

SOCIAL ENTREPRENEURSHIP

International MBA IMBA-EN SEP-2024 S-ENT

Area Entrepreneurship

Number of sessions: 15

Term: Concentrations

Category: regular

Language: English

Professor: **RACHIDA JUSTO**

E-mail: rjusto@faculty.ie.edu

Associate Professor of Entrepreneurship

Director fo the Impact Bridge-IE Chair of Social Entrepreneurship & Impact Investing

Dr. Rachida Justo is Associate Professor of Entrepreneurship at IE University and head of the IB-IE Chair of Social Entrepreneurship and Impact Investing.

In teaching entrepreneurship at several academic levels (Executive, Graduate, Undergraduate and PhD), Rachida brings the results of her research to the classroom. In particular, she tries to prompt students to think more expansively about their role as entrepreneurs and as managers, and to develop an awareness of the power of entrepreneurship to create sustainable and social value. Rachida's research focuses on social entrepreneurship and impact investing has been published in leading international journals, as well as in several books and book chapters. She has also received several awards such as the U.S. Association of Small Businesses Social Entrepreneurship SIG Award for Excellence in Scholarship and the "Outstanding Award for Best Doctoral Dissertation" from the Universidad Autónoma de Madrid.

Rachida sits at several boards and has served as Academic Director for the BBVA-Momentum, a Social Business Accelerator operating in 5 countries including Mexico, Colombia, US, Spain and Peru. She also served as a policy advisor for the European Commission, as well as heading the Entrepreneurship Department.

Office Hours

Office hours will be on request. Please contact at:

rjusto@faculty.ie.edu

SUBJECT DESCRIPTION

Social Entrepreneurship is a rapidly changing business field that examines the practice of identifying, starting and growing successful mission-driven for profit and nonprofit ventures, organizations that strive to advance social change through innovative solutions. The Social Entrepreneurship & Impact Investing elective aims to assist would-be social entrepreneurs in developing innovative, sustainable and scalable organizations that deliver measurable social value. Students interested in working for social enterprises, for CSR departments of for-profit corporations, impact funds, innovative non-profits or for family offices can also follow this course. The overall purpose of the course is to enable students to consider social value creation as a career compass and/or gain a valuable expertise to work in the growing social innovation/impact investing ecosystem.

The course is designed to prompt students to be critical, pragmatic, and inspired thinkers about key issues involving social entrepreneurship, socially driven business decisions, and the complexities of financing social change. To do so, we will look at the field of social innovation as a mindset and as a practice.

Social entrepreneurship & Impact investing as a mindset:

To foster this mindset, we will incorporate principles of ethics, social innovation and human centered design thinking as a set of methods to cultivate our empathy and deep understanding of social problems. In order fully understand the genesis and evolution of social entrepreneurship and impact investing, we will also need to study the historical and ideological origins of the phenomenon, and related areas of corporate social responsibility, socially responsible investing, social finance, strategic/venture philanthropy, sustainable development, including microfinance and the government's role in creating systems that support social and economic development. Moreover, recent advancements in the field of innovation for social change is reviewed, with a focus on base of the pyramid strategies, scaling opportunities, and cross-sector alliances.

Social entrepreneurship & Impact investing a practice:

The course will not only provide practical tools about how to start, grow and invest in a social enterprise. It will also train students to evaluate projects for social entrepreneurial organizations, including for-profit social businesses and innovative non-profits. It will address social planning along the stages of entrepreneurial discovery, social impact measurement, and innovative investment. While not a technical course, students will be exposed to basic skills and strategies for impact investing such as the ability to source, screen and structure socially driven investment deals. Most importantly, students develop a critically refined view of the concept of "impact", how to measure it, and how to choose the right organizational form and financing vehicle for the targeted problem ensuring it is appropriate to the local context. Through case discussion, hands-on work with real social entrepreneurs, "action learning" workshops, coaching sessions, and peer group feedback, special emphasis will be put on introducing the students to the mechanics of developing and growing a mission-oriented organization and the critical instruments needed to achieving sustainable social and/or environmental impact and financial sustainability.

LEARNING OBJECTIVES

Students should gain understanding of several critical aspects of social entrepreneurship such as the following:

- Opportunity identification & innovation: social entrepreneurs are change agents. What innovative insights do entrepreneurs bring to identify an opportunity to create change?
- Value creation and impact: what type of new (and shared) value is created by social enterprises and how? What are the conceptual tools that allow to measure and assess the impact and effectiveness of a social enterprise?
- Financing social impact: what options do social entrepreneurs have at their disposal to finance social ventures? What are the implications of each of these options? How are the fields of impact investing, social impact bonds, social innovation evolving?
- Scaling social impact: What are the most appropriate options for scaling effecting social enterprise?
- Sustainability: how can we build sustainable social enterprises- financially, organizationally and in terms of continuity of the venture?

