PART SIX:
Business/
Service
Model

1. *Business Models*
   a. *Types*
   b. *Service/Program Market Fit*
   c. *Examples*
2. *Service Model*
   a. *From Mapping to the Delivery of the Value*
3. *When Introducing New Business & Service Models*

What We Did Last Time

1. Demystifying Scale
   a. Myths
   b. Levers
   c. Examples
2. Working Towards Greater Social Impact

Types of Funding Models

Heartfelt Connector

Beneficiary Builder

Major Grants from Individuals or Foundations

Member Model

Government Service Provider (core services

Government Service Provider (dictated by changing policies)

Beneficiary Broker
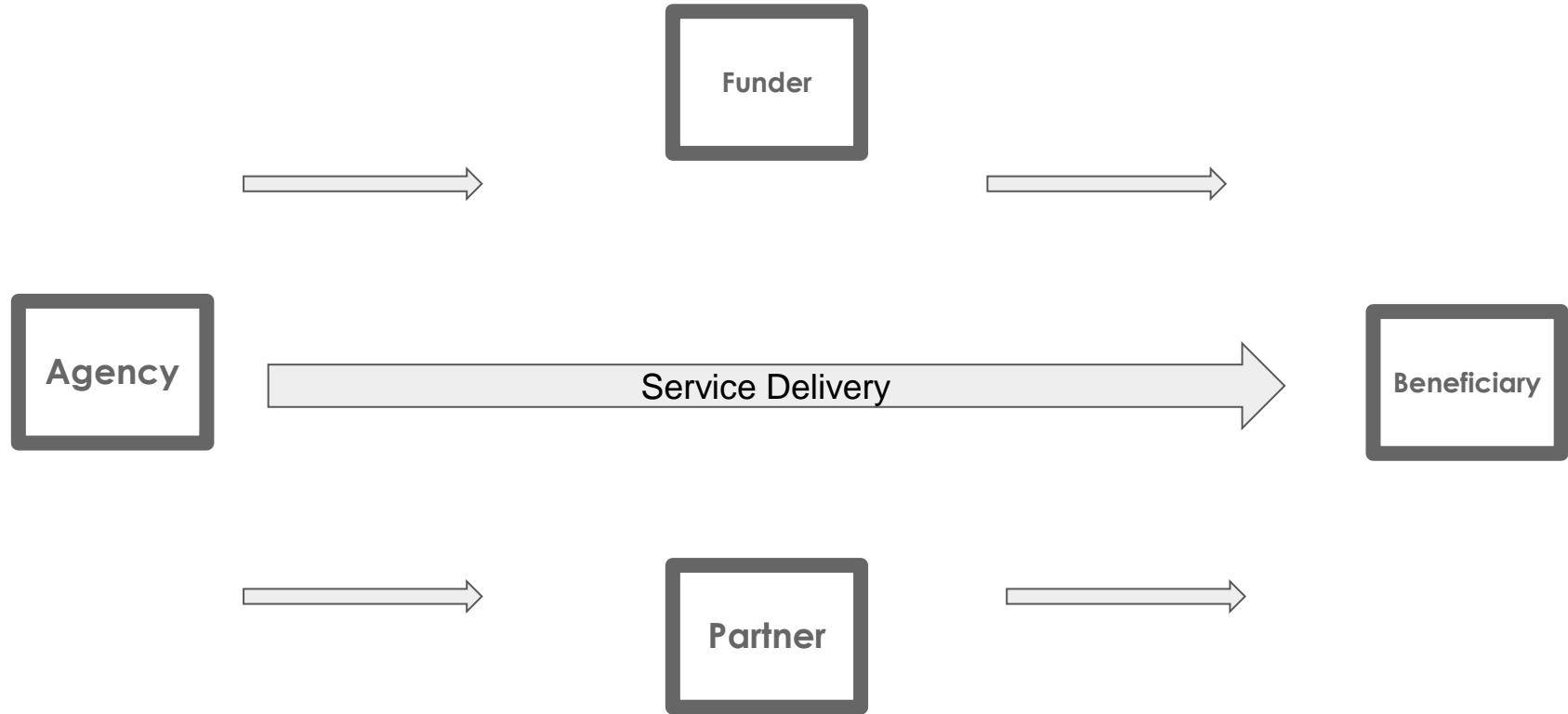
Recycling In-Kind Resources
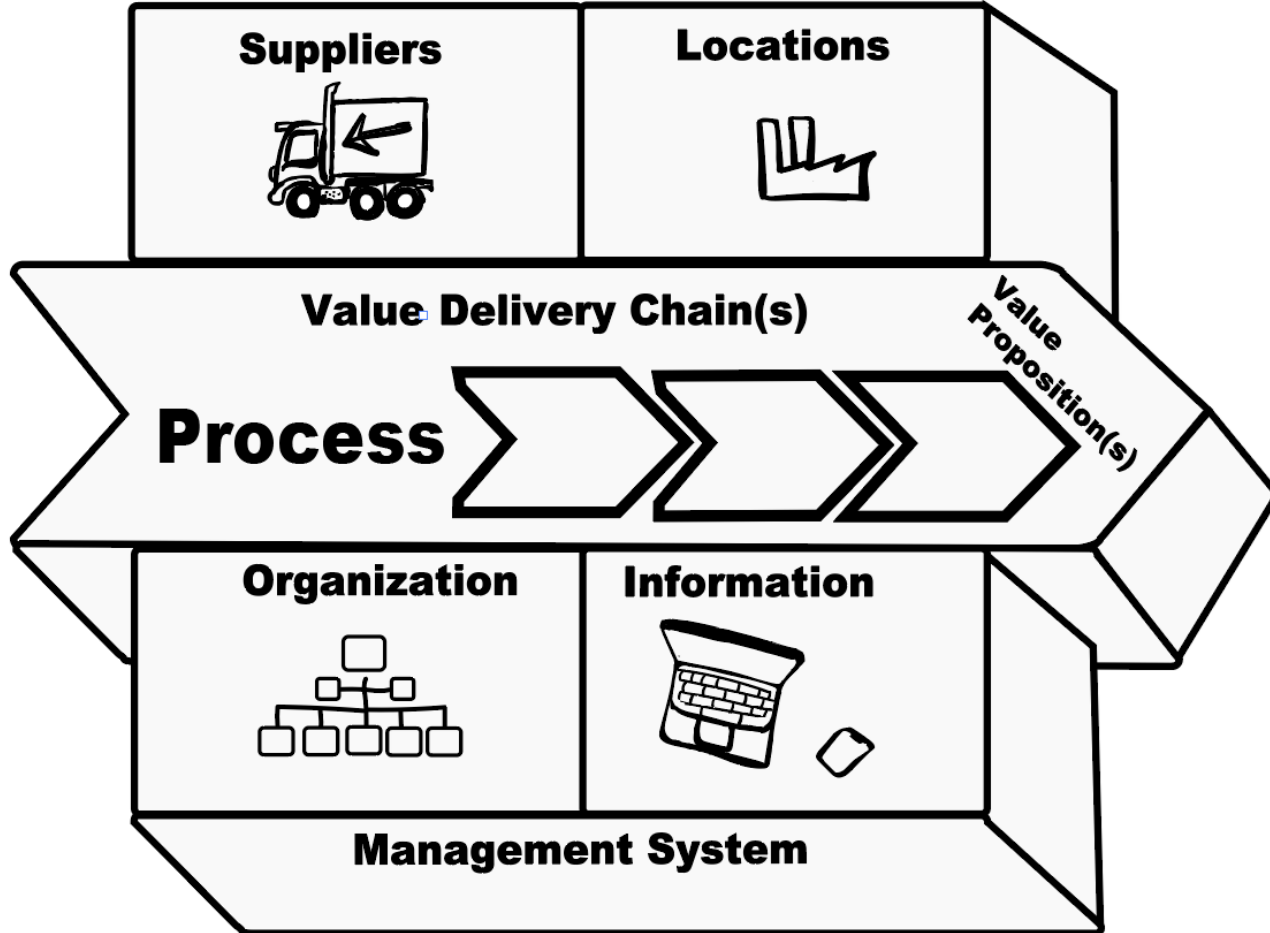
Market Maker

