The Evolution of Social Entrepreneurship: A Global Perspective

Fall 2015

Instructor: Pamela Hartigan, Ph.D.
Director, Skoll Centre for Social Entrepreneurship, Said Business School, University of Oxford
E-mail: Pamela.hartigan@gmail.com

Teaching Assistant:
Tuesdays: Uris Hall, 333. 4:00 to 7:15 pm
Fridays: Uris Hall, 333. 4:00 to 7:15 pm

This course is offered in the Fall 2015 between November 10th and December 1st. The course comprises six sessions as follows:

<table>
<thead>
<tr>
<th>Tuesday – 4:00 to 7:15 p.m. Uris 333</th>
<th>Friday – 4:00 to 7:15 p.m. Uris 333</th>
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<tbody>
<tr>
<td>November 10th</td>
<td>November 13th</td>
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<td>November 17th</td>
<td>November 20th</td>
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<tr>
<td>November 24th</td>
<td>No class (Thanksgiving Holiday)</td>
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<td>December 1st</td>
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REQUIRED COURSE MATERIAL

See description of required readings for each session, described below. In addition, see questions to prepare before the beginning of each class, INCLUDING THE FIRST CLASS.

REQUIRED PREREQUISITES AND CONNECTION TO THE CORE

There are no prerequisites for this course. The learning in this course will use, build on, and extend concepts covered in the following core courses:

<table>
<thead>
<tr>
<th>Core Course</th>
<th>Connection with Core</th>
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<tbody>
<tr>
<td>Leadership</td>
<td>1. Building Teams</td>
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<tr>
<td></td>
<td>2. Ethics</td>
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<td></td>
<td>3. Influence and Persuasion</td>
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Strategy Formulation
1. Trade offs, value-added efficiencies
2. Creation of value vs. value capture
3. Behavioral and evidence-based strategy
4. Ethics and IBS

Global Economic Development
1. What is the role of social entrepreneurship in the economic system?
2. How do entrepreneurs create markets that drive economic development?
3. Short term vs. long term trade-offs in relation to economic and social development

Marketing Strategy
1. Customer Analysis
2. Branding
3. Reaching economically/socially/politically disadvantaged populations

COURSE DESCRIPTION – GLOBAL OVERVIEW

Social entrepreneurship refers to the practice of combining innovation, opportunity and resourcefulness to address some of our most challenging social, economic and environmental problems. To accomplish their transformational goals, social entrepreneurs create ventures that may be for-profit or non-profit, but the priority is on catalyzing social progress through triggering systems-changes that improve the lives of people and the planet. Social entrepreneurship has a particular function in the economic ecosystem, but because it is focused primarily on value creation rather than value appropriation, entrepreneurs working with this mission must juggle multiple bottom lines.

The course will examine how innovative social ventures are tackling some of the world’s most pressing problems and engaging with more traditional actors seeking to learn from and support their efforts. What are the particular challenges these entrepreneurial ventures with a social or environmental mission face as they start up, strengthen and scale their organizations? How are they different from charitable non-profits or from mainstream businesses? What leadership role do these organizations play in society? Why does social entrepreneurship matter, and what are the evolving trends? And how does the context in which they are spawned influence the problems they address, the innovative approaches they spearhead, the organizational and business models they pursue, and the partnerships they forge? What sources of capital are available to start up and grow their ventures, given that their main aim is “purpose maximization” rather than maximizing returns for shareholders?

These questions will be examined along with an overview of the following aspects:

- **The role of social entrepreneurship in the economic system**, clarifying what makes them the same and different from commercial entrepreneurs, but also from social welfare and social advocacy organizations. What are the implications for how these organizations can scale to achieve greater impact?

- **A global snapshot of entrepreneurship for social progress**, comparing and contrasting how this practice has developed in the U.S. and in other regions of the world. The overview includes the business models and growth options pursued by social entrepreneurs in different parts of the world, enriched by illustrations of leading examples of each model that highlight the strategic, resource and legal factors influencing their choice of model and growth plan.
• The growing trend in business models that prioritize social goals but apply market-oriented approaches. Social entrepreneurial ventures are often characterized as being “neither fish nor fowl”; they fall between philanthropy and commercial entities. Recognizing this new breed of organization, some governments are scrambling to put in place the legal and fiscal architecture that supports these new ventures’ ability to capture the types of investment needed if they are to grow and live up to their promise. What are these new structures, and what are the implications for the future?

Leading practitioners and others in the supporting ecosystem working nationally and internationally will participate in the course, sharing insights and experiences on the issues examined. The course will draw upon lectures, case studies (live and documented), and group work.

