



**SOCIAL
ENTREPRENEURSHIP**

MSB 4182

COMPILED BY
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MODULE V

BUSINESS MODELS AND BUSINESS PLAN FOR SOCIAL ENTERPRISES

BUSINESS MODEL

?

-
- **The rationale of how an organization creates, delivers and captures value**
 - **A business plan** is a detailed document setting out the goals of a business and how they are to be achieved.
 - **A business model** helps us to design and articulate how a business could work, and how we can innovate inside the business.
-

DR. ALEX OSTERWALDER
INVENTOR OF BUSINESS
MODEL CANVAS
2010



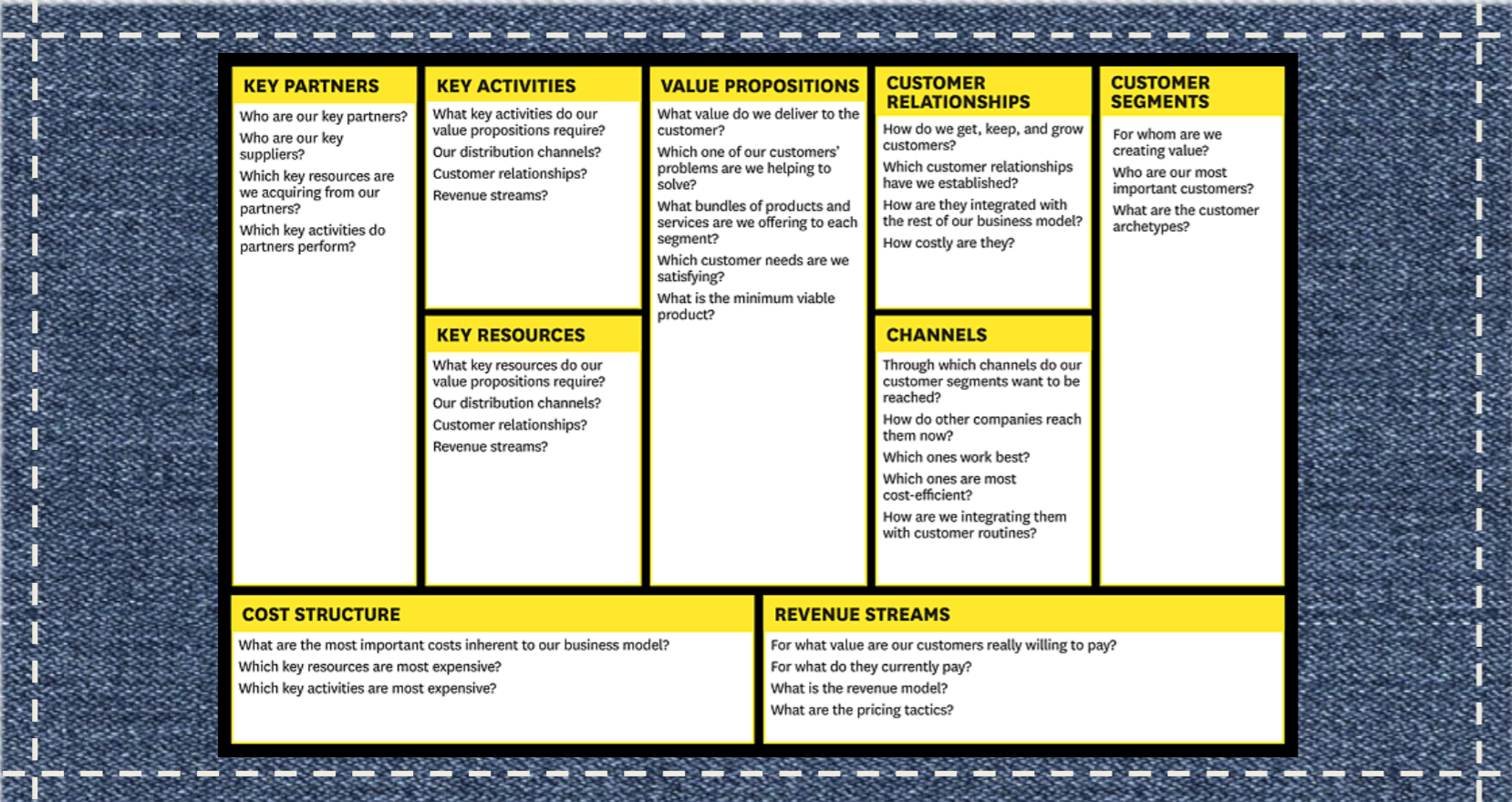
BUSSINESS MODEL CANVAS



BASIC UNDERSTANDING

-
- It offers a simple, visual, one-page canvas on which we can design, innovate and dialogue about our business models.
 - One page document.
 - It is visual, dynamic and make sense

BMC VS SBMC



BUSINESS MODEL CANVAS



SOCIAL BUSINESS MODEL CANVAS

SOCIAL ENTERPRISES ARE DISTINCT



-
- **Social entrepreneurs pursue different objectives**
 - **Social entrepreneurs pursue different entrepreneurial opportunities**
 - **Social entrepreneurs take different approaches to enact opportunities**
-

EXPLORE YOUR CUSTOMER PAIN



-
- What does your customer find too costly?
 - What makes your customer feel bad?
 - How are current solutions underperforming for your customer?
-

EXPLORE YOUR CUSTOMER PAIN



-
- What negative social consequences does your customer encounter or fear?
 - What's keeping your customer awake at night? And What barriers are keeping your customers from adopting solutions?
 - What common mistakes does your customer make?
-

EXPLORE CUSTOMER GAINS

-
- Which savings would make your customer happy?
 - What outcomes does the customer expect and what would go beyond expectations?
 - How do current solutions delight your customer?
-

EXPLORE CUSTOMER GAINS

-
- How would you make your customer's job or life easier?
 - What positive social consequences does your customer desire?
 - What are customers looking for?
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EXPLORE CUSTOMER GAINS

-
- What do customers dream about?
 - How does your customer measure success or failure?
 - What would increase the likelihood of adopting a solution?
-

SUCCESSFUL SOCIAL ENTREPRENEURS

-
- Identify opportunities in social and institutional contexts they believe they understand.
 - Take into consideration the social and institutional factors when evaluating an opportunity.
 - Directly address social and institutional problems
-

OPPORTUNITY RECOGNITION IN S.E



