

Module 4 - Sustainable resources planning. Beyond planning

4.1. Resources in a social business



Module 4.1. Resources in a social business

- 4.1.1. Concepts and different types of resources in a social business
- 4.1.2. Material resources. Definition, relation and how to obtain them.
- 4.1.3. Non-material resources. Definition, relation and how to manage them.







Module 4.1. Resources in a social business Learning outcomes:

- To know different types of resources in a social business
- Understand how to access in a sustainable way to some type of tangible resources







4.1.1. Concepts and Different Types of Resources in Social Business

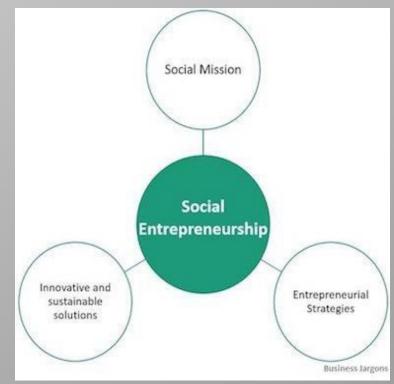
Self-Sustainability in Social Business

Many characteristics of a social business are similar to a traditional one:

- It operates within a market.
- It provides specific products and/or services to customers
- It pays expenses and gains revenue

Even though a social business determines a certain social objective and strives to achieve it, it cannot neglect to find the means to recover its full costs.

However, it does not distribute its profits to shareholders but reinvests them in its target social issues and target group of beneficiaries.



https://businessjargons.com/social-entrepreneurship.html

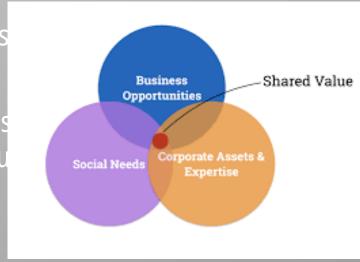




Shared Value in a Social Business

- Value capture: gain profit, capture economic value (traditional business)
- Value creation: create social values, respond to social challenges
- Shared value approach: combine value capture with value creation (s

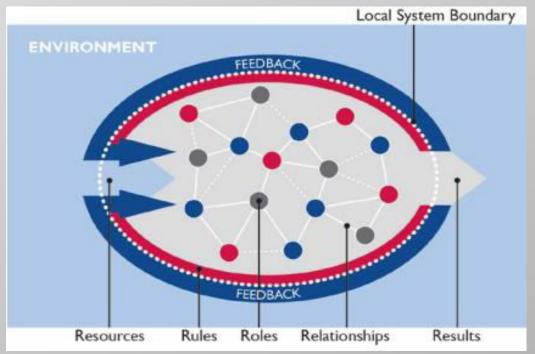
A social business needs to be self-sufficient, which means to apply the salue approach and account for its resources as well as to increase its u



https://www.ecomena.org/corporate-shared-value/



What are Resources?



Resources can be understood as the various inputs that are transformed into results.

They can be classified into two types:

- Material resources
- Non-material resources

nage source: USAID, 2016, The 5rs framework in the program cycle.

https://prod.usaidlearninglab.org/sites/default/files/resource/files/5rs_techncial_note_ver_2_1_final.pdf.





4.1.2. Material Resources. Definition, Relation, and How to

Obtain Them

Material resources are public or private financial resources that can be used in each operative stage of a social business

Resources can be obtained in different ways, and at different times during the development of the business:



- generated from certain activities that bring income;
- can be the result of investments;
- can be the result of public policies designed to motivate and facilitate social entrepreneurship, or
- Can come from donations or membership fees.







A variety of **institutions** provide social businesses with financial resources:

- Public
- Private
- Governmental
- Local
- Foundations and networks devoted to social enterprises or social economy



Forms of support can vary as well:

grants, subsidies, competition awards, or even consultancy
service

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of the European Union

Hubs and Incubators

... provide shared working spaces, networking opportuniand mentorship to start up or accelerate a business vent

Try to find out if there are any organizations offering consultancy, exchange, networking or co-working space near you.

Find out about there offers and how you could benefit from them!





4.1.2. Non-Material Resources. Definition, Relation, and How to

Manage Them

Non-material resources refer to

Social capital, such as:

- public image
- communication strategies
- interactions and networking capabilities

Human capital

qualified personnel recruited and trained to effectively ru
 the company's activities and help reach its objectives

Political capital

- the company's ability to navigate the political scenery of its locality:

by building alliances and lobbying

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Non-material resources can also be found online:

Multiple platforms offer knowledge on social entrepreneurship.

You may benefit form:

- valuable information on social ventures and social innovation
- readings & success stories
- tools that can facilitate operations or management
- Look for an online platform which offers useful information for your business idea!

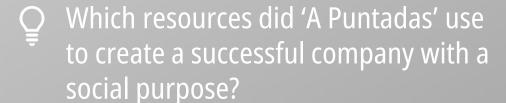






Case study 1: Sustainable manufacturing and merchandising through social and labor integration: A Puntadas E.S.:





How did they obtain them?





<u>Case study 1:</u> Sustainable manufacturing and merchandising through social and labor integration: A Puntadas E.S.:





Which practices from Puntadas might be interesting for your business idea?

- 1. Are there any non-profit organisations that can relate to your idea/product/business plan?
- 2. How could you profit from strategic partnerships?
- 3. Have you investigated all your funding options?
- 4. Do you have access to information regarding public policies and funds?
- 5. How can you deliver value to your customers AND make a social impact?
- 6. Have you secured ongoing support from a mentor that will help you navigate any possible challenges? Co-funded by the





https://www.youtube.com/watch?v=k3C iPdBxxw

Watch the video:

It gives examples for resources needed to establish a social business.

