

Social Entrepreneurship for Disaster Risk Reduction

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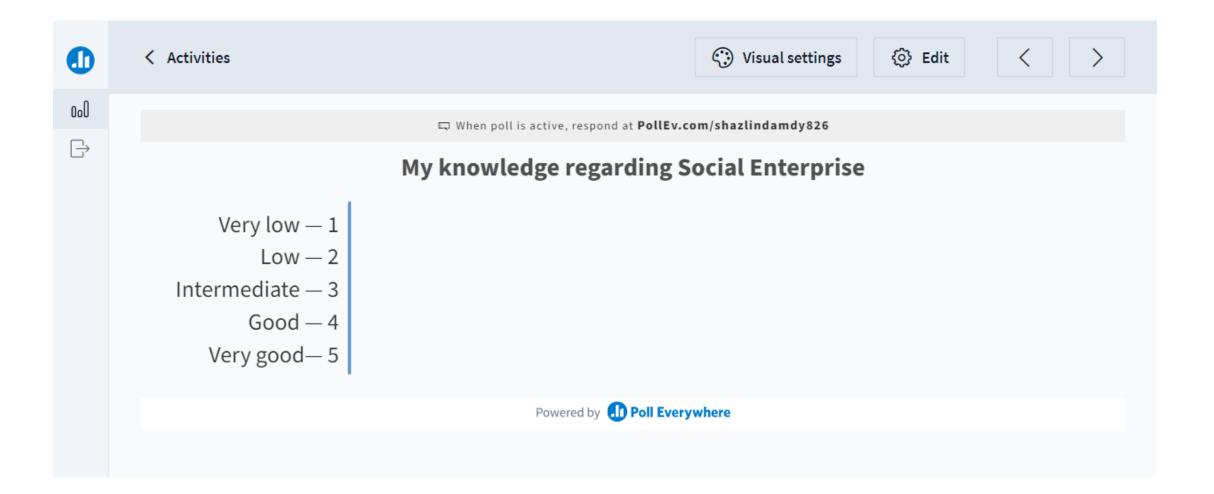
## Agenda

Time	Session	Activities
9am-10.15 am	Session 1	Opening Ice-breaking The reality of our world today
10.15am-11am	Session 2	What is Social Enterprise (SE)?
11am-11.10am		BREAK
11.10am-1pm	Session 3	Understanding various Social Enterprise business models
1pm-2.15pm		LUNCH & SOLAT BREAK
2.15pm-3.15pm	Session 4	SE Ideation
3.20pm-4.45pm	Session 5	SE Business Model Canvas (BMC)
4.45pm-5pm	Session 6	Reflection & Closing

