

MGMT5730

Social Entrepreneurship & Venture Philanthropy

Previous Course Code(s): FINA 5970, SBMT 6010G.
Exclusion(s): FINA 4929G

Overview

Social entrepreneurship uses business methods to address social and environmental problems, often in innovative ways. Venture philanthropy uses venture capital funding tools to promote start-up and growth of social ventures.

This course combines lectures, case studies, industry expert guest speakers and project work to involve students in social entrepreneurship and venture philanthropy with real social impact as a result. Student teams work with social enterprise partners to develop a growth plan and funding proposal for grant funding to be awarded to one of the social venture partner organizations at the end of the course. The course is multi-disciplinary and open to MBAs and other PG/UG programs.

Through the application of business principles and market-based funding practices, mission-driven businesses can bring transformational social and environmental benefits. Social entrepreneurship is catalytic by nature; requiring visionary and resourceful entrepreneurs to think out of the box and take calculated risks in creating new business practices, market norms and customer experiences. Venture philanthropy takes investment funding to a new, impact-driven level of accountability and results-orientation, with the ultimate aim of creating sustainable and scalable social ventures with confident and engaged stakeholders, who, without such funding and other support, would be deprived of developmental opportunities. Social entrepreneurship and venture philanthropy have been rapidly emerging around the world in recent years, not least in Hong Kong.

This course is targeted at students who are interested in the growing social impact business opportunities in Hong Kong and globally.

Fall 2017
(Sept 6th – Nov 29th)

Instructor: Marie Rosencrantz
Adjunct Associate Professor

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Office hours: By appointment before class
(email)

Course credits: 3

Teaching assistant: Kieran Fung
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Venue

HKUST Business School Central,
15/F, The Hong Kong Club
Building, 3A Chater Road,
Central

Website

www.nsm.hk

Materials

The course materials
include:

- Mandatory and recommended materials (readings, websites and videos)
- Case studies
- Course instructor lecture notes
- Social venture partners' presentations, websites and other materials
- Guest speakers' presentations and other materials

Benefits to students

- Meet social entrepreneurs and learn about their businesses
- Learn about venture philanthropy and expand funding networks

Goals

The objective of this course is to provide students with the opportunity to analyse and help develop innovative approaches to businesses that bring benefits to society. Students will meet practitioners in social entrepreneurship and venture philanthropy, and participate in multi-disciplinary teams that help existing social venture organizations develop plans for growth and development, and associated funding pitches to venture philanthropists.

This is a practitioner-driven experiential learning course with a student-directed venture philanthropy fund sponsored by the Yeh Family Philanthropy, from which grant funding will be awarded to one of the social ventures that the student teams work with throughout the term. The funding decision is determined by scoring from a judging panel, which includes independent experts as well as the students taking this course, during a Funding Committee Meeting organized at the end of the course when student teams pitch on behalf of their social venture partner organizations.

Expectations

This is an action-based experimental-learning course that approaches social entrepreneurship from a practical work / study and social enterprise/ venture philanthropy perspective. Students should be prepared to **apply** their skills and knowledge through practical problem solving, working with real social enterprises to help them develop growth plans and associated funding proposals. There will be no exams; instead, students will be graded on their class participation, individual due diligence reports, individual participation in team-work, and the quality of the team deliverables.

Technical skills development, such as “how to make financial projections” will not be covered during the course. Those who are already working in the social innovation space and want to further their career through this course may find that they know some of the materials already. Do not expect to be equipped with the full knowledge, skills and tools to run and/or to fund a social enterprise at the end of the course; this is a continuous learning experience. The course aims to provide an overview of the social entrepreneurship and venture philanthropy ecosystem, globally and locally for Hong Kong, illustrate the challenges and opportunities for social enterprises with case studies and guest speakers, provide practical work experience, network opportunities, and open doors for further opportunities in this field.

