people". The social innovator is a dissatisfied soul, impatient for change, who instead of passing opinions about issues, gets up and tries to do something.

Innovative problem solving, specifically the ability to bridge creative ideas into

"There is one thing stronger than all the armies in the world
and that is an idea whose time has come" **Victor Hugo**

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reality is an irreplaceable task of social entrepreneurs. Other processes such as project planning and organizing can be left partly for managers and team members. Generating innovative ideas to solve the problem is your unique task; although there is no one right way to solve any particular problem, it is more important to apply a systematic thought process of how to solve the problem innovatively.

As you “generate” ideas, write them down. What you dream can be the key to a great change, so try to do some wishful thinking on these structured lines:

What is the thing that you want to improve/change?

Why should it be improved? - Who will benefit from the improvement?

What is wrong with it at the present time?

Why will you succeed where others have failed?

How do you propose to improve it?

Do you have the know-how to do the work required to improve it?

If not, can you get help? Who can help you?

Could it be combined with something else?

Can we develop partnerships around it?

One technique that is used to generate ideas and test the ones you already have is brainstorming. The principle of brainstorming is simple : two heads are better than one.

There are two kinds of brainstorming – structured and unstructured.

Unstructured brainstorming can prove useful when after working on your project for a long time, you need to unwind or take a different perspective to assess the direction of its progress. This comes in handy when your mind seems to be going around in circles and you need some help to break the monotony. Use it with discretion though, because it could soon become a gossip session and then you won't derive anything measurable out of it.

Structured brainstorming however, is a more productive, effective and useful tool. It involves a group of people taking part in brainstorming sessions, designed to achieve a particular purpose. These sessions help generate ideas to solve a particular problem or test the feasibility of a current idea. It is here, where creativity is inspired and channeled.

Assign a moderator in the group, someone who can keep order and give direction. Keep the atmosphere free and informal, so no one feels cramped. Encourage people to say what they want, without the fear of criticism and arrange for a reliable individual to take notes during the meeting. Before a brainstorming session lay down the following ground rules:

Rule 1: Those involved cannot criticize the ideas of others

Rule 2: Wild suggestions are welcome. The crazier, the better

Rule 3: Everyone needs to contribute to the brainstorming session- greater participation, yields more ideas..

It is the responsibility of the group leader to make sure that these rules are both understood and implemented by all present. Brainstorming should be kept simple and specific; giving people more than one topic or problem to think of is both confusing and unproductive.

Another way of develop big ideas is to borrow them. Entrepreneurship is not only about conceiving revolutionary ideas that change the world, but also about improving existing conditions. Open the floodgates of opportunity, by talking to people around you and keeping your eyes open. If you're lucky, you may soon be working on an entirely different social venture.

So once you have an idea, try to follow a systematic pattern of thought which can lead you to an effective plan. Remember, the idea is the spine of the whole effort and it has to involve both the beneficiaries and the donors to make it successful. To ensure maximum participation:

Describe the idea clearly:

Think about your idea and run it through people who you think have expertise in the area. Make an appointment to meet these people and try to bounce it across to them. If you obtain a good response and find that these people are largely in agreement with it, waste no time in starting your social venture. If however, people do not agree with your idea, try to reanalyze the concept and reframe it using the feedback that you have obtained. This will make your idea more in tune with the perception and understanding of the society where it will be put into practice, providing its ready acceptance and support.

Explain why this is such a great idea:

The idea has to be supported by strong facts and figures and should look well researched, so that your potential collaborators/partners know that you have done an exhaustive study and have developed a good workable idea. It is important to describe its overall context here and to explain how the existing problem that you seek to solve has not been resolved by the actions and inactions of other organizations, governments and people. You must clearly explain and provide a logical reasoning as to the reasons you believe your ideas will be able to solve the problem. In short, you must highlight why you will succeed, despite the fact that various others have failed.

It is critical to remember that the proposed idea has to be powerful and interesting enough to kindle the imagination of another. Remember, you are not

only trying to create something new, but are also endeavoring to change the prevailing mind set and customs.

The next crucial step after identifying your revolutionary idea is to start an enterprise. Starting an enterprise, is the ultimate transformation of your idea into a reality, and enables you to realize the true potential of your creative solution. After setting up your enterprise, you initiate the process where real changes are made and the world could be transformed by your social innovation....

The Social Venture Plan

Before starting up an enterprise, you should write a social venture plan, to help guide you through the preliminary steps towards launching your venture. A rock-solid venture plan can help you start strongly and provides you with the blueprints to maintain a consistent progress. From experience, most people tend to startup without a plan, get into a terrible jam, panic uncontrollably, and then begin to formulate a plan to get out of it. By this time, it is probably too late to salvage anything left of your sinking venture.

Formulating a social venture plan helps you move away from the theoretical idea and allows you to focus on the practical aspects of the resulting social impact. It serves as a decision-making guide that will often come into play during your venture and sets a common plan of action for your team members. Because it lays out your project in a clear and structured manner, it can also serve as a document to present to donors, investors and other stakeholders.

Often, entrepreneurs begin writing social venture plans only when faced with the need to raise funds from donors or investors. What they forget is that such plans enable them to perceive any unforeseen opportunities or risks and sets a general framework for both your team and you to work towards achieving the venture's collective objectives, strategies and action steps. Therefore, always write your social venture plans before you start your venture.

A Social Venture Plan is divided into 2 parts:

- The Social Enterprise Concept (Executive Summary)
- The Social Enterprise Plan

The social enterprise concept should aim to paint a picture for an outsider who doesn't know anything about your work. It should clearly explain the enterprise's solution to solving a social problem and the impact it hopes to generate. In other words it can also be used as your Executive summary.

The complete social enterprise plan includes a brief part of the social enterprise concept, but is generally independent in both content and context. The social

enterprise plan lists the activities, actions and management systems an enterprise has to carry out before it is physically set up. This plan is like a guidebook that helps you evaluate, measure the progress and set-up your enterprise.

SWOT ANALYSIS

Before developing a venture plan, an entrepreneur must perform a SWOT analysis. SWOT is a strategic tool that helps evaluate the Strengths, Weaknesses, Opportunities, and Threats (SWOT) involved in setting up a venture. A SWOT analysis often requires an entrepreneur to extend his overall perspective of the business to include that of:

- A financial perspective
- A view on the product/service and its ability to help the beneficiaries
- A technical point of view
- A customer's perspective on the service provided

A SWOT takes into account both the internal and the external factors that can both help and harm a social venture. The table below separates the components of the SWOT analysis into their respective roles:

	Helpful to achieve the objective	Harmful to achieve the objective
Internal (attributes of the organization)	Strengths - High intellectual resources - Better quality products - Competitively priced products	Weakness - Weak financial resources - Poorly managed staff
External (attributes of the organization)	Opportunities - Low interest rates - Favourable change in laws & conditions	Threats - The Actions of competitors - Increasing market saturation

Use the **USED** approach to gain maximum benefit from a **SWOT** analysis. Each involved member should ask themselves the following questions:

- How can we **U**se each **S**trength?
- How can we **S**top each **W**eakness?
- How can we **E**xploit each **O**ppportunity?
- How can we **D**efend against each **T**hreat?

SWOTs are used as inputs for the creative generation of possible strategies, to help businesses successfully launch and sustain their social ventures. Before using a SWOT analysis, a business must define its goals and objectives. This is due to the fact that, SWOTs need to be referred to as an objective and cannot exist in the abstract.

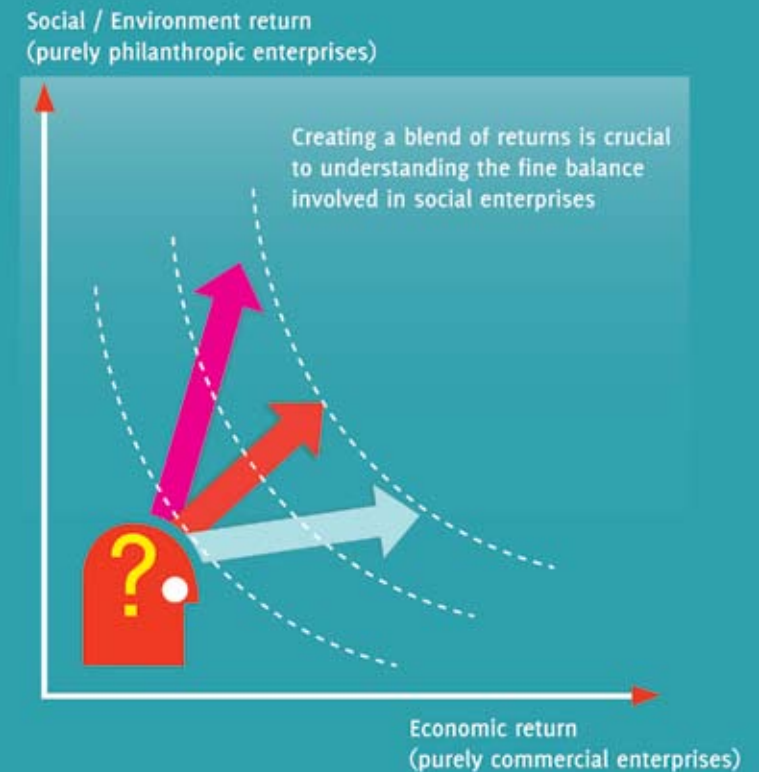


Choosing type: Choice of expansion paths

Social Enterprises walk a tightrope in trying to balance the generation of both social/environmental and economic returns to remain effective and sustainable at the same time.

The balance between economic and social/environmental return are choices based on each enterprise's preference.

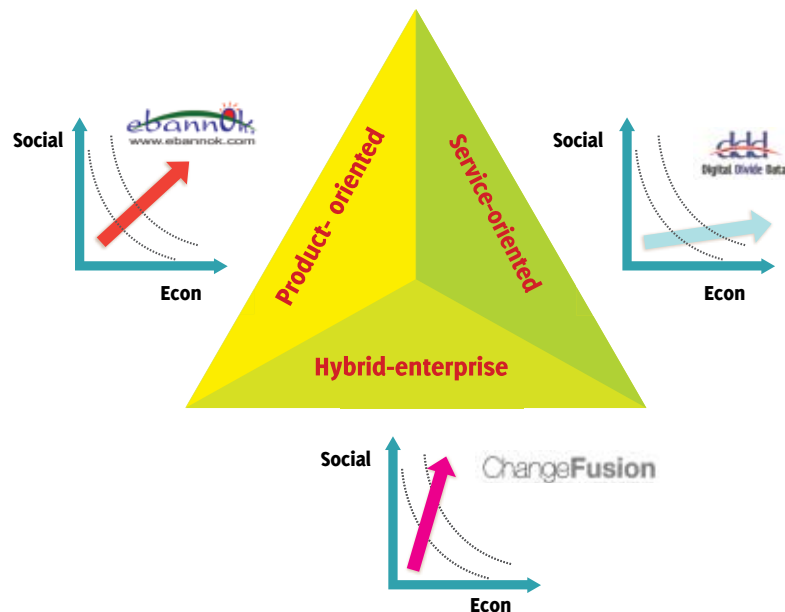
Social Enterprise Spectrum



Understanding the balance you have to generate between social/environmental and economic returns as a social entrepreneur.

Choosing types: Product/service/hybrid

Types of Social Enterprise



Product-oriented



Ebannok.com is one of the most successful projects of Mirror Art Group, a social enterprise that provides an e-commerce platform for hill tribes in northern Thailand to sell the handicrafts that they produce in between harvest seasons. This increases employment and allows the communities to reap higher income levels over the year as well as more funds for development activities.

Service-oriented



Digital Divide Data (DDD) is a very successful social enterprise that delivers highly accurate data-entry and digitization services for customers while maintaining a mission to employ underprivileged youth and facilitate their human development through providing fair wages, health care, education, and career advancement opportunities.

Hybrid-enterprise



ChangeFusion, formerly known as TRN Institute, is a provider of social innovation design and investment and incubation services. The venture has launched various social innovation projects and continues to support social enterprises led by young adults in the South and East Asia region.

Choosing type of social enterprise



Why do this?

By clarifying the type of social enterprise, it is easier to think through the rest of the planning process. And it is easier to communicate what exactly does your enterprise do.

SOCIAL ENTERPRISE CONCEPT

The Concept Elements



What is the concept and its elements?

The Social enterprise concept is an overview of your full plan (basically your executive summary for the full proposal). It helps you think through key concepts about enterprising social innovation that need to be clarified before expanding them in the full plan itself.

The Concept Elements



THE PROBLEMS (OPPORTUNITY)

What is the problem?

Develop the problem statement by providing context, problem situation (initial) and desired situation (goal).

Visit 'innovative problem solving' tool.

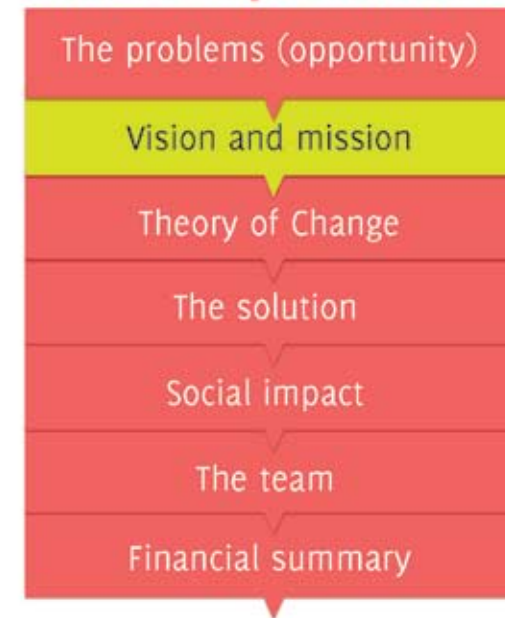
What causes the problem?

Develop a logical argument on the causes that create the problem situation (using logical/issue pyramid) Check out the "Innovative Problem Solving" tool at the YSEI website (www.ysei.org)

Why is it important, what is the scale?

Give clear explanation why the problem matters. What damage would it do, what good will it prevent, what opportunity it brings? How big is the problem and opportunity?

The Concept Elements



VISION

What change in the world would you ultimately want to see?

Crafting a vision gives you an image of the future you seek to create. Imagine what the world would be if the problem is solved. Describing it in clarity will not only allow you to see to what direction you must shift the future to, it will also help your team develop a clear shared-vision, making sure everyone is having the same ultimate goal.

What will be the future of your organization?

A vision drives you, your team and your enterprise towards the same direction. You might want to be the top IT-training centre for underprivileged youth, or eradicate poverty in a fishing village.

If you do not have a vision, you should not be writing a plan.

MISSION

What impact would you like to accomplish and be accountable for?

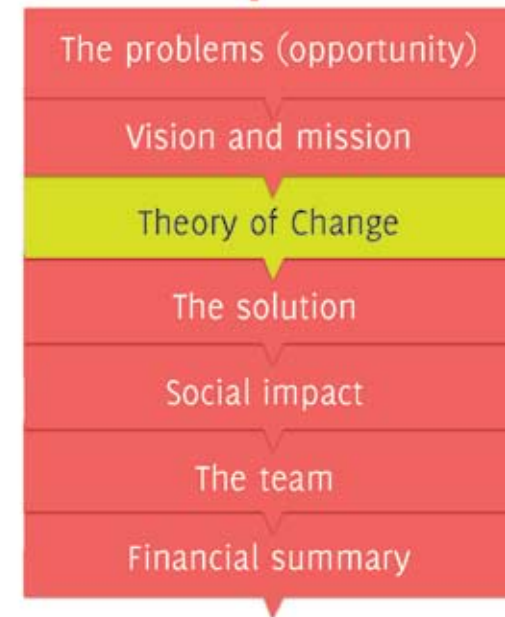
The mission would give you a sense of purpose or the reason why your social enterprise exists. The mission should contain clear goals and specific objectives for your social enterprise to achieve as practical steps towards your vision.

The good objectives are SMART (Specific, Measurable, Attainable, Result-focused and Timely). These objectives are the outcome or impact you will be accountable at some clear specific points in time.

It should also explain clearly what will be the value/benefit you will be creating for all your key stakeholders, e.g. target community, partners, funders, the society as a whole and even your team.

The trick is to describe what you will be doing over the next 1 to 2 years. Generally, it works best to focus on the enterprise and on the target groups' needs and benefits.

The Concept Elements



THEORY OF CHANGE

What is your theory of change?

Theory of Change is a way of thinking about how the outcomes of your activities lead ultimately to your desired social impact.

For example,

If rural communities can sell their local handicraft produce through an online e-commerce platform, there will be economic development in rural communities

The basic format of any theory of change can be expressed as...

To make desirable **CHANGE** happen,
Condition₁, Condition₂, Condition_(n) must be met.

Or

If Condition₁, Condition₂, Condition(n) are met, then, the desirable **CHANGE** will happen.

So, it's always something like IF-CONDITIONS-THEN-CHANGE

more examples of IF-CONDITIONS-THEN-CHANGE

If low-income, marginalized teenagers have first-hand experience running a business, they will be more successful in their careers

If poor women in Africa have microbicidal contraceptives they control, AIDS will spread less

If customers' water usage is metered and they have to pay for it, they will use less water

If people buy organic yogurt instead of non-organic yogurt that may be full of pesticides, their health will improve

If jobs are created in low-income areas, personal well-being will increase and the quality of life in those neighborhoods will increase.

