

Social Enterprises & New Ways to \$

**Drew Tulchin
Managing Partner
Social Enterprise Associates**

**Revisioning Value Conference
Mar. 7, 2011**

**Social Enterprise
ASSOCIATES**

About You!

Find out who is in the room & interests

Turn to someone you don't know and share your:

- Name & Organization
- What brought you here today
- 1 question you want answered

Part of an NGO?

- # of yrs
- % financial self-sufficiency

About Us

Social Enterprise Associates

www.socialenterprise.net

Private Consulting Firm

A network of professionals
making communities better by
applying business skills &
sustainable practices

Registered B Corporation



Why Need Social Enterprise?

- Worldwide: 3 billion poverty (live < \$2 / day). Most countries, few employment options; people on their own; civil society to help them
- In US: poverty on rise & need increasing, NGOs have to do more w/ less, sustainably Business plays increased positive role in society
- POOR PEOPLE pay more for services. Many lack access (food deserts, isolated communities, 'bad stats')

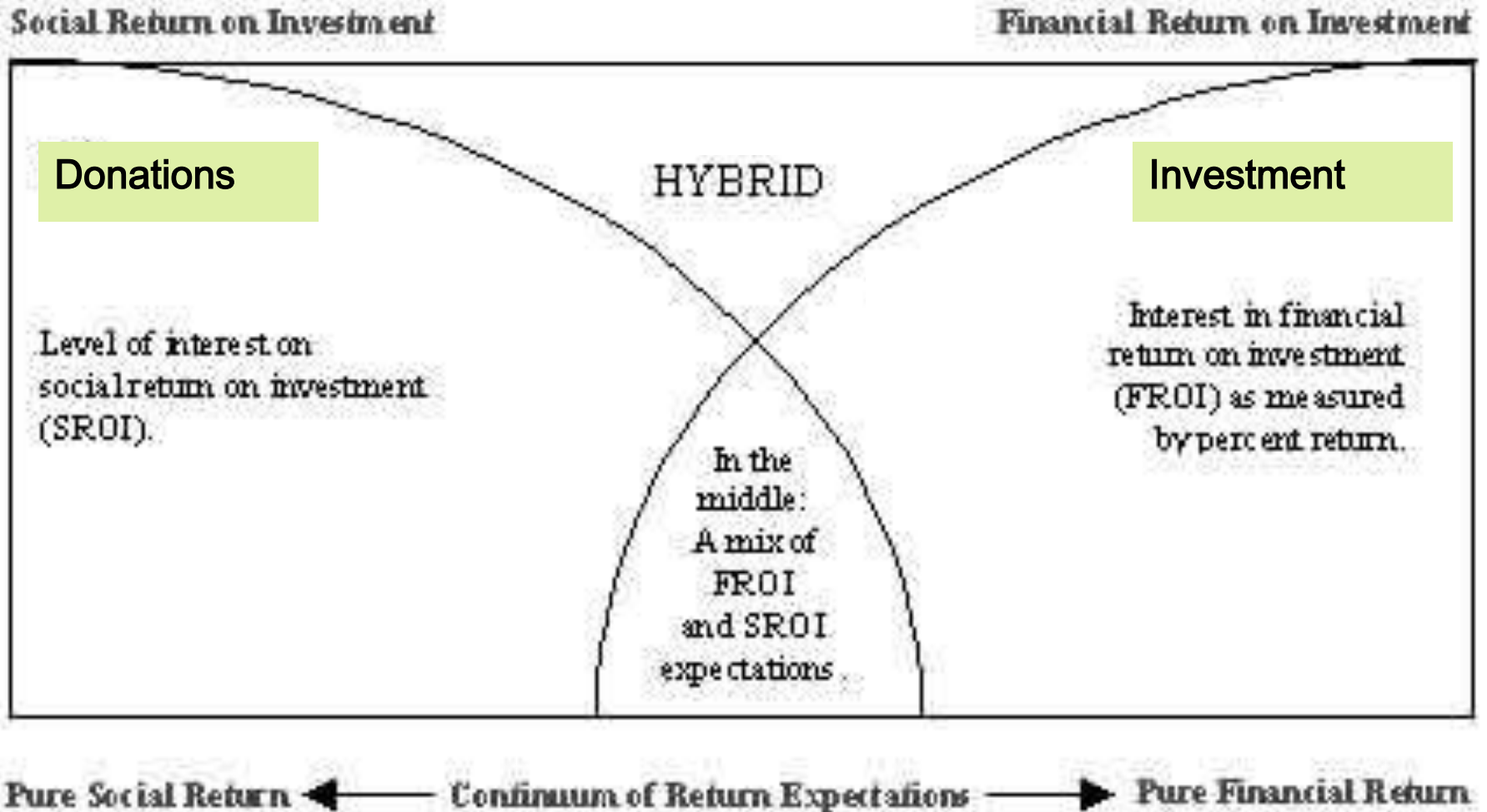
ACCESS to capital is a 'foundational right', because having it allows other rights to build upon it.