November 10th: Session 1 – The Nature of Entrepreneurship and Entrepreneuring – Guest Speaker: Linda Rottenberg, Co-Founder and CEO, Endeavor

November 13th: Session 2 – Apprenticing with the Problem: An Entrepreneur’s Journey – Guest Speaker: Marc Koska, Inventor, the auto-disabled syringe, founder, Safe Point Trust

November 17th: Session 3 – Planning for sensible expansion – Guest Speaker: Wendy Kopp, Founder, Teach for America and Teach for All

November 20th: Session 4 – The Role of the Intrapreneur – Guest Speaker: Audrey Choi, CEO, Morgan Stanley’s Institute for Sustainable Development

November 24th: Session 5 – Rethinking the Role of Traditional Business – Guest Speakers: Andrew Kassoy, Co-founder, B-Lab and Rachel Botsman, global thought leader and author on the collaborative economy

December 1st: Session 6 – Beyond the start up - Guest Speakers: Kyle Zimmer, Founder and CEO, First Book and Sara Horowitz, Founder and CEO, Freelancer’s Union and Working Today

COURSE OBJECTIVES

1. To gain an understanding of the evolution and trends in entrepreneurship focused on advancing social progress, and how this approach is distinct from other organizations in the economic and social system.

2. To learn about the diverse and changing business models social entrepreneurs use to advance their objectives and how this is based on their understanding of the problem they are trying to solve.

3. To highlight the key role that « intrapreneurs » play in advancing economic, social and environmental transformation from within established corporate institutions.

4. To learn about how social entrepreneurs work with mainstream commercial companies and/or the public sector to advance innovative and proven approaches that transform existing but unsatisfactory systems and practices.

5. To give students an opportunity to work on a topic of their choosing with a group of peers and learn how different ventures are combining innovation, opportunity and resourcefulness to address a critical challenge.
ASSIGNMENTS AND METHOD OF EVALUATION

<table>
<thead>
<tr>
<th>Type</th>
<th>Designation</th>
<th>Discussion of concepts</th>
<th>Preparation of submission</th>
<th>Grade</th>
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</thead>
<tbody>
<tr>
<td>A</td>
<td>group / group</td>
<td>Permitted with designated group</td>
<td>By the group</td>
<td>Same grade for each member of the group</td>
</tr>
<tr>
<td>B</td>
<td>group / individual</td>
<td>Permitted</td>
<td>Individually (No sharing of any portion of the submission)</td>
<td>Individual</td>
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| Individual class participation | 10% |
| Individual writing assignment (type B) | 60% |
| Group Assignment (type A) | 30% |

As depicted above, students will be evaluated based on attendance and individual class participation (10%), one individual writing assignment (60% of grade and due Friday, December 11th), and one group assignment (30% of grade) to be presented on the final day of class, December 1st. Guidelines will be circulated in class on the first day of class.

**Assignment 1:** Due December 1st, in class presentations by groups

**Designation:** Group - Type A

**Discussion of Concepts:** Permitted with designated group

**Preparation of Submission:** By the group

**Grade:** Same grade for each member of the group

**Nature of Assignment 1: Apprenticing with the Problem**

There are a growing number of social business plan competitions, with entrants asked to pitch their business solutions to a social problem. Increasingly, large percentages of the entrants to these competitions are proposing business models to tackle problems they have never lived, and in far too many cases, problems they know little to nothing about. For example, a group of MBA students get together to pitch a company designed to help rural African farmers when none of them have ever lived in Africa nor been farmers. Or students present an idea for helping to keep kids out of jail, yet they have never known anyone who has been in jail and have a very limited understanding of the plethora of other initiatives trying to tackle this problem, let alone the lessons that can be learned from those vast efforts.

In the Apprenticing with a Problem assignment, rather than pitching a “solution” and being judged on the viability of your group’s business pitch, you and your group will instead present your understanding of the ecosystem of the current
solutions to the problem, the lessons that can be learned from the existing efforts, and the market opportunities or levers of change available for those who are looking to get involved in adding to a collective solution.

This is a group assignment where you will be asked to Identify a problem you believe to have significant negative social/environmental/economic consequences for specific population groups from a preliminary list provided (to which you can add your own). You will then be grouped with other students in the class according to the similar nature of the issues they have individually identified.

The group will work together to come up with a “ecosystem map of existing solutions being tried”.