THREE TYPES OF SOCIAL ENTREPRENEURS

-
- **Social Bricoleurs**
 - **Social Constructionists**
 - **Social Engineer**
-

A FEASIBILITY STUDY IS AN EVALUATION OF A PROPOSAL DESIGNED TO DETERMINE THE DIFFICULTY IN CARRYING OUT A DESIGNATED TASK.



FEASIBILITY STUDY REPORT - TYPES

TECHNICAL FEASIBILITY

Can a solution be supported with the existing technology or not?

ECONOMIC FEASIBILITY

Is the existing technology cost effective?

OPERATIONAL FEASIBILITY

Will the solution work in the organization if implemented?

FEASIBILITY COMPONENTS

1 DESCRIPTION OF THE BUSINESS
The product or services to be offered and how they will be delivered.

2 MARKET FEASIBILITY
Includes a description of the industry, current market, anticipated future market potential, competition, sales projections, potential buyers, etc.

3 TECHNICAL FEASIBILITY
Details how you will deliver a product or service

FEASIBILITY COMPONENTS

4 **FINANCIAL FEASIBILITY**
Projects how much start-up capital is needed, sources of capital, ROI etc..

5 **ORGANIZATIONAL FEASIBILITY**
Defines the legal and corporate structure of the business

6 **CONCLUSIONS**
Discusses how the business can succeed

DEVELOPING BUSINESS PLAN FOR SOCIAL VENTURES

19

Cover page	Contains the name of the organisation or business, contact information, the date the business plan was prepared and by whom.
Executive summary	Provides a summary of the business plan and includes key points contained within the plan.
Introduction/ background	Gives an overview of the background to the organisation and provides an insight into the proposition and its rationale.
The idea	Contains details about the product or service and highlights the competitive position and potential social impact.
Marketing	Provides an analysis of the marketplace, identifies the marketing objectives and describes the marketing strategies and tactics.
Operations Legal	Explains the operational aspects of the venture, e.g. premises, equipment, systems and procedures.
Legal	Describes the legal issues and regulations that needs to be complied with.
People	Provides details of the management team/board, staff, training and external sources of help, e.g. an accountant and a solicitor.
Finance	The finance section will contain information on costs, sales assumptions, funding and financial projections.
Additional sections	A risk section and an exit strategy can also be included in a business plan.
Appendices	The appendices will include information that supports the main body of the business plan, e.g. evidence of market research and sample marketing documents.

