UNLEARNING WITH A SOCIAL ENTERPRISE

Case Lettucebee Kids

Faraz Ahmed Khan (281612)

Picture credits: Lettucebee Kids
I asked, "Why have I received only this?" A voice replied, "'Only this' will lead you to That."

Rumi
Abstract
It would not be an exaggeration to claim that I have been fortunate to have been exposed to quality education and a healthy childhood, especially belonging to a middle class family in a country like Pakistan. The children on the street in my country are always under the threat of physical abuse and social injustice. They are ignored due to society’s lack of awareness and children’s lack of social skills. The plight of these children has always been a topic of personal interest to me. Lettucebee Kids is a Non-Profit Organization that involved these children in weekly activities to provide physical, mental and social support since 2009. The aim of this master’s thesis; in collaboration with Lettucebee Kids, is to identify the kind of activities and processes that can support social enterprises in developing countries. The pursuit of this topic has led to interviewing professionals and practitioners in social enterprises in order to develop the understanding of the domain. Furthermore to establish the goals of the business, surveys with respondents from Pakistan have provided quantitative data informing about what people expect and need from a social enterprise. With the insights from the research, business process models have been created. These processes along with the findings related to the proposals about the environment that can support these business activities can be considered by Lettucebee Kids while planning their business. The business processes have been created to emphasize the fulfillment of both social and financial objectives.
Acknowledgements

I would like to thank Allah for keeping the child in me alive, so that I could understand and contribute to eradicate the predicament of children on the street. I have nothing but gratitude for my supervisor Matti Vartiainen for his regular reviews of my work and to Pekka Berg and Kirsi Polvinen for continuously pushing me in the right direction. For her inspiration and opening my eyes to the predicament of children on the street I will always be in debt to Sarah Adeel and Lettucebee Kids. For sharing their knowledge and time with me, I am great ful to the five interviewees and the fifty survey respondents. For all her help in finding related literature i thank Anna-Mari Saari. For their help in developing business process models I am thankful to Timo Itälä and Abir Malik. Last but not the least, I cannot overlook my parents support who allowed me to pursue my education and always believed in me.
### Detailed Table of Contents

**HOME IS WHERE MY CLOTHES ARE - an introduction** ............................................................. 8

**SHOULders OF GIANTS - a review of key literature** ................................................................. 13
- Social innovation .............................................................................................................................. 14
- Social enterprise ............................................................................................................................. 15
- Social enterprise models .................................................................................................................. 20
- Social enterprises in developing markets ...................................................................................... 25
- Social enterprises in Pakistan ......................................................................................................... 26
- Business process ............................................................................................................................ 29
- Business process modeling ............................................................................................................. 33
- Theoretical framework ................................................................................................................... 33

**PATH AND THE RIDE – research methodology** ..................................................................... 38
- Research plan ................................................................................................................................. 39
- Data collection methods ................................................................................................................ 40
  - Interviews .................................................................................................................................. 41
  - Surveys ...................................................................................................................................... 43
- Data analysis .................................................................................................................................. 45

**HIDDEN TREASURES – key findings** ....................................................................................... 46
- Lettucebee kids’ organizational background ................................................................................ 47
- Key findings from the interviews ................................................................................................... 48
- Key findings from the surveys ....................................................................................................... 50

**DISCOVERING AND DEFINING – application of key findings** ............................................... 53
- LBK offerings and the process characteristics .............................................................................. 54
- Environment for LBK .................................................................................................................... 57
- Business intelligence ...................................................................................................................... 58
- Strategy ....................................................................................................................................... 58
- Competency .................................................................................................................................. 59
- Roadmap and development ........................................................................................................... 60
- Business processes ....................................................................................................................... 61

**NAVIGATING WITH THE STARS – discussion and conclusion** ............................................... 74

**References** .................................................................................................................................. 78

**APPENDIX A. Social enterprises and non-profits active in Pakistan** ...................................... 80

**APPENDIX B. Interview questions for social enterprises** ........................................................ 85

**APPENDIX C. Survey questions** ............................................................................................... 86
APPENDIX D. Story board used with Survey 3 ................................................................. 96
APPENDIX E. Interviewees’ profiles ................................................................................. 99
APPENDIX F. Survey responses ......................................................................................... 101
APPENDIX G. Legend for business processes (Itälä, 2013) ............................................. 111

List of Figures
Figure 1 Type of Social enterprise concept source (Alter, 2006, pp. 206-209) .................. 20
Figure 2 Social enterprise model archetypes source (Alter, 2006, pp. 211-213) ............ 21
Figure 3 Environment source (Shah, 2013, p. 6) ............................................................. 26
Figure 4 The customer-perceived results source (Edvardsson, B. & Olsson, J., 1996, p. 144) ... 31
Figure 5 Model of service concept source (Edvardsson, B. & Olsson, J., 1996, p. 150) .... 31
Figure 6 The service process source (Edvardsson, B. & Olsson, J., 1996, p. 156) ............ 32
Figure 7 The service development environment source (Edvardsson, B. & Olsson, J., 1996, p. 154) .... 32
Figure 8 Basics of business process modeling source (Itälä, 2013, p. 5) ......................... 33
Figure 9 Lettucebee Kid’s Offering .................................................................................. 34
Figure 10 Theoretical framework used of study of business environment and processes ...... 35
Figure 11 Business process/ activity framework source Berg et al (2005, p. 10) ............... 37
Figure 12 LBK Vision source (kids, 2010, p. Gallery) ...................................................... 47
Figure 13 Survey 1 respondents’ location ...................................................................... 50
Figure 14 LBK Offering ................................................................................................. 54
Figure 15 Process elements leading to offering source Berg et al. (2008) ....................... 56
Figure 16 Proposed team structure of LBK .................................................................. 60
Figure 17 Roadmap and portfolio development (current: green, proposed: blue) ......... 61
Figure 18 Expanded logical framework ....................................................................... 62
Figure 19 Child LBK process ....................................................................................... 63
Figure 20 Child registration process ............................................................................. 64
Figure 21 Child activity planning process .................................................................... 65
Figure 22 Child education process ............................................................................... 66
Figure 23 Activity management .................................................................................. 67
Figure 24 Partner management ................................................................................... 68
Figure 25 Volunteer management ............................................................................... 69
Figure 26 Elderly integration ...................................................................................... 70
Figure 27 Fresh food production process ................................................................... 71
Figure 28 Recycling management .............................................................................. 72
Figure 29 Arts and Craft management ....................................................................... 73

