

# MGMT5730

## Social Entrepreneurship & Venture Philanthropy

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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 MBA as well as inter-disciplinary, and open on a selective basis to non-MBA from 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.

**Spring 2019**  
**(Jan 30<sup>th</sup> – May 22<sup>th</sup>)**

Instructor: Marie Rosencrantz  
Adjunct Associate Professor

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Office hours: By appointment before  
class (email)

Course credits: 3

Teaching assistant: Kieran Fung  
Email: [kieran.fung@connect.ust.hk](mailto:kieran.fung@connect.ust.hk)

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### Venue

HKUST Business School  
Central, 15/F, The Hong Kong  
Club Building, 3A Chater Road,  
Central  
(Exception May 8<sup>th</sup> and 15<sup>th</sup>)

### Website

[www.nsm.hk](http://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

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

### 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. Students will also work in multi-disciplinary teams to 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 in depth 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

- Learn about venture philanthropy and expand funding networks
- Action-based experimental learning through project work with social venture partner organizations
- Multi-disciplinary team work
- Career opportunities

### Key dates spring 2019

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#### Jan 30<sup>th</sup>

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

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#### Feb 6<sup>th</sup>

No class – Chinese New Year

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#### Feb 13<sup>th</sup>

Confirmation of social venture partners and student teams

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#### Feb 27<sup>th</sup>

Team project concept presentations

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#### March 6<sup>th</sup>

Individual due diligence reports due

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#### March 27<sup>th</sup>

Team funding concept presentations due

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#### April 3<sup>rd</sup> and 17<sup>th</sup>

No classes. Team project work to continue.

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#### April 10<sup>th</sup>

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 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, in addition to the class sessions. 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 May 8<sup>th</sup>. 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 the spring 2019 course, the following four social purpose organizations will work with the student teams. *An additional partner organization may be added TBC:*

- **Bright services:** Jobs for former offenders and other disadvantaged groups [www.brightservices.org.hk](http://www.brightservices.org.hk)
- **Ednovators:** Education innovation in Hong Kong <http://ednovators.org>

Funding proposals and presentations due

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#### **May 1<sup>st</sup>**

No class. Team project work to continue.

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#### **May 8<sup>th</sup>**

Funding Committee Meeting

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#### **May 15<sup>th</sup>**

Closing reception or dinner

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#### **May 22<sup>th</sup>**

Final team deliverables due

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### **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 will be admitted on a first-to-register basis up to a set quota and will

- **Sit & Shower:** Safer washing and other devices for the elderly [www.sitnshower.com](http://www.sitnshower.com)
- **We Do Global:** Multi-cultural workshops and tours [www.wedoglobal.com](http://www.wedoglobal.com)

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 the first month of the course.

### 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. start-ups, social enterprises, 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** (Feb 1<sup>st</sup>): Individual
- **Team project plan** (Feb 19<sup>th</sup>) Format as selected by team
- **Team project concept presentation** (Feb 27<sup>th</sup>) Team – Short (5 min) presentation of the direction and areas of analysis to be completed for the project work. Power-point format.

represent a majority of class enrolment

- TLE students will be admitted on a first-to-register basis up to a set quota
- An enrollment quota is reserved for other selected PG and UG students.
- Interested non-MBA / TLE 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 give students priority based on their focus of studies, relevant experiences, and / or factors to promote student diversity.

### Application timeframe

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#### Dec 2018

Course draft syllabus available.

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#### Dec 2018 – Jan 2019

Enrollment requests from non-MBA / TLE students accepted.

