

Guideline for Social Entrepreneurs



GUIDELINE

The project **“Start it UP, Keep it UP”** is an innovative project focused on the promotion of social entrepreneurship. This project touches one of the comparing unknown fields in the youth sector and the new concept for Europe – social entrepreneurship, emphasizing the innovative feature - the creation of social start-up incubators. This project is oriented to the solution of social problems of communities in Europe, where young people can bring a change through a social-oriented Start-Ups, by equipping youth organizations with necessary capacity in order to provide young people with consulting and training on social entrepreneurship. This will not only solve different social problems in Europe but also make young people become the main actors of change. The project will inspire and provide young people with knowledge and resources in order to bring a change to their community.

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GUIDELINE for Social Entrepreneurship



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A) SOCIAL ENTREPRENEURSHIP

💡 Entrepreneurial And Social Way Of Thinking

a) Entrepreneurial thinking skills refer to the ability to identify marketplace opportunities and discover the most appropriate ways and time to capitalize on them. Sometimes, it is simply referred to as the ability to find and pursue the problem-solution fits. Entrepreneurial thinking is the ability to see things differently than the rest of the world, but it is not necessarily an inherent trait and can be easily developed or improved. It is more like a state of mind that opens your eyes to new learning opportunities and helps you grow in your role. Now that we are well aware that entrepreneurial thinking skills are not innate and can be learned, you will find the following tips helpful in your efforts to improve them:

b) Be passionate about your work. We all know that passion is the ultimate key to career success as well as contentment. So if you still spend half of your day at work fantasizing about how you'd rather be working elsewhere, it's time to consider pivoting your career.

c) Try to be a risk-taker. Almost all business owners are aware of the phrase 'high risk, high reward'. What sets an employee with entrepreneurial thinking apart from the average ones is his appetite for risk. Nobody ever said it's easy to put all you have at stake, but it does pay off!

d) Last but not the least; dream big! Never limit your dreams because the most important aspect of entrepreneurial thinking skills is the boundlessness that is required. Throughout our lives, we are all conditioned to be practical and realistic. The one thing that has the tendency to set you apart is your ability to dream big and think different. That's where entrepreneurial thinking begins!

e) Social thinking or Thinking socially refers to a process; we all go through our mind as we try to make sense of our own and others' thoughts, feelings, and intentions in context, whether we are co-existing, actively interacting, or figuring out what is happening from a distance (e.g., media, literature, etc.). Our ability to think socially is part of social-emotional learning that begins at birth and evolves across our lifetime. Also, social thinking is said to be the process of interpreting information to better understand and respond to another person's experience. By understanding the thoughts, actions, emotions, beliefs, intentions, and knowledge of another person, individuals are better able to engage and share space with them. A person's social skills and development have a considerable effect on relationships and workplace/school success as it affects a person's; self-awareness and self-regulation, social skills, critical thinking, play skills, social problem solving, perspective taking, organization skills, ability to learn and work in groups, reading comprehension and written expression.



Social Entrepreneur Mindset

A social entrepreneur is a person who pursues novel applications that have the potential to solve community-based problems. These individuals are willing to take on the risk and effort to create positive changes in society through their initiatives. Social innovation often comes from the application of knowledge to a societal problem. What social entrepreneurs know, their experience and expertise are highly relevant for their effectiveness. Whereas other people may look at the problem from the outside, social entrepreneurs try to understand problems intimately, usually from within, through personal experience, direct observation or field research. Due to the relevance of their expertise for the development of specific solutions, they propose novel contributions that increase their chances of having a strong impact.

Problem Identifying and Defining the target group

Social entrepreneurs create innovative solutions to address important and neglected societal problems, mobilizing the ideas, capacities, resources and social arrangements required for sustainable social transformations. For this reason, we present the “problem tree” tool that provides a framework for analysing the causes and effects of a chosen problem. It promotes the understanding of the anatomy of the societal problem through the identification of its causes and effects and the causal links between them. The chosen problem – which we will call the “core problem” - is organized as a tree that has roots and branches - causes and effects.