Format

Course lectures are delivered by the instructor as well as by industry practitioners as guest speakers. Students will request priority selection for their social venture partner organization the first week of the course, be allocated into teams by the course instructor, and then work with their social venture partners on growth plans and

- Action-based experimental learning through project work with social venture partner organizations
- Multi-disciplinary team work
- Career opportunities

Key dates fall 2017

Sept 6th

Welcome class. Introduction to social venture partner organizations for student team projects

Sept 13th

Confirmation of social venture partners and student teams

Sept 27th

Initial team funding concept presentations and individual due diligence reports due

Nov 1st

Updated team funding concept presentations due

Nov 12th

Funding proposals and presentations due

Nov 22nd

Funding Committee Meeting

Nov 29th

Closing reception or dinner

Dec 10th

Final team deliverables due

funding proposal projects in parallel with class sessions. Separate group meetings between students and the social venture partner organizations should be arranged to advance project work. Tutorials will be incorporated into the class sessions to help ensure that team project work proceeds smoothly.

At the end of the course, the funding proposal deemed to have most merit will be awarded HKD 250,000 from the student-directed venture philanthropy fund which is sponsored by the Yeh Family Philanthropy foundation. The grant should be used to grow and develop the social venture as per the plan developed in partnership with the student team. It is the social venture partner who will receive the grant, not the students, but the students may wish to continue to work with their partners to help implement their growth plan.

Funded social enterprises from previous terms will be invited to share their experiences in working successfully with previous students and in implementing their business plans proposed by the winning student teams.

The funding decision is subject to assessment by the Funding Committee on Nov 22nd. Details about the funding assessment can be found in *Appendix A*.

Following the Funding Committee Meeting, the winning student team will work with the funded social enterprise to fine-tune and further develop the funding proposal implementation plan. Other teams will continue working with their social venture partners to develop alternative funding plans. Continuous engagement is expected from all students until the end of the course.

Social venture partners

Students request priority for which social venture partner organization that they will work with during this course from a list of four or more partner organizations selected by the Yeh Family Philanthropy, which provides the grant, and the course instructor.

For fall 2017, the following four social enterprises will work with the student teams:

- **Our City Love** – Disability accessible and family friendly hotel locator service to be developed for Hong Kong market <https://hotel.ourcitylove.com>
- **Teach for Hong Kong** – A fellowship program for outstanding graduates to teach in underprivileged schools www.tfhk.org
- **Foodlink** – Brings donated meals to the needy www.foodlinkfoundation.org
- **JobDoh** – Matching job seekers with employers for short-term contracts. www.jobdoh.com

Multi-disciplinary

This business school course is also open to students from all other schools and departments at HKUST.

We accept enrollment by MBAs, other graduate programs (PGs) and selected qualified undergraduates (UGs), including but not limited to entrepreneurship, engineering, biochemistry, environmental science, environmental health and safety, global finance, marketing and China studies.

The Interdisciplinary Office has been engaged and consulted for this course.

Enrolment

- MBAs are admitted on a first-come-first-served basis up to a set quota, and typically represent a majority of class enrolment
- TLE students are also admitted on a first-come-first-served basis up to a set quota
- An enrollment quota is reserved for other PG and selected UG students.

Interested students are requested to send their CVs and a brief motivation statement, explaining why they wish to take the course and any relevant experiences, to the course TA. In case of more demand than space in the course, the course instructor would

Students *should not* request a potential social venture partner that they have an existing relationship with, e.g., as founders, advisors, interns, etc., as the purpose of this course is to partner with and learn from a social enterprise, not create one, as well as in the interest of fairness to all students.

A basic due diligence report should be completed by each individual student for their allocated social venture partner organization within three weeks from the beginning of term.

Outcomes

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

- Understand the current landscape of the social entrepreneurship and venture philanthropy industry (in Hong Kong and globally).
- Have acquired hands-on knowledge in social entrepreneurship and venture philanthropy through their project work.
- Have the ability to conduct basic due diligence of a social enterprise.
- Think out-of-the-box to develop new business opportunities, market norms and customer experiences with positive social impact.
- Have the ability to research, write and present a professional, credible and convincing social venture funding proposal, including a credible implementation plan.
- Have gained an understanding of how to work with a variety of stakeholders with different mindsets e.g. businesses, non-profits, government agencies.
- Have demonstrated the ability to work in a culturally and academically / professionally diverse team.
- Show leadership, compassion and innovative approaches to social business.

