





MOVING THE WORLD TO A BETTER PLACE

BUSINESS, SOCIAL ENTREPRENEURSHIP, AND SOCIAL GOOD

By Mary Kate Naatus Ph.D., Mike Caslin, Joe Szocik, Tony DiMarco, and Charlie Venti

INTRODUCTION

Our Jesuit colleges and universities around the globe are uniquely positioned to educate students to confront societal problems and advance social justice, which is part of the core mission and values of a Jesuit education. One lens through which a growing number of our higher education institutions are boosting their community impact is through social entrepreneurship education and development. Due to its higher order, more holistic role as an ethical model of entrepreneurship that encourages “innovative use of resources to explore and exploit opportunities that meet a social need in a sustainable manner” (Sud et al., 2009) and its potential as an effective mechanism for generating economic, social and environmental value (Brenzei, 2012), programs in social entrepreneurship are being explored and developed by many colleges and universities, though there is significant variation in size and scope. This article describes GCSEN’s Social Entrepreneur Systems (SES) Institute, that assists colleges to develop and deploy social entrepreneurship education to advance social good and brings a proven model of teaching, learning and application to accelerate the development, growth and impact of social enterprises, driven by undergraduates, graduates and supportive faculty. GCSEN, The Global Center for Social Entrepreneurship Network Foundation, is an IRS approved 501 (c) 3 non-profit educational foundation (<http://www.gcsen.com/>). The SES Institute’s goal is “To move the world to a better place, one campus and one local economy at a time.”

The SES Institute was briefly described in GCSEN’s paper presented, by GCSEN’s CEO, Michael Caslin, and coauthor Dr. Mary Kate Naatus of Saint Peter’s University, at the 2017 IAJBS conference. The valuable faculty and administrative feedback we received assisted us to more fully develop the SES model and present it at the 14th Annual Social Entrepreneurship Conference sponsored by Northeastern D’Amore-McKim School of Business and the University of Southern California Marshall School of Business.

The SES Institute Model aligns with leading foundations calls for social renewal e.g., the Case Foundation “America Needs Big Ideas to Heal Our Divides” (Breaking Good10.23.17) by integrating updated social entrepreneurship education with preparing social entrepreneurs to form social enterprises that deliver economic and social value as part of an overall community economic development program. Our article will provide the reader with an overview of the SES Institute by briefly reviewing its impact in three main areas, Prac-ademic System, Place-Based Economic Development and Start-Up-to-Scale Regional Ecosystem Model.

PART 1: BACKGROUND

The SES Institute has drawn on current research related to social entrepreneurship education and economic development. Research by a number of experts has stressed the need to upgrade social entrepreneur education by adding so called ‘soft skills’ such as collaboration and systems thinking to traditional founder skills. At the same time,



there is a growing call to re-imagine capitalism by business leaders such as Dr. Michael Porter (Harvard Business School), Sir Richard Branson (Founder of the Virgin Group) policy experts, political leaders and others across the political spectrum. Figure 1 presents some of the terms identified with “stakeholder capitalism”, along with some of the terms applied to hybrid organizations combining revenue and social value, and emerging forms of finance available to triple bottom line enterprises. There is also a growing body of research and best practices related to Place-Based community economic development, such as the “pipeline” approach to upgrading skills of social entrepreneurs and supporting the growth of social enterprises in communities.

The need for a fresh approach to economic development was further supported by the latest research by the McKinsey Global Index and others summarized under Micro and Macro economic challenges:

MICRO-LEVEL ECONOMIC CHALLENGES

- “AMONG HIGHER EDUCATION ATTENDEES, STUDENT LOAN DEFAULTS WHICH HAVE ACCELERATED PAST 8 MILLION+ (OCCURRING EVERY 27 SECONDS DAILY) AND UNDEREMPLOYMENT AND UNEMPLOYMENT APPROACHING 50% FOR THE CLASS OF 2013 AND BEYOND.
- “NOT-IN-LABOR FORCE CITIZENS 94,610,000 (29% OF POPULATION)”
- “BUSINESS STARTS IN USA NOW AT A 40 YEAR LOW”
- “THE UNDER 30 YRS. AND OWNING A BUSINESS NOW AT A 30 YEAR LOW”

MACRO-LEVEL ECONOMIC CHALLENGES

- WHILE A SMALL NUMBER OF HIGH-GROWTH METROPOLITAN AREAS HAVE BOUNCED BACK STRONGLY IN THE RECOVERY, REAL MEDIAN HOUSEHOLD INCOMES REMAIN BELOW THEIR PRE-2000 PEAKS, IN ALMOST TWO-THIRDS OF THE 3,142 US COUNTIES AND COUNTY EQUIVALENTS.

