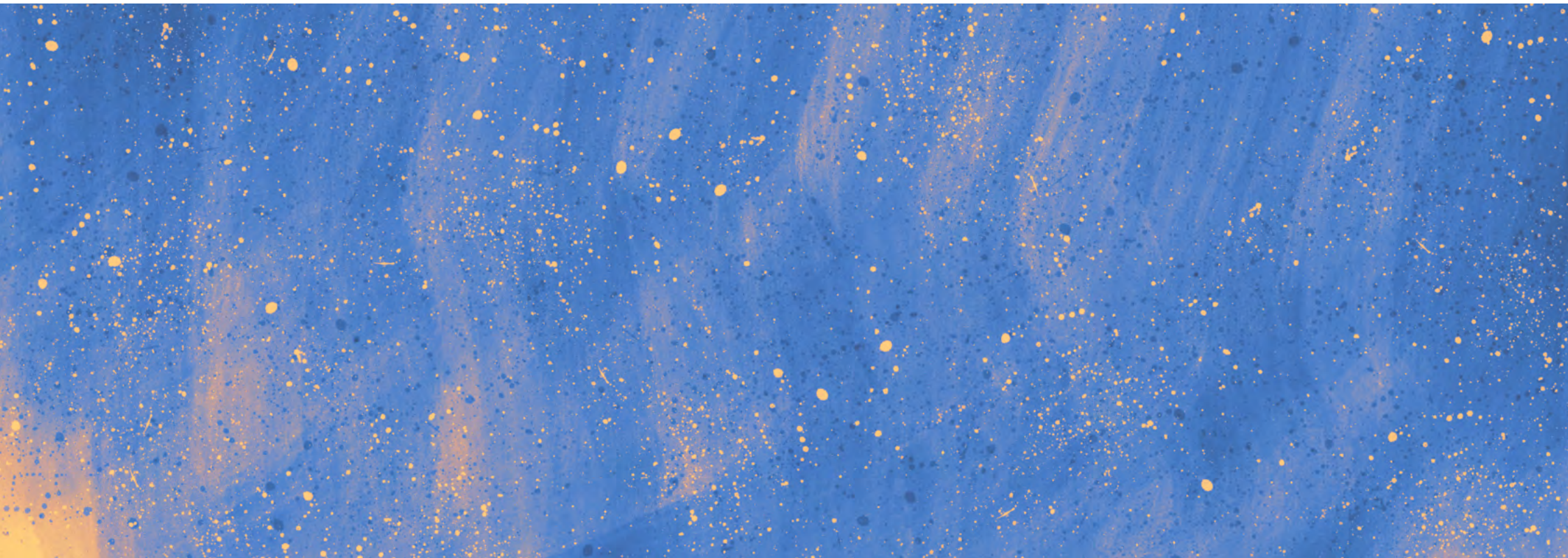


Heidi Myyryläinen & Anna Pajari

# **Toolkit for reflexivity exercises for social entrepreneurship education**



# Toolkit for reflexivity exercises for social entrepreneurship education

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**SEinHE**  
Building Social Entrepreneurship Skills

Dear reader,

This toolkit shares ideas for teaching social entrepreneurship topics in the classroom for practicing reflexivity at an individual and group level.

Business studies are social studies – and entrepreneurship is all about taking and exploring new perspectives, role-taking, courage, creativity, and ethical decisions. McMullen and Dimov (2013) describe entrepreneurship as “a multi-level process that begins with individuals but ultimately involves multiple agents”. For social entrepreneurs, social values may be even more central as social enterprises create business solutions to social problems (Thompson and Doherty 2006, 361).

Social entrepreneurs need a wide range of entrepreneurial competences, just like any entrepreneurs – depending on their context, industry, and how and where they work. Scholars suggest social entrepreneurs face further challenges when managing their social mission. Tracey and Phillips (2007) suggest this requires skills in managing accountability and strategies for combining social and financial activities.

Therefore, ideally, social entrepreneurship education leads learners to understand social enterprises intellectually but also invites learners to develop entrepreneurial skills related to social entrepreneurship. Entrepreneurship education pedagogics can also support their meta competencies - metacognition, metaconation, and meta-affection (Ustav and Venesaar 2018), in other words, learners’ own thinking of thinking, emotional awareness, and motivational skills.

The social learning environment offers opportunities for reflexive learning of social entrepreneurship. The interaction between learners can be a fun way of learning about social entrepreneurship using reflexive thinking. Here we aim to provide ideas that can be applied in many ways. The first chapter in this publication has exercises for learners for reflecting on values and ideas at the personal level. The exercises can be used individually or in pairs. They can also be used in small groups, jointly with a class, or as homework.

The second chapter presents examples of different social enterprises and their business models. Social enterprises combine private, public, and non-profit organizations’ logic. They are “hybrid organizations” (Doherty et al., 2014). There are no right or wrong answers in any of the practices, and learners can take perspectives, communicate, make arguments and develop solutions together. Chapter three provides strategic decision-making situations, but this time they are negotiated in the roles of board members of the company or organization.