List of Tables
Table 1 A summary of the operation models and their key features source: (Alter, S) .......... 22
Table 2 Cross-case description of social enterprises in Pakistan ..................................... 27
Table 3 Key Learning from interviews (Pakistan: Green, Europe: Blue) ......................... 48
Table 4 Data (Survey 1: green, Survey 2: blue, Survey 3: yellow) ................................ 50
HOME IS WHERE MY CLOTHES ARE

Picture credits: Lettucebee Kids
Problem area

Children on the street, spending their days earning for their families and looking out for each other at an age where someone else should be looking out for them, is a challenge faced by many developing countries. Although the GDP in Pakistan expanded 3.67 percent in the fiscal year 2011-2012 (Trading Economics, 2012) yet other development indicators show little or no improvement. For instance, according to the World Bank’s world development indicators the Gross National Income per Capita indicates a minute growth of roughly one percent (World Bank Indicators, 2013). In these tough economic conditions the family unit relies on all the resources for survival, including children.

These kids have become an everyday sight on the streets and roads of Pakistan they are despised and ignored at large. Tackling this challenge is of great and personal importance. These children are put to work to generate income for every day basic necessities including food, water and healthcare. Collecting resalable materials from garbage, cleaning car windows, selling toys and stationary on traffic lights and begging are some of the areas where these kids are found very active. The strain that these kids regularly live through is physical and mental it also robs them of their childhood and their innocence.

Purpose

Lettucebee Kids (LBK) is an entrepreneurial non-profit venture that aims to improve the condition of these children by providing both tangible and intangible support (LettucebeeKids, 2010). Working closely with the street children under the LBK flag, for the past three years it has become evident that the biggest challenge for these kids is not learning new habits. In fact it is unlearning the old habits that they have picked up over the years. Hence, the first step of learning is unlearning. This phenomenon is also true for LBK and any other organization striving to expand. The purpose of the thesis is to contribute to LBK efforts. The aim is to comply with the LBK mission of creating a self-sustaining, socially integrated social enterprise that can support itself as a business and the children as benefactors. (For details on the organization please refer to the background section)

During the past two years LBK has concentrated on working with 40 street children from the local community to develop the understanding of the dilemma faced by them. These children are not orphans, they have parents and a place to live yet they are homeless in the broader sense as they are left on the streets to earn and return home only with earnings from the day. Very often these children don’t return home and sleep on the street leading to criminal activities and atrocities against them. The weekly activities conducted by LBK are aimed at creating awareness about the kid’s plight and educate society about what measures can be taken improve the situation. The challenge is that currently the resources available are voluntary and the investments is provided by the LBK teams from
their pockets, it is clear that this path is not sustainable and lacks the long term impact required to bring sustainable change in the kids’ lives.

**Research gap**
In collaboration with the LBK leaders the aim of my thesis is to identify key activities and define business process concepts that allow LBK to achieve their social and financial goals. **The plan is to identify key players, environment, required resources and business strategy and use them to conceptualize innovative goods and services that have social value and financial benefits as an outcome.**

The thesis looks at solution to build on the LBK’s existing brand image and portfolio that has materialized over the past two years. Interviewing similar organizations working on generating social value in Pakistan will be beneficial to generate business intelligence and identifying the challenges that LBK might face working in the prevailing socio-economic environment. The key processes and activities will be identified and conceptualized as the elements that contribute to the social and financial goals of this social enterprise.

**Answers that I seek**
The exact number of street children in Pakistan today remains unknown but according to United Nations’ estimates the population of street children worldwide at 150 million (PANGAEA, 2010). According to the current UNICEF statistics, estimates 30 million in Asia and 1.2 million street children only in Pakistan (ACR, 2005). Most of these 1.2 million children are not orphans and they are not homeless. Because of the poverty their parents and guardians are left with no choice to send their children (between 3 and 12 years of age) to earn on daily bases to support the family they are part of. These children survive through abuse and discrimination on daily bases. If nurtured, educated and trained properly, these children can be turned into a massive productive force and progressive citizens of Pakistan.

There are many social enterprises in Pakistan busy in creating better quality of life for different segments of the population. Most of these enterprises are invested in by international organizations that focus on women, agriculture and farmers, children, health, sanitation and education. Many of these bodies working on child health and education bring services and goods for the children in rural areas. Others try to tackle these issues by bringing awareness in the society about the importance of child issues and bring relief through schools and hospitals.
LBK aims to focus on the rural children which are ignored and disowned by the community and society in general. The objective is to bring awareness in the society and create sense of responsibility on the community level for the children in the street.