EVOLVING ECONOMY - KEY TRENDS

MACRO TRENDS - FIGURE 1

PAST	CAPITALISM		FUTURE
SHAREHOLDER	STAKEHOLDER		
MAXIMIZE PROFITS AND SHAREHOLDER VALUE	CREATE SOCIAL VALUE INCLUSIVE CAPITALISM CONSCIOUS CAPITALISM STAKEHOLDER CAPITALISM GENDER CAPITALISM SHARING ECONOMY CONSTRUCTIVE CAPITALISM CROWD BASED CAPITALISM ENLIGHTENED CAPITALISM	CREATE SHAREHOLDER VALUE COMPASSIONATE CAPITALISM REGENERATIVE CAPITALISM IMPACT CAPITALISM COLLABORATIVE ECONOMY COLLABORATIVE CONSUMPTION PLATFORM ECONOMY SHARING ECONOMY	
	TRIPLE BOTTOM LINE ENTERPRISES LOW PROFIT LIMITED LIABILITY CORPORATIONS (L3C) BENEFIT CORPORATIONS (B-CORP) SOCIAL PURPOSE CORPORATION SOCIAL ENTREPRENEURSHIP	FINANCING IMPACT INVESTING SOCIAL IMPACT BONDS LOCAL ECONOMY LOCAL CURRENCY	

The SES Institute model aligns with the Case Foundation (Breaking Good 10.23.17) and the Economist. The Case Foundation reported that "America Needs Big Ideas to Heal Our Divides" noting that "Civic energy is going to have to come from the ground up to strengthen social cohesion, civic participation, and our ability to solve big challenges together."

In addition, the Economist's recent article "Left Behind: How to Help Places Hurt by Globalization" (10.21.17) elaborates on the importance of place-based economic development and innovation to transform our urban areas and boost our small businesses and commercial corridors that have been declining over the decades. The article presented suggestions on policies that had either proven their worth or held out the promise of being more effective than failed approaches of the past. One such recommendation, "Bolder still would be to expand the mission of local colleges," specifically called for higher education institutions to step forward to thoughtfully become engaged in this development process, thus supporting entrepreneurs in the process. It was noted that the success of 'land grant universities' in America helped

fuel the agricultural, and manufacturing industries by providing technical education to young farmers and engineers. Under the heading, "Welcome to the Place Age" the article reported a social cost of failed policies, "Assuaging the anger of the left-behind means realizing that places matter too." The concerted effort by colleges and universities to support entrepreneurs and social enterprises in the context of broader community development initiatives, helps to enhance the university's local economic impact as well as contribute long-term to place-based economic development through job creation, trade and increased rates of diverse business ownership

PART 2: STRUCTURE

PRAC-ADEMIC SYSTEM

The Prac-ademic system is practitioner focused, supported with academic rigor, and updates social entrepreneur education for the challenges of the dawning global millennial driven economy. It combines state-of-the-art best practices from leading figures of social entrepreneurship, proven principles from entrepreneurship, and current innovative management techniques, such as balanced score card and open book management and sustainable community frameworks.

