

SCALABILITY: A CRITICAL YET NEGLECTED ELEMENT IN SOCIAL ENTREPRENEUR PREPARATION

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Agenda

- I. Importance of Scaling Social Impact
- II. Current Literature
- III. Proposed Research Model
- IV. Future Directions

Overview

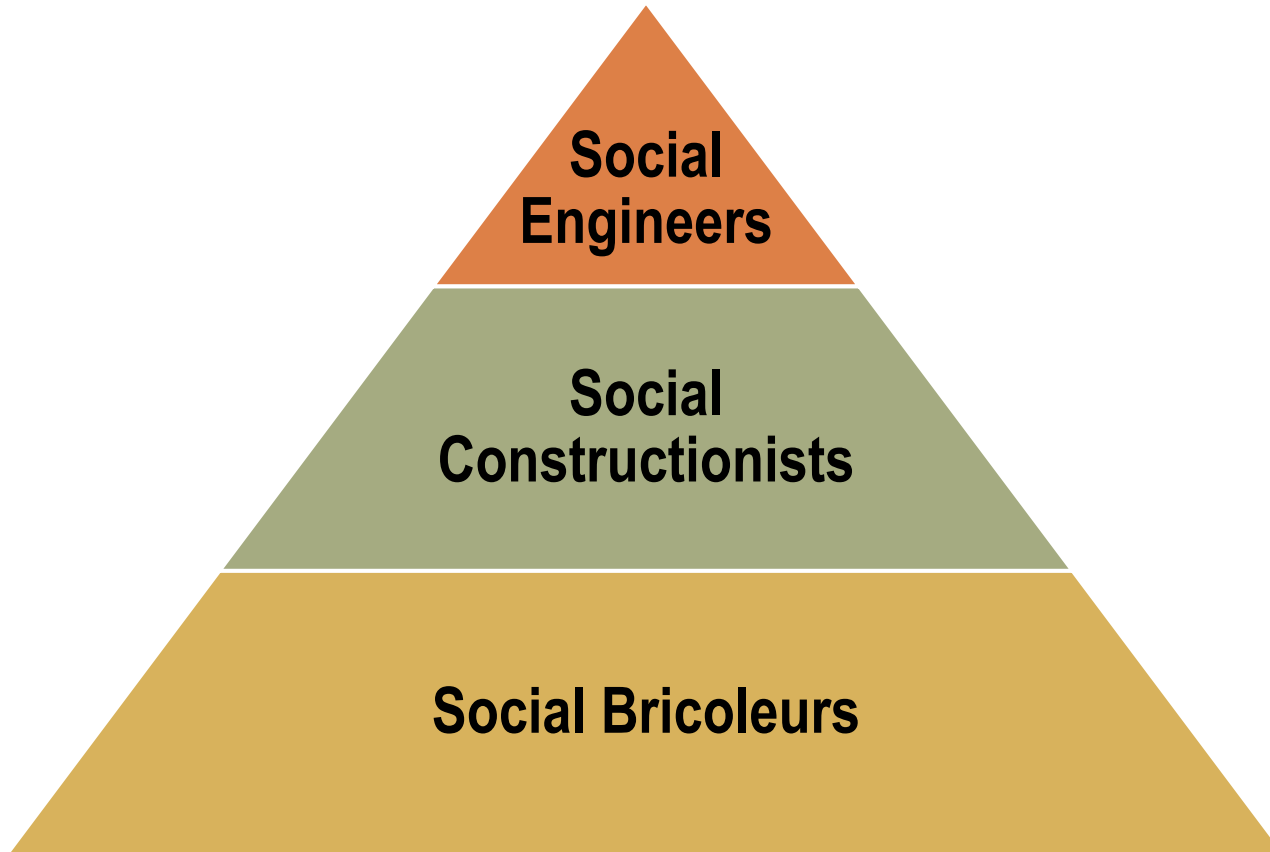
- **Purpose:** Social mission is explicit and central to social entrepreneurs (Alter, 2007; Dees, 1998a).
- **Goal:** Create significant, long term social value.
- **Method:** Implement innovative solutions to intractable societal challenges (Phills, et. al 2008, Martin and Osberg, 2007, Drayton, 2006, and Alford, Brown and Letts, 2004).