Why use the problem tree?

Entrepreneurs should always try to tackle the root causes of problems rather than their symptoms or effects. The problem tree tool helps represent reality and to focus the process of analysis: the problem is understood in its entirety but is also broken down into its different components. The problem tree facilitates not only the discussion and clarification of the causes and effects of problems but also the understanding of why a specific problem persists and has not yet been solved by society. This tool also allows social entrepreneurs to:

- Establish what additional information or evidence is needed to proceed with the development of an effective solution;
- Understand the challenges they may face in the development of the solution, for example, the level of the resources required or relevant partnerships;
- Find domains of intervention that best fit with the team’s competencies and where it is easier to leverage resources.



How to develop the problem tree?

a) Choose the core problem

The purpose of this first step is to discuss and agree on the main problem to be analyzed and tackled. Defining a problem is not the simple task that one might assume it to be – what at first seems to be a central problem is often merely a symptom or effect of a deeper problem, so it is important to collect, compare and discuss different points of view throughout the definition process.

b) List all the problems

The central problem in this step, the causes of the problem are developed sequentially. First, the direct causes of the problem are identified, followed by the underlying causes of those direct causes, and so on, until the roots of the core problem become clear. The key mechanism to build the problem tree is to ask “why?” After doing the “why?” exercise two or three times, social entrepreneurs are usually close to the root causes.

c) List all the effects caused by the core problem

Aware that some causes can simultaneously be effects. This happens when we are in the presence of vicious cycles. For instance, stress causes sleep disturbances, which, in turn, cause more stress. Or childhood obesity leads to a decrease in physical exercise, which then reinforces obesity.

d) Organize causes and effects in a tree format

WHAT IS THE TARGET GROUP?

A target market is a group of customers within a business's serviceable available market at which a business aims its marketing efforts and resources. A target market is a subset of the total market for a product or service. Target marketing goes against the grain of mass marketing. It involves identifying and selecting specific segments for special attention. Given the current state of the economy, having a well-defined target market is more important than ever. No one can afford to target everyone. Small businesses can effectively compete with large companies by targeting a niche market. Targeting a specific market does not mean that you are excluding people who do not fit your criteria. Rather, target marketing allows you to focus your marketing dollars and brand message on a specific market that is more likely to buy from you than other markets.

How to find target group?

With a clearly defined target audience, it is much easier to determine where and how to market your company. Here are some tips to help you define your target market.

a) Look at your current customer base.

Who are your current customers, and why do they buy from you? Look for common characteristics and interests. Which ones bring in the most business? It is very likely that other people like them could also benefit from your product/service. Upselling: dig deeper into your customer base.

b) Check out your competition.

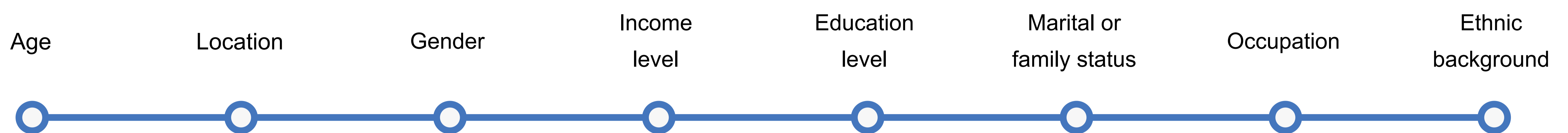
Who are your competitors targeting? Who are their current customers? Don't go after the same market. You may find a niche market that they are overlooking. Dig deeper: In praise of niche marketing.

c) Analyze your product/service.

Write out a list of each feature of your product or service. Next to each feature, list the benefits it provides (and the benefits of those benefits).

d) Choose specific demographics to target.

