Unit 4.1:
Recognition of Business Opportunity

Department of Business Administration
Educational Program in Social Entrepreneurship

The characteristics of the entrepreneur and the social entrepreneur

Like the entrepreneurs contribute and change the world of business, so do the Social Entrepreneurs. They act as **agents of change for the Society**.

Jeff Skoll of EBAY referred to the social entrepreneur as

"He is the practical dreamer who has the ability, the talent and the vision to solve problems, to change the world for the better by working in a free market where success is not only measured by economic earnings but also by improving the quality of people's lives".

The research of the social entrepreneur's profile states that: (1/2)

- He uses different vocabulary.
- His creativity.
- His collaborative leadership characteristics, teamwork.
- His social-moral motivation. His long-term motivation of the social orientation. His morality, altruism, and commitment to their community.
- He can take advantage of innovative opportunities that appear suddenly.

The research of the social entrepreneur's profile states that: (2/2)

- He has the innovation that leads to positive social change independently of mechanisms.

- He has a great desire for change in society. He feels uncomfortable about the status quo. He wants to be socially responsible.

- He is trustworthy. He accepts social criticism, and he is receptive to the feelings of the others.

- Networking & leadership skills are the most important characteristics of his success.

- America has emphasized the heroic nature of the person, while Europe the collective nature.

What is it that boosts social entrepreneurs?

The social entrepreneurs start off with what motivates them and try to change the data. They choose who they will work with and who they will help:

- Homeless
- Isolated children
- Socially excluded groups
- Economically excluded groups
- Older patients
- School Drop outs
- Society
- Physically or mentally ill
- Other

The social entrepreneur finds solutions to some of the basic social problems.

What is the difference in the model of a Social Enterprise related to the traditional business model?

The social entrepreneurs start with what motivates them and they find innovative solutions by using the tools of the free market so as to ensure that these solutions will be economically viable. While the traditional businesses usually start with the available resources
(logic model => resources-activities-output-outcome-Impact)
the Social Enterprises start with Impact-Outcome-Output-Activity-Resources / Input.

The social entrepreneurs start with the impact they want to have and go backwards by designing actions and seeking resources.

What triggers creativity?

- Curiosity
- Challenge
- Unpleasant equilibrium
- A commitment to resolving the issue
- Perspective to avoid criticism
- Ability to see the positive side of negative outcomes
- Problems lead to improvement
- A problem may be a solution
- Problems are "gifts"

What are the main obstacles to creative thinking?

The main obstacles to creative and sidelong thinking are:

- Perceptual
- Emotional
- Intellectual
- Cultural
- Environmental

What is Brainstorming and what are the 7 steps for effective Brainstorming according to IDEO?

Brainstorming was originally developed by Osborne as a high-profile advertising agent so as to create better campaigns. Osborn (1979) reported first that the method was the one that was used by Hindu teachers in India that used the Prai- (outside of yourself) Barshana (question) method for more than 400 years.

Brainstorming is effective because it allows the cooperation of both parts of the brain. Its basic elements are free ideas and absolute absence of criticism.

The 7 Steps for Effective BRAINSTORMING by IDEO: (1/2)

1. **Postpone any criticism**. There are no bad ideas at this point. There will be enough time for criticism later.

2. **Encourage daring ideas**. Daring ideas are those that create real innovation. It is easy to land them on the ground in a second stage.

3. **Build on the ideas of others**. Always think in the context of "AND" instead of "but / however". If you do not like an idea, challenge yourself to build on it to improve it.

4. **Stay focused on the issue**. If all discipline themselves, we will get a better result.

The 7 Steps for Effective BRAINSTORMING by IDEO: (2/2)

5. **Be visual**. Try to involve both the logic and the creative side of the mind.

6. **A discussion at a time**. Let the ideas be heard and then build on them.

7. **Try for the quantity**. Put a high target on the number of ideas and get over it. Remember that there is no need to extend so as your idea to be accepted. No one judges at this stage. Ideas need to flow quickly.

What is the mind map and why is it supportive

The mind map is found at the work of Tony Buzan in the 1970s.

It is a technique that it is applied so as to allow the release of the total brain capacity.

This technique is successful because it mimics the way our brain works. We are taught and trained to think linearly while our brain works very differently and widened.

What is the Human-centered design?

Anthropocentric design allows the creation of services and products that meet the peoples' real needs.

It is a methodology that allows for a problem-solving approach focused on solutions that have the human as the main focus. It has been proved to be ideal for solving complex challenges that have difficulty in defining them, through a deep understanding of human needs.

The method creates solutions by re-casting the problem with a human-centered approach and it creates ideas through brainstorming and creative techniques resulting in practical actions such as the creation of a prototype, and its testing in the field.

the 5 stages of Human-centered design

The five stages according to d.school are :

- Empathise,
- Define,
- Ideate,
- Prototype and
- Test.

What is the systemic thinking and how does it help solving problems?

Systemic thinking is a field of Management that focuses on understanding a system by looking at the links and the interactions between its parts universally. This allows understanding of the system and it enables a creative approach to solving or improving through the targeted interventions.

By addressing a problem at the level of the system that creates it, points can be identified points, that an intervention will have a greater percentage of success or identify the signs that create it.

The 5 myths about the business idea.

MYTH 1 - "The idea comes from nothing" (1/2)

The business idea is also a misunderstood concept. The Greeks like using the phrase "got lucky". Is it true?

NO. There is no overnight success. First comes the need and then the idea follows. The idea is a long process of enriching and cultivating our cognitive base from research, experience, worldliness and observation.

The 5 myths about the business idea.

MYTH 1 - "The idea comes from nothing" (2/2)

Newton did not have the idea because of the apple. He devoted years to cultivating this cognitive base around the field, and at some point the "dots" were joined and the fact of the falling of the apple caused an activation and multiple knowledge connection. So happens in entrepreneurship for solving a need and a problem we have to work on it so as to understand and link the points.

This misconception usually happens when we see success, not the way to it. A famous entrepreneur has said: "I spent 15 years on my overnight success."

The 5 myths about the business idea.

MYTH 2 - "Either you have an idea or you haven't"

There is also the impression that entrepreneurs have succeeded because of their idea. According to Amar Bhide's survey on entrepreneurs around the world, the 85% succeeded because of other peoples' ideas and only the 15% on their own ideas. Each person who has an idea does not mean he has the means or that he will take the risk to try it.

A simple way to make a quick diagnosis of your business idea is what Marketing is referred to as the Unique Selling Proposition (USP) and answers the question "Why should Your Product / Service be bought".

The 5 myths about the business idea.

MYTH 3 - "There are so many big companies with so many means and people with ideas" (1/2)

Absolutely Not.

As Gladwell says:

"Startup companies, with new solutions to the old problems, overcome the big business (Goliaths)“.

The 5 myths about the business idea.

MYTH 3 - "There are so many big companies with so many means and people with ideas" (2/2)

In the business community, the legend of the "big" is a "Dragon" that terrorises and accompanies multiple debates between small and medium-sized businesses (SMEs).

What is interesting is that the great and omnipotent "dragons" in all the fairy tales found their "master" by a simple man with stubbornness and a plan that knew how to properly manage his "armory". We therefore refer to the fact that large companies are powerful in means yet they lack in flexibility and they have limited access to methods and tools that small businesses have.

The 5 myths about the business idea.

MYTH 4 - "I Trust My Idea, It Will Work"

Eleanor Duckworth in her book "Having of wonderful ideas" says "I trust my idea; it does not mean it is right, it means I'm willing to try it.

Ideas are full of what you may have heard as the founders’ syndrome. The founder falls in love with his idea and supports it more than he should. What it is prevalent in the business world and it is known is the False Start stage, as it is a fact that in order to be a product successful on the market it must pass the borders of the founder's beliefs and to be progressively adapted through testing to the final consumer.

The 5 myths about the business idea.

MYTH 5 – "If I say my idea it will be stolen " (1/2)

Are you afraid of being your idea stolen? If you are lucky, they will tell you their opinion.

Remember that the biggest problem of new ideas is that they have incorporated the stereotypes and the beliefs of its founder and they have not proved that the beneficiary, customer, customer needs them.

The 5 myths about the business idea.

MYTH 5 – "If I say my idea it will be stolen " (2/2)

By discussing your idea you can:

- Be aware of listening to other views that may lead you to an improved version of your service / product.

- Find "Evangelists" to help you communicate your idea and create reputation, recognition.

- Find partners or escorts, supporters in order to create a winning team.

- Find potential investors.

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Unit 4.2: Development of Business Models

Department of Business Administration

Educational Program in Social Entrepreneurship

What is a business model?

It is a framework that helps to understand how different parts in an organization (such as marketing, production, finance, partners, etc.) interact in order to create value for customers - that is, **the business logic of an enterprise.**

It is a plan to secure revenue and profits from running a business.

How can a business model canvas help a social entrepreneur? (1/2)

Business model canvas is a popular visual tool for managing a (social) business strategy to develop new or record existing business models. **It helps us briefly describe how an enterprise creates, delivers and captures social and commercial value**.

It offers the business team a structured and concise way to clear up a business idea (what problem is solved, to whom it is addressed, how it is solved, how much it costs and how much revenue it will generate) and turn it into a viable business proposal. It also has the potential to explain quickly and effectively to third parties (e.g. financiers or other stakeholders) the idea and the main elements of the operation of the business.

How can a business model canvas help a social entrepreneur? (2/2)

Generally, the business model canvas is a powerful tool and it is designed to change quickly, **with the aim of confirming or rejecting our business affairs in line** with the real needs of the market.

The 9 dimensions of the business model canvas. (1/9)

Value proposition

The proposed value aims to solve customer problems and to respond to their needs. This is why customers prefer a business to another. For Social Enterprises there are two value propositions, the social (impact, social mission) and the commercial (products / services).These two values are interdependent, since making a good business is never enough to be viable if, above all, the service and its product are not good and attractive to its customers.

The 9 dimensions of the business model canvas. (2/9)

Customers

They are the individuals or organizations for which the business creates value. Customers are the heart of a business model. In order to best meet the needs of its customers, the business should group them into specific categories with common needs, common behaviors or other common characteristics.

For Social Enterprises, there are at least two different categories of customers. The one is those who purchase the products and services of the enterprise (commercial customers) and the other the customers who want to support and / or benefit from the social benefit of the enterprise (social clients - impact customers).Some Social Enterprises face their financiers as co-workers, not as potential customers, which can be restrictive.

The 9 dimensions of the business model canvas. (3/9)

Channels of communication

Describe how a business approaches the customer groups it has selected and offers its value proposition. They include the communication, the sales, the distribution, and the after-sales service.

It is of strategic importance which activities (information, evaluation etc.) will be carried out by the company itself (e.g. sellers) and what will be done by external partners (e.g. wholesalers).

The 9 dimensions of the business model canvas. (4/9)

Customer Relationships

It determines the type of relationships the business has with each category of customer. The relationships that a business creates with its customers greatly influence the overall customer experience of the business.

For Social Enterprises, it may be of a particular interest to put aside the traditional relationships that a business has with its customers and to explore how their customers could become their "community" or how they could co-create in business.

The 9 dimensions of the business model canvas. (5/9)

Sources of revenue

They relate to the ways and the pricing mechanisms by which the business captures value. The sources of revenue enable Social Enterprises to evolve and create social value.