Scaling Social Impact

Nearly every problem has been solved by someone, somewhere. The frustration is that we can't seem to replicate them anywhere else.

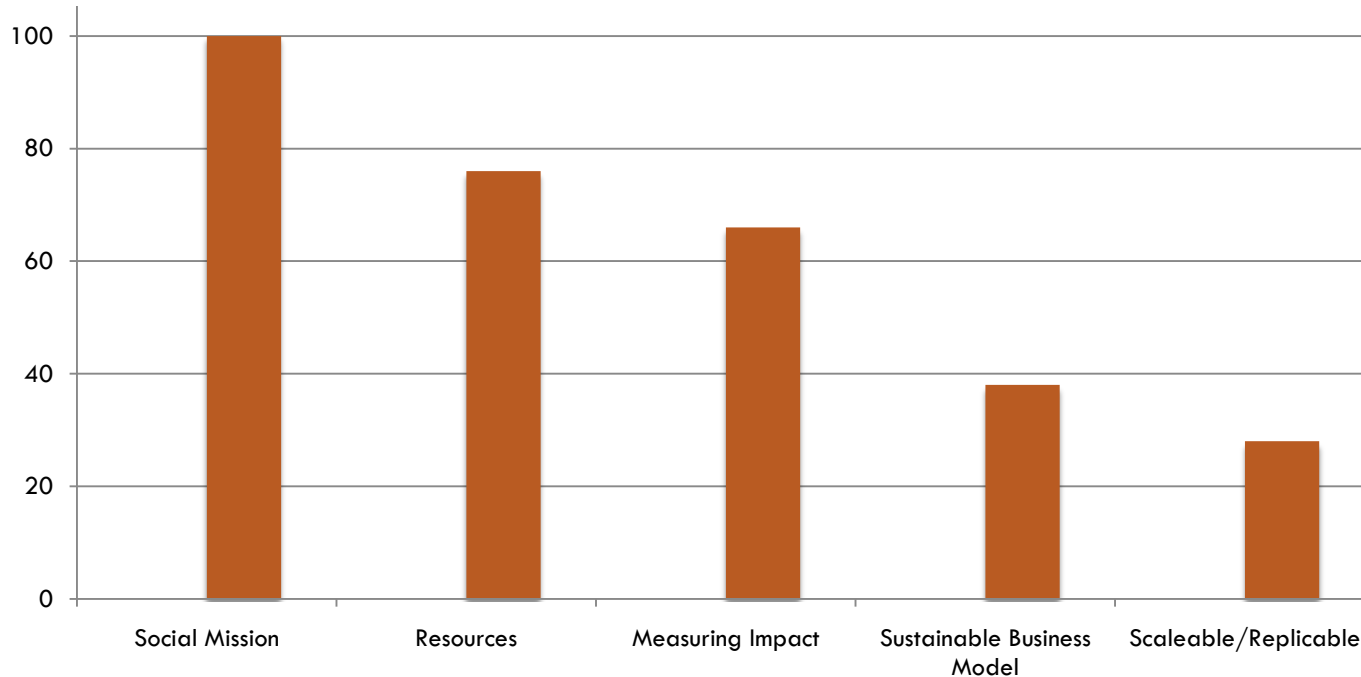
- Former United States President Bill Clinton

