The Fundamentals of Social Entrepreneurship
UPADM-GP.265, 4 points

Course Information:
Session Dates: 9/8/2016 to 12/15/2016
Class Time: Thursdays, 4:55pm – 7:25pm
Location: Tisch Hall LC11 Washington Square
Instructor: Raj Thakkar

Course Goals and Objectives:

Using “business as a force for good”, social entrepreneurs implement innovative private sector approaches to solve social, cultural and/or environmental problems. Surviving start-up and scaling to maximize impact is both an art and a science, especially when attempted without outside investments. Statistics show that approximately 10% of small businesses surpass $1 million in revenues, while only 0.5% surpass $10 million. Fundamentals of Social Entrepreneurship will draw upon the real-life successes and challenges faced by the professor and other social entrepreneurs in structuring and scaling their enterprises. Students will read several articles, watch videos, complete individual projects and work in groups to experience the launching and scaling of their own social enterprises.

There are three objectives for this course:

✓ To introduce and familiarize students with the growing field of social entrepreneurship and practices to implement to become a Certified B Corporation;
✓ To demonstrate how these practices create shared value for all stakeholders and differentiate Certified B Corporations from “regular” businesses that solely focus on maximizing shareholder value and;
✓ To help students understand how they can use business as a force for good within any social enterprise they choose to launch or join.

By the end of this course, students should be able to:

✓ Define key components of and considerations for launching social enterprises;
✓ Research existing social enterprises to identify fields of interest that may be further impacted positively;
✓ Identify their own strengths and areas for growth to understand the types of individuals they need to surround themselves with to balance the skills and experiences within their proposed social enterprises;
✓ Create a vision, mission, core values and culture for their proposed social enterprises;
✓ Understand the importance of pivoting during changes in circumstances, recognizing founder’s syndrome and relinquishing responsibilities to staff when viability is proven and execution of scaling the strategy is the primary focus;
✓ Identify the components of a strong company culture as well as types of risk that should be considered and mitigated;
✓ Determine factors to be considered when creating budgets, organizational structures and systems for their proposed social enterprises;
✓ Recognize and learn about the value of many free and low-cost resources available to small businesses and;
✓ Analyze classmates’ individual pitches and provide helpful recommendations and constructive feedback.

Our exploration of these topics will involve completing several activities, reflecting upon impactful videos, reading inspiring articles and taking honest looks in the mirror to recognize who we are and the types of individuals needed to support the social enterprises students design.

Course Materials:

Required Book (available at the NYU bookstore)

*The B Corp Handbook: How to Use Business as a Force for Good*, Ryan Honeyman

Optional Books (that positively impacted the start-up and scaling of the instructor’s social enterprise)

*The E-Myth Revisited*, Michael Gerber
*Start with Why*, Simon Sinek
*Drive: The Surprising Truth About What Motivates Us*, Daniel H. Pink
*To Sell is Human*, Daniel H. Pink
*Street Smarts*, Norm Brodsky and Bo Burlingham
*Daring Greatly*, Dr. Brené Brown
*StrengthsFinder 2.0*, Tom Rath
*Mastering the Rockefeller Habits*, Verne Harnish
*The 7 Habits of Highly Effective People*, Stephen R. Covey
*Predictable Success*, Les McKeown
*The Miracle Morning*, Hal Elrod
*The Pumpkin Plan*, Mike Michalowitz
About the Instructor:

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Social entrepreneur, Raj Thakkar, is widely considered a national expert on charter school finance. He has trained school leaders and board members on financial best practices in 25 states and launched two successful brands, Charter School Business Management (CSBM), founded in 2006, and FOREsight Financial Services for Good, founded in 2014. Both entities combined have 60+ staff members who serve 150+ nonprofits to responsibly manage and account for over $600 million in public funds.

CSBM, proclaimed by Inc. Magazine as one of the fastest growing companies of 2013, exists to prevent charter schools which typically educate minority students who live in impoverished neighborhoods from closing due to financial mismanagement. FOREsight empowers nonprofits with the financial knowledge and services to achieve and maintain fiscal viability. CSBM is a Certified B Corporation dedicated to using business to solve social problems and has been recognized in multiple years by the certification entity, B Lab, as an organization that is Best for the World and Best for NYC based on the impact on the communities it serves and the outcomes its employees achieve every day.