For a Social Enterprise to be meaningful, the source of its revenue should be linked to its social mission and the social benefits it can create. Equally, a balance is needed between sources of revenue that may be derived from the provision of social value (e.g. charities) and from commercial value (e.g. sales). Under no circumstances should the enterprise rely solely on charities to support an unsustainable business model.

The 9 dimensions of the business model canvas. (6/9)

Main resources

They are the most important resources required to operate the business model.

The main resources may be physical, financial, intellectual, human or of social impact resources. They may either belong to the enterprise itself or be searched by external sources or by the company's main partners.

The 9 dimensions of the business model canvas. (7/9)

Main activities

These are the most important actions the business must take so as to ensure its successful operation (securing both commercial value and social impact).

In a Social Enterprise there are "complementary" commercial / social value activities and "conflicting" activities of commercial / social value.

The 9 dimensions of the business model canvas. (8/9)

Key Partners

The key partners are the network of suppliers, allies, supporters and co-creators needed to ensure that a Social Enterprise can achieve both its commercial and social goals.

The 9 dimensions of the business model canvas. (9/9)

Cost Correction

It includes all costs that are burdened by the operation of the business model.

These costs can be estimated relatively easily if the main resources, the main activities and the key partnerships are identified. There are commercial and social impact costs.

How is the business plan canvas used? (1/3)

Canvas Design

The canvas has two parts, the right part is related to the creativity and the emotion and it is about creating and transferring value to the client (extroversion) while the left part is related to efficiency and logic and it is what it is needed so as to create value (introversion). For the design of the canvas we start from the right section. We initially recognize the value proposition and the customers. It is important to exist a product-market fit that is the value proposition (commercial and social) to suit the appropriate customers. Then we move on to the communication channels (how the value proposition reaches customers) and in the customer relations. Then we reach the revenue sources. Immediately after that it follows the left part of the canvas. We start with the main resources and processes and then we approach the key partners. Finally, we record the cost structure.

How is the business plan canvas used? (2/3)

Practical issues

We use different in colors post-it so as to categorise the issues related to commercial and social value. The business team can also combine texts with plans for better visualisation.

How is the business plan canvas used? (3/3)

Development of Prototypes

An idea usually does not have a perfect shape but it is modified, adapted, and shaped. The business model canvas is a powerful tool and it is not something we do once. On a continuous basis, the potential entrepreneur tries business hypotheses; he measures his progress and he adapts his business model to the real needs of the market. The entrepreneur uses cost-of-concept (Customer Acceptance) cost-effective ways of thinking, such as discussions with customers, vendors, distributors, developing online advertising (recognition of interest), and online gathering of information for the acceptance of the idea (by using the poll fish tool). Through this process, based on the inputs he receives, he develops many different canvases until he reaches the desired business model that confirms all of his business affairs (multiple business models as thinking tools for poking different directions).

The relationship between a business plan and a business model

Generally, the **business model** is *dynamic* and it is designed to change quickly so that each time to reflect the finite moment while the **business plan** is more time-consuming to be made and *more static* (it captures a specific moment and until the data has been compiled it may have changed).

However, we could say there is a complementarity. In the initial phase of business opportunity exploration, the development of the business model and the standardisation are parts of the feasibility analysis that is the examination of the viability of a business idea. In the initial phase of business opportunity exploration, business model development and standardization are part of the feasibility analysis, that is the examination of the viability of a business idea.

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Unit 4.3:
Market Survey

Department of Business Administration
Educational Program in Social Entrepreneurship

What is a market research?

Market research is the study of markets that is who buys products and services, what the characteristics of these people are and how they can be accessed through display tools.

The market research studies the consumer units and the competitors that define a particular market. It is the process of collecting, analyzing and interpreting information about a business, its product offerings, and its existing and potential customers. The collected data are used to improve its knowledge both of the structure and the prospects of a market as well as the needs and the desires of the consumers.

How can the market research help a social entrepreneur? (1/3)

The market research is often referred to as the "eyes and ears" of the business. Because it offers catalytic assistance to the decision-makers of the marketing department in a Social Enterprise, in decision-making on individual strategic issues such as segmentation, targeting, placement, buyer-consumer analysis, sales promotion techniques, price, distribution channels, evaluation of results, etc.

In summary, the market research helps:

How can the market research help a social entrepreneur? (2/3)

- **Identifying opportunities and problems**:

The research identifies problems that the enterprises need to correct or eliminate, such as the consumers' dissatisfaction, as well as it deters problems that can be avoided if they are detected in time. At the same time, it highlights opportunities that the business could exploit for its benefit, such as new products and new users.

- **Developing and evaluating marketing actions**:

New marketing programs (e.g. advertising campaigns) are being developed through marketing research that is evaluated after their implementation to determine their effectiveness (e.g., the world's resonance).

How can the market research help a social entrepreneur? (3/3)

- **Checking the performance of the marketing plan:**

It is very important for the business to be able to check whether the strategies and methods followed have had results, for example if consumers were satisfied and to what extent.

- **Improving the process of marketing:**

Only through the improvement and expansion of knowledge are developed theories that explain, describe and predict the phenomena of marketing.

The stages of a market research (1/4)

Stage 1: **Problem definition**

This is the first and perhaps the most important stage, because if the problem is not stated it cannot be solved. As it is said, "if you do not know what you are looking for, you will never find it". Defining the broad or specific problem is not always easy. Full understanding of the environment is required and sometimes interviews with experts and / or collection and extensive data analysis are needed. When the problem is identified and defined, then the researcher can proceed with the design and implementation of the research.

The stages of a market research (2/4)

Stage 2: **Development of an approach to the problem**

Developing a specific approach involves identifying variables that affect research planning.

For example, particular characteristics of the respondents, ways of their effective approach, etc. A key element in this second stage is the selection, adaptation and development of a conceptual framework.

The stages of a market research (3/4)

Stage 3: **Development of the research design**

At this stage, all the procedures that are needed for the smooth conduct of the research are analyzed in detail. This is a study that actually checks empirically the research affairs or answers the questions of the research.

Stage 4: **Fieldwork or data collection**

In this phase, we usually start by collecting secondary data, that is, data collected by another researcher for another purpose and not for this research.Then it is described the collection of primary data, those collected for research, for the first time and by the researcher himself. At this point, the respondents are also selected for primary research.

The stages of a market research (4/4)

Stage 5: **Data preparation and presentation**

At this point, the data are checked, encoded and verified for both quantitative and qualitative data.

Stage 6: **Report preparation and presentation**

Once all of the above steps have been completed, the research should be recorded in a written report describing the research plan, the data collection, the analysis process and the main findings. A first oral presentation is given to the client for any clarifications or details, as well.

The two main forms of research

- Primary research that is conducted directly on the subject(s).

- Secondary research conducted indirectly through existing data.

The combination of primary and secondary research is usually the best solution.

The most popular methods of primary research (1/6)

Personal interviews

Face-to-face interviews by using either flexible question guides or structured step by step questionnaires.

For example, you can get interviews from students at your university or from consumers in your local market.

The most popular methods of primary research (2/6)

Telephonic researches

They are personal interviews conducted by telephone. When your clientele is not strictly localized or easily accessible, you can reach more people with this method.

However, the increasing use of mobile phones has reduced the popularity of land - lined telephones, so the sample may not be representative, as existing land- lined phones mainly belong to elderly people.

The most popular methods of primary research (3/6)

<u>Written questionnaires</u>

They can be sent by mail or e-mail or through certain special webpage. Several poll programs are available online to simplify this method.The website Survey Monkey (http://www.surveymonkey.com) creates effective, written questionnaires online.

The questions of the research are clearly stated, they are easy to be understood and they are synoptic.

The most popular methods of primary research (4/6)

Focus groups

If you want to receive information from guided group discussions, you can use the focus groups. There are specially designed facilities you can use in order to gather focus groups or just find a suitable, quiet place.

The most popular methods of primary research (5/6)

Observation

Observing the patterns of interaction, the placing and the volume of purchases will help you understand your prospective customers and the competition. Secret purchasers (people you've hired to visit and rate specific stores) fall into this category. In addition, an event, such as a trade fair or a business meeting, is an opportunity for observation and learning.

Make sure, however, that you do it in an ethical and moral way.

The most popular methods of primary research (6/6)

Monitoring

It may be helpful to watch advertisements, prices, and receive various other information via the media. You can collect this data in order to discover price and promotional patterns, as well as, the marketing strategies of your competitors.

The best-known methods of secondary research

- Internet search Searches of public and private databases (e.g. Greek Statistical Authority or Eurostat).

- Data from branch associations, chambers of commerce and public services.

- Review books and files.

- Websites of your competitors.

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Unit 5.1: Marketing of Social Enterprises

Department of Business Administration
Educational Program in Social Entrepreneurship

Do you think that Social Entreprises need to have their products or services by using marketing methods?

Social Enterprises **have to** use marketing methods because only in this way may be both known their social mission and sensitize the stakeholders (including the beneficiaries).

The various parties involved cannot use the products or services of a Social Enterprise if they do not know their existence.

Marketing can also be a tool to persuade the immediate beneficiaries of the social enterprise about the benefits of using their products or services (social marketing logic).

Should social enterprises segmentate their purchases?

The social enterprises **<u>should</u>** segment their purchases because they cannot do otherwise! And that's because they just cannot target all markets. They have to choose! **<u>You cannot be useful to everyone, because in the end you will be nothing and useful to none</u>**.

To be effective, a social enterprise should target in specific groups of beneficiaries, e.g. focus on specific social needs. Because of limited resources, a social enterprise cannot cope with or try to solve all the social issues in a particular society. This requires a social enterprise to develop a unique identity by addressing a particular social need. One of the basic - perhaps the most important-fundamental principles in marketing theory is that of selectiveness and focus.

Explain the difference between social enterprises marketing and cause-related marketing

Marketing for social enterprises refers to the process of using both traditional marketing tools and techniques in the framework of social enterprises. Cause-related marketing is a form of promotion that it is related to social purposes.

In particular, the cause-related marketing is about the promise that if the customer purchases a unit from the product / service then the enterprise will contribute to one purpose respectively. Marketing for social businesses is wider than cause-related marketing.

Discuss the importance of social media related to the social enterprises

Social media are about using social networking sites like Facebook, Twitter, Instagram. To begin with, they enable awareness (awareness) about a product or service and knowledge about their characteristics.

Also, social media allow companies to create relationships and emotional relations with their clients (relationship marketing).The same is true for social enterprises. Social media can help social enterprises to create "communities" of stakeholders, including benefactors, donors and the general public.

Identify the difference between the social marketing and the commercial marketing

The social marketing uses both the commercial marketing theory and the tools. The primary goal in social marketing is the social good, while in commercial marketing, the goal is mainly economic.

This does not mean, of course, that the enterprises that (satisfactorily) use commercial marketing cannot contribute to a social aim. In simple terms, in social marketing the product is a social aim (e.g. driving and alcohol do not go together).

Explain why social enterprises should use / include the four Ps (Product, Price, Place, Promotion) into their marketing campaigns. (1/2)

The inclusion of the four Ps (Product, Price, Place, Promotion) into the social marketing campaigns is of great importance for the efficiency of the social enterprise.

