

10 Characteristics Of A Social Enterprises Mindset

This brief identifies 10 characteristics of successful social enterprises, demonstrates how all non-profit organizations and businesses can learn how to behave and think in this way, and differentiates between the mindset and business model of a social enterprise.

A lot of been written about the business model of a social enterprises. A seminal work is Kim Alter's Typology of Social Enterprise. I've also written a fair amount on this topic. However, we can easily overlook the mindset of the social enterprise, which if we embrace, can have a powerful impact on our organizations. This is true for both non-profit organizations and social enterprises.

- 1. Adopt the social enterprise paradigm and blend business thinking with your social purpose.** This may mean being ambitious and opportunistic, being able to take calculated risks and being comfortable with earning income and making a profit.
- 2. Clearly define the purpose of your enterprise.** Be able to use precise and clear language, and avoid jargon.
- 3. Define the positive outcomes that your enterprise achieves.** These are the real changes that your enterprise creates in the world, and which you have a high degree of control over.
- 4. Gather convincing evidence of having achieved these stated outcomes.** Start by developing a theory of change, logic model and then develop a monitoring and evaluation framework. Good to get in the habit of measuring and then improve as you go along.
- 5. Demonstrate value-for-money, and refine your business model until this is achieved.** "Value-for-money" is the ratio between the outcomes and the price of achieving them. A business model should be constantly refined to improve this ratio.
- 6. Earn income; don't rely on donations for your survival.** This will help to manage risk, build reserves, expand operations and improve discretionary expenditure.
- 7. Market your successes more than the social problem you're tackling.** Our senses are too inundated with poverty and misery. People want be part of a success story.
- 8. Sell benefits to your customers.** Consider "what's in it for them" as opposed to how it will benefit your organization and its cause.
- 9. Collaborate with businesses, and give them real value.** Don't see them just as a source of funding. Integrate yourself into their ecosystem.
- 10. Develop a powerful brand, around which you deeply engage communities.** This will help unlock doors and attract investors, donors, customers and partners to your organization.

MARCUS
COETZEE

SOCENT
STRATEGY
#004



Marcus Coetzee is a South African strategy consultant who specializes in social enterprises. He also helps leaders to think clearly and find encouragement.

www.marcuscoetzee.co.za

@MarcusCoetzee