In recognition of his impact, Raj was named one of the 50 Outstanding Asian Americans in Business by the Asian American Business Development Center in 2014, one of the Top Entrepreneurs of 2013 by Crain’s magazine and the Small Business Person of the Year for the NY district by the U.S. Small Business Administration in 2011. In addition, key members of the CSBM/FOREsight leadership team have also recognition for their work at the regional and national level.

Raj is also a board member leading the diversity initiatives of the NY chapter of Entrepreneurs’ Organization (EO). He is a graduate of the Goldman Sachs 10,000 Small Businesses program, an initiative to help small businesses grow responsibly. Currently, he is in the process of completing the Inner City Capital Connections (ICCC) program, administered and funded by the Initiative for a Competitive Inner City (ICIC). In addition, Raj received his Bachelors in Engineering Science from Hofstra University and Executive MBA in Finance from NYU’s Stern School of Business. His parents who were entrepreneurs themselves came to the U.S. to pursue better educational opportunities for him and his sibling. Today, Raj is grateful for the ability to honor his parents by helping other parents and entrepreneurs to do the same.
Your grade in this course is based on four components:

1. **Attendance/Class Participation/Homework/Quizzes - 20%**: Your attendance and active participation is important in this intensive, discussion-rich, activity-rich class. I will be looking for you to demonstrate you have read and reflected upon readings, videos and assignments. Early in the course, you will finish reading *The B Corp Handbook: How to Use Business as a Force for Good*, which is critical for your knowledge about social entrepreneurship. The quizzes (announced and unannounced) will be based on key concepts in this book and other assignments.

2. **Paper on Interview of a Professional in the Industry of your proposed Social Enterprise - 20%**: While Google searches are helpful, there is a wealth of knowledge that may not be captured anywhere online. Each student will identify and conduct an informational interview (phone or in-person) with 1 professional in the industry of their proposed social enterprise. A paper (max 2 pages, single-spaced, 12 pt. font) documenting questions asked and more importantly insights you’ve gained as a result of the informational interview. The professional can be the founder of or key leader who works at an existing social enterprise or nonprofit who can truly help you gain further insights in addition to your online research.

3. **“Dolphin Tank” Pitch & 1 Paged Summary of Key Takeaways - 20%**: Each student will pitch their social enterprise idea in small groups. Helpful (both positive and constructive) feedback will be shared and helpful questions will be asked verbally by fellow group members. One pitch per small group will be voted upon to pitch to the whole class. In the end, one final pitch will be selected by the class via blind vote as “Dolphin Tank” winner. (Being selected as the winner has no impact on your grade. As a social entrepreneur or staff member in the workplace, you will have to compete and “sell” your ideas and this will give you valuable practice.) You will submit your pitch deck as a PDF and summary (max 1 page, single-spaced, 12 pt. font) on key takeaways that further shaped your proposed social enterprise.

4. **Final Course Project - 40%**: Throughout the course, you will design your own social enterprise and answer key questions for your proposed venture in the Course Outline & Assignments section below.
Course Rules and Requirements:

1. **Absences:** Attendance will be taken for each class. As active participation is an important element of your grade, so is attendance. Any more than three absences will result in a zero for the attendance portion of your grade. Please notify me by email prior to any class in which you will be absent or late. There will be no make-ups for quizzes due to excused or unexcused absence or lateness.

2. **Group Work:** One of the course deliverables and many of the in-class discussions will involve group work. You are expected to work cooperatively in such groups and to be an individual contributor to the group process. Group dynamics will be observed and will also contribute to the class participation portion of your grade.

3. **Preparation:** As stated in the syllabus, this course involves reading the assigned materials and completing the assignments. Therefore, coming prepared to class is absolutely required. Students may be asked questions whether or not they offer to participate so please make sure you are prepared.

4. **Academic Honesty:** Academic dishonesty will not be tolerated. Participation in cheating, forgery and plagiarism are subject to disciplinary action.

5. **Wagner School Policies:** The course will be subject to all Wagner School policies including those regarding Withdrawals and Incompletes.

Course Outline & Assignments:

**September 8**

**Building Trust, Overview of the Course and Review of the Syllabus**

✓ **Assignments:** Read *The B Corp Handbook: How to Use Business as a Force for Good*, Declaration of Interdependence, Table of Contents, B Corps in their Own Words, Foreword, Introduction, Chapter 1 “Overview” and Chapter 2 “Ten Benefits of Becoming a B Corp” p. cover-42. Also, please create a list of at least 10 challenges related to starting a social enterprise and bring it to class on 9/15.