Without marketing the social enterprises cannot be effective and therefore they cannot achieve their social aim. Just think that each of us, in his daily routine (others worse and others better), marches himself (e.g. when you look for a job - in this case what is the product? The price? The place? The promotion?).

Explain why social enterprises should use / include the four Ps (Product, Price, Place, Promotion) into their marketing campaigns. (2/2)

The social enterprises should be able to describe their products or services and to determine whether customers will pay for them.

Social enterprises should also be able to communicate effectively with the stakeholders (to build trust relationships through both systematic, and honest communication via multiple channels), as well as, to manage issues of distribution and supply chain ones with regard to products or their services.

How the understanding of the marketing concepts and techniques could help social enterprises?

The understanding of both the marketing terms and techniques allows social enterprises to develop **marketing capabilities**. The marketing capabilities refer to efficient conversion processes of (limited) marketing resources (product investments, price, distribution, promotion) into marketing results (sales, trust, satisfaction, differentiation from competition, reputation, social impact).

These possibilities, in other words, essentially are about to the social enterprises so as to be able efficiently to design products and services based on the people's needs they serve.

Explain the differences and the similarities between selling a product or service within a (traditional) commercial framework and selling a social product or service within a social enterprise.

The purpose of selling a product within a business is to make a profit. As a result, entirely trading companies focus on product innovation and / or better prices so as to becompeting and to gain market share. In a social enterprise, however, the purpose of providing a product or service is to face a social need.

For example, the aim could be to refine poverty or to improve the health care system or the educational one. In addition, in social enterprises, the purpose of selling is not the profitability.

Explain each of the four components of a social marketing campaign

In order to be effective, a social marketing campaign should include the "classic" four marketing characteristics:

1) Product,
2) Price,
3) Promotion,
4) Place

Product

The social enterprise has to describe the product or service that offers to the beneficiaries, and in particular it has to highlight the key **benefits** of the product or service.

The customers are primarily interested in the benefits that arise from the features and not from the features themselves. They are interested in learning what the product can do to solve their problems (the same applies to any client of a business - as some people say, when we buy drills we actually buy holes!) When we buy cosmetics we actually buy hope and acceptance and / or we satisfy our vanity).

Price

The social enterprise should also refer to the price. For some social enterprises, it may be true that direct beneficiaries of the product or the service do not pay an amount of money or pay a small contribution.

Place

If other third parties pay, it is important not only to communicate the price but also to determine how the product will be distributed to the beneficiaries (that is the users and the purchasers different people as it was mentioned above). So, it is important for the social enterprise to indicate **where** (the distribution channels) the potential customers and the beneficiaries will be able to acquire the product or the service (through retailers such as Amazon, and / or directly through the social enterprise website etc.).

Promotion

Finally, a social enterprise should design and implement promotional promotional campaigns of its social provision through a mix of communication channels (mass media, social media, outdoor advertising, personal sale) by informing the potential customers or beneficiaries about the availability and the benefits of the product or the service.

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Unit 5.2:
Social Marketing

Department of Business Administration
Educational Program in Social Entrepreneurship

What is the relationship between the social and the traditional marketing?

Marketing is primarily concerned with understanding and serving the needs of the customers in order to maximize profit for the business. However, its principles also apply to a social aim.The basic principle of Social Marketing is the pursuit and the assurance of the individual and the social benefits and everything begins based on this principle. The social marketing seeks to create a framework for promoting beneficial social behavior.

Report the 6 concepts of Social Marketing

1. Orientation and focus on the citizen

2. Clearly defined social purpose

3. Offer of social value through a mix of Social Marketing interventions

4. Theory, awareness, segmentation defined by data and elements

5. Competition analysis/ obstacles and assets

6. Critical thinking, reflexivity and ethics

On what is the orientation and the focus referred on to the citizen?

The research, the design and the implementation of the Social Marketing is based on a commitment so as to understand and involve the communities and the beneficiaries of social programs.

This means that the traditional approach shows that experts decide what should happen and how it should be overcome.The SM mixes citizens in the process of recognizing the problems, developing and designing solutions while implementing them. This involvement ensures that the program meets the true needs of the public throughout its lifetime.

What does it mean and why it is important to define clearly a social purpose

The definition of the social purpose refers to focusing on a defined social goal.The clarity of the aim allows the design of the programs that deal the problem in depth, create targeted interventions and help reducing assets scarcity.

The clearer the goal is to achieve better results at all levels. Planning the program, researching and collecting data, defining the right target group, understanding the public and creating representative interventions are more likely to be accepted by the public. A key feature of defining social goals and aims is that they both allow the use of clear measurement tools and facilitate the continuous monitoring, measurement and evaluation of interventions.

Why is the process of researching and understanding the public in social marketing important?

People do not always want to change behavior. The process of understanding the people that will be helped is a very basic concept of SM as it develops different approaches in order to support communities and individuals. The deeper the understanding of the target group that is tried to be benefited by the social marketing program, the more likely the success of the program and the acceptance of a new behavior.

Understanding can help so as to be removed the potential obstacles, to be adopted by a person a beneficial behavior, to design supporting plans or to find the activator that will lead the individual who will motivate so as the person to change behavior.

Describe the competition analysis

Competition may involve a structure, a branch, a business that attempts to influence the common goal in a negative direction. For example, if we target a healthy diet with less sugar, then the sugar industry invests with exorbitant capitals against our own goal.

Competitive behavior is a behavior that exists and does not change easily. For example, if we try to fight the obesity if we use large dishes or consume large amounts of food in the evening.

Describe obstacle and asset analysis

An obstacle is what prevents the beneficiary from adopting the new behavior. For example, many bars after 21:00 do not serve coffee in order to promote customers to alcoholic beverages.

Assets are all available means at the intervention level. For example, if we are aiming to promote the exercise and we have the synergy with a bicycle-giving agency to provide citizens moving atthe center, they are assets.

For the analysis of the competition, we pay attention to:

- Competitive internal influences (psychological factors, enjoyment, desire, risk taking, addiction, etc.) and external (general influences / factors and parties that influence and demand the attention and time of the public or they offer alternative or opposite behaviors).

- Strategies that aim at the reduction of the potential impact by considering the positive and the problematic external influences, as well as, influence the factors.

- Factors that compete for the attention and the time of the group you are targeting.

What are the three main types of behavioral influence?

Biological influences

Social and economic influences

Influences from the wider generalized environment

Report the four ways of influencing behavior?

There are many ways so as to be categorised the wide range of both the existing behavioral theory and models. Below are the most common parameters that affect behavior and they are summarized in four different fields:

1. External influences - they have to do with the environment

2. Inner influences - they have to do with the individual

3. Barriers to Behavioral Influence

4. Behavioral Change Activators

What are the challenges of the Social Marketing?

People do not want to change for a variety of reasons. Even though they may know that their behavior does not benefit them, they do not change attitude in order to adopt a beneficial behavior to them and to the society.

The biggest challenge of the SM is to overcome the value creation and should take into account all the parameters that will contribute to the acceptance of a new behavior.

Therefore SM has a challenge to address the resistance of people in order to adopt behaviors beneficial to them and to the society by designing programs that they encourage not only change, but also they are acceptable.

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Unit 5.3: Sales

Department of Business Administration
Educational Program in Social Entrepreneurship

A social enterprise, if it has a good purpose, it attracts customers and money. (1/3)

There is generally a misconception about social enterprises. This perception is about the illusion that when a business is social, it does not take much effort and financiers and customers will "run" to support this business, product or service.

However, this is not true, and perhaps the source of this misunderstanding comes from the ability of the third sector of the economy that activates and exploits the social capital or else the society to support a goal.

A social enterprise, if it has a good purpose, it attracts customers and money. (2/3)

The concept of the sales has been linked to the first sector of the economy, particularly the private sector. However, the social enterprise is like a normal business (planning, organization, administration, control, etc.) and combines both the social and the commercial purpose.

It has a social purpose but uses the market tools to achieve its sustainability. Social enterprises based on the definition BUSINESS, which means that part of their income comes from the market or generally through business activity. This kind of income is called independent and it is opposed to the dependent that are donations and subsidies.

A social enterprise, if it has a good purpose, it attracts customers and money. (3/3)

Starting out, we assume that a social enterprise is a normal business. The point is that CUSTOMERS buy you to meet their own needs and they will never buy simply because your social purpose is good.

In terms of Marketing it will help you have a good "story" but if your product does not meet the needs of the public then it will soon be wrecked.

Are clients and beneficiaries the same for a social enterprise? (1/2)

The biggest challenge for a social enterprise is the balance between the social and the economic goals. Being hybrid schemes operating on the borders of the three sectors of the economy (State, Market, Nonprofit), they face the challenge of managing the complexity of the dual identity.

The majority of Social Enterprises from the one hand are addressed to non-profit institutions and the state to find resources (dependent income) and from the other hand in the market to collect sustainable income while having a social purpose serving its beneficiaries. Here, confusion arises about who the customers are and who the beneficiaries.

Are clients and beneficiaries the same for a social enterprise? (2/2)

In some cases if the goal is to sell food in affordable prices to homeless people then they are customers and beneficiaries.

If, on the contrary, we sell food or something else to customers who can pay so as to use the profit to provide homeless food for free, then the homeless are our beneficiaries and our consumers the 'customers / supporters'.

Supporters, because they support our aim. But we should understand that the aim is not enough so as to make a social enterprise sustainable.

Why is the duality of the Social Purpose a challenge?

It has been observed that the duality of mission in social enterprises has contributed to the tendency to adopt the mission that serves best the social entrepreneur.

So if it comes from an environment with a financial background, at the right time it will have to make a decision, it will choose to support the identity that it is the most familiar. The economic performance of the enterprise over its social performance. Instead, social workers choose the decision that serves the social impact, as they feel comfortable (comfort zone)

Why is the duality of the Social Purpose a challenge? (example)

Think about a hospital's management. The Head Manager faces a difficult decision. The finances of the hospital are in a bad situation and if it does not cut the costs it will have financial losses. If it reduces the spending that means they reduce the quality of care of the patients. It is a tough decision.

If the Manager comes from the school of economics (executive, MBA, etc.) then he will make the decision that feels more comfortable with cuts. Instead, if he is a Doctor it is more likely to ignore the economic impact as he feels comfortable as a public servant who thinks about Hippocrates' oath.

There where the two situations intersect it is the balance.

What is the relationship between Marketing and sales?

The most common question is what the relationship between Marketing and sales is. It all started with sales.

Sellers at some point sought people to support them on the scientific basis of sales. What they knew well was to sell. However, it took a lot of time to create databases, to understand customers, to create ads, messages, media, and so on. Initially, a supportive department was created with mainly visual action and later received another scientific basis as a marketing department that was designed so as to provide to the vendors with the necessary tools and supplies to enhance the profitability of their sales.

Why should you recognize your target group in sales? (1/2)

Unless the common goal is recognized, then assets and time are lost by speaking to non-listening ears. By defining your market and understanding the common goal, you set the stage for the company to target the most profitable segment.

By defining your market and understanding the common goal you set the stage for the company to target the most profitable segment.

Why should you recognize your target group in sales? (2/2)

An enterprise needs to know to whom she speaks and sells in order to be likely to buy from it.

THERE IS NO A WIDE GENERATION IN MARKETING
and of course in sales.

By understanding the needs of the public, you ensure that the necessary actions are taken to ensure that the product or service covers them. And in the era of social networking if a need is met and the enterprise does it properly, people learn it.

