

INTERVIEW GUIDES AND INSIGHTS

Field interviews- semi structured interviews -guiding questions

- INTRO: I am doing research on impact models, looking for the main difficulties, and success factors to achieve it.
- What is your startup about? What are the main goals (impact related) you are trying to achieve?
- What have been the main challenges you encountered in the process of creating a model of impact (social change impact and financial sustainability)? Think about value creation, capture, deliver, scale...
- what it takes to make a change maximising impact? what are the relevant factors to deliver impact?
- what have been your key 'pivot moments' leading your project to success/ model creation to success?
- what tools you think might be helpful to design an impact model?
- what are the pitfalls in impact context?
- what would be needed in sustainable development innovation?
- SUB-LEADING-Qs
- Did you encounter any tensions in the relation between financial and social goals? Why? How did you managed it?
- What are the challenges and benefits of tech driven impact?

Impact Startups and experts main insights

Cat.	Name-role	Main insights
IS1	M- Co-founder at W	<p>-We do not take track of social objectives. most of the startups I spoke with are doing a lot, but not much thinking about what they are doing- <u>no time for the big picture</u>, included tacking track of goals. We have been trying to do that with theory of change model but we just have a sketch.</p> <p>-We do not think much about high profitability or break even, because we want to do what is needed to achieve what is expected. Many opportunities are open for us, and the right one can make us break even in 6 months, but sometimes we don't deliver what is expected and is very pressuring and frustrating.</p> <p>we don t have a formal way to take out risk, we never needed that.</p> <p>-We don't have always hard financials, because it can change very often depending on changing conditions.</p> <p>-We often have to change strategy, from 'people bring innovation', but was too ambitious, then b2b to have more investing, then a global commerce platform.. but we are not efficient in meeting our targets and that annoys investors, and technology also is late on schedule. We tried to do a roadmap but never worked for long.</p> <p>-Tech is a big value, but what we have that is very valuable is our social connection, our know how the impact environment network, a human knowledge on how to make efficient social project. And we realised it after years.</p>
IS2	LAS	

IS3	SW- startup providing street education and services to corporations	<p>streetwise goes back to the identity of people. The number of people in the companies that never reflected about what to do. We need a methodology to allow self rewiring.</p> <p>X was the champion in survival in a very harsh context, by learning 12 languages and using them to attract tourists to a restaurant and being paid on that base. We started profiling the winners and we found the skillset that is street savvy. In corporate we see that those skills are starting slipping . Then we developed the training curriculum to bring it to corporations (120 companies last year) to become more 'street savvy' and there is X in the video who gets the royalties and the rest are reinvested in more street education. All the profit goes back to moving schools, so we have this sustainable model. One problem is Impact application measuring of self esteem in a lean way, future orientation, belonging, and we can map out the process of self esteem. Because of the data on the skills of the kids that we track back we can learn how to improve education. You can put an AI component and being self learning.</p>
IS4	AS- Co-founder of E and D	<p>To make change is important to be quick to form an own opinion of what is needed for the impact, without prejudgement and misinformation. We acted as a Lean Startup, going out to talk, understand and learn from mistakes and form an opinion that could be loved. You need to be embrace ambiguity and be open to change with resilience.</p> <p>We had problem in market entry since we proposed to schools, who had already their milestones e thought our product was 'a good thing for the after school'. But then we proposed to parents and since they recognised the value, they moved the schools to adopt it.</p> <p>In education there has to be also a meaningful connection with the reason they are doing it, and should be fun and more impactful than instagram or other popular fun products. In my previous company we used to teach public speaking with comedy and that really worked because they loved them and were remembering it. Connected to the idea of being a child and creative.</p>

E1	N- micro credit projects in India	<p>-We got fundings to empower Bangladesh with technology, but they never touched a phone and there is still no electricity. So the strategy and the underlying reason of our success and impact was compassion no matter how much technology. It is accepting others needs and sorrows Because we understood people emotional attachment and barriers to adoption, and then their motivation to approach technology: men were working abroad so they were motivated to use it. So they started selling things and became sustainable.</p> <p>We were asked to replicate the project. It was micro lending, then we bridged with social entrepreneurship.</p> <p>Scale is not fast enough. There are still 3 billion people marginalised. And the larges possible donors are giving the moneys to a handful of platform. How can we bring investments to people with no collateral, and teach them to do business and avoid charity, cause charity is not sustainable. We want to give money to people to make them learn hand up how to be sustainable with dignity and resilient. How do we change social behaviours so that investors are also confident. We need to attract more privates and they have to understand their value. Reaching them and create a pool cause that is the only way to be sustainable and inclusive in global development.</p>
E2	JO- Imisi 3D, We Will Lead Africa, Oriki Leadership Coaching Model	<p>-to bring real change you need to discover how to help the target to break free, nurture the community to become sustainable and reliable</p> <p>-it is important to be aware of a broad perspective of individual and collective possibilities</p> <p>-involve agencies to hire us to recycle money for good</p> <p>-when there is a personal relationship, privates are more open to be investors</p> <p>-a challenge is to prove we make change on behaviours, so investors are more confident</p>
E2	KN- CEO Uncommon partners, Singularity University member	-expand small capital investment to investing private.
E4	DM- CEO Open Business Africa	-contextualise the effect of technology to support
E5	AM- Head of Innovation SAP Africa	-to understand what is of impact we need to go back to some human roots and needs that do not change in time. Mars is a good place to rethink society with tech and anthropology given
E6	SV- Deep tech investor	-real changes are not hype matter, but grounded in data, real needs, and you discover them working with the target
E7	W- Strangeworks, exponential technologies	<p>-technological education to democratise technology</p> <p>-it is a challenge to reach impact investors</p> <p>-it is hard to gain investors trust in situations with no collateral</p>