Figure out not only who has a need for your product or service, but also who is most likely to buy it. Think about the following factors:



e) Evaluate your decision.

Once you have decided on a target market, be sure to consider these questions:

- Are there enough people who fit my criteria?
- Will my target really benefit from my product/service? Will they see a need for it?
- Do I understand what drives my target to make decisions?
- Can they afford my product/service?
- Can I reach them with my message? Are they easily accessible?

Customer Segment Hypothesis

Once you have made a hypothesis regarding your customer segment and value proposition, you need to gather insight to validate your hypothesis by designing questions or experiments to take to potential customers.

If you are designing questions, it is important to avoid questions that will influence the customer's response. In other words, avoid leading questions or questions that ask for an opinion. For example, you would NOT want to say, "Would you pay for X?" Rather ask, "When was the last time you paid for X?"

The second question is far less subjective and leading. Remember that you are not trying to get recognition for your idea. Rather you are trying to gain a deeper understanding of your customer segment by collecting evidence.

This evidence will then determine if your hypothesis is correct or if you need to pivot. You can ask your questions either in person, face to face, or even over the phone. However, while you can use questions to validate and test your value proposition, the best tests involve actual experiments with a call to action to see how a customer will actually respond to your value proposition.



For example, you could use a fake three-page website. The first page is a long form sales page that lists everything the customer needs to know to buy your product. The second page collects the buyer payment information. Finally, the last page says something like “out of stock” and “check back later”.

Experiments like that closely mimic what you want the customer segment to do will provide the best evidence that you are on track.

Identify potential customer segments that (might) have the problem you defined. To do this, a team needs to imagine several types of people who they think would use the product/service and map them out.

(<https://steveblank.com/2011/04/04/the-leanlaunch-pad-at-stanford-%E2%80%93-class-4-customer-hypotheses/>)

A good tool to use is customer personas (<https://blog.alexa.com/10-buyer-persona-examples-help-create/>). It involves mapping out a perfect person who would be your customer so you can use them as targets in the next step – experimentation.

Experimenting (Piloting)

Bold piloting helps change the way things are done

Experimental approaches break up broad-based and complex challenges into smaller wholes suitable for piloting. At the same time, they help grassroots experimenting to reform the whole society. One of the cornerstones in finding new ways of doing things is then to generate a predisposition to an experimental culture.

Trials and smaller experiments serve to generate innovative solutions that can improve services, accelerate deregulation, cut red tape, revamp decision-making procedures and foster job creation and entrepreneurship.

Piloting helps forge new forms of cooperation between the public and private sectors alongside civil society. An agile and innovative society is not born in a void – we need to find a way of working together on all fronts.

What is experimenting and piloting?

Policy trials and pilots invariably have an objective that is tested on a limited group of people and in a given context, it has a clear beginning and the end, and it generates new information that can be used in other decision-making contexts. Experimenting makes it possible to anticipate and test the usefulness of the measures before they are introduced into broader use. If a new way of doing something fails to work in the pilot stage that in itself is a result.

A good pilot serves its purpose well by, for example, improving services and bringing cost savings.

(Here is a cool tool you can use for experimentation - <https://www.youtube.com/watch?v=F-5lyj9A1MU>)

Experimenting provides many entrepreneurs with the value of feedback, as it tells them what the customers are thinking. The problem is, a lot of those same entrepreneurs aren't sure or aren't interested in what else they can do with said feedback at that point. That's a tremendous waste of a powerful resource. Here are 4 things startup owners can do with consumer feedback:

- It can be used as testimonials
- Feedback can be a motivational tool
- It can be used to better develop products and services
- It can help identify how the brand is viewed



Value Proposition

The value proposition describes how the offer that is proposed to the target audience differs from the dominant solution(s) available (assuming that such solutions exist) and explains why the target audience may prefer it to these other options. A value proposition thus defines what the impact venture intends to provide for the customer's life and well-being, taking into account what they truly value. We will go through a set of steps that enable the transition from the problem tree to the value proposition.