Since the desired outcome is to have a long term impact on the children lives, without relying on external funding, hence sustainable business becomes the cornerstone of the whole LBK project. But in the world of business, there is no sustainability without having costs and sources of revenue which can manage the costs and bring the desired profits. For my thesis, I consider LBK as a social enterprise which can achieve the desired social objectives and run the business activities in parallel that can contribute to the social mission of the enterprise and contribute in fulfilling the financial goals. Hence the research question for my thesis is:

**What kind of business process model and practices would support social enterprises in developing countries?** Case: Lettucebee Kids Pakistan.

The underlying issues that will need to be elaborated upon in order to explore the research question are:

- Conceptualizing Business Processes and activities that contribute to Social value.
- Conceptualizing Business viable processes, leading to self-sustainability.

**Research Plan**

To find the answer to my research question, the exploration begins with reviewing literature related to social innovation and social enterprises. The business processes and social enterprise models that are in use by the organization in other developing countries and in Pakistan are studied using cross case analysis. Since the aim of the thesis is to define business process models and practices, frameworks are used that help define the objectives of business activities for LBK. To develop and define goals based on the literature further research includes interviews and surveys. Quantitative and qualitative data from the interviews and surveys is analyzed to fill in the information in the logical frameworks (Berg, P., Pihlajamaa, J & Lindroos, 2005) that lead to the production of business process models specific to LBK.

**Structure of the thesis**

**HOME IS WHERE MY CLOTHES ARE** is the introduction to the topic showing the personal reasons why I chose to tackle this topic with LBK. This chapter also contains the thesis topic and the research question that I aim to answer.

**SHOULDER OF GIANTS** serves as the literature review. This chapter summarizes the work of academics and data sources to define social enterprises, social enterprise models and business processes. The aim here is to create a knowledge base for the work to follow. This section also explains the theoretical framework used to explore the subject area.
**PATH AND THE RIDE** includes the research plan and how the research was conducted. This section also includes the details of the research conducted and the challenges faced on this path.

**HIDDEN TREASURES** combines the findings from the interviews and surveys. These findings are color coded in tables to define which area of the theoretical framework the findings belong to.

**DISCOVERING AND DEFINING** is where the creativity starts. This section uses the finding from the previous section and develops on the proposed frameworks to arrive to the goals. These goals are then used to define the business process and model them combining the key findings with practical business insights.

**NAVIGATING WITH THE STARS** is a discussion conclusion of the thesis and my perspective on the theoretical and practical implications of the key findings. Furthermore this section defines prospect areas for future research.
SHOULDERS OF GIANTS

Picture credits: Lettucebee Kids
To the reader: This section is composed of literature reviews in an effort to establish a knowledge base related to the world of social enterprises. To develop a better understanding of social enterprises, this section starts by defining social innovation. Exploring the bigger picture, the roots and role of social enterprises today’s world have been discussed. Following the research question, a summary of available social enterprise models have been included. Later in this section the focus is narrowed by looking at the role of social enterprises in the developing countries. In reference to the case of LBK in Pakistan, this section includes a cross case analysis of some of the prominent social enterprises in Pakistan and a summary of what kind of models they follow in their operations. Furthermore a review of what business processes are and what elements are important when defining business processes is also included. In the end of this section the theoretical frameworks are discussed that are later used to explore the socio economic conditions and defining the key activities for LBK.

Social innovation

Innovation in its simplest form is deemed as ‘new ideas that work’. Innovation includes the implementation of an idea to make it useful as opposed to other concepts like invention and creativity. Social innovation in its simplest form can then be described as the activities and ideas that are implemented, aimed at solving a social problem. The fields of social innovation range from increasing life expectancy to difficult transitions to adulthood as described by Mulgan et al. (2007, p. 8).

Social innovation incurs change, and there are barriers to change and invariably to social innovation as shown by Mulgan et al. (2007, p. 18):

Efficiency: most reforms, no matter how appealing are rejected by people because, firstly, they challenge all levels (operational, individual, social, etc.) of the system that have evolved around each other, and, secondly, these reforms in short run have a risk of decreased performance.

Peoples’ Interests: a stable society would have people with stakes (time, money) in its stable workings. Over time these people have learned how to work the system to their advantage. Hence the risk of change will appear greater in comparison to sticking to the existing system.

Minds: a system that provides security and success through execution, gives rise to assumptions, values and norms in peoples’ minds. These norms form the culture that the system supports serving as a barrier when a change starts.

Relationships: a system essentially consists of people behaving as actors of the system. These people are interrelated giving rise to a sense of common obligations. These relationships revolving around favors and debts may be critical for the smooth operations in the system, at the same time they provide resistance to any change even in the presence of desire for improvement.
Nussbaum (2011) raises and focuses on the question “What is each person able to do and to be?”. She follows this question by defining a framework that challenges the status quo for gauging development in nations. In her framework, she defines ‘combined capability’ as ‘personal ability’ of the individual combined with opportunities. The opportunities in her framework refer to political, social, economic and other aspects that contribute to or restrict the growth of personal abilities. Similarly a community has the same affect when it works in favor of the organization using it (Nussbaum, 2011, p. 17). As mentioned by Gloor and Scott (2007, p. 4), the organizations can benefit from allowing and promoting co-creating environments, where they give away power, share knowledge and allow people to self-organize. So the real power of the community may lie in building on personal abilities and use them for the benefit of the community by giving away power and knowledge. None of this is possible without streamlined and open communication within the community. Giving away power and sharing knowledge go hand in hand. As established very clearly by Gloor and Scott (2007, p. 66), sharing knowledge also means giving away power, for instance, how Ben Franklin achieved the library concept and the fire brigade through sharing the idea with his fellow men and constantly being part of the idea without completely owning it.