E8	JE- impact investor and entrepreneur	<ul style="list-style-type: none"> - discover what is of impact with contemplation to break out from constraints and replication - understand the role of technology with dialogue - It is often a struggle to define impact along the value chain, which investors care about
E9	TT- impact investor CEO Norfund	-showing the ability to work with the system changes is important for investors. We personally value much someone local in the team, that has connection with the context and the challenge
E10	SD- Director Tech and Society Solutions Lab at Omidyar Network	<p>New Agile way of working is needed in social innovation, to quickly prototype</p> <p>You need to build a community. Ideologies alignment is important to create success stories to drive more credibility towards ethics as a competitive advantage.</p>
E11	ME- venture	<p>-be creative combining your idea with stakeholder to fill the ecosystem</p> <p>Communication issue. The perception of it is still not of a profit effort, while realising that it not the case and you have a healthy bottom line, most of the times would attract more</p> <p>technology, business model, potential for growth, huge group of potential customers are key words in impact domain, but call it impact business avoids misinterpretations.</p> <p>Really defining their impact in the value chain, and there is not much support to businesses, but is very important for impact funds.</p>

Interview guide - client Felix Hoffman

- process critical elements understanding
- how does the role of environment context is tackled during the process? Which tools or procedures?
- how do you consider potential relations with partners? tools?
- how do you consider/ what do you think about the dynamism of the bm? Do you account for it in the design of the bm with the company?
- You recently stated on the website that the biggest challenge of your clients are testing and implementation phases, so you provide a set of tools. How do you scan the main challenges and are there any others you spotted?
- what consulting strategies you do adopt to converge customer and profit goals? How do you do it? Can you give an example?
- do you usually have a tool/procedure to keep aligned 'mission values' with 'objectives' (instrumental value to get to mission) - basically means to end.
- how does 'constraints' as corporate social responsibility, are addressed by the process atm? (as opportunities or constraints)
- how does and to what extent of relevance the ethics / social benefits are being taken into account in the decisions along the process atm? what about laws, constraints..? at what point of the process? what is the most critical aspect of that integration? best practice?
- what kind of tools you currently adopt for the bm ideation, co-creation and design? How hard is perceived to achieve satisfying results in this phase? What are the hardest moments?

- How detailed is the guidance along the process? Do you systemically go through all the layers of the main themes 'value creation' and 'value appropriation'? as cust, org: effic, effect, engagement /lock in., to compare with competition or between options. Why?
- Understanding and delivering the right thing to the right customer that value it is essential, how do you manage it in your process?
- how much detailed is the customer understanding? how do you manage the balance between defining the business offer at first and the fit of it with the needs of the defined target? I see you
- have you ever interpreted bm innovation in terms of changing behaviours?
- what is your opinion on systemic approach? how do you see it in the current approach?
- what activities is the bmi lab software used for? what does it allow? is it an ongoing project to develop it?

Main insights Felix Hoffman

- Environment understanding role: initiation role→ ecosystem map to analyze and see new scenario. NO social phenomena and env explicitly mentioned.
- Account for bm dynamism: NO. Only horizons for selection of ideas (short, long term) vision + steps but no structure
- Stakeholders management in the org cultural level: org should have the right support, right ppl to protect, for the process.. but NO tool for aligning stakeholders (in sales there are these tools, and he was thinking about that)
- Brake up ideas into assumptions and testing (lean approach)
- People- Profit align: servitization, kpis, conversion rate, service metrics transformed into biz metrics, then test and optimize. In later stage. Reverse financial in the early stage : financial assumption for bm profitable to steer there
- Mission alignment: future modeling, brake down to action to achieve in 5-10 y. They realize is more important.
- Profit maximization is in conflict with social responsibility and ethics. They tried to include the questions and it splits ppl into 2 fronts.
- bm design: canvas is the main, adjusted in case; patterns, ideas sheet with quicker questions for many ideas; selection process; opportunity map biz potential and replicability)
- Believe might be important to have the right tool for visualizing the relations between stakeholders and value flows.

EXTRA FIGURES AND TABLES

The table below will converge different sources formally consistent with the 9 forms defined by Grassi (2012), (emerging from the factors as the images below show) and present them with the respective names from other authors (Hannant, 2014; Sutton; Coetzee, 2015). Each of them is accompanied with description, cases and Key Success Factors (Virtu Ventures).

