

**American University of Central Asia
School of Economics & Business Administration
Spring Semester 2017**

Social Enterprise & Frugal Entrepreneurship

Course Number: BUS361
Number of Credits: 6
Prerequisites: Sophomore standing or above

Language of Instruction: English

Course Goals or Purposes: The goal of the course is to give insights into how business logic and entrepreneurship can be used to generate social good, both environmental and economic. The course also explores frugal innovation, an approach by which products can be made to cater to BoP (bottom of the pyramid) consumers to make profits while serving the needs of a less affluent segment of society.

Course Description:

How can business logic be used to generate value for the environment and neglected members of society? Philanthropy and business are often seen as being at odds with one another, but social entrepreneurs combine these principles to create both profit and social value.

Properly motivated, virtually anyone can be a social entrepreneur. Even for those who do not directly establish a social enterprise in the future, this course offers a perspective on the value business and innovation can create for segments of society often overlooked. This course incorporates theoretical and applied aspects of social enterprise and BoP (frugal) innovation.

This course blends the latest theory with direct application. Local and foreign entrepreneurs and social entrepreneurs will share their experiences with their startups and social enterprises. These social entrepreneurs will provide insights and mentorship for planning, funding, launching and growing a social venture. They will further discuss the meaning of social value and how the success of a venture can be assessed using pecuniary and non-pecuniary metrics.

Course Learning Outcomes:

1. Provide social entrepreneurship with a formal analytical framework that situates social entrepreneurship within changing social values and institutions.

2. Understand basic entrepreneurship concepts of customer segmentation, value propositions, distribution channels, customer relationships and other considerations necessary to convert an idea into reality.
3. Learn a language for thinking and communicating social values.
4. Learn to clearly and concisely present product or service ideas effectively to angel investors and other funding sources.
5. Understand the multiple stages of launching a social enterprise and what is required during each phase of development.
6. Be aware of the special challenges of launching social ventures and engaging in frugal innovation in Central Asia.

Academic Dishonesty:

As defined, academic dishonesty is a "failure to maintain academic integrity" Failing to maintain academic integrity includes obtaining or giving help on an examination, doing work for another student, and plagiarism.

Plagiarism is a serious issue in academic settings. There is a general rule for avoiding plagiarism: never attempt to pass off another's work as your own. More specific guidelines are:

- Do not copy words from any source without quoting and citing that source. The quotation should be reproduced in the exact manner in which the quote is taken.
- Do not use the ideas, concepts or opinions from any source without citing that source. Included are key terms, technical concepts and original views.
- Paraphrasing is acceptable; however, one must take care to cite the source and not misrepresent the original thesis. Paraphrasing often is the area in which most charges of plagiarism result.

Students are expected to maintain high ethical standards in all their courses. All cases of academic dishonesty will result in a failing grade and will be referred to the Chair, Business Administration department for administrative review.

Academic Policies:

Academic Policies are not course specific and therefore are created and maintained separately from this syllabus. One may examine AUCA Academic Policies in the AUCA Catalog.

A grade of Incomplete may be awarded at the discretion of the instructor when a student can demonstrate strong reasons why they were not able to complete the course on time. "Strong reasons" can include, for example, documented medical issues or family emergencies. The student will then be given another semester to complete the requirements of the course. If the student is not able to complete the course by that time, he or she will receive an "F."

Required Course Materials

Course materials and assignments will be posted on Google Classroom

Primary Readings

- Environment (Whole Foods) <http://www.flowidealism.org/2007/Downloads/Conscious-Capitalism JM.pdf>
- *Getting Beyond Better: How Social Entrepreneurship Works* by Roger L. Martin

- Frugal Innovation (articles & books – HBR, popular, academic)
- <https://entrepreneurship.duke.edu/social-entrepreneurship/resources/>
- <https://www.coursera.org/learn/social-impact>
- Case studies
- *Why the Lean Start-Up Changes Everything*, Steve Blank, Harvard Business Review, May 2013. Download from hbr.org.
- *What's Mine is Yours: The Rise of Collaborative Consumption* by Roo Rogers
- *Ecology of Commerce* by Paul Hawken <http://infohouse.p2ric.org/ref/31/30233.pdf>
- <http://www.savingcapitalism.com/capintro.pdf>

Additional materials will be assigned in class.