Deliverables

- **Pre-course survey** (Sept 10th): Individual
- **Team project plan** (Sept 20th) Format as selected by team
- **Due diligence report** (Sept 27th): Individual - Assess the business and revenue model of the selected social business partner organization. Word format
- **Initial team funding concept presentation** (Sept 27th) Team – Short (5 min) presentation of basic initial concept for funding pitch. Power-point format.
- **Mid-term course review** (Oct 11th): Individual – Experience review and comments on speakers. Suggestions.
- **Mid-course peer review** (Oct 11th) Individual – Experience

give students priority based on their focus of studies, relevant experiences, and / or factors to promote student diversity.

Application timeframe

July 2017

Course draft syllabus available. Pre-enrolment requests accepted

Aug 2017

Enrollment begins

Sept 11th 2017

Add/drop deadline

Teams for project work

Composition

6-8 students in each team

Expertise

Ideally from different disciplines / technical background / work experience. Ideally equal # of MBAs / team.

Language

At least one native Cantonese speaker. Ideally also at least one native English speaker.

Nationalities

Mixed teams preferred

Gender

Mixed teams preferred

review and comments on team mates

- **Updated team funding concept presentation** (Nov 1st) Team – Short (5 min) updated presentation of basic concept for funding pitch. Power-point format.
- **Funding proposal** (Nov 12th): Team – Overview of funding purpose, milestones, resource requirements (including financial projections), key performance indicators (KPIs) for social impact measurement and basic implementation plan (including required capacity building and time frame). Word format.
- **Funding presentation** (Nov 12th): Team – Pitch document based on the content of the funding proposal. Power-point format
- **Course completion review** (Nov 29th): Individual – Lessons learnt, personal / team contributions, expectations versus results.
- **Detailed implementation plan** (Dec 10th): By winning student team for the funded social venture – Further details of the changes and capacity building required to deliver the intended social impact. Time frame and critical paths. Format as selected by team
- **Alternative funding plans** (Dec 10th): Other student teams - Alternative plans for other funding opportunities for their social venture partner organizations. Format as selected by team
- **Final peer review** (Dec 10th) Individual – Experience review and comments on team mates

Detailed weekly class schedule & readings

The course instructor reserves the right to make changes to this syllabus at any time. Any updates to readings or other class preparations would be announced at least one week before each class. Changes or cancelations of guest speakers may occur without prior announcement.

Class 1

Sept 6th, 7 – 10:30 pm

Venue: HKUST Business School Central, 15/F, The Hong Kong Club Building, 3A Chater Road, Central

Introduction: Context and introduction to course social venture partner organizations

- Introduction of the course and its context. Definition of social entrepreneurship & venture philanthropy (vs. charity work and business donations) / the global poverty situation / social needs that are being unmet and could be alleviated through social entrepreneurship & venture philanthropy / examples of

Student directed venture philanthropy fund

The Yeh Family Philanthropy supports the student directed venture philanthropy fund and has committed a total of HK\$ 1.5 million to the 2013-17 social venture partner organizations selected by the Funding Committee to-date. HKD 250,000 has been granted to one social venture partner organization each semester.

The Yeh Family Philanthropy further commits another HK\$250,000 for fall 2017.

Funding Committee

The Funding Committee is composed of students of the course and independent senior professionals (votes weighted 50/50 for funding decision).

Commitment

Students will behave according to the highest level of ethics and professionalism, with demonstrable contributions to team work and pre-class preparation when required. Plagiarism is not tolerated.

The course instructor will grade each student according to his / her team and individual efforts, and team and individual deliverables, in a fair and transparent manner.

Assessment criteria

This is a standard letter graded course. Grades are

successful social businesses & venture philanthropy.

- Overview of the course and its logistics.
- Presentations by social venture partner organizations. Q&A.
- “Speed-dating” mingling session for students and social venture partner organizations after class.

Guest speakers:

Yvette Yeh Fung, Chair, the Yeh Family Philanthropy foundation
Representatives from the course social venture partner organizations
fall of 2017:

- **Our City Love**
- **Teach for Hong Kong**
- **Foodlink**
- **JobDoh**

Recommended reading:

Yvette Yeh Fung and Kenny Cheung (2017) *Partnering for Impact*
Stanford Social Innovation Review

Class 2

Sept 13th, 7 – 10/10:30pm

Venue: HKUST Business School Central, 15/F, The Hong Kong Club
Building, 3A Chater Road, Central

Social innovation, entrepreneurship & impact

- Different types of social innovation and entrepreneurship; it doesn't have to start “green-field”
- Impact: social and environmental benefits achieved in a business-like and often at least partly self-sustaining manner (i.e., not on-going grant / public funding)
- Case study: SELCO – Solar energy for India's poor
- Confirmation of student teams and social venture partners.

