



Objective:
A Minimum Viable (MVP) Social Enterprise that will delight and engage your community.

Tools, Tips, Tactics, Checklists, Strategies, and Four Essential Elements

Social Enterprise Success - FOUR MOST IMPORTANT THINGS...

- 1) **Community Partners** – Complete, consistent, sensitive engagement with local community partners from day one.
- 2) **Sustainability Plan** – Start with a clear financial sustainability plan for the first two years and beyond.
- 3) **Mentors** – One or more qualified, matched, experienced Mentors to constantly advise the founding team who should seriously consider their advice and act on it.
- 4) **A Catalyst** – An individual with the proven experience, leadership skills, and persistence to manage all the various elements required to make the Social Enterprise a success.

Why Do You Need Community Partners?

- To be sure your idea/design/enterprise is really needed or wanted. You must find simple, quick, effective ways to test this.
- To help you build your “What If?” criteria list.
- To help with execution.
- To help with constant improvement.
- It’s better to be part of the community than “someone from the outside”. Don’t be someone just thrusting new ideas on people.
- To help you learn more about what has been tried in the past. What worked? What failed? Why?
- To determine if your social enterprise is too complicated. How can it be simplified? Simple is always better.
- To help you focus on an a Minimum Viable “Product” (MVP) type social enterprise. Don’t try to do too much with your initial launch.
- To learn more about any competing social enterprises.
- To create a community “board of advisors”.
- As a test of your leadership abilities. Can you identify potential candidates, recruit, and lead a community advisory board?
- To Identify a local team to take over the Social Enterprise when your founding team decides to move on.
- To assist with potential future funding sources.
- To help you avoid making cultural mistakes.
- If you can’t find and recruit community partners how will you ever engage the community in your social enterprise?

Start With Community Partners And Seek Constant Engagement

- See what they think they need – Both articulated and unarticulated.
- Learn all you can about Social Enterprises from the past in the same location and the region. What worked... What didn’t. Why.
- Work with them to define a “brand”, “byline” (8 words), and visuals they can identify with. They need to feel involved.
- Be ready to make mistakes and pivot. Fail fast. Keep what works.
- Be aware of potential unintended consequences – Negative outcomes you did not consider in your design.



Start With Community Partners And Seek Constant Engagement(cont.)

- Explore the possibility of unintended positive consequences.
 - Highline in NYC – Increased property values and tax revenues.
 - Plovdiv Architecture/Design week + Cat & Mouse = Rebirth of the Kapana district in Plovdiv.
 - Need to see and analyze them when they happen.
- Work with the community to define what success looks like.
- Make sure it is measurable and set deadlines. Be specific.
- Set payouts based on deadlines and measurable deliverables.
- Be ready to stop payouts (or claw-back money) and reassess.
- Work with community to define the behavior change needed to make your social enterprise work. What will they do differently?
- Define some tests to see if the behavior change is actually possible.
- Create prototypes and test them with the community.

IMPORTANT NOTE: You can’t create a Social Enterprise in your own bubble. You must reach out and engage the community first/always.

Design For Sustainability From Day One

- Sustainability is the continued existence of the social enterprise:
 - 1) After the founding team leaves.
 - 2) After the external seed/initial funding goes away.
- Important question to ask... How will the social enterprise exist past the initial/seed funding phase and/or when the founding team moves on to their next project?
- Sustainability assumes:
 - 1) A real need in the community.
 - 2) There are no unintended negative consequences.
 - 3) The social enterprise delights people.
 - 4) The community identifies with the social enterprise – They feel it comes from them and for them. Not thrust upon them.
- Is the community ready to contribute to the social enterprise? Time, volunteers, space, money, political capital, etc...
- If the community is not ready to contribute in any way to the social enterprise then this may be a strong signal that you are building an unsustainable social enterprise that will do more harm than good.



Design For Sustainability From Day One (cont.)