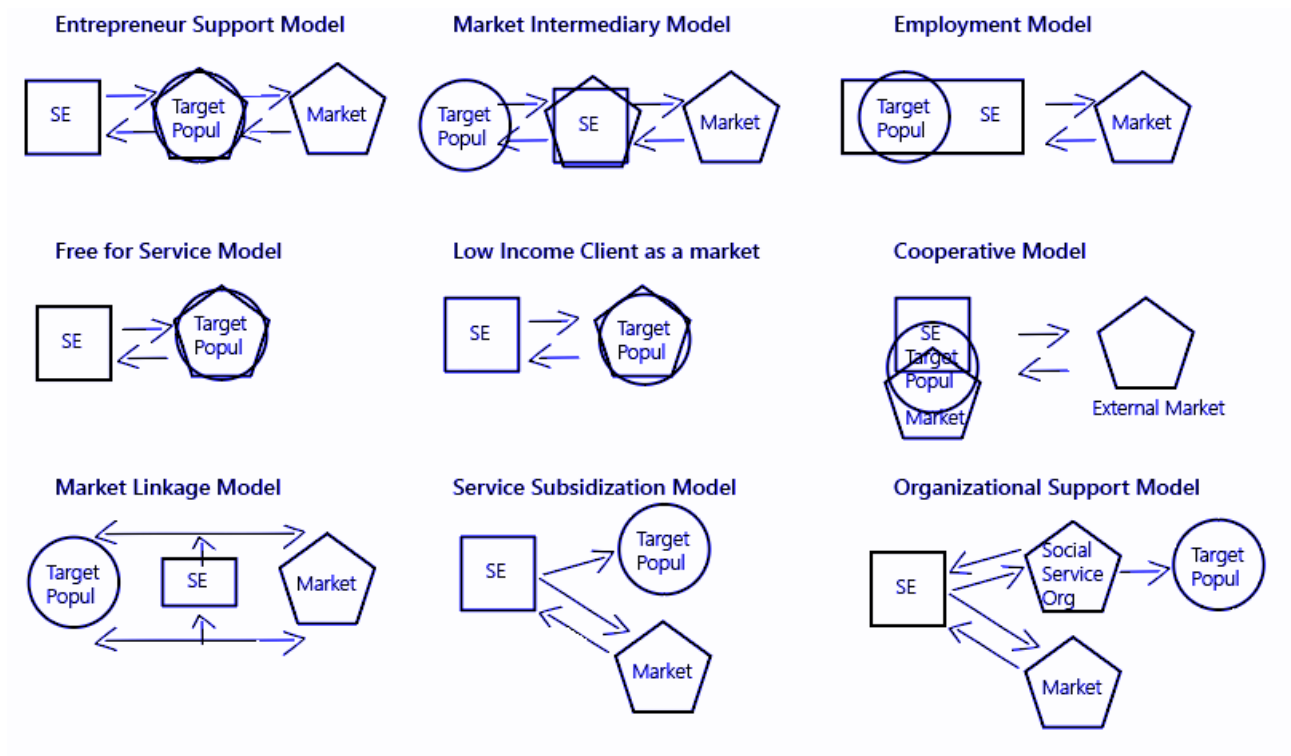


Fig. 1 9 Archetypes of SE models (Grassi, 2012)

TYPE OF MODEL	DESCRIPTION	EXAMPLES	KEY SUCCESS FACTORS
1. Entrepreneur Support Model (also called) Service Providers- (Hannant, 2014)	support to beneficiaries who will pay, as entrepreneurs to build their biz. consulting, training, micro financing, tech support. Focus on providing professional services to the social enterprise sector. <i>They can either be specialized services such as impact reporting, business model design, and social finance, or more generic professional services, such as design, legal, and technology, delivered with the interests and values of social enterprise in mind.</i>	The Business Palace, SAB foundation, Fetola, Impact Hub, Open Africa, Hubspace <i>professional services offered by Enspiral, the resource reuse expertise offered by Envision, and the design agency, Curative.</i>	appropriate training for the entrepreneur (Virtu Ventures) <i>To maximise their impact, Service Providers often offer flexible contract arrangements and ways of working.</i>
2. Market Intermediary-Sponsored product model Coetzee (2015)	help clients marketing or selling their PSS		low startup costs, allow clients to stay in their community (Virtu Ventures)
3. Employment Model (when environmental) The Regenerator- (Hannant, 2014)	job opportunities and trainings. revenue is reinvested in the services provided to those in need. the process of delivering the product or service results in the regeneration of communities and the environment.	<i>Te Whāngai Trust: native plants are grown then sold, alongside environmental services, to private companies and the Government. They provide employment and training opportunities to people facing complex challenges such as drug, alcohol or mental health issues.</i> <i>Jamie Oliver's staffed by young people who have been living on the street.</i> <i>Guayaki who operate a 'market- driven restoration business model. They grow and produce Yerba Mate (a herbal beverage popular in South America), reforesting the Amazon as they go. They aim to reforest 200,000 acres of South American rainforest and create over 1000 living wage jobs by 2020.</i>	appropriate training and commercial viability (Virtu Ventures)
4. Free-for-Service Model	sell social service directly to clients or a third party payer,	very common. ex hospitals, schools, museum and membership org. CircMedTech who sells tech to Rwanda gov as part of HIV prevention, Insta Products sells to UNICEF (or the third party wants to improve brand or oper efficiency, ex. Naya Jeevan which sells insurance to Unilever and Pfizer to improve workforce) (Third party want to access to customer channel or adv opportunity	establish the appropriate fee structure vis a vis the benefits (Virtu Ventures) <i>Generate value for a third party (ex government or another org. maybe with a philanthropic mission that purchase the PSS and pass it for free to end user.</i>
5. Low Income Client Model The Disrupting Provider (Hannant, 2014) Pay as you go (Hannant, 2014)	offer social services directly to low income clients, adjusting cost model and making more affordable tend to be seen as the so-called rock stars of SE, often with good reason. They tend to be ambitious, entrepreneurial, and <u>target systemic failures</u> . When successful, they create opportunities for significant scale and replication. rent a product when you have cash	<i>Grameen Bank, which pioneered micro-finance by extending credit to people living in poverty and securitising affordable loans through peer lending groups; similar models for housing, education, telecommunications, and even a 'not-for-loss' joint venture to tackle malnutrition with food giant Danone.</i> <i>Uncharted Play, which is providing a lighting solution for children without access to energy, who are unable to study after sunset. They have developed a football that kinetically generates power – children play football for 30 minutes, which then provides them with three hours of light for study.</i> <i>Chalkie, which is reinventing community education in New Zealand. Built to serve the needs of a changing educational landscape, Chalkie provide software and resources to connect teachers and learners, and enable a distributed marketplace for education – think TradeMe for knowledge and learning.</i> (Angaza Design: platform for clean energy where you pay and get access till you have money	<i>creative distribution system, lower productions and marketing costs, high operational efficiency</i> (Virtu Ventures)