Social entrepreneur education to date has been heavily influenced by material drawn from business courses and non-profit management. The

THE SOCIAL ENTREPRENEUR'S EXPERIENCE

FIGURE 2

SPARK/SEED	PERSONAL WHY	ENTERPRISE WHY	SUSTAINABLE SOLUTION	BUSINESS MODEL	SCALE UP IMPACT	TRANSFORMATIVE SCALE
IDEA, NOTION, ITCH, TWINKLE, PROBLEM, WHAT IF?	PASSION, A MUST DO...	PURPOSE, MISSION, 4P IMPACT: - PEOPLE - PROFIT - PLANET - PLACE	DEFINE PROBLEM, ID POSSIBLE SOLUTIONS, ID METRICS *INITIAL IMPACT	MAKE MEANING & MAKE MONEY	GROW SOMETHING GOOD, STOP SOMETHING BAD	SOLVE SOCIETY'S PRESSING "WICKED" PROBLEMS. (I.E. DRUG ADDICTION, HUMAN TRAFFICKING) CLOSE GAP

FIGURE 3

BUILT ENVIRONMENT	CLIMATE AND ENERGY	ECONOMY AND JOBS	EDUCATION, ARTS & COMMUNITY	EQUITY AND EMPOWERMENT	HEALTH AND SAFETY	NATURAL SYSTEMS	INNOVATION AND PROCESS
BE-1: Ambient Noise & Light	CE-1: Climate Adaptation	EJ-1: Business Retention & Development	EAC-1: Arts & Culture	EE-1: Civic Engagement	HS-1: Active Living	NS-1: Green Infrastructure	IP-1: Best Practices & Processes
BE-2: Community Water Systems	CE-2: Greenhouse Gas Mitigation	EJ-2: Green Market Development	EAC-2: Community Cohesion	EE-2: Civil & Human Rights	HS-2: Community Health	NS-2: Biodiversity & Invasive Species	IP-2: Exemplary Performance
BE-3: Compact & Complete Communities	CE-3: Greening the Energy Supply	EJ-3: Local Economy	EAC-3: Educational Opportunity & Attainment	EE-3: Environmental Justice	HS-3: Emergency Management & Response	NS-3: Natural Resource Protection	IP-3: Local Innovation
BE-4: Housing Affordability	CE-4: Energy Efficiency	EJ-4: Quality Jobs & Living Wages	EAC-4: Historic Preservation	EE-4: Equitable Services & Access	HS-4: Food Access & Nutrition	NS-4: Outdoor Air Quality	IP-4: Good Governance
BE-5: Infill & Redevelopment	CE-5: Water Efficiency	EJ-5: Targeted Industry Development	EAC-5: Social & Cultural Diversity	EE-5: Human Services	HS-5: Health Systems	NS-5: Water in the Environment	
BE-6: Public Parkland	CE-6: Local Government GHG & Resource Footprint	EJ-6: Workforce Readiness	EAC-6: Aging in the Community	EE-6: Poverty Prevention & Alleviation	HS-6: Hazard Mitigation	NS-6: Working Lands	
BE-7: Transportation Choices	CE-7: Waste Minimization				HS-7: Safe Communities		

demands and challenges of creating and scaling social impact, developing sustainable solutions and innovative business models require social entrepreneur education to equip social entrepreneurs with additional skills that include managing a successful 4P enterprise (People, Planet, Profit, Place) and also include tools for organizing social change. The 3 components below describe the key elements of the SES program.

1-Course Content Prac-ademic System's 7 Level Certification, prepares social entrepreneurs to Launch and Sustain Social Enterprises that deliver Social Impact and offer career and resume building badging.

2-Course Design Meet the needs of accredited undergraduates, graduate students and adult learners.

3-Course Delivery The SES Institute offers intensive 70 hour undergraduate and graduate course ware Blended Learning Webinars supported by MIT's Open edX platform and coaching.

Figure 2 outlines initial phases of the Prac-ademic 7 level Certification system, that prepares social entrepreneurs to organize the work associated with developing sustainable solutions, business models, positive impact, and transformative scale.