Notice that in each example the ultimate social impact is expressed as a change, an increase or a decrease. This is the same thing as the social mission you are trying to achieve.

The Concept Elements



SOLUTION

What is your solution (products or services)?

Explain exactly what is your solution to the problem, especially in terms of products or services offered to your target community or stakeholder. What are the key activities needed in achieving your mission?

Who are your customers?

Identify the users of your product/service solution. Who are they? Where are they? What is the size of your target customers? How do you plan to access them?

How does your solution innovatively remove the pain (solve the problem)?

Describe exactly how the problem would be solved by your solution. What benefit or value your solution will generate for the target group. Why and how innovative is your solution? Why should they use your solution compared to others? What is the limitation of your solution?

Who else are solving the problems?

Identify those who are trying to solve the same or similar problems as you do. What are their solutions? How effective they are? What are their problems, strengths and weaknesses? Is the market for your solution competitive?

Who are your competitors/complimentators/partners?

Classify them into different categories. Identify your competitors or those whose solutions/works are competitive to yours. Identify your complimentators or those whose solutions/works can compliment with yours. And identify your partners or those who might want to work with you.

What you can do better or different from them?

Explain how your solution is uniquely more effective or efficient compared to your competitors. What exactly is the difference between your solution and theirs.

How is ICTs a critical and integral component to your solution?

Give a clear explanation why Information and Communication Technologies is needed to enhance the effectiveness of your solution and how it is integrated to your solution.

The Concept Elements



SOCIAL IMPACT

What is your ultimate desired social change?

Explain how social change is your final goal based on your mission and theory of change.

What are the outcomes derived from your planned activities?

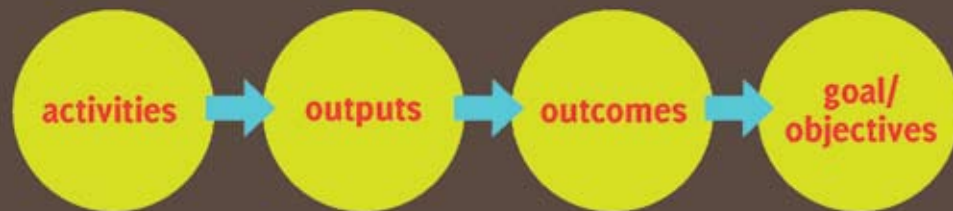
Group your activities into components and explain clearly what social outcomes or impact will be generated through each of these activity components. The outcomes described should have both qualitative and quantitative dimensions. Phase your outcomes into a quarterly (four times a year) manner.

How will these outcomes contribute to your ultimate goal?

Describe exactly how the component outcomes would contribute directly and indirectly to your ultimate desired social change. Which outcome will contribute the most? Which will have significant short-term and long-term contributions?

How do you measure your social impact?

In what way or what technique will you be using in measuring your phased social outcomes and their contributions to your ultimate goal? What indicator will you be using in measurement? Would it be continuously measured monthly or quarterly? Who will measure the impact?

**The Concept Elements****THE TEAM****What is your human resource requirement?**

Explain exactly what is your solution's needs on human resource. How many teams or positions will be needed to make your solution operational? What knowledge/skills are needed?

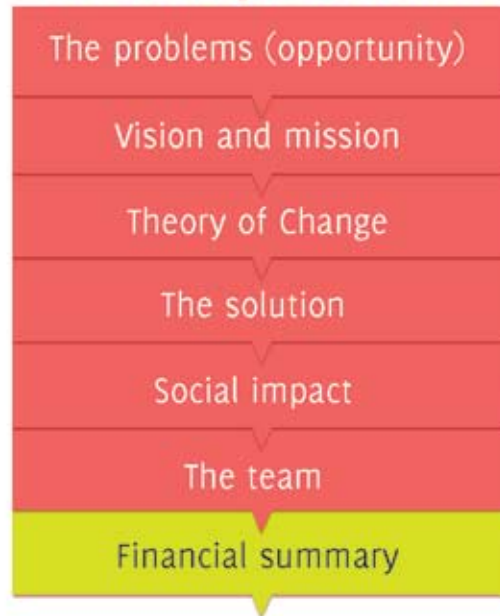
What is your advisory and mentorship needs?

Identify your needs for advisers and mentors, especially from the fields related to your solution. Who among your key stakeholders is needed in order for you to gain insight into each stakeholder as well as the support. Who you have already had as your advisers or mentors?

Who is your core team?

Explain your core team and why they are competent to deliver your solution in solving the problem. What is their educational background and work-experience? What is their unique expertise?

The Concept Elements



FINANCIAL SUMMARY

What is your financial need?

Describe what will be the major cost elements in order for you to achieve your goal. In most cases, human resources, physical facilities and technology are key cost elements. Explain what proportion of the budget will be generally allocated to each component and why it is allocated that way.

What is your budget?

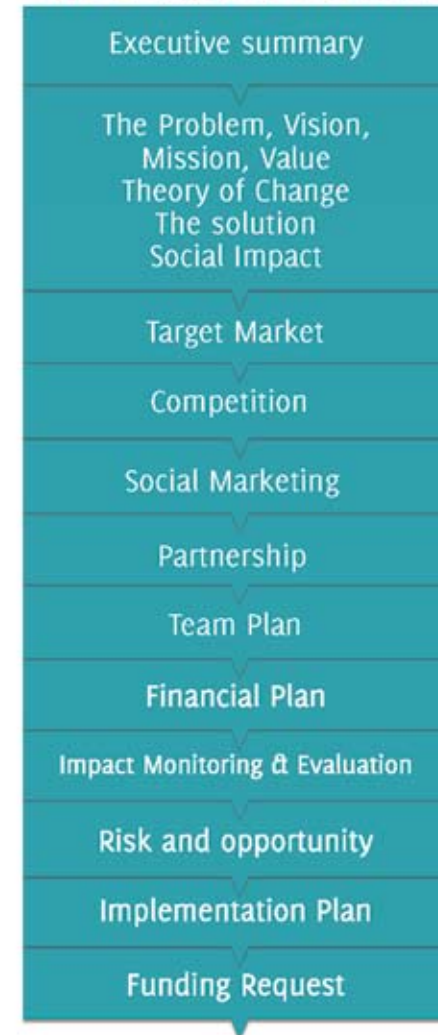
Providing key budget items based on your cost elements. Break them down into activity-based costing (base your costing on each activity you will be doing) as well as those fixed cost that is pretty much the same all year round such as core staff and rent. Also explain who will be financing your budget, have you talked to them? Do they agree, to the process of proposing or rejecting.

How would you sustain your social enterprise?

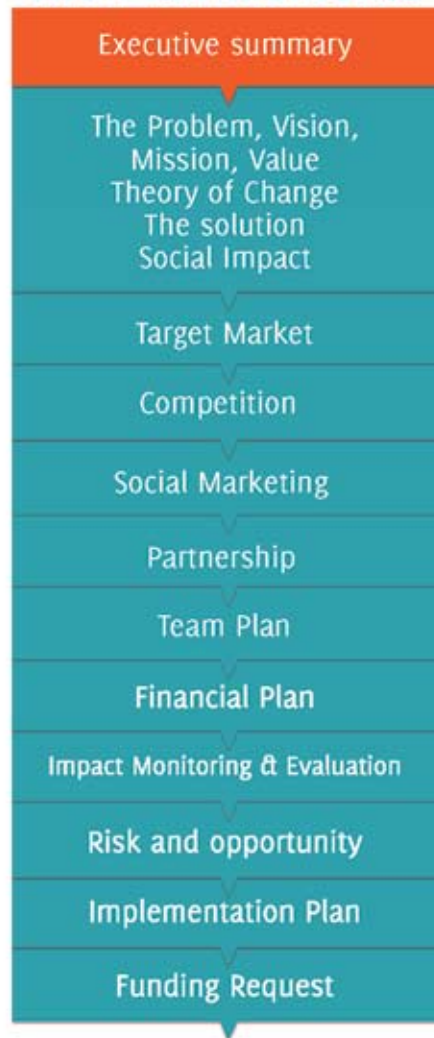
What is your strategy in sustaining your enterprise. Would your social enterprise in the medium to long-run be based on donation, investment, earn-income or combination of them? What is your unique value that will convince your donors, investors and consumers (in case of earn-income strategy) to continuously support your social enterprise?

SOCIAL ENTERPRISE PLAN

The Plan Elements



The Plan Elements



The Plan Elements

Social enterprise plan consists of many elements that guide you through the thinking in transforming your innovative solution into reality.

It basically connects your input requirement all the way to the final impact mission.

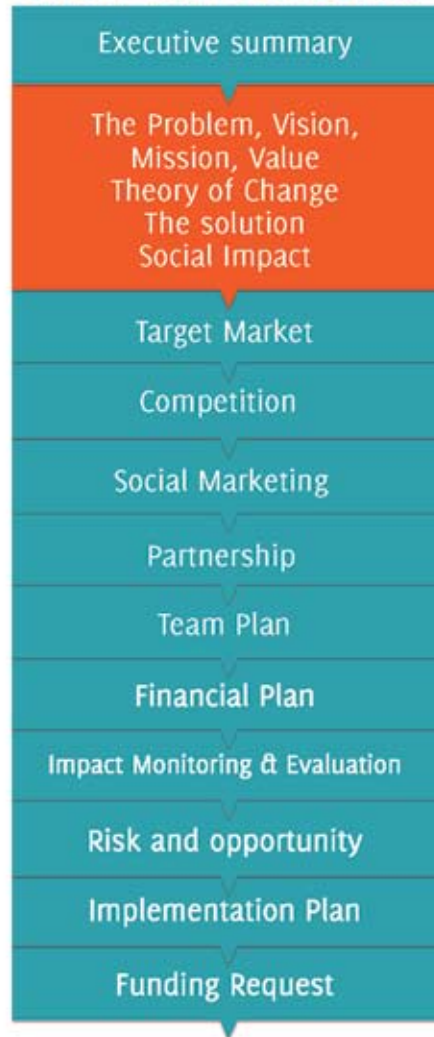
Without the plan, you will have a messy project implementation nightmare even if you've somehow got financed.

EXECUTIVE SUMMARY

Here you should provide a summary of the plan so that the reader could understand the key elements of your whole social enterprise right away. You can actually work on this section after you have finished all other plan elements.

- You should outline briefly your...
- Vision, mission, value
- Theory of change
- The solution
- Your target and how you would access them
- Partnership
- Finance
- Evaluation

The Plan Elements



THE PROBLEM / VISION, MISSION AND **VALUE** / THEORY OF CHANGE / THE SOLUTION / SOCIAL IMPACT

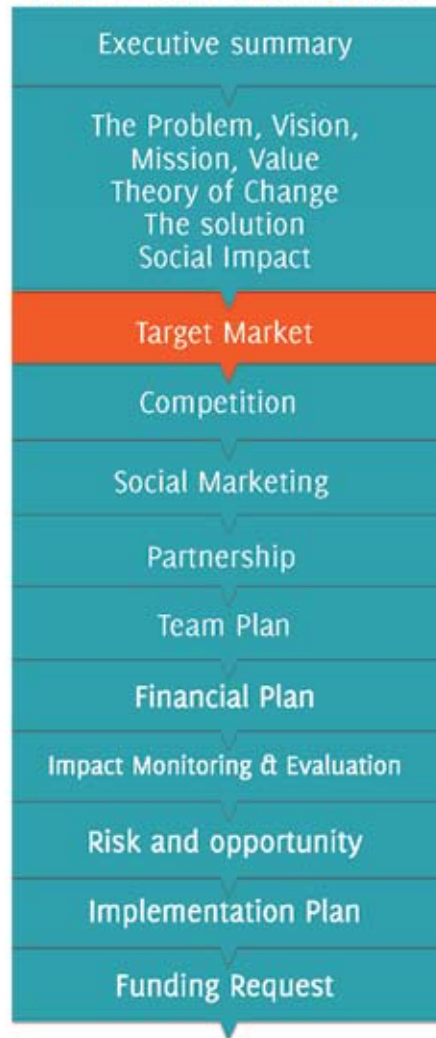
These elements are actually part of the social enterprise concept except for the **VALUE**. Therefore, you could use the same or update the information from the concept's elements.

THE VALUE

How will you behave along the way? – Your guiding concepts, beliefs, principles and underlying philosophy of the enterprise are outlined here. Your value should be of those principles your enterprise considered as critically important to its culture, integrity, meaning and day-to-day activities.

For example,
You might be running an enterprise that trains underprivileged youth in IT skills. You might want to make it a principle to **recruit a more diverse group of young people** (from across all ethnic, linguistic and socioeconomic groups). On the other hand, you might want to promote continuous **collaboration amongst your team members** to broaden and enhance your enterprises' ability to serve the target group. Or even make a priority to **ensure gender balance** in all your operations.

The Plan Elements



TARGET MARKET

Identify and give details on the target group of your social enterprise. They are those who you will make an impact with. You should exhaustively segment them into differentiated groups as well as classify which group is primary target and which is secondary. Information about their size, value, challenge/opportunity and other notes should also be provided.

Target segments	Size	Value	Challenge/ Opportunity	Validation
Primary				
Segment A	xxxx	xxxx	xxxxxx	xxxxxxxxxx
Secondary				
Segment B	xxxx	xxxx	xxxxxx	xxxxxxxxxx
Segment C	xxxx	xxxx	xxxxxx	xxxxxxxxxx

Identify key user segments that will be benefiting from your social product/ service. Each segmentation should share similar attributes (demographic, interest, needs, life-style, age, income, etc.) Classify which segment is primary or secondary.

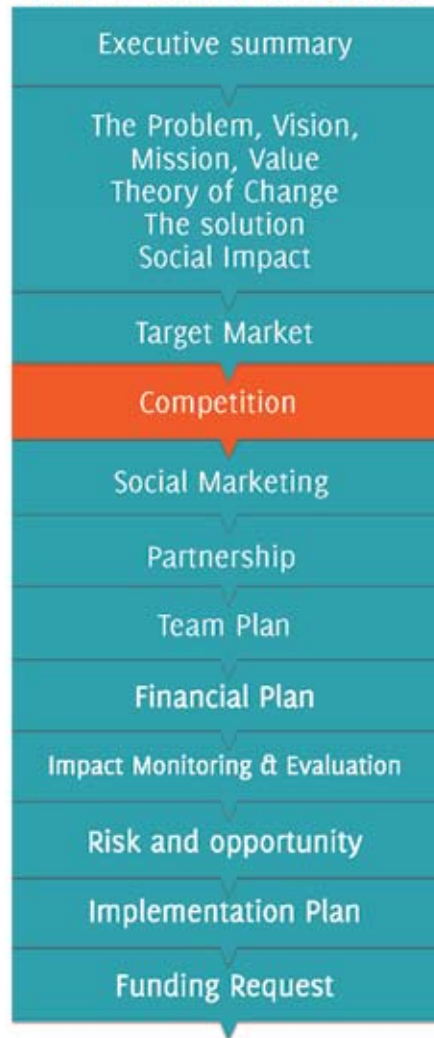
Estimate the size of each segment in terms of number of people, villages, population and so on.

Explain key needs of each segment and why it is satisfied by you. What is your value to them?

What is the unique challenge and opportunity to each segment. How do you overcome or capitalize them?

Provide evidences that clearly validate why there is a real need in this segment and/or that they are interested in your or a similar social product/ service.

The Plan Elements



COMPETITION

In providing your social products/services, you actually have competitors providing similar values. Although in social development you are not in cutthroat competition, but by understanding who are the ones providing similar values to your target groups, it helps you to plan your positioning compared to others in capturing the unique value to better addressing your target groups' needs.

Your competitors include direct competition, substitutable products/services and potential entrants. Complimentators, or those providing complimentary services are equally important.

Competitors and their services	Type	Differentiation and competitive strategy
Competitor A provides xxx services xxxxx xxxxxxxxxxxxxx	Direct	xxxxxxxxxxxxxxxxxxxxxx
Competitor B xxxxxx	Substitution	xxxxxxxxxxxxxxxxxxxxxx

Identify key competitors providing similar, substitutable or complimenting products/services.	Classify type of competitors; direct, substitution, new entrant or complimentary.	Explain why your social products/services are different from the competitors (through feature, unique value, etc..) What can you learn from them? How will you compete or cooperate in order to maximize the social impact and sustainability of your social enterprise?
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The Plan Elements



SOCIAL MARKETING

Any enterprise's ultimate clients that are critical to their survival fall into two groups. As in business enterprise where the two are customers and investors. Social entrepreneurs need to be equipped with a two pronged marketing approach in serving their target users' group and donors/investors.

