

# WORKSHEET #1

## MISSION, MODEL, MARKET

**Estimated time: 30 minutes**

This worksheet is to help you pause and reflect on the model you need for your social enterprise. This worksheet will help you note down any insights that arise at this stage.

You will start by writing down the cause of your enterprise in simple terms in the table below.

Then you will take a few minutes then to: describe the balance between mission and profit motive that you strive for; describe the relationship between your social programs and trading activity; and describe the market(s) that you are targeting or already active in.

If you're completing this exercise alone, make sure that you check these insights with your team to ensure that everyone is of a common view.

**But first, a background on what we mean by Mission, Model and Measure, to provide context:**

**MISSION: First is your mission.**

Your mission is the reason that your social enterprise exists and the overall difference (or impact) that it wants to have.

Consider the mission-orientation of your enterprise ... ask yourself:

- Are you creating a self-financing business model to deliver your mission directly?
- Are you undertaking enterprise activity to support or cross-subsidise social activity?
- Or are you undertaking completely unrelated enterprise activity simply to generate income to further your cause?

These are quite different strategies that can be employed to deliver on your mission.

**MODEL: The second consideration is your 'model'.**

When we use the word model here we're referring to the way your social enterprise is organized and structured to combine social and commercial activity.

When thinking about how you structure your social and trading activity, ask yourself:

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- Is your enterprise activity embedded within the organization's core operations and social programs? In other words are you making money through your program activity?
- Are you taking forward integrated enterprise activity as a funding mechanism for your mission-related activity? So you make money through related activity.
- Or are you keeping your social programs quite distinct from your business activity?

Again these are quite distinct ways that you can do business while doing good.

### **MARKET: The third and final consideration is your market.**

By market we mean the target set of customers that your social enterprise will sell its products or services to. When thinking about your target market, ask yourself:

- Are you pursuing governments contracts to provide goods or services?
- Are you targeting a third party payer or donor, who pays for service users to benefit (as perhaps they cannot afford to pay)? This is typically the situation where a funder pays on behalf of a beneficiary group to enjoy the benefits of a service.
- Are you providing business-to-business services to other nonprofits or companies?
- Are you targeting customers in the open marketplace, perhaps selling direct to the public?
- Or perhaps you are serving or intending to serve multiple target markets?

So to find an effective social enterprise business model you must get the right combination of mission, model and market. This is where good business model design comes in.

**“DESIGN IS A PLAN FOR ARRANGING ELEMENTS IN SUCH A WAY AS BEST TO ACCOMPLISH A PARTICULAR PURPOSE”**

- CHARLES EAMES, ARCHITECT AND FURNITURE DESIGNER

**ACTIVITY:** Describe your business model

Use the template provided in **WORKSHEET #1: Mission, Model, Market**

- Describe your overarching cause in simple terms
- Describe the balance between mission and profit motive
- Describe the relationship between social and trading activity
- Describe the market(s) that you are targeting

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Description of the Cause:	
Mission Orientation:	Description:
Model Integration:	Description:
Market Focus:	