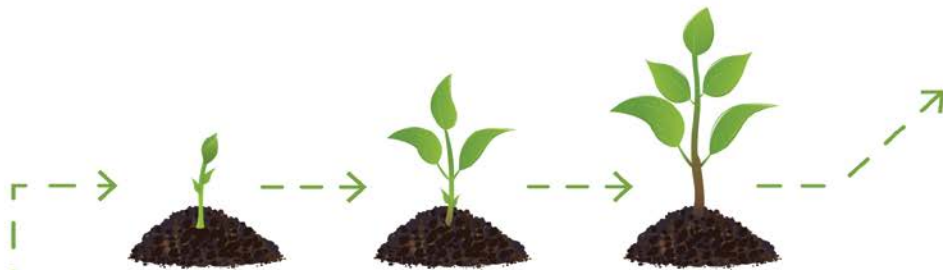# Worksheet Companion

# The Social Entrepreneur's Playbook

## Pressure Test, Plan, Launch and Scale Your Enterprise

### Expanded Edition

Ian C. MacMillan
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Wharton
DIGITAL PRESS

**wdp.wharton.upenn.edu/books/social-entrepreneurs-playbook**

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# Contents

# Dear Reader,

The following worksheets are available for you to use to plan your project. Please note that the worksheets are designed to be downloaded and used in conjunction with the book and your project as it unfolds. We have not included the financial spreadsheets at this time due to the wide variety of project types and their respective social impact metrics. We may offer "prototype" spreadsheets in the future should there be sufficient demand.

Should you not have formal training in finance and accounting, before you try to go beyond page 21, we strongly suggest that you seek out support from someone with the necessary expertise to assist you in creating your own venture performance goals and Discovery Driven Plan.

Happy social enterprising! May the wind always be at the back of your social enterprise!

Mac and Jim
November 2013

# Worksheets

# Screen-in Criteria

| Criteria | Very Low > Very High |
|---|---|
| Number of people who will benefit | 1   2   3   4   5 |
| Suffering of target beneficiary as a result of problem | 1   2   3   4   5 |
| Long-term social impact potential of project | 1   2   3   4   5 |
| Degree of stakeholder support for project | 1   2   3   4   5 |
| Receptiveness of target beneficiaries to solution | 1   2   3   4   5 |
| Degree of local knowledge and experience of team and/or advisors | 1   2   3   4   5 |
| Degree of entrepreneurial experience of management | 1   2   3   4   5 |
| Ease of testing on a small scale (low cost, short time frame) | 1   2   3   4   5 |
| **Total Score** | **_____ out of 40** |

# Segment Attractiveness Features

| Factors | Segment 1: _____ | Segment 2: _____ | Segment 3: _____ |
|---|---|---|---|
| 1. Pervasiveness—scale and scope of the segment need | | | |
| 2. Acceptance of your offering by customer/target beneficiary and other key players | | | |
| 3. Salience to customer/target beneficiary—is the need your solution meets important to the customer compared with other needs? | | | |
| 4. Urgency to customer—is it important that the need be satisfied soon, or can it wait? | | | |
| 5. Visibility of benefit—can the satisfaction of the need be easily observed? | | | |
| 6. Timeliness of effect—can the need be quickly satisfied by your offering, or will it be delayed? | | | |
| 7. Credibility of your company—is it seen as legitimate, qualified, and competent? | | | |
| 8. Performance contingency—is your solution sure to work? | | | |
| 9. Competitiveness of your solution—how does it fare against alternative solutions? | | | |
| 10. Fundability of the purchase and use by segment—is your solution fundable? | | | |
| **Total** | | | |

# Beneficiary Experience Table

| Step | Beneficiary Experience |
|------|------------------------|
| 1    |                        |
| 2    |                        |
| 3    |                        |
| 4    |                        |
| 5    |                        |
| 6    |                        |
| 7    |                        |
| 8    |                        |
| 9    |                        |
| 10   |                        |
| 11   |                        |
| 12   |                        |
| 13   |                        |
| 14   |                        |
| 15   |                        |
| 16   |                        |
| 17   |                        |
| 18   |                        |
| 19   |                        |
| 20   |                        |

# Beneficiary Experience Table: Most Competitive Alternative

| Step | Beneficiary Experience Step | Advantages of Your Venture | Advantages of Competitor 1 | Advantages of Competitor 2 |
|------|------------------------------|-----------------------------|-----------------------------|-----------------------------|
| 1 | | | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | | | | |
| 8 | | | | |
| 9 | | | | |
| 10 | | | | |
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| 15 | | | | |
| 16 | | | | |
| 17 | | | | |
| 18 | | | | |
| 19 | | | | |
| 20 | | | | |

# Deliverables Table

| Step | Your Deliverables |
|------|-------------------|
| 1 | |
| 2 | |
| 3 | |
| 4 | |
| 5 | |
| 6 | |
| 7 | |
| 8 | |
| 9 | |
| 10 | |
| 11 | |
| 12 | |
| 13 | |
| 14 | |
| 15 | |
| 16 | |
| 17 | |
| 18 | |
| 19 | |
| 20 | |