✓ **Be Prepared for the Next Class:** To discuss and take a Quiz on the reading.

✓ **Advanced Preparation for your Final Course Project:** Document which ideas/practices you liked from the reading that you may incorporate into your social enterprise. (There is nothing to submit for all of the recommended advanced preparation assignments related to the Final Course Project. This is solely to help you create a draft of your Final Course Project throughout the semester.)
September 15

Certified B Corporations, Challenges of Start-up, Vulnerability and Starting with Why

✓ Assignments: Read The B Corp Handbook: How to Use Business as a Force for Good, Chapter 3 “The B Impact Assessment – Good for Workers and Good for the Community” p. 45-92. Answer the questions at Free Strengths Test based on who you are, not how you’d like to be perceived. Submit PDF of the results of your Strengths Test on NYU Classes by 11:59pm on 9/21/16 at the latest.

✓ Be Prepared for the Next Class: To take a Quiz on the reading and discuss what you learned from the Strengths Test about yourself and who you would need to surround yourself with when launching your proposed social enterprise.

✓ Advanced Preparation for your Final Course Project: Note your key strengths and areas for growth that help you identify the types of individuals you would need at your proposed social enterprise.

September 22

Who You Are vs. Who You Need, Company Culture and Organizational Structures

✓ Assignments: Read The B Corp Handbook: How to Use Business as a Force for Good, Chapter 3 “The B Impact Assessment – Good for the Environment, Good for the Long Term and Good to the Core” p. 94 – 146, research the vision, mission and core values of 5 existing social enterprises or nonprofits in the industry of your social enterprise.

✓ Be Prepared for the Next Class: To take a Quiz on the reading and discuss the vision, mission and core values that you researched.

✓ Advanced Preparation for your Final Course Project: Document your draft vision, mission and core values for your social enterprise.

September 29

Clients, Industry, Marketing and Pricing

✓ Assignments: Read The B Corp Handbook: How to Use Business as a Force for Good, Chapter 4 “The Quick Start Guide” and Chapter 5 “Conclusion” p. 151-207

✓ Be Prepared for the Next Class: To share who you’ve contacted to conduct your informational interview with, discuss your selection and talk about how the networking process felt.

✓ Advanced Preparation for your Final Course Project: Document your draft marketing plan, which includes how you plan to build relationships in the industry of your proposed social enterprise.

October 6

Pivoting and Managing Risk

✓ Assignments: Read the following articles and watch the related videos (for those articles that have them) for MacRebur, Fashion 4 Development (F4D) and Renogy. Please feel free to check out the rest of the magazine, Real Leaders.

✓ Be Prepared for the Next Class: To discuss the articles and which, if any, you felt impacted by.
✓ **Advanced Preparation for your Final Course Project:** Document the problem you’re trying to solve with your social enterprise.

**October 13**

**Learning from your Competition and Building Relationships with Key Players in your Industry**

✓ **Assignments:** Research the websites of at least 3 similar social enterprises and/or nonprofits that your social enterprise can learn from and would be beneficial to build relationships with. Also, watch the videos and read the information available at Better Money Habits made in collaboration with Khan Academy. This information is much more geared towards personal finances, but many of the lessons are relevant to your social enterprise. Please feel free to review the rest of that website as it contains a great deal of helpful information.

✓ **Be Prepared for the Next Class:** To discuss which social enterprises and/or nonprofits you researched, why you chose them and what you learned. Also, to discuss budgeting.

✓ **Advanced Preparation for your Final Course Project:** Document how the similar organizations you chose helped you understand your industry better and how they are different from your social enterprise.

**October 20**

**Financial Terminology and Budgeting**

✓ **Assignments:** Read the articles at Recovering from Founder’s Syndrome and Founder’s Syndrome on Wikipedia.

✓ **Be Prepared for the Next Class:** To discuss Founder’s Syndrome.

✓ **Advanced Preparation for your Final Course Project:** Create a draft of your 3 year budget for your social enterprise.

**October 27**

**Surviving Founder’s Syndrome, Executive Coaching and Advisory Boards**

✓ **Assignments:** Submit your paper on the informational interview with a professional in the industry of your social enterprise by 11:59pm on 11/2 at the latest.

✓ **Be Prepared for the Next Class:** To discuss systems and processes by citing at least 1 example of a system/process you had to set up in the past.