WHAT

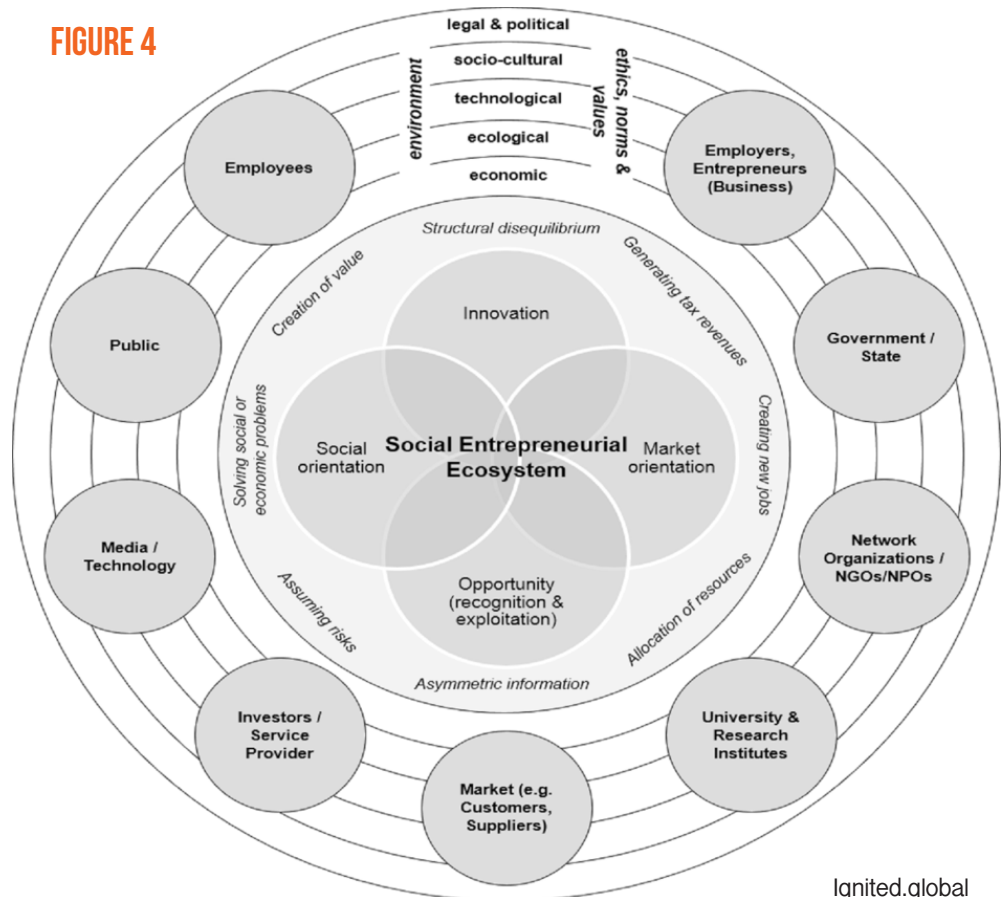
The three pillars of sustainable develop-

ment are often referred to as triple bottom line impact (People, Planet, Profit). GCSEN's Prac-ademic system has emphasized 4P Impact by adding "Place" to the more widespread triple bottom line formula.

WHY

Adding "Place" to create 4P Impact reflects Johanna Mair's (ISESE Business School , Spain) insight that "The defining purpose of social entrepreneurship, regardless of the financial model is to effect social change

FIGURE 4



by altering the social, economic, and political day to day realities at the local level.” Mair provides us with an important reminder that “big ideas”, “grand strategies” must ultimately be implemented at the local level if they are to be effective and long-lasting.

HOW

In order for the SES Goal “moving the world to a better place one campus and one local economy at a time”, to be realized, stakeholders including social entrepreneurs, college and community officials, require both a framework for setting sustainable goals and a methodology for organizing the work to meet those goals. The Star Community Rating System (figure 3), developed by ICLEI-Local Governments for Sustainability, is used by communities around the world to plan and track their sustainable programs.

Organizing the participation of the full range of community stakeholders to develop a sustainable community economy is illustrated by the Social Entrepreneurial Ecosystem chart from Arthur Gopak’s article, “A Deeper Look At Social Entrepreneurship: Key Trends In 2016 (And Beyond)”.

Figure 4 illustrates that Higher Education is one of many community entities collaborating on economic development; Market orientation is balance by social orientation and Ethics, Norms, and Values are part of the process.

WHAT

The SES Institute provides the organizational structure to support the development of the Prac-academic system and the Place-Based Sustainable Community Development process.