6.Cooperative Model	fee based membership org owned by its members, with a shared goal or need, who run and receive benefits of its success	bulk purchasing, agricultural coops, credit unions and employee owned biz) (ex. save act, Sharing our Ubuntu legacy)	members have common interest/need as key stakeholders and key investors (Virtu Ventures)
The Good Asset (Hannant, 2014)	Based on the development of community-owned assets – often premises or infrastructure – these enterprises provide a public good and also generate revenue streams that can be reinvested into projects and local development.	<i>Auckland Harbour Bridge Skypath, where the Skypath Trust, which led the project's development, stands to receive a return from user tolls to then fund new community transport initiatives. Elsewhere, leisure centres and community facilities provide important local amenities that are embedded and owned by the communities they serve.</i> <i>Café Direct distributes its profits across their value chain resulting in resilient producer communities and a supply of high-quality product.</i>	
Fair Share (Hannant, 2014)			
Waste to Value-	the benefits are shared internally across the organisation and/or a supply chain – equally distributing profits and power. <i>Cooperative structures provide a backbone for these social enterprise models, prioritising self-organisation, empowerment, democratic voice, and the needs of member-owners over the needs of capital investors.</i>	<i>Community-owned recycling centres around New Zealand that divert and re-sell materials and also reinvest revenues into proactive waste management initiatives.</i> <i>TerraCycle, which provides free waste collection in a number of countries, and turn hard-to-recycle materials into practical and affordable green products.</i>	
Cash for Impact	<i>reuse, recycle, and repurpose to create new value in materials that have come to be considered waste.</i> Enterprises using this model deliver products or services whose impact can demonstrate a measurable avoided cost or economic benefit. This enables a scalable and performance-based revenue model to be built around outcomes.	Communities and landowners that use the Plan Vivo scheme to trade the carbon benefits of ecosystem restoration and preservation projects. Impact Bonds: to resource and deliver interventions that reduce recidivism rates.	effective community or environment impact and identification of the right interested investor
7.Market linkage Model	broker facilitating trade relationships between clients and the market (but do not sell for them like #2 Market Intermediary.	trade associations, import-export, market research, broker)	do not sell client's products but connect client to markets (Virtu Ventures)
8.Service Subsidization Model	fund social programs by selling prod or services in an external marketplace. business activities and social programs overlap. mainstream business that exists to resource less marketable activities	consulting, counseling, leasing ex. law firm using revenues for free aw services. ex. NICRO's, Carpentry shop, Shawco, Common Ground café, CWD bookshop	leverage tangible assets (buildings, land, employees) or intangible (expertise, methodologies or relationships) (Virtu Ventures)
'Robin Hood' (Hannant, 2014)	one customers segment pays or fund access for others who cannot.	<i>Y-Gap in Australia, which runs boutique cafés and restaurants, and reinvest their profits into capability building programmes for social entrepreneurs in developing countries. Barnardos' Kidstart, where profits from their childcare service cross-subsidise other social services they deliver but are less easy to resource</i>	
Cross-subsidize the offer (Sutton, Acumen)	runs a successful business to resource other activities but with a stronger link between the activities – often delivering the same product or service with different pricing models.	Biolite model (they call it Parallel Innovation)	
One for One		TOMS sells shoes and sunglasses on a commercial basis and then provides a similar product or service (eye-treatment in the case of the sunglasses) at no cost to people in need. Aravind Eye Hospital performs thousands of eye operations a year, half to customers who can afford to pay at the market price, and half to customers who can't – subsidised by margins that would otherwise be returned as dividends to investors. Angel Place, a Sydney-based startup setting up a hotel that will provide a free room to people at risk of homelessness for every pre-paid room booked.	
9.Organizational Support	SE sells PSS to fund social programs of a separate, parent organization.		

Integrated Profit and Loss Statement

Overview of all material impacts that result from the organization's activity, organized by stakeholder affected and type of capital involved

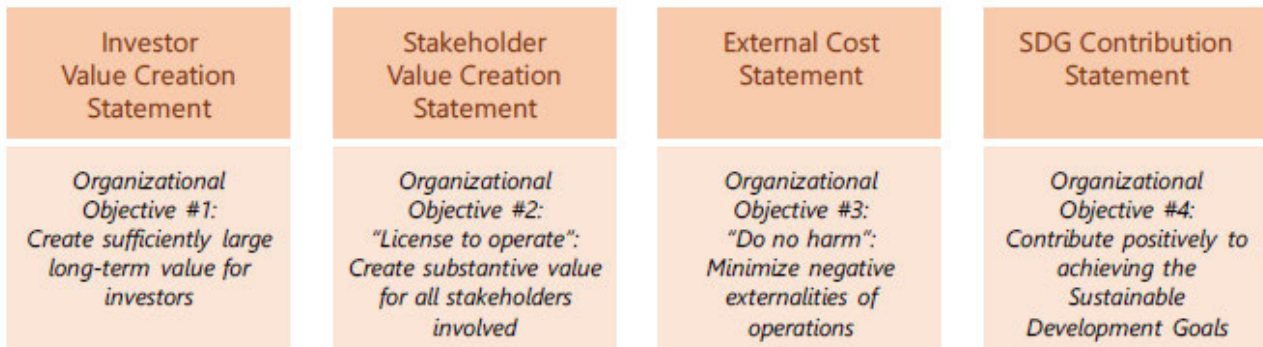


Figure 1: The relationship between the five impact statements and the four organisational objectives