Suggested Additional Materials

Readings (not available at AUCA library)

- *The Startup Owners Manual*, Steve Blank and Bob Dorf, on customer development
- *The Lean Startup*, Eric Ries
- *Value Proposition Design*, Alexander Osterwalder and Yves Pigneur
- *Crossing the Chasm*, a wonderful book on why so many products fail to make the transition from early adopters to early majority.
- *Systems Thinking for Social Change*, David Peter Stroh.
- *Start Something that Really Matters*, Blake Mycoskie. Social entrepreneurship.

Videos

- Launchpad Central, a tool for sharing ideas with others developed by Steve Blank www.launchpadcentral.com
- "How to be a social entrepreneur." <https://www.youtube.com/watch?v=N8LVa9pb-n8>
- "Key traits of a social entrepreneur." <https://www.youtube.com/watch?v=FV7wn77QLMc>
- Skoll introduction to social entrepreneurship https://www.youtube.com/watch?v=jk5LI_WcosQ
- Stanford panel discussion on social entrepreneurship <https://www.youtube.com/watch?v=SkCUalVWiW0>
- Frugal innovation https://www.youtube.com/watch?v=o-Fpsw_yYPg
- Skoll 2015 award winner <https://www.youtube.com/watch?v=RazdsYHfEQ>
- Harvard Innovation Lab on starting a social entrepreneurship venture https://www.youtube.com/watch?v=ksOsw0-m0l4&list=PLkbugls8s2BKVwz_iOiMXVhTomL_ocwAD&index=14
- Khan Academy https://www.youtube.com/watch?v=G_iDIjdV3Xs&list=PLkbugls8s2BKVwz_iOiMXVhTomL_ocwAD&index=33
- Tampons in India https://www.ted.com/talks/aranachalam_muruganatham_how_i_started_a_sanitary_napkin_revolution and <https://www.youtube.com/watch?v=maYFoZVvDiM>
- *The Playbook*, Inc. A collection of over 200, one minute videos with advice from entrepreneurs on a variety of topics. <http://www.inc.com/playbook?cid=so00006playbook.ramberg>

Course Policies

Issue	Policy
Course Site	The course will use Google Classroom
Changes	The course instructors reserve the right to modify portions of this syllabus at any time during the period of the course. Any modifications will be communicated in writing to students.
Late Assignments	Late assignments are penalized one letter grade per day.

Course Grading

Grade Component	Percent
Participation and Short Assignments	40
Individual Report	20
Final Team Paper and Presentation	40
Total	100%

Participation and Short Assignments (40%) – This seminar course is interactive and requires a high level of participation from students. Students are expected to engage in discussion about the readings, cases and other course materials. Short assignments, case writeups or quizzes may be given to help reinforce the material covered in class.

Individual Report (20%) – Students should research a social enterprise or frugal innovation and produce a ~10 page (double-spaced) paper about the product or service. This report *must include primary data* and requires students to interview and contact local or international social entrepreneurs directly. The report can take different forms, but must incorporate analytical tools used in class and address the following questions: What social need does the product or service fulfill? Is it successful? How can it be improved? What are some of the challenges faced during various stages of the enterprise?

Team Business Model Presentations (40%) – Students will work in teams of no more than three to create a product or service proposal that serves a genuine social or environmental need in Central Asia. Grading will be based on demonstrated expertise using the concepts elaborated in the course and the justification about how the proposed social enterprise improves welfare. Crucially, the report needs to demonstrate how the product or service can make a profit and be sustainable. The final presentation will be assessed by a panel of entrepreneurs and business professionals, and for truly outstanding work, funding may be available from the angel investors participating on the panel.

IMPORTANT: Due to the nature of this course and my role as a facilitator for your projects, attending office hours and soliciting feedback from me, guest lecturers and entrepreneurs is critical. Please avail the opportunity to learn from and ask questions to this distinguished set of visitors.

If you know you will not be able to attend a class, or if there is an emergency, please contact the instructor as early as possible to discuss how to make up the session. Because of time constraints, the instructor may not be able to provide a make-up option.

SEBA Standard Grading Guidelines

The grading scale, which is standard in the AUCA School of Economics & Business Administration, is as follows:

Social Enterprise & Frugal Entrepreneurship (AUCA Spring 2017)

A	100 – 93	C	76 – 73
A-	92 – 90	C-	72 – 70
B+	89 – 87	D+	69 – 67
B	86 – 83	D	66 – 63
B-	82 – 80	D-	62 – 60
C+	79 – 77	F	59 - 0

The grade of **C** implies a student's performance is "satisfactory." This represents a student that has understood the subject material, shows reasonable competence, and conforms to the minimum requirements.

The grade of **B** represents "good scholarship." This identifies a student that has performed at a higher than satisfactory level, exhibits proficient use of course related terminology, and deals with challenging topics.