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#### Jan 24<sup>th</sup> 2019

Enrollment starts

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#### Feb 4<sup>th</sup>

Add/drop deadline

- **Due diligence report** (March 6<sup>th</sup>): Individual - Assess the business and revenue model of the social venture partner organization for the team work. Word format
- **Mid-term course review** (March 13<sup>th</sup>): Individual – Experience review and comments on speakers. Suggestions.
- **Mid-course peer review** (March 13<sup>th</sup>) Individual – Experience review and comments on team mates
- **Team funding concept presentation** (March 27<sup>th</sup>) Team – Short (5 min) updated presentation of basic concept for funding pitch. Power-point format.
- **Funding proposal** (April 10<sup>th</sup>): 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. *Updates allowed / encouraged / required as per feedback from instructor and others before the Funding Committee meeting.*
- **Funding presentation** (April 10<sup>th</sup>): Team – Pitch document based on the content of the funding proposal. Power-point format. *Updates allowed / encouraged / required as per feedback from instructor and others before the Funding Committee meeting.*
- **Detailed implementation plan** (May 22<sup>nd</sup>): 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 sources** (May 22<sup>nd</sup>): Other student teams - Alternative plans for other funding opportunities for their social venture partner organizations. Format as selected by team
- **Course completion review** (May 22<sup>nd</sup>): Individual – Lessons learnt, personal / team contributions, expectations versus results.
- **Final peer review** (May 22<sup>nd</sup>) Individual – Experience review and comments on team mates

#### **Detailed weekly class schedule & readings (subject to change)**

*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.*

#### **Teams for project work**

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##### **Composition**

5-8 students in each team

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##### **Expertise**

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

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##### **Language**

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

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##### **Nationalities**

Mixed teams preferred

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##### **Gender**

Mixed teams preferred

#### **Student directed venture philanthropy fund**

The Yeh Family Philanthropy supports the student directed venture philanthropy fund and has committed a total of HK\$ 2.25 million to the 2013-18 social venture partner organizations selected by the HKUST courses' Funding Committees 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 spring 2019.

## **Class 1**

Jan 30<sup>th</sup>, 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 the course and the 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 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:**

Representative from the Yeh Family Philanthropy foundation  
Representatives from the course social venture partner organizations spring 2019:

- **Bright services:** Gloria Yuen, Senior Manager
- **Ednovators:** Tracy Chan, Executive Director
- **Sit & Shower:** Samuel Hui, Co-Founder
- **We Do Global:** Bosco Ng, Director

### **Recommended reading:**

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

***No class on Feb 6<sup>th</sup> Chinese New Year Holiday***

## **Class 2**

Feb 13<sup>th</sup>, 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
- Impact: social and environmental benefits achieved in a business-like and often at least partly self-sustaining manner
- **Case study:** SELCO – Solar energy for India’s poor
- Confirmation of student teams and social venture partners.

### **Guest speaker**

- Steven Chiu, Hong Kong Branch Manager, Active Global, winner of course grant fall 2018 semester

### **Mandatory preparation:**

## **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 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 project concept presentation: 5%

Preference for social venture partner organization to be sent to TA by Feb 1<sup>st</sup> for team allocation

Pre-course survey to be sent to course TA by Feb 1<sup>st</sup>

Signed Engagement Guidelines and Non-Disclosure Agreement to be sent to the course TA by Feb 1<sup>st</sup>.

**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* Yale School of Management

<http://vol10.cases.som.yale.edu/selco>

**Recommended reading:**

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

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

**Class 3**

Feb 20<sup>th</sup>, 7 – 10/10:30pm

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

**Practical guidance and tutorial for consulting work with social venture partners**

- Guidance for consulting work & analytical frameworks
- Guidance on course deliverables (team work and individual due diligence report)
- Tutorial on team work and managing a consulting project
- **Case study:** TwoPresents

**Guest speaker**

Karola Horvath, Co-Founder, Twopresents, winner of course grant spring 2015 semester

**Mandatory preparation:**

Team project plan due Feb 19<sup>th</sup> for instructor to review before class  
Assign team leader and deputy team leader and notify course TA by Feb 19<sup>th</sup>.