Scaling Model of Social Entrepreneurs



Zahra et al, 2008

Essential Elements of SE Courses



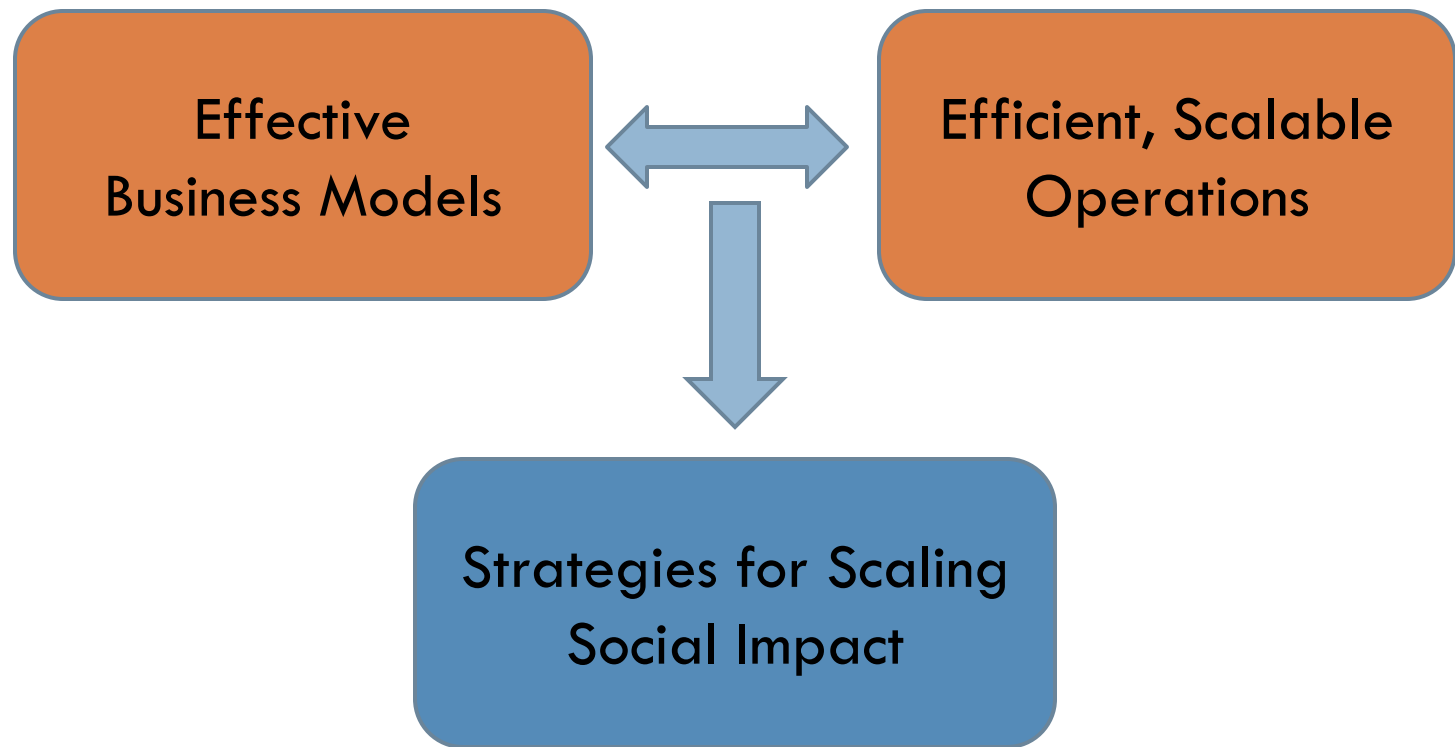
Current State of Research

- 85% of all literature addressing scale appear in practitioner publications, trade books, and white papers
- Vast majority of the research focuses on scaling social impact
- Scalability (capacity/capability to scale) and scaling social impact (executed strategies that increase social value) are often used interchangeably