It is therefore worthwhile the enterprise to make a research to identify the appropriate target group to understand them and to work with them so as to offer the solution they wish.

Expand the five levels of the product with an example of a hotel, a car or your own product.

A. HOTEL

- Key product: Sleep and rest.
- Main product: Bed, Bathroom, towels
- Expected product: Clean bed and towels
- Expanded product: Breakfast, Internet.
- Potential / Future Product: Additional Future Benefits

Expand the five levels of the product with an example of a hotel, a car or your own product.

B. CAR

- Core product: Moving from one place to another.
- Actual Product: Brand, appearance, design.
- Expected Product: Strength, good engine, tires.
- Augmented Product: After-sales services, insurance policy.
- Potential Product: Time immunity may become old but reliable.

Do not talk about the product, talk about the value. Grow

The customer does not buy the features and he is a little bit interested in what you do and how you do it unless it reflects his own benefit. Customers buy for their own needs in order to improve their lives. They buy the individual result and not the product. This should focus on a vendor's message.

Therefore, communication during the sale should focus on the ultimate benefit to the user of the service or product.

Why is it important to believe and to know your product?

The basis is trust.

The customer does not trust someone who does not believe and does not know his product. The arguments that are put forward by the seller who does not believe are weak and that are perceived by the customer.

Why is it important for the seller to be focused on the closing of the sale?

If customers leave, they lose a large percentage of buying as someone else will "get them."

Particularly in the age of digital networking, the customer actively searches for about 100 products / companies and buys from the first three who will find when he will be ready. If he leaves, it is not guaranteed that he will be back as he will be exposed to other stimuli in order to meet his need. The vendor's purpose is to create an active listening sequence and arguments that will lead to an agreement.

ATTENTION, INTEREST, DECISION, ACTION - Expand the model with examples in each section.

- We attract the customer's attention by advertising, billboards or other media that serve the exposure of our product.

- We create interest - We make the offer attractive, we refer to privileges and benefits.

- We help them make the decision - with financial and physical facilities such as installments, late payment, home delivery and other ways.

- We focus on closing the sale - we are asking to sign a contract, to pay in advance and other practices.

What is the rule 3/33 about reputation?

The client will feel the need to impart a bad experience to his fellow human beings to feel good and is expected to say it to more than 10 people.

This result is due to a bad experience that the client feels the need to atone for and to externalize the experience in order to lighten his / her psychological state. Similarly, a good experience is shared with a smaller number of people.

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Unit 5.4: Measuring the impact of the Social Entrepreneurship

Department of Business Administration
Educational Program in Social Entrepreneurship

What is the social impact?

The social impact is the clear / explicit (measurable and idealized) social benefit that a social enterprise provides to the intended beneficiaries - usually people in need. It is more simply about how the action of a social enterprise changes the lives of the beneficiaries (target population) for the better.

Let's talk in terms of experimental methodology: how did the target population live before the start of the social enterprise? How does it live after its action? Is there a measurable difference? This is the social impact of the social enterprise.

What are the benefits of measuring social impact? (1/2)

By measuring the social impact, social entrepreneurs can determine which of the programs attribute and which ones do not. These measurements can help social enterprises in their efforts to persuade - usually the skeptical - sponsors that the social enterprise brings real social results and does not spend without its essets.

In particular, a social impact assessment can help social entrepreneurs achieve three things:

1) improve their performance (can you control and manage something that does not systematically count?),
2) gain legitimacy and (implies)
3) to gain better access to assets.

What are the benefits of measuring social impact? (2/2)

Overall, the social impact assessment is a valuable management tool for the Social Entrepreneur. It allows him to see if he has achieved his (social) goals or not.

Nowadays, because of limited assets (for which social entrepreneurs compete hard) and scandals (see, for example, the Oxfam Peddling Scandal), all organizations (purely commercial, hybrid, or purely charitable) must give an account.

If they do not (always following best practices) they simply will not gain the trust of the stakeholders on which they rely for having access to a variety of valuable resources. Therefore the Social Enterprise will simply stop to exist.

What are the logical models and how do they help us to measure social impact?

Logical models are frameworks that are used to design, manage, and evaluate action plans.

A logical model is an easily understood graphical representation of the relationship between the inputs of a project, its activities and the intended or actual results, short-term (often referred to as results) and long-term (often referred to as impact).

Logical models include many elements read from left to right and follow a chain of reasoning that follows or statements of the type "if A happens then B will occur"

Logical model - Pattern

Inputs
• Sponsors
• Commercial Income
Volunteers

Outputs
• Innovation
• Products & Services for Social Business Beneficiaries

Results (short term)
• e.g. Lower maternal mortality at birth
• e.g. Less food waste in landfills

Social Impact (long term)
• More quality years of life
• Impact of economic growth with more children in education rather than sidewalks

Describe the concept the theory of change and its basic steps

The theory of change is similar to the logical model theory because it uses the same elements, ie inputs, activities, outputs and results. However, the theory of change differs from the theory of logical model because the first one works from the end to the beginning. The theory of change is a framework that suggests starting from the desired impact on the direction of activities and inputs. Instead of trying to measure the impact of an activity that has already been done, activities are planned based on the desired impact.

The approach involves recognizing the desired outcomes and it uses a backward planning approach to map out the intermediate outcomes and activities or interventions needed to achieve these long-term changes. The theory of change requires the following five steps:

The theory of change requires five steps:

Step 1

Determine the desired impact (or long-term effects) and formulate the assumptions associated with it. What does the body want to achieve?

In the case of the *Thank you* Social Enterprise, the founders decided to take action on the fact that 900 million people today have no access to safe water. They set the goal to change that, and then they started. Other organizations will have other large-scale and long-term goals such as gender equality, tackling poverty or building strong and resilient communities.

The theory of change requires five steps:

Step 2

Use a "back-to-back mapping" technique in order to be understood the path to change. *What interim results* are required to achieve the desired long-term impact?

In the case of *Thank you*, the founders were thinking about what was necessary to start the building of the sustainable water in both the developed and the deprived communities.

The theory of change requires five steps:

Step 3

Develop *indicators on results* to make progress towards long-term results measurable so as to be proved.
This is the step in which the large-scale and perhaps the unclear goals should be transferred into measurable ones. In the case of *Thank you*, it could be set to build 100 boreholes in 7 countries over the next 10 years. It could also measure how many people have access to clean water because of new drillings

(by February 2017, it had helped more than 500,000 people access drinking water and secure drainage and sanitation infrastructure).

The theory of change requires five steps:

Step 4

Identify the interventions or activities required to achieve the identified results.

This happens when the organization starts to understand what is required to achieve the above results and impact, so that it aims to acquire and organize inputs, resources and activities that are necessary to achieve the impact.

In the case of *Thank you*, it was realized that the establishment and the operation of a bottling and selling water enterprise could help raise the funds needed in order to be built the drillings. Later, Thank you began to set new targets for both the impact and the results to develop new resources and activities to achieve these goals.

The theory of change requires five steps:

Step 5

Write a text to describe the change that was made.

This step moves away from the four or five stages we have seen in logical models and moves towards disclosure. In this case, the theory of change suggests writing an exciting story about the impact, results and activities of the organization. Narration allows the organization not only to communicate its history and to provide evidence of its impact, but also to gain additional support and resources and to reflect on its achievements. Therefore, this can be considered as a circle, and after the 5th step, the body returns to the first and the circle continues.

The theory of change – A Social Impact Tool

The theory of change has some of the benefits and limitations of rational models, but it also has some peculiarities. By focusing, from the outset, on the desired impact and on the final results, the theory of change can help to ensure focus on achieving long-term results. Inputs, activities and outflows are designed for comparable long-term results.

The theory of change also encourages the organization to communicate the history of change, how it has been achieved, and what impact it has created so that other organizations can learn from this case. However, since the desired impact is set at the beginning, it is likely that it cannot be measured accurately.

What are the advantages and disadvantages of cost-effectiveness analysis?

The advantage of this method is that it does not require the translation of the social value proposition into monetary units (€).

When using cost-effectiveness analysis, social entrepreneurs do not need to analyze financial data to determine if their programs have a positive social impact.

With cost-effectiveness analysis one can more easily measure the performance of one organization (social enterprise) over others. Also, cost-effectiveness analysis helps the social entrepreneur make better decisions. This is because it helps him to compare different programs and determine which ones are best and should be continued, and which should be terminated.

If the positive results of a program outweigh the costs, it is worth continuing.

What do we mean by Social Return on Investment? (1/2)

The Social Return on Investment (SROI) indicator derives from the concept of return on investment used in purely commercial entrepreneurship.

This concept represents an attempt to measure (combined) economic and social value of a social enterprise. This is a great metric that helps to monitor / measure the social impact of a social venture over time.

What do we mean by Social Return on Investment? (2/2)

It should be pointed out that it can also be used to measure the social impact of the activities of a purely commercial venture.

It can be calculated using the following formula in the unit time each time (usually every year):

SROI = (Cost Impact Social - Cost) / Cost.

The problem with this metric is that it requires monetization of the social impact something that is not easy and / or clear and / or broadly agreed on how it will happen.

Why should the social entrepreneurs quantify the social impact of a social enterprise?

Social entrepreneurs should quantify the social impact because quantification allows and strengthens timeless control - and therefore proper management - and certainly accountability to stakeholders.
Quantification essentially leads to the identification of success indicators of the social enterprise.

Some authors suggest setting 3 to 5 markers. Most are not easily manageable (proper measurement costs and requires expensive and expensive IT systems...). Fewer are not insufficient for persuasive accountability to interested parties, nor do they allow the social entrepreneur to properly control the performance of the social venture (and therefore make better decisions).

What is the Social Value Proposition? Why is it important for social enterprises to have a social value proposition?

The proposal of social value concerns the likely impact of the social enterprise. Ideally it should be "unique" (it does not resemble existing social value proposals). It is usually described in the social venture business plan and is similar to the value proposition that both commercial companies have (for example, what is Apple's unique value proposition?).

What should be understood here is that a proposal of social value should not be excessive. Most social problems are inherently difficult to eliminate (wicked problems) and therefore the social value proposition and its phraseology should be adapted accordingly. It should be realistic and probably record how the social problem will be mitigated and not how it will be eliminated.

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Unit 6.1: Communication Strategies

Department of Business Administration
Educational Program in Social Entrepreneurship

What is internal and what external communication?

Internal communication: Businesses must maintain the basic communication principles internally with their people and employees. Basic concepts of internal are the communication of the vision, goals and aims of the enterprise to the employees. Particularly with regard to Branding, the image is not built outside but starts from within the business.

External communication: The communication of the company with the outside public, e.g. Media, Associates, Agencies, Government, Collective Organizations, and so on. Particularly important in the digital age where people affect other people. Traditional ways of communicating are moving into the digital world.

Report the difference in organizational / enterprise communication with Marketing Communication and give an example.

It is legitimate to separate marketing communications by setting two categories. There is the ORGANIZATIONAL / COMPANY COMMUNICATION and the MARKETING COMMUNICATIONS.

The corporate communication is addressed to a wide audience while marketing communications to a dedicated customer base. That is, an enterprise communicates its values, e.g. If we take Nestle when it communicates corporate values and social responsibility, it is addressed to a wide audience for business as part of society. Similarly, when Nestle communicates the characteristics and benefits of its products to the public, it is marketing communication.