The format of these maps will be flexible, but should include:

- **problem landscape** (who/what is being effected, numbers/demographics, visualization of the size and scope of the problem in different areas);
- **solutions history & futures** (trends in how this problem has been tackled, how have these efforts changed over time, what does the future of these solutions look like);
- **solutions map** (what organizations and initiatives are currently trying to solve this problem, who is funding these efforts, what networks exist, what are the key research bodies). Each group will be provided with a preliminary list of top performing social ventures working to address the specific problem;
- **lessons learned** (what obstacles have others faced in achieving results, what lessons can be drawn from existing efforts, insights from key players in the sector)
- **market opportunities & levers of change** (what opportunities are there to increase the impact of the current solutions landscape, what efforts are missing that might provide increased collective impact, where can future entrepreneurs add value and what key components should those market entrants build upon from the existing efforts).

2. The last day of class, your group will have a **MAXIMUM of 25 minutes** to present followed by 5 minutes of Q & A from your classmates. Guidelines on group presentations will be provided in class.

**Assignment 2**: Due December 11th  
**Send to instructor via email at gmail address**: Pamela.hartigan@gmail.com

**Designation**: Group/Individual – Type B

**Discussion of Concepts**: Permitted

**Preparation of Submission**: Individually – NO sharing of any portion of the submission

**Grade**: Individual

**Nature of Assignment 2**: The assignment due December 11th (60%) will be a 2,000 word comparative critique of 2-3 of the readings assigned for the class and drawing upon insights shared by at least two of the guest speakers.

The critique should begin with a brief overview of each of the articles to be compared and contrasted. The overview section should not be more than 650 words in length and should comprise a summary of the main points of each reading. The majority of the paper should contain 1) a clear articulation of the key points you agree or disagree with each author, 2) how each author’s position complements or contrasts with the others selected for the critique, 3) how the guest
speakers included in the critique reinforce (or not) your - and each critiqued author’s - point of view. You can draw on your own experience to underpin your viewpoint.

CLASSROOM NORMS AND EXPECTATIONS

This is a very condensed class, running for only three weeks. You are expected to attend all six classes for the 3.5 hour sessions each time. Leaving during the class must be justified to the satisfaction of the instructor.

Use of cell phones or other devices are strictly prohibited and use of laptops and IPads will be permitted ONLY during group work time.

You are expected to have eaten before you come to class, and eating in the classroom is not allowed.

COURSE SESSIONS

Tuesday, November 10th - URIS 333

Session 1: Introduction/Overview – Theme: The nature of entrepreneurship and entrepreneuring

PLEASE NOTE: These readings are due BEFORE the first class meets on Tuesday, November 10th:

Questions for class discussion (be prepared to discuss these in class):

1. Vindova et al argue that definitions of entrepreneurship too narrowly focus on value creation via new ventures – whereas the notion of “entrepreneuring” encourages the consideration of a broad set of actions intended not only to create wealth but also to bring about new states in economic, social, institutional and cultural environments. Thus, one can be entrepreneuring wherever one’s career path takes you. Do you agree with that view? Why or why not?

2. Christensen et al highlight that catalytic innovation of the type that transforms inequitable systems and practices is an offshoot of disruptive innovation. Do you think a new “subset” or disruptive innovation is necessary for describing the kind of innovation spearheaded by social entrepreneurs? Why or why not?

3. Linda Rottenberg classifies entrepreneurs into four types, one of which are the “butterflies”. These include the small and medium business entrepreneurs that run your local shops on Broadway or in your neighborhoods. Do you agree that these small business owners who are doing your dry cleaning, mending your shoes, cutting your hair, etc. are also entrepreneurs? Why or why not?

4. Do you think the terms “social entrepreneur” and “social entrepreneurship” enhance or detract from a movement to advance social progress through systems change?

Required Reading:

Columbia Business School

- Presentation by Linda Rottenberg: [https://www.youtube.com/watch?v=mpPBqs-J9IM](https://www.youtube.com/watch?v=mpPBqs-J9IM)


Recommended reading (and it is a great read): Linda Rottenberg. _Crazy is a Complement_. New York, Penguin Books, 2014.

**Guest Speaker:** Linda Rottenberg, Co-Founder and CEO, Endeavor

**Friday, November 13th - URIS 333**

**Session 2: Theme – Implementing a Vision: An Entrepreneur’s Journey**

**Questions for class discussion (be prepared to discuss these in class):**

1. Where do good ideas come from?

2. Should you share your “great new idea” with others, and if so, when?

3. How do you create an atmosphere of innovation?

4. With the buzz round innovation, why do Seelos and Mair argue that it is not the Holy Grail? Do you agree with their position?

