

Department of Management

MGNT 6020E

Selected Topics in Management: Social Entrepreneurship and Impact Investment
(2016 Fall)

(Draft, August)

Period & Location: Thursday 6:45 pm - 9:45 pm, MBA Town Centre

Instructors: Prof Kevin Au & Ms Elsie Tsui

Office Hour: By appointment (e-mail)

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Background & Objectives

Combining innovative mind-sets with the application of entrepreneurial principles, mission-driven ventures can bring social, environmental as well as economic benefits to society. Social entrepreneurship requires visionary entrepreneurs to think out of the box and create new business opportunities. Venture philanthropy and impact investing provide not only the resources to support such efforts, but also impact-driven accountability and results-orientated approaches. This course will teach essential knowledge and tools as well as hands-on skills, so that students can facilitate a real-life social venture partner to address challenges, capture potential opportunities and obtain support from the eco-system to ensure sustainability of the business. Featuring industry leaders as guest speakers during the lectures, the students will learn from both academic and outstanding practitioners of the fields. Students will form teams to work with a chosen social venture partner (“SVP”) in a consulting capacity, and deliver a business presentation on behalf of their social venture partner.

Upon successful completion of this course, students are expected to:

- Understand the current landscape of the social enterprise and venture philanthropy industries.
- Have learned the ability to conduct analysis of critical business issues of a social enterprise and conduct due diligence.
- Apply design thinking frameworks and tools to develop new business opportunities and offerings with positive social or environmental impact.

- Be able to write and present a professional business analysis proposal. This includes a credible proposal for fund raising, and an articulate presentation to practitioners.
- Have acquired hands-on knowledge and practical skills in the areas of management consulting, impact investing and social innovation through their project work.
- Have gained an understanding on a broader eco-system of the social enterprise sector, including key players such as businesses, venture philanthropists, NGOs and government agencies.

This course shall benefit particularly students interested to become a social entrepreneur, or work for social enterprises and impact investing organizations. In general, it shall inform students to innovatively pursue new opportunities and make impact in the social, environment, and poverty-relieving arenas.

Learning Approach – What will you need to do for this course?

The course is a practicum in which the students will learn some new skills as well as combine them with the existing body of knowledge and then apply it into consulting a social venture. We encourage the students to turn the learning into making an entrepreneurial choice for a venture, in order to create both business and social impacts.

The course will use lecture, readings, case analysis and discussion, and a project to accomplish these objectives. The best team, as decided by a judging panel and fellow students, will win a substantial grant for their social venture partner. Guest speakers and lectures are to be organized to augment classroom learning and the project. Tutorials will be incorporated into the course sessions to help ensure that team project work proceeds smoothly.

Students are expected to complete reading assignments and cases by the date noted on the syllabus. They will be assigned review and discussion questions as well as cases, videos, and skill exercises. Some of these assignments can be completed individually, while most of them will involve teamwork. Students are expected to contribute equally in the group work.

At the end of the course, the student teams will present their business plan proposals for the social venture partners on 17 November. The social venture partner of the student team with the best plan will be awarded with HKD 250,000 to implement the ideas.

Social venture partners

Students would choose to work with the social venture partners of their choice from a list of four or more partner organizations short-listed by the university. A basic due diligence report should be completed by each individual student of their selected social enterprise partner within three weeks from the beginning of course. Students should not choose a potential partner that they have a substantive relationship, for example, as the founders or as advisors. See the list of SVPs at the back.

Course Requirements & Assessment Details

Class attendance	5%
Class participation	15%
Pre-course, mid-course and final course surveys	5%
Individual social venture partner assessment report	15%
Social venture critical issue analysis (in-class exercise)	5%
Team business plan proposal	15%
Team business plan pitch presentation	15%
Fine-tuned implementation plan for the winning team/ revised business proposals for other teams	10%
Team peer review	10% (5% mid-course peer review; 5% final peer review)
Feedback on individual contributions to team work from social venture partners	5%
Total:	100%

Class Participation and Exercises

This is an action-based learning course and students are expected to apply their skills and knowledge through practical problem solving, working with real social businesses to help them address and solve critical challenges such as management and funding. There will be groups and individual exercises, then students will also be graded on their class participation, individual participation in team-work, and the quality of the team deliverables such as presentation and report.

