

## Lesson 2

# Driving Change in Business: the Entrepreneurial Mindset

### How do entrepreneurs design business models that open up new opportunities for scaling environmental initiatives?

Environmental challenges are often opportunities in disguise, so how do we instigate change and capitalize on these opportunities? Being a catalyst for change certainly isn’t easy, but there are a set of skills and processes that entrepreneurs use, and by learning them we increase our power to drive change. Here we will learn about entrepreneurship, intrapreneurship, the resources that exist for today’s business change-makers, and how to take the first steps towards building a sustainable business venture that can scale and thrive.

By completing this lesson, you will:

* Get into the mindset of an entrepreneur: understand how entrepreneurs see business opportunities and use them to spark change in wicked problems.
* Map the stakeholders involved in the change you're driving, and analyze their needs, motivations, and level of influence.
* Practice taking a great idea and designing a business model that helps it scale sustainably (financially and environmentally).

## Pre-Reading

The entrepreneurial and intrapreneurial mindset, and the leadership skills needed:

* [The Surprising Advantages Environmental Entrepreneurs Have Over Established Companies](https://www.entrepreneur.com/article/320685) explains why and how entrepreneurs can capitalize on environmental ventures better than existing companies. Being more locally focused and bigger risk takers, environmental entrepreneurs are often first-movers, which has worked very well in many cases.
* [The Venture Development Processes of ‘Sustainable’ Entrepreneurs](https://www.researchgate.net/publication/228337304_The_Venture_Development_Processes_of_%27Sustainable%27_Entrepreneurs) characterizes some of the personal and situational elements that led to the creation of a few very recognizable brand names.
* [Why You Should Become an “Intrapreneur”](https://hbr.org/2020/03/why-you-should-become-an-intrapreneur) Discusses the benefits of innovating within an existing company, and what kinds of individuals generally do best as intrapreneurs.
* [Market imperfections, opportunity and sustainable entrepreneurship](https://www.sciencedirect.com/science/article/pii/S0883902605000571?casa_token=i--jsb-wnyMAAAAA:BIjhFShBMpuwW29uFvpjXhh5403QCIe91VPqPMmS_0m6pj0EvJbThV1lf9ti40-T9UOiwfsxdK8#bib65) ties together the market failures from lesson one with the themes in this lesson. (This article requires access to ScienceDirect, so it is optional for those who don’t have access, but highly recommended.)
* As exciting as environmental entrepreneurship’s potential is, it’s important to take a balanced view and avoid over-glorification. [Tackling Heropreneurship](https://ssir.org/articles/entry/tackling_heropreneurship) reminds us that entrepreneurs often fail to actually make the impacts they hope to, and can have an inflated sense of entitlement and vision. Often, driving change is less about creating a new venture and more about understanding who is in the space, and using entrepreneurial tools to forge new connections.
* [Collaborative and Transformational Leadership in the Environmental Realm](https://www.researchgate.net/publication/277633303_Collaborative_and_Transformational_Leadership_in_the_Environmental_Realm) breaks down several real-world examples of leadership in conservation non-profits, businesses, and government agencies.

[What is an Innovation Ecosystem?](https://www.idiainnovation.org/ecosystem) characterizes what makes up an innovation ecosystem. (Read pages 1-2; additional pages discuss development agencies, and are not required.)

It can be difficult to get started in communicating your business idea and getting feedback; prototyping can be a kick out the door to get started. [5 Cheap And Easy Ways to Prototype Your Startup Idea](https://www.forbes.com/sites/saraweinreb/2017/09/29/5-cheap-and-easy-ways-to-prototype-your-new-startup-idea/?sh=11ab4f4f4f0e) is a helpful refresher if you haven’t completed module 2.

At the end of the lesson, you’ll take a first stab at designing a business model for your chosen challenge. In preparation, read [How to Master the Business Model Canvas for Social Entrepreneurs](https://www.tbd.community/en/a/business-model-canvas-social-entrepreneurs).

