

Social Enterprise Model Canvas: What Business Models for Social Enterprises?

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SESSION 6.6. Frameworks and Models for Social Entrepreneurship



Agenda

1. Business model
2. Social business model
3. Methodology
4. Social Enterprise Model Canvas (SEMC)
5. Conclusion

1. Business Model

What is a business model?

Definitions of business model are scattered (Eden & Ackermann, 2000; George & Bock, 2011)

A business model clearly articulates “the rationale of how an organisation creates, delivers and captures value” (Osterwalder & Pigneur, 2009)

Business models seek to explain how value is created, *not just how it is captured* (Zott et al., 2011)



A business model is a synthetic representation of the various dimensions of an organization, and the way these dimensions structure with consistence.

A business model integrates a description of the actors and their roles, of the potential benefits for each actor and of the revenue sources (Timmers 1998)





The Business Model Canvas

Designed for:

Designed by:

Date:

Version:

Key Partners 	Key Activities 	Value Propositions 	Customer Relationships 	Customer Segments 
	Key Resources 		Channels 	
Cost Structure 		Revenue Streams 		

9 interrelated variables:

- Value propositions
- Customer segments
- Key activities
- Channels
- Customer relationships
- Key partners
- Revenue streams
- Key resources
- Cost structure

(Osterwalder & Pigneur, 2010)



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2. Social Business Model

What are the specificities of SE impacting their business model?

Three specificities of social enterprises should be highlighted to understand why the BMC should be adapted (Moreau & Mortier, 2017 ; Defourny & Nyssens, 2011 ; Sparviero, 2019)

1. **Multiple resources** (Young, 2007 ; Gardin, 2006)
2. **Surplus allocation & Additional costs recovery** (Hansmann, 1996 ; Steinberg 2006 ; Young, 2017; Gui, 1999, Henry, 2010)
3. **Governance** (Defourny & Nyssens, 2006 ; Rijpens, 2010 ; Hansmann, 1996 ; Campi, Defourny & Grégoire, 2006 ; Borzaga & Sachetti, 2015 ; Huybrechts, Mertens & Rijpens, 2014)

Social business model

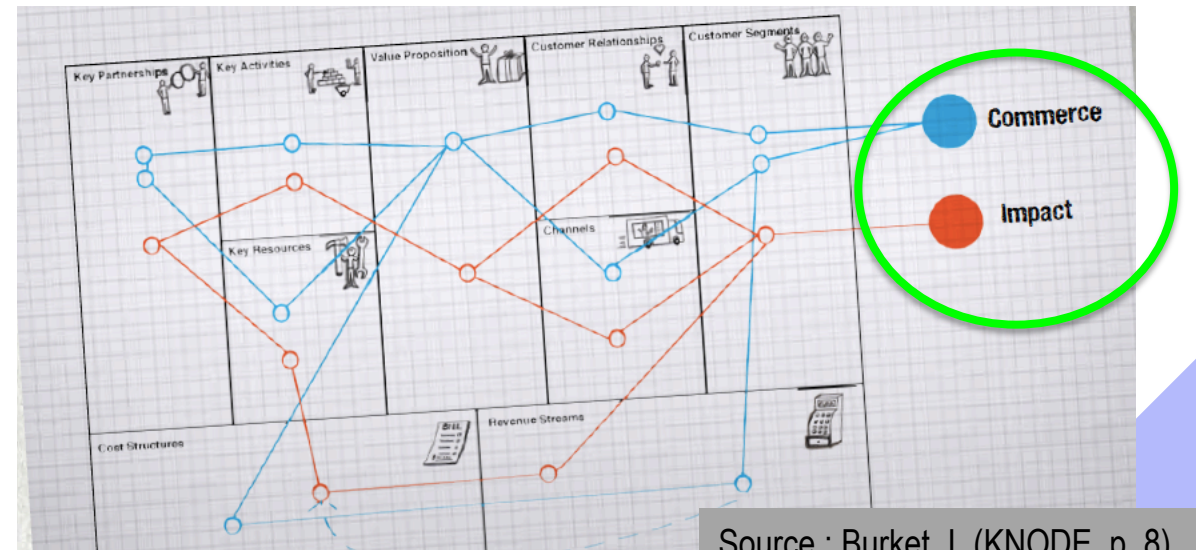
Several authors have already developed social business models (Sparviero, 2019 ; Joyce & Paquin, 2016 ; Aure, 2015 ; Vial, 2016 ; Kania & al., 2017 ; Moratis et al., 2018)

