

BMGT 468U: Social Entrepreneurship Laboratory

A 'Fearless Ideas' Course

Course Basics

Lead Faculty Member: Christine Beckman, Associate Professor, cbeckman@umd.edu

Supporting Faculty/Staff: Sara Herald, Assistant Director, Center for Social Value Creation, sherald@rhsmith.umd.edu

Department: Smith School of Business, Department of Management and Organization

Course Time: Friday, 1-4 pm

Course Location: Van Munching Hall, VMH 1412

Description

The class will give students the opportunity to experiment with the essential principles of social entrepreneurship. Social entrepreneurship takes many forms, but one of its unique characteristics is the ability to successfully employ market-based strategies to solve problems not served by traditional market mechanisms and achieve a social purpose as a result. Some of the most effective social entrepreneurs draw upon multiple disciplines for complex problem-solving; and many seek business expertise. The Social Entrepreneurship Laboratory will be an active learning environment to test hypotheses around the creation of social ventures and develop a deep understanding of the field in practice. Teams will iteratively test ideas and assumptions through experimentation, document results, incorporate feedback from key stakeholders, develop a minimum viable product, and present their solutions. In this way, we expect novel insights and truly creative models to emerge.

The primary learning tool for this class will be experiments conducted in teams. Teams will be created to leverage **diverse majors, skills, experiences, cultures, and viewpoints**. You will prepare for class with readings about business model and social innovation techniques and come to class to put those ideas and methods into practice. We expect some students to arrive to this course with an idea to explore, and other students to have an interest in helping their classmates with their ideas. You will work in teams through all phases of the experiment process: problem identification, hypothesis development, assumption testing, learning outcomes, and iteration. You will repeatedly progress through the build-measure-learn¹ feedback loop together, receiving feedback from the instructors and the Center for Social Value Creation's Social Entrepreneurs in Residence as you go.

Reading Materials

Please purchase:

- [The Lean Startup](#), Eric Ries
- [The Power of Unreasonable People](#), Elkington and Hartigan
 - You can purchase the entire book on your own, or purchase the first 3 chapters here: <https://cb.hbsp.harvard.edu/cbmp/access/28978264>

Additional Reading: You can access the full version of Stanford Social Innovation Review (SSIR) articles through the UMD Research Port (researchport.umd.edu), in Business Source Complete or SOCIndex. Other articles are uploaded directly to Canvas.

- [The Stakeholder Engagement Manual](#), Partridge, Jackson, Wheeler, Zohar
- ““The Meaning of Social Entrepreneurship”, Dees, 1998

¹ Ries, Eric. *The Lean Startup*. New York: Crown Business, 2011. Print.

- "Creating Social Value", Philip Auerswald, SSIR, Spring 2009
- "The Power of Theories of Change", Paul Brest, Stanford Social Innovation Review, Spring 2010
- The Startup Owners's Manual p. 98-125
- "Ten Nonprofit Funding Models", Landes Foster, Kim, Christiansen, SSIR, Spring 2009
- "The networked nonprofit", Jane Skillern-Wei & Marciano, SSIR, 2008
- "For Love or Lucre", Jim Fruchterman, SSIR, Spring 2011,
- "A Social Entrepreneur's Quandary: Nonprofit or For-Profit?"

Additional Reading: The Startup Owner's Manual, Blank and Dorf (complete book not required)

Content and Requirements

Class attendance and participation (20%)

- Attendance at all class sessions is a requirement
- You will be evaluated by the quality and quantity of their participation. You are expected to be prepared for each session and actively contribute to the creation of knowledge in the classroom.
- You will also act as virtual board members to each other's ventures, and thoughtful input towards each ventures distinct goals is paramount.
- If you have to miss a class, you will not receive participation points for that class period. You are able to make-up one class absence by turning in a written assignment. Advance notice of the missed class is required. The make-up is due two weeks after the missed class. Contact Professor Beckman for the details of the assignment.
- Each student is required to attend at least one [Innovation Fridays](#) session over the course of the Fall semester. Held every Friday from 11am-1pm at 4 locations across campus, students are encouraged to go to Innovation Fridays to get feedback on their ideas and prototypes from experienced entrepreneurs, investors, and faculty members. No appointment necessary! Send an email to one of the instructors once you have completed this assignment.

Social Entrepreneurship Experiments (50%)

You will complete 9 experiments (and 2 other assignments) during the course of the semester to better understand how your idea will work in market. The deliverable for each experiment is a 2 page write-up of hypothesis tested, methodology employed, data/results, and conclusions generated as a result. This assignment will be done individually, or in teams, as indicated by the week. Grades will be weighted by peer feedback assessments to be completed at end of semester.

Final Presentation (20%)

The final deliverable will be a viable product/service/social venture that has been road-tested by the course methodology. You will deliver a final presentation to external investors as if you were seeking funding for market implementation. Individual grades will be weighted by peer feedback assessments. Grades will be weighted by peer feedback assessments to be completed at end of semester.

Board & Team Assessment (10%)

After the final presentations, in your role as a virtual board member, you will write a 2-page memo with your assessment of progress to date, future challenges and recommendations. You will also write a 2-page memo with an assessment for your own team's project. This will be due on December 17.

