

Social Entrepreneurship (BUSI-2500-1 W)

Winter Semester 2018-19, M 6-8:45 // C244

Instructor: James Magnus-Johnston // jmagnus-johnston@cmu.ca in office C254

Summary:

Social entrepreneurs are motivated by a desire to make a social impact in business while recognizing the need to balance financial realities. This course examines the role of blended value or “triple bottom line” strategies in particular social, political, economic, or ecological contexts. We will explore the unique management issues confronting social business structures and critically review their impacts. In particular, we will consider examples designed to address environmental degradation and inequality. We will also consider the value of the “entrepreneurial” approach, including attitudes towards risk tolerance, experimentation, and problem-solving.

Objectives:

The course is designed to introduce students to social entrepreneurship and its potential to produce social impact. As a designated writing course, students will also be given opportunities to improve their writing practice, including the development of their written “voice” and the exploration of different genres of writing.

In terms of course content, students will be expected to understand:

- Various institutional contexts for social entrepreneurship (social, political, economic, ecological)
- Various business structures, roles, and purposes
- How to identify promising opportunities and prototype them in applied settings
- Unique legal and financial mechanisms for social entrepreneurs
- Manitoba-based social enterprises

Deadline for withdrawal without academic penalty: November 13th

Reading List

REQUIRED TEXTS

Lewis, Mike, and Conaty, Pat (2012). *The Resilience Imperative: Cooperative Transitions to a Steady-State Economy*. Gabriola, BC: New Society Publishers.

Dyck, Bruno, Caza, Arran, and Starke, Frederick (2018). *Management: Financial, Social, and Ecological Well-Being*. Winnipeg: Sapajo Publishing.

Loney, Shaun (2012). *Build Prosperity: Energizing Manitoba's Local Economy*. Winnipeg: Derksen Printing. Available at <http://buildinc.ca/wp-content/uploads/2013/11/BUILD-Prosperity-2013.pdf>

Loney, Shaun (2016). *An Army of Problem Solvers: Reconciliation and the Solutions Economy*. Winnipeg: Friesen Printing.

SUPPLEMENTARY TEXTS

A number of topical supplementary readings will be assigned. Below you will find some good books for reference.

Borzaga, C., and J. Defourny. 2001. *The Emergence of Social Enterprises*. London, England: Routledge.

Donkervoort, Marty (2013). *Inner City Renovation – How a Social Enterprise Changes Lives and Communities*. Halifax/Winnipeg: Fernwood Publishing

Eggers, W.D., and P. Macmillan. 2013. *The Solution Revolution – How Business, Government and Social Enterprises are Teaming Up to Solve Society's Toughest Problems*. Boston, Massachusetts, Harvard Business Review Press

Lynch, K. and J. Walls Jr. 2009. *Mission Inc.: The Practitioner's Guide to Social Enterprise*. San Fransico CA: Berrett-Koehler Publishers.

Quarter, J., L. Mook, and A. Armstrong. 2009. *Understanding the Social Economy: A Canadian perspective*. Toronto: University of Toronto Press.

Social Enterprise Alliance. 2010. *Succeeding at Social Enterprise*. San Francisco CA: Jossey-Bass.

Assignments and Grades

Class participation	20%
Writing/editing exercises (ongoing)	20%
Prototype/case study outline (March 11 th)	10%
Social enterprise pitch (April 1 st)	25%
Prototype/case study (April 1 st)	25%

Letter	Percentage	GPA	Descriptor
A+	90-100	4.5	Exceptional
A	80-89	4	Excellent
B+	75-79	3.5	Very Good
B	70-74	3	Good
C+	65-69	2.5	Satisfactory
C	60-64	2	Adequate
D	50-59	1	Marginal
F	0-49	0	Failure

Class participation: Your participation grades will be posted at the same time as your mid-term grade; each grade is worth 10%. You will be graded on the quality and quantity of interaction – that is, not only the volume of interaction, but the quality and thoughtfulness of your contributions. Attendance will also be factored into your participation grade.

Writing / editing exercises: At the end of each class, the instructor will pose a topic question for consideration. As homework, students will be given a writing genre example from which to model their response (excerpts ranging from the *Harvard Business Review* to *Ecological Economics* and the *Journal for*

Cleaner Production); the response will then be reviewed in peer editing sessions at the beginning of the following class.

Choose your own adventure: case study OR prototype outline: In preparation for your paper and presentation, you will present an outline of a social enterprise **case study** or **prototype idea** (select one or the other). The case study or prototype will be critically analyzed using the lean start-up canvas. Please include a short annotated bibliography which includes a concise summary of each source and a one (or two) sentence assessment of its relevance to your paper. It is therefore important to define the scope of your research (ie. a problem or question) so that you can make good judgments about what to include. Elements of this assignment will be considered in class writing/editing exercises.

Case study / prototype feasibility study (4-5 pages): Each student is invited to write an analysis of either an existing social enterprise or a feasibility study on a new social enterprise idea. Please ensure that you conduct an appraisal of the institutional (ie. social, ecological, political, economic) context for the venture and invest effort in the structure of your proposal, using the lean start-up canvas as a model.

Case study presentation / social enterprise pitch: Each group will present their study findings during the final class of this course. You will be marked on style (5 marks), clarity (5 marks), substance (10 marks), and class engagement (5 marks).

Peer-assisted learning (PAL) and tutoring. PAL is available for academic assistance in all of our programs. Please contact student advising for further details.

Policies

Handing in: Both e-mail and paper formats will be accepted for written assignments. If you submit by e-mail, watch for a reply from me within 24 hours confirming receipt of your document. If you do not receive my response, please contact me or drop into my office.