Social Business Model Canvas

Key Resources <i>What resources will you need to run your activities? People, finance, access?</i>	Key Activities <i>What programme and non-programme activities will your organisation be carrying out?</i>	Type of Intervention <i>What is the format of your intervention? Is it a workshop? A service? A product?</i>	Segments Beneficiary Customer	Value Proposition Social Value Proposition Impact Measures
Partners + Key Stakeholders <i>Who are the essential groups you will need to involve to deliver your programme? Do you need special access or permissions?</i>	Channels <i>How are you reaching your beneficiaries or customers?</i>	Customer Value Proposition <i>How will you show that you are creating social impact?</i>	Revenue <i>Who are the people or organisations who will pay to address this issue?</i>	<i>What do your customers want to get out of this initiative?</i>
Cost Structure <i>What are your biggest expenditure areas? How do they change as you scale up?</i>	Surplus <i>Where do you plan to invest your profits?</i>	Revenue <i>Break down your revenue sources by %</i>		

Source : Social Innovation Lab

Inspired by The Business Model Canvas



Source : Burket, I. (KNODE, p. 8)

3. Methodology

Several action research

A methodology based on back-and-forths between literature and several action research on related topics.

1. Development of the framework during **SECOIA project**. Notably, 104 interviews with managers and other stakeholders of 41 social enterprises, with classic private organizations with practices close to the ones of social enterprises and with actors from the ecosystem
→ SECOIA, Social ECONomy Impact Assessment, 2016-2017, Walloon Region
2. Testing of the framework during **VISES project**. Co-construction of a common approach to assess social impact in social enterprises with more than 20 partners (federations, networks, etc.) and more than 60 social enterprises in France and Belgium.
→ VISES, valorization of the social impact of social enterprises, 2016-2019, Interreg
3. Teaching and adaptation of the framework during the **A4I project**. Discussed with the European partners, taught to a dozen social care providers in Belgium (and much more in Spain and Tcheck Republic). Adaptation of the framework.
→ A4I, alliances for inclusive investment in social care and support, 2019-2021, Erasmus Plus
4. Deepening of the framework during the **EsCap project** through the development of questions related to each boxes of the framework
→ EsCap, dissemination and co-construction of knowledge on social economy between actors from the social enterprises' ecosystem and academics/researchers studying related topics, 2020-2024, Walloon Region

4. Social Enterprise Model Canvas (SEMC)

SOCIAL MISSION

Which social needs do you address?

GOVERNANCE

Which stakeholders are involved in your governance, in which decision-making bodies and why?

KEY PARTNERS

Who are the essential partners to your everyday functioning?

KEY ACTIVITIES

What are the main and daily activities of your workers?

VALUE PROPOSITION

How does your organization create value?



TARGET AUDIENCES

For which part of the population do you create value?

Clients, beneficiaries, workers, members, community...



IMPACT EVALUATION

What are the criteria/indicators to report the value you created?

KEY RESOURCES

(material, intellectual, human, financial)
What are the essential resources to your everyday functioning?



CHANNELS

How do you reach your target audiences?

COST STRUCTURE

Which activities and key resources are the most expensive?

My social mission reduce some costs.



My social mission increase some costs.



SURPLUS

How do you affect your surplus?



My social mission reduce some revenue



My social mission increase some revenue



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(sale, membership fee, donation, public subsidies...)
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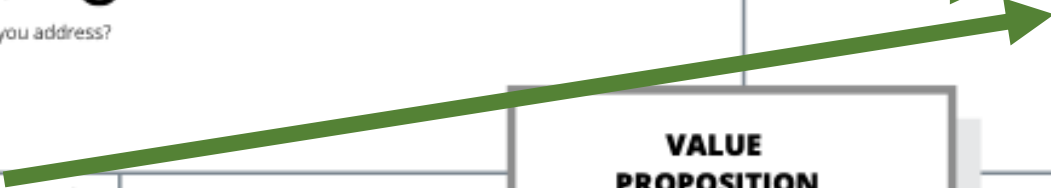
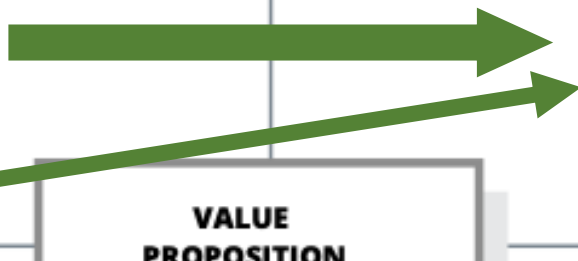