Framework for Impact Statements

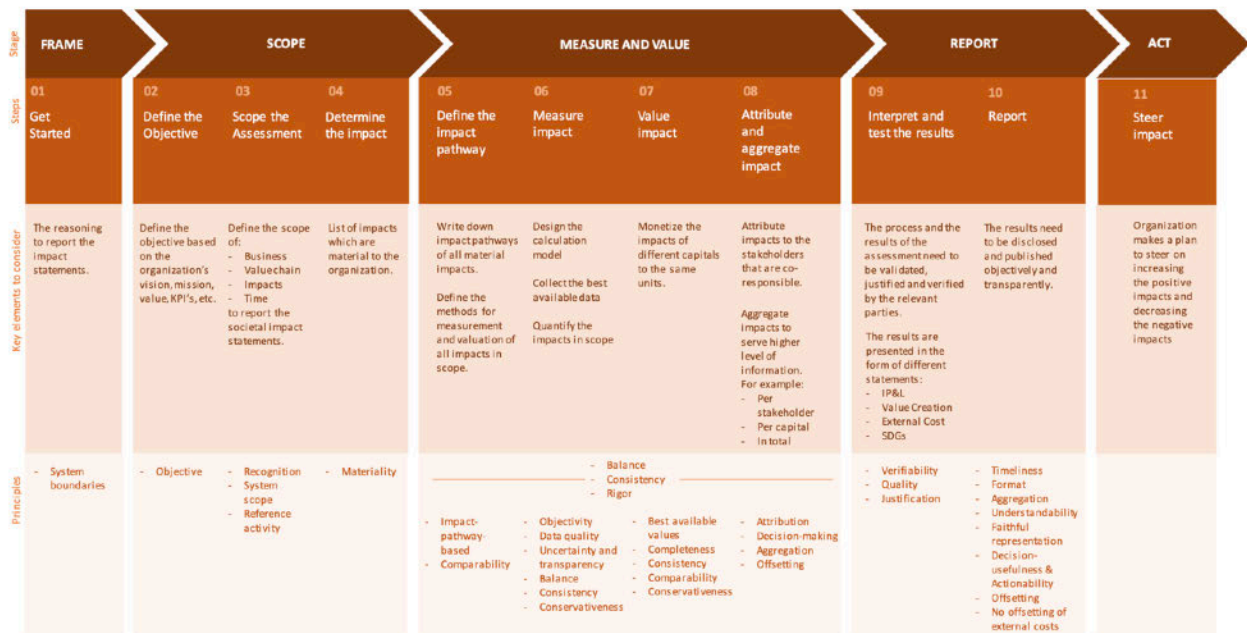


Figure 5. A schematic of the phases and steps in compiling and reporting impact statements, with the principles associated with each step. Adapted from Natural Capital Coalition, 2016

Fig 2 Schemes of Framework For Impact Statement- Amsterdam Institute (2019)

Table 6. Scalability mechanisms for a sustainable business model attribute.

L.P.	Primary Component of a Sustainable Business Model	Scalability Mechanisms Used for a Sustainable Business Model Attribute
1.	Stakeholder network	Seeking synergy, symbiosis and symmetry between various stakeholders in the company.
2.	Shareholders structure	Seeking the common goal and common values in the functioning shareholders structure.
3.	Key resources	Seeking optimal configuration mechanisms based on own resources.
4.	Key corporate governance factors	Seeking a coherent system for the exchange of information, data and knowledge in the process of mutual reporting and supervision.
5.	Key corporate social responsibility factors	Seeking correlations between corporate social responsibility factors.
6.	Key value-based management factors	Seeking correlations between value-based management factors.
7.	Key Sustainability factors	Seeking correlations between sustainability factors.
8.	Financial dividend	Applying the principle of sustainable dividends.
9.	Social dividend	Applying the mechanisms creating social capital in conjunction with the expectations of the various groups of stakeholders.

Fig. 3 Scalability mechanisms Jablonski, (2016)



Fig. 4 Overview of the pillars defining the problem and their connection with the practices influencing hybrids Impact Models success

DESIGN ITERATIONS

Toolkit evaluation questions

- Do you think the process proposed would be helpful to your business model current status? Why? What would not be useful?
- Do you think the process is clear? Why? Where it is not clear, instead?

WORKSHOP SCRIPT 1.0

INTRO

1. PURPOSE: align and communicate goals and objectives statements

2. VALUE CAPTURED

2.1 map the beneficiaries and the actors

First take the main goal post (box 'impact terms of success') from the previous canvas and stick it at the center of the 'ecosystem brain'.

Then start from your end beneficiary, take its card from the PLAYERS CARDS and name it (ex. *australian entrepreneur women*).

Put it on the ECOSYSTEM BRAIN and from there map all the other actors around, that are supporting you (or you expected them to) by naming them.

2.2 draw exchange transactions of any form of value among actors current Value Propositions with all the actors.

start drawing arrows of value transactions and name aloud the value exchanged to agree with others. Then write it down on the VALUE CARDS (see if there is the right card or use a blank one).

N.B. Remember :

(I) to always identify both the give and get of the exchange

(II) think both about tangible and intangible forms of value, taking inspiration if needed by the value cards categories.

3. MISSED - DESTROYED VALUE

(brain dumping activity) Now think about your experience. What are the main issues and risky assumptions that you have been encountering with each actor, in each transaction?

We will define them broadly as INHIBITORS.

***Inhibitors are all those negative forces** intrinsic in the ecosystem dynamics and behaviours, actors behaviours, legislation, things we cannot ensure, risky assumptions in general..things **that drive the ecosystem further from the impact goal** -which correspond to the success of our model eventually.

ex. we cannot ensure loaners payback / our partners are 45 days late in payments.

Now scan each VALUE TRANSACTION and write down on RED POST ITS the inhibitors.

-----doing-----

Do you see any other potential 'weaknesses' emerging from the map overview? Write them down as well on RED POST ITS.

ex. inefficient length of value chain, overall instability of the partners network, risky assumption on the beneficiary...

doing——

Now take each (or the most relevant selected, depending on time and intent) INHIBITING FACTOR THEME identified, or any key standalone INHIBITING FACTOR.