Make reference to the basic media of the company (1/2)

Typical means of communication with the outside public are:

- **ADVERTISEMENT** - channels and media referred to as Splatters (Some posters, leaflets, Advertising, TV ads, Education, Radio & Social Media)

- [Report that training is now the foundation stone in marketing communication especially if the product is innovative in use or in other aspects of it.

Make reference to the basic media of the company (2/2)

- **CONTACT FACILITIES** - Your own letterhead, email signatures, standard forms of communication, questionnaires, and so on.

- **PRESS RELEASES** - Press releases compiled for media and other media amateur journalism (blog, etc.) and have to do with the communication of various issues that the business wants to reach the public.

- **ARTICLES** - Articles, Product Whitepapers, product use studies, editorial, ie articles written by journalists and reviewers about the company, interviews and more.

What are the steps of a communication strategy?

1. Define the aim and the aim of communication (SMART)
2. Define your target group
3. Build your message accordingly
4. Select and specify media and communication tactics
5. Create a plan of action
6. Draw up the budget
7. Apply the plan
8. Evaluate and refresh the plan regularly

What does communication with Mass Media do about an enterprise?

Communication with the media is:

- A basic variable for the building and the maintaining of the Brand.
- It takes credibility to the public.
- It passes the resistances of the public as opposed to advertising.
- It differs in regular (interviews, reportage, TV shows, etc.)

What does a press kit contain? (1/2)

Typically it includes:

- Press release

- Business Profile (Vision, Mission, Philosophy, History, etc.) - Who are you, a few words to understand your story, your narrative.

- Logo and Branding material - necessary files with the logo in good resolution and preferably transparent (transparent png). Enhancers, in forms for use with white and black backgrounds.

What does a press kit contain? (2/2)

- Photos α related images - related to the Bulletin issue, e.g. if it concerns a product photo of a product, people who produce it in the manufacturing process, special features and so on.

NOT ADVERTISING! It will reject it. Give a narrative about the product or topic you are promoting.

- Relevant links (if any) - website, social media, other articles that add prestige e.g. they were told about us on CNN,

- Contact details - Contact person details, with whom they will speak if they want extensive reporting.

The typical Press Release structure in the form of the inverted pyramid

First we put the most important ones in solving the questions of the reader, the listener or the viewer.

Then we report the minor news.

Finally, we put the details in such a way that in the end we leave what is not so important.

This technique was born out of the need for text editors to cut text. In the first paragraph, the author answered all the reader's questions.

Refer to 5W & 1H

The 5W & 1H (Who, What, When, Where, Why and How) are placed in the first paragraph of the Press Release and they refer to the following:

- **What** happened
- **Who** did it
- **Where** did it happen
- **When** did it happen
- **How** did it happen
- **Why** did he do it?

What has changed in communicating with Social Media? (1/2)

Undoubtedly the world is connected as ever. The power is now in the hands of a consumer who now builds communities, evaluates, spreads, recommends or punishes their favourite Brands.

Marketers today have no control over Brands because they have to compete with the collective power of consumers who often take control of Brands, a phenomenon that it is called Brand Hijack.

What has changed in communicating with Social Media? (2/2)

At the same time, people have developed powerful filters for incoming messages due to over-reporting. The bombing of information has dramatically reduced the ability to absorb and expose messages by activating automated mechanisms and filters.

Social media communication is immediate, targeted, two-way and viral, giving it an advantage.

The new consumer participates in the product and service design (prosumer = consumer + producer), communicates directly with their favourite Brand and it requires it to be heard.

Some features of the Social Media

Some features:

- They focus on focusing on groups with specific interests.

- They essentially working with user-generated content.

- They are used by products and services that follow an "emotional approach".

- Ideally by displaying products and services and by promoting ideas, parties, non-governmental organizations.

- Totally measurable.

This material has been developed for the Technological Educational Institution of Eastern Macedonia and Thrace by the scientific team of the company DOMI DEVELOPMENT IKE (Kavala), consisting of Vassiliki Ypsilanti (Sociologist & Business Architect) and Leonidas Skertelopoulos (Marketing & Communication Coach).

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Unit 6.2:
Group Management

Department of Business Administration
Educational Program in Social Entrepreneurship

Introduce the basic differences of the individual and teamwork model. (1/2)

Individual model

- People are the main production unit of the project.
- Efficiency is achieved through repetition, testing and learning. The more you practice, the better you are.
- Work is divided into small parts and it is completed in succession.
- Managers give directions.

Introduce the basic differences of the individual and teamwork model. (2/2)

Group model

- The team is the main production unit of the project.
- Efficiency is achieved through the work of many people who use their skills.
- Productivity is growing through understanding and initiative.
- Motivation and stimulation is done through the group.
- Managers are coaches and mentors.

What are the key features of the groups?

A group is a group of people who have definite or obvious relationships with each other. The groups have two main traits:

a. Interaction

b. Structure

Interaction (1/2)

The members' behavior is mutually affected. Every person is differentiated from the group, but the same causes similar to it. As such, they are considered: - Imitation. Many times a member of a group tends to imitate others, particularly those that are considered successful. An ambitious, e.g. member will imitate and adopt the values of the team leader. - Submission.

In submission, there is a tendency to believe or do something that we are told, for social reasons, or because the person who supports it has a radiance and exert upon us a kind of magnetism. Submission is even stronger when it comes from a member of the group who has a position of superiority in the group or by the majority of other members. - The social profit as social psychology calls it. Many people perform better when working in a group than when they are alone.

Interaction (2/2)

This also helps with the feeling of competition. The person makes a special effort not to look inferior to the other members of the team. - A degree of coercion.The member who does not accept the habits and the values of the group and does not have the power to influence them will quickly suffer consequences (expulsion, isolation, etc.)

The role of these interactions is double. On the one hand, the team strengthens and multiplies the potentials of its members with beneficial effects on the job, while on the other hand the degree of compulsion can become so high that it leads to group blindness.

Structure

Each group has a structure, as its members perform different functions, depending on the division of labor, while one holds the leadership of the group, coordinating the activity of the other members.

The leader is the leader in the field of efficiency and the person whose opinions are almost always accepted by the team.

At the same time, however, it is also the leader who accepts to hear ideas and reduces the intensity of the group with some joke or smile. If it is not possible for the same person to gather both of these attributes, then it is very common to see two people as leaders, the "man of the ideas" for the first case, and the "loved man" for the second.

The 5 steps / phases of creating a group (1/2)

1. Creation stage - This is the first stage where the team is created and it is defined the purpose of the group, its structure, roles and leadership. Typically it involves two phases. The first one arises in the need to create a group that chooses to work on solving a problem or completing a project and after it is formed, in the second phase the purpose of the group, its structure, roles and leadership are defined.

2. Confrontation Stage - Following the first stage at this stage, internal conflicts are perceived through controversy over leadership, roles and what the group should do.

The 5 steps / phases of creating a group (2/2)

3. **Rule setting stage** - This third stage is the stage where norms are created in the group. Its features are the close relations, the connectivity, and the establishment of commonly accepted norms (Norming) towards the creation of a collective identity.

4. **Performance stage** - Since it has overtaken the previous stages in the fourth stage, the team is now fully operational and it works on the work that it has undertaken, by building plans for its implementation. Members are now committed to completing and achieving the goal.

5. **Disintegration stage** - Once the project has been completed, the team goes into the final stage of the disintegration, by focusing on the completion of the activities. The team members now have valuable experiences, which they can use by participating in a next group.

What is the importance and the role of the teams in an enterprise today?

In recent years, the development of the effective teams has been a constant concern for enterprise since effective employee collaboration is a prerequisite for the company's competitiveness and success of the company.

An old president of the United States of America, F. Roosevelt, once said that those who work in groups can achieve much more than they could individually (Harvard Business Review, 2007). The result of the team is better than the outcome of each member, and the sum of the team members when they work as individuals as there is synergy (complementary skills, many ideas). That is, 1+1>2.
Also, individuals within a properly functioning group are satisfied because they satisfy social and other superior needs.

What should the entrepreneur or the business team do so as to build an effective team of associates and employees? (1/2)

The responsibility for the development and effective operation of the teams lies with all members of a business. The main responsibility, however, it is the business team or, if we talk about larger enterprises, the head of the enterprise.
The most important actions of the business team for the development of effective teams are summarized as follow:

- Make your colleagues understand their interdependence and common interest.
- Boost mutual trust among your partners.
- Ensure open communication, good relationships and positive climate.

What should the entrepreneur or the business team do so as to build an effective team of associates and employees? (2/2)

- Create motivations for teamwork: The pay system should provide recognition and reinforcement depending on the good performance of the team. When these apply to a remuneration system, it is the group's impression that there are people in the business who are interested in their performance and they are willing to allocate assets to the business as recognition of what the team has done
- Develop a winning mindset and create high performance expectations.
- Develop rules and procedures, working methods and co-operation.
- Encourage and reward the behaviors that contribute and discourage those who do not contribute to teamwork.
- Make and use a continuous improvement and learning mechanism.

What is the Groupthink phenomenon?

Groupthink is a phenomenon studied by psychology and occurs when dysfunctional or unreasonable decisions are made in a group of people under the pretext of harmony and compliance. The team is more focused on maintaining unity than on the objectivity of decisions, based on data evaluation and alternatives.

This tendency occurs mainly in groups that want to maintain their homogeneity and this is what they seek by discouraging or suppressing any kind of objection.

Of particular interest is the Asch's Compliance Experiment, which proves in practice how members of a team can subdue the pressure exerted, even inadvertently, by the team. Look for it on the web or see the link below directly on YouTube **https://www.youtube.com/watch?v=P7tVy88FTJE**

What are the Groupthink characteristics?

In the groups that it was noticed the groupthink phenomenon we can distinguish five basic characteristics (Brown, 1988):

1. The group that was to take the decision was characterized by a high degree of connectivity.
2. The group was isolated by external information. Whatever information she received from the group itself and the procedures she used.
3. The people who participated in the decision-making group did not look for possible alternatives that they could compare with the proposed solution.
4. The team was being pressured by the need to make a decision as quickly as possible.
5. In the group there was always a strong and directional leader who made clear the position he wanted.

What Groupthink teaches us ?
Actions to Address Group Thinking

- Encourage each member of the team to openly and critically evaluate each idea or proposal.
- Members with great influence must at first respect neutral attitudes towards differences, solutions or proposals that are being discussed.
- Discussion of issues with which the group and other people, outside the group, are involved in gathering different opinions and reactions.
- Use external consultants to evaluate the views of the team.
- Use subgroups to develop alternatives.
- Review the decision before implementation.

Therefore, what this theory teaches us is the correct assessment of decisions and the open debate free of criticism to encourage people to offer their true positions.