Guest speaker

Lawrence Lui, co-founder, Longevity Design House, winner of course grant spring of 2017, and members of the student team who worked on this project.

Mandatory preparation:

Preference for social venture partner organization to be sent to TA by Sept 8th for team allocation

Pre-course survey to be sent to course TA by Sept 10th

Signed Engagement Guidelines and Non-Disclosure Agreement to be sent to the course TA by Sept 12th.

Mandatory reading:

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

Chapters 1-3 & 5

Case study: SELCO – Solar energy for India's poor *SELCO 2009: Determining a path forward*

determined by class attendance, class and team participation and the quality of deliverables as follows:

Class attendance: 5%.

Students are not expected to miss more than 1 class during the semester as per standard MBA guidelines.

Class participation: 15%

Pre-course, mid-course and final course surveys: 5%

Individual due diligence report: 15%

Team funding concept presentations: 10% (5% initial; 5% updated)

Team funding proposal: 15%

Team funding pitch presentation: 15%

Fine-tuned implementation plan for the winning team / Alternative funding proposals for other teams: 10%

Team peer reviews: 10%

Weekly class schedule (subject to change)

Class 1 (Sept 6th):

Introduction: Context and introduction to the course and the social venture partner organizations. 7 – 1030pm

Class 2 (Sept 13th): Social innovation, entrepreneurship & impact. 7 – 10/10:30pm

Class 3 & Tutorial 1 (Sept 20th):

<http://som.yale.edu/faculty-research/our-centers-initiatives/program-social-enterprise/case-studies>

Recommended reading:

Martin, R. L., & Osberg, S. (2007). *Social entrepreneurship: The case of definition*

Elisabeth Cheung and Rachel Cheung (2017)

Articles about Longevity Design House from the South China Morning Post (2017)

Mycoskie, B. (2016) *How I did it - The founder of TOMS on reimagining the company's mission* Harvard Business Review Jan-Feb 2016

Dewolf, C. (2015) *For love and for money* The Peak Magazine

Class 3 & Tutorial 1

Sept 20th, 7 – 10/10:30pm

Venue: HKUST Business School Central, 15/F, The Hong Kong Club Building, 3A Chater Road, Central

Practical guidance for consulting work for social venture partners. Establishing a social enterprise, including practical guidance for Hong Kong.

- Guidance for consulting work & analytical frameworks
- Guidance on course deliverables (team work and individual due diligence report)
- How to practically set up a social enterprise, with a focus on social ventures in Hong Kong
- Tutorial on managing a consulting project
- Action plan for project work due.

Guest speaker

Karola Horvath, co-founder, TwoPresents, winner of course grant spring of 2015

Mandatory preparation:

Team project action plan due

Assign team leader and deputy team leader and notify course TA by Sept 19th

Mandatory reading:

Review TwoPresents' website: <https://twopresents.com>

Horvath, K., Co-Founder, TwoPresents: (2015) *Quick guide to start your own business in Hong Kong*

Kayser, O. & Budinich, V. (2015) *Scaling up: Business solutions to social problems. A practical guide for social and corporate entrepreneurs.* Chapter 11

Module on Social Change in the *Toolkit on Social Investment* developed by Mark Cheng, Ashoka, with UBS:

<https://www.ubs.com/microsites/social-investment-toolkit/en.html>

Recommended readings:

Rosencrantz, M. (2015) *Suggestions for a successful consulting project*

Practical guidance for consulting work for social venture partners. Establishing a social enterprise. Tutorial on project management. 7 – 10/10:30pm

Class 4 (Sept 27th):

Growing a social enterprise: Scaling up. Financial models. Initial team funding concept presentations. 7 – 10/10:30pm

No class Oct 4th. Instructor away. Student teams are expected to use the class time to advance their project work.