To understand the root cause you are invited to be more close to the problem and to keep in mind the relation with the end goals at the center. Try to think about what you know might be the causes asking simply

'why?' 3-4 times and then close the loop with the arrow when you have a clear picture of the root cause.

When the answers are unknown, you can write the missing question on a POST IT, so that it could later on become a topic of further research.

4.

Now we have the negative forces of a selected problem, but around these problems there are positive forces in the system around them, which can help us solving that issues. Think about in terms of both human factors and system factors. Here you have some questions that could help you looking for those.

Go through the cards one by one, and try to answer being very specific on post its.

— — —

Now how can you introduce these positive behaviors in your operating model in a way that can influence the solution of the problem?

WORKSHOP TESTING #1

Testing 1.0 with students

For the first testing of the process and toolkit, two graduating Master students from Industrial Design has been chosen. The criteria for the choice were that they were both working on the same project, a TU Delft Design online course, and one was coming from a Portugal rural region, therefore for the testing, they were asked to be an impact startup tackling Sustainable Goal of equal access to education though an online Design course for Portugal rural regions. It this way it was possible to leverage their knowledge on the topic and on stakeholders.

The criteria for feedback on the process and toolkit were:

whether it facilitates the emergence of new opportunity spaces enabling impact in the ecosystem;

the clarity of the approach;

the effectiveness of the guidance toward the identification of the process deliverables; overall quality.

The participants were guided by the workshop script (see appendix fig. x) reader by the facilitator and extra interactions when needed.

Insights and feedbacks

Being the participants designers used to these kind of activities, it was quite easy for them to understand what they were asked to do. The result of the workshop of 2 hours has been an

opportunity space 'involving the targets' families' which is indeed a powerful stakeholder in the ecosystem to support the impact goals.

However, a number of gaps can still be highlighted. For example, introducing the scope of value mapping inviting to map what each actor gives and gets has made the exercise very clear and quick but lead to very pragmatical answers, or even there is no coherency: sometimes is the end function of the other actor, sometimes is the actual 'job' they do. therefore defining a guide for different levels of value might be useful. Moreover, as they both mentioned, it would have been less confusing to be able to draw the arrows on the map instead of of post-it with the value description.

Along the process of mapping the inhibitors there were a couple of review of the term and implications, which led to the identification of the format "we cannot ensure that..." or "barriers of the model can be" as useful way to trigger problem emergence, and anyway providing an example upfront would make it more clear.

During the root cause identification, they both suggested that they want to be reminded that the problem considered is not only related to the final solution but to a specific relationship "Because I was missing the connection with the rest of the model chain" (C). Therefore could be useful to do it directly on the map.

On the other side, during the following phase of identification of the positive factors it was much important to keep detached from the mindset of "solving the inhibitor", without introducing them as "something that can break the deadlock": "I don't think they should be linked to the negative loop to solve, otherwise I will think about solutions" (C). I think the questions are really relevant but should not be related to the problem. I am way more open to think about the community instead of the solution. Make examples for each maybe" (C). For example, they can be stating the context of the problem decided and then ask for positive behaviors in the community. One very important positive feedback on the discovery cards, "the amazing thing is that you are asked about value, which is far from the topic and therefore inspire different answers from different people" (C) but as said, they should all report an example on the back.

During the activity also emerged the need to clarify if these positive behaviors, were feelings or also actions and if they were to be used all, since some were not directly related to the specific situation (C).

In the final activity of generating opportunity ideas, it was as well useful to provide an example in order to keep the ideation out from a too much detailed solution.

In general, both agreed on the success of the activity even if encountered some difficulties highlighted above. The instructions need to be more simple and the main keywords consistent and explained somewhere to remain accessible at any point.

They also pointed that the Brain was very effective therefore should be more a central point that you know you will use the whole process and it would be easier to keep everything on post-its to move when needed instead of re writing anything.

One wondered wether it be interesting to relate them with lateral thinking connecting different problems (P) so that "maybe you can ask force them to link different stuff to spark creativity" (C)

One interesting suggestion was to create a moment, after identifying the positive behaviors and before going to action ideating, if there were new stakeholders added to the Brain. During the testing the facilitator had the role to do so, but otherwise they would have kept thinking about them with detachment, not at the same level as other stakeholder placed previously. Instead, one of them -family- became the actual enabler for the model.

1.Objectives alignment

Developing an Impact plan: steps and associated tools for 2020-21

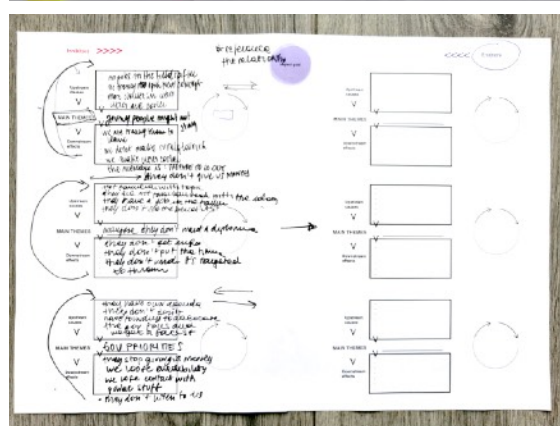
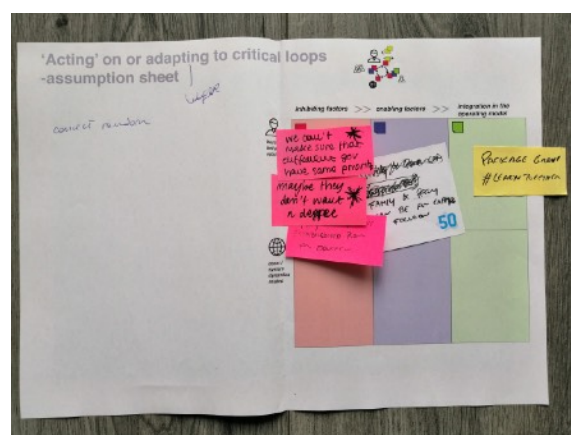
Purpose goals
(Impact theory)