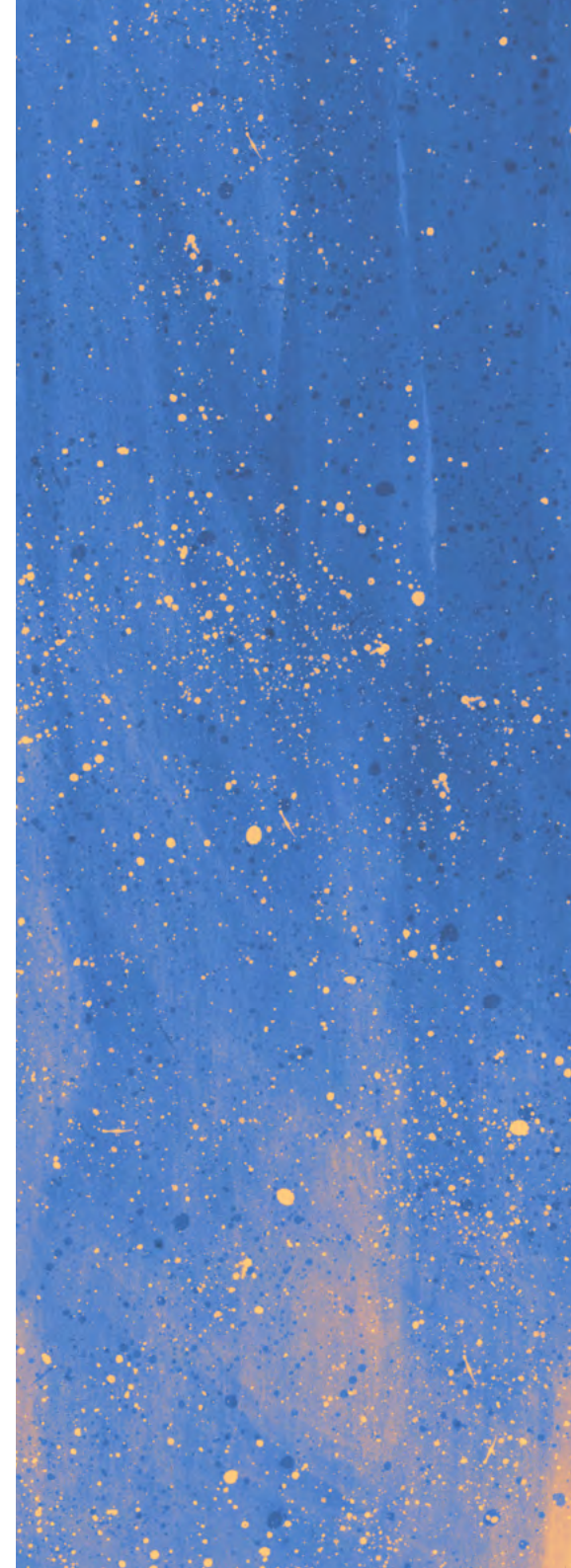
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# Reflective exercises for self-awareness for social entrepreneurship students

These exercises aim to design learning experiences in social entrepreneurship lessons by stimulating metacognitive skills and self-awareness. These exercises can be used in many ways. A teacher can pose a question to individuals. The learners can reflect on them privately. The teacher can set a time for thinking, and then also tell how the exercise continues. One possibility is that students can share their reflections in pairs or small groups. It is also possible to discuss them with the class.

- What kinds of social or environmental challenges are personally important to you?
- What kind of a social or environmental problem is such that you could be willing to invest yourself in it?
- What are your long-term goals?
- What are your ideas of good leadership?
- What kind of things do you value in your life?
- If you were an entrepreneur, what kind of value would your enterprise create?
- If you had a company, what kind of positive social impact would you want to create?
- Imagine you are a social entrepreneur. Visualize your company and the potential future in your mind. Where are you in five years? What is your mission? What have you achieved?
- What ethical entrepreneurship is to you?



## Homework

Find examples of social enterprises that make you curious. What kind of enterprises made you curious and what kind of thoughts do you have?

Discuss your findings and thoughts in the next lesson.

Get know to United Nation ´s Sustainable Development Goals and their target programs. Which goals your enterprise could address?



# SUSTAINABLE DEVELOPMENT GOALS



Image 1. Sustainable Development Goals. Source: United Nations (2022).

# Case stories

## **Case: Venner**

Venner is a social enterprise that aims to empower society and particularly disadvantaged families with its products and services. On the other hand, the company offers concrete help in the form of vegan food boxes but aims also to develop the skills of families with the help of associations, foundations, and companies. Venner has organizational and consumer clients, who can buy their plant-based food and recipe boxes online. Buyers can make donations or buy boxes for their employees, stakeholders, or themselves. Companies can buy corporate social responsibility -activities via Venner, which delivers donated Venner Nutrition Boxes with the help of their local stakeholders.

## **Case: Children's Day Foundation**

Children's Day Foundation (Lasten Päivän Säätiö) was established by six Finnish organizations in 1957. The six founder organizations are Barnavårdsföreningen i Finland, the Federation of Mother and Child Homes and Shelters, the Mannerheim League for Child Welfare, Parasta Lapsille, and Save the Children. In the Finnish legal system, a foundation refers to assets set aside for a certain purpose and administered by the board of the foundation. Foundations are registered into the register maintained by the Board of Patents and Registration.

Children's Day Foundation owns the Linnanmäki amusement park in Helsinki. The revenues of this amusement park, funds, are directed to children's welfare work in Finland and abroad.

## **Case: Lumituuli oy**

Lumituuli Oy is a limited company that is located in Lumijoki, on the northwest coast of Finland. Their mission is to increase the share of wind energy in Finnish energy production. Lumituuli is owned by 1200 shareholders who are the consumers of the company. The company owns windmills that produce wind energy for the shareholders. Each share in the company equals a certain amount of energy delivered at a fixed price. The surplus is sold to the company called Ekosähkö which sells it further to the countrywide energy network. The very first windmill was financed using crowdfunding but since then, the company has been run like any other limited company.



# Exercises on business models, governance, and leadership

The learners should have an introduction lecture to the topics, and exercises support reflexive thinking on strategy work on social enterprises. The key definitions are important conceptual knowledge for learners, but on the other hand it is important to understand that the definitions are not exhaustive and there are many ways to define concepts such as social enterprise, business models, governance or leadership.