Syllabus

September 5: Introduction to Social Entrepreneurship in Practice

Pre-Class Preparation

- Come with ideas! Social problems you want to address, areas that you feel are ripe for innovation, ideas for programs/products/organizations that you've interacted with throughout your time at UMD. While you may have a particular solution in mind, in this course we'll encourage you to dig deep into the problem first and then test different solutions.
- Readings (to be read before class):
 - "The Meaning of Social Entrepreneurship", Dees, 1998 (on canvas)
 - ["Creating Social Value Creation"](#), Philip Auerwald, SSIR, Spring 2009
 - [The Power of Unreasonable People](#), Chapter 3, Identifying Market Opportunities (in [coursepack](#))

September 12: Theory and Process of Change

Pre-Class Preparation

- Readings
 - ["The Power of Theories of Change"](#), Paul Brest, Stanford Social Innovation Review, Spring 2010
 - [The Power of Unreasonable People](#), Chapters 1-2, Business Models and Financial Resources (in coursepack)
 - Team Handbook (skim this – this is a resource for your team)

September 19: Stakeholder Discovery I

Pre-Class Preparation

- Readings:
 - [The Stakeholder Engagement Manual](#), Volume 1 (10-14, 34-47,77-81)
 - Fixes column: [Social Change's Age of Enlightenment](#)

Deliverables (due at class time; upload to Canvas)

- Team Contract (one per team)

September 26: Stakeholder Discovery II

Pre-Class Preparation

- Readings:
 - [The Lean Startup](#), Part 1, chapters 1-2

Deliverables (due at class time; upload to Canvas)

- Turn in design brief (one per team)
- Experiment 1: Talk to 2 stakeholder representatives (per team) to test your hypotheses. What did you learn? (2 pages per interviews)

October 3: Stakeholder Analysis & Competitive Landscape

Pre-Class Preparation

- Readings:
 - Fixes column: [Fighting Bullying with Babies](#)

Deliverables (due at class time; upload to Canvas)

- Experiment 2: Schedule and conduct 6 interviews (per team) to better understand the problem you would like to solve. What do communities/customers say their problems/needs are? How

do they solve this problem(s) today? Does your value proposition solve it? How? Do you need to adjust your approach and in what way? (1-2 page write-up per interview, include interview script). Interview in pairs.

October 10: Minimum Viable Products and Solution Building

Pre-Class Preparation

- The Startup Owners's Manual p. 98-125
- Readings: The Lean Startup, Part 1, chapters 3-4

Deliverables (due at class time; upload Experiment 3 to Canvas)

- Experiment 3: Meet with a competitor addressing the problem in a different way or in a different community (2 per team). Document what is unique about their approach. What is working best and where are the opportunities for improvement? How are you different? 2 page write-up per interview.

October 17: Inclusive Business Model Canvas I

Pre-Class Preparation

- Readings:
 - The Lean Startup, Part 2, chapters 5-6

Deliverables (due at class time; upload to Canvas)

- Experiment 4: MVP Proposal with budget and timeline (Team)
- Keep in mind - The draft of your prototype is due in class on Oct. 24. Show it to one person before class and document their reaction.

October 24: Testing the prototype

Pre-Class Preparation

- Readings:
 - The Lean Startup, Part 2, chapter 7-8

Deliverables (due at class time; upload Experiment to Canvas)

- Experiment 5: Prototype (document reaction from one person with 2 page write-up). This is an individual write-up.
- Bring prototype to class and prepare for your mid-term board meeting.

October 31: Engines of Growth in the SocEnt World

Pre-Class Preparation

- Readings:
 - "[Ten Nonprofit Funding Models](#)", SSIR, Spring 2009
 - "[For Love or Lucre](#)", Jim Fruchterman, SSIR, Spring 2011
 - The Lean Startup, Part 3, chapters 9-10

Deliverables (due at class time; upload to Canvas)

- Experiment 6: 'Pivot' or 'Persevere'? – Round 1 (2 page write-up, one per team)

November 7: Scaling and Metrics

Pre-Class Preparation

- The Lean Startup, Part 3, chapters 11-12

- Fixes column: [When Microcredit Won't Do](#)
- Blog posts: [Paul Graham](#), [HBR](#)

Deliverables (due at class time; upload to Canvas)

- Experiment 7: Test willingness to pay for your social solution with 10 customers (2 page write-up, one per team)

November 14: Scalability and Partnerships

Pre-Class Preparation

- Readings:
 - ["The networked nonprofit"](#), Jane Skillern-Wei & Marciano, SSIR, 2008
 - Fixes column: [A Plan to Make Homelessness History](#)

Deliverables (due at class time; upload to Canvas)

- Experiment 8, MVP 2.0: Follow the template in "MVP Ingredients and Analysis" (2-page write-up, one per team)

November 21 Cost Structures and Legal (Entity) Considerations

Pre-Class Preparation

- Readings:
 - "A Social Entrepreneur's Quandary: Nonprofit or For-Profit?"
 - Case Reading on investor scenario

Deliverables (due at class time; upload to Canvas)

- Experiment 9, MVP 3.0: Follow the template in "MVP Ingredients and Analysis" (2-page write-up, one per team)

December 5: Pitching and Investing

Pre-Class Preparation

- Over the Thanksgiving Holiday, watch webinar on creating an investor pitch.
- Be prepared for an investor pitch with a one-page financial model to circulate

December 12: Final Presentations and Wrap-Up

Deliverables (due at class time; upload to Canvas)

- Prepare a packet to present to the investor panel
- Final Presentation and Final Prototype Due

Finals Week:

Deliverables (due December 17 via Canvas)

- 4-page Board Memo & Team Assessment (individual assignment)