The grade of **A** represents "outstanding scholarship." This is reserved for those students that have shown distinction in their performance, advance the general understanding of the material, and apply both terminology and principles in completing course related assignments.

To receive full credit, assigned work must be submitted before the scheduled submission deadline. Therefore, students keeping up with the course work and submitting assignments on time is essential. *Late assignments will not be accepted for grading.* If commitments make submitting assignments on schedule impossible, students must consult with the professor in advance to make other arrangements.

Tentative Schedule with due dates for assignments

The exact topics and sessions are likely to change as the course progresses. The instructor will notify you about changes. Unless indicated otherwise, assignments will be posted on **Google Classroom** in advance of the class. Class presentations will be added to the site after the class. Some materials will be marked as optional. Do NOT use this syllabus to get class assignments.

Specific readings and assignments will be added to Google Classroom as the course progresses.

Session #	Date	Topic/Experience	Speakers	Assignments for the Class
1	Tuesday January 17	<ul style="list-style-type: none"> • Course Overview • Introduction to social enterprise and frugal innovation • Externalities 		
2	Thursday January 19	<ul style="list-style-type: none"> • Business logic and hybrid organizations • The mindset of the social entrepreneur 		Find an example of a social enterprise you find interesting. Read chapter 1 in Martin.
3	Tuesday January 24	<ul style="list-style-type: none"> • The Ecology of Commerce • Triple Bottom Line 		
4	Thursday January 26	<ul style="list-style-type: none"> • Business Model Canvas 		
5	Tuesday January 31	<ul style="list-style-type: none"> • Apply BMG to your selected social enterprise 		Readings suggested by guest lecturer
6	Thursday February 2	<ul style="list-style-type: none"> • Disrupting an equilibrium • Government and business social innovation 		

7	Tuesday February 7	<ul style="list-style-type: none"> • Entrepreneurship Training Session 		
8	Thursday February 9	<ul style="list-style-type: none"> • Consulting and interviewing social entrepreneurs 	Fieldtrip to The Farm	
9	Tuesday February 14	<ul style="list-style-type: none"> • Creativity and Innovation Management 	Young-Choon Kim, Associate Professor UNIST	Readings suggested by guest instructor
10	Thursday February 16	<ul style="list-style-type: none"> • Creativity and Innovation Management 	Young-Choon Kim, Associate Professor UNIST	
11	Tuesday February 21	<ul style="list-style-type: none"> • Microfinance 		
12	Thursday February 23	<ul style="list-style-type: none"> • No Class – Defender’s Day 		
13	Tuesday February 28	<ul style="list-style-type: none"> • Raising funds and building a sustainable financial model for social enterprises 		
14	Thursday March 2	<ul style="list-style-type: none"> • Financing social enterprises continued 		

15	Tuesday March 7	<ul style="list-style-type: none"> Leading and managing effective startups 	Richard Arvey, Professor NUS	Readings suggested by guest instructor
16	Thursday March 9	<ul style="list-style-type: none"> Systems thinking 	Richard Arvey, Professor NUS	
17	Tuesday March 14	<ul style="list-style-type: none"> Topics selected by students (ecology of commerce, education, etc.) 		
18	Thursday March 16	<ul style="list-style-type: none"> Topics selected by students (ecology of commerce, education, etc.) 		Report on social enterprise due
19	March 20-24	<ul style="list-style-type: none"> Spring Break - Have Fun! 		
20	Tuesday March 28	<ul style="list-style-type: none"> Microfinance in Kyrgyzstan 		
21	Thursday March 30	<ul style="list-style-type: none"> Influence and negotiation for entrepreneurs 		
22	Tuesday April 4	<ul style="list-style-type: none"> Pitching to angel investors 		
23	Thursday April 6	<ul style="list-style-type: none"> Social enterprise & frugal innovation in India Planning, launching and scaling a social venture 	Anjan Ghosh, PhD	Readings suggested by instructor
24	Tuesday April 11	<ul style="list-style-type: none"> 	Anjan Ghosh, PhD	

25	Thursday April 13	•	Anjan Ghosh, PhD	
26	Tuesday April 18	•	Anjan Ghosh, PhD	
27	Thursday April 20	•	Anjan Ghosh, PhD	
28	Tuesday April 25	•	Anjan Ghosh, PhD	
29	Thursday April 27	•	Anjan Ghosh, PhD	
30	Tuesday May 2	• Final Presentations		
31	Thursday May 4	• Final Presentations		Final proposals due one week after final class session