✓ **Advanced Preparation for your Final Course Project:** Document the outcomes you are aiming to achieve with your social enterprise.

**November 3**

**The Method to the Madness Matters: Rhythms & Rituals (Building Systems/Processes and Measuring Impact)**

✓ **Assignments:** Work on your pitch deck slides.

✓ **Be Prepared for the Next Class:** Research the social enterprises of the guest lecturers and note questions you’d like to ask them.
Advanced Preparation for your Final Course Project: Document the population(s) and their needs that your proposed social enterprise will address.

November 10
Preparing to Pitch and Learning from Existing Social Entrepreneurs (Professor Thakkar will miss most, if not all of this class, due to a work-related commitment, but will bring in amazing speakers to serve as Guest Lecturers.)
✓ Assignments: Practice your pitch alone and/or with trusted colleagues/classmates.
✓ Be Prepared for the Next Class: To pitch your social enterprise in the framework that will be provided.
✓ Advanced Preparation for your Final Course Project: Revise your Final Course Project to include industry knowledge gained as a result of your informational interview.

November 17
“Dolphin Tank” Pitch & Feedback Day
✓ Assignments: Make more progress on your Final Course Project, incorporating the feedback and questions your classmates shared with you today.
✓ Be Prepared for the Next Class: Document things that you thoroughly enjoy to control and how it would feel to you to relinquish this control. Be ready to discuss at the next class.
✓ Advanced Preparation for your Final Course Project: Complete any questions you have not yet answered.

Thanksgiving Break – no class on November 24

December 1
Relinquishing Control and Pursuing Additional Initiatives
✓ Assignments: Research the websites of the following organizations: Goldman Sachs 10,000 Small Businesses, Echoing Green, Inner City Capital Connections, Entrepreneurs' Organization (EO), NYC Venture Fellows and the Unreasonable Institute.
✓ Be Prepared for the Next Class: To discuss these amazing resources for entrepreneurs.
✓ Advanced Preparation for your Final Course Project: Work on completing your Final Course Project.

December 8
Free/Low Cost Resources Available to Entrepreneurs
✓ Assignments: Finish your Final Course Project due by 11:59pm on 12/14 at the latest. One third of a letter grade will be deducted per day of late submission.
✓ Be Prepared for the Next Class: Reflect on your key takeaways from the course and document them. Create a list of questions you still may have. Also create a list of items you wish we had covered in the limited time we had together to help out the next set of students who will take this course.
Advanced Preparation for your Final Course Project: If you’re not close to being done by now and have procrastinated on completing the Final Course Project, that was a choice you have to live with and handle now, at the last minute. 😊

December 15
Key Takeaways & Wrap Up
✓ Review of the material covered in the course and key takeaways that students have learned.

Final Course Project: Students will write up a modified version of a Mind Trust Education Entrepreneur Fellowship Application and provide answers to the following questions. Please copy and paste each of these questions/statements and include your responses below each one. (max 8 pages, single-spaced, 12 pt. font)

1. Describe your social enterprise in 50 words or less.
2. What is your social enterprise's vision, mission and core values? How will your social enterprise address an urgent and compelling need?
3. Clearly explain the services and/or products your social enterprise will provide. Define the specific problem your social enterprise is trying to solve. How did you come up with your idea?
4. Please describe your social enterprise's culture and organizational structure at start-up and at scale. How will you secure and retain clients and staff members?
5. What population(s) will your social enterprise serve? What are their current needs? How are these needs evolving, and how will your social enterprise respond? What goals, if any, do you have for expanding?
6. What other significant social enterprises, if any, are similar to the organization you are proposing to launch? This could include social enterprises working to address a similar need, working with a similar target population, or using a similar structural model. How does your approach differ from theirs? What could you learn from their approaches?
7. What are the impact outcomes (e.g. gains, systemic improvement, policy changes) your social enterprise seeks to accomplish? How will you measure success in addressing the urgent problem you plan to tackle?
8. What organizations or individuals in NYC and elsewhere are critical to your success? How will you establish a relationship with these organizations/individuals?
9. What is your projected operating budget for Years 1-3? Assuming you will not have any investors besides friends/family and your personal savings, how will you create impact while remaining profitable?
10. Why are you the right person to launch the proposed initiative? What are your best entrepreneurial skills? Who will you need to hire? Who will you need as advisors?