## Social Enterprise

Social enterprises can be defined in many ways. Social enterprises "address a range of social issues in innovative and creative ways" (Nicholls 2006)

## Governance in social enterprises

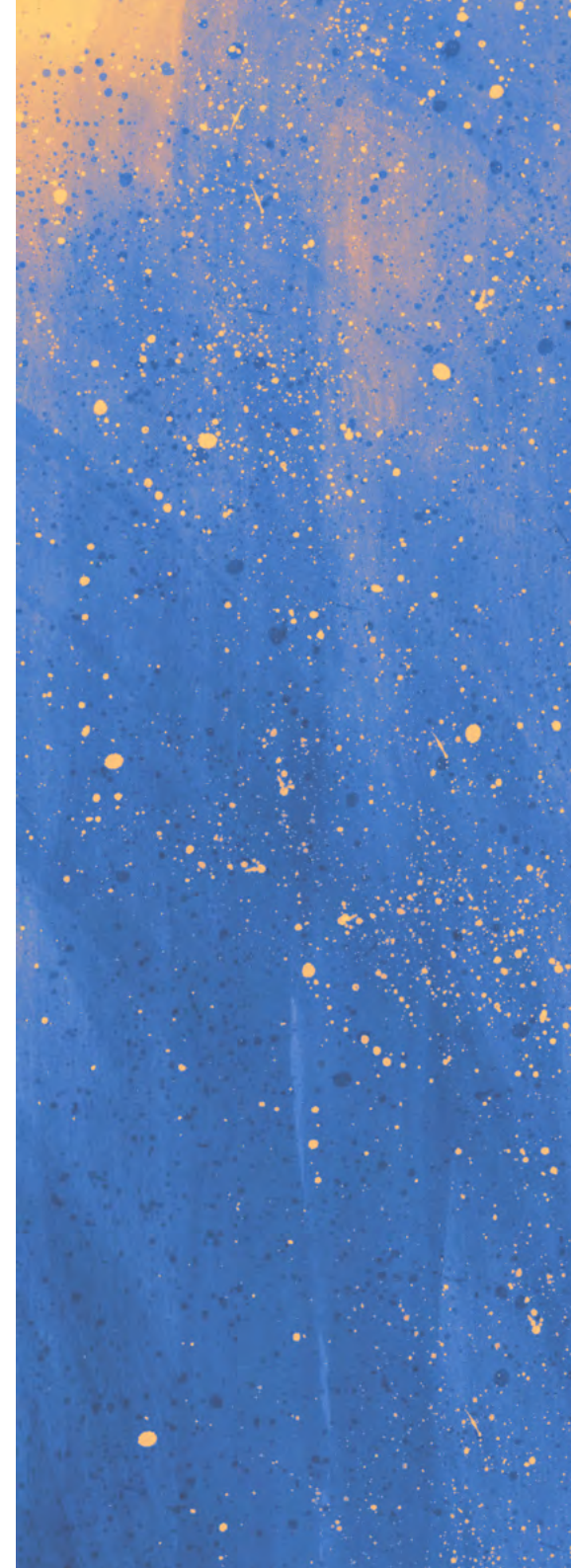
There are many definitions of governance. Doherty et al. (2009) define governance in social enterprises as "strategic and operational board-level leadership, enabling service users, managers, trustees and other defined stakeholders to create and maximize social benefit." Defourny & Nyssens (2012, 21) view the governance structure "as the set of organizational devices that ensure the pursuit of the organization's mission".

## Business models

There are many definitions for a business model. It is an umbrella term to describe many kinds of business challenges at different levels. A business model describes how an organization creates, delivers, and captures value (Osterwalder & Pigneur 2009, 2010).

## Leadership

Leadership has been theorized from numerous perspectives. "...Leadership is a complex, multi-level and socially constructed process." (Gardner et al. 2010)