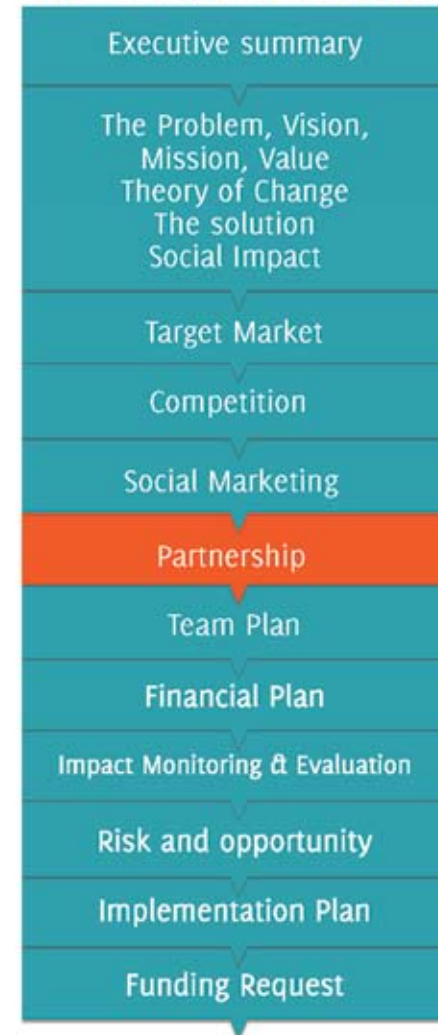
Two different types of marketing campaigns have to be designed to satisfy the donors and to obtain the attention of the target groups.

Both groups have to be told clearly of what they can expect from your social enterprise.



TARGETS	Wants & needs	Access strategy	Relationship building
TARGET USERS			
Target segment 1	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
Target segment 2	XXXXXXXXXXXXXX XXXXXXXXXXXXXX XXXXXXXXXXXXXX	XXXXXXXXXXXXXX XXXXXXXXXXXXXX XXXXXXXXXXXXXX	XXXXXXXXXXXXXX XXXXXXXXXXXXXX XXXXXXXXXXXXXX
INVESTOR/DONOR	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
Investor1	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
Donor 2	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
General public			
Identify key users' segments, donors, investors that are crucial in achieving your mission and sustainability. Information about their locations should be provided.	Explain wants & needs of each group, especially those that are perceived as immediate and important in order to know what will attract their attention.	Explain how will you access each of these groups. What communication channel will you be using (traditional media, internet, event, social network, etc.) How to attract them?	Once you've access to them. How will you build a trusting relationship? What technique will you be using? (visiting, meeting, emailing, calling, etc.) In business enterprise, this is called Customer Relationship Management (CRM) and Investor Relations (IR).

The Plan Elements



PARTNERSHIP

As no one can be the best at everything, partners are needed in order to maximize your social impact,. These are people and organizations that care about your mission. You share the similar goal with them. They might be in the field longer than you, they might have competency that you can't match. What is important is to identify and learn how to work together in order to achieve synergy, i.e. the whole impact of partnership is greater than the sum of its parts. Partnership only makes sense when together you can achieve something that each of you can't do alone.

Partner	Value contribution	Strategic fit	Status
Partner1	xxxxxxxxxxxxxxxxxx	xxxxxxxxxxxxxx	Agreed
Partner2	xxxxxxxxxxxxxxxxxx	xxxxxxxxxxxxxx	Contacting

Identify partners that will be needed in order to achieve the mission, especially in terms of competency needs.	Explain what value each partner brings to the partnership. What is the unique contribution derived from each partner? Are they highly competent, experienced, connected? Why does your social enterprise need them.	Why will they need or want to work with you? Do your mission/ activities fit with theirs? What does the value your social enterprise have for each of them? What is the synergy between you and them?	Describe the status of the partnership. Did you contact them? Did they agree to work as partners? Do you have their management - support?
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The Plan Elements



TEAM PLAN

Creating a team plan is also part of social enterprise concept's elements. At a social enterprise plan level, we need to work out some details. Social enterprise consists of individuals, they are the team that make or break everything. Team plan is among the most important element in planning as talent is everything. The team plan consists of at least three parts, the competency plan, the core team and the advisors/board.

COMPETENCY PLAN

Talent needs	Position requirement	Recruitment	Status
Talent1	xxxxxxxxxxxxxxxx	xxxxxxxxxx	Recruited
Talent2	xxxxxxxxxxxxxxxx	xxxxxxxxxx	Searching
Identify key talents needed to achieve your mission. Generally you would need management talent, technical talent depending on which area you are working on, administrative talent and so on. You should assert key talent characteristic as well, e.g. managerial talent with special focus on innovation and partnership building.	Base on your identified talent needs. What positions and how many are needed to match those talents needed? What background and experience do you need for each position? Which position is short-term, long-term, part-time? What kind of attitudes do you need for each of your positions, energetic yet patient?	How do you plan to recruit each of the positions required? Where do the potential recruits stay? How do you access them? What will attract them?	Describe the recruitment status, whether the position is recruited, contacted or still in searching.

THE CORE TEAM

Name/Position	Talent	Background/experience
Name1 Position: Team lead/director	xxxxxxx xxxxxxx	xxxxxxxxxxxxxxxxxxxxxx xxxxxxxxxxxxxxxxxxxxxx
Name2 Position: ICT manager	xxxxxxx xxxxxxx	xxxxxxxxxxxxxxxxxxxxxx xxxxxxxxxxxxxxxxxxxxxx
Provide names and positions of the core team members.	What are their talents? Explain shortly their unique competency, what they can do? What are the skills they are particularly great at?	Provide a summary of their background and experiences. Key important things to include are education, certification, citizenship, interest, work experiences (part-time, full-time), past unique contribution to business/social ventures or conferences, personal membership/networks. And any other thing to prove that the person is uniquely fit for the task, the mission and the team as a whole

ADVISORS/BOARD

Name	Role	Talent	Background/experience
Name1	xxxxxxx xxxxxxx	xxxxxxx xxxxxxx	xxxxxxxxxxxxxxxxxxxxx xxxxxxxxxxxxxxxxxxxxx
Name2	xxxxxxx xxxxxxx	xxxxxxx xxxxxxx	xxxxxxxxxxxxxxxxxxxxx xxxxxxxxxxxxxxxxxxxxx
....			
Names	Identify role as well as responsibility of each advisor/board member.	What are their talents? Explain shortly their unique contribution to the social enterprise as advisor/board member.	Provide a summary of their background and experiences. Key important things to include are education, certification, citizenship, interest, work experiences (part-time, full-time), past unique contribution to business/social ventures or conferences, personal membership/networks. And any other thing to prove that the person is uniquely fit for the role, the mission and the team as a whole.

The Plan Elements

FINANCIAL PLAN

The planning and management of your money or financials are among the most critical tasks in determining whether the social enterprise would be cost-effective and sustainable. There are at least three elements in the social enterprise financial plan to consider, namely, the budget, the fund-raising plan and the revenue-expense projection.

THE BUDGET

Expense category	Expense items	Cost	Total
Management	Compensation (12m x 2persons)	xxxxx xxxxx	5,000 USD xxxxxxx
Category2	xxxxxxxxxxxxx	xxxxx	xxxxxxx
Identify key expense category by grouping all expense items into various groups. Generally it consists of human resources, physical facilities, technologies, activities and so on.	Outline all expense items. Try to break them down into understandable elements. However, you do not need to break it down so small that the expense items for 15,000 USD project will take 3 pages long. Try to explain some items that other people might find it difficult to understand or why it is really needed. Quantity and unit information should also be provided.	Describe the cost for each of the item.	Sum total on each line. Make sure you BOLD the final total sum.

FUND RAISING

The activity	The expected profit	The requirement
Activity1 Explanation of activity1	3,000- 5,000 USD	Partnership with XYZ media, USD1500 cost xxxxxxxxxxxxxxxxx
Activity2 Explanation of activity2	xxxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxxx xxxxxxxxxxxxxxxxx xxxxxxxxxxxxxxxxx
Provide key fund-raising activities. Generally they are special events and sales of goods/services or other special revenue such as those coming from interest rate from project saving or endowment fund.	How much do you expect to profit from each of the activity. You can give the expectation in range, such as from 3,000 to 5,000 dollars.	Explain what are the requirements that must be satisfied in order to make each of the fund-raising activity possible. Most of the time, it is some initial investment (cost), partnership with other organizations, special competency needs (satisfied by hiring a part-time for the activity) and so on. Risk factors such as whether condition or inability to attract media interest should also be provided for each planned fund-raising activity.

REVENUE-EXPENSE PROJECTION

Month	Revenue	Expense	Balance
January	15,000USD Grant	3,000	13,000
February	non	2,000	11,000
...
September		7,000	- 1,000*****

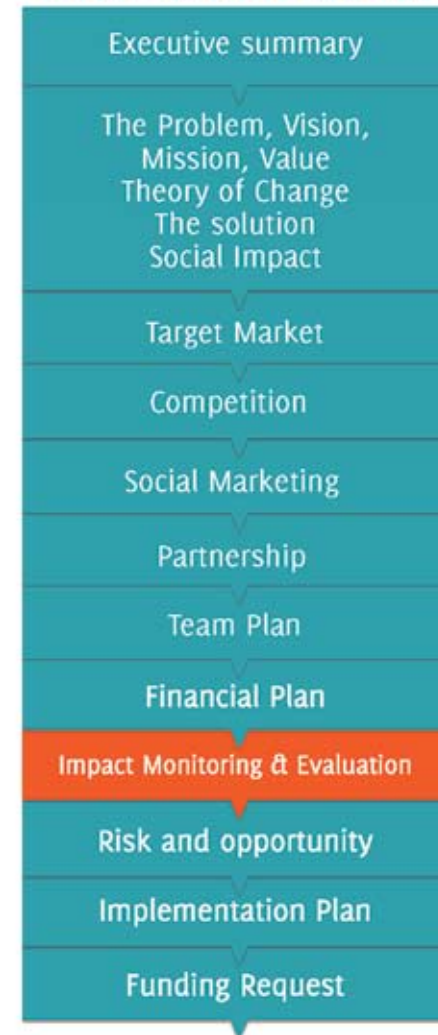
Alternatively, if you are not sure about when will you start the project, you can use numbers instead of the month's names.

Provide total estimated revenue in that particular month

Provide total estimated expense of that particular month.

Calculate the net balance for each month's end. This is of extreme importance because it will help you think through your money situation, especially when will be the crisis time!

Don't forget that the balance is not the revenue minus expense for each month, you must include what was left from the last month's net balance as well.

The Plan Elements

MONITORING & EVALUATION

What can't be measured, can't be managed. That seems to be one of the most important modern management mantra. In social enterprise management, measuring your performance allows you to learn much more about how your idea performs in the real world.

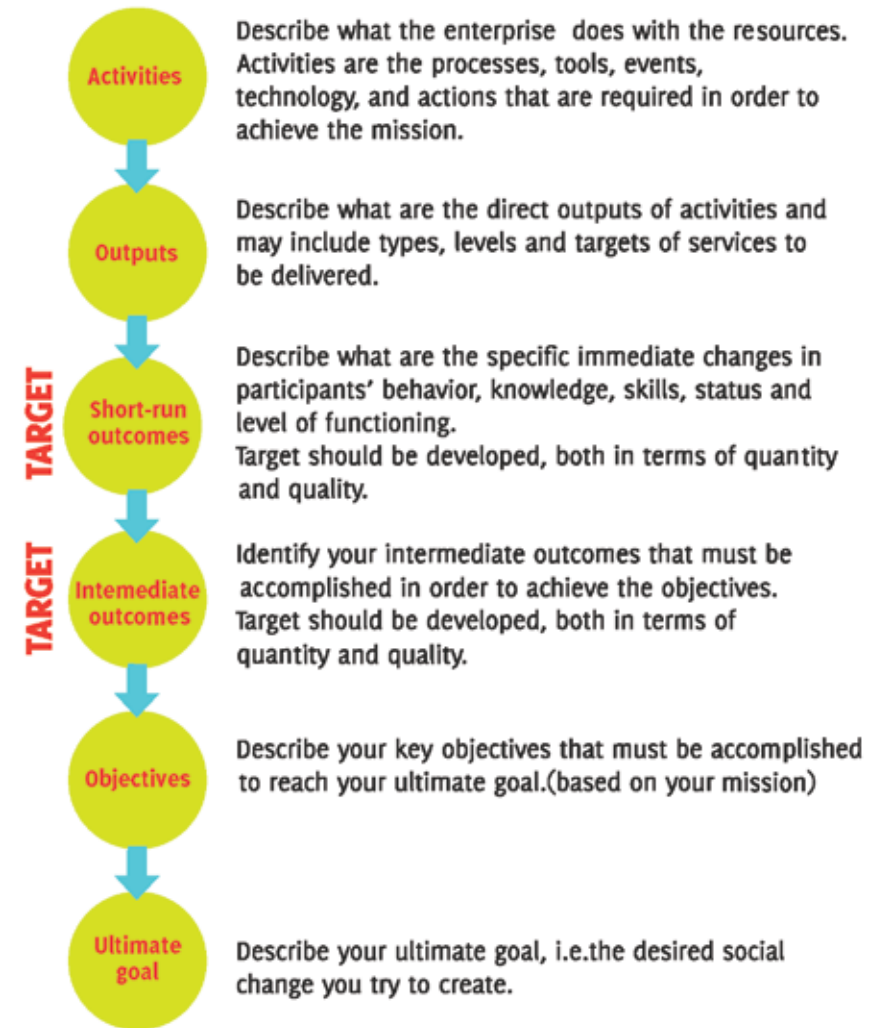
Monitoring and evaluation are not simply meant for funders or partners, they are most useful to you. Without measurement, you would not know how to adapt your plan and action in order to achieve highest impact and sustainability. Continuous evaluation ensures a better learning ability.

Of course, the process can be difficult and complicated. But at least you should focus on developing your evaluative logical model.



Evaluative logical model

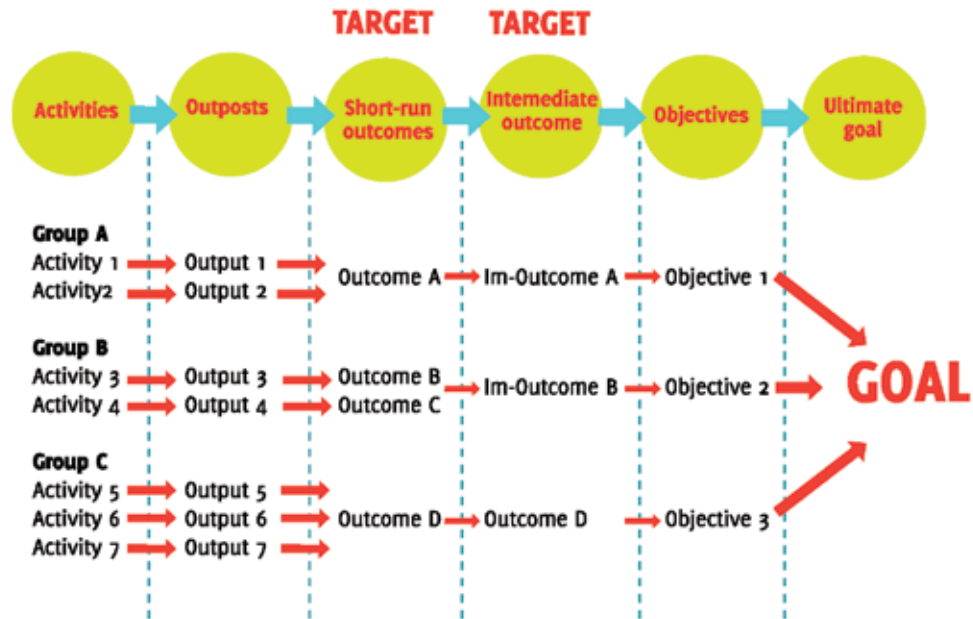
A Logical model (LM) allows you to link your inputs, outputs, activities, outcomes and goals together. For evaluation purposes, the most important basic task is to be able to logically link your activities, outputs, short-term outcomes, intermediate outcomes and final goal together.



Evaluative logical model

This evaluative logical model provides a clear idea on how your activities link all the way to your ultimate goal. It also gives a clear outcome targeting both in short and medium term.

Therefore, you can easily use this target model as a guide to measure against the actual performance in order to see what is the difference between the plan and the actual whether in activities, outputs, short-term outcomes, intermediate outcomes and objectives. You can monitor and evaluate your project monthly, quarterly, annually or other appropriate timing.



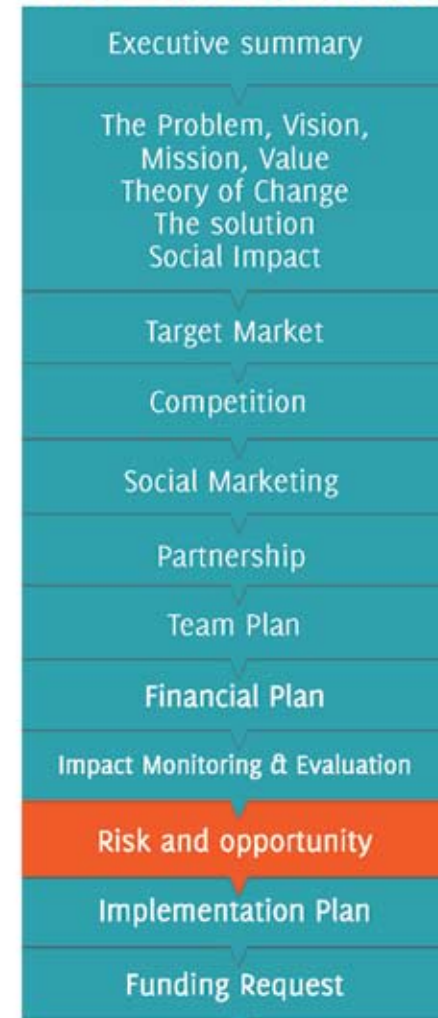
Beyond basic logical model

There are many other evaluative techniques such as a more comprehensive logical modeling and theory of change, as well as balance score-cards that allow you to integratively measure operations, financial, customers and learning/growth perspectives.