Class 5 (Oct 11th): Impact measurement & KPIs. Social business “franchises” 7 – 10/10:30pm

Class 6 & Tutorial 2 (Oct 18th): Financing and supporting social businesses. Tutorial on impact measurement as applied to course projects. 7 – 10/10:30pm.

Class 7 (Oct 25th): Venture philanthropists and impact investors. 7 – 10/10:30pm

Tutorial 3: (Nov 1st) Updated team funding proposal concept presentations. 7 – 10pm

Class 8 (Nov 8th): Bridging the business-citizen-public sector divide through hybrid value chains

(power point presentation from guest lecture for HKUST M.Sc. International Management MIMT 6200: Business Project)
Module on Scaling Strategy and Legal Structure in the Toolkit on Social Investment developed by Mark Cheng, Ashoka, for UBS:
<https://www.ubs.com/microsites/social-investment-toolkit/en.html>
Austin, J., Stevenson, H., & Wei-Skillern (2006). *Social and commercial entrepreneurship: Same, different or both?* Entrepreneurship Theory and Practice 30(1): 1-22. (2)

For guidance for developing business plans for social enterprises, you may also find the following resources helpful:
Grossman, A. (2013) *Developing a Social Enterprise Business Plan* Harvard Business School lecture (Copyright protected but available for down-load against donation, please google to find)
Social Ventures Australia and Parramatta City Council (2010) *A business planning guide for social enterprises* and a *Business plan template* along with other resources on www.socialventures.com.au
Seedco (2004) *A Toolkit for Developing a Social Purpose Business Plan* www.socialenterprisecanada.ca Toolkit – Create a business plan
www.marsdd.com Library – Business plans for social enterprises and social businesses
www.socialgoodguides.com Business plans and planning for social enterprises and non-profits
www.bplans.co.uk For examples of business plans for non-profits and social enterprises
www.bdc.ca For a more extensive entrepreneurs' start-up toolkit, including business plan template and financial model templates *for general start-ups not specific for social ventures*

Class 4

Sept 27th, 7 – 10/10:30pm

Venue: HKUST Business School Central, 15/F, The Hong Kong Club Building, 3A Chater Road, Central

Growing a social enterprise: Scaling-up. Financial models

- Scaling-up. How to overcome key challenges to reach scale for social enterprises.
- Financial models: what do investors in social enterprises look for?
- Individual due diligence reports due (max 3 pages).
- Initial team funding concept presentations due: Short (5 min) presentation of basic concept for funding pitch. Feedback from instructor and other student teams.

Guest speaker:

Mark Cheng, Director, Ashoka

Mandatory preparation:

Individual due diligent report of social venture partner organization (word format; max 3 pages)

and financing. 7 – 10/10:30pm

Funding proposal and pitch presentations due (Nov 12th)

Tutorial 4 (Nov 15th)
Individual team feedback from instructor to funding proposal and pitch. 7 – 10pm

Funding Committee Meeting (Nov 22nd): 7 – 10:30pm

Closing reception or dinner (Nov 29th) 7 – 10pm

Final team deliverables due (Dec 10th): Detailed implementation plan due from winning team.
Alternative funding options due from other teams.

Initial team funding concept presentation (power point format; recommended length: 5-10 slides). *Please decide which team member(s) will present your team's initial funding proposal in front of the class.*

Mandatory reading:

Modules on Business Model and Financial Model in the *Toolkit on Social Investment* developed by Mark Cheng, Ashoka, with UBS:
<https://www.ubs.com/microsites/social-investment-toolkit/en.html>
Review Ashoka website www.ashoka.org

Recommended readings:

Gugelev, A. & Stern, A. (2015) *What's Your Endgame?* Stanford Social Innovation Review
Trelstad, B. & Katz, R. (2011) *Mission, Margin, Mandate: Multiple Paths to Scale*. *Innovations: Technology, Governance, Globalization* 6(3): 41-53
Kayser, O. & Budinich, V. (2015) *Scaling up: Business solutions to social problems. A practical guide for social and corporate entrepreneurs*. Chapters 4, 6-7. 9-10

No class Oct 4th. Instructor away. Student teams are expected to pursue their project work during the regular class time

Class 5

Oct 11th, 7 – 10/10:30pm
Venue: HKUST Business School Central, 15/F, The Hong Kong Club Building, 3A Chater Road, Central

Impact measurement & KPIs. Social business “franchises”.

