PRINCIPLES AND PRACTICES
OF SOCIAL ENTREPRENEURSHIP

SPEA V559

Fridays, 1:30 p.m. – 4:00 p.m.
SPEA PV 276

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Description of course: “Social entrepreneurship” is a phrase widely used today in the nonprofit sector, business, and even government. But what exactly is it? How does it work? What is different about it? What does it really accomplish? And what challenges does it face?

This course will provide students with an introduction to principles and practices in social entrepreneurship. Social entrepreneurship is defined as the establishment and management of innovative social mission-driven ventures. While entrepreneurship for commercial gain (in for-profit organizations) has been studied extensively, the study of entrepreneurship for social gain is in its infancy. This course is designed to give current and future nonprofit, business and government managers and leaders an overview of a range of topics in this emerging field. This course will focus particularly on social entrepreneurship in the nonprofit and public sectors.

Upon successful completion of this course, students can expect to have:

- familiarity with major works in the social entrepreneurship literature
- knowledge of social entrepreneurship methods and practices
- understanding of laws, standards, and guidelines applicable to social entrepreneurship
- experience in analyzing social entrepreneurship dilemmas and proposing responses
- recognition of the similarities and differences in entrepreneurship in different sectors
- familiarity with resources useful for further investigation of social entrepreneurship

Students seeking the Social Entrepreneurship Certificate or intending to apply for a Social Entrepreneurship internship in the summer are required to take this course. However, any student with an interest in the subject is welcome to take this course as an elective.
Texts: The following books will be read:


The following books are useful for further reading, or from which the instructors has assigned selected chapters. For several of these, you will find copies of E-books owned by the instructor on OnCourse in MOBI format. (Please ask if you need a different format.) They are provided for your own use only in connection with this class and may not be circulated or sold.


A number of chapters, reports, cases, and articles from books, magazines and journals will also be discussed. Most, if not all of the articles can be found through the electronic resources (such as JSTOR and EBSCO) of the Indiana University library, or on OnCourse.

Formidable as this reading list might seem, it barely scratches the surface of the many (and growing number of) worthwhile books and articles about social entrepreneurship. Students with special interests in topics not covered in this syllabus, or who wish to delve more fully into any of the topics that are, should not hesitate to consult the instructor. For each unit of the course, you can assume that if you are pressed for time, the assigned books should receive your priority attention, along with the cases.

All students should be familiar with and comfortable using OnCourse. The course will make extensive use of this tool, including for all course-related communications. Students should also plan on reading *The Chronicle of Philanthropy* regularly. Although it is available in university libraries, the principal instructor, who is also a regular contributor to that publication, will try to arrange for students to have an electronic subscription to it for the duration of the course.

All class sessions will be recorded using Indiana University’s Echo 360 system. Students will receive a link to the recording of each class after it is concluded so that they can review what was covered, if they desire. Only students enrolled in or auditing this class will have access to this link. If you have any reluctance about participating in a recorded class, please let the instructor know.

Students are expected to have done the required reading before the class in which we will be discussing it.

In developing the list of required books, the instructor assumed that students would purchase them from the most economical supplier. He also tried to choose books that are well-written.

Additional readings may be added during the semester. Students are also encouraged to suggest materials their classmates would benefit from perusing.

**Requirements:** In addition to attending and participating in class, as well as completing assigned readings, students will be required to pass a take-home final exam. Doctoral students who are taking this class are required to submit a research-based term paper of at least 20 pages in lieu of this exam.
Each student will also be required to complete a social entrepreneurship paper. This paper could take one of several forms:

1. A design for a social venture.
2. An analysis of an existing social venture.
3. A comparison of social ventures dealing with similar problems in different sectors or in different countries.
4. An assessment of a particular type of challenge facing social entrepreneurship, such as scalability or evaluation, in the context of a particular venture or set of ventures.
5. Since this is a course on social entrepreneurship, something else that is related to the topic.

Whatever approach you take, your analysis (which need not be longer than ten double-spaced pages) should apply issues and concepts discussed in the course to a “real-world” situation. Topics must be approved by the instructor, who will also suggest some possibilities, as well as help identify sources of information. Time permitting, students will make presentations on their topics during class. With approval of the instructor, students may work in groups, but each member of a group will receive the same grade. A fuller description of this assignment will be found under the Syllabus tab on OnCourse.

For each unit of the course, I have created a short assignment. These are meant to give students an opportunity to write and think about key issues that will be discussed in the unit. Students are required to do at least three of these assignments. Written responses should not be more than 1000 words in length (and double-spaced); they will be graded, as well as discussed in class. Questions will be posted on OnCourse under the Assignments tab and responses can be submitted there as well.

In Democracy in America, a 19th-century French visitor to the United States, Alexis deTocqueville famously described the importance of civic associations to the success of American democracy. He also noted the close connection between associational activity and newspaper readership. (See Volume II, Part 2, Chapter Six.) Since many of the topics covered in this course, as well as others that are relevant to the course’s themes, are frequently discussed in widely available publications, the instructor has created a Class Blog in Discussion Forums in OnCourse for students to post clippings that they believe other members of the class would be interested in. Students should also include a brief explanation of the relevance of the clipping to understanding issues related to social entrepreneurship. Students are encouraged to comment on the clippings and a few minutes of each class will be devoted to discussing the most interesting. Students who post at least 10 original and relevant clippings, published on or after January 11, or make particularly insightful and worthwhile comments (i.e., a total of 10 posts) will receive an “A” for this requirement, with fewer clippings and comments resulting in proportionately lower grades.