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## Lesson Content

| VIDEO[Let's apply the startup mindset to our biggest challenges](https://www.youtube.com/watch?v=dhg53rg_z0M?start=00&end=423)  | In this inspirational talk, social impact incubator founder Philipp von der Wippel explains how and why the entrepreneurial mindset is needed to tackle wicked problems. He reminds us to start small, move fast, and fail early. (Watch 0:00 - 7:03) |
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| ASSIGNMENT[Interview an Entrepreneur](https://docs.google.com/document/d/1a4TUXhEVaEEsPjl4zOoZjGy-paCwMexuKOeNwFTpfso/edit) | Connect with an entrepreneur in order to learn more about their process and work, and see opportunities in the space of your chosen challenge through the eyes of an entrepreneur. This will also help you hone professionalism and networking skills. |
| ACTIVITY [Map your innovation ecosystem](https://docs.google.com/presentation/d/1IHPSctssp_ErcYu6C8TgzhMYKhkLAJ_m/edit#slide=id.p1) | This activity will help you understand the stakeholders in the innovation ecosystem around your chosen challenge, and use online tools to map the ecosystem. |
| ACTIVITY [Stakeholder Power Mapping](https://trainings.350.org/?resource=power-mapping-activity) | Understanding who is in or out of your court when you start a business (or propose changes in an existing business) is a critical part of business leadership. Strategically aligning your initiative with internal and external supporters goes a long way towards instigating real change; use this activity to practice these skills.Pick 10 individuals or organizations from your innovation ecosystem map and analyze them using this [Power Mapping Guide](https://trainings.350.org/?resource=power-mapping-activity). Then, pair up to present and critique each other's work.  |
| ACTIVITY [Explore revenue models](https://docs.google.com/document/d/1b5nLxJQn7QpdxyQ6RKKXvqA20aKroy3cNDMSpM6WGPo/edit) | In order for your idea to scale, you’ll need to design a business model that sets it up for long-term financial sustainability. Start to think creatively about how you might make money in a fair and sustainable way. |
| VIDEO [Introduction to the Business Model Canvas](https://www.youtube.com/watch?v=gVimMEI2u2w&t=203s) | This example presents the Business Model Canvas from the perspective of a sustainability initiative. The canvas is a great tool for making a business case for a sustainability project, whether it's an initiative within an existing organization (intrapreneurship) or launching a new venture. |
| ACTIVITYPractice using the [Social Business Model Canvas](http://socialbusinessmodelcanvas.com) | Before you jump into designing a business model for your own venture, learn from successful companies with creative business models. The gravitation towards more sustainable economic frameworks has led to a rise in companies built explicitly to facilitate improved sustainability. Download the canvas [here](https://www.socialbusinessmodelcanvas.com/), and then choose one of these businesses and research their model well enough to fill out the canvas: [Terrapass](https://www.terrapass.com/), [Cool Effect](https://www.cooleffect.org/), [Native Energy](https://native.eco/), or [NextAmp](https://www.nexamp.com/). |
| VISUAL AID[How do you prototype a business model?](https://docs.google.com/presentation/d/1IHPSctssp_ErcYu6C8TgzhMYKhkLAJ_m/edit#slide=id.p2)  | What does it mean to prototype a business model? Here, we share some examples of how you might prototype pieces of your business model, so that you can put them into stakeholders' hands and get early feedback on your decisions. |
| ACTIVITY[Prototype your business model](https://docs.google.com/presentation/d/1IHPSctssp_ErcYu6C8TgzhMYKhkLAJ_m/edit#slide=id.p3) | Think through how your offer will look to customers by building a prototype. Practice the art of moving between talking about the theory of your business model (in the canvas), to making it feel ‘real’ and getting feedback from potential users. |
| ASSIGNMENT[Design your business model](https://docs.google.com/document/d/1Z71smg08rcR7aMOMWiwjNfotYUhlnJbTkx09Nst9JyE/edit) | Try filling out the Social Business Model Canvas for your idea, and get feedback that can help you imagine new ways to maximize value for everyone involved in your project. |

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##### Curious to learn more? There are additional resources in the [Explore More](#kix.ygh64jz5gpba) Section.