

Chaminade University MBA Program

MBA 740 Social Enterprise Management

Course Schedule

Quarter: Winter Quarter, 2019
Meeting days and times: Tuesdays, 5:45 to 9:45 pm
Course location: Kieffer Hall, Room 31

Instructor Contact Information

Course Instructor: Jerry Rauckhorst, Adjunct MBA Faculty
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Course Description

This course introduces students to the application of entrepreneurship to the advancement of social change within organizations that have a double bottom line: creating tangible social value as well as financial return. Students will use cases and the examination of current organizations to develop knowledge of the strategies for and challenges of creating sustainable and successful social ventures. Issues including start-up, funding, organizing, scaling, and assessing a social enterprise will be explored.

Course Orientation

As a further description of the course:

“We have to do things differently. So, what if we put the power of business in the hands of people who think differently? What if the purpose of a business were to fulfill a *real* human, social, or community need? What if profit were not the *point* of business but the *means* by which the point of a better world were achieved.

Now *that* would be a successful business—perhaps the most successful business on earth. That would be the kind of business that could go by the name of *Mission, Inc.* And it would be the kind of business that would epitomize what we call a social enterprise.

Those things that matter are part of what we might call the common good, and everything else just isn't. We would argue that the social purpose that is the target of any social enterprise must be squarely aligned with this concept of the common good.” **Mission, Inc., p 5 and 7.**

Course Learning Outcomes

The goal of this course is to engage students in exploring the key aspects of superior performance in established nonprofit and for profit social enterprises. These include analyzing the tools used to create successful social enterprises, and the role social enterprise plays in building capacity to contribute to the strengthening of the communities in which they operate.

It is hoped that this course will spark the imagination of future leaders as they become change agents and seek to solve some of our most challenging social problems.

At the conclusion of this course, successful students will have demonstrated a knowledge and understanding of:

- Social enterprise concepts and the opportunities & challenges within the social enterprise landscape.
- How to evaluate a social enterprise opportunity based on mission, core values and competencies.
- The evaluation of community and internal resources, social and human capital, and intangible resources.
- Measuring and managing performance based on social return on investment, balancing the double bottom line, and developing a logic model.
- Planning and growing a social enterprise with a basic understanding of various forms of corporate structuring.
- Impact investing.
- Implications of going to scale.
- Strategies for forging alliances including partnerships and joint ventures.
- Social enterprise as an international movement.

Students will have developed a basic Business Plan and Investment “Pitch” for a Social Enterprise initiative.

Course Schedule and Topics

January 8, 2019

Class One – Introduction to Social Enterprise – a Working Definition

Discussion Topics:

- What is a Social Enterprise? Why does it exist?
- What kind of businesses and nonprofits fall into this landscape?
- Where is this innovation and activity heading?
- What are the ten paradoxes identified in the text? Discussion

Lecture: Michael Porter, Professor at Harvard Business School

Topic: The Case for Letting Business Solve Social Problems

Resource: TED Talks, June 2013

Discussion of Lecture

Introduce Assignment: Identify and Analyze a for profit or nonprofit Social Enterprise (Due to me by email by 9 pm on Sunday, January 20)

Reading: Mission, Inc., Introduction and Chapter One: The Ten Paradoxes of Social Enterprise

January 15, 2019

Class Two – Mission and Balancing Impact and Profit

Discussion Topics:

- If Social Enterprise is where Corporate social responsibility and the nonprofit service sector converge, what may be the future impact on those sectors?
- Mission versus margin – an either/or?
- Are there some guiding principles to assist us in thinking about mission versus margin? Identify and Discuss.
- What is meant by mission leverage?

Reading: Mission, Inc., Chapter Two: Doing Good Versus Doing Well; and Chapter Three: Form Versus Function

Speaker: To Be Announced

January 22, 2019

Class Three – Part 1: Sustainability and Structure

Discussion Topics:

- What defines the Social Enterprise landscape?
- Why does form and structure matter? Trade offs?
- Can form affect the organizational mindset? In what ways?

Social Enterprise Student Presentations

Part 2: Vulnerability and Importance of Core Values

Lecture: Brene Brown, Research Professor & NY Times Best Selling Author

Topic: The Power of Vulnerability

Resource: TED Talks, June 2010

Discussion Topics

- What is the relevance of Brene Brown's TED Talk to leading a social enterprise?
- What are the six myths of vulnerability?
- How might Core Values and Behaviors assist in leading a Social Enterprise?