# Deliverables Table with Required Capabilities

| Step | Your Deliverables Step | Capabilities Needed |
|------|------------------------|---------------------|
| 1    |                        |                     |
| 2    |                        |                     |
| 3    |                        |                     |
| 4    |                        |                     |
| 5    |                        |                     |
| 6    |                        |                     |
| 7    |                        |                     |
| 8    |                        |                     |
| 9    |                        |                     |
| 10   |                        |                     |
| 11   |                        |                     |
| 12   |                        |                     |
| 13   |                        |                     |
| 14   |                        |                     |
| 15   |                        |                     |
| 16   |                        |                     |
| 17   |                        |                     |
| 18   |                        |                     |
| 19   |                        |                     |
| 20   |                        |                     |

# Beneficiary Experience Table with Required Capabilities for Seed Segment

| Step | Beneficiary Experience | Capabilities/Target Segment 1 (Seed Segment) |
|------|------------------------|----------------------------------------------|
| 1 | | |
| 2 | | |
| 3 | | |
| 4 | | |
| 5 | | |
| 6 | | |
| 7 | | |
| 8 | | |
| 9 | | |
| 10 | | |
| 11 | | |
| 12 | | |
| 13 | | |
| 14 | | |
| 15 | | |
| 16 | | |
| 17 | | |
| 18 | | |
| 19 | | |
| 20 | | |

# Deliverables Table Identifying Cost Types

|  | Column A | Column B | Column C | Column D |
|---|---|---|---|---|
| **Step** | **Step in Beneficiary Experience Table** | **Type of Equipment Cost** | **Type of Staff Cost** | **Type of Materials Cost** |
| 1 |  |  |  |  |
| 2 |  |  |  |  |
| 3 |  |  |  |  |
| 4 |  |  |  |  |
| 5 |  |  |  |  |
| 6 |  |  |  |  |
| 7 |  |  |  |  |
| 8 |  |  |  |  |
| 9 |  |  |  |  |
| 10 |  |  |  |  |
| 11 |  |  |  |  |
| 12 |  |  |  |  |
| 13 |  |  |  |  |
| 14 |  |  |  |  |
| 15 |  |  |  |  |
| 16 |  |  |  |  |
| 17 |  |  |  |  |
| 18 |  |  |  |  |
| 19 |  |  |  |  |
| 20 |  |  |  |  |

# Funding Table

| Funding Needs Areas | Source of Funding |
|---|---|
| Operations | |
| Equipment | |
| Inventory | |
| Land & Buildings | |

# Stakeholder Impact Table

| Stakeholder | Major Negative Impact (if any) | Major Positive Impact (if any) |
|---|---|---|
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

# Stakeholder Mapping Table

| Status | Allies | Opponents | Indifferents |
|---|---|---|---|
| | *Active allies to be deployed* | *Primary opponents to disrupt or accommodate* | *Needed indifferents to convert* |
| **Currently active (or soon to be active)** | | | |
| | *Potential allies to mobilize* | *Potential opponents to disrupt or accommodate* | *Indifferents to convert* |
| **Currently inactive** | | | |

# Tactics Table for Opponent

**Type of support needed:**

**Major current issues occupying stakeholder attention:**

For each plausible tactic, specify what you will deploy for what purpose.

| Tactical Option | Opponent: _____ |
|---|---|
| Can you deploy your knowledge, skills, and capabilities to solve opponent's problem in order to build influence for horse-trading? *Or* Can you threaten to deploy your knowledge, skills, and capabilities to aggravate opponent's position? | |
| Can you reward opponent for cessation of opposition? *Or* Can you deploy your resources to threaten to aggravate opponent's position? | |
| Can you use your allies or even your ally's allies to neutralize opponent or heat-shield your project from the opponent? | |
| Can you create a safe haven away from opponent retaliation? | |

# Tactics Table for Allies

**Type of support needed:**

**Major current issues occupying stakeholder attention:**

For each plausible tactic, specify what you will deploy for what purpose.

| Tactical Option | Ally: _____ |
|---|---|
| Can you deploy your knowledge, skills, and capabilities to induce the ally to support you? | |
| Can you deploy your physical and financial resources to induce the ally to support you? | |
| Can you deploy your network connections to induce the ally to support you? | |

# Tactics Table for Needed Indifferent

**Type of support needed:**

**Major current issues occupying stakeholder attention:**

For each plausible tactic, specify what you will deploy for what purpose.

| Tactical Option | Needed Indifferent: _____ |
|---|---|
| Can you deploy your knowledge, skills, and capabilities to solve indifferent's problem in order to secure indifferent's support? | |
| Can you deploy your physical and financial resources to entice the indifferent's support? | |
| Can you use allies or your ally's allies in your network to mobilize indifferents? | |