Local Nationalizer

Program & Service Fit

1. *What is it?*
   a. *Usually a tension between provider and client, funder, partner!!!*
   b. *Crossing the Chasm*
2. *Working towards it?*
3. *Did you ever achieve it?*

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Example Business Model: Selling Value to 3 Customers

Funder

Agency → Service Delivery → **Beneficiary**

Partner

Operating Model Canvas

| Suppliers | Locations |

Value Delivery Chain(s)

Process ❯ ❯ ❯

Value Proposition(s)

| Organization | Information |

Management System

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Service Model: Detail the Steps Along the Way

Agency → Intake/Assess → Recommend Plan → Service the Plan → Re-evaluate → **Beneficiary**

Bringing Them Both Together

Funders

Insert Intervention Along the Way

Agency → Intake/Assess → Recommend Plan → Service the Plan → Re-evaluate → **Beneficiary**

Insert Intervention Along the Way
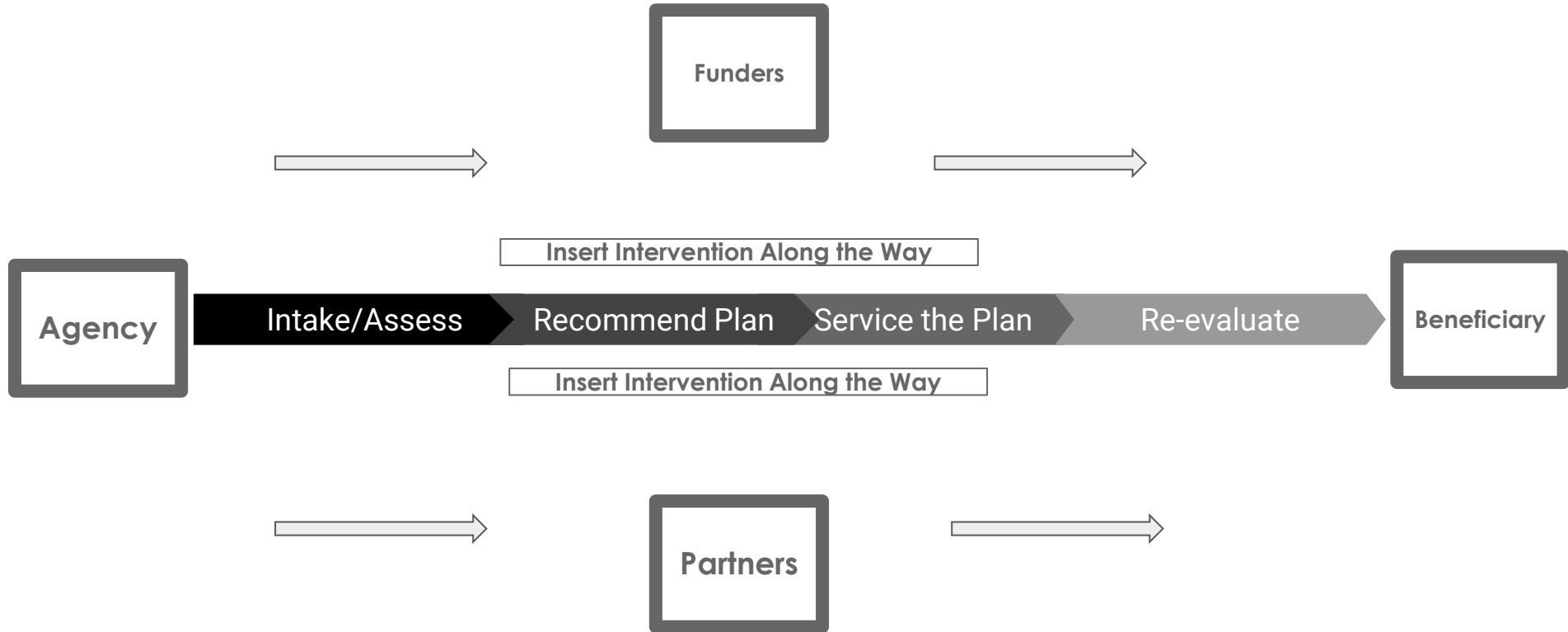
Partners

Agencies must sell the value of new interventions to the beneficiary, multiple funders, and multiple partners, and explain how it aligns and fits into their current programs and services in way that it generates efficiencies, higher satisfaction, or new resources.

Balance Between Disruption & Collaboration

Disruption often includes:

- Repurposing dollars to a new technology or program model
- Outside strategic partner that catalyzes dramatic systemic and cultural shifts
- New pipelines for volunteer or donor goodwill

Collaboration could refer to:

- Public-private (nonprofit and for-profit) cooperation
- Integration of philanthropic dollars with public dollars with a coordinated focus on meaningful metrics and results
- Working across organizational boundaries
- Realignment of existing actors inside a social system

Top Down Versus Participatory Approaches

Top-Down

The top-down end approach represents a strong executive leadership model that relies on such tools as using the bully pulpit to elevate a reform agenda, driving new policy or rule changes, and challenging incumbent interest groups.

- Executive-level leadership
- Use the bully pulpit to elevate reform
- Drive new policy or rule change
- Challenge incumbent interest groups

Participatory

The participatory approach is more inclusive and is characterized for example by mechanisms for securing and incorporating client feedback, parent meetings, town halls, use of digital media to invite participation, and partnership with neighborhood organizations. It involves responding to public will—whether it is for change or the status quo.