- Funders of social enterprises expect to see social impact results from their investments, just like regular investors expect financial returns. Examples of impact monitoring and evaluation (M&E) systems, including the logical framework, theory of change, and social return on investment (SROI) models.
- There is a multitude of successful social ventures that can be replicated / scaled-up; no need to “re-invent the wheel” but need to “localize” winning concepts
- Case study: Teach for All: How can Teach for America expand its successful model of education beyond the United States?
- Mid-term course and team peer reviews due

Guest speaker:

Gritt Richter, senior program officer, EMpower

Mandatory preparation:

Module on Measuring Impact in the *Toolkit on Social Investment* developed by Mark Cheng, Ashoka, with UBS:
<https://www.ubs.com/microsites/social-investment-toolkit/en.html>

Case study: Teach for All: How can Teach for America expand its successful model of education beyond the United States?

<http://som.yale.edu/faculty-research/our-centers-initiatives/program-social-enterprise/case-studies>

Review Empower's website: <http://empowerweb.org>

Guidance on impact measurement is included in many of the business plan resources referenced under that guidance heading (please see class 3, above). You may also find the following resources helpful:

Venture Philanthropy Practices in Asia: A Guide to Effective Impact Assessment, 2016, AVPN www.avpn.asia

Theory of change guidance

https://en.wikipedia.org/wiki/Theory_of_change

and <http://diytoolkit.org> Tools – Theory of Change (Worksheets also available in Chinese)

HKSEC 2012 *Guidelines for Social Impact Assessment*

SROI guides and templates: As uploaded on canvas and as found on:

<http://socialvalueuk.org/what-is-sroi>

Overview of tools and resources for assessing social impact:

<http://trasi.foundationcenter.org/>

McKinsey portal for social impact assessment:

<http://mckinseysociety.com/social-impact-assessment/>

Overview of impact investment measurement methodologies:

<https://iris.thegiin.org/guidance>

Class 6 & Tutorial 2

Oct 18th, 7 – 10/10:30pm

Venue: HKUST Business School Central, 15/F, The Hong Kong Club Building, 3A Chater Road, Central

Financing and supporting social businesses

- Social ventures can be financed through various sources, depending on stage of development, focus of activities and geography. Overview of potential funding sources and how social entrepreneurs can access these.
- Case study: Micro-finance. The Grameen Bank and other models to provide access to finance for the BoP
- Tutorial 2: Impact measurement as applied to course team projects.

Guest speakers:

Demetrius Yuen, co-founder, SOWAsia

Elsie Lee, Opportunity International

Mandatory reading:

Kayser, O. & Budinich, V. (2015) *Scaling up: Business solutions to social problems. A practical guide for social and corporate entrepreneurs*. Chapter 8.

Review SOWAsia's website: www.sowasia.org

Review Opportunity International's website <http://opportunity.org>

Recommended readings:

Nelson, J. And Jenkins, B. (2006). *Investing in Social Innovation: Harnessing the Potential of Partnership between Corporations and Social Entrepreneurs* Working Paper No. 20 Corporate Social Responsibility Initiative, J. F. Kennedy School of Government Harvard University.

Balco L., Mortell, D. And Oostlander, P. (2010) *Establishing a Venture Philanthropy Fund in Europe* European Venture Philanthropy Association ("EVPA")

Social Ventures Hong Kong (2011) *Money for Good: Global trends and Local Potentials in Engaged Giving and Social Investing* River Star Foundation

Kayser, O. & Budinich, V. (2015) *Scaling up: Business solutions to social problems. A practical guide for social and corporate entrepreneurs.* Chapters 9-10.

Class 7

Oct 25th, 7 – 10/10:30 pm

Venue: HKUST Business School Central, 15/F, The Hong Kong Club Building, 3A Chater Road, Central

Venture philanthropists and impact investors

- Overview and examples of the wide range of funders for social ventures, ranging from individual venture philanthropists, to foundations, to impact investors, to international development organizations; their visions and strategies, and how they allocate funding.
- Discussion / case study: How to bring existing products and services to disadvantaged populations ("Marketing for the BOP").