TEACHING METHODOLOGY

IE University teaching method is defined by its collaborative, active, and applied nature. Students actively participate in the whole process to build their knowledge and sharpen their skills. Professor's main role is to lead and guide students to achieve the learning objectives of the course. This is done by engaging in a diverse range of teaching techniques and different types of learning activities such as the following:

Learning Activity	Weighting
Lectures	20.0 %
Discussions	20.0 %
Group work	30.0 %
Individual studying	30.0 %
TOTAL	100.0 %

AI POLICY

Generative artificial intelligence (GenAI) tools may be used in this course for proofreading, grammar check, and image generation with appropriate acknowledgement. GenAI may not be used for the rest of the components of assignments, group submissions, and exams.

If a student is found to have used AI-generated content inappropriately, it will be considered academic misconduct, and the student might fail the respective assignment or the course.

If you are in doubt as to whether you are using GenAI tools appropriately in this course, I encourage you to discuss your situation with me.

Below, a suggested format to acknowledge the use of generative AI tools. Please note that acknowledging AI will not impact your grade.

"I acknowledge the use of [AI systems link] to [specify how you used generative AI]. The prompts used include [list of prompts]. The output of these prompts was used to [explain how you used the outputs in your work]"

PROGRAM

SESSION 1 (LIVE IN-PERSON)

Sustainability Topics:

- Environment
- Social Challenge
- Economic Development

HARNESSING THE POWER OF ENTREPRENEURSHIP & TECHNOLOGY FOR A SUSTAINABLE FUTURE

Growth and innovation powered by digital technologies continue to be the key driver of value creation for companies, but many entrepreneurs also look for a broader vision for their businesses that creates impact for society and drives sustainable, long-term growth. A purpose driven organization can have a stronger, more sustainable business model than a traditional one. Profit with Purpose is becoming the new norm. Starting from presenting current approaches to the purpose economy and definitions of social entrepreneurship, the first two sessions aim at creating a common language among students. During this session, participants will also experience how purpose driven entrepreneurship and digital technologies can reinforce each other and help and build a unique and sustainable vision for their companies.

Article: Clifford, Catherine (2013). For Social Entrepreneurs What Comes First: Business or Mission? (entrepreneur.com)

Come prepared to discuss: your definition of social entrepreneurship, an example of social entrepreneurship you find compelling and to what extent social entrepreneurship innovation might fit within your personal and professional goals.

SESSIONS 2 - 3 (LIVE IN-PERSON)

Sustainability Topics:

- Social Challenge
- Economic Development

CRAFTING THE APPROPRIATE BUSINESS MODEL

Through a few illustrative examples of social enterprises working in Developing countries, this session will provide the opportunity to apply tools for business model innovation and business model change to the realm of social value creation. It will help students evaluate the diversity of business models available and pros and cons of each option.

SESSION 4 (LIVE IN-PERSON)

Sustainability Topics:

- Social Challenge

BUSINESS MODEL & FINANCIAL SUSTAINABILITY

Recent trends in the social sector point towards earned income strategies as an effective way to diversify revenue sources, to create steady streams of unrestricted funding and hence to build a sustainable organization. While this strategy offers several benefits it also encloses some challenges that, if not addressed properly, can lead to mission drift. This session will aim to uncover

some of the advantages and challenges to which most social entrepreneurs pursuing an earned income strategy are confronted, and hints to some ways of addressing them.

1. Watch a short video on the app Yuka <https://www.youtube.com/watch?v=rVXQslf3XyA>

As you'll quickly understand, Yuka is an app that gives you a score on products that have been processed based on their nutritional value (food), the presence or not of dangerous additives (food/cosmetics), and the organic nature of the product (food).

2. Download the app <https://yuka.io/en/> and try it on at least 3 products (both foods & cosmetics/care which are products like shampoo, toothpaste, face cream, etc.) next time you go grocery shopping.

3. Report your impressions & comments in the Miro frames created for this purpose.

Other / Complementary Documentation: Yuka App (yuka.io)

SESSION 5 (LIVE IN-PERSON)

Sustainability Topics:

- Governance
- Social Challenge
- Economic Development

SOCIAL ENTERPRISES DISRUPTING THE SYSTEM

Practical Case : Moda re-: A Quest to re-Store Sustainability and re-Imagine Fashion (ENT010297-U-ENG-HTM)

SESSION 6 (LIVE IN-PERSON)

Sustainability Topics:

- Governance
- Social Challenge
- Economic Development

COACHING SESSION ON FINAL PROJECTS

Details about this session will be provided in class

SESSION 7 (LIVE IN-PERSON)

Sustainability Topics:

- Social Challenge
- Economic Development

Through the analysis of this popular Spanish social organization, the session analyses the process that social entrepreneurs go through in order to increase positive social impact.

Practical Case : Solidarity Entrepreneurship and Employment Launchers. Case (A) Peridis and the birth of the LEES (ENT010061-A-ENG-WOD)

Article: Jeffrey L. Bradach (2003). Going to scale: the challenge of replicating social programs (ssir.org)

SESSION 8 (LIVE IN-PERSON)

Sustainability Topics:

- Governance
- Social Challenge
- Economic Development

Keynote Speaker

Details will be provided in class

SESSIONS 9 - 10 (LIVE IN-PERSON)

Sustainability Topics:

- Social Challenge

CRACKING THE CODE OF IMPACT MEASUREMENT

The feasibility and desirability of setting up a standard measuring system for social value creation is discussed in this session both as a forecast before launching a social enterprise to attract potential impact investors and other stakeholders and as an approach to formalize internal mechanisms aimed at avoiding mission drift and making people responsible for the correct use of resources. Based on several practical examples, students will learn to assess and propose different practices involved in monitoring and evaluating social performance with a focus on the logic model framework, SROI and the Impact Management Project.