Social innovation that Lettucebee Kids (LBK) is trying to start requires planned execution on many levels. More importantly it requires the participation of the community that can own LBK activities and contribute their time and money towards the cause.

Social enterprise
Social enterprises have surfaced, over the past couple of decades as a phenomenon that has, according to many academics, challenged the norms of the business conduct. According to Alter (2006), a social enterprise needs to focus on both its financial and social missions. The distinctive ability of a social enterprise is to interlink and balance business activities and social interest to create social change. Based on the priorities that are assigned to financial and social objectives; Alter (2006) defines three categories, these are External, Internal and Embedded social enterprises. The differences between the three categories are based on the organization’s focus, and the strategies employed by them to fulfill the social objective.

With the help of three distinct yet closely related examples (GramminPhone, bracNet, GrameenDanone), Pirson (2012, pp. 37-41) examines and shows how there is a constant struggle within organizations to fulfill social and financial value creation and how organizations evolve based on different factors. He concludes from his examples that it is not easy to establish a balance between the two types of objectives. Organizations; even though created with very clear social-value objectives,
may sway and focus more on financial targets depending on what conditions they face as they grow (Pirson, 2012).

Ridley and Southcombe (2011) in their discussion of Social Enterprise Mark shed some light onto the history of social enterprises and the progress and development of organizational objectives taking up social entrepreneurship in Europe. According to them many commercial organizations have social objectives, irrespective of the social problem that needs to be resolved, the strategies and structure of organizations depends on various factors. The organizers of a conference of cooperative and community business activities held in Birmingham in 1994, defined the objectives for social enterprises. They later incorporated the concept of the social enterprise Partnership and provided a stable definition of social enterprise as trading bodies that aim for social objectives. According to the Ridley and Southcombe (2011, p. 3) the distinct characteristics of the social enterprise are:

- “Being bound to a set of beneficiaries or community
- Having a democratic structure
- Having common and shared value
- Being open and accountable
- Concerned with empowering members
- Using and developing volunteers
- Offering workers ownership
- Creating social wealth
- Having an emphasis on cooperation and networking”

The rise of Social Enterprise London (SEL) is the evidence that these ideas spread onwards and the objects from Memorandum of Association: SEL- 26th January 1998 (created autumn 1997) as cited by Ridley and Southcombe (2011, p. 4) from the “Companies House” were specified as follows:

“The objects of the company are:

1- To promote the principles and values of the social enterprise economy in Great London and its environs.
2- To promote cooperative solution for economic and community development.
3- To promote SE, in particular cooperative and common ownership, social firms, and other organizations and businesses which put into practice the principles of participatory democracy, equal opportunities and social justice.
4- To promote, develop and support local and regional economic resources and opportunities.
5- To address social exclusion through economic regeneration.
6- To create a regional framework to support and resource development of the social enterprise sector.”

Ridley and Southcombe (2011) continue to explain the evolution of the social enterprises in UK and provide the examples of Regional Infrastructure for Social Enterprise (RISE) and Social Enterprise Coalition (SEC). According to them, while there were others working in this field, it took two years for the school of social enterprise to incorporate. After year 2000, a majority of regional agencies formed and incorporated. In 2003, the incorporate of RISE is worth mentioning in the context of Social Enterprise Mark. The memorandum of articles of Social Enterprise Coalition (reg 2002) and RISE contain simpler statements, supporting the social enterprise without the objectives hinting to cooperatives or participatory democracy.

Ridley and Southcombe (2011, p. 5) cite the objectives of SEC and RISE as:

“SEC Memorandum and articles.
1- To promote the principles and values of SE Economy
2- To promote SE Solutions
3- To promote SE
4- To promote regional access to resources for the SE throughout UK

When RISE registered itself in 2003 the objects was reduced to:

1- To support development of the social enterprise sector in Southwest of England.”

Emerging as a phenomenon of practical and theoretical importance, social enterprises have attracted people with influential, practical and scholarly attributes globally. The significance is emphasized twice by the Nobel committees: first when Muhammad Yunus won the Nobel peace prize for his work in 2006 on reducing poverty through micro-financing, and second, when Elinor Ostrom won the economic science prize for her work on communities and economics in 2009 (Haugh, 2012).

Smith, Beshrov, Wessels, and Chertok (2012) explain the paradox in which the social enterprises and entrepreneurs find themselves more often than not. They discuss and explain the pedagogical tools that have been used by the social enterprises to tackle the never-ending balancing act between the social and financial aims. According to them, three key skills that can help a social enterprise to not only stay focused on their aim, but also to use this internal struggle to their advantage are:

Acceptance: based on the work by Beech et al. (2004), Smith et al. (2012, p. 468) explain this skill as, viewing the social and financial demands as simultaneously possible, instead of competing against each
other. By accepting inherently contradictory demands leaders can view them as opportunities “invitation to act” rather than obstacles. Furthermore the authors associate the following two skills related to this tool: ‘Adopting an Abundance Mentality’ and ‘Embracing Paradoxical Thinking.’ (Smith W. B., 2012).

**Differentiation:** citing the works of Langer (1989), Smith et al. (2012, p. 470) conclude that this skill refers to identifying the unique importance and contribution of competing demands (Social and financial) and attentively catering for the differences between the two domains.