Impact goals

Financial goals
(business model)

Type of social mission/ objectives	Statements
High level social objectives <small>(high level, broad)</small>	<p>we want to give access to high school training center to young adults in rural areas (> 1M rural adults)</p> <p>we want to increase literacy for young adults in 1M rural areas to have an opportunity to continue education to work at 3 years</p>
More specific social objectives	<p>we want to increase literacy for young adults in 1M rural areas to have an opportunity to continue education to work at 3 years</p>
Terms of success metrics	<p>in 1st 3 years in 3-5 years we have a network of 2000 people</p>

Type of Business/Financial objectives	Statements
High level Business objectives	<p>we want to be the #1 choice of digital content for 1M P</p>
More specific Business objectives	<p>we want to be responsible for 30% of expenses in 2 years (initially 10%)</p>
More specific financial objectives	<p>we want to generate \$1K in 12 years</p>



Co-creation with BMI Lab

The proposal of the toolkit 1.1 has been elaborated together with BMI Lab CEO during a day of co-creation. The toolkit has been presented and reviewed step by step going through the Script and each tool discussed in its reason d'être, choices and relation with the overall process, with the current Sprint and value with respect to the assignment.

First, the Objectives alignment tool has been considered valuable and reasonably easy, also thanks to the sample sentences. Some concerns were pointed toward the length of the exercise, planned for being 15-20 minutes, as being more feasible in 60 or even 90 minutes. Moreover, a decision of keeping both the financial and social terms of success at the centre of the Brain was agreed, to incorporate both aspects along the process.

The initiation through the model status quo mapping received a positive feedback. Deconstruction was agreed to be an effective and imperative first activity when attempting to solve a problem. The greatest concern was in relation to the target however, because startups do not start from scratch and they might not want to go back to the reconsideration of the model as it is. Therefore, it might be crucial to make clear for them the value of the process at any stages of the design of their model.

Moreover, a more specific suggestion in relation to the Brain canvas, was to include environment as external layer, to give more space to environmental responsibility and opportunities, therefore ending up with three layers identifying different degrees of relation with the model: direct, indirect, environment.

Value cards has been discussed for long. First, the card format itself has been questioned, arguing that could be as much effective to just keep the sets of values as a complementary table to refer to. A suggestion was also to transform some "empty words" to tangible concrete values, with examples you can identify with and remember when mapping down the model. The decision was indeed to do so and using post-its of different colors in relation to different values categories and stick them on the transaction arrows on the Brain canvas.

Regarding the identification of inhibitors and their main root causes, he also agreed that it should be done directly on the Brain canvas and supported in the script with an infographic explaining the causal loop to lead the logical process. Then it should also be clearly stated the summary of the causal loop on the assumption sheet, which is the thing to be validated, otherwise participants might use a factor only.

Assumption sheet-

The approach is believed to be correct, but it would need more structure in order to achieve fewer assumptions, one or 2 maximum, written in a clear format. From his experience it is difficult per se to lead people to phrase the correct format of assumptions, i.e. concrete and refutable, not obviously right as: "they would spend the double for the design". Therefore a format and /or an example could be beneficial to that purpose. Finally, some examples would help in defining the 2 kind of assumptions, human and non human related, and specified if one is more field research and the other more desk research.

The discovery cards received a positive feedback in terms of concept, since they could lead to unveil interesting elements often discarded. Moreover, some possible missing domains arouses along the discussion, as the relation with regulations and with technology and partnering.

During the last phase of finding an opportunity space, it was highlighted being very important to clarify the required balance between concrete and generic, since “people tend to be concrete with ideas and too generic with other kind of answers, like what the customers want for instance, while is the other way around, and is crucial to guide them through”. What could be useful, again, is a clear script and very concrete examples of the format of the ideas, to show the level of thoughts.

The general conclusion was then that the process and toolkit could work to create a better understanding of the problem and solution space, producing deeper insights and directions to be later explored. Moreover, it would fit well in the first day of the 5 days Sprint process as initiation for impact related projects.

Some steps of the Script should be simplified for the sake of clarity and to avoid overwhelming participants within an already long and various process. The process will need a further application with a different case, for instance related to technology, and to be introduced in an appealing way for startups to avoid skepticism on “going back” before going ahead.

Iterations

During some reflections after co-creation, it also emerged that it could be effective to guide participants with some criteria for the identification of the most critical issues/assumptions phase, which would be included in the script. Based on that, a new adjusted version of the toolkit is presented.

WORKSHOP SCRIPT 1.2

INTRO-CONTEXT

The goal of the process for hybrid organizations is to identify ecosystem enablers that can become opportunity spaces, to align the business model and the impact theory into an impact model.

The process is made of 4 main steps: goals statement, mapping the status quo of the hybrid model, identify the main inhibitors to success, identify the enablers and transform them into opportunities.

At the beginning of the process you have the status quo of your impact driven model, and at the end you should have identified new opportunities to unlock it.

1. PURPOSE

The goal of this first exercise, is to **align your social and /or environmental goals along with financial requirements** to be able to deliver so, and to have an overview of the high level goals and metrics before leaping into a discovery exercise.

- Start from high level goals and make them more specific and measurable in the last blocks.
- Take the last 2 in the bottom blocks and stick them at the center of the brain canvas.

doing—— 20-40 minutes

2. VALUE CAPTURED

The goal is to draw a shared overview of the purpose driven model in terms of interactions and value exchanged, **merging the business and the impact models.**

- Take the brain canvas and actors cards.