No matter which technique you will be adopting, the key is to be able to answer the following questions.

- What outcomes are you trying to achieve for your target population?
- How will you measure whether you've achieved these outcomes?
- What are your performance targets?
- What data will you collect and how will you collect it?
- How will you use the results for learning and reporting?

The Plan Elements

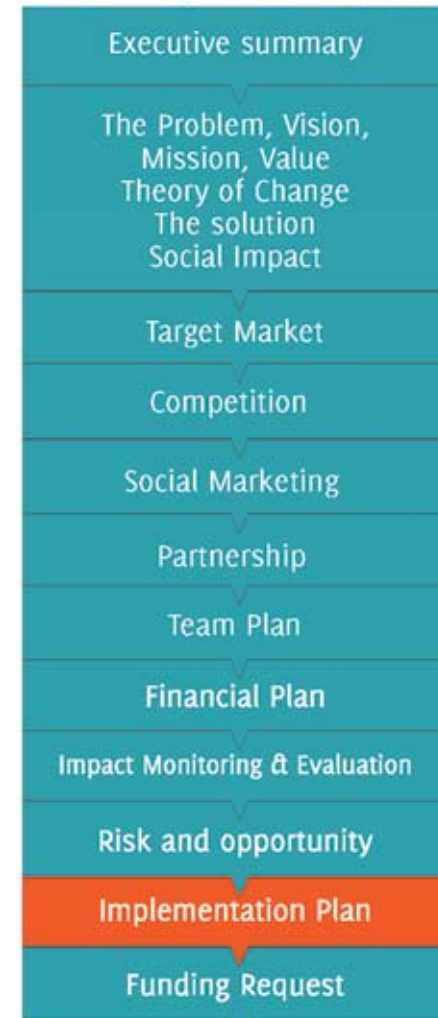


RISKS AND OPPORTUNITIES

You cannot see into the future with certainty, but you can do the next best thing: identify potential risks and opportunities that will affect your plan. Try to predict and imagine the potential risks that could create a minor or major problem for your social enterprise. Also, think of the opposite, what opportunities might excel the ability to achieve your mission and scale the impact.

Risk/Opportunity	Potential impact	Prevention/Capitalizing
Risk ₁ Xxxx	Extremely dangerous xxxxxxxxxxxxxxxx	Preventive action ₁ xxxxxxxxxxxxxxxx
Opportunity ₁	Very high	Capitalizing action ₁
Identify key risk and opportunity that will either make or break your plan.	Describe degree of potential impact (Extreme, very high, high, medium, low)	Describe how you could prevent various risks from happening as well as how you could capitalize or capture the opportunity. In order to safe-guard and increase the effectiveness of your plan.

The Plan Elements



The Work Breakdown Structure (WBS) is a tool that can help you develop estimates, assign personnel, track progress, and show the scope of project work. Through this tool complex activity is subdivided into several smaller tasks. This can be continued until the activity can no longer be subdivided.

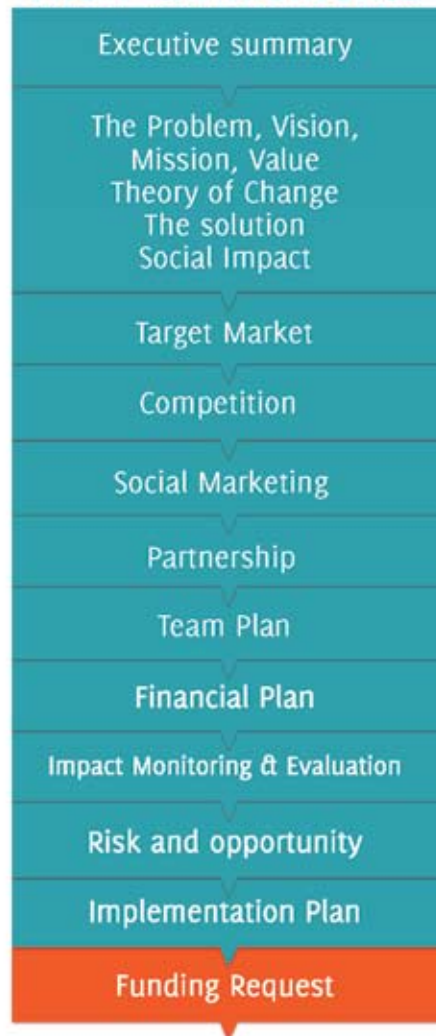
Work Breakdown Framework			
General Definition of the Project			
Major Task	Subtask 1	Date/Time/Duration	Team Assignment
	Subtask 2		

Gantt Charts are the basic bar charts that most people are familiar with.

- Pros:** Simple to construct, easy to read, an effective way to communicate with team members what they need to do in a given time frame.
- Cons:** Difficult to assess the impact of a change in one area on the rest of the project.



The Plan Elements



FUNDING REQUEST

Provides information on how you are requesting funding from different donors/investors. You could restate the budget and break it down to the part requesting for funding from Youth Social Enterprise Fund and other donors/investors.

Status of each request should be described as well.

BUDGET CATEGORY	BUDGET ITEMS	COST	REQUEST	STATUS
Management	Compensation (12m x 2persons)	5,000 USD	xxxxx	xxxxxx
Category2	xxxxxxxxxxx	xxxxxx	YSEI Fund	Submitted
Category3	xxxxxxxxxxx	xxxxxx		
Category4	xxxxxxxxxxx	xxxxxx	UNDP	Committed
....		
....		
	TOTAL	xxxxxxxxxUSD		

THE APPENDIX

Appendices should be provided on a need basis to include additional, supplementary information or detailed data to support your business plan. It is not necessary to provide this information within the main body of your business plan. Your business plan is your communication tool. As such, it will be reviewed by several people and it may not be necessary to provide everyone with all the detailed information. However, specific individuals (such as potential creditors) may want to access to this information, to make an informed lending decision.

The appendix could include:

- resumes of key persons in the venture
- letters of reference
- details of market research both primary and secondary
- relevant magazine articles or book references legal documents
- list of business consultants, including attorney and accountant
- Sensitivity analysis on key financial or market parameters to determine the success of the project under various scenarios and variable market conditions.

Remember a business plan is not a thesis with exhaustive reports and conclusions, but a summary of what you want to do. A well written and researched business plan will increase your chances of success.



Beyond the Plan⁵

Getting off the Ground

Getting funding and support is the beginning of the process of creating your organisation and your dream project. It is the first step from where you will begin a journey of creating a sustainable organization, a lot of entrepreneurs work towards getting the first funding and after that they run out of steam-remember getting funding is only the beginning and not an end.

There will be quite a few things you will have to start working on from the time you get your first funding; these include things like

- finding an office
- getting a team together
- getting legal work done

Also try to:

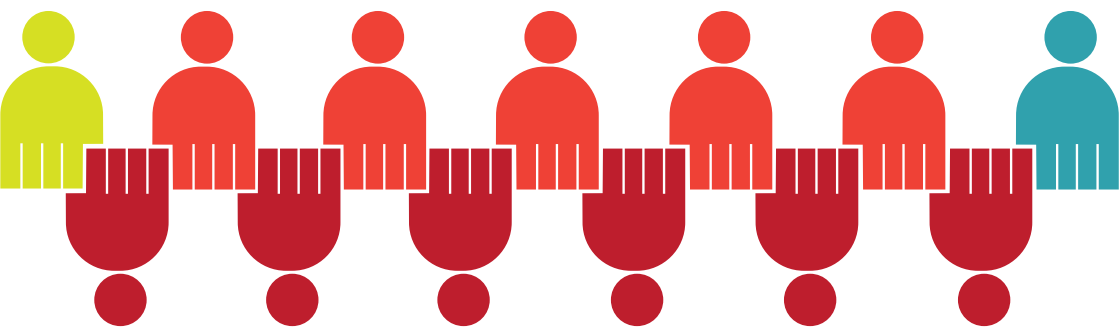
- keep a tab of what you spend
- recruit good sensible people
- manage a hassle free work environment

The rest of this chapter reinforces some of the commonsensical things that you should look out for whilst starting out.

"Ideas without action are worthless" Helen Keller,
Author & Educator

"Ideas without action are worthless" Helen Keller,
Author & Educator

"Ideas without action are worthless" Helen Keller,
Author & Educator



Setting up a Team

Behind every successful entrepreneurship, is an able team that provides a foundation, to ensure a supporting basic infrastructure such that it runs smoothly on a day-to-day basis. Before setting up a team, assess yourself, to realize what your strengths and weaknesses are. Your team members should help you overcome these weaknesses and should possess both the behavioral and practical skills to run a business. They need to have a good temperament and should also possess the knowledge and experience required to set-up a successful social venture. A lot of start-up ventures work well because the team balances one another's personalities- you too need to find the combination that works best for you.

During the pre-venture stage of your business, one of your first challenges will be to assess the specific needs of your new undertaking. For example, if you need access to a significant amount of capital, you will require a team member who has experience in securing such funding. Often a lot of entrepreneurs suffer from either hiring too many or too few professionals. Before you start recruiting people to your organization, you must have a clear vision for the business.

This leads us to the second question:
Who should be on the team?

Here are some issues you need to tackle when recruiting team members

- Do they share the vision for the venture?
- Do you share the same personal and professional aspirations?
- How much time off do you plan to take each day, each week, or each year?
- Who will be the President of the company?

What roles will the other team members play?

How will decisions be made?

What if one of you gets married and the new spouse gets a job offer in another city--- Would you move away?

What are your core values and how do you want to see them play out day-to-day in the business?

What will you consider as successful in this venture?

Try and discuss more questions with your prospective team members before setting up an organization and a team to carry out its responsibilities. A clear means of communication between you and the members is the sole means of ensuring that the entire team is focused on achieving the social mission.

Basic Office Systems

Now that you have a team, you should lease an office to provide a space for both your team members and you to work together. An office is a hub of all work related activity and you must set-up a few basic systems to ensure that it runs smoothly on a day-to-day basis. You will need to support these systems with other sub-systems and will therefore have to create an organizational structure, to ensure that individual team members are aware and understand their roles and responsibilities. Reporting relationships should be clearly established and there should be a delegation of both work and authority to encourage team members to be accountable for their actions.

Effective communication and information sharing is a critical success factor that can never be over emphasized as a factor for the efficient working of any venture. It helps to foster and develop a harmonious work ethic and a team spirit where team members cooperate and take collective decisions. Every entrepreneur recognizes that the secret to a successful organization lies in proficiently managing the available resources. You will be entrusted with money and in order to keep track of both revenue and expenditure, you should immediately set-up an accounting system to track and categorize all incoming and outgoing resources.

Other important systems that need to be set up include:

Departmental Systems: Every member in your team who has been assigned a specific role in the organization will be positioned as per their particular areas of expertise, thus providing a framework for any prospective departments.

Legal and technical systems: You will require a legal-consultant to assist you on the legislation and prevailing rules and regulations of the territory within which you will operate, specifically on issues relating to :

- Taxation
- Registration of the enterprise
- Any 'unlawful' violations that may occur during your social venture
- The transfer of funds between people and enterprise

Communication and IT systems: IT and communication systems make up the basic infrastructure on which an entrepreneurship is built. While these primarily provide a link to the outside world, they also connect departments within the organization. Thus making these systems, an important means of researching, storing and outsourcing information.

While a lot may appear to be boring and mundane, setting up these basic office structures is a critical part of your social venture. For any business to function efficiently, it must have a solid foundation that establishes and successfully implements the above systems.

Role of Mentors

The unpredictability of a business cycle can often be an emotionally sapping experience for an entrepreneur. The unrelenting phases of boom and recession hamper the growth of a business and prevent entrepreneurs from implementing their long-term strategies. Soon, fears about your business' survival become your main concern and you may no longer be able to prioritize your social mission. This can be a psychologically trying time for many young entrepreneurs and only the presence of a mentor can help them get out of this difficult period.

But what exactly is a mentor?

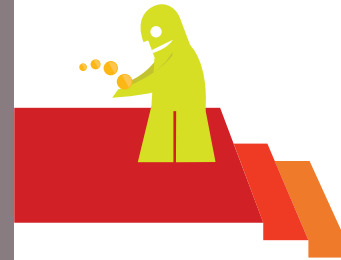
A mentor is any professional friend, teacher or counselor that provides valuable advice and instructs you in the essentials to become a successful person. They are a constant source of inspiration and help to provide you with the required support to overcome your initial struggles. They can take on the responsibilities of a reliable sounding board, a valuable second opinion or a reassuring emotional support. Mentors aren't found in guidebooks or technical manuals, these people are more practical and take a hands-on approach to running an entrepreneurship. They often share invaluable lessons from their experience and help you realize the similar challenges everyone faces when creating something new.

More important, is the extensive network that your mentors have. Unlike a casual acquaintance at a network-based meeting, you have a good friend in a mentor-a person more willing to open up his network. They often have access to influential senior decision makers in a community, who can constructively help you develop your social entrepreneurship. Mentors have no ulterior motives and seek to foster a strong relationship of trust that can be profitably exploited in the future. More importantly you become part of the mentor's network and are able to leverage the same with his support and cooperation.

"Who's got your money in his or her pocket? And how will you get it?" Guy Kawasaki, The Art of the Start

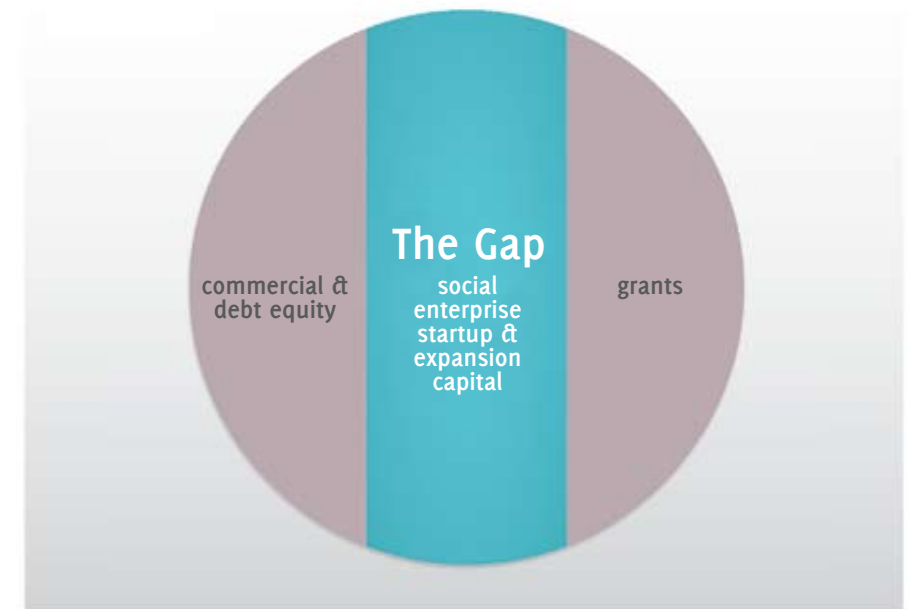
"Who's got your money in his or her pocket? And how will you get it?" Guy Kawasaki, The Art of the Start

"Who's got your money in his or her pocket? And how will you get it?" Guy Kawasaki, The Art of the Start



Fund Attraction⁶

As social entrepreneurship is still a new and emerging field, social enterprises tend to have a difficult time mobilizing funds because there are no proper institutionalized funding sources for this particular group. If you wanted to start or expand a business venture, you would look to traditional funding sources such as banks, venture capital and private equity firms for the crucial startup or expansion funds. On the other hand, if you were going to start a purely non-profit venture that does not have any form of income generation, you could always approach a foundation or donor institution.



Social enterprises, however, find it difficult to approach traditional funding sources primarily because these institutions only seek either pure economic or social returns while social enterprises create a blend of economic, social and / or environmental value. Additionally, these institutions shy away from social enterprises because they are not backed by assets.

Many of us think of fundraising as consisting of things such as preparing a tightly-packed proposal, identifying the right donors or investors from conferences and websites, sending out the proposals, and waiting for them to reply in hopes of raising millions. Unfortunately, it doesn't really work that way unless it's your lucky day. Even though it's challenging, we believe that there are some general insights and techniques one can resort to when embarking on the fundraising process.

Know your needs

Before even thinking about finding cash to inject into your social enterprise, you must identify your financing needs. How much do you need and what for? There is no such thing as free money. All investors seek to make returns on their investments, be it economic, social or environmental. If someone gives you money, they'll definitely want something back in return. You must know exactly what you can offer to them. As an entrepreneur, you can offer a wide range of returns - social / environmental impact, financial gains, investor exposure, etc.

If you can't offer something in return, your investors will stop investing in you they'll probably start giving you a bad name among other potential investors or donors. Let me repeat a key point - there is no such thing as free money, all investments come with strings attached.

We're not trying to discourage you from fundraising. On the contrary, we're hoping to shed some light how tough things can get and how you shouldn't be discouraged when fully immersed in the process. Sometime ago, my friend and experienced fundraiser, Corine Aartman, mentioned that most people don't dislike fundraising, instead they hate the amount of rejection involved in fundraising. Most people take this rejection personally. One should realize that the investor is not rejecting you, the investor is just not interested in your idea or project. All you can do is move on and find the next person who will listen to you.