What resources are key to realize your entrepreneurial idea?





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4.1. Resources in a social business





SOCIAL Module 4 - Sustainable resources planning. Beyond planning

4.2. Sustainable use of resources in a social business





Module 4.2. Sustainable use of resources in a social business

- 4.2.1. Understanding sustainability in resource management
- 4.2.2. Ways to ensure the sustainable management of resources
- 4.2.3. Measuring the sustainable use of resources in a company
- 4.2.4. Benefits of the sustainable management of resources







Module 4.2. Sustainable use of resources in a social business

Learning outcomes:

- Understand sustainable resource management
- To know how to manage resources in a sustainable way
- To be informed on the benefits of sustainable management of resources

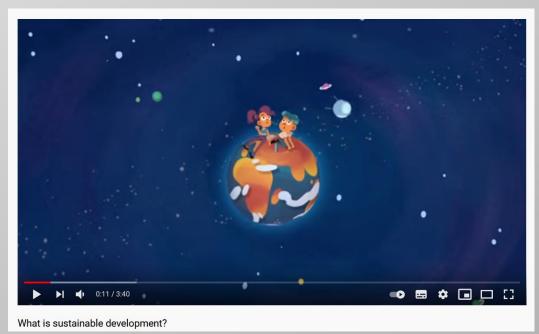






4.2.1. Understanding Sustainability in Resource Management

What is Sustainable Development?



https://www.youtube.com/watch?v=7V8oFI4GYMY



What is sustainable development?

What are renewable resources?
What are non-renewable resources?



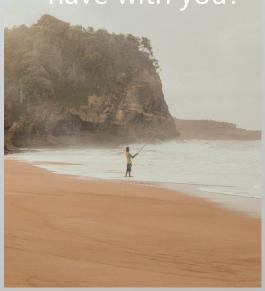


What is Resource Management?

Imagine you are stranded on a lonely island.

Which three items do you want to

have with you?



Resource Management means to decide which resources you need, how to get them, and what to do with them (be it to survive on an abandoned island or within an enterprise).



What is Sustainable Resource Management?



https://www.youtube.com/watch?v=kC3VTg-8f0s

Only a sustainable management of resources can help to face the economic, social and environmental challenges of our planet.





4.2.2. Ways to ensure the sustainable management of resources

Let's have a look at each of the three pillars and see what sustainability means in detail and which methods can contribute to a sustainable use of resources.





Environment: How to manage natural resources in a sustainable way?

General advice:

- Lowering the demand of natural resources
- Conservation of natural resources such as water, energy
- Replacement of non-renewable energy sources by renewable ones
- Buying material/resources with environmental certification
- Reduction of emissions (e.g. CO $_{
 m 2}$
- Sustainable supply chain management
- Reuse and recycle of resources (waste, water, heat)

In detail:

- Use shared working/production facilities, such as co-working areas
- Use e-mobility
- Buy used equipment
- Repair broken equipment
- Purchase only energy efficient products
- Use digital formats instead of printing





Economy: How to manage economic resources in a

Human resources:

skills, energy, competences, abilities, or knowledge

Non-human resources:

financial means, facilities, cars, equipment, material

The sustainable use of economic resources demands a business (or country) to use them efficiently and responsibly to sustain its activities in the long term.







Social: How to manage resources to foster social sustainability

Social Sustainability is the ability of a society or social system to persistently achieve a good social well-being. This includes various factors such as equitable, healthy,

diverse, livable, connected and democratic communities for current and future

generations. Examples on how to foster social sustainability:

 Staff/management: Keep a balance of gender and age; consider different nationalities, ethnicities or minority groups to be represented.

- Offer regularly opportunities for training and qualification.
- Pay attention on an equal pay ratio of men and women.
- Check the possibility for social benefits.
- Offer ways for participation, representation and accessibility of information.





Summary: Resources are limited!

The use of *natural resources* is sustainable when the resources are renewable and used in a responsible way (not using more than can replenish).

Manage *economic resources* efficiently and responsibly to sustain your entrepreneurial activitie in the long term.

Don't forget about *resources linked to social* sustainability, such as the composition, qualification, payment and participation of staff.







<u>Case study 2:</u> Online Farmer's Market & the sustainable use of resources





- Take a customer's point of view: Would you be interested in buying your food at a local food assembly? Why / Why not?
- 2) Which practices does the network "Marktschwärmer" use to increase a sustainable use of resources?







Please think of the resources you will need to run your activities:

What are your ideas on the use of the resources for your business to increase environmental, economic and social sustainability?





4.2.3. Measuring the sustainable use of resources in a company

What are the 5 main resources for your business idea?

Which data do you need to assess their sustainable use?

```
recycled waste
     waste disposal
   electricity usage
                           accessibility of infos
     qualification of staff
                                   energy mix
 equal pay ratio
                          biodiversity
                                           reused water
                    land use
e-mobility
       fair wages
                 ecological footprint
                                            heating
    emissions
            diversity of staff
                     safety and health
                         water usage
           organic catering
```





4.2.4. Benefits of the sustainable management of resources

Sustainable enterprise models aim to create value for all stakeholders, including employees, shareholders, supply chains, civil society, and the planet.

Companies that decide for sustainability as a major part of their business strategy will profit from an improved financial performance, drive innovation, benefit from loyal customers and motivated employees









Read the article "The Comprehensive Business Case for Sustainability" of Harvard Business Review:

https://hbr.org/2016/10/the-comprehensive-business-case-for-sustainability.

The article offers several examples on how large companies benefit from their focus on sustainability – How could sustainability contribute to your business idea's success?







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