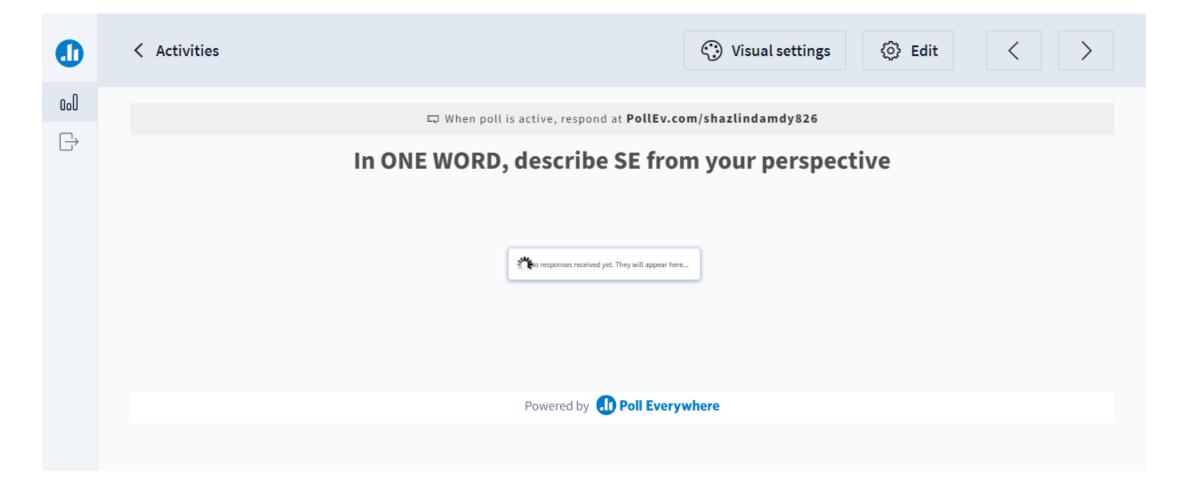


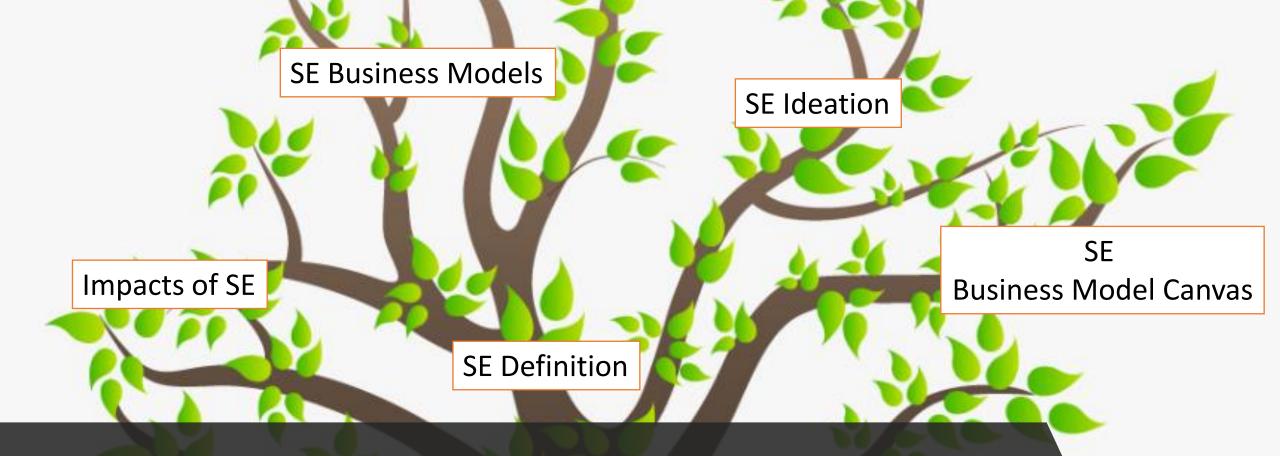
## Session 1 : Introduction

## How much do you know about Social Enterprise?



## Perception towards Social Enterprise





# LEARNING OUTCOME



Session 2 : What is Social Enterprise?

# The roots of Social Enterprise

Prof. Dr Muhammad Yunus, Nobel Laureate (Economics), Founder of Grameen Bank

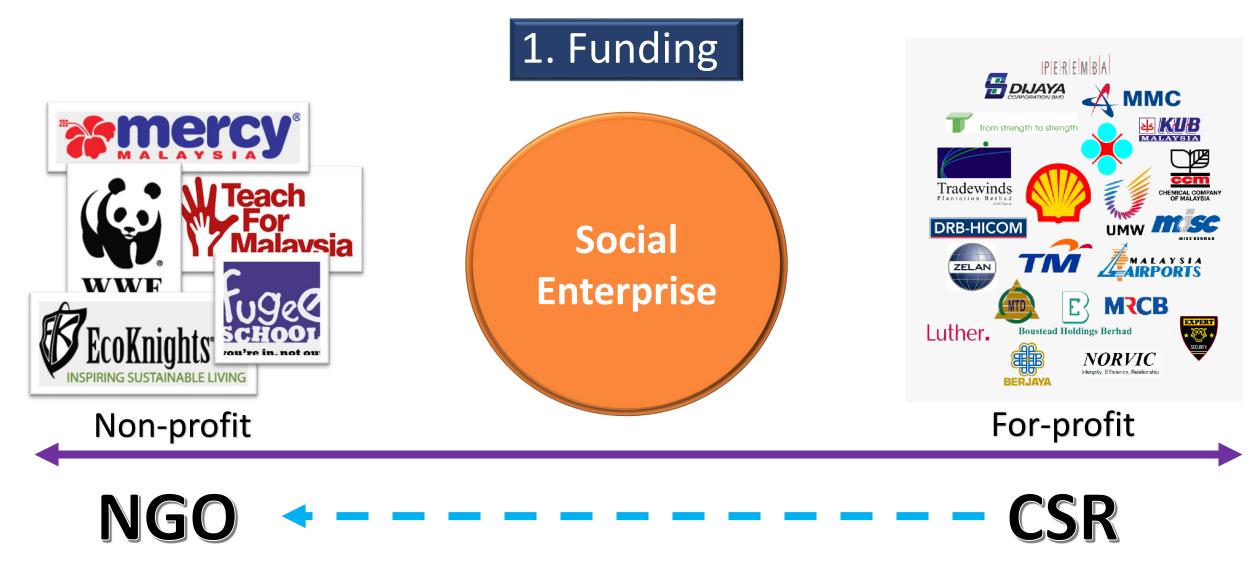
Why Social Enterprise is important now more than ever?