**Required Reading:**

- Johnson, Stephen. _Where do Good Ideas come from? The Natural History of Innovation_. Riverhead Books: 2010. (SELECTED PAGES WILL BE ASSIGNED REFER TO COURSEBOOK)


- Seelos, C. and Joanna Mair. _Innovation is not the Holy Grail_. In Stanford Social Innovation Review. Fall 2012. [http://www.ssireview.org/articles/entry/innovation_is_not_the_holy_grail](http://www.ssireview.org/articles/entry/innovation_is_not_the_holy_grail)

**Guest Speaker:** Marc Koska, inventor and entrepreneur
Tuesday, November 17 - URIS 333

Session 3: Theme – Planning for Sensible Expansion

Questions for class discussion (be prepared to discuss these in class):

1. For most business leaders, a single goal defines success: market dominance. Thus, growing as big as possible so as to reap as much market share as possible is the modus operandi for the commercial sector. Is this an appropriate model to follow for social entrepreneurial ventures? Why or why not?

2. Teach for America, founded by Wendy Kopp, has grown to be a highly successful venture. For many years it focused on the US education system. However, in 2007, Wendy made the move to expand the model to allow many other countries to adapt the model. How does that adaptation occur? What have been the strengths and weaknesses of scaling through a “franchise” model?

3. What question would you like to pose to Wendy when she comes to class?

Required Reading:


Guest Speaker: Wendy Kopp, Founder and Chair, Teach for America, Co-Founder and CEO, Teach for All


Friday, November 20th – URIS 333

Session 4: Theme – The Role of the Intrapreneur

Questions for class discussion (be prepared to discuss these in class):

1. How would you characterize the differences between the challenges of being an intrapreneur as opposed to an entrepreneur? Which would you rather be?

2. In David Grayson et. al’s book on Intrapreneurship, the authors identify four types (or stages) of intrapreneurs: those who have exited, those who are exasperated, those who are emerging and those who are empowered. Have you ever been in one of those situations working in a company or organization where you identify with being in one of those situations? What did you do?

3. How are the opportunities for intrapreneurism the same or different if you are working in a governmental or intergovernmental agency instead of a market-based venture?
4. What question would you like to pose to Audrey Choi when she comes in to this session?

Required Reading:


Guest Speaker: Audrey Choi, CEO, Morgan Stanley’s Institute for Sustainable Development

Tuesday, November 24th – URIS 333

Session 6 — Theme: Rethinking the role of Government and Business in Society

Questions for class discussion (be prepared to discuss these in class):

1. When does it NOT make sense to set up a company as a B Corporation?

2. Among of the most interesting business models emerging on the international scene are those that have come out of “the collaborative economy”. Companies in the collaborative economy are faced with a unique set of challenges in how they think about, and manage, risk, trust and safety. This session will broadly explore both the practical and cultural dimensions of building trust between strangers so that they can exchange, share, swap and collaborate in new ways across sectors. Looking at examples such as AirBnB, Uber, Lyft, Etsy, etc. what are the key ingredients of building trust online, including identity verification, social connections and peer ratings are reviews?

3. What is the role of government regulation in both establishing B Corporations as well as overseeing collaborative platforms?

Required viewings/readings:

- To B or not to B – Weighing the benefits of the B Corporation http://mashable.com/2012/03/02/benefit-corporations/

Guest Speakers:
Tuesday, December 1st – URIS 333

Session 6 — Theme: Beyond the Start-up

Questions for class discussion (be prepared to discuss these in class):

1. There is nothing quite like the excitement of being involved in a start up. But once the organization starts to grow, the need to put into place systems and practices that allow the organization to grow and strengthen necessitate different forms of leadership. What are the different kinds of leadership style that you think are critical at different points of organizational growth.

2. What are your insights related to how keep the “start up culture” alive and the innovation going as an organization scales?

3. Both Kyle and Sara are founding entrepreneurs whose organizations have grown to be very successful and reach hundreds of thousands. What specific questions do you have for them?

Required Viewing/Reading:

- [http://www.slate.com/blogs/moneybox/2014/05/03/brian_chesky_airbnb_co_founder_peter_thiel_s_one_piece_of_advice_for_entrepreneurs.html](http://www.slate.com/blogs/moneybox/2014/05/03/brian_chesky_airbnb_co_founder_peter_thiel_s_one_piece_of_advice_for_entrepreneurs.html)
- Getting Kids’ Books where they’re most needed. Carol Hymowitz, Bloomsberg Businessweek, March 20.2014
- Stories For All: A Great Idea by Vicky Smith in Kirkus, March 22, 2013

Guest Speakers:
•Kyle Zimmer co-founder and CEO, First Book
  

•Sara Horowitz, Founder and Executive Director, Freelancers’ Union and Working Today.
  
  https://www.freelancersunion.org/about/sara-horowitz.html