**Mandatory reading:**

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>

For case study: Review the website of TwoPresents

[www.twopresents.com](http://www.twopresents.com)

**Recommended reading:**

Team funding concept presentation: 5%

Team funding proposal: 15%

Team funding pitch presentation: 15%

Fine-tuned implementation plan for the winning team /

Alternative funding sources for other teams:

10%

Team peer reviews: 10% (5% mid-term; 5% final)

**Weekly class schedule (subject to change)**

Class 1 (Jan 30<sup>th</sup>):

Introduction: Context and introduction to the course and the social venture partner organizations. 7 – 10:30pm

*No class Feb 6<sup>th</sup> Chinese New Year holiday*

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

Class 3 (Feb 20<sup>th</sup>): Practical guidance and tutorial for consulting work with social venture partners. 7 – 10/10:30pm

Class 4 (Feb 27<sup>th</sup>): Establishing a social enterprise, including practical guidance for Hong Kong. Team project concept presentations. 7 – 10/10:30pm

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

#### **Class 4**

Feb 27<sup>th</sup>, 7 – 10/10:30pm

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

#### **Establishing a social enterprise, including practical guidance for Hong Kong. Team project concept presentations**

- How to practically set up a social enterprise, with a focus on social ventures in Hong Kong
- The social venture needs to be supported by a business plan, just like any start-up, with clear cost / revenue forecasts. Social enterprises may be supported by grants or other concessional funding, in addition to own revenues. What to include in a credible business plan.
- Team project concept presentations due: Short (5 min) presentation of project work including direction, planned areas of analysis, etc. Feedback from instructor and other student teams.
- **Case study:** Micro-finance

#### **Guest speakers**

Sujata Visaria, Board Director, Asian Migrants Credit Union  
Rochelle Le Pine and / or Jared King, Co-Founders, LenderFriend

#### **Mandatory preparation:**

Team project concept presentation (power point format; recommended length: 5-10 slides). To be sent to TA and instructor before class on Feb 27<sup>th</sup>. One printed copy to be brought to instructor in class. *Please decide which team member(s) will present your team's project concept in front of the class.*

#### **Mandatory reading:**

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 8.

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

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

#### **Recommended reading:**

Modules on Legal Basics and Structure in the *Toolkit on Social Investment* developed by Mark Cheng, Ashoka, with UBS:

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

Class 5 (March 6<sup>th</sup>): 7 – 10/10:30pm. Growing a social enterprise: Scaling up. Social business “franchises” and other models.

Class 6 (March 13<sup>th</sup>): Funding and other support for social businesses. 7 – 10/10:30pm.

Class 7 (March 20<sup>th</sup>): Impact measurement & KPIs. 7 – 10/10:30pm

Class 8 (March 27<sup>th</sup>) The spectrum of social finance. Team funding proposal concept presentations. 7 – 10/10:30pm

*No class on April 3<sup>rd</sup> MBA study tour*

Class 9 (April 10<sup>th</sup>): Hybrid value chains and financing. 7 – 10/10:30pm

Funding proposal and pitch presentations due (April 10<sup>th</sup>)

*No class on April 17<sup>th</sup> Easter holidays*

Tutorial (April 24<sup>th</sup>) Individual team feedback from instructor to funding proposal and pitch. 7 – 10/10:30pm

*No class on May 1<sup>st</sup> Labour day*



## Class 5

March 6<sup>th</sup>, 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. Social business “franchises” and other models.**

- Scaling-up. How to overcome key challenges to reach scale for social enterprises.
- There is a multitude of successful social ventures that can be replicated / scaled-up; no need to “re-invent the wheel”. Social purpose organizations can learn from successful examples and “localize” winning concepts
- **Case study:** Teach for All: How Teach for America expanded its successful model of education beyond the United States
- Individual due diligence reports due (max 3 pages)

### **Guest speaker:**

Karen Arkell, formerly with Teach for China and Teach First (UK)  
Arnold Chan, Founder and CEO, Teach4HK

### **Mandatory preparation:**

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

### **Mandatory reading:**

Module on Scaling Strategies 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 expanded its successful model of education beyond the United States. Yale School of Management

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

### **Recommended reading:**

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

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

## Class 6

March 13<sup>th</sup>, 7 – 10/10:30pm

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

Funding Committee

Meeting (May 8<sup>th</sup>):

7 – 10:30pm

Closing reception or dinner

(May 15<sup>th</sup>) 7 – 10pm

Final team deliverables due (May 22<sup>nd</sup>): Detailed implementation plan due from winning team.  
Alternative funding sources due from other teams.