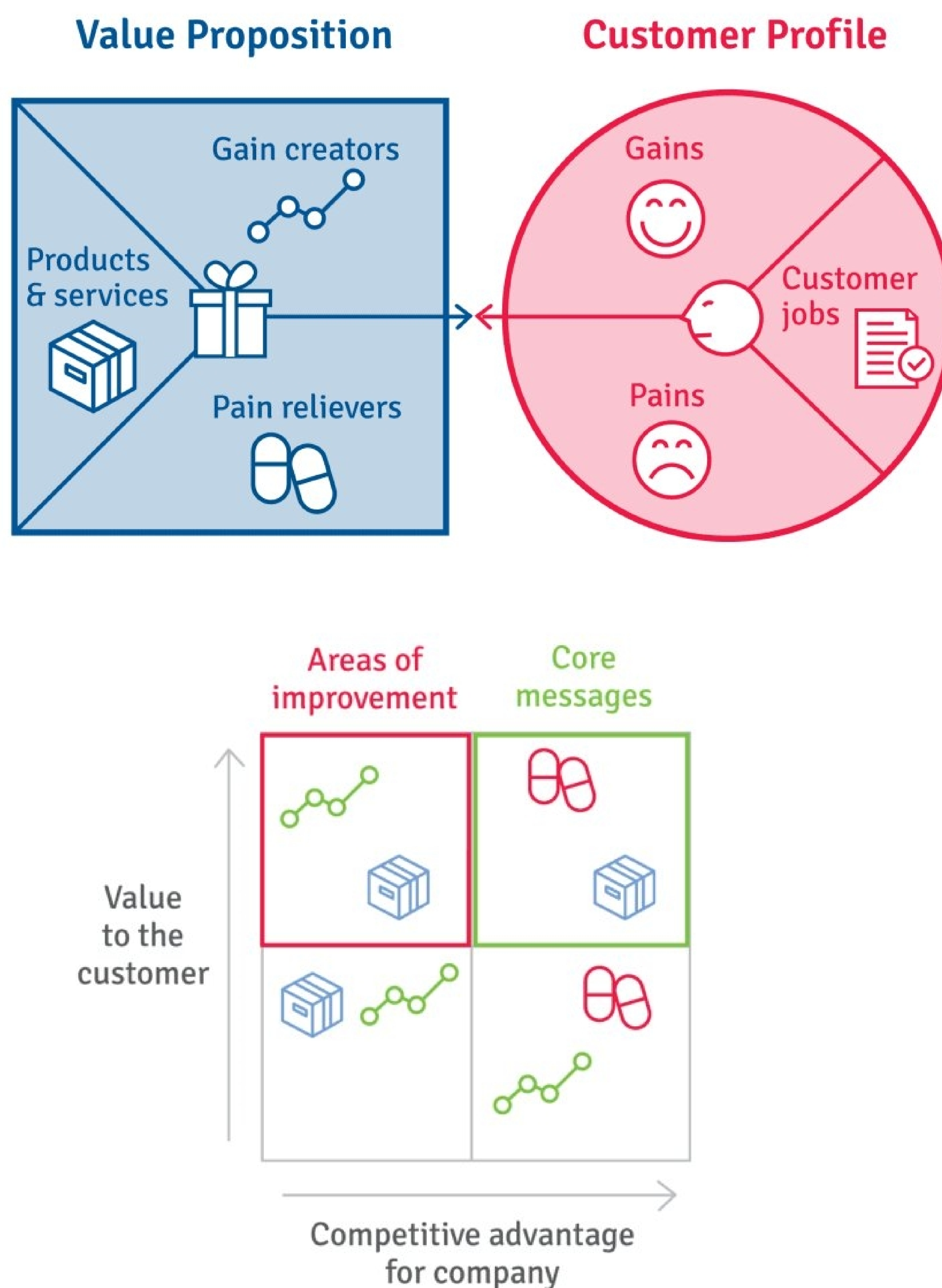
How to develop the value proposition?