**Integration:** based on their research and considering the work by Suefield et al. (1992), Smith et al. (2012, p. 472) conclude that integration entails identifying creative synergies between contradictory elements. This allows the entrepreneurs to bring the two contradicting sides together so that they become productive. Identifying these productive options requires complex thinking (Suefield, 1992). According to Smith et al. (2012) this integrative thinking, i.e. to come up with complex and synergetic solutions, requires specific skills pertaining to interpersonal skills (that build trust, openness and cultural sensitivity) and decision making skills, allowing the leaders to find synergies.

Based on the study of three different nurseries that follow distinct growth strategies Lyon and Fernandez (2012) conclude that social enterprises have found their place as service providers with a social impact, between the conventional public and private sectors. Hence the way of governance, implementation and self-organization capabilities of social enterprise, they are also different compared to conventional approaches, i.e. they are not entirely in the control of the initial innovator. These capabilities have to be adapted in the specific context of the SE in question. The aim is to balance the social and financial objectives while scaling up. Different social enterprises have used different approaches to achieve this. Some of the strategies followed by the capabilities required for scaling are mentioned by Lyon and Fernandez (2012, pp. 70-72) (based on the examples in the study) as:

1- Maximizing social impact of existing provision: internal leadership and management skills.
2- Diversification: relationship building skills.
3- In house growth: marketing and fundraising skills.
4- Starting new sites: Growth management skills, capacity to have a central HQ.
5- Taking over existing sites/providers: ability to manage pre-existing staff and work culture.
6- Winning contract from local authorities or employers: bid writing skills, ability to invest time, without definite outcome.
7- Establishing Spin out organizations: Business planning, investment in market research.
Social franchise: Ability to identify business theory of change and what needs to replicated, significant central coordination and management, investment in identification and development of franchisees.

Kite marks and quality standards: ability to formulate core qualities, marketing skills, to attract users, capacity to inspect others and enforce standards.

Training and accredited courses: training skills, marketing skills to attract students and learners.

Networks to share good practice: ability to define and deliver on benefits of belonging to network.

Provision of open source materials and encouraging learning: time to invest without financial recompense.

1→ 12 increasing potential scales of impact of innovations and decreasing control over how innovations are implemented (Lyon, F. & Fernandez, H., 2012).

Hall, Miller and Miller (2012) in their study of the English health system, observed the introduction and acceptance of the ‘Right to Request’ policy by the efforts of entrepreneurial minded employees. The study develops its insights based on the insights they received from the stakeholders of the health system after this social enterprise is underway. Hall et al. (2012) found that many of the entrepreneurs suggested a jump toward social enterprise as a potential to innovate and be responsive to service users, also giving rise to a desire for a collective jump, as in a team effort rather than an individualist pursuit. Also they found evidence of a push created by increasing competition and choice in primary and community services meant that for some it was a case of “sink or swim”. Entrepreneurs described how they were pushed towards social enterprise in order to survive as an organization.

With the help of this study, Hall et al. (2012) provide insights about the different factors that motivated (either jumping or being pushed) the employees of the English health system to be created and run as a social enterprise. The authors also indicate that this kind of socially entrepreneurial drives may not succeed without the organization promoting it internally, or without the support of the government sector involved (especially in health care). Yet the benefactors of such efforts are the end users, in this case getting better access to health care.

Hall et al. (2012), further explored the process of social enterprises and with the help of examples identify the conditions in which compassion increases the chances that an individual will engage in social entrepreneurship. They propose that compassion prompts pro-social motivation; fostering flexible thinking processes and gives rise to sense of duty to act.

Miller, Grimes, McMullen and Vogus, (2012, p. 620) explain that compassion gives rise to integrative thinking, pro-social cost benefit analysis and commitment to alleviate other’s suffering. These
sentiments combined with the conditions brought on by the changing social sector and increasing moral legitimacy of social enterprise increase the likelihood of individual with entrepreneurial mindsets to work toward creating social enterprises to challenge the social issues. They argue that more social challenges, give rise to compassion which in turn leads to motivation, hence the increase in social entrepreneurs.

LBK, with its objectives of creating a prosperous future for the children and eradicating the gap between the society and them has a charter that requires a clear definition of goals. These goals are both financial and social. The aim should be to establish clear financial objectives that support the social aim and vice versa.

Social enterprise models
Alter (2006) discusses the different reasons why social enterprises are formed and how their formation and relation with parent organizations define and affect the objectives of social enterprises. In situations where the social mission does not fit seamlessly with the objectives of organizations, social enterprises are created as parallel activities to generate money and enhance the organization’s mission, for example, arts and culture not-for-profits. In his work Alter explains that social enterprises can also be formed just to improve the effectiveness and efficiency of the parent organization or to better use the resources to reduce costs. According to Alter (2006, pp. 206-209) social enterprises can be classified based on their mission orientation in perspective of the parent organization’s mission (Figure 1).

Looking at the social enterprise models, Alter (2006) defines the archetypes for these models. Embedded enterprises are the ones where the social and financial objectives of the organization are synonymous. The revenue generated by the organization is used to generate social value. The organizational operations and social activities are embedded as part of the enterprises activities. The
The key feature of social enterprise is that the business and social activities are created and executed to have comprehensive and harmonious relationship.

In the Integrated model, the overlying business and social activities share resources and costs. This type of social enterprises takes advantage of the resources available to them through the enterprise and might become part of the business operations of the enterprise. In this case the business and social activities contribute value (social or financial) but not necessarily, creating a symbiotic relationship (Alter, S., 2006).

According to Alter (2006), the External social enterprises are distinct with their business and social activities. In this case the revenue generating activities lie external to the social program. Similarly the social activities might take advantage of the resources, hence these activities have to be revenue generating and profitable to some extent for their purposes. Here the relationship between the social and business activities is supportive in nature.