Major References

Ridley-Duff, R., & Bull, M. (2016). *Understanding social enterprise: Theory and Practice* (2nd ed). London: Sage.

Kayser, O. & Budinich, V. (2015). *Scaling up: Business solutions to social problems. A practical guide for social and corporate entrepreneurs*. Hampshire, UK: Palgrave Macmillan.

Kubr, M. (2005). *Management Consulting: A Guide to the Profession*. Geneva: International Labour Office.

Nicholls, A., Paton, R., & Emerson, J. (2015). *Social Finance*. Oxford: Oxford University Press.

Osterwalder, A., & Pigneur, Y. (2013). *Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers*.

Social Enterprises in Hong Kong and China

Au, K. et al. (2014). *Research Study on the Social Enterprise Sector in Hong Kong*. Policy research commissioned by the Social Enterprise Advisory Committee, Home Affairs Bureau, Hong Kong SAR Government.

Ng, S. H., Stephen Y.-L. Cheung, and B. Prakash (2010)(eds.). *Social Capital in Hong Kong—Connectivities and Social Enterprise*. Hong Kong: City University Press.

Chandra, Y., & Wong, L. (2016). *Social entrepreneurship in the Greater China: Policy and cases*. UK: Routledge. (forthcoming)

Other References

Bornstein, D. , Davis, S. (2010). *How to change the World: Social Entrepreneurs and the Power of New Ideas*. New York: Oxford University Press.

Hart, S. (2007). *Capitalism at the crossroads* (2nd ed.). NJ, Wharton School Publishing.

Liedtka, J., & Ogilvie, T. (2011). *Designing for Growth: A design thinking tool kit for managers*. NY: Columbia Business School.

Martin, R. and Osberg, S (2015) *Getting Beyond Better: How Social Entrepreneurship Works*.

Yunus, M. (2010). *Building Social Business*. New York: Public Affairs.

Course Schedule (Draft, August)

Class 1 (8 Sept 2016): Introduction

Learning Objectives: Introduction – Why social enterprise matters, examples of outstanding social enterprises, getting to know the social venture partners.

Speakers : representative from SIE fund/YFP; social venture partners

Mandatory preparation:

Porter, M. and Kramer, M. (2011) *Creating Shared Value*. Harvard Business Review.

Battilana et al (2012). In search of the hybrid ideal. *Stanford Social Innovation Review*, summer, 51-55.

Dees, J. G. (1998). The Meaning of “Social Entrepreneurship”. CASE at Duke Fuqua School of Business.

Recommended readings:

Au, K., Yuen, T., & Tam, J. (2016). Social enterprise development in Hong Kong: Legitimacy and institutional logics. In *Social entrepreneurship in the Greater China: Policy and cases*; edited by Yanto Chandra & Linda Wong. UK: Routledge. (forthcoming)

Ridley-Duff, R., & Bull, M. (2016). *Understanding social enterprise: Theory and Practice. Chapter 1*

Martin, R. L., & Osberg, S. (2007). Social Entrepreneurship: The Case for Definition. *Stanford Social Innovation Review*, (Spring).

Class 2 (15 Sept 2016): Social Entrepreneurship

Learning Objectives: Key concepts and definitions of social enterprise and social entrepreneurship. International and local landscape.

Speakers : Mark Cheng, Director, Ashoka
Antony Pang, Director, PTS Infinity

Mandatory preparation:

Au, K. with Anna Mak (2012). *Dialogue in the Dark Hong Kong: Innovator in Social Entrepreneurship*. Ivey Business School case.

Austin, J., Stevenson, H., & Wei-Skillern (2006). *Social and commercial entrepreneurship: Same, different or both?* *Entrepreneurship Theory and Practice* 30(1): 1-22. (2)

Recommended readings:

Ridley-Duff, R., & Bull, M. (2016). *Understanding social enterprise: Theory and Practice. Chapter 2*

No Class (22 Sept 2016): School Holiday

Assignments:

- Attend sessions of HK International Philanthropy and Social Enterprise week (<http://bettercities.hk>) if possible
- Watch Grossman, A. (2013) *Developing a Social Enterprise Business Plan* Harvard Business School lecture (<https://www.youtube.com/watch?v=YUP1pH9pjzQ>)
- Finished at least one indepth client meeting for preliminary survey of the business and diagnosis

Class 3 (29 Sept 2016): Social Innovation Part 1

Learning Objectives: Definition, framework and process of social innovation. Design thinking principle for social innovation.