On the other hand, it is also quite easy to find yourself in a situation where money is flowing into your organization but you're focusing on work outside your organizational mission and goals. It's often the case

that you might end up having a well-financed social enterprise doing things outside its defined scope. Try to make sure when you accept funds that it is aligned properly with the mission and goals of your organization.

The first key step to find money, is to know your own needs. Assuming you've got a well thought through and cost-efficient plan, you still need to answer: What are the things you need to get done that you can't manage without money? How much money do you need? For what? From who? All these questions must be answered carefully. Extreme bootstrapping (operating with minimal resources) is often a social entrepreneur's best friend. When you are forced to do things at a very low cost while trying to achieve the highest impact, you often have to innovate to survive.

At the very early stage, a social enterprise's biggest concern might not be raising funds, instead it is to find the right course of action. Young social entrepreneurs often experiment with various opportunities and models before finding the right kind of goals that fit best with their teams. In essence, at this stage, funds are needed mainly to bring on team members and for prototyping your social enterprise. In finding what you really need, you need to:

- T. Find out what you need to achieve your mission and goals while pushing aside 'easy funds' that can be a distraction.
- U. Think of in-kind options or things you can do without money.
- V. Choose the right pots of money; grant, equity and debt.

No distraction funding

Contrary to popular belief, raising more funds than what you really need can actually be more dangerous because each set of funds is tied to different forms of usually inflexible commitments. When you just start your social enterprise, it is most likely that you will experiment with one thing and fail. You'll move very quickly to the next opportunity and so on until you succeed in something that best leverages your unique ability to address the social challenge and opportunity.

In-kind support option

Once you've managed to set your course and have consciously rejected easy money, the next key questions to ask are:

- 1. What can be done without money?
- 2. What can't be done without money?

There are many elements in your operations that can be achieved without money. Forming mutual partnerships can help you secure these things. For example, you can promise to provide your services to another organization in exchange for help on marketing activities or even the sharing of an office space. We've even heard cases of businesses providing office space to non-profits as part of the businesses' corporate social responsibility (CSR) program. You can form partnerships with other non-profits, businesses or even your family to secure these things through a form of barter, in-kind sponsorship or even on good will.

Think through the items that you need to fund-raise for and ask yourself where you might be able to get them in terms of in-kind support. Once you've exhausted the list potential supporters, the ones that remain should be where you focus your fundraising efforts. This seemingly silly exercise can save you from a lot of unnecessary trouble.

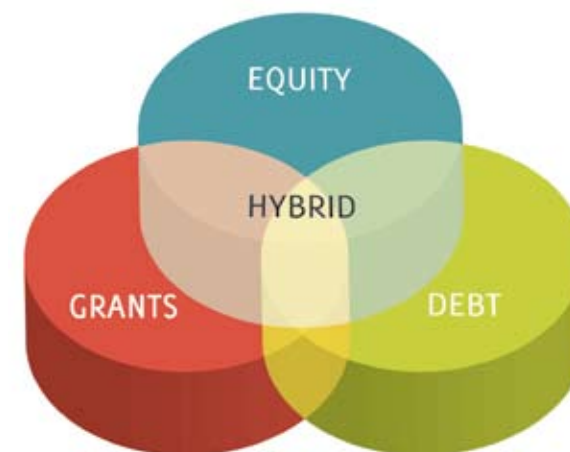
Exercise:

Try filling in the empty columns below. Start from the left column, and work your way progressively till the the third column. Try as hard as possible to exhaust all possibilities in the second column before moving to the third column.

Items needed	In-kind support source	Cash contribution Source
Example: office rental	University incubation center	No need

Choose the right pots of money

There are several financing choices depending on the type of social venture you have. Regardless of whether you have a for-profit or non-profit social venture, there are three general types of financing that you can tap into - grants, equity and debt.



Grants

Grants are the most frequently sought-after type of financing. They are also commonly misunderstood by many organizations as “free money”. It's true that most grants come without requiring repayment, however, there are obviously strings attached to the grants by the donors. Grants are often tied to submission of frequent and extensive reporting as well as the notion of “please-us-or-face-termination” type of relationships (contracts) with the donors. This is not to stereotype all donors. There are donors that actually help you look for other external sources of funding and there are even those that help you develop a revenue generation model while using their funding to get started.

The type of relationship you have with a particular donor is crucial here. If you find yourself in one way or another not related to the boss or his/ her mother-in-law, the best way to develop and maintain a relationship is to make sure that your venture's mission matches the strategic interests of the donor. You have to make sure that you're working on something fairly important to them and that you are not easily substitutable by the millions of other non-profits out there. If you can achieve this, grant financing will work well for you, especially if you can use grant money to invest in projects that generate sustainable social, environmental and financial returns.

Equity

Equity can be very useful if you're running a for-profit social venture. In simple terms, when someone buys equity in your venture, they have become part owners of the venture with some amount of voting power for key organizational decisions. This can be beneficial if you have the right kind of investors who have the experience and connections to catalyze your venture's success. Equity financing tends to come from investors who are very hands-on with the projects they're involved with. Heated debates on key decisions between the entrepreneur and the investors often ensue. As an entrepreneur, you'll have to learn to communicate and leverage your investors beyond the funds they're investing. In other words, both your investors and you will have to share a common vision or set of objectives that both of you would like to achieve. If you realize that one of your investors does not share a similar vision with you, do yourself a favor by pulling yourself out before they do so in a usually abrupt manner. Acting early in many instances can actually salvage your relationship with the particular investor before things get messy.

Equity-like grants are also a possibility among social venture philanthropists. These types of investors employ a venture capital type methodology to social investing. They might not choose to hold real equity, instead they would choose to hold veto power on key organizational decisions, which practically makes them a co-owner of the venture. Additionally, equity-like investments can be a useful resource for you to attract philanthropists, business leaders or wealthy persons who have a strong interest in social development. By offering them equity-like investment options that come along with voting power or other types of instruments that provide the feeling of holding real equity, you can give your investors a sense of empowerment which they have never had before.

Debt

Debt financing can be a risky option for your social venture, but at the same time, it can also yield surprising benefits. This type of funds are very straightforward and easy to understand; you borrow from someone and repay them at a later period with a predetermined repayment rate. There is an emerging group of funds and banks that cater specifically to social enterprises that cannot normally access capital from traditional sources. These entities, either in the form of ethical banks, social venture funds, or micro-venture capital firms are a good option for social enterprises as they are more open to social investing and are willing to accept below-market rates of return on their lending or investment activities.

In reality, it is better for social startups to borrow money instead of tapping into personal savings. There is a much higher success rate of getting money

from people close to you (family and friends) as compared to approaching more commercial options. Borrowing five to ten thousand dollars from family or friends to start a self-sustaining social enterprise (social business) is very common amongst social entrepreneurs. People who are close to you tend to trust you more than banks which require some form of collateral before they can lend to you.

Depending on the nature of your social venture, debt financing can be significantly beneficial. It can help your venture be more disciplined in identifying and developing a unique revenue generation model to help bring some form of financial sustainability to part of, if not the whole venture. You'll begin thinking like, "I've borrowed money to do this, now I've got to find some way to pay it back soon. I must make a success out of this or I'm ruined." Thinking in this manner will bring a whole new perspective to your work. All of a sudden, you'll become more focused on priority tasks and developing some mechanism to become more sustainable. This mode of thinking can be very useful early in the social enterprise stage.

Take for example a non-profit that does advocacy work to create awareness on safe sex. This non-profit is in a rather risky position as this kind of work is primarily supported by grant financing and is in danger of being terminated in case the priorities of the donors change or it is subject to an unavoidable external influence. Traditionally, for the non-profit to become more sustainable, it would embark on a resource mobilization exercise and try to sensitize some other donors that might be interested in funding its work. This can either yield great rewards or sometimes you could turn up with nothing. What this non-profit should be thinking about instead is its competitive advantage - advocacy and education on safe sex and other relevant issues. Using this competitive edge, it can begin offering for a fee, capacity building workshops for other development agencies or classes at local schools on these issues. All of a sudden, the non-profit has managed to create a potential revenue model that allows it to be more sustainable in the long run and less exposed to the fluctuations of grant financing.

Innovative debt-like financing is another possibility to consider. Few traditional donors are beginning to explore this option where they'll provide you with a typical grant but with a twist - using the grant provided, you'll need to generate returns that accumulate to the original amount of the initial debt-like investment that can be reused in your social venture in a specified timeframe or pay the amount forward to another startup which is in need of the same amount of capital. The way you engineer the debt-like financing depends on how innovative you can be. These type of instruments are getting more and more attractive to both donors and social investors alike in comparison to a traditional grant option because they are keen to generate a more effective blend of returns (social, economic, environmental).

Social venture financing 2.0

The Web 2.0 phenomenon has spawned a number of platforms that are helping social entrepreneurs/ ventures access a wider spectrum of financing mechanisms. These platforms range from facilitating pure-grants financing to loans for entrepreneurs where both lender and borrower can negotiate a specified rate of return. In addition, a grantee or borrower is not limited to a single financing source. He/ she can negotiate a hybrid of deals (grants and loans) from multiple sources. Here's an example of existing websites:

Kiva - www.kiva.org

Global Giving - www.globalgiving.com

Prosper - www.prosper.com

GoodTree - www.goodtree.com

DonorsChoose - www.donorschoose.org

AidPage - www.aidpage.com

We hope that you're now slightly more informed about the various types of financing options and sources so you'll be able to choose the one that fits best with your social venture. Remember, you don't have to limit yourself to a single type or source of financing. You've got to diversify your options with various donors and investors. Pursue as many possibilities as possible. As an example, the hybrid loan-grant option is available from institutions such as the World Bank's Grassroots Business Initiative (GBI) .

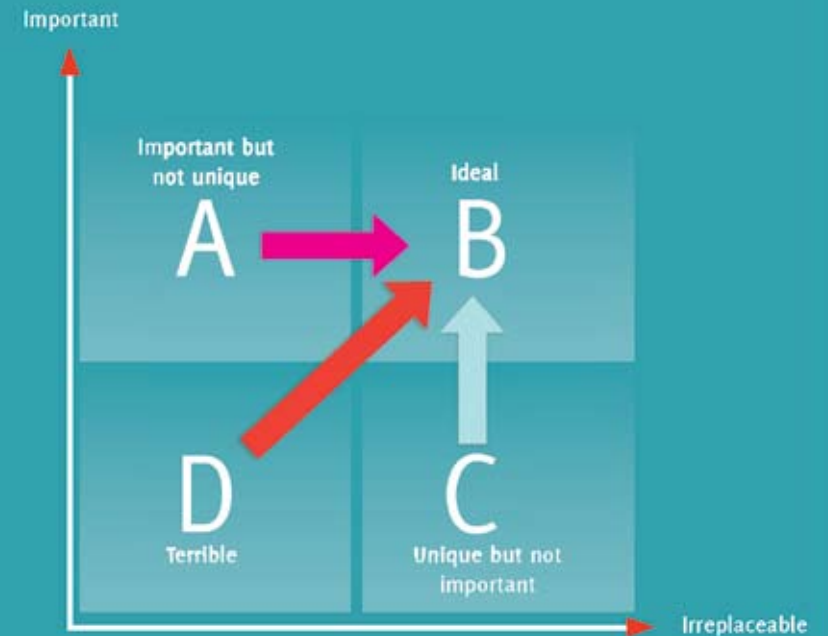
Be Uniquely Relevant

Now that you know your needs, you have to begin identifying both the needs of the donors or investors and how to make them need you. The most important lesson in continuous fund-raising success is to be "uniquely relevant". It is quite simple:

unique = not easily replaceable
relevant = important to someone

You have to aim for your social venture to be "uniquely relevant". If you can achieve this, your donors or investors will find that your venture is not easily replaceable and fairly important for their portfolio. In truth, this is the secret to any advantageous or mutually beneficial relationship whether you are in love or at war. The more uniquely relevant you are, the more other people will need you, and as a result, the more bargaining power you have.

In many cases, if you are running a social enterprise that cannot be fully self-financed, you'll need to fight to maintain your positioning among the perception of your donors or investors, as it might be the only way for you to achieve financial sustainability. This is very similar to businesses that have to either merge or make other acquisitions to maintain their strategic positioning or to remain uniquely relevant to their customers.



Using the Funder Perception graph, try mapping how each of your donors or investors perceive you. You should aim for Quadrant B as it is the most strategic position for any venture to be considered both important and irreplaceable. Both quadrants A and C are less preferable positions, as your venture would be less important for their portfolio and also easily replaceable by other ventures. If you do find yourself in quadrant D, we would recommend redefining the services you plan to offer so that it forms a better strategic fit with your donors or investors. You should always aim to move towards the

ideal position of quadrant B. If somehow or rather you find it difficult to move away from quadrant D, you should definitely consider not engaging with that particular donor or investor as there is no strategic fit.

In the early stages of forming a relationship with a donor or investor, you usually start off at quadrants A or C and move gradually towards quadrant B. In order to gain more importance, you must identify some strategic fit between what you do and what they want, this means aligning your work to what they think is important based on their plans, strategies or even feelings. However, this doesn't mean you'll have to find link for everything that you do. Instead, try to look for part or components of your program that can potentially become a strategic fit with them. Engaging in a small way at the very beginning can be very beneficial for you. The better you perform in small ways, the more trust you'll be able to build with them.

The usual strategy is to have one or two key activities that generate outcomes that exceed the expectations of your donors or investors while keeping the rest of your activities to yourself. This is, however, a dangerous strategy as one or two things important to them might have nothing to do with what you want to do and may drain most of your venture's resources. If the gap between what you want and what they want are too far apart, you're better off not engaging with them rather than pursuing a much more difficult strategy of convincing them to change their mind and reconsider their strategic priorities.

It is a common misconception that social entrepreneurs are completely pricetakers or in other words you are as important as your donors or investors grade you. It is important to realize conversations mean a great deal. The way your donors or investors perceive you depends on how well you interact with them. These interactions have to begin from your end. If you don't take the initiative, you will not make any headway. Therefore, you must carefully define how you will interact with donors and investors. Never position yourself as someone who is after "activist money" (funds for activism work). You'll end up being of very little importance to them. Choose carefully how you enter a relationship with them. It is very difficult for donors and investors to change their perception of you when you're regarded as small activists instead of strategic partners.

From the start, it is important that you carefully define the type of relationship you have with your donors or investors. Try your best not to receive funding from donors or investors if you find that it would jeopardize your relationship with them and their perception of you. Also, choose to do or offer to do things that harness your unique ability to deliver superior performance. If you enter into a relationship based on purely funding too quickly and not on the unique expertise you can provide, your investors would immediately treat you as being easily replaceable. In the social enterprise financing scene, it is quite common to

find yourself easily replaced by your investors, especially when you're about to achieve some form of success.

Sometimes it's much more important to learn how not to accept certain kinds of funds that are neither important nor relevant to you. This safeguards you from potential problems in the future, more specifically relating to an unhealthy financing relationship with your investors. In other words, you wouldn't want to get married to someone who perceives you as being unimportant and incapable of giving him or her something special to live for.

SUSTAINABILITY FIRST

Developing an innovative and financially sustainable venture is the dream of every emerging social entrepreneur. Though still at a slow pace, both donors and investors are beginning to experiment with innovative forms of investment instruments such as the provision of loans where the returns can be recycled into the social enterprise as working capital, or the holding equity that can be sold in the future by contract or reinvested into the social enterprise. If a social enterprise is incapable of achieving some form of financial sustainability, it will become extremely vulnerable to changes in donors' policies or interests that can shift anytime in the fast changing world. The current trend for most of donors and investors is to identify and support social enterprises that are financially sustainable in the medium to long-term.

SHOW THE IMPACT, IN NUMBERS IF POSSIBLE

The Social Return on Investment (SROI), logical framework (logframe) and theory of change are examples of crucial tools that can be used to present the impact of your venture in a very clear and structured manner. These tools can also give you an edge over typical non-profits that do not utilize them.

Social Return on Investment (SROI) is a concept developed to account for both traditional financial value and the social value created by an enterprise. It is a way to monetize the non-financial social or environmental value created by an enterprise. Although SROI is a relatively new tool which is still under development, it is well recognized to calculate the minimum social return on investment of a social enterprise in terms of monetary value. The basic concept of the SROI is the calculation your venture's total present value of social value generated, over the total project cost.

You begin calculating your SROI by identifying the appropriate information for your venture's:

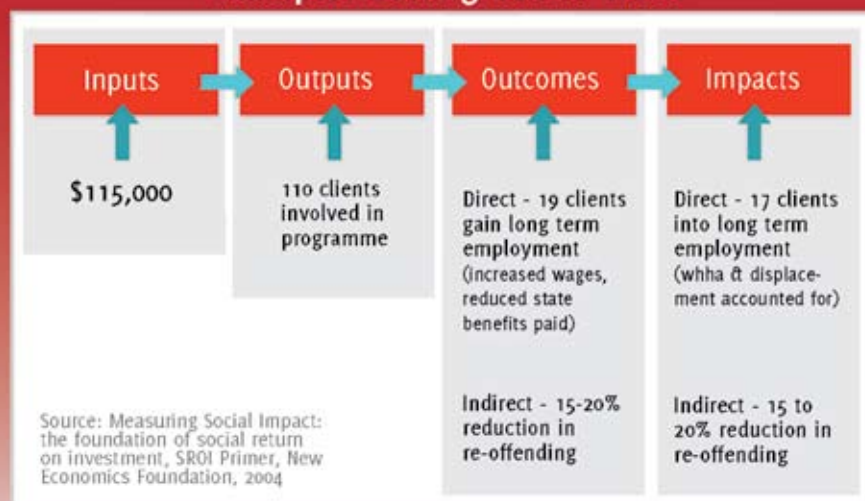
Inputs - resources invested in a project/ activity

Outputs - direct and tangible results from a project/ activity

Outcomes - direct and indirect results linked to the project/ activity

Impacts - a slightly lower estimate of Outcomes (minimum results achieved)

Example: Getting Out to Work



The example shows the SROI calculation of Get Out to Work, a social enterprise that works to create long term employment for youngsters with criminal records. Once the appropriate information has been identified, you can begin developing a simple financial model to determine your SROI (refer to example).