# Concept Statement

| The Problem and the Proposed Solution | |
|---|---|
| The problem | |
| Proposed solution | |
| Required behavioral changes and associated challenges | |
| **Business Proposition** | |
| Unit of social impact | |
| Unit of revenue | |
| **Market and Competition** | |
| Identify seed market segment | |
| Identify most competitive alternative | |
| State how your solution is better than most competitive alternative | |
| **Sociopolitical Landscape** | |
| Who benefits from my business? | |
| Who is hurt by my business? | |
| Who are key stakeholders? | |
| Who are my allies? | |
| Who are my opponents? | |

# Scoping the Venture

| Requirements | Calculation | Example | Your Project |
|---|---|---|---|
| **Minimum Social Impact Requirements** | | | |
| Unit of social impact | | Trained worker | |
| Minimum number of social impact units | X | 300 workers | |
| Number of revenue units / impact unit | Y | 800 boxes/year | |
| Minimum required sales in units per year | XxY | 240,000 boxes/year | |
| | | | |
| **Minimum Financial Requirements** | | | |
| Revenue generating unit | A | 1 Box | |
| Surplus / profit goal | B | $60,000 | |
| Profitability target / performance cushion | C | 15% ROS | |
| Required total revenues / year | BxC | $400,000 | |
| Estimated price per unit | D | $2 / box cookies | |
| Minimum required sales in units per year | (BxC)/D | 200,000 boxes/year | |

# Deliverables Table Estimating Costs

| Step | Column A<br>Step in Beneficiary Table | Column B<br>Equipment | Column C<br>Staff | Column D<br>Materials | Column E<br>Estimated Pro Rata Cost/Unit | Column F<br>Source of Estimate | Column G<br>Assumption Number | Column H<br>Cost Multiplier | Column I<br>Cost Estimate |
|---|---|---|---|---|---|---|---|---|---|
| 1 | | | | | | | | | |
| 2 | | | | | | | | | |
| 3 | | | | | | | | | |
| 4 | | | | | | | | | |
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| 18 | | | | | | | | | |
| 19 | | | | | | | | | |
| 20 | | | | | | | | | |
| | | | | | | | | **TOTAL:** | |

*To fill in the first four columns, bring over the information from your Deliverables Table Identifying Cost Types.*

# Operating Income Statement

| Minimum Financial Performance Requirements | | |
|---|---|---|
| | **Your Project** | **Calculation** |
| Target minimum profits | | |
| Target minimum return on sales (ROS)/profit margin | | |
| Minimum required revenues | | *Target profit divided by target ROS* |
| Maximum allowable costs (from financial framing) | | *Minimum required revenues minus target profit* |
| Estimated costs total (from Deliverables table) | | |
| Cost cushion | | *Maximum allowable cost minus estimated costs* |

# Asset Funding Table

| Column A | Column B | Column C | Column D | Column E | Column F | Column G | Column H | Column I |
|---|---|---|---|---|---|---|---|---|
| Step in Beneficiary Table | Equipment | Staff | Materials | Investment Type Needed | Investment Amount Required | Basis of Estimate | Assumption Number | Potentially Funded By |
| | | | | | | | | |
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| | | | | TOTAL: _____ | | | | |

*To fill in the first four columns, bring over the information from your Deliverables Table Identifying Cost Types.*

# Assumption Checklist Template

| Assumption Number | Assumption Description | Relevant Assumption Value | Source |
|---|---|---|---|
| 1 | | | |
| 2 | | | |
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| 18 | | | |
| 19 | | | |
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# Deliverables Table: Likely and Worst-Case Estimates

| Assumption Number | Column A<br>Cost Types | Column E<br>Likely Pro Rata Cost Estimate | Column F<br>Source of Estimate | Column G<br>Assumption number | Column H<br>Cost multiplier | Column I<br>Cost estimate | Column J<br>Worst-case pro rata cost estimate | Column K<br>Worst-case cost estimate |
|---|---|---|---|---|---|---|---|---|
| 1 | | | | | | | | |
| 2 | | | | | | | | |
| 3 | | | | | | | | |
| 4 | | | | | | | | |
| 5 | | | | | | | | |
| 6 | | | | | | | | |
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| 17 | | | | | | | | |
| 18 | | | | | | | | |
| 19 | | | | | | | | |
| 20 | | | | | | | | |

# Checkpoints and Assumptions Table

|   | Checkpoint | Important Assumptions to Test |
|---|------------|-------------------------------|
| A |            |                               |
| B |            |                               |
| C |            |                               |
| D |            |                               |
| E |            |                               |

# Expectations vs. Actual Results

| Expected Result | What | Who | When | Where | Why | How |
|---|---|---|---|---|---|---|
| | | | | | | |
| **Actual Result** | | | | | | |
| Beneficiary 1 | | | | | | |
| Beneficiary 2 | | | | | | |
| Beneficiary 3 | | | | | | |