Central Thesis

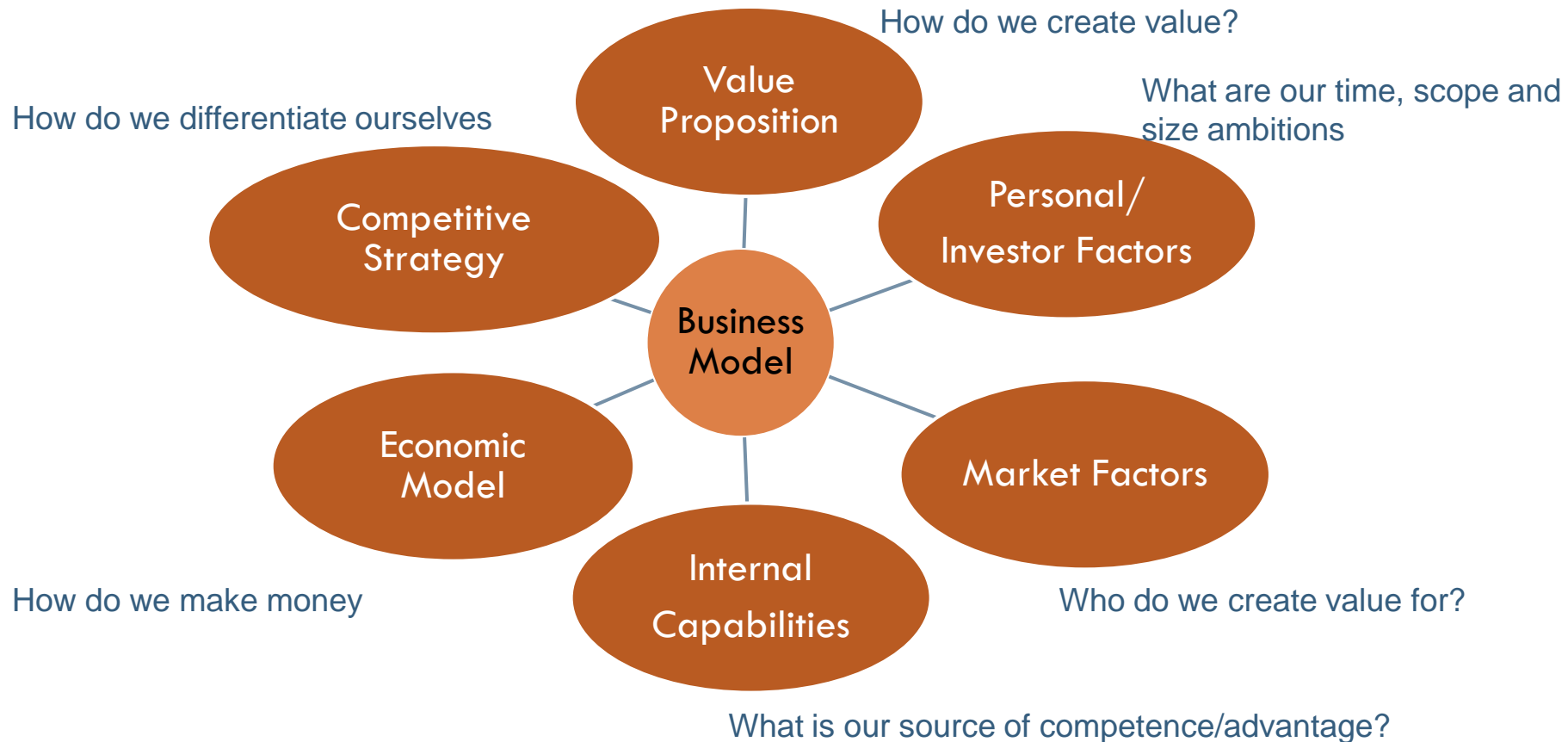
Social entrepreneurs should address issues of scalability (efficient, delineated operational capabilities and replicable business model) before they should focus on strategies for scaling their social impact. This sequence will greatly enhance their probability of creating long-term, large-scale, widespread social impact.

Change Model for Scaling Social Impact



Business Models

The business model is heralded as one of the most important concepts in the 21st century (Schindehutte et. al, 2008)