### **Funding and other support for social businesses**

- Social ventures can be financed through various sources, depending on stage of development, focus of activities and geography.
- What do funders look for? Business plan and financial model tutorial by Mark Cheng, Director, Ashoka
- Individual due diligence reports due (max 3 pages).

### **Guest speaker:**

Mark Cheng, Director, Ashoka

### **Mandatory preparation:**

Modules on the 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's website [www.ashoka.org](http://www.ashoka.org)

### **Class 7**

March 20<sup>th</sup>, 7 – 10/10:30pm

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

### **Impact measurement & KPIs.**

- 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.
- Tutorial on impact measuring and KPIs for team projects
- **Case study:** Sanishop – Making home toilets desirable in Cambodia
- Mid-term course and team peer reviews due

### **Guest speaker:**

Arian Hassani, Vice President, Global Philanthropy, JPMorgan Chase

### **Mandatory reading:**

Lecture notes on impact measurement and KPIs to be reviewed before class

Case study: Sanishop – Making home toilets desirable in Cambodia

### **Recommended reading:**

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

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>

**Recommended reading with further guidance on impact measurement:**

*Venture Philanthropy Practices in Asia: A Guide to Effective Impact Assessment*, 2016, AVPN [www.avpn.asia](http://www.avpn.asia)

Theory of change guidance

[https://en.wikipedia.org/wiki/Theory\\_of\\_change](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>

**Class 8**

March 27<sup>th</sup>, 7 – 10/10:30 pm

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

**The spectrum of social finance: venture philanthropists to impact investors. Team funding proposal concept presentations.**

- Team funding proposal concept presentations due: Short (5 min) presentation of basic concept for funding pitch. Feedback from instructor and other student teams.
- 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.
- **Case study:** The Aravind Eye Hospital

**Guest speaker:**

Aasha Pai, former Director, Marie Stopes International; currently Board Director and Chair of the Programme Committee, EMpower Hong Kong

**Mandatory preparation:**

Team funding concept presentation (power point document; recommended length: 5-10 slides)

**Mandatory reading:**

*The Aravind Eye Hospital, Madurai, India: In Service for Sight* – HBR Case Study 1993; Updated 2003

**No class April 3<sup>rd</sup> MBA study tour**

**Class 9**

April 10<sup>th</sup>, 7 – 10/10:30pm

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

**Hybrid value chains and financing**

- Hybrid value chains & creating shared value

- Examples of new alliances businesses / social ventures / public sector / charities
- **Discussion:** How to bring existing products and services to disadvantaged populations (“Marketing for the BoP”).

**Guest speaker:**

TBC

**Mandatory reading:**

Hystra (2013-17) *Marketing for the BoP*; various publications & events <http://hystra.com/m4bop-1/>  
*Ashoka’s Hybrid Value Chain: Revving the Engine of Sustained Global Prosperity and Social Value* (2012)

**Recommended reading:**

Kayser, O. & Budinich, V. (2015) *Scaling up: Business solutions to social problems. A practical guide for social and corporate entrepreneurs*. Chapters 12-13  
 The Economist (Aug 1<sup>st</sup>-7<sup>th</sup> 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 12<sup>th</sup> 2010) Let’s hear those ideas  
 Social Entrepreneurs Newsletter Aug 30<sup>th</sup> 2010 *The Economist on Social Innovation and Social Entrepreneurship* Hong Kong Social Entrepreneurship Forum

**Team projects due by April 10<sup>th</sup>** (on canvas or by email to course TA)

Funding proposal (10 page word document, plus unlimited appendices) and funding pitch presentation (power point for 10 min presentation)

**No class on April 17<sup>th</sup> Easter holidays**

**Tutorial**

April 24<sup>th</sup>, 7 – 10/10:30pm  
 Venue: HKUST Business School Central, 15/F, The Hong Kong Club Building, 3A Chater Road, Central

- Tutorial: Individual team feedback from course instructor. Teams to attend time allocated by instructor for individual feedback / advise on funding proposal and pitch presentation.