- Important questions to ask yourself before starting:
 1. Do you have the personal commitment and resources (time & money) to make the enterprise work?
 2. What gets you most excited about the social enterprise?
 3. What is your plan B if your original plan does not work?
 4. How does this Social Enterprise sync with your life plan?
 5. Who are your co-founders? Do you really know them?
 6. Why do you think there is a community need for the Social enterprise? Why are you sure? How have you tested this?
 7. Do you really have the skills to make this social enterprise happen? Have you done this before? What did you Learn?
 8. What new skills will you need to acquire to guarantee the success of the social enterprise? How, when, where will you get them?
 9. What co-founders will you need to find and what skills will they need? How, when, where will they get them?
- Identify multiple possible funding sources for year 3 and beyond.
 - Include the funders on your advisory board from day one.
 - Consider virtual advisory board meetings if they can't be there in person. Use something like BaseCamp for communication.
 - If no one at any level in the targeted funding source organization will be on your advisory board (possible conflict of interests?) then ask for recommendations for other people.
- It's okay to start with a single funding source for years one and two but treat the initial funding as seed/risk capital and use it to prove the concept, show results and positive impact. Gather stories.
 - Build your social enterprise pitch deck to widen your support base.
 - Your pitch deck should inspire potential funders, the community, volunteers, and team members.
 - Highlight your "Brand" message.
 - What you believe – Why should the social enterprise exist?
 - What makes you different?
 - What you do. – Your programs, products, how you help people.
 - What you have learned – How you pivoted and improved.
 - People stories about the lives you changed.
 - Bring people from the community to the pitch or make videos.
 - Look for constructive comments from your potential future funders to help improve the social enterprise.
- Consider selling something to generate the cash needed to sustain operations.
 - Girl scout cookies, candles, coffee, greeting cards, events.
 - Be sure the product/service is consistent with your "brand"
 - An annual selling event tied to a holiday with a unique must-have.
 - What will people pay for? A pledge event... Run, walk, etc...
- Scaling your Social Enterprise
 - Don't assume that scaling (growing) your social enterprise will make it sustainable. Bigger can be worse.
 - If the numbers (costs, budgets, losses) don't work on a smaller scale you need to prove it will work on a larger scale.
 - Would it be more sustainable if you were just in more communities? Prove this in a spreadsheet first. Need proof.
- You are not being fair to the community if you do a social enterprise assuming it will end in a few years when the founding team moves on or funding runs out. A betrayal of the community.
- You must run your social enterprise like a Business from day one to assure sustainability.
- Set reasonable sustainability cost targets and design your budget around those targets. Sound the alarm if targets are missed.
- Every cost item/expenditure must serve the organizations measurable goals. (People, equipment, materials, etc...)
- Borrow, rent, repurpose where reasonable. Ask the community for help where needed. They will feel more a part of the enterprise.



Social Enterprise Mentors Are Essential

Fact: The two top reasons Social Enterprises fail is because:

- 1) Lack of real qualified/matched Mentors who are ready to engage with the Social Enterprise founders.
 - 2) The Social Enterprise founders do not listen to their Mentors. They need to ask the right questions and probe for ways to implement the advice in a measured way.
- Focus on finding the right Mentors from the start of the enterprise.
 - Engage the mentors at every step. Listen. Learn. Ask Questions.
 - Create a "Mentor Job Description". What do you need?
 - Seven step mentor interaction template:
 - 1) Review detailed priorities, ToDos, responsibilities (you or the mentor) for items to be completed for this mentoring session. If things were not completed then need to identify why not and if this represents a breakdown of some type. Fix things fast.
 - 2) Tell the mentor about your most pressing problem(s) – What is keeping you awake at night. How can they help?
 - 3) Listen to the mentors thoughts, ideas, questions. TAKE NOTES!
 - 4) Open the session up for the mentor to ask you questions.
 - 5) Set priorities, responsibilities (you or the mentor), and rough due dates based on the discussion.
 - 6) Set a meeting date, time, place for the next mentor session.
 - 7) In writing - Set specific detailed priorities, ToDos, responsibilities (you or the mentor) for items to be completed before the next mentoring session. Be specific. Ask more questions if needed.
 - No matter what the Mentor says, the founders must make the final decisions. They must "own" the Social Enterprise. Not the Mentor.
 - The founders must consider and weigh mentor advice but the final decision must be theirs. They will live or die by their decisions.
 - Look for ways to separate complicated advice into smaller testable parts with measurable outcomes. Smaller tasks & short deadlines.
 - Note: The Mentor can't be your Catalyst. (see next section)
 - How to find Mentors and Advisory Board Members
 - LinkedIn, Business associate networks, Other Social Enterprises founders, University or professional networks/associations.
 - Funders, Retired Executives.
 - Relentless Networking. Attend industry events/meetings.
 - Don't settle on the first potential mentors you find... Get a big list and identify best candidates. Then rank them.
 - Be specific with what you expect from your mentor.
 - Time required, meetings, type of advice, your needs.
 - What will the mentor get out of this? Why should they do it?