Mandatory preparation:

Brown, T., & Wyatt, J. (2010). Design Thinking for Social Innovation. *Stanford Social Innovation Review*.

Plattner, H. (2010). *An Introduction to Design Thinking PROCESS GUIDE*. Institute of Design at Stanford.

Recommended readings/Reference:

Murray, R., Caulier-Grice, J., & Mulgan, G. (2010). *The Open Book of Social Innovation*. NESTA. (available online : <http://youngfoundation.org/wp-content/uploads/2012/10/The-Open-Book-of-Social-Innovationg.pdf>)

Class 4 (6 Oct 2016): Field Trip

Learning Objectives: First-hand experience with the beneficiaries or key stakeholders of respective social venture partners. Get inspiration for new ideas.

Class 5 (13 Oct 2016): Social Innovation Part 2 and Key Issues in Managing Social Enterprises

Learning Objectives: Develop insights and new ideas based on data collected in the field trip. Understand key issues in the management of social enterprises.

Speaker/Guest Lecturer : Antony Pang, Director, PTS Infinity

Recommended readings

Chan, K.T. [n.d]. *Social Value & social impact of social enterprises in Hong Kong*. Available at <http://www.britishcouncil.ph/sites/britishcouncil.ph/files/chan_kam_tong.pdf>.

Chan, K. T., Kuan, Y. Y., & Wang, S. T. (2011). Similarities and divergences: comparison of social enterprises in Hong Kong and Taiwan. *Social Enterprise Journal*, 7(1), 33-49.

Class 6 (20 Oct 2016): Management Consulting and Business Model Clinic

Learning Objectives: Essential tools and concepts of effective consulting; business model canvas.

Guest lecturer: Dr. Dominic Chan, Associate Director, CUHK MBA
Founder and Chief Consultant, Decisive Consulting

Recommended readings

Osterwalder, A., & Pigneur, Y. (2013). *Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers*.

Class 7 (27 Oct 2016): Scaling up, eco-system and impact measurement issues

Learning Objectives: Creating social impact using market-based solutions and non-governmental resources; overcoming obstacles to build a eco-system for scalable solutions

Guest Speakers: Terence Yuen, Executive Director, HK Institute of Social Impact

Mandatory preparation:

Au, K., & Tung, E. (2016). *Chelsea FC Soccer School (HK)*. Case and Exercise.

Nicholls, A., Paton, R., & Emerson, J. (2015). *Social Finance*. Oxford: Oxford University Press. Ch. 9 – Measuring social impact.

Kayser, O. & Budinich, V. (2015). *Scaling up: Business solutions to social problems. A practical guide for social and corporate entrepreneurs*. Ch 3 – Why focused on market-based social innovators; Ch 11 – Social entrepreneurs – size or influence?.

Recommended readings:

Chow C. (2014) *The Social and Sustainable Finance Landscape in Hong Kong: An Empirical Study on Factors that Affect the Choice of Financing Strategy*. The Handbook of Social and Sustainable Finance Routledge: London.

Class 8 (3 Nov 2016): Financing Social Businesses

Learning Objectives: The landscape of social finance; multiple funding approach for social business; its practice and obstacle

Guest speakers: Patrick Wong, CEO, 8765 Diabetes Co. Ltd., and its investors (TBC)

Mandatory preparation:

Bridges Ventures. Harvard Business School case

Bugg-Levine, Kogut, Kulatilaka (2012). A new approach to funding social enterprises. Harvard Business Review, February.

Nicholls, A., Paton, R., & Emerson, J. (2015). *Social Finance*. Oxford: Oxford University Press. Introduction: Capitalizing social impact.