Guest speaker:

James Gifford, strategy, UBS impact investments

Mandatory preparation (videos):

Marketing for the BOP from Shell Foundation / Gates Foundation / Children Investment Fund Foundation / Hystra event.

<http://hystra.com/videos>

Recommended reading:

Hystra (2013) *Marketing innovative devices for the BOP*
<http://hystra.com>

Saltuk, Y., Bouri, A. and Leung, G. (2011) *Insights into the Impact Investment Market* Social Finance Research J. P. Morgan

Kayser, O. & Budinich, V. (2015) *Scaling up: Business solutions to social problems. A practical guide for social and corporate entrepreneurs.* Chapters 14-17

O'Donohoe, N., Leijonhufvud, C. And Saltuk, Y. (2010) *Impact Investments: An Emerging Asset Class* J.P. Morgan

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

Tutorial 3. Updated team funding concept presentations

Nov 1st, 7 – 10pm

Venue: HKUST Business School Central, 15/F, The Hong Kong Club Building, 3A Chater Road, Central

Updated team funding concept presentations

- Updated team funding concept presentations due: Short (5 min) presentation of basic concept for funding pitch. Feedback from instructor and other student teams.
- Tutorial 3: Teams will get individual feedback and advice on their updated funding concept presentations.

Guest speaker:

Patricia Lau, deputy head, the Hong Kong SAR government's Efficiency Unit and SIE Fund

Mandatory preparation:

Updated team funding concept presentation (power point document; recommended length: max 5 slides)

Class 8

Nov 8th, 7 – 10/10:30pm

Venue: HKUST Business School Central, 15/F, The Hong Kong Club Building, 3A Chater Road, Central

Bridging the business-citizen-public sector divide through hybrid value chains and financing

- Examples of new alliances businesses / social ventures / public sector / charities
- Hybrid value chains / creating shared value
- Case study: Sanishop – Making home toilets desirable in Cambodia
- Funding proposal and funding pitch presentation due

Guest speaker:

Aasha Pai, director, Marie Stopes International

Mandatory reading:

Case study: Sanishop – Making home toilets desirable in Cambodia
Ashoka's Hybrid Value Chain: Revving the Engine of Sustained Global Prosperity and Social Value (2012)

Recommended readings:

Kayser, O. & Budinich, V. (2015) *Scaling up: Business solutions to social problems. A practical guide for social and corporate entrepreneurs*. Chapter 12-13

Hysra (2014) *Designing the Next Generation of Sanitation Businesses*
<http://hystra.com>

The Economist (Aug 1st-7th 2015) *The \$1-a-week school* p. 7, 17-20, 43, 71.

Phills, J.A., Deiglmeier, K., & Miller, D. T. (2008). *Rediscovering social innovation* Stanford Social Innovation Review
The Economist (Aug 12th 2010) Let's hear those ideas
Social Entrepreneurs Newsletter Aug 30th 2010 *The Economist on Social Innovation and Social Entrepreneurship* Hong Kong Social Entrepreneurship Forum

Team projects due by email to instructor and on canvas by Nov 12th: Funding proposal (word document) and funding pitch presentation (power point)

Tutorial 4

Nov 15th, 7 – 10pm

Venue: HKUST Business School Central, 15/F, The Hong Kong Club Building, 3A Chater Road, Central

- Tutorial 4: Individual team feedback from course instructor. Teams to attend time allocated by instructor for individual feedback / advise

Funding Committee Meeting

Nov 22nd, 7 – 10:30 pm

Venue: HKUST Business School Central, 15/F, The Hong Kong Club Building, 3A Chater Road, Central

- Presentations of student teams' / social venture partners' funding proposals.
- Funding committee members and students to score each funding presentation from A (highly recommended) to E (not recommended). See Appendix A for further guidance.