- Prof. Yunus, Nobel Peace Prize Recipient 2006

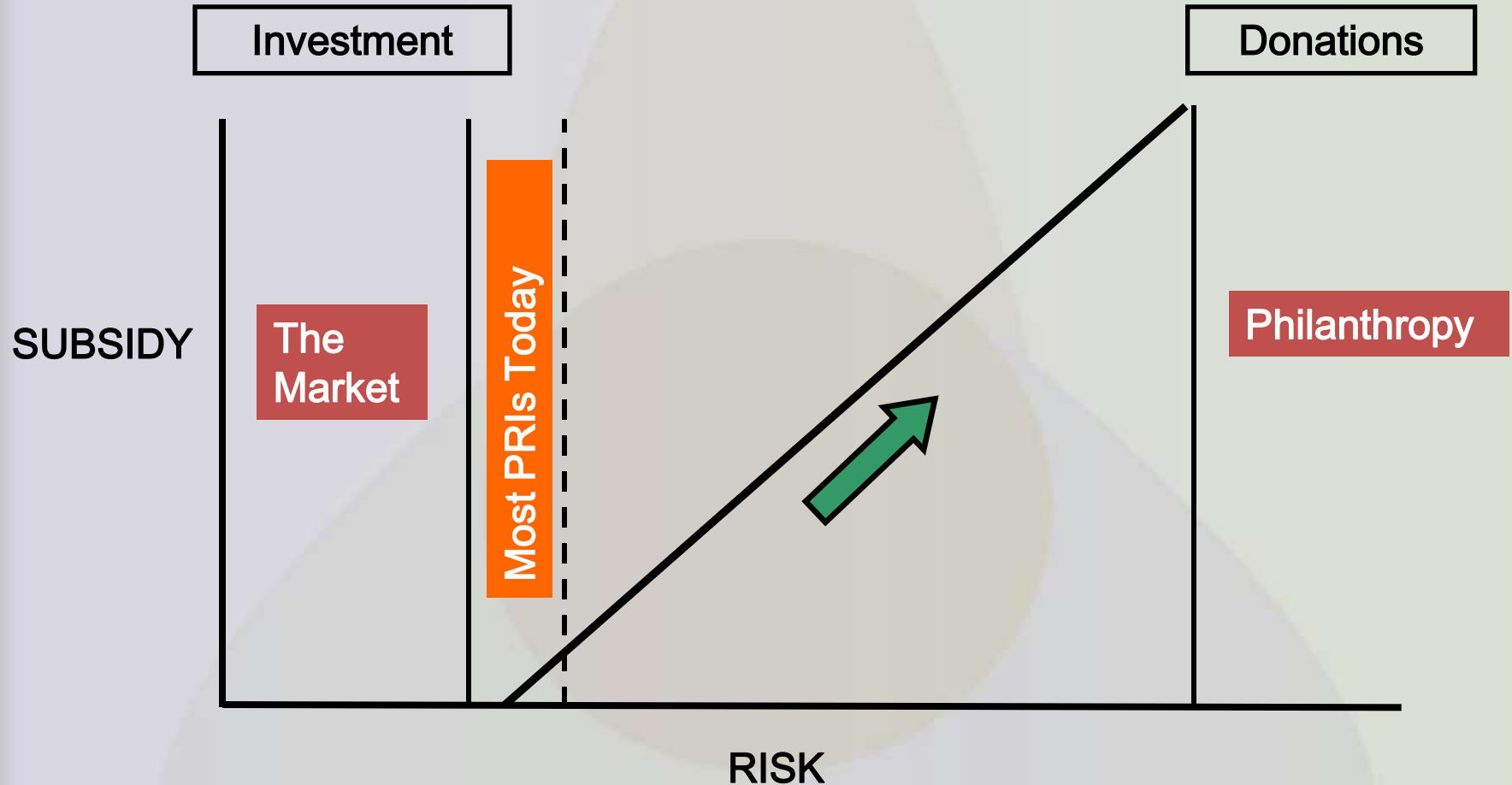
A Little Bit of Theory



Continuum of Return Expectations



Continuum of Investment Risk



What is the optimal matching of risk & subsidy?