![Social enterprise model archetypes](image)

Figure 2 Social enterprise model archetypes source (Alter, 2006, pp. 211-213)

- “Embedded: the social program is the business.“
- “Integrated: business activities and the social program overlap.”
- “External: business activities are separate from the social program.”

Based on his research, Alter (2006, p. 214) further proposes operational models based on the archetypes (Figure 2). These models are formed around the elements that the social enterprise interacts with for business and social value creation. The elements that play a key role in explaining the operational model of social enterprise are:

1. Parent organization: organization creating social enterprise.
2. Target population: population that stands to benefit from the social value being created.
3. Market: buyers of goods and services
4. Private companies: companies that form the market or play the supporting role, they stand to make financial benefits from these transactions etc.

The goods and services flow followed by the financial flow and how different bodies use synergies to their advantage is what distinguishes each model from others. Table 1 shows a summary of the operation models and their key features as explained by Alter (2006).

Table 1 A summary of the operation models and their key features source: (Alter, S., 2006, pp. 215-224).

<table>
<thead>
<tr>
<th>Name</th>
<th>Archetype</th>
<th>Players and financial flow</th>
<th>Strengths</th>
<th>Weakness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneurial</td>
<td>Embedded</td>
<td>Social enterprise, target population (self-employed individuals/small firms), market.</td>
<td>Because of its entrepreneurial nature and its reliance on approaching self-sustainability, this model best works when it involves mass target market. The focus on social mission avoids the organization from straying from the mission objectives.</td>
<td>Its implementation is narrow and mostly limited to sectors of economic development or programs supporting employment or entrepreneurship.</td>
</tr>
<tr>
<td>support model</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market intermediary</td>
<td>Embedded</td>
<td>Social enterprise, target population (small producers), market-Acting as an intermediary the enterprise purchases the goods/services and sells them to the market with a commission (kept by the enterprise). For example buying goods on fair price.</td>
<td>The mission focus of these enterprises lies in enabling the target population to sell their goods and services to the market by purchasing their products.</td>
<td>The implementation is limited to producers, as the relevant and high return markets for the goods may be hard to find.</td>
</tr>
<tr>
<td>model</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employment model</td>
<td>Embedded</td>
<td>Social enterprise, target population (high barriers to employment: disabled, ex-offenders)</td>
<td>In return the enterprise provides social services for the target</td>
<td>The cost of starting such an enterprise is high, as enabling special people has</td>
</tr>
<tr>
<td>Model</td>
<td>Integration</td>
<td>Enterprise Type</td>
<td>Target Population</td>
<td>Population Helping Them</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>----------------------------</td>
<td>----------------------------------</td>
<td>-------------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>Fee for service</td>
<td>Embedded</td>
<td>Social enterprise, target population, market.</td>
<td>The enterprise commercializes its social service and sells it to the population or to a third party paying for it. For example, parks, recreational facilities, hospitals etc.</td>
<td>Simple to implement. This has been used by non-for-profits as a revenue generating method to cover costs.</td>
</tr>
<tr>
<td>Service subsidization model</td>
<td>Integrated</td>
<td>Social enterprise, target population, market.</td>
<td>The non-for profit may boost the mission by starting different kinds of distinct business activities that also use the resources of the organization and contribute financially to the social mission of the enterprise.</td>
<td>To be able to implement this model, the organization must be experienced in rendering its social services. As the business activities run over the social program. This model can test the staff and the mission if there is confusion internally within the organization.</td>
</tr>
</tbody>
</table>
| Market linkage model           | Embedded or integrated     | Social enterprise, target population (small producers, local firm etc.), | Unlike many models, this model relies on and | Since this model depends on providing services to
The social enterprise acts as a broker between the market and the producers (target population). The social enterprise charge for these activities and use this to self-finance its activities.

<table>
<thead>
<tr>
<th>Organizational support model</th>
<th>External</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social enterprise, target population, market, social service organization.</td>
<td>The enterprise chooses the business ventures based on their expertise and merits. The business activities may not contribute to the social mission. The financial benefits are used by the enterprise to fund the social mission. The wide application of this model in non-for-profits and great freedom in business types and business operations contribute to its success.</td>
</tr>
</tbody>
</table>

The model is not easy to implement, because it requires a lot of financial support from the involved organizations to set up. Hence, the enterprise needs to be highly profitable. Challenges related to staff and missions also exist. This model requires the enterprise to be seasoned and business-savvy.
With their current efforts aiming to achieve financial and social objectives to achieve self-sustainability, the most suitable model for LBK is Organization support model. This model as identified by Alter (2006) is an integrated type model and will allow LBK to establish businesses activities in different areas to fulfill their financial objectives. At the same time, LBK can incorporate children to educate them through daily activities that lead to sellable products.

Social enterprises in developing markets

“All countries are “developing countries”, although that phrase is sometimes used to refer to poorer countries: every nation has a lot of room for improvement in delivering an adequate quality of life to all its people” (Nussbaum, 2011). Historically, social welfare has been associated with a response to a natural calamity, wars or non-profit organizations trying to bring relief to suffering humanity in some part of the world. All or most of these efforts have relied on changing the circumstances for the better by taking funding or charity from the resourceful and bringing them to the needy. In past few decades social enterprises have appeared and grown. The most affective form of these enterprises are visible in the developing markets, where the governance is poor and the local communities have found ways to solve their problems either with the collaboration of the government/ funding organizations or on their own. Examples like BRAC (Bangladesh), Grameen Bank (Bangladesh), Jaipur Rugs (Indonesia) and Barefoot Collage (India) are few examples of how people have developed innovative ways to overcome a variety of social challenges, including nutrition, education, health, social injustice, domestic violence, racism etc. These initiatives have been started by the local people in response some stimulus like wars, natural calamities or simply because of the desire to change the status quo. These organizations are supported by “investors” and “funding organizations” to start their cause, such organizations include ACUMEN Fund, UN, religious organizations (Finnish Church Association), Ashoka and numerous others. These organizations mostly operate all over the world enabling and promoting people to realize their dreams of a better life by empowering, training, providing resources, educating and creating awareness in the community as a whole.