2.1

- Map the actors involved in your project in any way, by taking the relative card from the deck and specify the name on it (for instance 'women entrepreneurs from 18 to 40 years old' as beneficiary) starting from the most directly involved, as beneficiary and suppliers for example. Then secondary, as the ones who assist with administrative processes, financial, and legalities... until the environment level, where you can add your beneficiary if it's like an animal, oceans...

doing—— 10 minutes

2.2

- Now, starting from the end product delivered, draw the value transactions between the actors, by drawing arrows on both ways and name aloud (to agree with others) what are the forms of value exchanged to both. Then stick it on post-its on the relative arrow.

You can take inspiration for the values from the Table of Values, especially in order to include also intangible values often forgotten.

N.B. Remember :

(I) to always identify both the give and get of the exchange

(II) think both about tangible and intangible forms of value

doing—— 20 minutes

3. MISSED VALUE

The goal of the activity is to understand the **impact inhibitors** of our model.

3.1

- Now take 10 minutes in silence and scan every transaction, trying to **identify which are the major: -deadlocks -inhibitors -value inadequately captured or missed**, all around the canvas.
- Write them down on red post-its and stick them where they occur without talking with others.

**Deadlocks are situations, typically involving opposing parties, in which no progress can be made.*

**Inhibitors are agents or dynamics that slows or interferes with our intended activity.*

Try to think about problems encountered recently, main recurring issues, risky assumptions, things we cannot ensure, or simply dynamics that are bounding our organization (not only the business model) to be impactful.

i.e. we cannot ensure loaners payback / our partners are 45 days late in payments.

doing—— 20 minutes

- Now take 5 minutes in silence to **look whether you see any recurring theme and pattern emerging** among the inhibitors? Write them down as well on RED POST ITS.

i.e. overall inefficient length of value chain, overall instability of the partners network...

doing—— 5 minutes

3.2

- Now **select together the most ‘bounding’ inhibitor** (or pattern if emerged).

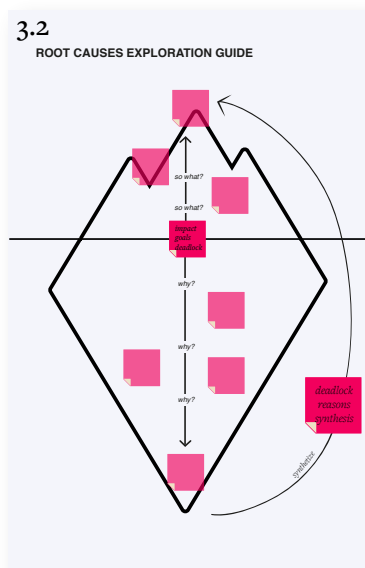
doing—— 5-10 minutes

- Try to think about **what might be their root causes** asking simply ‘why?’ 3-4 times and what is the consequence of that, following the scheme below.

You are invited to be more close to the problem and to keep in mind the relation with the end goals at the center.

(When the answers are unknown, you can write them on side, so that it could later on become a topic of further research.)

- When you have an agreed reason **restate the deadlock reasons synthesis** a single red post-it.



doing——

4. VALUE OPPORTUNITIES

The goal is to identify **enablers** or **‘leverage points’** in the ecosystem which could bring you **closer to the central goals** by bringing new value to your model. You will be guided in the enablers discovery process by Discovery cards.

4.1

- Start considering the inhibiting situation defined previously, with related actors involved: try to detach from the problem itself and answer to the Discovery Cards questions assigned, writing the answers on blue post-its and stick them on the canvas.

doing—— 20 minutes

NB. If new actors emerged from the process, add them with relative actors cards.

4.2

- Go to the assumption sheet and stick there the deadlock synthesis and the enablers identified (red and blue post-its).

Now ideate on green post-its as many ideas you come up with, trying to use all the enablers at least once, trying to answer the question:

How might the enablers become opportunities for our purpose driven model to achieve the central goals?

doing—— 20 minutes

WE LIGHT FEEDBACKS ON THE TOOLKIT PRESENTATION

The same startups interviewed before was asked to provide a feedback on the second iteration of the toolkit. Due to the location in South America it was not possible to run the session, but it was presented in its intentions and step by step. Then an opinion was asked.

“Looking then at the example provided, yes it’s great, it s a great path because it’s objective. If you have this different layers it s everything aligned.

I think would help a lot for having something that guide us. We are 5 partners and each one has some idea, and they are mutually in a part, but not totally mutual, once you have this more structured, not in detailed, but more in strategy level, everyone inside the company align with our values or how are we gonna reach this values, what’s the problem.. the discovery cards it s something that I never seen before, because we used to work with the theory of change and there are a lot of similarities, but this part, to identify what is not working, and how to make it work I think is great for us at least but for any social business and startups. I don t know how the context is in Europe but here they do without thinking. But never spoken about governance and strategy. But once you have some baselines or guide that I every adaptable to social business like yours, could help startups for sure. I don t know if they would see the return in immediate. But it s just because they are too busy in time as well. But if you have some examples or something that is working as ex.

We had design thinking with IBM, was actually a working together team. We didn’t t had that till this year, when we had they started asking us about governance, same you asked me today. And then we thought that we were doing it for all our clients but what are we doing for ourselves? What’s our purpose? We started to think 3 years after. When they brought this idea to us, we started doing it.

if your biggest questions answered, everything will be structured at the same line. We tried to do marketing plans lots of times, but once we finished it 2 months of work is wasted, we have to redo it. That could be, assumption, due to our purpose not being formalized. So if we have everything we want to do end need to do structured, all the activities would have the same direction. Theory of change helped us a lot. Specific with your design **these questions could be**

very important in helping companies that cannot identify their real problems, you know everything not working and some assumptions on how to solve it in an aligned way.”