In the table, you can see that a total of 17 clients were estimated to have benefited from the program. The benefits were monetized and divided into direct salaries achieved by the clients, benefits accrued by state (taxes gained), and the savings made by the state for reduced reoffending by the clients.

To calculate the the SROI ratio, simply divide the total SROI by the original investment. This would reveal the total social value created for every dollar invested in the program.

In many developing countries, you can sometimes find more non-profits than businesses registered in the country. In these countries, it appears as if development has become a profitable business by itself. In truth, this is actually a very alarming signal because the presence of these non-profits can actually hinder any real growth from taking place. As a result, more and more social investors and even traditional donors are looking at non-profits or ventures that can generate sustainable social and financial value. Tools such as the Social Return on Investment (SROI), Logical Framework (logframe) or Theory of Change can assist donors and investors to understand the values your venture generates in comparison to their investment.

GOTW's SROI Calculation

Impact 17 clients:	Year 1	Year 2	Year 3	Year 4	Year 5
Per client benefit Employment: to client	\$ 8,250	\$ 8,550	\$ 8,975	\$ 9,332	\$ 9,703
Employment: to client	\$ 20,100	\$ 20,500	\$ 20,700	\$ 20,800	\$ 20,900
Reduced re-offending	\$ 27,900	\$ 27,900	\$ 27,900	\$ 27,900	\$ 27,900
Net Present Value (all 17 clients, including whha & displacement, discounted @ 3.5%)	\$ 911,975	\$ 820,780	\$ 723,717	\$ 655,652	\$ 590,436

Source: Measuring Social Impact:
the foundation of social return
on investment, SROI Primer, New
Economics Foundation, 2004

Total SROI = \$ 3,702,560

LEVERAGE, RISK-SHARING AND ENTRY-POINTS

Due to the low-risk preference of donors and social investors (or in other words - they don't trust you yet), you should always try to leverage the credibility of one investor against another by telling other investors that you're already in a partnership with this particular investor. This can help lower the perceived risk that other potential investors have of you. Sometimes, having a partnership with one investor is all it takes to attract others into the pool. A recent example would be a social enterprise based out of Cambodia which had one big donor financing them, and all of a sudden, three other large-scale donors appeared out of nowhere to finance them. Many donors and investors appreciate having other investors present in potential investments as a kind of informal shared-risk relationship.

Another crucial criteria for successful fundraising is to be able to identify the right entry-points to your desired donors or investors. Sending out hundreds of general emails or letters is like 'shooting blanks'. Unless your venture is truly unique and attractive they wouldn't respond to these mails as they receive hundreds of such requests on a daily basis. Instead, you should try participating in as many workshops or conferences, particularly those that attract many donors and investors. Once you've managed to identify the right people within these institutions, it is extremely important to cultivate a relationship and slowly build trust with them.

You can also think of this process a lot like the acquisition of a girlfriend. First, you begin with some initial flirting and then ask them out on a small date i.e a cup of coffee perhaps. When having coffee, let them be the star of the moment by listening to her. All you have to do is act as if you're interested in what she has to say and that you find the things she does exciting. The more dates you get to go out with her the stronger the relationship becomes. The only difference between having a relationship with a girl and an investor is that you expect the entire relationship to be financed by the investor. However, make sure that you are capable of providing real value to the investor in exchange for the financing, i.e. that your ideas or venture is crucial to their success. For donors or social investors, investing in someone's future is totally different from just giving money away.



Social Communications⁷

Communications can make it or break it for an organization. Without proper communications, an organization will not be able to perform a whole slew of functions such as - raise capital, reach target groups, motivate team members, etc. This ultimately renders the organization useless as it will be unable to achieve its mission. Developing and implementing an effective communications strategy can absorb a lot of resources. This is a challenge for most social enterprises as they usually operate with fewer staff and very little resources. Making it Stick

In contrast to business, social enterprises have to adopt a more holistic form of communications. A social enterprise has to effectively integrate social, environmental and economic elements within its messages. One of the biggest communication challenges for social enterprises is achieving a certain sense of “sexiness”. Sexy, in this case, refers to developing clear and unforgettable messages, something that will stick in a person’s mind long after they have heard or seen it. Here’s an example of your typical non-profit communications:

“Comprehensive community building naturally lends itself to a return-on-investment rationale that can be modeled, drawing on existing practice,” it begins, going on to argue that “[a] factor constraining the flow of resources to CCIs is that funders must often resort to targeting or categorical requirements in grant making to ensure accountability.”

Above excerpt is from the article Jargon Watch by Tony Proscio from Foundation News and Commentary, Jul/ Aug 2000 (<http://www.foundationnews.org/CME/article.cfm?ID=353>)

Can you understand what that passage is trying to say? Would you be able to remember it in a few hours? Don’t you think it’s filled with a lot of jargon and confusing sentence structures? If more effective communications can be created, a whole range of challenges such as a lack of capital and the shortage of dynamic workers can be solved.

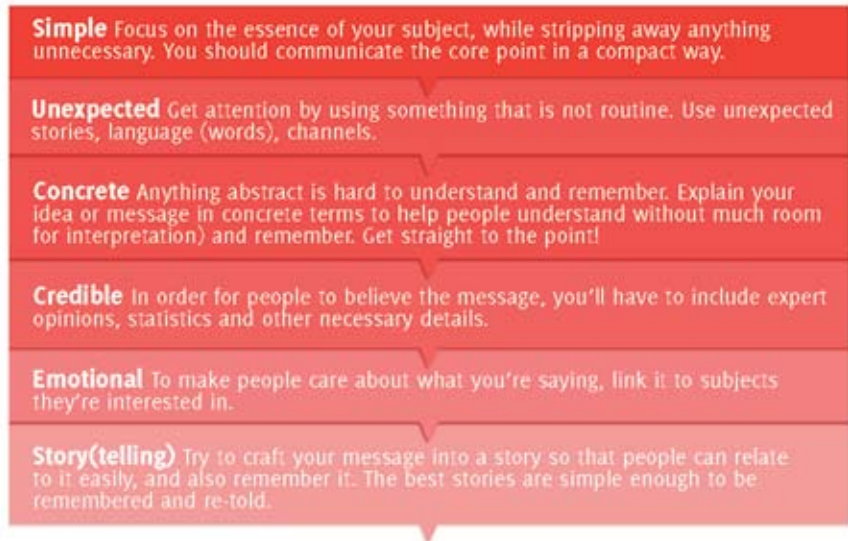
"When dealing with people, remember you are not dealing with creatures of logic, but creatures of emotion." Dale Carnegie

"When dealing with people, remember you are not dealing with creatures of logic, but creatures of emotion." Dale Carnegie

"When dealing with people, remember you are not dealing with creatures of logic, but creatures of emotion." Dale Carnegie

Becoming sexy doesn't entail an over-the-edge communications strategy. Instead, it's about bringing simplicity and clarity when communicating an idea. It is about making ideas and messages 'stick'. Made to Stick, a book by Chip and Dan Heath helps shed more light on making messages stick. According to the authors, stickiness is all about "ensuring your ideas are understood and remembered, and have a lasting impact — they change your audience's opinions and behavior."

In the book, Chip and Dan Heath also found that messages of all kinds draw their power from the same six principles of stickiness:



Principles of stickiness is adapted from the book Made to Stick by Chip Heath and Dan Heath, Random House, 2007.

The next time you craft a message, whether it is an elevator pitch, advertisement or simple chat over coffee, try blending some of these elements and watch what happens!

Understanding your Stake-holders

Social enterprises have to be able to communicate a coherent message to a wider and more diverse group of stake-holders without losing a sense of its mission.

The stake-holders of any social enterprise are crucial to achieving its mission. You can always think of a stakeholder as your 'customer' or 'partner'. Each of these groups has different "wants" or reasons for supporting your organization. In a social enterprise scenario, these wants are typically non-monetary, and as a result social enterprises have to become master communicators to reveal the strategic fit of any stakeholder with the particular part of the organization.



The Elevator Pitch

Imagine this. You're attending a conference on social investments. You're there to meet new investors and try to raise some capital for your organization. At the end of the day you decide to go back to your room. Just before the elevator door closes, the chairman of a billion dollar donor organization walks in. Its just the both of you in the elevator. What are you going to do? You realize there's probably only 30 seconds before she reaches her floor. Are you going to let this opportunity slip? Or you could cast your pitch, and see if the donor gets hooked?

I was in a rather similar situation once. The CEO of AirAsia, Tony Fernandes, was on a flight I was taking back home. I thought to myself "What are the odds of something like this happening? Perhaps one in a million." I just knew that it was important to make use of the opportunity because it would have dogged me forever knowing that I let something like this slip by. Things didn't go so smoothly once I made the decision to approach him. I didn't have a pitch ready!

The first thing you have to realize before talking to someone like Tony - you have to be prepared with a clear and an unforgettable message. Frenetically, my colleague and I put together a pitch on our program. After the pitch, I came to realize that you can always expect the unexpected. You'll never know when you might meet someone that you'll have to talk to about your organization, particularly to gain their support or become a partner.

An elevator pitch is simply an overview of an idea, product, service, or project and is designed to just get the conversation started. If you can't describe what

you do or your idea in a single concise sentence, you're clearly not prepared. In a single sentence you'll have to introduce yourself, explain which organization you come from and what the organization does. The point of an elevator pitch isn't to get into every detail of what it is that you are selling. Instead, all you have time to do is to make sure the person understands what you're talking about and what's in it for them.

The folks at Garage Technology Ventures advise thinking like a potential investor before preparing a pitch. Most investors usually have this question in their minds "Is this organization the next best investment for me and my fund?". Although it is a difficult question, it is still something every entrepreneur has to answer. To best answer a potential investor, your pitch has to consist of these seven elements:

Concise

Your pitch should last between thirty seconds to one minute. Since this is clearly a difficult task, you must think hard about which details are essential while stripping away the unnecessary ones. Throw in a tag-line if possible, for example - "We would like to be the Ebay of rural hand-made crafts". Tag-lines make things easy to remember.

Problem / Need

Present the problem you intend to solve or need you want to address. Don't launch yourself into the solution without having your audience understand the importance of solving the problem first.

Solution

Once you've presented the problem at hand, lay out your solution. Describe clearly how your solution will be delivered or implemented. Be sure to include any unique points about your approach. Also, mention if there is something similar and how you are different.

Benefits / Value

This is where you'll have to know who you're talking to. You'll have to tailor a set of benefits or value that this particular investor will find appealing. You have to remember that you're pitching what you (your idea) can do for the investor and the customers. How will your idea make things better?

Call for Action

Try to end your pitch with something to follow-up on. If you're bold enough, you could ask the investor if they would consider investing. A slightly softer and generally prescribed approach would be to set up a subsequent meeting with the investor and his / her team so that you can take them through the business plan.

Avoid jargon

Understanding the rule of 'less is more' is crucial here. Instead of using descriptions which are filled with unnecessary jargon, try using simple, everyday words to avoid confusion. Don't worry about sounding too simple!

Be Passionate

You can't just communicate the facts and figures to someone. These elements can be found in the business plan. Instead, people have to see the fiery passion to succeed in your pitch. You have to sound like you really believe in what you're doing and that it can change the world in one way or another.

Social Communications 2.0

The smart use of ICTs, especially tools such as the internet, can help facilitate improved communication at significantly lower costs. You'll be able to reach a wider population with little resources. The emergence of a recent host of new technologies dubbed 'Web 2.0', has democratized the internet even further by allowing users to become the masters of the content they publish and how they choose to share it. All of a sudden it has become rather easy and cost effective to voice yourself via a diverse array of platforms.

Traditionally, the use of ICTs helps one achieve three broad goals namely, increased access to knowledge and information, enhanced networking possibilities and broader participation in a variety of issues such as local content development, good governance, etc. The use of Web 2.0 technologies has only magnified the impact that ICTs can have on those broad goals.

In the past, the internet was a field of content that was distributed from publisher to user (one-way), which made it rather static. In contrast, web 2.0 technologies has made it possible for users to participate in the existing content and also generate content of their own. As a result, over time, user-generated content has become a far more influential sphere than static content providers. As an example of the influence of blogs, a study by Chitika, a leading blog advertising company, claims that the top 50,000 blogs across the world collectively earned \$500 million in advertising revenue in 2006 alone.

Social communications 2.0 represents a dramatic shift in how we can utilize web 2.0 technologies to enhance our communications strategies while taking into account the new ways your stakeholders (clients, investors, team, etc.) would research, form opinions, subscribe to services and make investment decisions which are independent of traditional channels and networks. Here's a guide to existing Web 2.0 technologies and how they can be useful to developing your communication strategies:

Weblogs aka Blogs

Blogs are websites that allow you to maintain your entries (blog posts) in a chronological order, almost as if its your personal megaphone. Many compare it to either writing a diary or journal. In contrast to static websites, blogs are a 2-way platform where readers of your blog have the opportunity to participate in your thoughts by adding comments and this might ultimately lead to discussions taking place. Each blog post also comes with an individual link and can be shared with other people that might be interested in reading, commenting or participating in a discussion.

Blogs are now considered as new forms of learning platforms. As opposed to traditional platforms (schools, libraries, old media), blogs have become an important source of tacit (soft) information and knowledge on a wide range of

issues. Although sometimes inaccurate and biased, blogs allow individuals to showcase when and what they know about a certain issue. In relation to social communications, **Osocio** (<http://www.osocio.org>) is a blog that hosts the best examples of non-profit advertising and social campaigns. If you're planning to launch a social campaign and are in need of inspiration, this blog can be a great resource



<http://www.osocio.org>

www.triplepundit.com

www.treehugger.com

In many cases you can build a simple organizational website on a blog because it functions like a normal website that allows you to add different pages that you can link through tabs on the front page. You have the option of creating either a static front page by modifying a single post or maintaining your blog posts which can represent either your thoughts, team member opinions, or daily experiences ,etc.

There are many subtle benefits to starting a blog. In recent times, many organizations have opted for a blog as their organizational website because it gives the organization a very informal atmosphere and makes them more accessible to the public (open for comments). Also, the team members and staff can use a blog to launch new ideas, brainstorm and voice opinions that normally aren't visible. This is a great resource for any organization because it can lead to new and innovative ideas being implemented and a happier workforce.

If you're looking for something simple and cost-effective to get started with and build a presence on the internet, you should start with a blog. There are many free blog providers. Among the most popular are:



www.vox.com

www.blogger.com

www.wordpress.com

www.livejournal.com

www.globalvoicesonline.org

Podcasts

A podcast is either a video (MPG, AVI, WMV, etc.) or audio (MP3) file that can be broadcasted, subscribed to, downloaded or distributed over the internet. In the past it would be quite an expensive endeavor to develop a video and try to place it on the internet for public viewing. Today however, anyone with a simple digital camera or even a cellphone can record a video or audio file and upload it onto the internet to create their own podcasts.

Instead of blogging, some bloggers have opted for podcasting as a substitute for their frequent blog posts. Many people claim that it saves time and is more entertaining to listen to or watch a podcast instead of reading a blog post.

Organisations or individuals can create their own set of podcasts for a variety of purposes such as viral ads / campaign clips, record talks and events, etc. Viral clips in this case refer to short and appealing messages that people share with their friends because they find that it communicates a particular message in an interesting manner.

Once you've recorded your video or audio file, you can then upload them onto a video or audio sharing site and feed or embed (using a provided link) the particular file to your blog post or webpage so that it can be viewed by users. Voila! You've managed to start your very own set of podcasts on your blog or website. There are a whole range of video and audio sharing sites that you can choose to use such as:



www.youtube.com

www.blip.tv

www.odeo.com

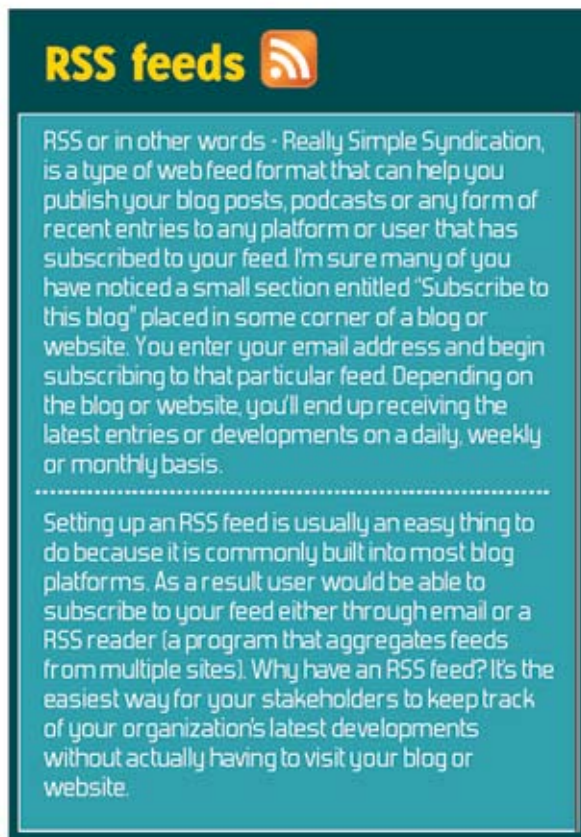
www.metacafe.com

Wikis

Wikis are a form of collaborative website where anyone can edit and contribute to its growth. In simple terms, you can think of a Wiki as a simple online database where people can collaboratively develop and access information. One of the most popular examples of Wikis is Wikipedia, a free online encyclopedia that is maintained collaboratively by volunteers across the world. Anyone can launch a new topic or edit existing articles on this platform. Since it's inception five years ago, **Wikipedia** (www.wikipedia.org) has approximately 8 million articles in 250 different languages.