**No class on May 1<sup>st</sup> Labour Day**

**Funding Committee Meeting**

May 8<sup>th</sup>, 7 – 10:30 pm  
 Venue: Hong Kong General Chamber of Commerce, 22/F United Centre, 95 Queensway, Admiralty

- Presentations of student teams' pitches for the funding proposals for their social venture partners.
- 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**

Rachel Andrews, *Senior Grant Manager Asia, Fidelity International Foundation*

Aleem Jivraj, *Chief Operating Officer, Global Markets, Asia ex-Japan; and Global Foreign Exchange & Emerging Markets, Nomura; Board Director and Programme Committee member, EMpower Hong Kong*  
 Yoohah Kang, *Executive Director, Office of Corporate Engagement, Goldman Sachs*

Anouj Mehta, *Principal Regional Cooperation Specialist and, Innovation Hub initiative, South East Asia Department, the Asian Development Bank (ADB) TBC*

### **Guest speaker**

Anouj Mehta, ADB TBC

### **Closing reception and dinner**

May 15<sup>th</sup>, 7 – 10pm

Venue: TBC

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

### **Speakers:**

All student teams and their social venture partner organizations

**Final team deliverables due by May 22<sup>nd</sup>** (on canvas or by email to course TA)

- Detailed implementation plan due from winning student team
- Alternative funding sources due from other student teams
- Final course completion and team peer review due

### **Additional recommended readings:**

- 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
- Bornstein, D. and Davis, S. *How to Social Entrepreneurship: What Everyone Needs to Know*
- Elkington, J. and Hartigan, P. (2008) *The Power of Unreasonable People: How Entrepreneurs are Changing Markets to Change the World* Harvard Business Press
- Hammond, A. (2005) *The Next Four Billion World* Resource Institute and the International Finance Corporation

- Prahalad, C. K. (2004) *The Fortune at the Bottom of the Pyramid* Prenti PA: Wharton School Publishing
- Porter, M. and Kramer, M. (2011) *Creating Shared Value* Harvard Business Press
- Muhammad Yunus *Banker to the Poor: Micro-Lending and the Battle Against World Poverty*
- Bugg-Levine, A. and Emerson, J. (2011) *Impact Investing: Transforming How We Make Money Whilst Making a Difference* John Wiley & Sons: San Francisco CA. Chapter 1, 2 and 9
- John, R. (2006) *Venture Philanthropy: The Evolution of the High Engagement Philanthropy in Europe* Oxford Said Business School
- Godeke, S. and Pomares, P. (2009) *Solutions for Impact Investors: from Strategy to Implementation* Rockefeller
- Keating, G. and Schoning, M. (2012) *Investing for Impact: How Social Entrepreneurship is Redefining the Meaning of Return* Credit Suisse
- World Economic Forum (2013) *From the Margins to the Mainstream: Assessment of the Impact Investment Sector and Opportunities to Engage Mainstream Investors* A Report by the World Economic Forum Investors Industries prepared in collaboration with Deloitte Touche Tomatsu
- *Mountains Beyond Mountains: The Quest of Dr. Paul Farmer, a Man Who Would Cure the World*

**APPENDIX A**  
**Funding assessment guidelines for Funding Committee Meeting**

**Date: May 8<sup>th</sup> 2019**

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**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 and/or global social and/or environmental need. The concept should reflect an

**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.

		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**

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**Name of assessor**

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**Remarks**

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