The process presented in this chapter is organized in 3 steps:

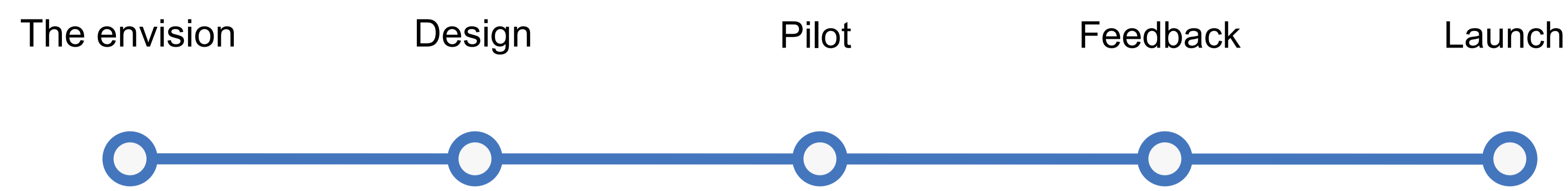
- Compare with the dominant solution
- Value Differentiation
- Define core elements of the value proposition

You can get more detailed information from following link:

<https://www.b2binternational.com/research/methods/faq/what-is-the-value-proposition-canvas/>



The practice of social entrepreneurship is a constructive process that can be divided into five main phases:



The “envision” phase is related to the social entrepreneur and the team, what drives them, what kind of societal problems they seek to solve, and the better world they want to create. The “design” stage that follows is essential to developing. Design thinking is attracting practitioners and researchers in various walks of life. User integration principle as part of design thinking is expected to transform product and service creation and delivery. Accordingly, various organisations that venture into design thinking develop customized solutions and serve the needs of the people. Social enterprises, which are familiar for their superior social value creation, have also claimed to embark up on this innovative approach to address wicked problems. The current article makes an attempt to analyse various social and organisational processes that promote social enterprises to adopt design thinking in order to create products, which are relevant and viable among user groups. The article finds that by adopting design thinking, social enterprises portray their product innovation genre, thereby represent their fashion in addressing wicked problems more effectively. Not for profits are increasingly focusing on offering services designed to deliver outcomes and impact. Impact is an interesting term that considers the way a program or an intervention influences the beneficiaries “whole of life” experience. The impact may be described as:

- Positive change
- Difference or benefit
- Contribution to well-being
- Influence on future

At the end of the impact framework you should be:

- Understand the process of measuring and analyzing the impact
- Apply the theory of change
- Find the most adequate indicators to measure change





Sustainable Business Model

How can you start and maintain a sustainable business model?

a) Plan out your resource usage

- Make a list of the raw materials you'll need. Depending on the type of business you want to start, this list will vary dramatically. SaaS companies, for example, won't require the raw resources that a clothing brand will.
- Think about where your materials might be sourced. Who is making or harvesting them? How are they being sold?
- Consider where they are coming from and how they are being transported. How far do they have to travel to arrive to your home or warehouse? How can you cut down on fuel miles? What are the riskiest resources on your list, and how can you increase their productivity while also lessening your dependence on them?

b) Consider alternative forms of company ownership

The traditional top-down business model can create unreasonable wage gaps between those at the highest rungs at the ladder (the CEO, other C-level executives, founders, managers) and those at the lowest (the laborers tasked with creating raw materials or carrying out the manufacturing processes). Including everyone in your sustainability goals can help keep your business on track and give those who are normally disadvantaged a larger say.

c) Engage your customers.

Your dedication to sustainability may result in higher prices for your consumers, and that's OK. Let your customers know why they're paying more for your products in a compelling blog post, series of posts or dedicated brand story page.



B) MENTORING SOCIAL ENTREPRENEURS



What is Mentoring?