- More inclusive, grassroots or bottom-up
- Incorporate client feedback
- Host parent, town hall and other meetings that encourage citizen voice
- Use digital media to invite participation
- Partner with neighborhood organizations

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Will Funders Focus Dollars on Results

Trading Good Intentions for What Works
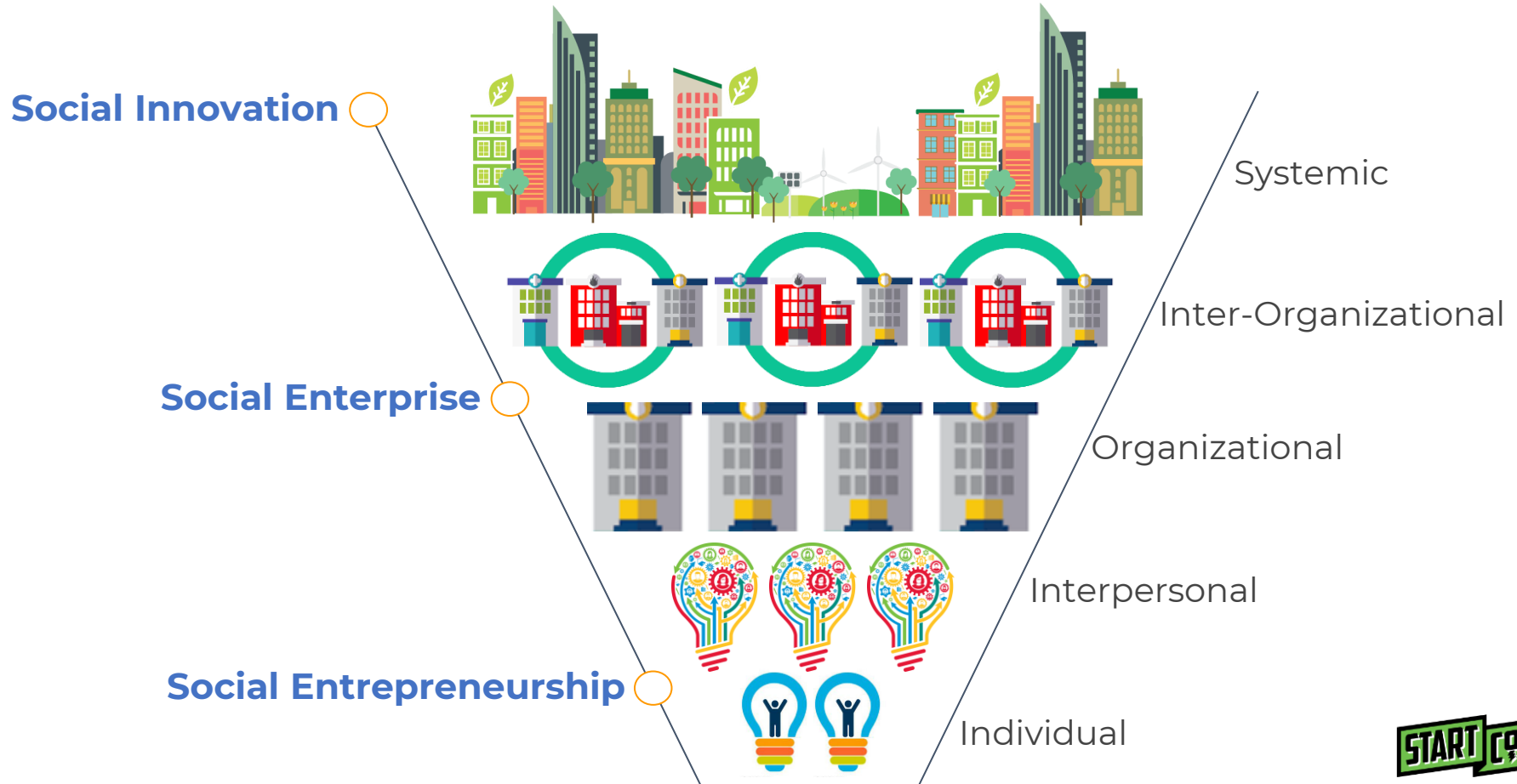
What public value are we purchasing?
Are the funded activities still the most relevant and material?
What change does the community want and what assets can it mobilize?
Are we funding a project or sustainable system change?
What will we measure?

Where are you on the path to social innovation?

Social Innovation

Systemic

Inter-Organizational

Social Enterprise

Organizational

Interpersonal

Social Entrepreneurship

Individual

Things You Can Be Doing

Operationalizing Your Concept
Build Measure Learn (start small, then expand)
Incorporate Funders/Partners into the Process
Keep talking to all customer sets

ENTREPRENEURSHIP TOOLKITS

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