By 2027 GCSEN hopes to accelerate its SES Institute by:

- Accelerating social entrepreneurship programs, from start-up to scale, with 100 academic institutions
- Certifying 100,000 social entrepreneurs who have begun their seven (7) levels of Prac-academic education as Certified Meaning Makers (CMMs).
- Activating and supporting active 10,000 social enterprises

The goals of the SES Institute should be considered as an initial arrival point of the Institute’s first phase, a foundation of social entrepreneur meaning makers generating 4P impact, and communities serving as examples of the quality of life that can be achieved with the aid of

social enterprises dedicated to producing 4P Impact. The SES Initiative will be scaled up in subsequent phases by expanding to other colleges around the globe.

WHY

The SES Institute provides Colleges and Universities with a flexible approach to customizing their prac-academic system and role in Place-based development.

HOW

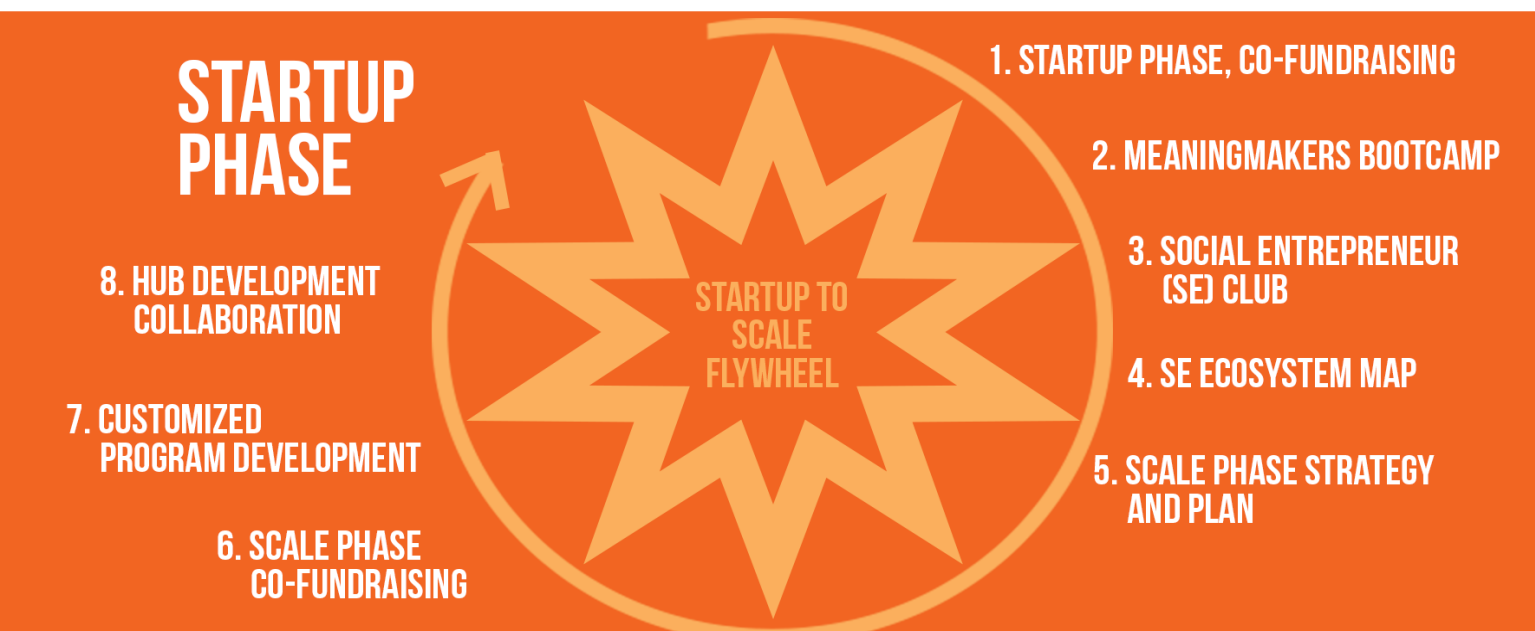
Figure 3 provides examples as to how college can scale-up their SES Institute program.