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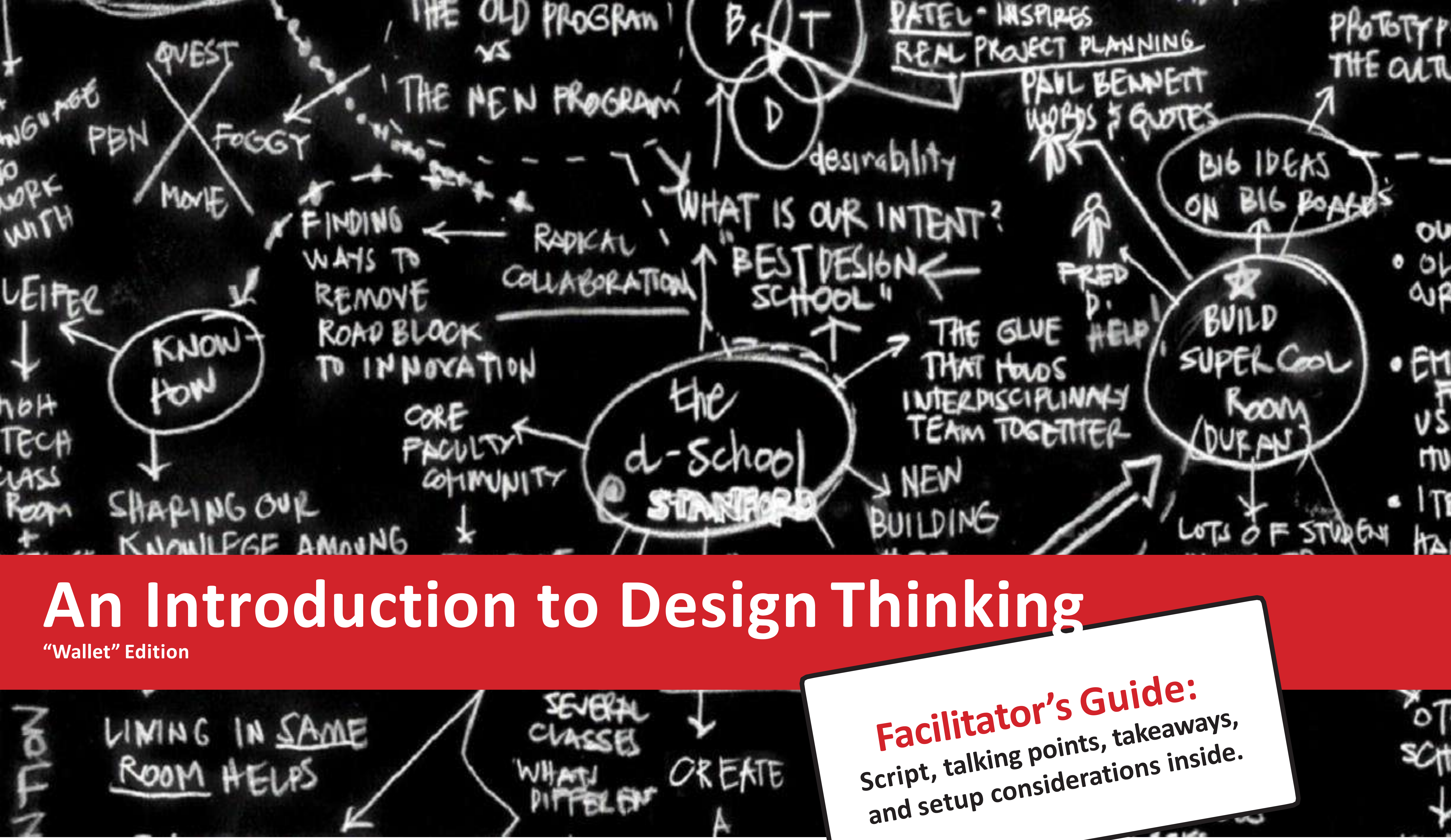


An Introduction to Design Thinking

"Wallet" Edition

Facilitator's Guide:

Script, talking points, takeaways, and setup considerations inside.

d.

HASSO PLATTNER
Institute of Design at Stanford

The Wallet Project

A little background on the project

The project you're holding in your hands is an iteration on the d.school's iconic "Wallet Project." The original wallet project was created as an introduction to design thinking for the d.school's inaugural Boot Camp class in the Winter of 2006. It has since been contributed to, modified, stretched, and evolved by many d.school collaborators.

The Wallet Project is an immersive activity meant to give participants a full cycle through the design thinking process in as short a time as possible. The project itself gives facilitators the opportunity to touch on the fundamental values of the d.school—human-centered design, a bias towards action, and a culture of iteration and rapid prototyping—without attempting to communicate all of the methods and activities that the term "design thinking" encompasses.

Why did we choose a wallet as the starting point for the introductory design challenge?

* everyone has experience with a wallet, or another way to carry cash, cards, and ID
* the wallet and its contents have the potential to evoke a range of meaning and the larger context of a person's life
* wallet as a starting point enables a wide range of potential innovation outcomes (we've seen objects, experiences, services, systems, and spaces!)
* having a physical artifact in-hand allows for immediate recall of experiences (participants can gain empathy for one another in the room)

It is certainly possible to facilitate a similar project with a different topic—and you may choose to in order to amp up a particular aspect you think is important for your group of participants. For example, we have done the "oral-hygiene project" to make it more personal and had partipants observe their partners in their homes previous to the beginning of the workshop. We also do a "redesign the gift-giving experience" version, with the aim to encourage participants to create services, experiences, and systems. If you decide to change the topic [you can simply change the instructions for the first two steps], be mindful of the considerations we listed above and scope it in a way that is both wide-open to possibilities but also managable for participants.

Why project-based, team-facilitated learning?

Having created learning experiences for students of all cultures, ages, disciplines, and industries, we have found that engaging in projects provides a much richer learning experience than listening to a "talking head" does. As such, our bias is to provide limited scaffolding to allow participants to **do**, and then to facilitate a reflection that invites the participants themselves to extract the meaningful learning opportunities from the experience. We teach in teams at the d.school because we have found that this approach tends to create a conversation in the classroom, as opposed to the one-way communication that often transpires in more lecture-driven formats. We relish the diversity of perspectives that emerge when faculty from diverse backgrounds instruct, and even disagree in front of, a class. One great way to run the Wallet Project with two people, is for one to take ***lead*** (concentrating on communicating the instructions, logistics, and timing), and the other person to provide ***color*** (communicating the nuances, offering encouragement, and providing helpful tips).

How to set up and kickoff the project

Set up the room so that participants are in an active posture (sitting upright, standing), with access to a horizontal space for note taking.

Space should be configured to allow for participants to pair up near one another easily.

Cocktail style—small, standing height—tables are nice to have.

Play upbeat music during all steps while participants work,
and turn it down to give instruction.

Make sure you have supplies on hand for prototyping (we recommend paper, pens, popsicle sticks, pipe cleaners, scissors, duct tape, and the like).

Print the participant worksheet on single-sided 11x17paper.

Print the facilitator's guide on double-sided 11x17paper.

Find a fun way to announce "Time's up!" (we use a gong at the d.school).

Be assertive about keeping the timing tight.

If possible, have a TEAM of coaches who are familiar with the project share the responsibility for facilitating the learning experience.

The kick-off:

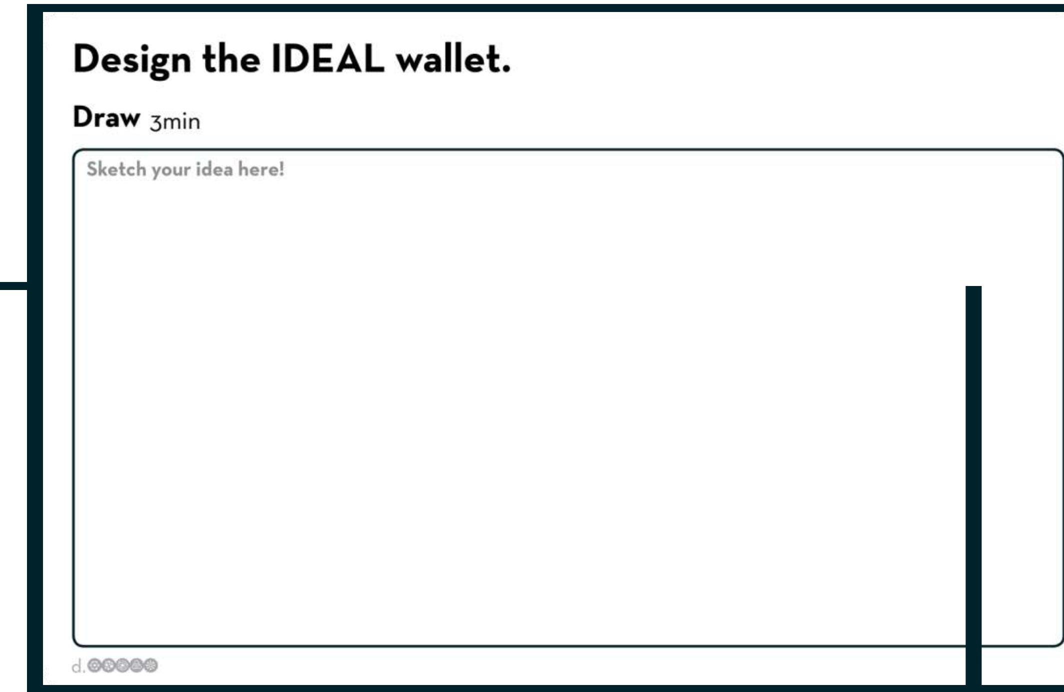
"Instead of just telling you about design thinking,
we want to immediately have you jump right in and experience it for yourself.
We are going to do a design project for about the next hour.
Ready? Let's go!"

Design the IDEAL wallet.

Draw 3min

Sketch your idea here!

Design the IDEAL wallet.



How to facilitate this step

<u>Draw</u>

This is what we call the “false-start”.
Of course, you don’t tell participants it is a false-start.

The intention is to contrast an abstract problem-centric approach (that may be typical for many people) to a human-centered design thinking approach which participants will experience in the rest of the project.
Don’t play music during this step, to accentuate the difference between the false-start and the main part of the exercise.

“OK, let’s jump right in.”

“This is going to feel rushed; that’s okay. Roll up your sleeves and get ready to lean into the project.”

“Come up with some ideas for the ‘ideal’ wallet.”
“Go ahead and draw an idea for a better wallet.”

Let them know how much time they will have.
It is normal for people to feel stuck and delay putting anything down on paper.
Reminding them of the time they have left can push them to start.

...At the end of the step:

“How did that feel? My guess is, ‘Not great.’”
“That was a typical problem-solving approach, taking on a given problem, working using your own opinions and experience to guide you, and with a solution in mind to be designed.”
“Let’s try something else—a human-centered design thinking approach.”

Your NEW mission: **Design something useful and meaningful for your partner.**
Start by gaining empathy.