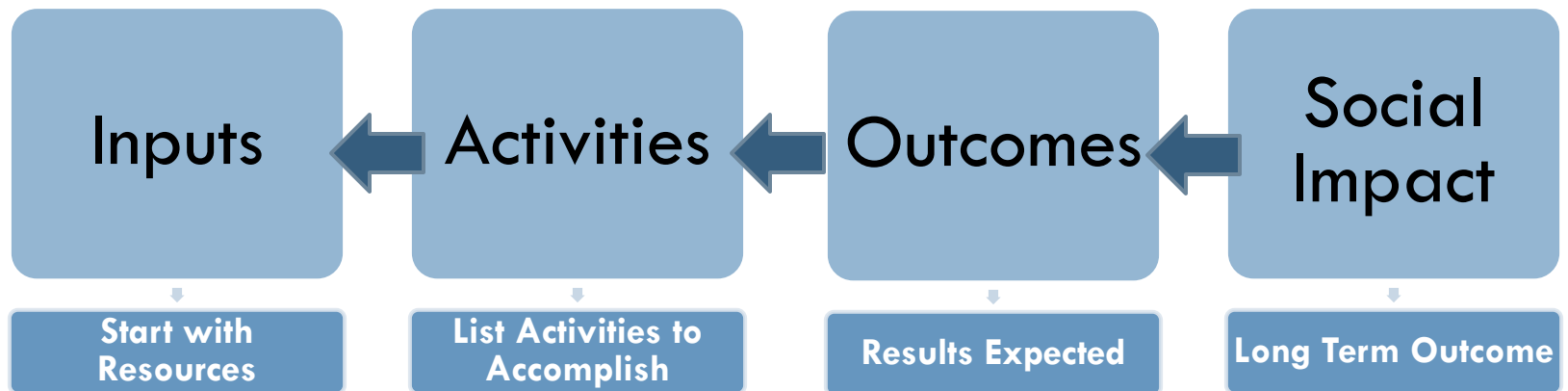
Typology of Business Models

Model Type	Example
Micro-Level	Grameen Bank
Fee/Free Service	Aravind
Market Driven	D. Light
Employment	Delancey Street
Sweat Equity	Habitat for Humanity
Cost Recovery	One World Health
Economies of Scale	10,000 Villages
Social Franchise	Goodwill Industries
Social Networking	Kiva
Corporate Partnership	Telnor Communications

Theory of Change

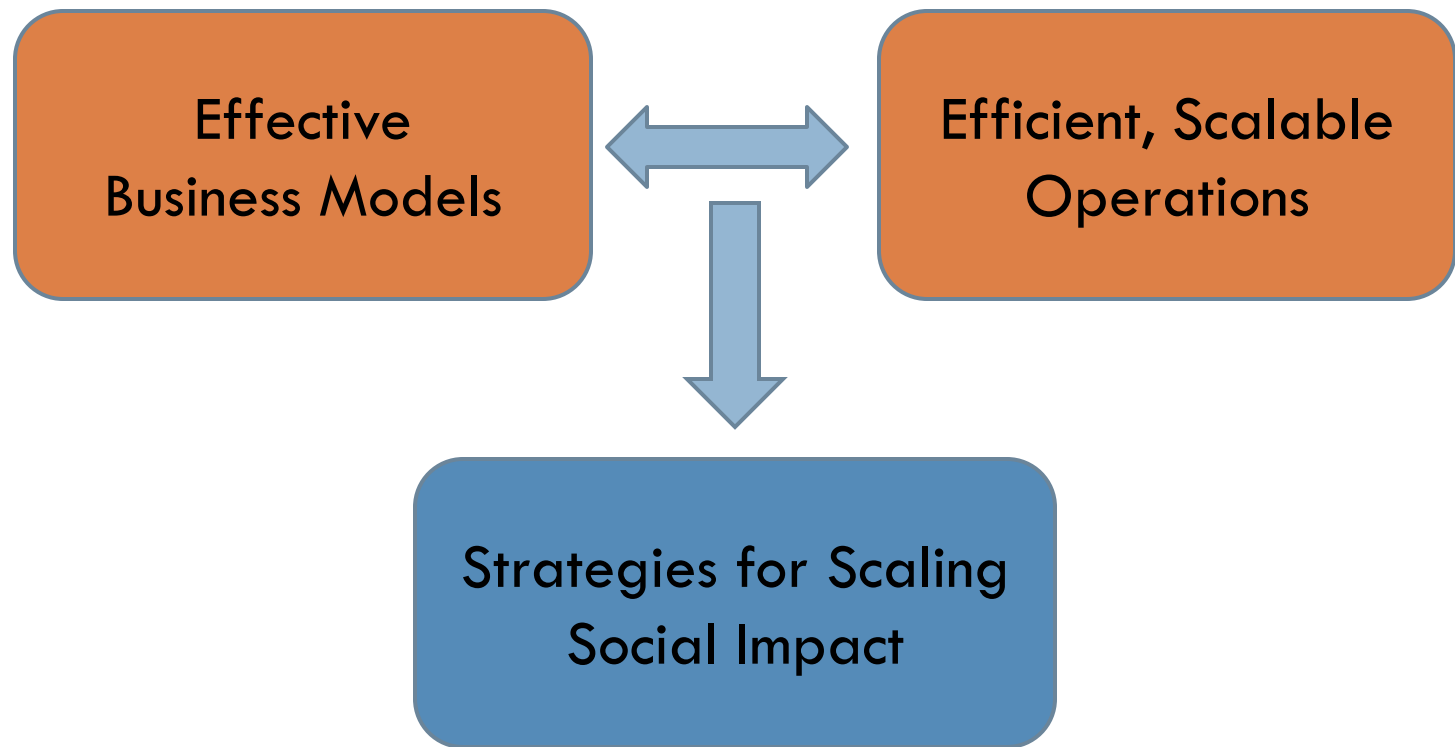
Specific and measurable description of a social change initiative that forms the basis of strategic planning, on-going decision making and evaluation.