Resource: Brene Brown, *Dare to Lead: Brave Work. Tough Conversations. Whole Hearts* (New York: Random House, 2018)

January 29, 2019

Class Four – Planning & Measuring and Managing Performance

Discussion Topics:

- Identify the topics that need to be addressed in a Social Enterprise Business Plan
- How do you measure success – how does this relate to the business plan?
- What is meant by outputs to outcomes – the logic model

Resource: Google – Logic Model Template

Reading: Mission, Inc., Chapter Four: Planning Versus Practice & Chapter Nine: Metrics Versus Instinct

Discuss Final Assignment: Business Plan and Investment “Pitch”

- Identify teams and explain expectations (progress reports at Feb 12 Class)

February 5, 2019

Class Five - Financial Health and Securing Capital

Discussion Topics:

- Would you invest your own capital into a social enterprise?
- What would be your criteria?
- Where do social enterprises get financing for start up, establishment, growth and expansion?
- What is a social impact investor?
- How are they different from traditional investors?
- What kind of investments do they make?

Speaker: To Be Announced

Reading: **Mission, Inc.**, Chapter Five: Debits Versus Credits

The Emerging Capital Market for Non Profits, Harvard Business Review, 2010 (To access this article, Google - Nonprofit Venture Capital Fund. Go to the listing and click on this article)

Investment Capital: The New Challenge for American Nonprofits, Communique No. 5, Lester M. Salamon with the assistance of Stephanie L. Geller, Johns Hopkins University

Report on the Nonprofit Investment Capital Roundtable, Communique No. 7

Both of the above articles are available at
<http://ccss.jhu.edu/research-projects/listening-post/listening-post-publications>.

February 12, 2019

Class Six – Marketing: Perception vs. Reality

Discussion Topics:

- What is meant by “Mission Advantage” in a Social Enterprise?
- What are the essential elements in a Marketing Plan for a SE?
- Who are the key stakeholders?
- What are the best strategies for creating connections?

Speaker: To Be Announced

Reading: **Mission, Inc.**, Chapter Seven: Perception Versus Reality

Final Assignment: Team progress presentations

February 19, 2019

Class Seven – Building the Team: Hiring the Best People

Discussion Topics:

- What is the difference between a Do-Gooder and a Good Doer?
- What are key strategies for recruiting the best people?
- What does mission and core values have to do with recruitment?
- What strategies are essential to retaining the best people?

Speaker or Case Study: To Be Announced

Reading: *Mission, Inc.*, Chapter Six: Do-Gooders Versus Good-Doers

February 26, 2019

Class Eight – Expanding the Social Enterprise: Growth vs. Expansion

Discussion Topics:

- What are key considerations in deciding to grow and/or expand?
- What is meant by mission creep?
- What does it take to grow or expand?

Reading: *Mission, Inc.*, Chapter Ten: Growth Versus Focus

Final Assignment: Team progress presentations & Tips for Making the “Pitch”

March 5, 2019

Class Nine: Leading the Social Enterprise Forward – Mindset and Leadership

Discussion Topics:

- What are the characteristics of a Fixed Mindset? a Growth Mindset?
- How can mindset affect leadership?
- Can an organization have a mindset?
- Can you have both mindsets?
- Do you have a personal leadership philosophy? Describe....

Resource: Carol S. Dweck, PhD., *Mindset: The New Psychology of Success* (New York: Ballantine Books, 2006, 2016)

Reading: *Mission, Inc.*, Chapter Eleven: Sweat Equity Versus Blood Equity; Chapter Eight: Value Versus Waste

March 12, 2019

Class Ten – Part 1: Team Presentations and Reflections

Part 2: Course Debrief & Evaluation

Required Text

The required text for this class.

1. **Mission, Inc., the practitioner's guide to social enterprise.**, by Kevin Lynch and Julius Walls, Jr., Berrett-Koehler Publishers, Inc: San Francisco, 2009, ISBN: 978-1-57675-479-5

It is expected that you will have this book on the first night of class.

Note: Additional readings, discussion topics and case studies will be announced and/or made available to you prior to class. Availability may be via the Internet. Also, Speakers will be announced prior to the class.

Attendance Policy

Recognizing the professional obligations of our students, one absence is allowed in a graduate course. A Student who misses two class sessions or fails to make arrangements for a make-up assignment will not pass the course. Students who miss three class sessions will not pass the course. If you are unable to attend class, please text or email Jerry Rauckhorst as soon as possible.

Assessment and Grading

Course Assignments:

Weekly Written Class Reflection

This paper is due to me by email by 9:00 PM on the Sunday preceding class. Please limit your comments to two pages, double-spaced. The paper should include what you felt were the key points of the previous class presentations, discussions and activities; the upcoming readings; and your comments on them. The focus should be on your comments and questions. This is the student's opportunity to assure the instructor that you understand the course content.

Written Assignment: Identify and analyze a for profit or nonprofit Social Enterprise

- Instructions for completing this assignment will be presented at the conclusion of Class One on January 8.
- Assignment is due to me by email by 9 pm on Sunday, January 20.
- Students will be graded on: 1) their written paper and 2) their oral presentations at Class Three on January 22.