1 Interview

8min (2 sessions x 4 minutes each)

Notes from your first interview

Switch roles & repeat Interview

2 Dig Deeper

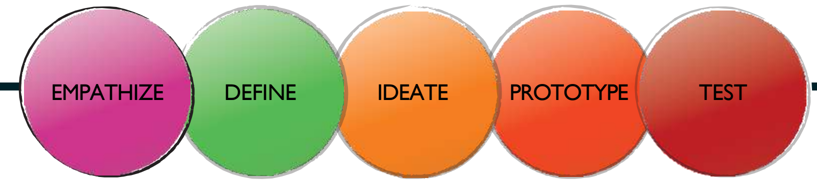
6min (2 sessions x 3 minutes each)

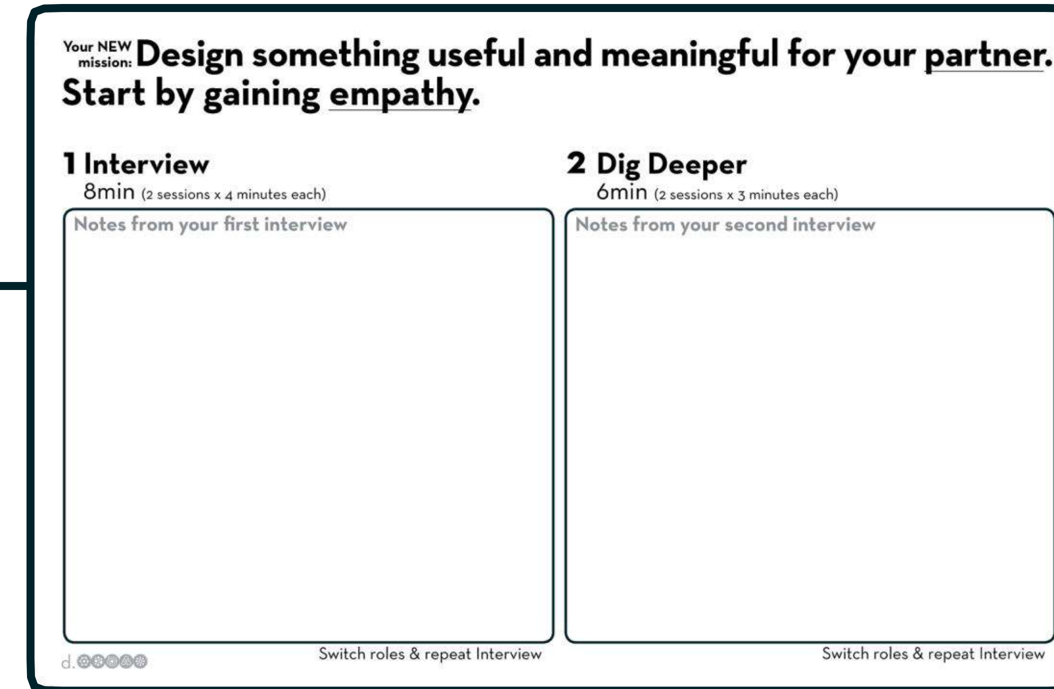
Notes from your second interview

Switch roles & repeat Interview

Start by gaining empathy.

How to facilitate these steps

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d.

1—Interview your Partner

Have participants partner up in pairs.
It helps to refer to "Partner A" and "Partner B" to simplify your language in these interactive steps.

"Your challenge is to design something useful and meaningful to your partner."

"The most important part of designing for someone is to gain empathy for that person."

"One way to do this is to have a good conversation."
Be clear about the logistics of the interviews:
"Partner A will have four minutes to interview Partner B, and then we will tell you when to switch."

"As a starting point, ask your partner to walk you through the contents of their wallet."

"When do they carry their wallet? Why do they have a particular card in there? What do the things in their wallet tell you about their life?"
Tell them to take note of things they find interesting or surprising.

"Let's begin!" (Don't forget to start playing the upbeat music now.)

2—Dig deeper

After the first set of interviews, tell them to follow up on things that intrigued them during the first interview.

"Try to dig for stories, feelings, and emotion."

"Ask 'WHY?' often"

"Forget about the wallet, find out what's important to your partner."

"Why does he still carry a picture of his ex-girlfriend? When was a time he carried a lot of cash? What does she remember most about her first paying job?"
Remind them you will let them know when time is up.
…"Time to switch! Again, make note of any unexpected discoveries along the way, capture quotes!"

Reframe the problem.

3 Capture findings 3min

Goals and Wishes:
What is your partner trying to achieve?
*use verbs

Insights: New learnings about your partner's feelings and motivations. What's something you see about your partner's experience that maybe s/he doesn't see?*
*make inferences from what you heard

4 Take a stand with a point-of-view 3min

____
partner's name/description

needs a way to ______________________________
user's need

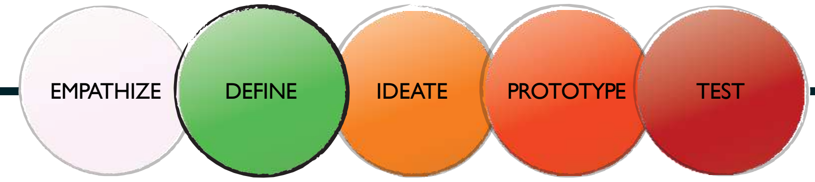
because (or "but . . ." or "Surprisingly . . .")
[circle one]

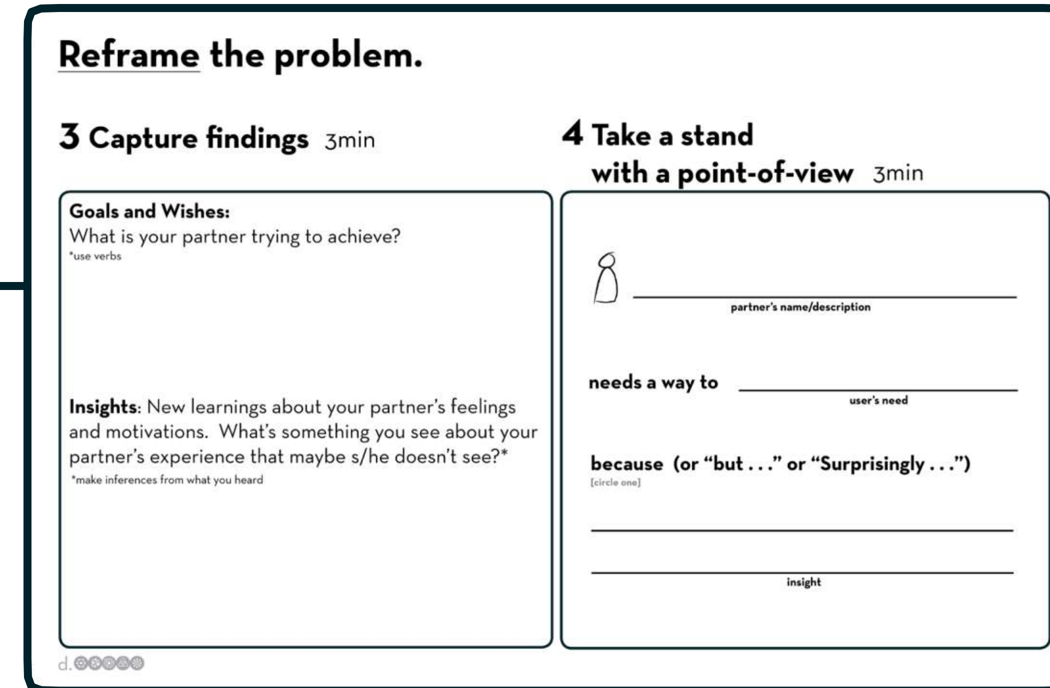
____

____
insight

Reframe the problem.

How to facilitate these steps

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needs a way to
user's need

because (or "but . . ." or "Surprisingly . . .")
[circle one]

insight

3—Capture findings

Tell them to *individually* take three minutes to collect their thoughts and reflect on what they've learned about their partner.

"Synthesize your learning into two groups: your partner's goals and wishes, and insights you discovered."

"Use verbs to express the goals and wishes."

"These are his needs related to his wallet and life. Think about both physical and emotional needs."

"For example maybe your partner *needs* to minimize the number of things he carries . . . or needs to feel like she is supporting the local community and economy."

"'Insights' are discoveries that you might be able to leverage when creating solutions."

"For example, you might have discovered the insight that buying with cash makes your partner value the purchase more and take more care with decisions."

"Or, that she sees a wallet as a reminder and organizing system, not a carrying device."

4—Take a stand with a point-of-view

Now tell them to select the most compelling need and most interesting insight to articulate a point-of-view.

"This is your point of view."

"Take a stand by specifically stating the meaningful challenge you are going to take on."

'This is the statement that you're going to address with your design, so make sure it's juicy and actionable!"

"It should feel like a problem worth tackling!"

"Your point-of-view might be:

'Janice need a way to feel she has access to all her stuff and is ready to act. Surprisingly, carrying her purse makes her feel less ready to act, not more.'

Or 'Arthur needs a way to socialize with his friends while eating healthy, but he feels like he isn't participating if he isn't holding a drink.'"

<u>Ideate</u>: generate alternatives to test.

5 Sketch at least 5 *radical* ways to meet your user's needs. 5min

write your problem statement above

6 Share your solutions & capture feedback. 10min (2 sessions x 5 minutes each)

Notes

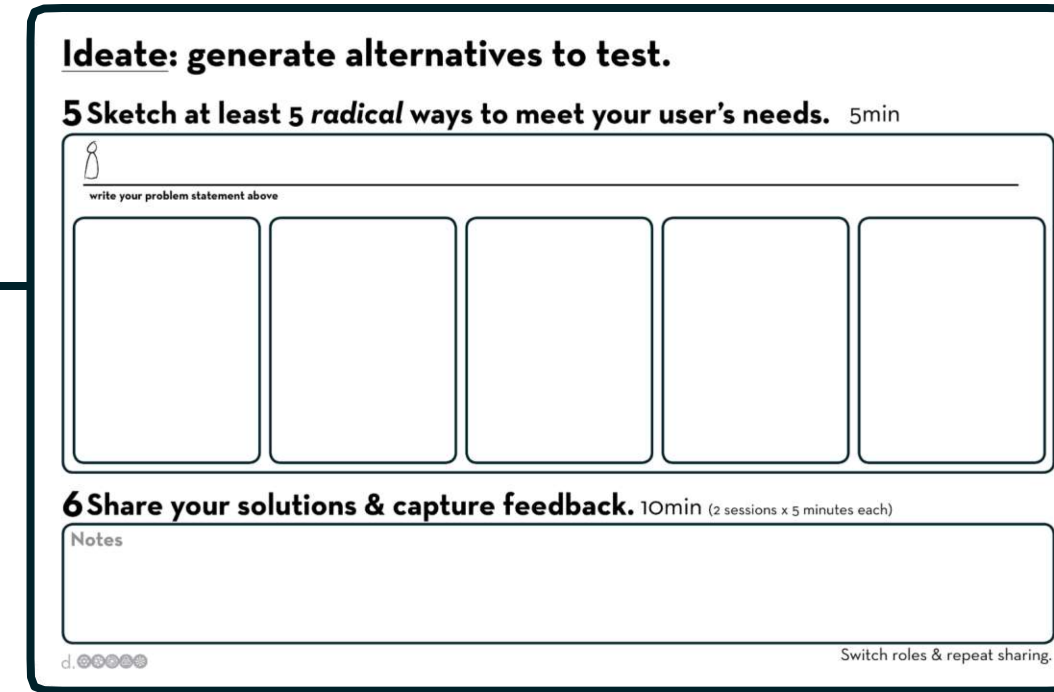
d.

Switch roles & repeat sharing.

Ideate: generate alternatives to test.

How to facilitate these steps

EMPATHIZE DEFINE IDEATE PROTOTYPE TEST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Switch roles & repeat sharing.

5—Sketch to Ideate

Have them rewrite their problem statement at the top of the page.

Remind them they are now creating solutions to the new challenge they've identified.

They them to sketch a lot of ideas, and to try to create a number of different ideas.