Mentoring is one of the fastest ways to get results. It accelerates your personal and business growth so that you can get results faster. Mentoring synthesizes the lessons learned by others, condensing knowledge into useful insights. When done right, mentoring provides a structure that you can follow and mentoring gives you a systematic process that you can use now and overtime for consistent results. For social entrepreneurs, it can be particularly tricky to pick the right mentor, one that understands your unique needs. Mentoring social entrepreneurs can focus on four areas: Personal Growth, Social Impact, Business Growth, and Leadership. It takes all four elements to succeed as a social entrepreneur.

What mentees need to expect from mentor?

A business mentor normally has extensive business experience or is knowledgeable in a particular business area, such as finance or marketing. A mentor will act as a trusted confidant to their mentee over a flexible period of time. If you are thinking of finding a business mentor, you should be clear on what you can and cannot expect from them.

Your mentor will:

- Offer an outside perspective on both you and your business
- Listen, confidentially, to the things that are worrying you about your business
- Help you by sharing their own experience of both failure and success
- Give friendly, unbiased support
- Provide honest and constructive feedback
- Be a sounding board for ideas
- Help you with your decision making by suggesting alternatives based on personal experience
- Provide contacts and networks to further your personal and business development
- Provide ongoing support and encouragement



How should be the mentoring process?

a) Initial Meeting

- Explain the purpose of the mentoring relationship;
- The format of the meetings and how these will work;
- What you will commit to and your role;
- What is expected from mentees and their role.



b) Mentor Sessions

- Review experience;
- Identify objectives;
- Provide feedback;
- Identify strengths and achievements;
- Identify areas of development;
- Explore options;
- Coaching on specific areas if required;
- Discuss professional issues;
- Agree support needs;
- Set targets for future actions;
- Create opportunities for mentees to gain experience.

c) Moving On

- Identifying when the relationship reaches a natural end
- Review and sign off objectives
- Helping the mentee to identify the next steps (possibly a different mentor)
- Self-reflection and review on the effectiveness of the relationship by both parties

d) Mentoring Social Entrepreneurs for Personal Growth

Social entrepreneurship starts with the social entrepreneur. The best leaders know themselves the best. And personal growth starts with self-awareness. I have several tools to help you to become more self-aware. True confession, I have struggled with this one myself, so I have a lot of practice at getting better at this. Personal growth might also include self-management, our ability to manage our emotions and behaviors; social awareness, our impact on others; and relationship management, the foundation of success in any initiative. Personal growth might also include learning new skills or gaining new confidence.

e) Mentoring Social Entrepreneurs for Impact

Just as any business has to niche their market, social entrepreneurs must niche their impact. While the UN Sustainable Development Goals are a great framework for thinking about development, not many social enterprises can “wipe out global poverty.” A lack of focus on specific, achievable impact goals can dilute your effectiveness. Sometimes social entrepreneurs need mentoring to help them focus on one specific impact area and plan how to get there.

Mentoring Social Entrepreneurs for Business Growth

Here's the thing social entrepreneurs don't often say out loud to others: If I'm worried about money, I can't focus on my mission. I know we don't always like talking about money, but the truth is, we need the dollars to make a difference. A social business is, in the end, a business. Businesses survive and thrive from sustainable, profitable growth. Social businesses have a social impact only when we sustain the business, create profit and grow. Obviously, some nonprofits are doing well. And yet, they must grow a sustainable source of funding to create an impact. So, in a sense, money and mission are never totally detached.

Mentoring Social Entrepreneurs for Leadership

If you hope to scale your impact, and therefore your business, at some point you have to multiply your efforts by leading others. Communicating, coaching, creating the culture and other key skills begin to take priority over your technical know-how. You must learn how to attract, recruit, grow, manage, motivate and lead others. I often see this as a bottleneck to growth for startups, moving from a team of cofounders to a team of teams.