1 EXECUTIVE SUMMARY

a one page nutshell

your mission, your vision, your purpose

2 TARGET MARKET

who are your products/service intended for?

send a survey to gather demographics, interests + budgets

3 COMPETITORS

define your competitors - their strengths + weaknesses

determine your competitive advantage - why are different?

4 HUMAN RESOURCES

will you need additional staff to run your business?

what will you pay them? how much experience? what skills do you they need to have?

5 VENDORS/SUPPLIES

will you require outside sources or projects to operate?

what about supplies that you will be using on a regular basis?

6 MARKETING PLAN

how will you get your products/services in front of ideal clients?

how will you communicate your message?

7 OPERATIONS

how are you going to run your business?

determine the most efficient way to get the job done

8 FINANCIAL PROJECTIONS

how much money do you need to start/run the business?

determine the profitability of the company

Business planning will help any social enterprise (SE) or social purpose business (SPB) to:

1. Attract investment.
2. Identify risks.
3. Measure social or environmental outcomes.
4. Demonstrate that you are using a business approach.
5. Showcase the management team.
6. Build alliances.
7. Check thinking.
8. Determine feasibility.

INVESTOR PRESENTATION

21

1

COVER PAGE/INTRODUCTION

Brief Business Description / Tag Line

Presenter Name and Contact Info

2

OVERVIEW

An investor wants to know why he/she should be listening to you.

3

PROBLEM

Make the investor to understand that you have qualification and you really solve the problem

INVESTOR PRESENTATION

22

4 **MARKET**
Investors want to know that this is a good opportunity that they can build a big business around.

5 **TEAM**
Show why you are relevant

6 **TECHNOLOGY/SOLUTION**
Focus more on what your solution does vs. how it does it

INVESTOR PRESENTATION

23

7

CUSTOMERS/REVENUE MODEL

Who is buying your product
and why

8

GO TO MARKET

How do you make the
customer to access your
product easily

9

COMPETITION

Know your value

INVESTOR PRESENTATION

24

10 **FINANCIALS**
Understand how much cash
is required to break-even

11 **MILESTONES**
Prove that you have skin in
the game

12 **SUMMARY**
Make the investor to believe
that this is a great
opportunity to invest



Government of India - Ministry of MSME.
MSME Development Institute, Chennai

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Guidance to the Enterprise

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Tamilnadu at a glance

Flash News

NEW NLVDP at ICF Chennai, 27-28 Oct 2017
National Level Vendor Development Programme (Rail Vendor Expo -2017) at ICF Chennai 27-28 Oct 2017, Registration Open, Contact N Sivalingam, AD, 9790754446, Email: sasi123@yahoo.co.in - undefined

TAMIL NADU

<http://www.msmedi-chennai.gov.in:8080/MSME/#>



REGISTRATION

REGISTRATION OF SSI/MSME

27

THREE SLABS WHICH ARE PRESCRIBED UNDER MSME ACT TO DEFINE AN ENTERPRISE

MICRO

Manufacturing Enterprises

Does not exceed Rs. 25 Lakh

Service Industry

Does not exceed Rs. 10 Lakh

SMALL

Manufacturing Enterprises

Exceeds Rs. 25 Lakh but does not exceed Rs. 5 Crore

Service Industry

Exceeds Rs. 25 Lakh but does not exceed Rs. 5 Crore

MEDIUM

Manufacturing Enterprises

Exceeds Rs. 5 Crore but does not exceed Rs. 10 Crore

Service Industry

Exceeds Rs. 2 Crore but does not exceed Rs. 5 Crore

REGISTRATION

TO THINK ...