# What is Social Enterprise?

- Organizations that <u>address a basic unmet need</u> or <u>solve a social or</u> <u>environmental problem</u> through a <u>market-driven approach</u>.
- Profit is reinvested in the community or the company.



## The Distinction between SE, NGO and CSR



## The Distinction between SE, NGO and CSR

2. Impact

### Impact measurement : **TRIPLE BOTTOM LINE**

People = Social Planet = Environmental Profit = Economic



## Impacts that an SE can bring to the community



## Which issue(s) would you like to tackle?



Impact on Disaster-Prone Area by stages



#### DISASTER MANAGEMENT CYCLE



Session 3 : Social Enterprise Business Models

## **Social Enterprise Business Models**

Business Models	Explanation
Cross-compensation	One group of customers pays for the service. Profits from this group are used to subsidize the service for another, underserved group.
<mark>Fee for Service</mark>	Beneficiaries pay directly for the goods or services provided by the social enterprise.
Employment & skills training	The core purpose is to provide living wages, skills development, and job training to the beneficiaries: the employees.
Market intermediary	The social enterprise acts as an intermediary, or distributor, to an expanded market. The beneficiaries are the suppliers of the product and/or service that is being distributed to an international market.
Market connector	The social enterprise facilitates trade relationships between beneficiaries and new markets.
Independent support	The social enterprise delivers a product or service to an external market that is separate from the beneficiary and social impact generated. Funds are used to support social programs to the beneficiary.
Cooperative	A for-profit or nonprofit business that is owned by its members who also use its services, providing virtually any type of goods or services.

#### Case Study 1 : Grameen Bank

# GRAMEEN Banking for the poor



# The conventional banks

- Love rich people
- Lends big sum of money
- Must have collateral
- Customers need to go to them to get service

## Grameen Bank

- For poor people (women)
- Lends small amount of money (microfinance)
- No collateral
- Bank goes to customer



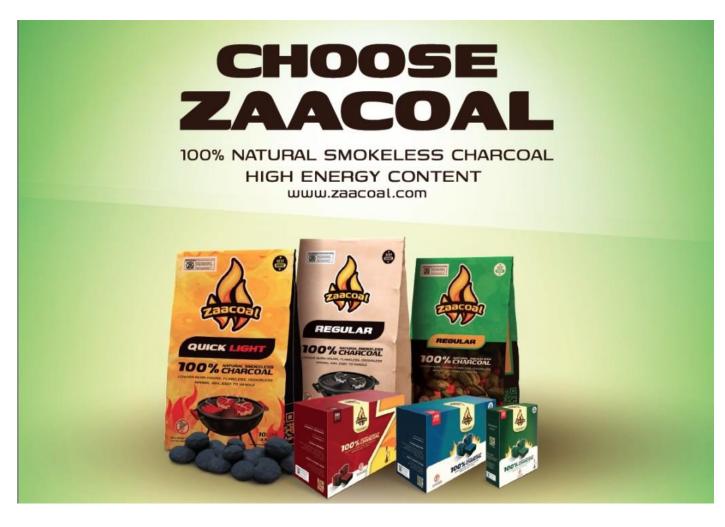
### **Microfinancing Mechanism in Grameen Bank**