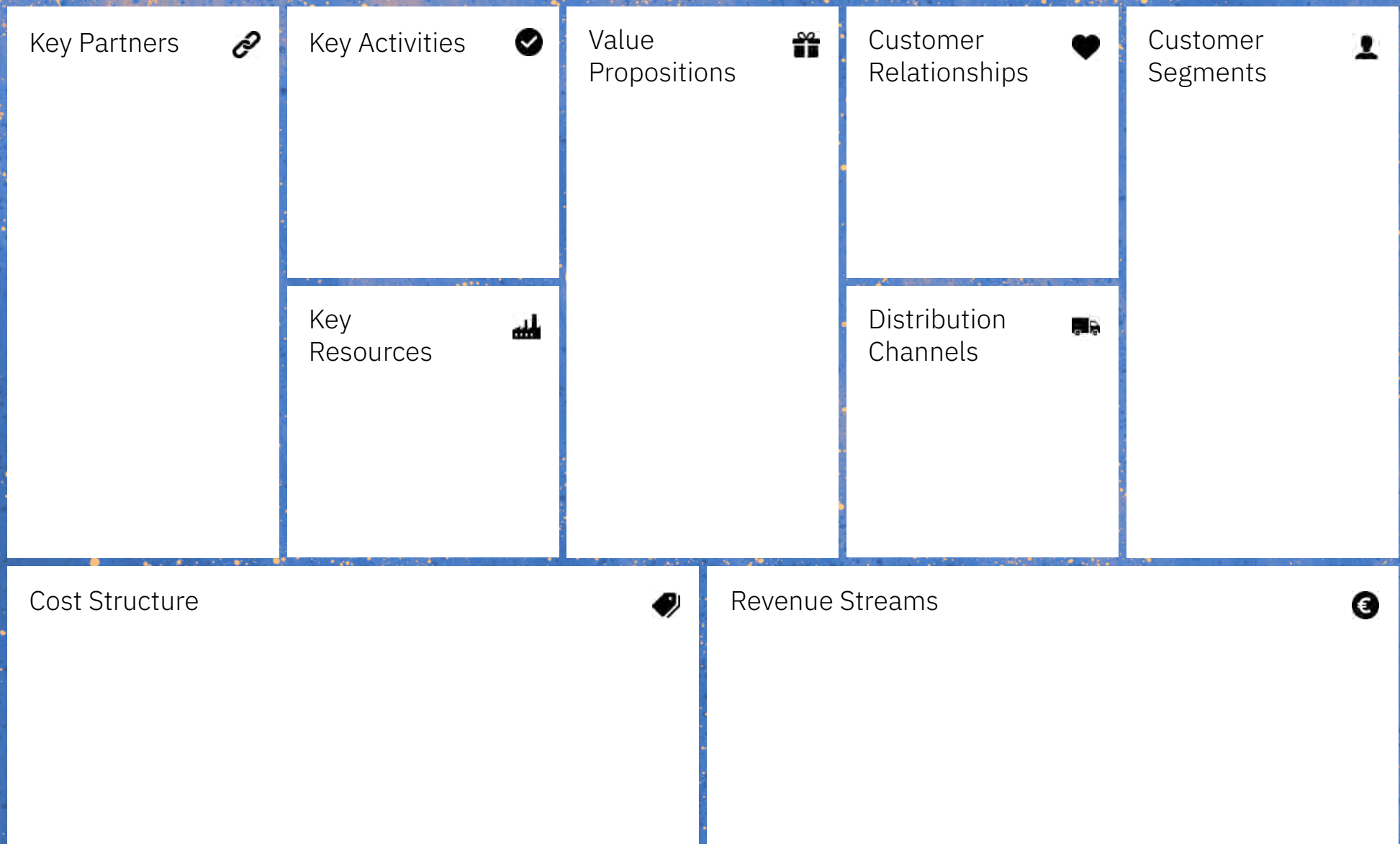


Image: Eetu Karppinen. Business model canvas idea adopted from Osterwalder & Pigneur 2010.

# Balancing social mission and economic requirements

Social enterprises do business because of their social mission (Defourny and Nyssens 2012). The mission can be related to environmental issues, social challenges, or both. At the same time, however, they must be at least viable if not profitable. In most countries in Europe, social enterprises compete on the market with the same conditions and competitive tools as all other companies. Also, non-profit organizations must be economically taken well care of.

The complexity of the decision-making process as well as the challenge in balancing between different stakeholder requirements can be pointed out and made better understandable using students' own experience, in this case, role play.

Below you can find a few examples of role plays that can be adjusted to the needs of the student group.

## Understanding business models

Since social enterprises can have various business models, it is important for the students to understand how the economic activities are organized in different kinds of social enterprises: Who pays for whom for what? And who is the beneficiary? Is it the same person/actor as the customer or not? To help students understand these differences they should be encouraged to discuss in small groups the following questions related to each company/organization example described above:

- Who is the customer?
- Who is a beneficiary?
- Where do the revenues come from?

# Using imagination and creativity: Initiating and enterprise

You are starting a social venture as a team. Discuss the community/target market/clients/beneficiaries you want to serve.

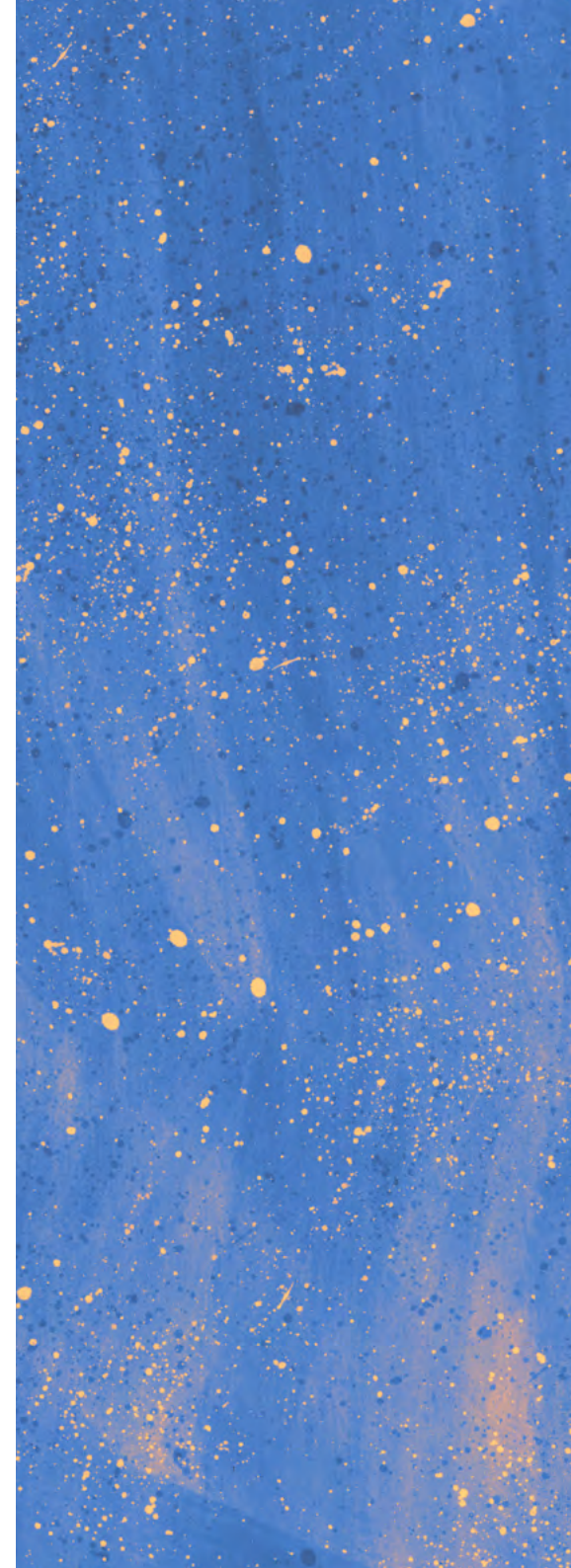
You are starting a social venture as a team. Imagine your products or services as a team. How do your products or services differ from the existing products or services and why are they needed?