Phase 5 of our model includes developing an SES Ecosystem that is comprised of both Internal and External ecosystems.

Examples of the internal (campus-centric) ecosystem could include the SES institute’s 4P social entrepreneur Boot Camp, Executive Education, accredited courses on social entrepreneurship including cross-disciplinary courses blending social entrepreneurship courses with subjects such as English, History, Computer Science, Sociology and others. In addition, the SES Institute can assist universities in designing certificate programs, Minors, Majors, Master’s, Sc.D. and Ph.D. degrees or other continuing education courses and programs or special topics in 4P social Entrepreneurship. Additional services that can be provided, that would be instrumental to deliver internally to ensure longevity and long-term success include mentoring and coaching as well as facilitated interaction of student entrepreneurs with community

SES INSTITUTE STARTUP TO SCALE FLYWHEEL

FIGURE 5



residents and entrepreneurs through hybrid courses and micro-internships, which will be described below.

The external or community-centric ecosystem to enhance to broader university impact on the surrounding area, could also include student internships with local groups designed to “apprentice with the problem”, ecosystem mapping of the local/regional enterprise ecosystem, utilizing the “pipeline” and other methodologies to help grow social enterprises, consulting and technical assistance provided to local businesses, courses supporting the development of “Intrapreneurs” at local employers. Finally, an important area to maximize impact through external partners, there should be cross-sector collaboration with local stakeholders e.g., businesses, elected officials, NPO’s, advocacy groups and local community residents on sustainable development.

PART 3: PROGRESS-TO-DATE

Wheaton College of Norton MA is the SES Institute’s first campus partner, funded by the visionary leadership of The Diana Davis Spencer Foundation. Saint Peter’s University and the SES institute will be collaborating on the creation of a new Prac-ademic social entrepreneur course with intended launch in fall 2018, and in this case, the Jesuit mission will be specifically infused into the course description and Student Learning Outcomes to ensure mission-alignment as social entrepreneurship initiatives are developed.

In addition to drawing on two years of primary research GCSEN has tested the Prac-ademic system in four 4P Social Entrepreneur Boot Camps designed for undergraduates and working adults.

- Proven results: Pre & Post test knowledge gains in four 4P SE Boot Camps, conducted with undergraduates and adult learners, ranged from 34% to and 97.31% with an overall average gain of 68.77 %
- Business formulation rate of nearly 50% for Boot Camp graduates.
- Confidence grows by 90%+ pre to post program
- Recent program rankings of “Life Changing Learning Experience- 100% voted yes”
- Net Promoter Score of graduates of GCSEN program to refer peers 9.2/10

PART 4: SUMMARY

There is an urgent need to address the growing divisions in our society and build more inclusive communities, campuses,



and economies. At the same time, our higher education institutions are facing growing challenges in our rapidly changing global economy with constantly evolving technologies impacting the nature of work and the whole employment landscape. Programs such as the SES Institute can help to thoughtfully address these challenges as part of a broader development plan and increase social good on three levels. First, colleges increase the number of social entrepreneurs prepared to tackle societal problems and become change agents, which is particularly fitting at Jesuit institutions because it aligns with core values and mission. Secondly, colleges can assist community stakeholders to develop place based sustainable economies that enhance residents’ overall quality of life. Thirdly, this type of model and approach can, over time, make a significant contribution to developing stakeholder capitalism that balances social value with revenue.

The SES Institute provides a research based, practitioner focused, plan of action “to move the world to a better place one campus and one local economy at a time” through the combined efforts of social entrepreneurs, social enterprises, and community stakeholders collaborating to develop, sustainable communities.

A parting thought, the SES Institute also provides Business Schools with an opportunity for growth and renewal by applying “social entrepreneurship in the context of a transformation of capitalism that Harvard’s Dr. Michael Porter argues is already under way. To Porter, “Students educated in social entrepreneurship should be catalysts for this transformation working with practitioners as mentors, advisers, and consultants, and a wider change must include rethinking the entire value chain of the business school to create shared value in its operations and societal impact”.

ABOUT THE AUTHORS

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