## Grameen Bank : Which Business Model?

Business model	Case
Cross-compensation	
Fee for Service	
Employment & skills training	
Market intermediary	
Market connector	
Independent support	
Cooperative	

### Case Study 2 : ZaaCoal Ghana



# The conventional energy source

- Founder : Amin Sulley
- Issue : Ghana's reliance on wood or kerosene to cook (70-80% across Africa)
  - In Sub-Saharan Africa, indoor smoke causes 400,000 deaths per year
  - Massive tree-cutting is bad for environment









# Change to alternative energy source

- There were more than 1000 coconut seller in Ghana.
- Coconut pods waste was overwhelming.
- By transforming coconut waste to smokeless, environmentally-friendly and cheap charcoal :
  - Health problems due to indoor smoke was alleviated.
  - Tree-cutting was substantially reduced.
  - Increased job opportunities for the locals.

## Zaacoal : Which Business Model?

Business model	Case
Cross-compensation	
Fee for Service	
Employment & skills training	
Market intermediary	
Market connector	
Independent support	
Cooperative	

#### Case Study 3 : Aravind Eyecare



## Conventional Eyecare

- In the 1980s, cataract was the major cause of blindness in India (80%).
- Treatment for cataract is very expensive. Full price up to \$100.



Change to more innovative product and practices

- Establishment of Aravind Eyecare Hospital
- making intraocular lenses more affordable
- training cataract surgeons
- developing good systems of service delivery as well as innovative operating practices (the 'assembly line' system).



## Aravind Eyecare System : Which Business Model?

Business model	Case
Cross-compensation	
Fee for Service	
Employment & skills training	
Market intermediary	
Market connector	
Independent support	
Cooperative	

### Social Enterprises in Malaysia



## Masala Wheels



## Langit



## PantangPlus



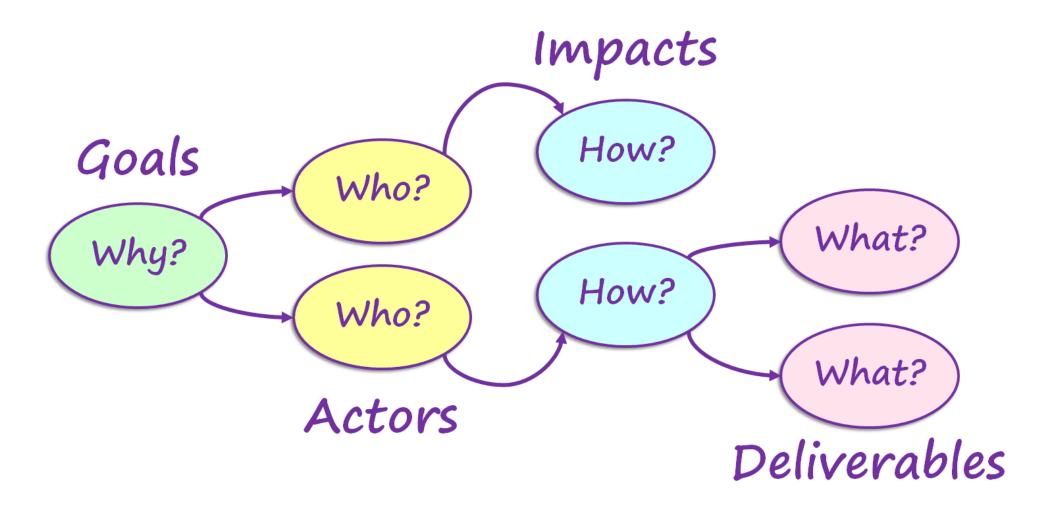
## Malaysian SEs : Which Business Model?