You are starting a social venture as a team. Discuss your financial strategy.

You are starting a social venture as a team. You are discussing leadership roles. What kind of leader(s) do you want for your team? What kind of leadership model do you personally prefer and why?

Your team wants to create inclusive governance practices for your enterprise. What kind of decision-making rules and organizational structure do you want for your social enterprise?

Your joint company has been operating successfully for some time and you are now thinking of your growth motivations. Do you want to grow your company and if yes, why and how?



# Coping with risk and changes: Cases for making decisions for action

## Case 1:

Tam-Silk is a traditional Finnish company in the field of the textile industry that manufactures underwear for both men and women. The production has been outsourced to Asian countries because of cheaper costs. Now the new owners want to bring the production back to Finland and make the company a certified Social Enterprise. Its social mission is to bring the textile industry back to Finland, rebuild the supply chain so that the company could use Finnish suppliers whenever it 's possible, and apply the Finnish Social Enterprise Mark.

Roles:

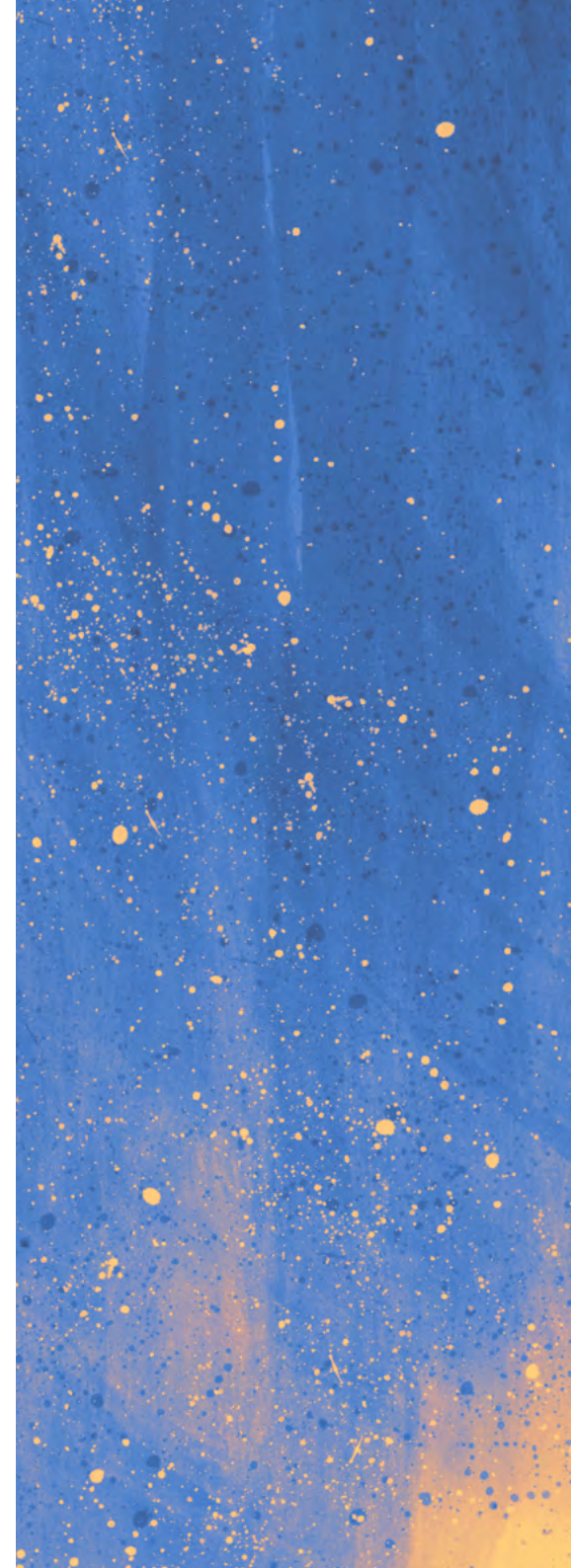
**A** is the new owner

**B** is the logistics manager who strongly believes in cheap prices and profitability of the existing suppliers and the supply chain

**C** is the manager of the CSR (Corporate Social Responsibility) department

**D** is the manager of the financial department

(**E** is a representative of the organization that issues Social Enterprise certifications)



## Case 2:

The Finnish social enterprise Lumituuli which produces wind power wants to grow and build a new windmill but they don't have enough resources to do so. The social mission of the company is to help companies to change their energy sources from fossil fuels to renewable energy and to help Finland to become carbon neutral. They have built their own windmills and sell wind energy to their shareholders for fixed prices. Only shareholders can buy their energy. The surplus of produced energy is sold to a retail company. What to do?