Late submissions: Late assignments are subject to a 5% per day penalty, including weekends. Extensions can be provided for extenuating circumstances. Extensions will be given for trips and involvement in sports and music activities *with advance notice*.

Final grades: Grades submitted by instructors are provisional until they have been vetted by the Dean's Council. That process occurs early in January for fall semester grades and early in May for winter semester grades.

Plagiarizing: Cases of plagiarizing are taken seriously and can result in academic penalties and disciplinary action. CMU policies regarding 'academic misconduct' can be found in the Academic Calendar, available at https://www.cmu.ca/uploaded/files/Academic_Calendar_Section_II_Academic_Policies.pdf

Accessibility: CMU strives to provide a fair and supportive learning environment for academically qualified students with unique needs. The Accessibility Services office coordinates with the Academic Office to provide academic accommodations to eligible students. If believe you are eligible for these

services or have questions about becoming eligible, please contact Sandra Loeppky, Coordinator of Accessibility Programs at sloeppky@cmu.ca or 204.487.3300 x 340.

	Topic	Reading
1 Jan 7th	Big-picture goals; definitions and examples <i>What happens when we imagine a world with wellbeing rather than growth as an organizing principle? Where can free enterprise cover government gaps in addressing social challenges? We will consider social and ecological resilience as an organizing principle for social entrepreneurship.</i>	As assigned
2 Jan 14th	Social vs. free enterprise: new approaches to business <i>In this class, we will distinguish between a "market problem" and a "market failure." Market problems can be solved in a free-market context; market failures require government policy intervention to create a regulatory environment for socio-economic change. We will also consider unique management issues in mission-driven contexts.</i>	Lewis & Conaty, Ch. 1-2 Dyck et al., Ch. 1-2
3 Jan 21st	Social well-being // Poverty vs. Inequality <i>In Winnipeg's inner-city context, social enterprises provide a response to systemic poverty. We will examine social enterprises dedicated to providing Manitoba's indigenous population with livelihood opportunities. We will also review innovations in finance that may reduce the debt burden in lieu of government-sanctioned reform.</i>	Lewis & Conaty, Ch. 3; Loney 2016, Ch. 1-3 Dyck et al: Ch 5
4 Jan 28th	Ecological well-being // Sufficiency vs. efficiency <i>"Energy efficiency" describes the best use of energy per unit of economic output; "energy sufficiency" describes an aggregate reduction in the use of energy. In order to achieve an economy within planetary boundaries, we need a mix of both. We will consider hopeful case studies from around the world.</i>	Lewis & Conaty, Ch. 5; Loney 2012, Ch. 2-3 Dyck et al, Ch. 4.
5 Feb 4th	Financial well-being // Land reform <i>Financial well-being and management is critical to achieving social and ecological objectives, including providing sustainable livelihoods. One of the single greatest ways to reduce poverty and inequality is to provide access to assets such as land and housing. Community land trusts are one innovation to reduce the cost of cooperative ownership.</i>	Lewis & Conaty, Ch. 4; Dyck et al., Ch. 3
6 Feb 11th Take-home test assigned	Food system resilience: agriculture and CLTs <i>Conflict, climate change, and politics can affect not only the price of food, but also availability and distribution. Most problematically, perhaps, our system is highly fossil-fuel dependent. Reducing the fossil-fuel intensity of our food system may create socially and ecologically resilient livelihood opportunities.</i>	Conaty & Lewis, Ch. 6; Loney 2016, Ch. 4-6
Feb 18th	READING WEEK	
7 Feb 25th Take-home test due.	Strategy, Organization, and Capital <i>How can you plan, structure, and manage an enterprise for success? Raising capital is just the first step: we'll review government, private, and community-based investment mechanisms.</i>	Lewis & Conaty, Ch 8-9 Dyck et al., Ch 8-9

- 8 Mar 4th **HR Management // Employment and reconciliation** Lewis & Conaty, Ch. 7; Loney 2016, Ch. 7-10
Dyck et al., Ch 12
In this class, we'll consider how HR strategies can be leveraged to social justice, including Indigenous reconciliation. We'll also look at employment-driven social enterprises like BUILD and Aki Energy, which also tackle climate change.
- 9 Mar 11th **Quality of life, ownership, and communication** Lewis & Conaty, Ch. 10-11;
Dyck et al., Ch. 16-17
We will examine how social enterprises have improved the quality of life for people here at home and around the world, and consider the pros and cons of collective ownership models.
- 10 Mar 18th **The development process: theory meets practice** (referenced: Farley et al, Ch. 2 + 4)
Idea-jam: selecting a case-study ENP Ch. 2; 6-7
Workshop format: please consider the applicability of your enterprise or case study in the Manitoba policy context or market. Please come to class with an idea or case study prepared to present to a partner. We will establish whether your social enterprise addresses either a "market problem" or a "market failure," and examine the development path that an enterprise follows from idea to execution. Referencing the "lean start-up" approach, we'll also consider the unique challenges that social enterprises face, including those related to social-business balance, management, staffing, and funding sources.
- 11 Mar 25th **Measuring outcomes and impact** Lewis & Conaty, Ch. 12; Loney 16, Ch 11-end
Dyck et al., Ch. 18
By measuring outcomes, you will know whether or not your social enterprise is on the right track. How can you measure the performance of your chosen social enterprise? Can it be measured in terms of monetary benefit? Jobs created? Footprint reduction? We will also examine legal and tax-related concerns that afflict social enterprises, and consider whether social enterprises are a niche-market or part of a larger shift?
- 12 April 1st **Presentations**
Each group will present their case study.