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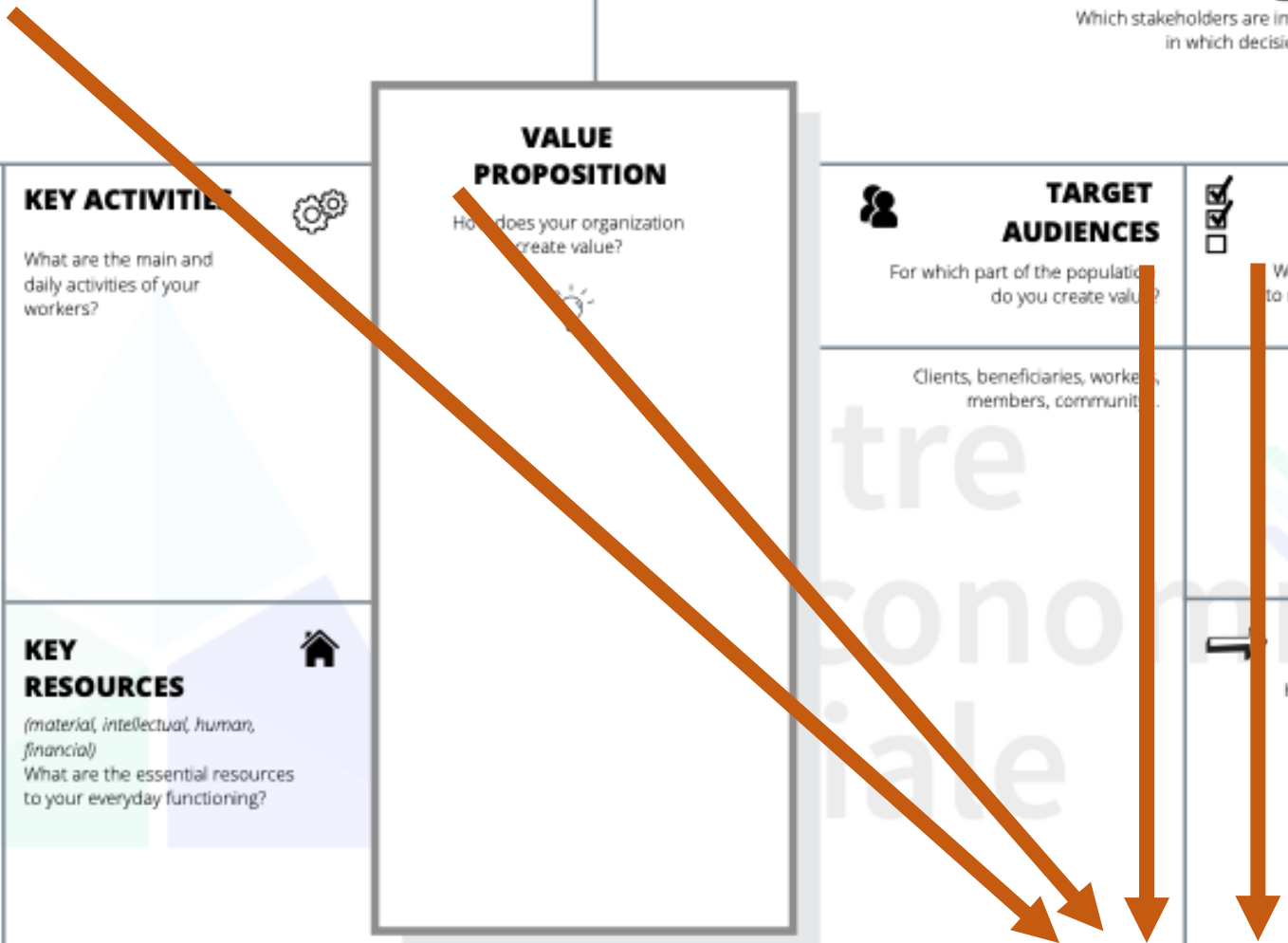
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4. Conclusion

Numerous perspectives

- For social entrepreneurs, to create their social business or to replicate an existing social enterprise
- For students, to understand the specificities of social enterprises and catch the interactions between them
- For the social enterprises, to improve their functioning, to start a dialogue with their various stakeholders, to get in touch with investors...
- For researchers, to apprehend the articulation between several theories on social enterprises