Roles:

**A** is the CEO of Lumituuli company

**B** is a shareholder who is interested in investing more money in the company

**C** is a shareholder who is against the expansion

**D** is a local resident

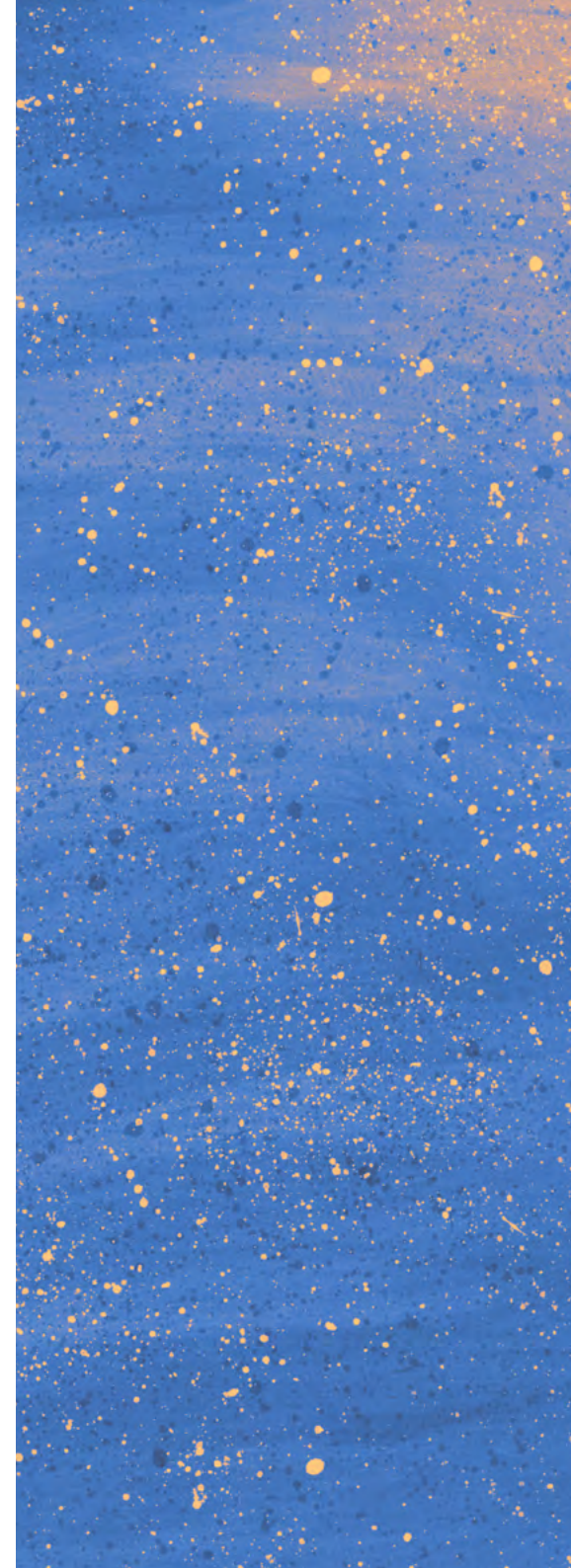
## Case 3:

The mission of this non-profit organization is to help disabled people to find a job by providing different kinds of services for them. So far they have been financed by the state. Now, however, the financing is drastically declining. What to do?

**A** is the manager of the organization

**B and C** are members of the board

**D** is a representative of an association that acts as a guardian of the interests of disabled people



## Case 4:

The Finnish foundation called Children´s Day foundation is owned by several non-profit organizations which all aim at helping children with different difficulties (low-income families, parents with alcohol problems, children with different diseases, etc.) To earn money for their activities the foundation runs the amusement park Linnanmäki in Helsinki. In spring 2020 the covid19 pandemia hit, and the amusement park had to be closed for two years. The economic situation is a disaster. What to do? How to proceed?

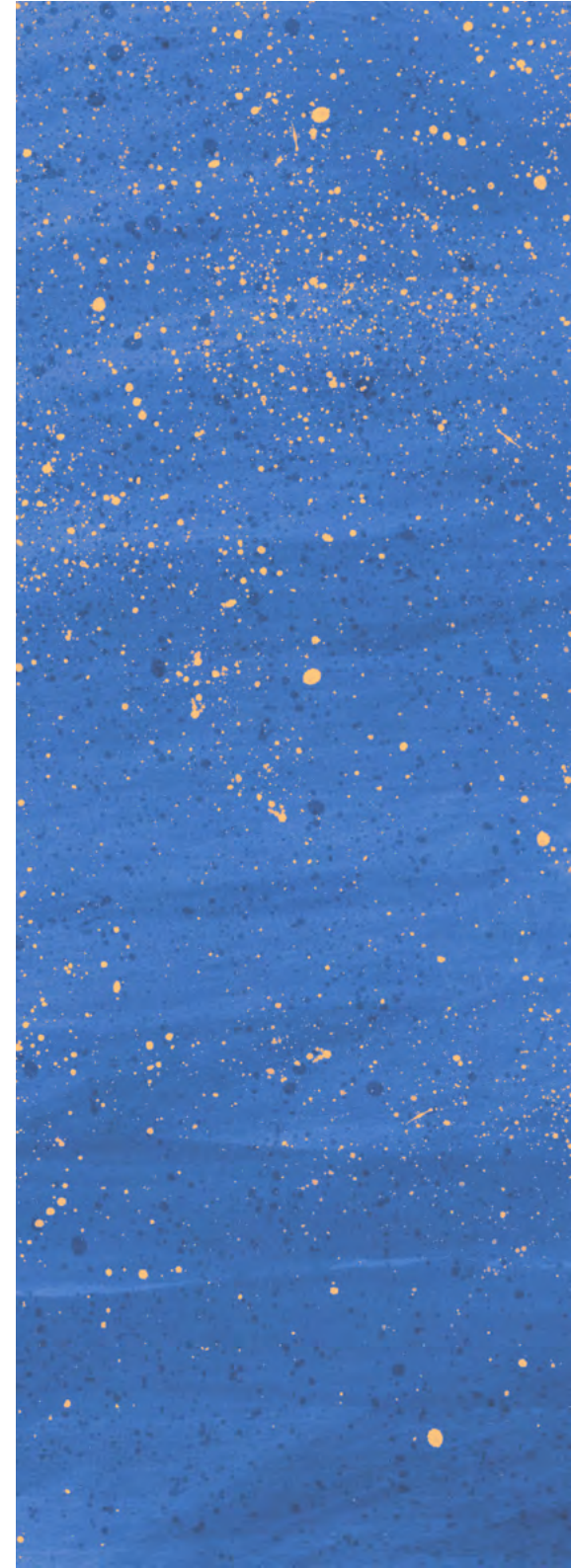
Roles:

