BMGT 468U: Social Entrepreneurship Laboratory
A ‘Fearless Ideas’ Course

Course Basics
Lead Faculty Member: Christine Beckman, Associate Professor, cbeckman@umd.edu
Supporting Faculty/Staff: Sara Herald, Assistant Director, Center for Social Value Creation, sherald@rhsmith.umd.edu
Department: Smith School of Business, Department of Management and Organization
Course Time: Friday, 1-4 pm
Course Location: Van Munching Hall, VMH 1412

Description
The class will give students the opportunity to experiment with the essential principles of social entrepreneurship. Social entrepreneurship takes many forms, but one of its unique characteristics is the ability to successfully employ market-based strategies to solve problems not served by traditional market mechanisms and achieve a social purpose as a result. Some of the most effective social entrepreneurs draw upon multiple disciplines for complex problem-solving; and many seek business expertise. The Social Entrepreneurship Laboratory will be an active learning environment to test hypotheses around the creation of social ventures and develop a deep understanding of the field in practice. Teams will iteratively test ideas and assumptions through experimentation, document results, incorporate feedback from key stakeholders, develop a minimum viable product, and present their solutions. In this way, we expect novel insights and truly creative models to emerge.

The primary learning tool for this class will be experiments conducted in teams. Teams will be created to leverage diverse majors, skills, experiences, cultures, and viewpoints. You will prepare for class with readings about business model and social innovation techniques and come to class to put those ideas and methods into practice. We expect some students to arrive to this course with an idea to explore, and other students to have an interest in helping their classmates with their ideas. You will work in teams through all phases of the experiment process: problem identification, hypothesis development, assumption testing, learning outcomes, and iteration. You will repeatedly progress through the build-measure-learn\(^1\) feedback loop together, receiving feedback from the instructors and the Center for Social Value Creation’s Social Entrepreneurs in Residence as you go.

Reading Materials
Please purchase:
- The Lean Startup, Eric Ries
- The Power of Unreasonable People, Elkington and Hartigan
  - You can purchase the entire book on your own, or purchase the first 3 chapters here: https://cb.hbsp.harvard.edu/cbmp/access/28978264

Additional Reading: You can access the full version of Stanford Social Innovation Review (SSIR) articles through the UMD Research Port (researchport.umd.edu), in Business Source Complete or SOCIndex. Other articles are uploaded directly to Canvas.

- The Stakeholder Engagement Manual, Partridge, Jackson, Wheeler, Zohar

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• “‘The Meanin1g of Social Entrepreneurship”, Dees, 1998
• Creating Social Value”, Philip Auerswald, SSIR, Spring 2009
• The Startup Owners’s Manual p. 98-125
• “Ten Nonprofit Funding Models”, Landes Foster, Kim, Christiansen, SSIR, Spring 2009
• “The networked nonprofit”, Jane Skillern-Wei &Marciano, SSIR, 2008
• “For Love or Lucre”, Jim Fruchterman, SSIR, Spring 2011,
• "A Social Entrepreneur's Quandary: Nonprofit or For-Profit?"

Additional Reading: The Startup Owner’s Manual, Blank and Dorf (complete book not required)

**Content and Requirements**

**Class attendance and participation (20%)**
- Attendance at all class sessions is a requirement
- You will be evaluated by the quality and quantity of their participation. You are expected to be prepared for each session and actively contribute to the creation of knowledge in the classroom.
- You will also act as virtual board members to each other’s ventures, and thoughtful input towards each ventures distinct goals is paramount.
- Each student is required to attend at least one Innovation Fridays session over the course of the Fall semester. Held every Friday from 11am-1pm at 4 locations across campus, students are encouraged to go to Innovation Fridays to get feedback on their ideas and prototypes from experienced entrepreneurs, investors, and faculty members. No appointment necessary!

**Social Entrepreneurship Experiments (50%)**
You will complete 9 experiments (and 2 other assignments) during the course of the semester to better understand how your idea will work in market. The deliverable for each experiment is a 2 page write-up of hypothesis tested, methodology employed, data/results, and conclusions generated as a result. This assignment will be done individually, in pairs or in teams, as indicated by the week.

**Final Presentation (20%)**
The final deliverable will be a viable product/service/social venture that has been road-tested by the course methodology. You will deliver a final presentation to external investors as if you were seeking funding for market implementation.