At a micro level, organizations or individuals can create their very own Wikis through various services, one of the most popular being **Wikia** (www.wikia.com).

Wikia allows you to create your very own online database that you can either keep restricted or have open to anyone. The purpose of maintaining online databases helps organizations maintain their learnings on very local or niche issues that might not be available on any other platform. For example, an environmental protection agency can maintain its key learnings on specific issues relating to its local projects. This information might become useful either for its future endeavors or other organizations interested in learning about that particular local ecosystem.



Google[™] Pagerank and AdSense

Why is it that more and more people are using Google when searching or researching for something on the internet? The search results that churn out appear to be the most relevant to what people are looking for. Why is this so? Google utilizes a particular set of algorithms (developed by its founders Larry Page and Sergey Brin) called Pagerank, which rates

the most popular sites by how many links there are pointing to them, and more subtly, Google also assesses whether other popular sites have links pointing to these sites too. In essence, Google has become the social cue of the internet by ultimately persuading people to visit higher ranking sites.

As a result, things have become like a huge popularity contest on the internet. You find people checking website's Google ranking - where it is assigned to during a relevant topic search on Google. If you're not among the results on the first page, you're not a contender. This means that we're dealing with a whole new platform, something that evolves based on the preferences of users.

When developing a communications strategy for your organisation, you should definitely look into how you can improve the ranking of your website on Google searches. Here are two basic techniques that can help improve your Pagerank:

Relevant and rich content - Make sure each page you create on your website is rich with relevant content and keywords that might potentially be used for searches that will lead to your page. For example, if your organization is in the field of 'social entrepreneurship', you should have these keywords on your front page and if possible a description too. On the other hand, if your content is appealing, people will automatically link your site to theirs and this will improve your page rank.

Link, link, link - Try to place as many links of your website on as many web sites or blogs that you can. If you can't get the sites to voluntarily help you, you'll have to do it yourself. Obviously, do not link unnecessarily otherwise you'll be called a spammer. The trick is to find some relevant topic and place your link as a helpful resource. For example, if you come across a blog post of micro-finance, you can always add a comment and talk about your organization which works on micro-finance and invite people to visit your website.

To learn more about how you can improve your Pagerank, try following these webmaster guidelines that will help Google find, index and rank your website: [Webmaster Guidelines \(http://www.google.com/support/webmasters/bin/answer.py?answer=35769\)](http://www.google.com/support/webmasters/bin/answer.py?answer=35769). Another way to get into the upper ranks is to simply buy your way in. If you have some resources to spare, you can buy relevant keywords or buy an actual ad placement through Google's AdSense service.

"Call it a clan, call it a network, call it a tribe, call it a family: Whatever you call it, whoever you are, you need one." Jane Howard

"Call it a clan, call it a network, call it a tribe, call it a family: Whatever you call it, whoever you are, you need one." Jane Howard

"Call it a clan, call it a network, call it a tribe, call it a family: Whatever you call it, whoever you are, you need one." Jane Howard



You are Your Network⁸

YOU ARE YOUR NETWORK

We feel impelled to repeat this over and over again "You are your network". Having this perspective is very important when thinking and practising 'networking'. A single particle of nano-dust in the universe, no matter how spectacular it is, is pretty useless without its bonds to other dust and matter which ultimately shape universal forms such as sand dunes, planets, solar system and even galaxies. This is true for all of us as well. If you work alone, your venture is not going to go too far, even if it is the most innovative one around.

Contrary to popular belief, the world has never been changed by a single individual or idea. In most cases, the individual or the idea acts as a trigger for the change. In order to achieve a massive cascade of reactions to form an event (change), the triggering agent has to be connected to a network that is susceptible to the particular seed of change. Recent studies have revealed that the cascading or diffusion of innovation has more to do with the readiness of the particular network rather than the characteristics of the innovation itself. This is especially evident in the phenomenon of mega-projects that fail in one country but do well in another; proving that you can't import an externally successful innovation without adapting it to the local context.

On the other hand, many of us tend to think that we lack the necessary connections to mobilize support and bring about change in the world. Worst still, we also think that the few friends and connections we have are simply not enough to be connected to the rest of the world, particularly to those that are very influential, who might be able to help make a difference.

Lets begin by striking out all of those usual tendencies or thoughts we have. You, believe it or not, you actually do know people who might be able to help you make a difference. How could this be possible? Through your initial connections,

you can get connected to another set of connections that will ultimately lead you to the desired individuals. The global social networks are more densely connected than you would have imagined.

Stanley Milgram, a Harvard social psychologist, conducted an experiment in the nineteen sixties to find out how human beings are connected to each other. Milgram found that a person is generally connected to another person in five or six steps. This is how the concept of 'six degrees of separation' got defined. It simply states that, we are generally no more than 6 degrees (persons) from another person in the world. If you would to look hard enough, you can probably reach some of the most influential people in the world by simply starting with your friends and relatives.

To better understand the scale of things, let's assume you have a hundred friends, and that friend has roughly a hundred friends as well. In the first degree, you are connected to a hundred people (your initial set of friends), by the second degree though, you are connected to ten thousand people (100 people x 100 people). The third degree yields one million connections, the fourth degree exceeds a hundred million connections and by the fifth degree you are connected to approximately 9 billion people, which is the total population of the world. In the scientific world, this phenomena is commonly called either 'six degrees of separation' or 'small world network'. In the real world though, you and your friends will definitely share some common friends, which will make each degree concentrated to fewer distinct connections. Those of you who are familiar with online social network sites such as friendster.com or linkedin.com can see the extent of your connections visualised from the few friends that you begin with initially.

We're pretty sure at this point, you must be thinking, "This is certainly a small world we live in". The seemingly paradoxical nature of the 'small world' phenomena doesn't lie in how we are connected but rather in how we don't know whom we are connected to. It is very difficult to identify which connections lead to whom. Although these connections might exist, you can't really navigate across the network without looking at the big picture first. More importantly though, we have to realize that we're probably connected, through a few degrees, to the people we would like to get to know and it's just a matter of mapping out our network, strengthening those ties and finding the right path to them. This chapter is aimed at helping you navigate your network in a more strategic manner, preferably by leveraging the credibility of your common friendly connections.

Before you begin building and navigating across your network, it is always important to identify your needs - build a reputation, raise money and

resources, or build partnerships. Once you've done that it's simply about finding the right people to 'jam' with. If you can 'schmooze' or converse with the right people, all else will flow. Obviously, every relationship is a two-way street. This means that you have got to be able to offer the other party something in exchange for what they can offer you (includes both tangible and intangible exchanges).

But how do you know who is right for you?

Who will be better-off by hanging out with you in such a way that it's a win-win deal?

Uniquely useful identity, you shall have

This is where thinking outside the box is quite useless. To figure out who is right for you to network with, you must actually start with questions like 'Who are you?', 'Why are you useful?', 'What's my value?' 'What and why would anybody with a sane mind want to come and jam with me?'. Answering those questions involves a bit of soul-searching. Therefore you'll need to dig deep to find out how unique you are.

You might be asking, "Why do we need to soul-search in order to build a network?"

The answer is that a 'unique identity' attracts the right people. The more precise the identity, the more people who share similar things will be pulled in. The clearer the nucleus identity is, the more it attracts meaningful individuals into your life. Your identity is like gravity, the stronger the identity, the more powerful the gravitational force.

Your unique passion and capacity are at the core of your social gravitational field. Without those elements, you'll become attached to others instead of forming a useful social network of your own. This means that you'll always be part of the 'supporting cast' instead of being in a 'leading role' network. Each person that you are able to attract to your network, adds value to it. In other words, your value will increase by attracting more people. In network sciences, the MetCalfe law states that the value of any network grows exponentially every time a new member has joined. For example, popular websites tend to attract more and more users the same way popular people attract more people to them. Of course, this doesn't mean that you have to recreate a social network that orbits around yourself as if you are a Roman Emperor. It's more important that you diligently create your 'sphere of influence' within a massively overlapping universe of social networks.

The simplest way to create a 'sphere of influence' for yourself is to begin by

answering this question: How are you uniquely useful to the others?

Find, create, trade and share ‘Social Currency’

Once you’ve identified your uniqueness and position in the social networking game, like any good player, you must begin accumulating currency to play the game. Money is not the only currency to consider. In reality, it’s hardly of any real value for a social entrepreneur to navigate through social networks. In most social networks, the currency that stands out is different forms of social currency. Social currency can be loosely defined as insider information, gossip or latest information that would be enough to connect you to others might be relevant.

Like any other forms of currency, social currency is a means to something else rather than an end in itself. It allows people to initiate more conversation and further networking. It is an excuse for people to start talking and to get to know more about each other. A person who begins a conversation with ‘It was really warm today, eh?’ simply cannot be compared to someone who says ‘Did you know, Soros (OSI) just funded a couple of million dollars to bring down the Burmese junta?’. This is not to downgrade conversations that are based on weather, but, if you’re interested in hooking the person you’re talking to, it has to be something beyond weather.

In order to identify the kind of content a group would consider valuable, you’ll have to simply observe by listening to key words that they would usually mention. The best kind of social currency doesn’t just get people talking, it gives them a sense of belonging to a particular community that allows them to have a shared-experience from the information. It’s almost similar to being part of cult-like groups or brands such as Apple, Harley Davidson, the Open Source community, or even the Cosplay fashion culture. As in any group, the more you know about the whole subculture, the more you’re recognized as its leading peer.

When trying to identify the social currencies of different groups, try looking for what makes them excited or what turns them on. Once you’ve identified the elements, you can look things up from the Internet, or even ask your friends about those topics. In order to gain a unique positioning in the social currency game, you’ll have to try to become a platform where people exchange their social currency through you.

If you are able to grow your network sufficiently, you can broadcast people’s stories to different groups based on how you feel it matches or even connect people who have shared-interests. When you’re good at this, you will become uniquely useful to people and they will be more comfortable to share their connections and social currencies with you.

Guy Kawasaki’s ‘Schmoozing’ Rules

Once you’ve found where you stand in the universe, and have equipped yourself with some social currency, it’s time to hit the road along with an easy-to-read namecard and ‘schmooze’ your way through the different groups you’ll encounter. The dictionary defines ‘schmoozing’ as ‘to talk intimately and cozily’. That’s really what you should aim to do - reach a level of communication that allows you to ‘talk intimately and cozily’ with your desired connection. Guy Kawasaki, whom we refer to as an evangelical venture capitalist, argues that the key to success in networking is to establish a relationship before you even see a need for it. In that way you’ll be returning to them for a favor more as a friend than as a stranger. The following is a summary of his key points:

Know what you can do for others

To be good at schmoozing, try finding out how you can be of value or help to the other person. Once you’ve established this, the rest of the relationship becomes easier.

Get out to the events

We know workshops and conferences can be boring but you’ll never know who you might run into. Also, most of the important deals are usually made in person, not online.

Ask key questions, then shut up and listen

Good schmoozers don’t talk a lot. Instead, they’re really good listeners who ask the key questions such as “What do you do?”, “What brings you to the conference?”. They appear to be really attentive to what the other person has to say.

Unveil your passions

Talking purely about work or business can become boring. Try to lighten the atmosphere by talking about your passions or finding out what the other person’s passions are. Simple questions like “What sort of music do you listen to?”, and “Do you like travelling?” can be lifesavers.

Read a lot to prepare yourself

Being a good schmoozer means that you have to be a good conversationalist. To be a good conversationalist, you have to have a broad knowledge base to be able to maintain conversations on various topics. Achieving this entails reading like mad and all the time. One good tip is to download an RSS reader program like NetNewsWire that helps you aggregate content from any website or blog that has a RSS feature (refer to chapter on Social Communications for more information on RSS).

Follow up with all those name cards

The best schmoozers always follow-up within twenty four hours with a short email. A simple message will do but try not to make it look like a standard one which you’ve used many times.

Make it easy to get in touch with you

Make sure you’re easy to get in touch with. You should avoid giving out incomplete contact information. Have a simple and clear name-card that is ready to be handed out at all times.

Give favors

Belief in karma can help here. Helping people without thinking of getting anything back in return is always a good thing to do. Somehow, someday you’ll see the payoff.

Ask for the return of favors

Becoming good friends entails having to exchange favours. Don’t feel shy about asking for a return favor.

Source: Summarized from Guy Kawasaki’s post “The Art of Schmoozing” from his blog “How to Change the World” (http://blog.guykawasaki.com/2006/02/the_art_of_schm.html), Feb 01, 2006.

Impact-focused Network Weaver

The key difference between a typical 'schmooser' and a social entrepreneur is that the latter has a sincere vision and commitment to change the world. You'll have to make this clear from the very beginning, especially when you are thinking or engaging in any networking. As a social entrepreneur, you are more interested in how your innovation can be scaled or replicated in order to bring about change and improve the lives of people. To do so, you need to be able to grasp the big picture of networking that goes far beyond typical 'schmoozing'.

If you think you can impact the lives of millions of people all by yourself, think again! You can't create impact all by yourself, not even if you have the most intelligent group of people as your team. Here are some examples why:

M. S. Swaminathan triggered the green revolution in India couple of decades ago, resulting in the rapid increase in India's agricultural productivity, becoming a net exporter of food, improving the lives of millions of people, especially through the elimination of large scale famine in India.

The Grameen bank, founded by Muhammad Yunus, provides small loans small to the poor while focusing on community development. It is one of the most successful banking practices developed for the poor and it has scaled into a massive microfinance movement.

Linux, programmed by Linus Torvalds, is an open source operating system for computers that allow programmers to continuously improve, correct and adapt it collectively over time at no cost. Today, Linux has become the backbone of the Internet, where it is a fixture in most servers around the world. The emergence of Linux simultaneously triggered the 'open source movement', which has become a shared ideology amongst millions of people around the world to develop more software based on this philosophy.

Wikipedia, created by Jimmy Wales, has become the world's biggest online free encyclopedia where people can edit and contribute articles collectively as a community. There are several million articles in scores of languages, resulting in the improved ability of millions of people to access basic knowledge.

Think about the cases above. How do you think those individuals pulled off such great feats? Could they have done it all by themselves?

The only way to achieve massive scale is through the power of the networks. The myth of the lone social entrepreneur conceptualizing an innovation and ultimately creating an empire of good is far off from the reality of things.

To understand this, one must forego one's own ego and accept that successful social innovation and its impact has much less to do with god-like character or

technical superiority but rather the ability to weave the right networks in order to achieve massive scale.

You have to begin changing your role from the popular 'change maker' into the less glamorous 'change weaver'. You'll have to cease ownership of your innovation in order for it to grow. Think of it as a living organism that absorbs resources and continues growing without any barriers. You are no longer the 'mighty creator' but rather a 'benevolent influencer' preferably with a veto power.

The most successful social entrepreneurs rely heavily on their networks. They spend a considerable amount of time building their network rather than their technical capabilities on a specific subject. These more technical issues are commonly taken on by their peers, partners, marketers, investors or even shared-interest communities. Regardless of the type of venture you are running, you need to build your network ecosystem so that it minimally consists of the following groups of stakeholders:



Customers or target beneficiaries

These are your clients, people you furnish with products or services. To best serve them, you must know the following:

- if they can be segmented into different groups
- the level of engagement you need to have with them
- what their needs are and how they feel about your service

Your customers' feedback and insight on your services are crucial input as part of making your social innovation more participatory, open and adaptive.

Talent pool

The networks you have can also influence the type of people that might end up being part of your team. Therefore you have to strategically position yourself in various highly talented networks to meet your human resource needs. As social entrepreneurs, we are unable to provide purely monetary incentives to attract talented and dynamic people. As a result, we'll have to showcase a whole set of intangible benefits that a person might receive when taking up a position in our venture. In doing this, you must observe and immerse yourself into their networks to find out what they value. Hosting or joining a party is always a good starting point to schmooze your way through the networks.

Donors or investors

It's good to have the faith of a Buddhist when dealing with donor or investors. You have to always expect doors slamming on you and frequent and emphatic "No!" answers to your requests. As discussed further in the Fund Attraction chapter, you need to know who they are, their interests, how are they connected in order to pursue your resource mobilization plan. However, it is important to keep in mind that you don't need money from everyone, so don't ask them for the money all the time. Be useful to their needs, try to go beyond strictly a transactional relationship, keep them as friends and let the future unfold.

