Social Impact Companies
Social Entrepreneurship
"Oh you hate your job? Why didn't you say so? There's a support group for that. It's called EVERYBODY and they meet at the bar."

-George Carlin
You don't hate your job, you hate that your job has no purpose.

Make your job making the world a better place.

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sick
/sɪk/
adjective
1. affected by physical or mental illness.
Not Sick Doesn’t Equal Healthy
sic
(Social Impact Company)
/sik/
noun
1. Financially self-sustainable, socially, and environmentally responsible enterprise.
Triple Bottom Line

Traditional P&L

+ Social Impact

+ Environmental Impact

Social Impact Company

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Potential Revenue Streams
RedEye Coffee Life Cycle

01 YOU
Enjoy Fair Trade, bird safe, shade grown, and organic coffee in an earth friendly or reusable cup.

02 US
We purchase our coffee from small farmers who are paid a fair price through certified organic cooperatives.

03 TOGETHER
Net-profits go to local and global humanitarian efforts.
SOCIAL ENTERPRISE CONCEPT

01 Audience.
Write for an audience that does not know anything about your social enterprise.

02 Organization.
How will your SE be structured?
What is your market size?
Who is your customer?
Who is your beneficiary?
Are there examples of prominent traditional for-profits that have a similar market?

03 Sustainability?
How are you going to take your Social enterprise from start up to a sustainable business?

04 Clear Understanding.
Have you taken your audience from knowing nothing to a clear understanding of your social enterprise?

Who?
What?
Why?

What is the social problem?
What is the market solution?

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Created by Dr. Mark McNees - markmcnees.com
"If I had an hour to solve a problem I'd spend 55 minutes thinking about the problem and 5 minutes thinking about solutions."

-Albert Einstein

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## Social Enterprise Business Model

<table>
<thead>
<tr>
<th>Social Problem</th>
<th>Market Solution</th>
<th>Value Propositions</th>
<th>Beneficiary</th>
<th>Customer</th>
</tr>
</thead>
<tbody>
<tr>
<td>A social problem is a condition that at least some people in a community view as being undesirable. Everyone would agree about some social problems, such as murders and DWI traffic deaths. Other social problems may be viewed as such by certain groups of people environmental or income inequality.</td>
<td>A market solution is a financially sustainable enterprise designed to address/impact/solve the Social Problem.</td>
<td>An innovation, service, or feature intended to make a company or product attractive to customers.</td>
<td>A beneficiary is any person or group who gains an advantage and/or profits from the Social Enterprise.</td>
<td>A party that receives or consumes products (goods or services) and has the ability to choose between different products and suppliers.</td>
</tr>
</tbody>
</table>

### Key Partners

A business partnership is when two commercial entities form an alliance, which may either be a really loose relationship where both entities retain their independence and are at liberty to form more partnerships or an exclusive contract which limits the two companies to only that one relationship.

### Key Resources

Key Resources is the building block describing the most important assets needed to make a business model work. Every business model requires them, and it is only through them that companies generate Value Propositions and Revenues. Key resources can be physical, financial, intellectual, or human.

### Channels

A way of bringing products or services to market so that they can be purchased by consumers. A sales channel can be direct if it involves a business selling directly to its customers, or it can be indirect if an intermediary such as a retailer or dealer is involved in selling the product to customers.

### Differentiators

Competitive differentiation is a strategic positioning tactic an organization can undertake to set its products, services and brands apart from those of its competitors.

### Cost Structure

Cost structure refers to the types and relative proportions of fixed and variable costs that a business incurs. The concept can be defined in smaller units, such as by product, service, product line, customer, division, or geographic region. Cost structure is used as a tool to determine prices, if you are using a cost-based pricing strategy, as well as to highlight areas in which costs might potentially be reduced or at least subjected to better control.

### Revenue Streams

A revenue stream is a form of revenue. It is considered one of the building blocks of a business model canvas, that reveals the earning a business makes from all the methods by which money comes in. Revenue streams may be characterized. For example, a revenue stream has volatility, predictability, risk, and return.
Three Year Start-Up Revenue Projections

Year One:
- 0%
- 8%
- 16%
- 24%

Year Two:
- 33%
- 41%
- 49%
- 57%

Year Three:
- 66%
- 82%
- 74%
- 90%

100% Sustainable

Bridge Capital is 100% - X%, i.e. Year one 3rd quarter:
100% - 24% = 76% BC

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Run 96 miles one day a month and you’ll be fat and tired.

VS.

Run 4 miles a day twenty-four days a month and you’ll be fit and energized.

#pace.plan.prevail

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