Please refrain from posting grant announcements, public relations releases, personnel changes, or similar events, unless you believe they have broader implications for social
entrepreneurship generally (which you will, of course, explain). Also, no clippings from publications for professionals in the nonprofit sector, such as The Chronicle of Philanthropy.

**Grading:** The grade each student receives in this class will reflect a balanced appreciation of the totality of his or her work. However, the various course requirements will count *roughly* as follows:

- Class participation --10 percent
- Clippings – 10 percent
- Short Assignments – 15 percent
- SE Paper – 30 percent
- Final exam – 35 percent

While the instructor encourages students to discuss the course, exchange ideas, and critique each other’s work as much as they desire, he also expects that all work submitted for grading will be done in a manner consistent with the university’s academic rules and requirements. Links to the relevant sections of the IU academic handbook will be found on OnCourse, as well as a statement of the instructor’s attendance policy.

**SYLLABUS**

January 17

**Introduction**

Video: *The New Recruits* (PBS)

January 24

**An End to Innovation?**

Paul Light, *Driving Social Change*


Further Reading:


**Creative Destruction**

Clayton Christensen, et. al., *Disrupting Class, Expanded Edition: How Disruptive Innovation will Change the Way the World Learns*.


Case: Upwardly Global

*Upwardly Global: Building a Model for Assisting Immigrant Professionals*, Kennedy School of Government. Online on OnCourse.

Further Reading:

Michael Lewis, *Moneyball*.

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**January 31**

**February 7**

**Social Entrepreneurs**


Case: The Grameen Bank

*Muhammad Yunus and the Grameen Bank,* Kennedy School of Government. Online on OnCourse.


Further Reading:

Georgia Levenson Keohane, *Social Entrepreneurship for the 21st Century*

**February 14**

**Political Entrepreneurs**

William D. Eggers and John O’Leary, *If We Can Put a Man on the Moon: Getting Big Things Done in Government*.


Cases: Indianapolis, New York City, Obama Administration


**February 21**

**Business Entrepreneurs**
David Vogel, *The Market for Virtue: The Potential and Limits of Corporate Social Responsibility*


“Preparing a Nation for Autonomous Vehicles,” Eno Center for Transportation, October, 2013. Online on OnCourse.


**Philanthrocapitalists**


Sarah Cooch and Mark Kramer, *Compounding*


Cases: Edna McConnell Clark Foundation, Prizes


**Further Reading:***


**March 7**

**Capital and Expansion**

Steven H. Goldberg, *Billions of Drops in Millions of Buckets: Why Philanthropy Doesn’t Advance Social Progress*


Cases: KIPP, College Summit

*The KIPP Schools: Deciding How to Go to Scale*, Kennedy School of Government. Online on OnCourse.

*College Summit: Balancing aggressive national expansion with centralized control*, Bridgespan. Online on OnCourse.


Further Reading:

Anthony Bugg-Levine and Jed Emerson, *Impact Investing: How We Make Money while Making a Difference*
March 14

**Earned Income and the Law**


Dan Pallotta, “The Way We Think about Charity is Dead Wrong,” TED Talk, March 11, 2013. https://www.youtube.com/watch?v=bfAzi6D5FpM


Cases: Pallotta Team Works, MPR

March 28

Measuring Results

Dean Karlan and Jacob Appel, *More than Good Intentions: How a New Economics is Helping to Solve Global Poverty.*


Case: Microfinance, One Laptop Per Child


Further Reading:


April 4

**Social Entrepreneurship in International Perspective**


HM Government (UK), *Growing the Social Investment Market: A vision and strategy*, February 2011. Online on OnCourse. (Also see web-site: [http://www.cabinetoffice.gov.uk/content/growing-social-investment-market](http://www.cabinetoffice.gov.uk/content/growing-social-investment-market))


The Beautiful Foundation, Giving Korea 2009. Online on OnCourse.


Case: Kiva, International Impact Investing

Georgia Levenson Keohane, Social Entrepreneurship for the 21st Century, chapters 10-11

David P. Baron, Social Entrepreneurship: Kiva, Stanford Graduate School of Business, 2009. Online on OnCourse

Ruth Shapiro, ed., The Real Problem Solvers: Social Entrepreneurs in America, Chapter 2.

April 11

The Debate over Social Entrepreneurship


Angela M. Elkenberry and Jodie Drapal Kluver, “The Marketization of the Nonprofit Sector: Civil Society at Risk?” Public Administration Review,


**Student Reports**

**What Business Entrepreneurs can Teach Social Entrepreneurs – and Vice Versa**


Further Reading:


May 2

SOCIAL ENTREPRENEURSHIP PAPERS DUE

May 9

FINAL EXAMS DUE