Complimentary networks

Your complimentary networks consist of people with unique capacities who might be your potential partners, marketers, legal advisors, or every other social enterprises interested in scaling or replicating your social innovation. These people are crucial to your success. To effectively mobilize them, you need to map out what kind of partnership or friendly favors you need from them and vice versa, who can you engage, and in what sequence you should engage them.

Competitors

Do you know who else is doing something similar to you? It's quite important to know who your competitors are. On a practical level, your competitors

usually compete with you to attract funding and in servicing your target groups. As a result you'll have to bench-mark your work against theirs to find your differentiation and unique points. If possible, it might even be useful to work together with them as partners while fully utilizing each other's strengths to achieve scale.

Beyond this mapping exercise, it's important to realize that the only way to scale-up massively in a short period of time is to have a robust social movement. In doing so, you must engage with as many different people from various groups as possible. Traditionally, you can categorize these groups that you'll have to engage with into 3 groups:

Core - people who are most engaged with your work or venture

Contributors - people on the periphery that support your work or venture but are slightly less engaged.

Jammers - people who love to participate in many different activities without ever committing to a single one.

By categorizing the people around your work or venture in such a way, you'll be able to better manage the relationships you'll have with the different groups of people. This will help them contribute more effectively based on their level of interest and engagement. You'll also find it easier to identify the incentives they reap from getting engaged and contributing in order to help convert them from being less engaged to being fully engaged.

In his remarkably popular book, *The Tipping Point*, Malcolm Gladwell argues that the spread of social contagions or trends can be traced back to a small but highly influential group of people who have unique characteristics. They are grouped as connectors, mavens and salespeople. He argues that it's your job to find these people, attract them to your network and win their favors as they are potentially capable of helping you spread your messages and ultimately starting an epidemic of sorts. Here's a brief summary of the characteristics of these key influencers:

Connectors

- commonly know a lot of people and keep track of their social network through phone number lists, emails, instant messengers
- have an extraordinary capability of making friends and acquaintances, making social connections.
- manage to be in many different worlds and subcultures and niches. By having

a foot in so many different worlds, they have the effect of bringing them all together and spreading messages.

Mavens

- also known as information specialists - once they are impressed by a certain offer/ product/ service, they gather the necessary information and influence their friends and people they meet about it
- usually have a teacher-student relationship with their friends and people around them; they like to be the ones that appear to be the expert on things and like to advise others

Salespeople

- are experts at persuading people who are unconvinced of what they hear about offers/ products/ services
- frequently use the art of motor mimicry - to imitate each other's emotions as a way of expressing support and care and, even more basically, as a way of communicating with each other and ultimately persuading the person

*Source: Malcolm Gladwell, *The Tipping Point*, Little Brown, 2001.

Although these classifications might appear oversimplified, recent scientific studies on social networks mostly point to the same direction - the whole world consists of overlapping social networks that are typically connected to a few ultra-connected hubs (individuals or groups). Surprisingly, these entities are not that well known or popular and are as a result very difficult to access. These hubs are made up of normal people that very few know of, but they somehow know everyone and have managed to gain the trust of others. In practical terms, this is not that hard to understand. We're sure you remember that one person either in school or at the workplace who maintains a very low profile but is connected to people at all ranks.

It's crucial to map out all these networks clustering around your venture. Ideally, you should try to become the intersection of these networks to broker the best ideas, technologies, talent and resources to catalyze scalable social innovation. It would be rather difficult for you to effectively reach your goals if you haven't mapped out your networks.

Open source yourself

For most of this chapter, we have focused our attention on building connections and attracting the right kind of people into our networks. In this section, we'll be discussing about how you can source the intelligence and skills from an infinite amount of people to collaborate and contribute to the development of your innovation. The strategy that we're referring to revolves around the whole open

source or distributed collaboration model.

The open source movement began in the software industry, where programmers began to open up their code sources for others to freely use, repair, develop, and even copy, so long as the programs were not being sold for profit. It is this widespread use of open source software that has led to the advent of the Internet becoming one of the largest networks that connects billions of people together. Being 'open source' is not about the free software or the innovative technologies, it is a more spiritual thing. 'Open source' is all about harnessing the free-will of community participation with different degrees of spontaneous collaboration. The idea is simple, let's share what we have and let others contribute!

The philosophy behind the open source movement has led to the growth of other similar movements such as Open Content (sharing of any type of creative content - music, art, etc) and Open Science (sharing of scientific knowledge and discoveries). The basic model of these movements remain the same - share what you have, create a platform for participation and make the decision making process absolutely transparent. The spirit of open source has resulted in the emergence of many online communities that are changing how people interact, share and learn from each other. Here are several key examples:

Wikipedia

It is the world's biggest free encyclopedia in terms of article entries. There are over a million articles in English alone and a growing number in other languages. Wikipedia allows people to openly share their knowledge on a variety of issues by contributing article entries online. Hundreds of thousands of people also collaboratively edit any article on its database resulting many self-organized communities that are formed around various topics. These communities also help maintain the quality and accuracy of each article entry and its revisions. All articles on Wikipedia can be copied and reused freely (GNU free documentation license). In a way, it has become a repository for the world's knowledge, resulting in 'global brain' of sorts.

Creative Commons

Protecting your intellectual property (ideas or innovation) through Copyright has been one of the world's major drivers of innovation. However, an over protection of copyrights can also cause innovation to stagnate as people can't cross-pollinate by leveraging ideas and innovation from others. The 'Creative Commons' movement, also known as 'Copyleft', allows owners of various types of intellectual property (writing, images, videos, etc.) to share, exchange and distribute their work for free as long as it's used non-commercially. This guidebook is also published under the Creative Commons license for young people to use freely in developing their social innovation.

WHO & SARS

The first clue of the Severe Acute Respiratory Syndrome (SARS) epidemic emerged on an open collaboration platform which was part of the World Health Organisation's (WHO) Global Outbreak and Alert Response Network (GOARN). Various laboratories and interested scientists shared key information both on the spread and solutions for the epidemic in real-time. All key findings and discussions between various participants were posted on the platform for anyone to use for further investigation into the cause and the development of a cure for the virus. The platform facilitated a sort of 'division of labor' that allowed participants to focus on their relative strengths while reaping the benefits from global information sharing. Within a few short months, solutions for the epidemic were created and implemented; thus simultaneously launching the world into a new chapter of open scientific co-discovery.

The Burrito Project

The Burrito project, which was started by a small group of young people from the United States, became popular across the world through an online social network called 'MySpace.com'. Aimed at solving hunger in poor urban communities, the project began with a group of young people blogging about their efforts in making and distributing the burritos to the selected communities. By posting their project idea and experiences online, other users became attracted to the idea and began replicating it on a massive scale in the U.S. and across the world to places like Syria.

All these examples above prove that there are so many people out there who want to do good and share your passion, it doesn't matter if you don't know them personally but it is critical for you to make whatever you are doing available online in order for others to participate.

Here's a summary of how you can prepare your innovation or venture to be open sourced:

Make everything available - Make all your ideas, and experiences available online, preferably using a Creative Commons license in order for others to scale or replicate. Believe it or not, you can achieve benefits from this as you will ultimately be credited for spawning the idea, innovation or venture.

Document your work and share your methodologies - The faster you develop and up-load clear documentation on your work and the methodologies involved, the easier it will become for your stake-holders (donors, clients, etc.) to understand your work. It would also be easier for others to scale or replicate your efforts in other places. Again, all credit will directly come back to you and you would always become the reference point for the issues you work on. This is especially crucial for new ventures to gain more credibility in the field that they are in. For

example, if you can upload some of your work on open platforms like Slideshare.net and watch how popular it becomes by the view count. If your work becomes popular, you can reveal proof that it has achieved scale or been adopted.

Create a platform for interaction - This simply means that you should aim to create a 'playground' for people to interact and share with one another; ultimately forming a community around your innovation. To achieve this, you start either a simple message board, a group blog service, a social network service or even a physical space where people can come together once in a while.

Create meaningful core community - You can't serve the whole world. This means that you can't attract and will never be able to attract a huge number of people all by yourself. The idea is to share something unique and meaningful with your core community and allow them to freely attract others who might share a similar passion. Always start very small and let them draw their peers in.

Full disclosure and full credits - One of the most common reasons for a vibrant online community to fail is the loss of trust amongst its members and the network. When people are doing something voluntarily, they do not like their trust assaulted. From the very beginning of the project, you'll have to make sure that you disclose the following information:

- persons involved in starting the project
- the purpose of the project
- owner of the project,
- how community decisions are made,
- what kind of benefits members reap (monetary and non-monetary)
- how the project is financially sustainable,

If there are surprises along the way, people will lose their trust and leave your community feeling betrayed.

Another key issue, is to provide credits to everyone involved in the project, even if it was someone you talked to a long time back while conceptualizing your idea. The more people perceive you as being generous with your credits, the more incentive they'll have to help you. There have been many cases where people have not been recognized for their contributions and this has resulted in big scandals. Providing full disclosure and credits is a necessary but very sensitive and delicate matter. The key thing to remember is to always be fair to everyone around you. One small glitch and it could potentially be perilous for your network and social venture. As Google's motto goes, "Do no evil!"

ADVICE FROM ASHOK KHOSLA

At last year's Global Knowledge Partnership (GKP) annual members' meeting in Colombo, Sri Lanka, the Youth Social Enterprise Initiative (YSEI) team and its Fellows had the opportunity to spend some time with Dr. Ashok Khosla, a renowned social entrepreneur who, as the Chairman of Development Alternatives, is well known for his innovative approaches to rural development. For someone who has achieved tremendous success and has brought about significant change in the world, Dr. Khosla was one of the most down-to-earth and approachable people at the event. He was kind enough to share some key insights and advice on what he thinks every emerging social entrepreneur should keep in mind.

Here's a summary of the key points that transpired from our conversation with Dr. Khosla

- 1. Integrity and accountability** - You have to stand up for what's right. Never compromise your honesty and morality even if it can expedite particular processes. Also, be accountable for your actions. Without trust from your team members, the venture will never grow and become strong. Make ethical decisions, do what is right, period.
- 2. Compensate well, but not only with money** - All of your team members should be compensated properly. They should not be made to feel as if their time and energy is not valuable. In addition, not all compensation needs to be in the form of money. Most of the time, recognition of their work can go a very long way.
- 3. Clients first!** - Your clients are your reason of existence. Therefore, try to provide the best service possible to them and continuously strive to make improvements.
- 4. Excellency and relevancy** - Very simply, you have to be best at what you do in a given context. You have to be able to surpass your competitors! Ideally, it would be better not to have any competitors at all. There is no substitute for the highest possible degree of effectiveness and efficiency if you want your venture to have a real future. Additionally, your work must be relevant to your clients' real needs and context. Without it, your client will not really care, eventually your partners will not too.
- 5. Worry about your finances** - Yes, we did say 'worry'. If you're not worried, you're never going to be able to raise the funds you need. Even the most successful social entrepreneurs are always worried about their venture's costs and their next source of funding.
- 6. Never give up!** - "You have to realize that most of world will never recognize your efforts and there will always be challenges along the way. The only way to stay alive is to never give up!"





RESOURCES

Programs/Courses Held by Universities

Social Enterprise at Harvard Business School
an initiative by Harvard to teach and train its students on managing social enterprises at a sustainable level.

(www.hbs.edu/socialenterprise/)

The School for Social Entrepreneurs (SSE)
a UK based programme for Social entrepreneurs that helps sustain, support and grow organisations established in local settings.

(www.sse.org.uk)

Stanford's Centre for Social Innovation
University centre promoting the application of entrepreneurial management to the social sector.

(www.gsb.stanford.edu/csi/)

Saïd School of Business
offers an MBA in social entrepreneurship and is the global centre for social entrepreneurship in the UK, providing both research and education for the furthering of social enterprises

(www.sbs.ox.ac.uk)

Centers For Social Entrepreneurship
Centre for Advancement of Social Entrepreneurship (CASE)
holds seminars and lectures to generate interest and awareness and to make people more knowledgeable about the concept of Social Entrepreneurship.

(www.fuqua.duke.edu/centers/case/)

Canadian Centre for Social Entrepreneurship
a Canadian version of the CASE that also provides technical and financial support for Social Entrepreneurs.

(<http://www.business.ualberta.ca/ccse/>)

Institute for Social Entrepreneurs
provides training and consultancy services for social enterprises in North America

(www.socialent.org)

Social Enterprise Program at Columbia Business School
Empowers students to achieve social benefit through business practices and encourages research and education in the field of Social Entrepreneurship.
(www2.gsb.columbia.edu/socialenterprise/)

Media Publications

Fast Company
a magazine that takes an innovative approach to publishing articles, anecdotes and real-life stories on the skills and abilities required to run an enterprise.
(www.fastcompany.com)

Making Waves
a Canadian magazine that is primarily involved in the planning of CED's (community economic developments) and social entrepreneurship workshops.
(www.cedworks.com)

Network Links for Social Entrepreneurs

Futureshifters
an online social network dedicated to young social entrepreneurs to share, engage and meet peers and potential supporters
(www.futureshifters.net)

Unltd World
an online social network by Unltd UK to connect social entrepreneurs with various stakeholders
(www.unltdworld.com)

Schwab Foundation
consists of a network of outstanding individual social entrepreneurs throughout the world, it is linked with the World Economic Forum.
(www.schwabfound.org/)

The Echoing Green foundation
an American based association that endorses International fellowships of individual social entrepreneurs.
(www.echoinggreen.org)

Social Edge
a program of the Skoll foundation that connects social entrepreneurs, to help them learn and discuss the different practices used in running an entrepreneurship
(www.socialedge.org)

Idealist
A website which provides opportunities for people, organizations and consultants to collaborate with one another and successfully build a social enterprise
(<http://idealist.org/>)

Funding Associations for Social Enterprises

Skoll Foundation
gives grants and provides development programs to support social entrepreneurial organizations
(www.skollfoundation.org)

Acumen Fund
an international fund, based in the US, that links serious philanthropists with social innovators.
(www.acumenfund.org)

The Scarman Trust
a UK charity committed to helping citizens bring about change in the British community
(www.thescarmantrust.org/)

ChangeMakers
an Ashoka initiative that provides financial awards to budding social entrepreneurs, whose ideas have the ability to help change the world
(www.changemakers.net)

The Omidyar Network
funds social enterprises to try and foster a sense of individual self-empowerment on a global scale.
(www.omidyar.net)

GlobalGiving
provides a forum for social entrepreneurs to put-up their respective projects and requests for funding. Here, private donors fund projects or ideas that they believe are capable of creating vast social impact
(www.globalgiving.com/)

Support (Inclusive of Funding) Organizations for Social Entrepreneurships

NESST

Nonprofit organizations supporting the development of social enterprise in Central and Eastern Europe and Latin America.

(www.nesst.org)

CIVICUS

helps civil society organisations achieve their goals by helping them plan their actions and activities

(www.civicus.org)

ASHOKA

an international fellowship of social entrepreneurs that promotes the development and sustainability of social entrepreneurships

(www.ashoka.org)

Youth Social Enterprise Initiative

promotes the idea of social entrepreneurship among youths and empower young social entrepreneurs in developing countries by providing assistance in 4 key areas - knowledge, networking, mentorship and financing

(www.ysei.org)

Youth Venture

A branch of Ashoka's social mission that provides disadvantaged youth with the limited tools to build civic-minded clubs, businesses or organizations

(www.genv.net)

UnLtd

is a charity which supports social entrepreneurs and helps make their ideas a reality

(www.unltd.org.uk/)

APERIO

consults and supports social entrepreneurships, in the hope of creating a growing, sustainable entrepreneurial social sector

(www.pepintranquada.com)

Draper Richards Foundation

endows fellowships to young social entrepreneurs and supports them during the start-up phase to help create a wide-reaching social change

(www.draperrichards.org/)

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About YSEI

Youth Social Enterprise Initiative (YSEI) is a social venture program that invests in young visionaries who have big ideas and who need crucial startup support to turn their ideas into action. YSEI is a Global Knowledge Partnership (GKP) program developed by its members ChangeFusion, Mitra and OrphanIT. The program is supported by the Swiss Agency for Development and Cooperation (SDC).

Visit www.ysei.org for further information.



Sharing Knowledge • Building Partnerships

www.globalknowledge.org

About GKP

Global Knowledge Partnership (GKP) is a multi-stakeholder network promoting innovation and advancement in Knowledge for Development (K4D) and Information and Communication Technologies for Development (ICT4D). GKP brings together Public Sector, Private Sector and Civil Society organizations with the goal of Sharing Knowledge and Building Partnerships in K4D and ICT4D.

GKP activities and programs foster the innovative application of knowledge and technology to address and solve development issues in four strategic themes
- Access to Knowledge, Education, Poverty Reduction and Resource Mobilization.

GKP operates globally as well as in 7 regions: Africa, Central and Eastern Europe; East Asia; Latin America and the Caribbean; Middle East and North Africa; Oceania and South Asia. GKP members demonstrate ideas through projects on the ground; and they influence policy at a global level.

GKP was founded in 1997. The network comprises over 100 members spanning 40 countries. It is governed by an elected Executive Committee and supported by a Secretariat based in Kuala Lumpur, Malaysia.

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