**A** is the manager of the foundation

**B** is a representative of one of the organizations that own the foundation

**C** is a private investor who has invested in the amusement park

**D** is someone that you might turn to. You can decide who he/she is.

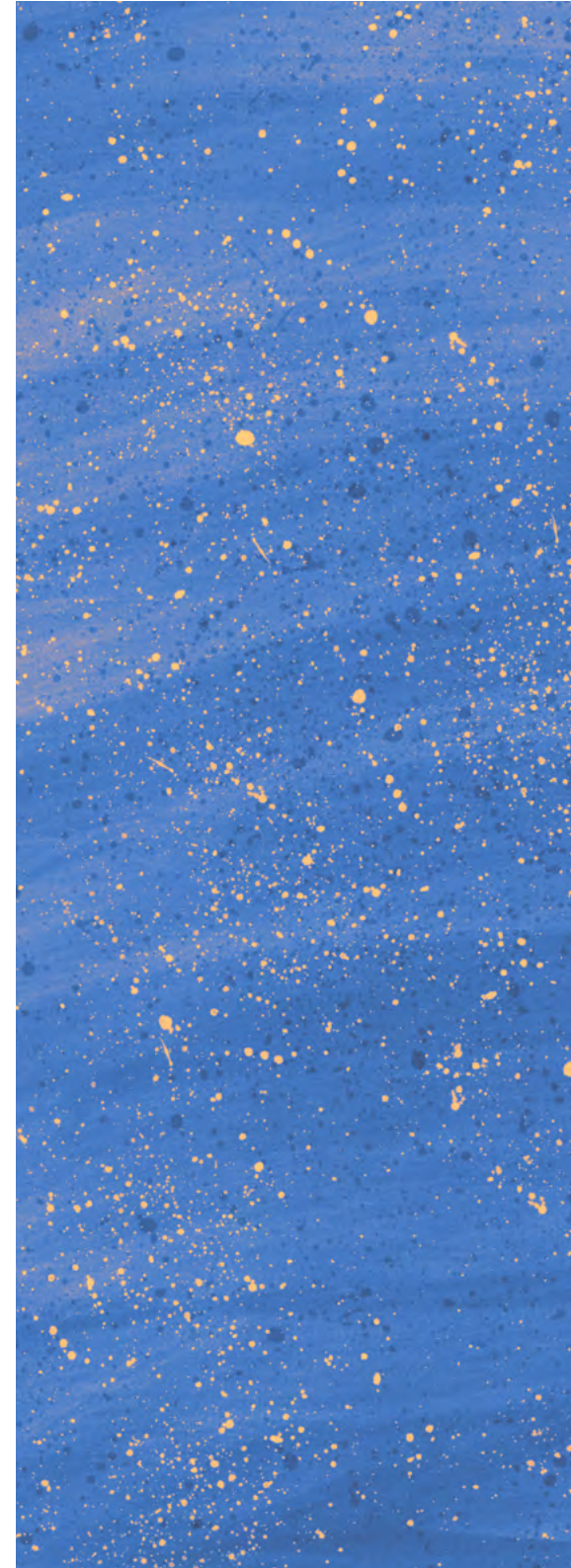


# Board exercises: Negotiating strategy

These exercises are strategic decision-making situations, too, that require creativity and taking perspectives. Form board roles and have strategic meetings to discuss the following situations. A group can argue different standpoints or make decisions, and then reflect on the debate afterward.

Roles:

- **HR and communication manager** – you are responsible for human resources and communication strategy in your company. You are responsible for the institutional structure.
- **Business director** – you are responsible for leading the business and responsible for creating and growth strategy. You are responsible for the financial strategy of our organization.
- **Jurist** - you work for the company and consider legal aspects in every decision and decision-making process
- **Stakeholder representative(s)** – you represent supply chain/client / other beneficiary group 's perspectives and want to make sure their perspectives are heard in every decision.
- **Representative of employees** – You have been elected to be a member of the board to represent employee perspectives. You also work as a specialist for employees' welfare.





### **Board exercise 1:**

Your company needs investors for your social venture, but you want to have control over managing the social mission. You are having a board meeting where you discuss the terms for looking for investors.