ACKNOWLEDGEMENT
ENTREPRENEURS
MEMORANDUM (EM PART-II)

OF **2**

SUBMIT THE APPLICATION FORM
IN DUPLICATE TO THE CONCERNED
ZONAL/BRANCH OFFICE OF NSIC
LOCATED NEAREST TO THE UNIT.

4

1

REGISTERED WITH THE
DIRECTOR OF INDUSTRIES
(DI)/DISTRICT INDUSTRIES
CENTRE (DIC)

3

APPLIED THROUGH ONLINE
APPLICATION PROVIDED BY
THE PRESCRIBED STATE
WEBSITE

REGISTRATION

START THE BUSINESS

2

DOCUMENTS TO BE
SUBMITTED

4

1

PROVISIONAL SMALL SCALE
INDUSTRY (SSI)
REGISTRATION

3

APPLY FOR PERMANENT SSI
REGISTRATION

IMPORTANT DOCUMENTS FOR REGISTRATION

30

- ✓ Three passport size photographs of proprietors/partners/directors, as the case may be.
- ✓ Photocopy of the partnership deed in case of a partnership unit.
- ✓ Copy of the Memorandum and Articles of Association in case of Private Company along with certificate of incorporation.
- ✓ Copy of the resolution of the company authorising one of the Directors of the company to sign the application form and also appear for the interview.
- ✓ Proof of legal possession i.e. rent receipt, NOC from the landlord with proof of ownership, the power load authorised by the connection holder to the applicant
- ✓ Provisional Registration would be allowed in approved Industrial areas

BENEFITS OF PROVISIONAL SSI REGISTRATION

- ✓ Material for construction of factory building
- ✓ Apply for Municipal Corporation License & power connection.

REQUIREMENTS FOR APPLYING PRC

32

PERMANENT REGISTRATION CERTIFICATE

- ✓ Can apply for the PRC without an industrial license in case your unit is listed in Schedule-III of the Industrial Licensing Exemption Notification.
- ✓ Other units must first acquire an industrial license.
- ✓ The unit should have obtained all clearances from the pollution control board, drug control board etc.
- ✓ The unit should not violate any locational restriction
- ✓ The original value of plant including machinery should be within prescribed limits for which you are applying.
- ✓ The unit should not be a subsidiary, owned or controlled by another industrial undertaking.

IMPORTANT DOCUMENTS FOR REGISTRATION

33

PRC

- ✓ Proof of ownership of premises i.e. allotment letter/possession letter/lease Deed/property tax receipt.
- ✓ In case premises are arranged on rental basis, unit should submit proof of Legal possession i.e. a rent receipt and/or NOC from the landlord supported by the proof of land lord's ownership.
- ✓ One photo copy of sale bill of each end product applied for.
- ✓ One photo copy of purchase bill of each raw material.
- ✓ Copy of partnership deed in case of partnership unit (this need not be registered.)

IMPORTANT DOCUMENTS FOR REGISTRATION

34

PRC

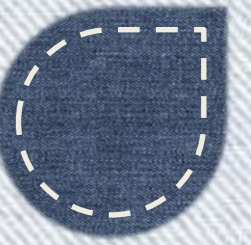
- ✓ Copy of Memorandum of Articles of Association with certificate of incorporation in case of private limited company (in case of any change of Directors subsequently, copy of resolution and intimation in form No.32) along with copy of resolution authorising one of the directors to sign the application for grant of permanent SSI registration.
- ✓ Copy of the industrial license from Govt. of India in case the end products require such license under Industrial Development and Regulation Act.1951.
- ✓ An affidavit on Rs.10/- Non judicial Stamp Paper duly attested by Notary Public affixed with proper notarial Stamp giving the status of the unit, machinery installed, power requirement etc. as per the prescribed format
- ✓ Purchase bill of machinery installed.
- ✓ Photo copy of valid consent letter from pollution control committee of that state.

BENEFITS FOR HAVING A PERMANENT SSI

35

PRC

- ✓ Tax Benefits
- ✓ Availability of raw material depending on existing policy
- ✓ Benefits from Banks
- ✓ Benefits from State Governments



THANK YOU FOR LISTENING!
ANY QUESTIONS?