The Right Catalyst Can Guarantee Success – No Catalyst = Risk

- Catalyst Definition– A person that makes things happen. A changemaker. A doer. Has confidence. Ability to lead others.
- Catalyst Job Description Elements - Ability to listen, ability to execute, ruthless persistence.
- Catalysts Checklist – You are a Catalyst if:
 - ❑ This is not your first time in this role – You must have run a similar organization before in some way. Even as part of a team.
 - ❑ This is not a learning adventure – Too much is at stake. If the Catalyst collapses the organization collapses.
 - ❑ There are times in your past where you solved and managed through similar situations. Even if you failed. Failure is okay.
 - ❑ You can build an effective team and lead them. They follow you. There is debate but when a decision is made the team follows.
 - ❑ You can assemble a qualified Advisory Board.
 - ❑ You can engage community members. The respect you.
 - ❑ You have a strong passion for the mission. Not a blind passion,
 - ❑ You have the ability to professionally, personally and financially persevere through a potentially rough two years of the social enterprise startup.
- Two catalysts may not be a positive thing for the organization.
- Only one true leader needed. If you have two catalysts, one should be in day-to-day management. The other on the advisory board.



Social Enterprise Development Phase 0 – Pre-Startup

- ❑ Build a project contact list... Emails, phone numbers, addresses. Team members, mentors, advisors, community members.
- ❑ Clear understanding of what each person on the team “owns”.
- ❑ Avoid reinventing components that are already available somewhere. Focus on your enterprises real value ad.
- ❑ Clear written agreements with all stakeholders signed.
- ❑ Create a Plan B. Just in case your original plan does not work.

Social Enterprise Development Phase 1 – Enterprise Startup

- ❑ Plan for if/when deadlines are missed. What’s next?
- ❑ Be ready to change by your A, B, and C priorities. Community needs, unexpected costs, unexpected resource surprises.
- ❑ Assign a Community Manager - A designated manager as the primary community interface. All community members will funnel comments through the community manager.
- ❑ Sound the alarm if deadlines/deliverables are missed for any reason.

Social Enterprise Development Phase 2 – Active Enterprise

- ❑ Be ready with extensive on-the-ground resources. All hands on deck! This is about execution and getting community feedback.
- ❑ Be ready to change your A, B, and C priorities. Maybe add a few of the “B” items back in if there is time and budget available.
- ❑ Look for feedback from your mentors & advisory board members.
- ❑ Watch for assumptions not proving out and unintended positive and negative consequences. These may signal opportunities.

Social Enterprise Development Phase 2 – Active Enterprise

WARNING CHECKLIST!

- ❑ Missed deadlines and/or partial (incomplete) deliverables.
- ❑ Specification creep – Adding things to the product/service design.
- ❑ Silence – Lack of communication from community, advisors, and/or mentors. Feedback is essential. Indicates true engagement.
- ❑ Enterprise breakdowns (problems) not being addresses.
- ❑ Lack of task ownership... Excuses instead of action and results.
- ❑ Community members who do not provide details for their experiences. The more detail the better. Shows engagement.
- ❑ Key assumptions not working. Example: a tool or resource does not do what is expected or a key team member goes to another project.
- ❑ Team members not using a project management/communication system. Must use something like BaseCamp. Email just does not work.

Social Enterprise Development Phase 3 – Assessment

- ❑ Plan for if/when deadlines are missed. What did you learn?
- ❑ Create a post next version roadmap. Determine next delivery date, specification, team, and budget. Always improve the enterprise.
- ❑ Be ready for comments from users. Listen!
- ❑ Mend fences. Review budget/actual expenses.
- ❑ Launching/running an enterprise can be intense. Rebuild team.
- ❑ What were project surprises? Lessons learned? Unexpected events?



What is a product or service specification, and how do you create one? It's all in the details.

- Created from your prototypes. Put all details in one document.
- A good specification takes time and testing. Use pictures.
- Work out all the details in the product/service specification to make things clear for your team and users.
- Include all possible options. Be specific. Think it through.
- The more time you take on the specification the more time you will save during the expensive launch/operating phase.
- Can be as simple as an MS Word Document or created on something like MockPlus. Even pencil and paper can work.

HOW TO DEVELOP A PRODUCT/SERVICE ROADMAP

1. Keep it in 30 day chunks. (Maybe even two week chunks.)
2. Must be user needs driven...Not technology or “big idea” driven.
3. A collection of A, B, and C priority features/functions/benefits. Be sure at least one “exciting” feature is in each release.
4. Get tight firm time/cost estimates for each feature item.
5. Be sure to budget for maintenance and cleanup.
6. Layout each release on a timeline with features/functions for each delivery. Be sure everyone on the team signs off on the roadmap.
7. Start development of the next release version as soon as each version is delivered.