Mostly in developing markets like Asia, existing social enterprises are focused on agriculture, production and selling of products to local and international markets, and improving lives for women and children. In developing countries, although a lot of resources are received (as funds or material) to improve living conditions but the focus is usually economic growth hence basic resources are always abused to manipulate individuals or groups when needed. The other problem with funded projects is that once the funding finishes the project disintegrates, leaving the beneficiaries in a state where they become used to the new system but lack the resources to achieve that way of life. Most funded projects focus on addressing the immediate need (and this model works in case of natural disasters) and very little is invested to create a long term impact.
Social enterprises in Pakistan

Social enterprises are fast becoming a popular technique to tackle the biggest challenges we face in today’s world. Providing communication facilities to the deprived community to boost their business, improve health or simply educating them about social problems. Governments and multinationals around the world and especially in the developed countries are encouraging entrepreneurs to challenge the status quo and innovate to resolve the most basic human challenges faced by us in our everyday needs.

Pakistan, formed in 1947 had its share of turmoil from natural disasters and wars. A continuous lack of stability has left a country in a prevailing uncertainty related to its political and economic conditions. According to the World bank indicators (2013), Pakistan has a population of 176 million, out of which 22.3% are living below poverty line giving rise to issues like unemployment, crime and urbanization.

In their report, Shah and Shubhisham (2013) define the macroeconomic environment and state that Pakistan has a growing number of microenterprises. They define the market structure comprising of political, legal, social and business influences. According to the report renewable energy, agriculture, mobile banking and other technology led industries are growing in Pakistan as shown in the Figure 3.

![Figure 3 Environment source](Shah, 2013, p. 6)

The market structure mentioned by Shah and Shubhisham (2013) nurture opportunities and growth at all levels of governance. Although their report is aimed at how to incorporate them in the business education sector, but it is important to note here that in this environment there are numerous social enterprises working in different areas of influence to bring social values. A cross case comparison categorizes some of the active social enterprises in Pakistan as shown in Table 2. The SE Models are used as identified by Alter (2006). Another list and details of some of these organizations are provided in the Appendix A.
For details of the models please see the ‘Social enterprise model’ section.

<table>
<thead>
<tr>
<th>Name</th>
<th>Beneficiaries</th>
<th>Social Enterprise Model (Alter, S., 2006)</th>
<th>Key operational feature</th>
</tr>
</thead>
<tbody>
<tr>
<td>Naya Jeevan</td>
<td>Low income families.</td>
<td>Fee for service model (Embedded).</td>
<td>Extending health care and social services to the low income families. Domestic staff. Costs are shared by employer and employees.</td>
</tr>
<tr>
<td>BRAC</td>
<td>Empower people and communities in situation of poverty, illiteracy, diseases and social injustice.</td>
<td>Organizational support model (External).</td>
<td>Microloans</td>
</tr>
<tr>
<td>Acumen Fund</td>
<td>Supporting innovative business model in housing, health, water and agriculture by providing supervision and finances.</td>
<td>Organizational support model (External).</td>
<td>Using their global presence and relations with local business, help and flourish innovative business models.</td>
</tr>
<tr>
<td>Kashf’s mission</td>
<td>Aimed at eradicating poverty especially among women.</td>
<td>Organizational support model (External).</td>
<td>General loans, life insurance, financial literacy, rehabilitation and reconstructions.</td>
</tr>
<tr>
<td>Microdrip</td>
<td>Small land holding farmers of Thar (desert).</td>
<td>Service subsidization model (integrated).</td>
<td>A small cost to set-up, educate and support the farmers so that they can use their limited water and generate sustainable income off their land by using microdrip methods.</td>
</tr>
<tr>
<td>The Citizen Foundation (TCF)</td>
<td>Children, mothers and young adults.</td>
<td>Fee for service model (Embedded).</td>
<td>Working as a non-profit organization, TCF seeks and establishes schools in areas of Pakistan.</td>
</tr>
</tbody>
</table>
Family Educational Services Foundation | Disadvantaged youth. | Organizational support model (External). | Working with the disadvantaged, by providing knowledge, guidance to help strengthen them, their families and communities.

RABT | Rural Areas | Organizational support model (External) | Identifying and reaching areas where there is no or limited health facilities and collaborating with locals to bring health education and relief through camps.

| Other organizations working with varying social objectives from women welfare to agricultural reforms and general health are gathered by thinkchangepakistan.org (2011). |

Looking at the social enterprises and non-profit organizations in action and considering the social, economic and political environments in Pakistan, it is evident from Table 2 and the information in Appendix A, that there are more challenges than the ones that are being addressed by these organizations on ground. Of course health, education and nutrition are at the top of the list of any social entrepreneur starting their journey, yet reaching the root cause and tackling the challenges needs strategy whereas sustainability demands business shrewdness. From the organizations mentioned above most of them are working as non-profit organizations although they have their financial engines and objectives that rely on funding or donations.