Article: Matthew Forti (2012). Six Theory of Change Pitfalls to Avoid (ssir.org)

Practical Case: Mobile School: Bringing Out the Wisdom of the Street (A and B) (TCC 812-037-1)

Practical Case: Mobile School: Bringing Out the Wisdom of the Street (C) (TCC 812-037-1)

Questions for case preparation:

1. Do you think Arnoud is an entrepreneur? And a social entrepreneur?
2. What were some of the most important challenges in developing his organization?

SESSION 11 (LIVE IN-PERSON)

IMPACT INVESTING & FINANCIAL INNOVATIONS FOR SOCIAL CHANGE

This session will allow students to get a broad understanding of the different financing options that exist for social businesses as well as allow them to look at the issue of impact investment from the investor's standpoint.

It will allow students to get a broad understanding of the different financing options that exist for social businesses as well as allow them to look at the issue of impact investment from the investor's standpoint.

SESSION 12 (LIVE IN-PERSON)

Sustainability Topics:

- Environment
- Governance
- Social Challenge
- Economic Development

UNDERSTANDING THE PROMISES AND LIMITS OF SOCIAL IMPACT BONDS

Video to be watched and discussed in class

SESSION 13 (LIVE IN-PERSON)

SOCIAL INTRAPRENEURSHIP; HOW CAN ESTABLISHED ORGANIZATIONS CREATE A LASTING IMPACT

Details will be provided in class

SESSION 14 (LIVE IN-PERSON)

SOCIAL INTRAPRENEURSHIP: HOW CAN ESTABLISHED ORGANIZATIONS CREATE A LASTING IMPACT

WORKSHOP AND KEYNOTE SPEAKER FROM THE SOCIAL IMPACT ECOSYSTEM

SESSION 15 (LIVE IN-PERSON)

FINAL PRESENTATIONS

Details will be provided in advance

EVALUATION CRITERIA

Your accomplishments during the course will be evaluated as follows:

criteria	percentage	Learning Objectives	Comments
Class Participation	30 %		
Intermediary exam	20 %		
Final group report	40 %		
Final report presentation	10 %		

FAILING GRADE AND REASSESSMENT

Intermediary Exam: Reflection Paper

Students will work on a reflection paper. Details will be provided in class

Final Group Report:

As part of the final deliverable and exam, students will have to prepare and present in groups of around 5-6 students a "FINAL REPORT", also called "the Social Enterprise Project". This project is a group exercise and is highly centered on experiential learning, where students will have the possibility to choose among the three options: **Consult, Advocate and Build**

a) Consult: Working a "consulting report" for a social entrepreneur: Students can be given the opportunity to design and engage in a "pro bono consulting project" for a real social organization. Early in the course, students will have the opportunity to choose from a selection of social enterprises or propose one of their choices. Once students have expressed their preferences for client projects, and depending on availability and fit, each team is assigned to one of the selected projects. Starting from then teams will collaborate (remotely if the social enterprise is outside Madrid -via e-mail, telephone, and/or online conferencing) with their "clients" to shape a viable consulting project addressing a specific area of organizational need. Teams are expected to undertake careful preparation so as to ensure a productive exchange with the social entrepreneurs (e.g., identifying necessary stakeholder interviews, developing preliminary questionnaire that will serve as a basis for the interview, identifying information to be requested to the client for research, etc.).

b) Advocate: Students can also decide to write a business case on a real social enterprise, acting as a "professor of the day" and advocating for social entrepreneurship among their peers. From our perspective, a "good" business case is one that could be used in IE University for teaching a social entrepreneurship course, included in a social entrepreneurship textbook and/or published in an academic case journal. Specific guidelines will be provided by the professor, but in a nutshell, writing a case requires careful problem framing, application of concepts and frameworks discussed in class and critical thinking.

c) Build: students can choose to work on a feasibility report for a social enterprise they want to launch

FAILING GRADE

When students receive a Fail in a course, they have the opportunity to present themselves for reassessment in order to earn the necessary credits toward graduation.

The reassessment of students should be scheduled between 5 and 10 working days after the review session takes place.

Grades for the reassessment are limited to a Low Pass and Fail.

Both, the initial Fail as well as the grade of the reassessment remain on the transcript. For the purpose of calculating the GPA however, only the grade of the reassessment is to be considered. Students receiving a failing grade in the reassessment of a course will not be able to continue in the program.

BEHAVIOR RULES

Please, check the University's Code of Conduct [here](#). The Program Director may provide further indications.

ATTENDANCE POLICY

Please, check the University's Attendance Policy [here](#). The Program Director may provide further indications.

ETHICAL POLICY

Please, check the University's Ethics Code [here](#). The Program Director may provide further indications.

UNIVERSITY