Business model	Case
Cross-compensation	
Fee for Service	
Employment & skills training	
Market intermediary	
Market connector	
Independent support	
Cooperative	



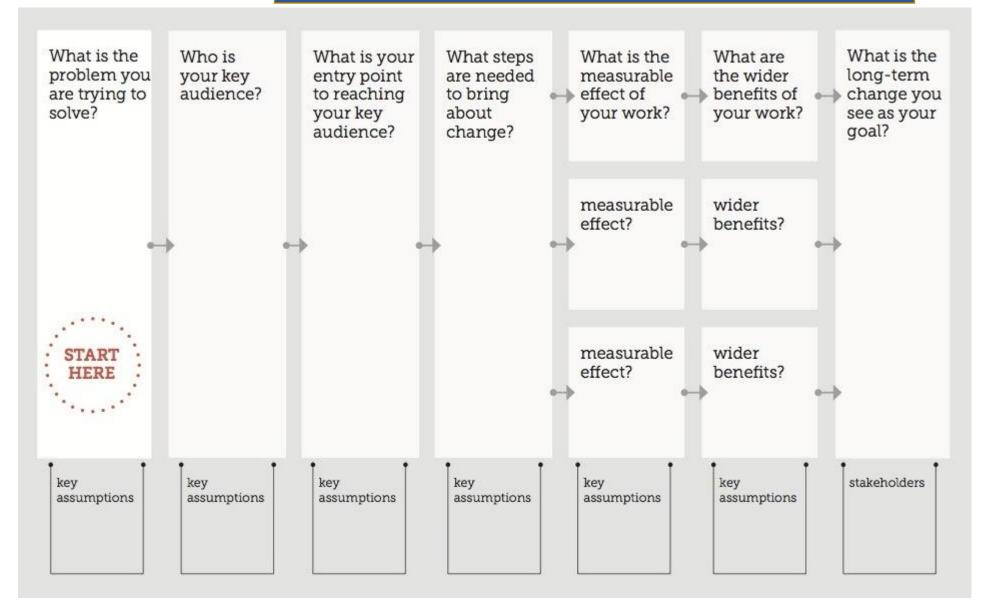
## Session 4 : SE Ideation

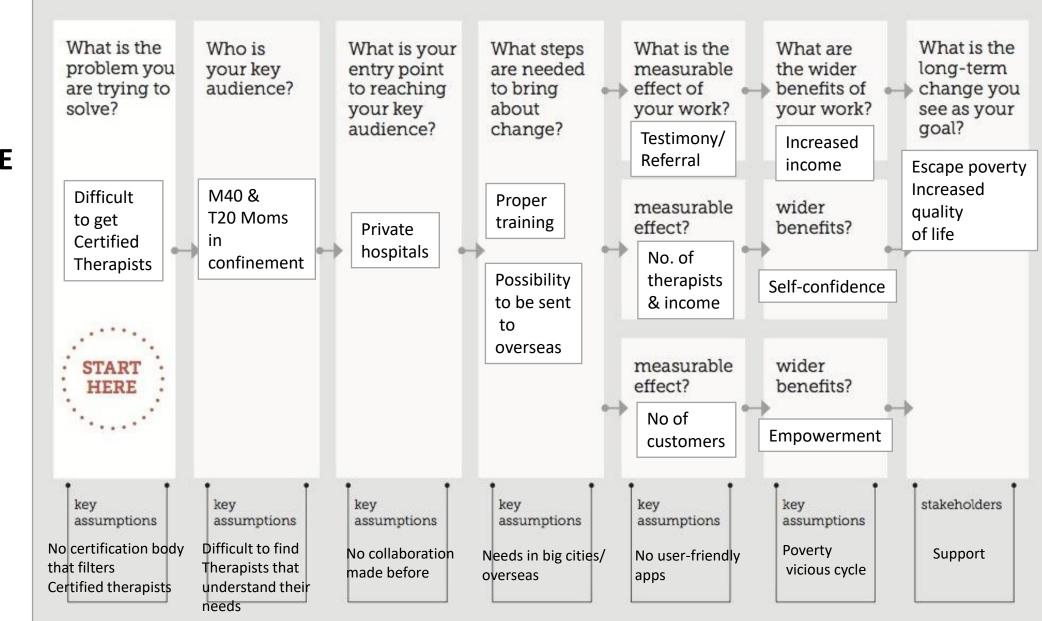
### Impact Mapping



#### THEORY OF CHANGE

methodology for planning, participation, and evaluation that is used in companies, philanthropy, not-for-profit and government sectors to promote social change.





