
1231.3725.01
Introduction to Social Enterprises
Module 2 – Theoretical
Module 3 & 4 – Practicum

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Course Schedule: Sunday 15:45-18:30 during the 1st Semester & Sundays 15:45-17:00 as a practicum (describes below) during the 2nd semester

Practicum Eligibility

This course is comprised of two parts. Students can opt to only take Part A.

Part A: Theoretical (English, Module 2, 1 credit)

Part B: Practicum (Hebrew, Module 3 & 4, 1 credit)

Only students that took the course *Principles of Business Consulting* (1231.3720.01) and speak Hebrew are eligible to participate in the Practicum.

General Description

The domain of social change is no longer reserved for students of political sciences and development studies. Increasingly business graduates are recognized as possessing important skills that can drive social change. This new discipline is often referred to as Social Entrepreneurship. These social ventures are hybrid organizations exhibiting characteristics of both the for-profit and not-for-profit sector and need to demonstrate both a Return on Investment (ROI) and a Social Return on Investment (SROI).

During the course we will learn about the development of the social enterprise sector in Israel and abroad, get to learn about innovative solutions to social issues, talk about the dilemmas facing social business, and discuss how to balance the social purpose and a business with core business objectives. We will also learn about innovative ways of financing for business that are not aimed to only maximize shareholders profit and explore various attitudes toward measurement and evaluation of the SROI that social enterprises create.

Part B: In the second part of the course (spring semester) students in groups of 3 to 4 will be engaged in a consultancy project to a social enterprise. Students are expected to apply knowledge acquired in *Principles of Business Consulting* and *Introduction to Social Enterprise* to their consultancy projects. Each group will work under the supervision of course professors and staff. At the end of the semester each group will present their project recommendations.

Course Objective

- To expose students to new approaches of management in social enterprises and their influence on "regular" enterprises
- To develop out-of-the-box thinking about finance and management of hybrid structure enterprises
- To expose students to the complexity of managing double bottom line businesses and the challenges of changing conceptual frameworks from "maximizing profits" to creating "shared value"
- To develop new metrics for social business evaluation

Part B: Course Structure & Obligations

The consultancy aspect (part B) of this course incorporates theoretical studies and practicum in which the students get to implement what they have studied while consulting to a social enterprise that is dealing with a business dilemma that is related to the dilemmas thought in class.

In addition to emphasizing teamwork, this course will enable the students to use various methodologies studies during their MBA studies such as: consulting, strategy, marketing, finance etc.

1. Lectures & discussion in class in the presence of guest lecturers and therefore the participation is obligatory;
2. Two short team work papers that will be presented by each team in class
3. Consulting project that will be conducted during the 1st semester break and the 2nd semester (until the end of May 2015) that will be based on primary and secondary research (including at least 20 interviews) that will be around a dilemma that will be raised by a social enterprise that will be presented to the

class. Each consulting work will include 3 deliverables as described below.

Each phase presentation will be presented both to the client and in class. The 3 phases will include:

- a. Consulting proposal
 - b. Midterm presentation
 - c. End of project presentation + appendixes
4. Students that will continue with the practicum will participate in all of the GBS activities other than the international weeks (see below)

Course Grading

10% - Participation in class

20% - Presentation and submission of two exercises (10% each)

70% - Part A Only – Final Exam

70% - Part A & B - Practicum (20% client grade; 20% peer grade; 50% professor grade)

Recanati's Curve Policy: In order to avoid inflation of grades and discrepancies between different lectures, the average grade of this course for students that will not take the practicum will be between 82-87 and for those who take the practicum between 88-92.

Schedule: Part A

By the end of this class the student will be divided into groups of up to 3 students per group

1. 14/12/2014
 - a. 15:45-17:00 introduction to social enterprise concept, review of the relationship between the social and business activities in the last 100 years, brief about Social responsibility and shared values concept and preliminary definition of social enterprise.
 - b. 17:15-18:30 presentation of 2 social enterprises:
 - i. Neta Hanin, CEO & entrepreneur of Juha's Guest House
 - ii. Dr Gil Winch , CEO & entrepreneur of Kol Yachol
2. 28/12/2014
 - a. 15:45-17:00 **Each group will share with the class their definition of Social Enterprise and give one example**(to be also submitted in writing – up to 2

pages) after which we will reach an agreed upon definition and introduce the main dilemmas of the social enterprise : multiple stakeholders, finance, evaluation & regulation