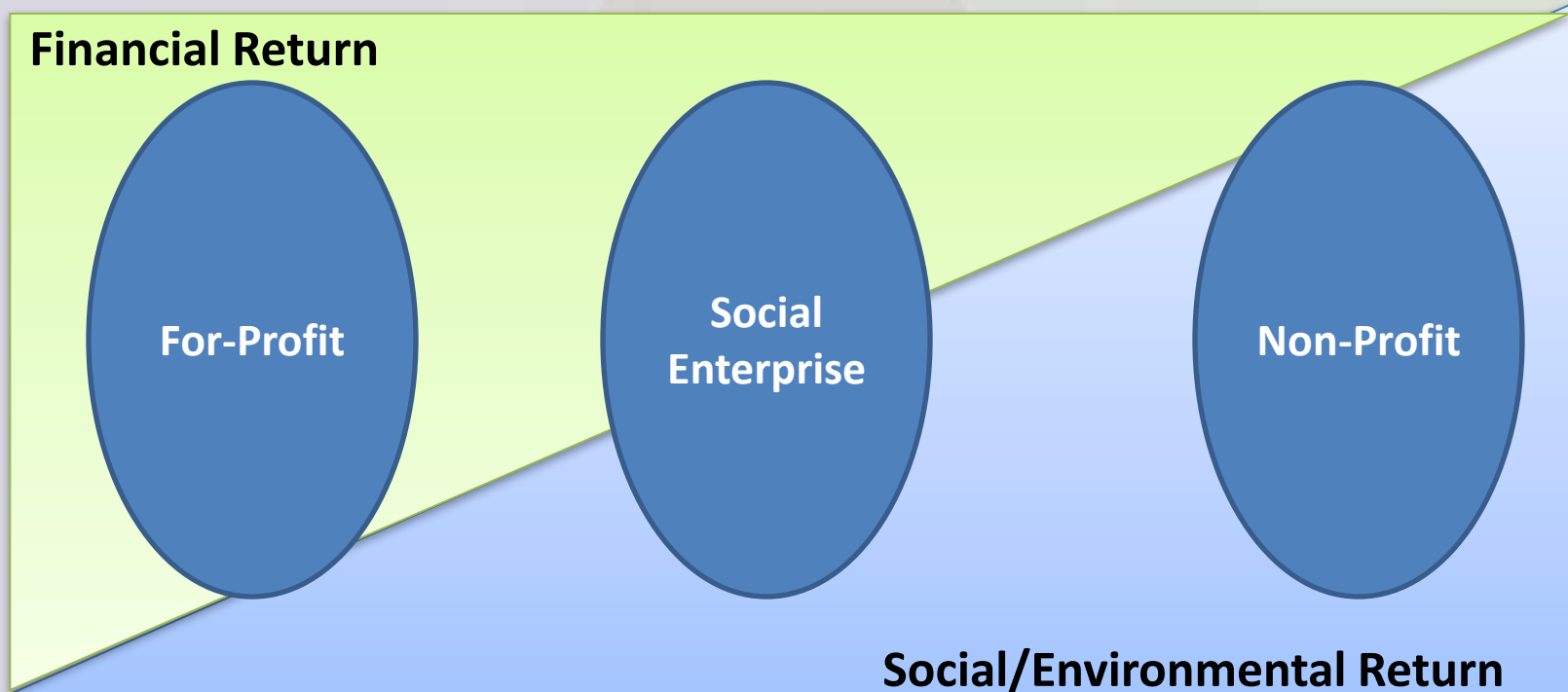
What Makes a Good Social Enterprise?

$$P + O = S$$

Problem + Opportunity = Solution

1. How great is the 'pain'?
2. What is the alternative in the 'marketplace'?
3. What is your 'special sauce'?
4. What is the value of what you offer? And, to WHOM?

Where Social Enterprise Falls



Social Enterprises can meld For-Profit & Non-Profit Models

- Mission-driven seeking social and environmental returns
- Not charity, recovers costs from operations through business
- Blended value proposition

Examples

- What's the largest social enterprise you know?
- What's the most efficient NGO you know?
- What's the most innovative?

- What are their products?
- What are they selling?
- To whom?

Thank you!

**Questions?
Answers?**

Drew Tulchin

Social Enterprise Associates

www.socialenterprise.net

drew@socialenterprise.net