Funding Committee Members

Sean O. Ferguson, Associate Dean of Masters Programs, Director of MBA Programs, HKUST

Wei Wei, Asia Director, UBS Optimus Foundation

Ronie Mak, Managing Director, RS Group

Additional Funding Committee member TBC

Guest speaker

Wei Wei, Asia Director, UBS Optimus Foundation

Closing reception or dinner

Nov 29th, 7 – 10pm

Venue TBC

- Celebration of winning student / social venture project.
- Sharing of project overviews and lessons learned by all student teams
- Course completion review due

Speakers:

All student teams and their social venture partner organizations

Final team deliverables due

Dec 10th (on canvas or by email to course TA)

- Detailed implementation plan due from winning student team
- Alternative funding plans due from other student teams
- Final team peer review due

Additional recommended readings:

- Porter, M. and Kramer, M. (2011) *Creating Shared Value* Harvard Business Press
- Martin, R. and Osberg, S (2015) *Getting Beyond Better: How Social Entrepreneurship Works*
- Bornstein, D. *How to Change the World: Social Entrepreneurs and the Power of New Ideas* Oxford University Press
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APPENDIX A

Funding assessment guidelines for Funding Committee Meeting

Objective

These funding assessment guidelines provide the details of the funding assessment criteria, and the content that should be included for each judging input for the participating social enterprises at the funding committee meeting.

Score scale

Each participant will be asked to score five distinct criteria for each social business partner organization that student teams have worked with during the course, with the following scale of up to 100 points each (Table 1). Specific scores should be given for each criterion. The final score of each social enterprise will be readjusted to 100%.

Clarification: If a score belongs to Highly Recommended, either one of the 85, 90, 95 or 100 scores should be given. Participants should not put something out of the scale intervals, for example, 21, 57, 83 or 89.

Table 1

Grade	Category	Score
A	Highly Recommended	85 90 95 100
B	Recommended	65 70 75 80
C	Average	45 50 55 60
D	Below Average	25 30 35 40
E	Not Recommended	0 5 10 15 20

Score sheet

Each participant is given a score sheet with the five assessment criteria set out in Table 2.

Table 2

Criteria	%	Description
Concept	20%	The proposed business or project concept addresses a local, national, regional

Date: Nov 22nd

Participants

All students attending the course are entitled to score – one score sheet for each social business partner organization for each student. Students will not score the organizations that their team has worked with.

There will be no more than five judges on the independent judging panel and one score sheet for each enterprise for each judge.

The course instructor will not participate in the assessment and scoring, but will ensure that it is conducted fairly and professionally.

Independent volunteer students will calculate the final score.

Funding result will be announced at the end of the funding committee meeting unless there is an issue with the scoring process.

Funding

The social enterprise with the highest aggregate score shall be entitled to grant funding of HK\$250,000.

The release of the grant will be coordinated via the finance department of HKUST.

The funded enterprise needs to comply with the university's documentary requirements for the funding to be released.

Funding is expected to be released within two months after the funding decision has been announced.

		and/or global social and/or environmental need. The concept should reflect an innovative and feasible approach to address the identified need.
Market readiness	20%	Market assessment study to reflect current and potential social / environmental needs and potential impact in the intended market for the business or project. Details on the size of opportunity, competition, risk and opportunities; pilot and scale up products and services. Regulation, tax and political assessment, etc., may also be relevant.
Team composition & human resources	20%	Demonstrate that the social enterprise team members (not the student teams) have (or have credible plans to acquire) the required skills, knowledge and expertise to perform the tasks required to deliver the business growth / development plan. Develop plans to fill any gaps through staffing plans, leveraging partnership, collaboration networks, etc.
Impact & value	20%	Qualitative and quantitative impact measures and key performance indicators ("KPIs"), with appropriate and reliable data sources, collection methods and frequency.
Sustainability	20%	The revenue model should be sustainable within a proposed timeframe. The final projected year may involve ending the business project, continuing operations at a stable growth rate, transferred ownership and control, or replicating the business in other locations.

APPENDIX B

Score sheet

Objective

This score sheet is provided to the independent judges and the students for the purpose of scoring potential grantees that are taking part in the Social Entrepreneurship & Venture Philanthropy fall 2017 course as social venture partner organisations.

The assessors will complete one score sheet for each organisation.

Score table

Criteria	Score	Notes
Concept		
Market readiness		
Team composition		
Impact & value		
Sustainability		

Name of social venture partner organisation

Name of assessor

Remarks

Note: The course instructor will decide whether there is tactical voting amongst student teams. Any team in breach would be disqualified.