#### THEORY OF CHANGE



## Discussion

Using Impact Mapping and guideline from Theory of Change, brainstorm with your group members the Social Enterprise you would like to establish.





Session 5 : Social Enterprise Business Model Canvas

#### SOCIAL BUSINESS MODEL CANVAS

MISSION:				
IMPLEMENTATION		VALUE	MARKET	
Key Allies	Key Resources	Social Innovation	Customer Relationships	Channels
	Key Activities	Value Proposition	Consumer Benefits	
		FINANCES		
Cost of Delivery		Community Reinvestment		Revenue Streams

#### WORKED EXAMPLE - TOM'S SHOES

IMPLEMENTATION		VALUE	MARKET	
Key Allies	Key Resources	Social Innovation	Customer Relationships	Channel
<ul> <li>Suppliers provide environmentally sound materials</li> <li>Shoe retailers sell product to</li> </ul>	<ul> <li>Working capital</li> <li>Large workforce</li> <li>Manufacturing facilities</li> <li>Volunteer base</li> </ul>	One-for-one concept is distinctive from traditional charitable giving	<ul> <li>Brand conscious millennials and hipsters</li> <li>People experiencing first- world consumer guilt</li> </ul>	<ul> <li>Social media</li> <li>Global awareness raising event</li> <li>Campus and school</li> </ul>
customers • Humanitarian organizations collaborate on social programs	Key Activities	Value Proposition	Consumer Benefits	program • Corporate cause marketin partnership
<ul> <li>In-country volunteers</li> </ul>	Product development	Meaningful cause	Children educated	<ul> <li>E-commerce and online</li> </ul>
distribute shoes for free in	<ul> <li>Manufacturing process</li> </ul>	<ul> <li>High quality product</li> </ul>	<ul> <li>Better family health</li> </ul>	advertisin
arget countries	Online selling	<ul> <li>Ethical company</li> </ul>	<ul> <li>Economic opportunity</li> </ul>	<ul> <li>International network of</li> </ul>
	<ul> <li>Tracking and shipping</li> </ul>	<ul> <li>Status symbol</li> </ul>		shoe retailer
	Customer service	<ul> <li>Fresh way to donate</li> </ul>		
	<ul> <li>Social programs</li> </ul>			
		FINANCES		
Cost of Delivery		Community Reinvestment	Revenue Streams	
<ul> <li>Shoe design and manufacturing</li> </ul>		<ul> <li>One-for-one product donation</li> </ul>	Revenue from shoe sale	
• Marketing		Company giving program	Sales of accessories	
Logistics		, , , , , , , , , , , , , , , , , , , ,		
Distribution of donated shoes				

#### Social Enterprise Accreditation in Malaysia

#### CRITERIA FOR SE.A



Proactively create positive social or environmental impact The organisation has a clearly stated social or environmental goal



Contributes significant resources to the social or environmental mission

The organisation allocates a significant amount of resources towards their social or environmental goal



Be Financially sustainable

More than half of total annual revenue is earned (e.g. by selling goods or services to customers – as opposed to donations or grants)

#### https://central.mymagic.my/sea

#### Social Enterprise Accreditation (SE.A)

The SE.A intends to certify the status of social enterprises to help them access greater support and opportunities to grow.

Through the accreditation process, an organization that is recognized as an Accredited Social Enterprise will be listed on SE.A MED online platform that provides customers and public with access to information on SEs more efficiently.

#### **Benefits derived from SE.A**

Accredited SEs receive the following benefits:

**Get listed on a public directory** which enables potential customers to access information about Social Enterprises.

**Included in the Buy-for-impact campaign** to encourage public and private involvement in social procurement.

**Get access to other funding and support** – over time, MED and other agencies will provide a range of additional support for accredited SEs subject to prescribed conditions.

Join a network of Malaysia's leading social enterprises – with events, networking and other opportunities to collaborate and learn.



## Session 6 : Reflection & Closing



