

MGMT 246
SOCIAL INNOVATION AND SOCIAL ENTERPRISE
Fall 2013

Professor John R. Kimberly
Department of Management
The Wharton School

Nicholas Torres
Adjunct Professor, The Fels Institute
President, Education-Plus PA; Education Plus Academy Cyber Charter School; Publisher – Philadelphia Social Innovations Journal

Course Description

This course introduces you to the world of social enterprise, a world that is becoming increasingly important as society experiments with a variety of business and organizational models designed to provide products and services with a strong social impact mission behind them and as you and others search for ways to develop careers that have greater personal and social meaning. The organizations we will examine may be nominally “for-profit”, “not-for-profit” or NGOs, but what they share is a commitment both to a social impact mission and to a set of disciplined, sophisticated financial and management practices. They are led by individuals who themselves are both committed to the mission of the enterprise and who recognize the importance of demonstrably effective business models. And in the mix is the role of innovation, of developing new approaches, new models, and/or new technologies in service of better realizing the social mission.

Course Objectives

You will develop generalized skills in competitive analysis, an understanding of those factors that determine the performance of organizations in the social enterprise space, and the influence of policies and politics in social enterprise. The principal deliverable for the course will be a group project that will require you to apply these skills and understandings to the critical analysis of a particular social enterprise and to present your analysis both to the class and to the management team of that enterprise.

Course Structure

The course has four principal sections

- Weeks 1-5 The foundations of social enterprise – readings, lectures and discussions aimed at providing you with the tools to undertake a critical analysis of a particular social enterprise
- Weeks 6-10 Execution of a field-based analysis of a social enterprise in Philadelphia mentored by the course faculty
- Weeks 11-12 Presentation of results to the host enterprises
- Weeks 13-14 Review of basic learnings, discussions and conclusions and potential application to one’s own social enterprise

Prerequisites

A passion for social enterprise and a deep curiosity about what makes them successful

Deliverables and Grading

Your grade will be based on three deliverables

- An in-depth analysis (the application of the foundations of social enterprise to an existing social enterprise) of your project organization's strategy: how well the product(s) and/ or service(s) it has developed and is delivering as well as plans for extensions and new initiatives meet market needs and are positioned competitively. This deliverable will include the collection of primary data collected by each team and applied to the analysis of the competitive landscape within which your project organization is located, its financial viability, the scalability of the enterprise..
- A final presentation to the host enterprise summarizing the in-depth analysis and providing suggestions per the primary data collected, competitive landscape, financial viability, and scalability.
- A reflection on how well your team worked together, including any challenges you faced during the life of the project, how effectively you addressed them, and what learnings about team effectiveness you draw from the experience. This reflection will include a short section on your future interest in social enterprise.

Class Schedule and Assigned Readings

Weeks 1-5: The first 5 weeks will focus on the foundations of social enterprise – readings, lectures, and discussions designed to provide students with the tools and frameworks for the critical analysis of particular social enterprises. Included in the first 5 weeks will be gathering secondary data, aligned with the lectures/discussions, on the selected social enterprises.

Weeks 6-10: The next 5 weeks will be devoted to primary data collection carried out in the field in and around the focal social enterprise and analysis of these data under the supervision of course faculty. Structured in close consultation with the executive team of the focal organization, this work is intended to result in recommendations that may lead to refinement(s) of their idea/model.

Weeks 11 and 12: The next 2 weeks will be devoted to individual team presentations of their results to the class and to the host social enterprise.

Weeks 13 and 14: The final 2 weeks will be devoted to discussion and analysis of how learning from the course might be applied to students' own social enterprise interests and how well the teams worked together.

Student Social Enterprise Focus:

- Education
- Issues related to poverty
- Health
- Malnutrition

Week 1

8/28 **Intro to course.**

Week 2

9/4 **What is Social Enterprise?** The Search for Blue Oceans.

Reading:

- Heerad Sabeti "The For Benefit Enterprise" *Harvard Business Review*, November 2011
- W. Chan Kim and Renee Mauborgne, *Blue Ocean Strategy* Harvard Business Review Press, 2005

John Leading Discussion

Week 3

9/9 **The Challenge of Innovation II: Disruptive Innovation**

Readings:

- David Bornstein. *How to Change the World: Social Entrepreneurs and the Power of New Ideas*. (2004). Oxford University Press.
- Clayton M. Christensen, (<http://www.claytonchristensen.com/key-concepts/>)
- Clayton M. Christensen, *The Innovator's Dilemma: When New Technologies Cause Great Firms to Fail*. (2000). Harper Collins Publishers.

9/11 **Open Innovation**

Reading:

- Henry Chesbrough "Open innovation: Where we've been and where we're going." *Research Technology Management*

Case Study: Turning Health Prevention/Primary Care for low income students into an Earned Income Sustainable Business: Guest Speaker

Week 4

9/16 **Social Innovation**

Readings:

- David Hunter. *Working Hard – and Working Well: A Practical Guide to Performance Management for Leaders of Organizations Serving Children, Adults and Families*. 2013.
- Tim Brown and Jocelyn Wyatt "Design Thinking for Social Innovation" *Stanford Social Innovation Review*, Winter 2010
- A guide to Social Return on Investment:
<http://www.socialevaluator.eu/ip/uploads/tblDownload/SROI%20Guide.pdf>

9/18 **Business Models and Social Enterprise**

Readings:

- James D. Thompson and Ian C. MacMillan, "Creating New Markets and Social Wealth" Long Range Planning, 43 April-June 2010 pp. 291-307.
- Muhammad Yunus, Bertrand Moingeon and Laurence Lehmann-Ortega, "Building Social Business Models: Lessons from the Grameen Experience." Long Range Planning 43 April-June 2010 pp. 308-325

Case Study: Turning College Access/Completion to an Earned Income Business: Guest Speaker

Week 5

9/23

Going to Scale: Replicating Social Programs

Reading:

- Jeffrey Bradach, "Going to Scale: The Challenge of Replicating Social Programs." Stanford Social Innovation Review, 1(1) Spring 2003

9/25 Market Testing, Access Capital, Social Policy

Readings:

- Peter J. Williamson, "Cost Innovation: Preparing for a 'Value-for-Money' Revolution." Long Range Planning, April-June 2010, pp. 343-353.
- Gladwell, M., *The Tipping Point*. 2000. Little Brown Publishing.

Case Study: Turning K-12 Private Education into an affordable Earned Income Business and/or Scaling using Public Dollars: Guest Speaker

Weeks 6-10 Organizational Field Assignments

9/30 – 10/30

Gathering primary data and preparing analyses mentored by course faculty, with individual team meetings as needed.

Additional Case Studies: TBD

- Turning Arts and Education Advocacy Organizations into an Earned Income Business

Weeks 11 and 12

11/4-11/13

Nick Leading Discussion

Final Presentations.

Weeks 13 and 14

11/18- 12/9

Application of learning to own Social Enterprise ideas and analysis of team performance.