**Board Assessment (10%)**
After the final presentations, in your role as a virtual board member, you will (as a group) write a 4-page memo with your assessment of progress to date, future challenges and recommendations. This will be due on December 17.
Syllabus

September 5: Introduction to Social Entrepreneurship in Practice
Pre-Class Preparation
- Come with ideas! Social problems you want to address, areas that you feel are ripe for innovation, ideas for programs/products/organizations that you've interacted with throughout your time at UMD. While you may have a particular solution in mind, in this course we’ll encourage you to dig deep into the problem first and then test different solutions.
- Readings (to be read before class):
  - “Creating Social Value Creation”, Philip Auerswald, SSIR, Spring 2009
  - The Power of Unreasonable People, Chapter 3, Identifying Market Opportunities (in coursepack)

September 12: Theory and Process of Change
Pre-Class Preparation
- Readings
  - The Power of Unreasonable People, Chapters 1-2, Business Models and Financial Resources (in coursepack)
  - Team Handbook (skim this – this is a resource for your team)

September 19: Stakeholder Discovery I
Pre-Class Preparation
- Readings:
  - The Stakeholder Engagement Manual, Volume 1 (excerpts)
  - Fixes column: Social Change's Age of Enlightenment

Deliverables (due at class time; upload to Canvas)
- Team Contract (one per team)

September 26: Stakeholder Discovery II
Pre-Class Preparation
- Readings:
  - The Lean Startup, Part 1, chapters 1-2
  - Sections of The Stakeholder Engagement Manual, Volume 2

Deliverables (due at class time; upload to Canvas)
- Turn in a customer archetype (one per team)
- Experiment 1: Talk to 2 stakeholder representatives (per team) to test your hypotheses. What did you learn? (2 pages per interview, done in pairs)

October 3: Minimum Viable Products and Solution Building
Pre-Class Preparation
- Readings:
  - The Lean Startup, Part 1, chapters 3-4
  - Fixes column: Fighting Bullying with Babies

Deliverables (due at class time; upload to Canvas)
• Experiment 2: Schedule and conduct 6 interviews (per team) to better understand the problem you would like to solve. What do communities/customers say their problems/needs are? How do they solve this problem(s) today? Does your value proposition solve it? How? Do you need to adjust your approach and in what way? (1-2 page write-up per interview, include interview script). Interview in pairs but submit entire 6-12 page write-up as a team.

**October 10: Competitive Landscape**

*Pre-Class Preparation*

• Readings:
  o The Startup Owners’s Manual p. 98-125

*Deliverables (due at class time; upload Experiment 3 to Canvas)*

• Experiment 3: MVP Proposal with budget and timeline (Team)
• Research competitors for your solution. Come to class with a list of your competitors.

**October 17: Inclusive Business Model Canvas I**

*Pre-Class Preparation*

• Readings:
  o The Lean Startup, Part 2, chapters 5-6

*Deliverables (due at class time; upload to Canvas)*

• Experiment 4: Meet with a competitor addressing the problem in a different way or in a different community (1 per pair of team members). Document what is unique about their approach. What is working best and where are the opportunities for improvement? How are you different? 2 page write-up per interview, submit in pairs.
• Keep in mind - The draft of your prototype is due in class on Oct. 24. Show it to one person before class and document their reaction.

**October 24: Testing the prototype**

*Pre-Class Preparation*

• Readings:
  o The Lean Startup, Part 2, chapter 7-8

*Deliverables (due at class time; upload Experiment to Canvas)*

• Experiment 5: Prototype (document reaction from one person with 2 page write-up). This is an individual write-up.
• Bring prototype to class and prepare for your mid-term board meeting.

**October 31: Engines of Growth in the SocEnt World**

*Pre-Class Preparation*

• Readings:
  o “Ten Nonprofit Funding Models”, SSIR, Spring 2009
  o “For Love or Lucre”, Jim Fruchterman, SSIR, Spring 2011
  o The Lean Startup, Part 3, chapters 9-10

*Deliverables (due at class time; upload to Canvas)*

• Experiment 6: ‘Pivot’ or ‘Persevere’? – Round 1 (2 page write-up, one per team)

**November 7: Scaling and Metrics**

*Pre-Class Preparation*
Deliverables (due at class time; upload to Canvas)

- Experiment 7: Test willingness to pay for your social solution with 10 customers (2 page write-up, one per team)

November 14: Inclusive Business Model Canvas and Partnerships
Pre-Class Preparation
- Readings:
  - Chapters from The Startup Owner’s Manual
  - Fixes column: A Plan to Make Homelessness History

Deliverables (due at class time; upload to Canvas)
- Experiment 8: Develop metrics and assess scalability (2-page write-up, one per team)

November 21 Cost Structures and Legal (Entity) Considerations
Pre-Class Preparation
- Readings:
  - "A Social Entrepreneur’s Quandary: Nonprofit or For-Profit?"
  - Research Article

Deliverables (due at class time; upload to Canvas)
- Experiment 9: Pick the area of your canvas that you feel least comfortable with and go learn more. Identify 2 people to interview for your social venture. Interview them. Document willingness to engage and why. (2-page-write up, in pairs)

December 5: Pitching and Investing
Pre-Class Preparation
- Over the Thanksgiving Holiday, watch webinar on creating an investor pitch.
- Be prepared for an investor pitch with a one-page financial model to circulate

December 12: Final Presentations and Wrap-Up
Deliverables (due at class time; upload to Canvas)
- Prepare a packet to present to the investor panel
- Final Presentation and Final Prototype Due

Finals Week:
Deliverables (due December 17 via Canvas)
- 4-page Board Memo