www.theoryofchange.org

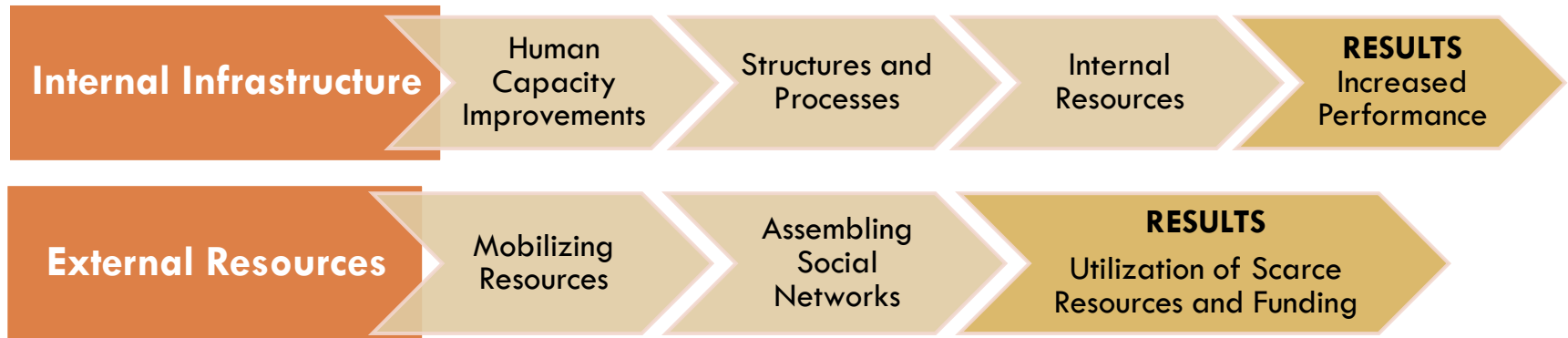


Weiss, 1995

Change Model for Scaling Social Impact



Scalability of Operations



Key Strategic Practitioner Questions

- What are the characteristics that I want to build in my organization that can and should be replicated?
- What underlying characteristics of the organization make replication possible?

Directions for Future Research

□ BEST PRACTICES:

- ▣ In 2007, 93% of the Ashoka fellows reported that their efforts had been successfully replicated. How did they prepare for/create these impressive results? Looking back, what do they wish they had done differently?

□ ROLE OF BUSINESS MODELS:

- ▣ Compare and contrast entrepreneurial efforts in the same area. To what extent did the more successful entrepreneur reflect upon and consciously address scalability before launching into scaling? When and how often?

□ EMPIRICAL/TACTICAL:

- ▣ What factors increase the scalability of operations?
- ▣ What factors lead to an effective business model?

The “Bottom Line”



The fetishization of scaling up our work is a source of both anxiety and hope. Bringing a new innovative project to scale often feels like the only way to leave a footprint of a good kind in an afflicted world in need of good ideas.

-Paul Farmer, Partners in Health, Skoll World Forum 2008

DISCUSSION

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