### **Board exercise 2:**

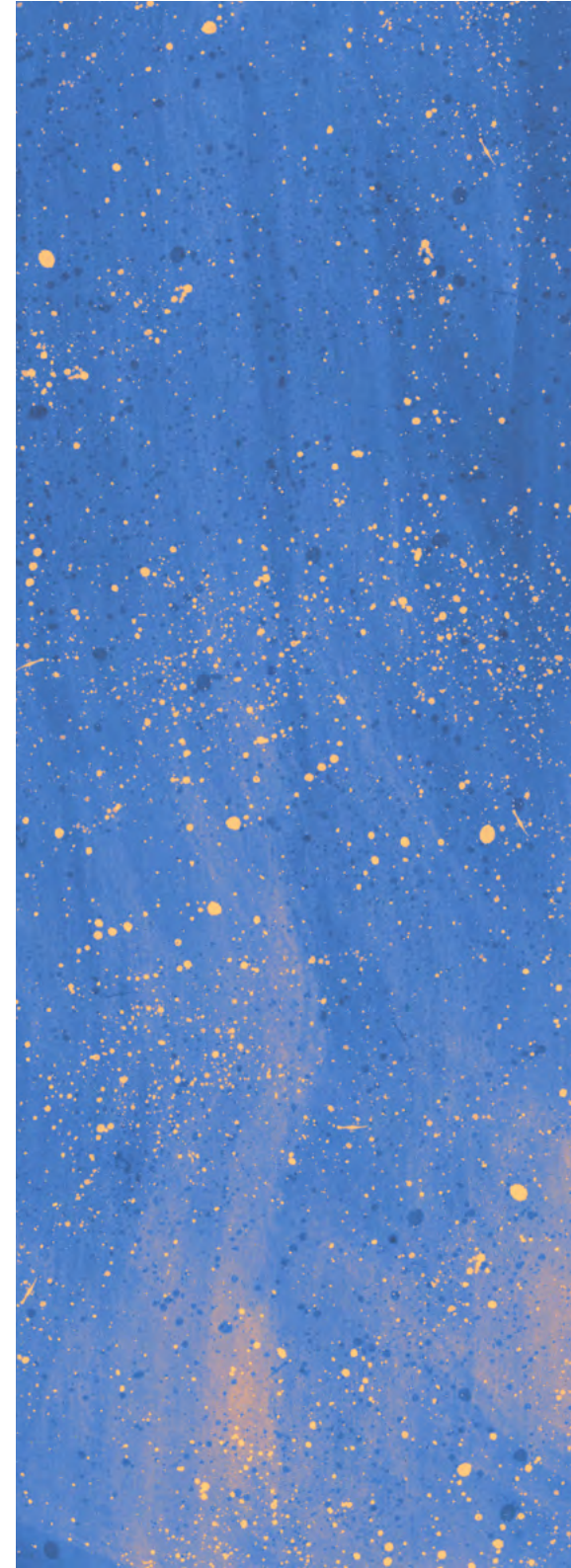
Your team has decided to sell your joint social venture. When you initiated an enterprise, you wanted it to focus on its social mission for a long time. You are having a board meeting and discussing the risks of a potential exit.

### **Board exercise 3:**

Your enterprise was established 20 years ago and you aimed to help the local community with some specific problem. You are operating in the field but your company has been criticized for monopoly. You notice that you have developed an enterprise and have created a monopoly to solve the problem. You are having a board meeting in your social enterprise. Half of the board members think sustaining an enterprise is essential while half of the board members think you should help the local community more ethically instead of having a monopoly. How would your board solve the dilemma?

### **Board exercise 4:**

Your social enterprise emphasizes the ethical production of your products and services. Your board is having a meeting to renew the value chain strategy because you need new suppliers for some materials. You want to make sure all your partners share some of the core values but you feel that current methods are not enough to manage the situation. What kind of dilemmas and solutions do you find?



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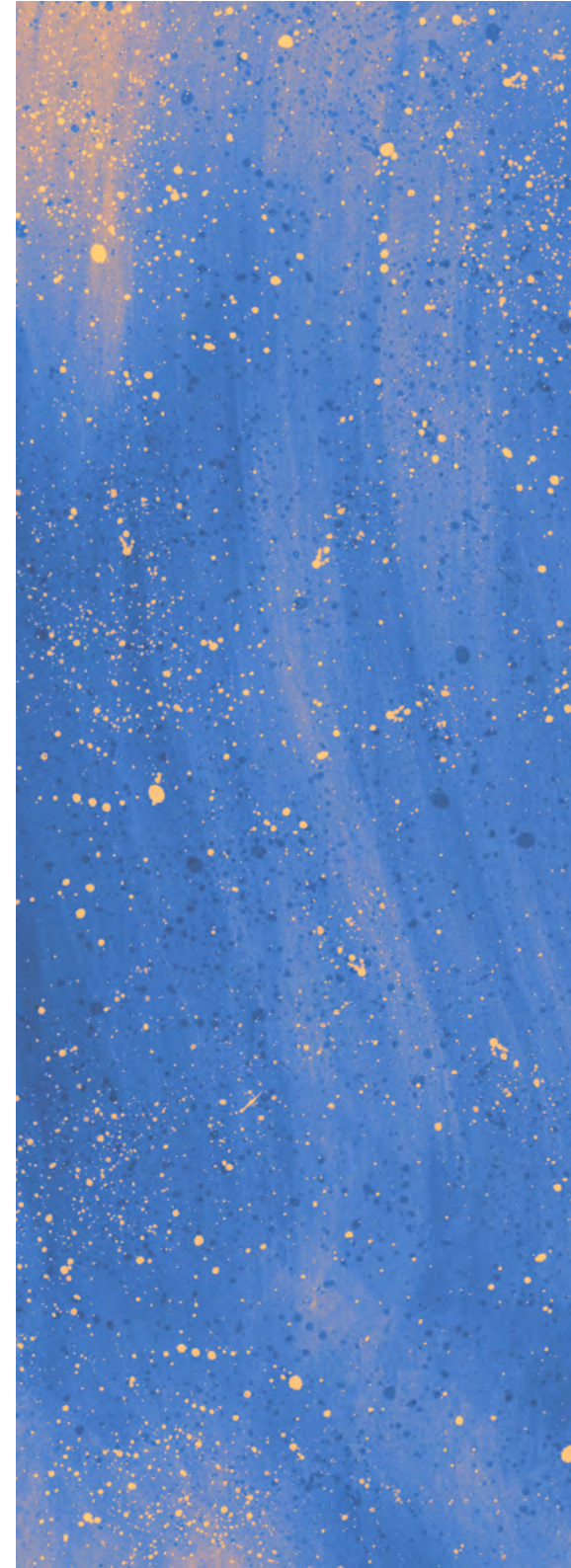
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