"GO FOR VOLUME!"

"This is time for idea generation, not evaluation—you can evaluate your ideas later."

You can even suggest a friendly competition to come up with the most ideas --
"See if you can come up with at least 7 ideas!"
Remind them they are not necessarily designing a wallet; instead they should create solutions to problem statement they just created.

"Remember to be VISUAL—use words just when necessary to call out details."

..."One minute left! Try to sketch at least 2 more wildly different ways to address your problem statement!"

6—Share solutions and capture feedback

EMPATHIZE DEFINE IDEATE PROTOTYPE TEST

"Now it's time to share your sketches with your partner!"
"Partner A, share your sketches with Partner B first, and then we will tell you to switch after four minutes."
Tell them to note likes/dislikes and builds on the idea, but also listen for new insights.

"Spend the time listening to your partners reactions and questions."

"This is not just about validating your ideas."

"Fight the urge to explain and defend your ideas."

"This is another opportunity to learn more about your partner's feelings and motivations."

Tell them to switch after time is up for the first session.

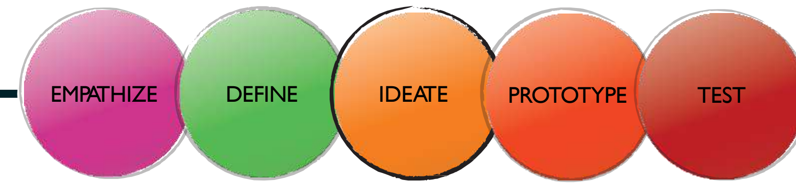
Iterate based on feedback.

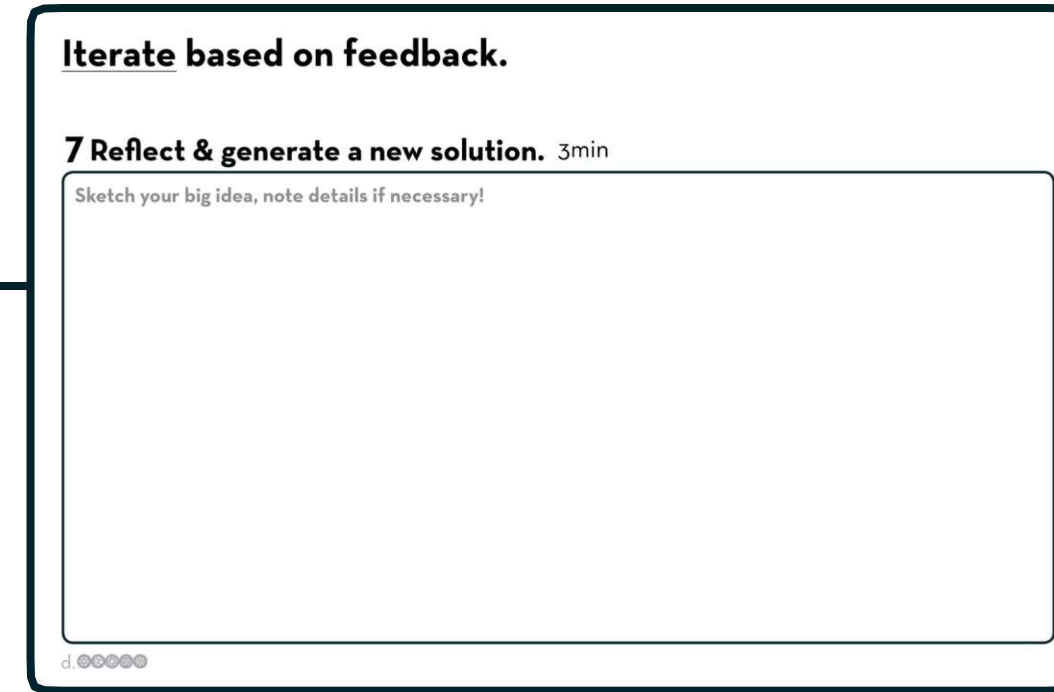
7 Reflect & generate a new solution. 3min

Sketch your big idea, note details if necessary!

Iterate based on feedback.

How to facilitate this step




Iterate based on feedback.

7 Reflect & generate a new solution. 3min

Sketch your big idea, note details if necessary!

d.

7—Reflect & generate a new solution

They've had a chance to share their sketches with their partners and collect feedback.

"Now, take a moment to consider what you have learned both about your partner, ***and*** about the solutions you generated."

"From this new understanding of your partner and his or her needs, sketch a new idea."

Tell them this solution may be a variation on an idea from before or something completely new.
They are still addressing a problem statement that *they* articulated, but you might point out that their previous problem statement may need to change to incorporate the new insights and needs they discovered.

"Try to provide as much detail and color around your idea as possible."

"How might this solution fit into the context of your partner's life?"

"When and how might they handle or encounter your solution?"
While participants are working, grab the prototyping materials if you have not already.

Build and test.

8 Build your solution.

Make something your partnercan interact with!

[not here]

7min

9 Share your solution and get feedback.

+ What worked...

- What could be improved...

? Questions...

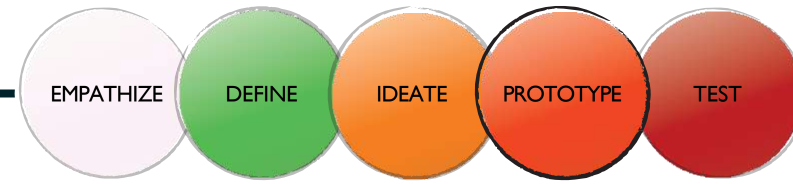
! Ideas...

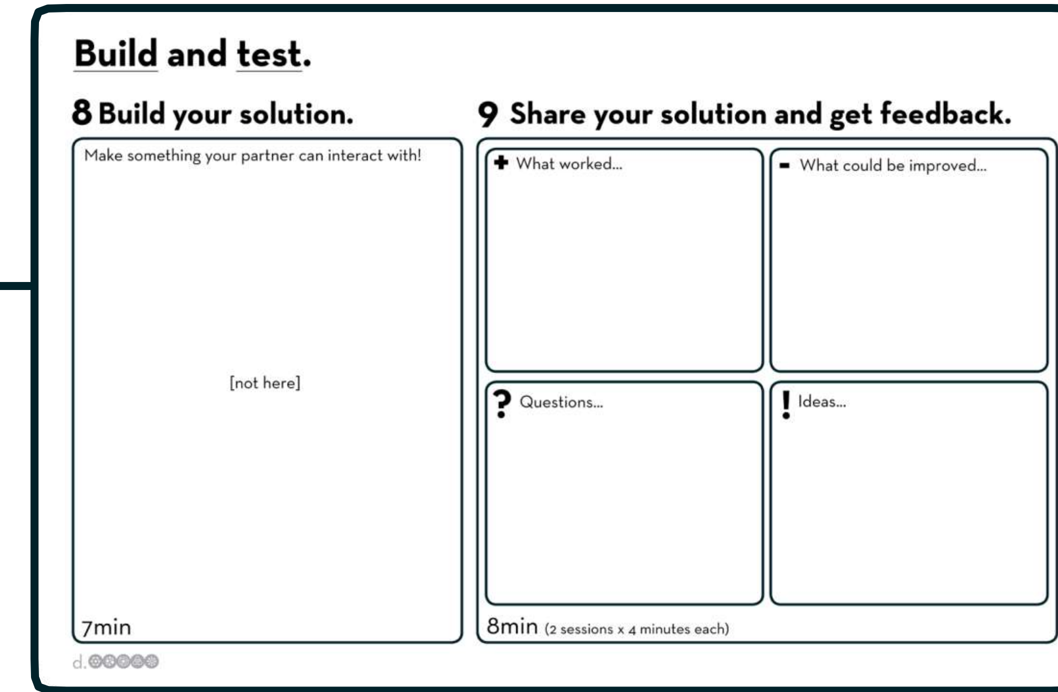
8min (2 sessions x 4minutes each)

d.

Build and test.

How to facilitate these steps

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7min

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+ What worked...

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? Questions...

! Ideas...

8min (2 sessions x 4 minutes each)

d.

8—Build!

Tell participants to use the idea they just sketched as a blueprint for a tangible manifestation of their solution.

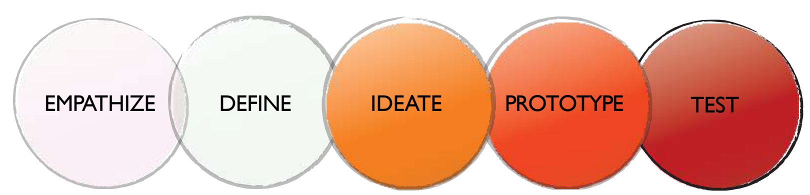
“Create a physical prototype of your solution.”

Explain that they should not simply make a scale model of their idea to explain the idea.
They should create an experience that their partner can react to.
They could decide to test just one aspect of the overall solution.

“MAKE something that your partner can engage and interact with.”

“If your solution is a service or a system,
create a scenario that allows your partner to experience this innovation.”

“Use whatever materials are available to you—including space!”
Provide some urgency and excitement in your voice—you want to get them building immediately.
“Be scrappy and quick—you only have a few minutes!!”



9—Share your solution and get feedback

Explain that one partner will have time to share and collect feedback, and then they will switch so the other partner can share.

“Now you’re going to have the opportunity to share your prototype with your partner.”

Validation of the prototype is not the point—it should be an artifact that facilitates a new, targeted conversation.

“When you test, LET GO of your prototype, physically and emotionally.”

“Your prototype is NOT PRECIOUS, but the feedback and new insights it draws out are!”

“Don’t defend your prototype; instead, watch how your partner uses and misuses it.”

Tell them to jot down things their partner liked and didn’t like about the idea, as well as questions that emerged and new ideas that came up.

Reflection and takeaways.

How to facilitate this step

10—Group gather and debrief

This step is important! A well facilitated reflection has the power to turn this exercise from simply a fun activity to a meaningful experience that could impact the way participants approach innovation in the future.
Quickly pull together a few tables that everyone can gather around.

Tell everybody grab their prototypes and set them on the table in the middle of the room.

"We're going to huddle around and see what innovations you've created for your partners!"

"Who had a partner who created something that you really like?"

"Who sees something they are curious to learn more about?"

Ask for the person who created the prototype and engage them in the conversation.
"How did talking to your partner inform your design?"
"How did testing and getting feedback impact your final design?"
"What was the most challenging part of the process for you?"
The key to leading this conversation is to relate the activity to the big takeaways you want to illustrate.
Some of core values of design thinking that would be great to draw out include:

Human-centered design: Empathy for the person or people you are designing for, and feedback from users, is fundamental to good design.

Experimentation and prototyping: Prototyping is not simply a way to validate your idea; it is an integral part of your innovation process. We build to think and learn.

A bias towards action: Design thinking is a misnomer; it is more about doing that thinking. Bias toward doing and making over thinking and meeting.

Show don't tell: Creating experiences, using illustrative visuals, and telling good stories communicate your vision in an impactful and meaningful way.

Power of iteration: The reason we go through this exercise at a frantic pace is that we want people to experience a full design cycle. A person's fluency with design thinking is a function of cycles, so we challenege participants to go through as many cycles as possible—interview twice, sketch twice, and test with your partner twice. Additionally, iterating solutions many times within a project is key to successful outcomes.