Final Written Assignment and Presentation: Business Plan and Investment “Pitch”

- Working in a team of 3-4 students, each team will develop the concept, basic business plan and investment “pitch” for a Social Enterprise.
- Specific expectations will be covered in class.
- Team progress presentations are scheduled for Class Six on February 12 and Class Eight on February 26.
- Teams will be graded on the oral presentations of the business plan and pitch in which each member of the team plays a relatively equal role, as well as the written assignment.
- Each team’s written assignment is due to me by email by 9 pm on Thursday, March 7.
- Oral Team Presentations are scheduled for the final class on March 12.

Grading

Your course grade will be based on the following weighting of assignments, oral presentations and activities:

Weekly Written Class Reflections	25%	25 points
Class Discussion *	15%	15 points
Assignment: ID and Analyze a Social Enterprise	20%	20 points
Final: Business Plan and Investment “Pitch”	40%	40 points

* All students must come to class prepared to participate in the interactive presentations, discussions, and analysis

Course Ground Rules

THERE IS ZERO TOLERANCE IN THIS CLASS FOR THE USE OF ANY TYPE OF SOCIAL MEDIA DURING CLASS SESSIONS!

General guidelines for student behavior are provided in the Graduate Student Handbook.

Academic Honesty

Students are responsible for promoting academic honesty at Chaminade by not participating in any act of dishonesty and by reporting any incidence of dishonesty to an instructor or to a University official. Academic dishonesty may include theft of records or examinations, alteration of grades, and plagiarism. Questions of academic dishonesty in a particular class are first reviewed by the instructor, who must make a report with recommendation to the Business School Dean. Consequences for academic dishonesty may range from an "F" grade for the work in question to an "F" grade for the course to suspension or dismissal from the University.

Students with Disabilities

Chaminade University provides reasonable accommodations for individuals with a disability in compliance with the Americans with Disabilities Act (ADA) of 1990. If you would like to know if you qualify for ADA accommodations, please contact our Counseling Center at 808-735-4845. Current appropriate documentation will be required for determination of accommodation eligibility.

Characteristics of a Marianist Education

The following are characteristics of the approach to education engaged at Marianist schools, including Chaminade University:

- Educate for formation in faith
- Provide an integral quality education
- Educate in family spirit
- Educate for service, justice and peace
- Educate for adaptation and change

Instructor Background Information

Jerry Rauckhorst is the former President and CEO of Catholic Charities Hawaii (CCH), an organization he headed for 21 years. Prior to leading CCH, he served as the head of Catholic Charities Pittsburgh. Jerry holds a Master of Science in Social Administration from the Mandel School of Applied Social Sciences at Case Western Reserve University. Retiring in late 2016, he continues his involvements as a leadership and management consultant while serving as a trustee of the Hawaii Employees Retirement System and an advisor to CCH.

At CCH, Jerry was committed to addressing the needs of the underprivileged throughout Hawaii. He helped renew and unify the organization's mission of service and advocacy and its brand identity with four core values – dignity, compassion, social justice, and a commitment to excellence. He led the organization's acquisition of the former First Presbyterian Church property in Makiki, capital campaign and property renovation which resulted in a new home for Catholic Charities – the Clarence T. C. Ching Campus. Several agency locations were relocated to the Ching Campus, improving and expanding service delivery and efficiency. Under his leadership, the organization's annual budget tripled. It now serves more than 40,000 people a year and employs more than 300 staff in more than two dozen programs. In the last several years of his leadership, Catholic Charities focused on providing affordable housing for homeless families and seniors through its homeless programs and subsidiary housing development corporation. Support services and health and wellness programs are core programs of CCH today.

Jerry has advocated for numerous causes on behalf of low-income people in Hawaii: increasing the minimum wage, creating more affordable housing, and implementing fairer tax policies. Jerry is known for his “wholehearted and genuine commitment to CCH's mission of service and advocacy” and his slogan, “offering a hand up, not a hand out,” which has helped clients become self-sufficient as they work their way out of poverty. The Hawaii Appleseed Center recognized Jerry with the Patsy T. Mink Courageous Leadership Award, and he received lifetime achievement awards from the Hawaii Alliance of Nonprofit Organizations (HANO), of which he helped found, and the Hawaii Chapter of the National Association of Social Workers.

In addition to his service with Catholic Charities, Jerry has served on the boards of Catholic Charities USA, Hawaii Better Business Bureau, HANO, PHOCUSED, Hawaii Pops, Damien Memorial School, and the Armed Services YMCA. He currently serves on the board of the Hawaii Nature Center and the advisory boards of the Hawaii Budget and Policy Center and Hogan Entrepreneurs at Chaminade University.

Syllabus Modification

This syllabus is only a plan. The instructor may modify the plan during the course. The requirements of the course may be altered from those appearing in the syllabus. Further, the plan contains criteria by which the student's progress and performance in the course will be measured. These criteria may also be changed.