Recommended readings:

Business plans and planning for social enterprises and non-profits
<http://www.socialgoodguides.com/business-plans-and-planning-for-social-enterprises-and-nonprofits-guide/>

Class 9 (10 Nov 2016): Venture Philanthropy and Impact Investing

Learning Objectives: Venture philanthropy vs traditional philanthropy; different approaches to impact investing

Guest speakers: Philo Alto, Asia Value Advisors, & Eugenia Lo, CEO, SOW (Asia) Foundation Ltd.

Mandatory preparation:

Kania, Kramer, & Russell. (2014). Strategic philanthropy for a complex world. *Stanford Social Innovation Review*, Summer, 26-33.

Nicholls, A., Paton, R., & Emerson, J. (2015). *Social Finance*. Oxford: Oxford University Press. Ch. 7 - Venture philanthropy: development, evolution and scaling around the world.

Recommended readings:

Kayser, O. & Budinich, V. (2015). *Scaling up: Business solutions to social problems. A practical guide for social and corporate entrepreneurs*. Ch 17 – The role of philanthropy

Foster et al. (2016). Making big bets for social change. *Stanford Social Innovation Review*, Winter, 26-35.

Class 10 (17 Nov 2016) : Final Presentation

- Presentations of student teams' / social venture partners' funding proposals.
- Funding committee members and students to score each funding presentation. See scoring guidelines.

Class 11 (24 Nov 2016) : Closing Dinner

List of Social Venture Partners

ATB Auto Art

<http://www.atbautoart.com/>

ATB Auto Art Ltd. focuses on upcycling crap vehicle parts into high-end household furniture and other products. Manufacturing in Hong Kong while serving South East Asia market, the company engages the mechanical workers of automobile industry to turn the waste materials into works of art . Meanwhile, the founder of ATB also hosts the upcycling workshops for young people to encourage upcycling and creativity.

Easycare (關懷易)

<http://easycare.hk/>

Easycare is a one-stop platform for families and institutions to book qualified caregivers with fair pricing and flexibility. It aims to provide an efficient and more cost-effective way to help users select and schedule care-takers for the people in need, especially the elderly.

Genie (職神)

<http://gogenieapp.com/>

GENIE is a location based mobile platform for temporary job matching. One of the missions of GENIE is to create more tailored work opportunities for the under-served, such as the elderly, single mothers, visible minorities and young people. It aims to provide the best temporary jobs for users who need experience or extra income but are hard to find jobs given their hectic and pressurized lifestyles.

iEnterprise

iEnterprise employs people with disabilities and chronic diseases. They aimed at creating an inclusive work environment with their professionals. iEnterprise contracted with Hong Kong Broadband and Hong Kong Rehabilitation Power to pilot "Hong Kong Broadband 1083" telephone inquiry service early this year, providing jobs to fifteen underprivileged people.

POLICY ON ACADEMIC HONESTY AND PLAGIARISM

The Chinese University of Hong Kong places very high importance on honesty in academic work submitted by students, and adopts a policy of *zero tolerance* on cheating and plagiarism. Any related offence will lead to disciplinary action including termination of studies at the University. Attention is drawn to University policy and regulations on honesty in academic work, and to the disciplinary guidelines and procedures applicable to breaches of such policy and regulations. Details may be found at <http://www.cuhk.edu.hk/policy/academichonesty/>.

With each assignment, students will be required to submit a signed declaration that they are aware of these policies, regulations, guidelines and procedures. In the case of group projects, all students of the same group should be asked to sign the declaration, each of whom is responsible should there be any plagiarized contents in the group project, irrespective of whether he/she has signed the declaration and whether he/she has contributed directly or indirectly to the plagiarized contents.

For assignments in the form of a computer-generated document that is principally text-based and submitted via VeriGuide, the statement, in the form of a receipt, will be issued by the system upon students' uploading of the soft copy of the assignment. Assignments without the properly signed declaration will not be graded by teachers. Only the final version of the assignment should be submitted via VeriGuide.

The submission of a piece of work, or a part of a piece of work, for more than one purpose (e.g. to satisfy the requirements in two different courses) without declaration to this effect shall be regarded as having committed undeclared multiple submission. It is common and acceptable to reuse a turn of phrase or a sentence or two from one's own work; but wholesale reuse is problematic. In any case, agreement from the course teacher(s) concerned should be obtained prior to the submission of the piece of work.