- b. 17:15-18:30 presentation of 2 social enterprises:
 - i. Narkis Alon, Entrepreneur, ZEZE
 - ii. Zaphra Perlmutter, Entrepreneur and CEO, CO.CO
3. 4/01/2015
 - a. 15:45-17:00 Management Dilemmas of the Social Enterprise – how do you manage a double bottom line?
 - b. Social Impact Bond – Ilya (Luka) Skorchod, Associate at Social Finance Israel
4. 11/01/2015
 - a. 15:45-17:00 Social Enterprise Financial Dilemma – how to raise money for business that is not for maximizing profit? **Each group will present 5 minutes about a model that they discovered + example** (to be also submitted in writing – up to 2 pages) and then we will conceptualize the various opportunities
 - b. 17:15-18:30 Social Enterprise Regulation – Yaron Keidar, Adv.
5. 18/01/2015
 - a. 15:45-17:00 Social Venture Capital Fund concept revolution or evolution?
 - b. 17:00-18:30 Impact Investment Concept, Lital Slavin, Beyond
6. 25/01/2015
 - a. 15:45-17:00 Measurement & evaluation of social enterprise
 - b. 17:15-18:30 Course Summery & Feedback
7. 1/02/2015 15:45-18:30 beauty contest – presentation of the consulting projects & course 1st half summery

During the semester break the groups will meet with the faculty staff – to be scheduled separately

Schedule: Part B

8. 8/3/2015 15:45 – 17:00 Entire Class - Progress Review, Feedback, Plan Ahead
9. 15/3/2015 18:45 – 21:00 presentation skills workshop (Michelle Teer)
10. 22/3/2015 17:30 – 19:30 Devil's Advocate : The views of practicing Mgmt Consultants (TASC)
11. 12/4/2015 15:45-17:00 To be scheduled deck final review team by team
12. 26/04/2015 15:45-17:00 to be scheduled team by team final presentation review

Final Presentation to the Clients to be scheduled until May 7th

Reading Material

1. יונס, מ. (2009) עולם ללא עוני, הוצאת אחוזת בית.
2. שוק הון חברתי לישראל.

http://www.sheatufim.org.il/multimedia/upl_doc/doc_240112_239804.pdf

3. Porter, M. & Kramer, M. (2011) Creating Shared Value, *Harvard Business Review*, January-February, 2-17
4. INSEAD Network (2011) - [Social Investment Manual - A Guide for Social Entrepreneurs](#)
5. The SROI Network (2009) – a Guide to Social Return on Investment
6. Yunus (2006) - Nobel Lecture
7. http://www.portlandtrust.org/sites/default/files/projectdocs/social_capital_market_for_israel.pdf
8. http://www.mckinsey.com/client_service/social_sector/latest_thinking/financing_social_change
9. Kaplan, Robert, and Allen Grossman “*The Emerging Capital Market for Nonprofits*,” *Harvard Business Review*, October 2010
10. Emerson, Jed, et al., “*Nothing Ventured, Nothing Gained: Addressing the Critical Gaps in Risk-Taking Capital for Social Enterprise*,” Working Paper, Skoll Center for Social Entrepreneurship, Oxford Said School of Business
11. Bagnoli, L. & Megali, C. (2011) Measuring Performance in Social Enterprises, *Nonprofit and Voluntary Sector Quarterly*, vol. 40. 1149-165
12. Battilana, J., & Lee, M., & Walker, J., & Dorsey, C. (2012). In search of the hybrid ideal. *Stanford Innovation Review*, summer 2012.
13. Gidron, B. & Abbou, I. (2012) The Phenomenon of Social Businesses: Some Insight from Israel in Gidron, B. & Hasenfeld, Y. (Eds.) *Social Enterprises: An Organizational Perspective* (in press).
14. Kerlin, J. A. (2010) A Comparative Analysis of the Global Emergence of Social Enterprise, *Voluntas* 21, 162–179
15. Martin, R. L. & Osberg, S. (2007) Social Entrepreneurship: The Case for Definition, *Stanford Social Innovation Review* 5, no.2. 28-39.
16. פיט, ג. (2011). עסקים חברתיים בארגונים חברתיים בישראל: סוגיות בהתאגדות ובמיסוי. מעשי משפט. כרך ד, 185-204.