Poverty is one of the biggest challenges and all organizations at some level tackle this issue through:

1. Educating people so that they can be productive, for example The Citizen Foundation (TCF).
2. Educating communities and families to accept people with disabilities so that they are treated equally for example Family Educational Services Foundation (FESF).
3. Improving their health so that they can be more productive RABT.
4. Enabling people to overcome disabilities (physical, mental or addictions etc.) so that they are as productive as others example FESF.
5. Removing Financial hindrances and promoting innovative ideas among communities to drive positive change for example BRAC, Kashf’s mission and Acumen Fund.
6. Providing specific services in niche segments to enable more productivity example Micro drip.

The commonality among all these organizations is the business processes that they employ to achieve operational and financial independence. Depending on the area of influence the business activates vary, nevertheless all these processes involve the beneficiaries, community/society and in case of non-profit organizations the sources of revenue. The outcome of these activities brings financial and social value.

Considering the existing environment it is evident that all the above examples are big organizations that target large rural population or then they are non-profits relying on funding. Here LBK has a unique opportunity to start a business that revolves around a social cause, a business that resides and relies on the urban community. To succeed the biggest challenge would be to keep both the financial and social activities alive and running in parallel.

**Business process**

With the increasing volatility in the market and economies, business processes have become a fundamental tool for enterprises to develop, establish and function for success. The need for organizations to continuously adapt their business process to meet the changing business and market requirements has been recognized for a very long time. According to the Aldin, and Cesare (2011), the elements of a business model are interrelated and some of them (e.g. activity, event, process) are easily representable compared to others depending on the modeling language in use. Some of the definitions as cited by the Aldin and Ceaser (Aldin, L. and Cesare, S., 2011) are:

- A business process is a set of internal activities performed to serve a customer (Jacobson, I., Ericsson, M., Jacobson, A., 1995).
- A business process is a collection of activities that take one or more kinds of inputs and creates an output that is of value to the customer. A business process has a goal and is affected by events occurring in the external world or in other processes (Hammer, M. and Champy, J., 1993).
- A business process is simply a structured set of activities designed to produce a specified output for a particular customer or market. It implies a strong emphasis on how work is done within an organization, in contrast to a products focus on what. A process is thus a specific ordering of work activities identified inputs and outputs: a structure for action (Davenport, 1993).
- Business process is a lateral or horizontal organizational form that encapsulates the interdependences of tasks, roles, people, departments and functions required to provide a customer with a product or a service (Earl, 1994).
• Business Process is a purpose full activity carried out collaboratively by a group often cross functional boundaries and invariably driven by outside agents or customers (Ould, 1995).

Based on their research, Aldin and Cesare (2011) identify the following as conceptual elements in a Business Process (the examples mentioned here are changed to suit the context of this thesis):

• Process: a group of activities that contribute to delivery of a service and/or product. (e.g. registering customer).

• Activity: a specific action executed within an organization (e.g. entering customer in the system).

• Service and Product: the outcome of a process, tangible (product) or intangible (service) in nature.

• Role: the type of agent that taking part in the process (e.g. service desk).

• Goal: objective that process is defined to achieve (e.g. increasing headcount in a program).

• Event: an occurrence in a specified time, capable of creating an observable behavior (e.g. product is ready for shipment).

• Rule: a protocol defined for the process and the organization (e.g. only children between ages 3 and 12 can be enrolled).

Aldin and Cesare (2011) further explain the development of business process; reflecting on the research by Ould (2006) who state that there have been three waves of change. The first wave defined business processes as ‘a way of doing’. These processes were easily defined by using flow charts. In the second wave, with its prevailing perspective of information flow was driven by the need to identify and determine the information requirements within the process. So the information flow defined the business process making it consistent with the information system in place. The third wave shaped by the recent technology for business process management, focuses more on the manipulation, storage and re-use of information. The emphasis in this wave is more on the process than on the information, allowing the organization to adapt operationally to the changing requirements. Using the business management systems in place the organizations can now focus more on the business process management, execution, and monitoring in real time. Aldin and Cesare (2011) use Tan et al’s (2008) view stating that as more and more process automation occurs the customer’s interest in process execution also increases.

Aldin and Cesare (2011, p. 366) identify the differences in business models and business process models as: a business model conceptualizes the functioning of the business, whereas the business process model emphasizes on the behavior of the organization.
The business processes can also be defined as service processes. Edvardsson and Olsson (1996), focusing on the service quality and development, define services as a customer outcome. They define the outcome as a product of two sets of variables i.e. lasting-temporary and tangible-intangible (Figure 4).

![Figure 4 The customer-perceived results source (Edvardsson, B. & Olsson, J., 1996, p. 144)](image)

According to Edvardsson and Olsson (1996) the service concept should be approached from the customer’s perspective and service is the cumulative perception of the customer. Furthermore, a service is an outcome of a process. The difference between a process that creates a product and a process that creates service is that the customer is a part of the process in the latter case. Hence, in case of services the customer process should lead to a customer outcome.

The service concept as per Edvardsson and Olsson (1996), should be mapped around the customer needs, defining the core service and the supporting services (Figure 5).

![Figure 5 Model of service concept source (Edvardsson, B. & Olsson, J., 1996, p. 150)](image)
Furthermore to define the service process as a set of linked activities that may be parallel and sequential, functioning for the service to be produced. Although all parts of the service process are important but some activities are more critical than others. The service process; according to Edvardsson and Olsson (1996), is a modal for various customer processes, it contains detailed definition of many standardized and substitute activities in the customer process. These activities are not triggered until the customer triggers the service process. Hence, to be able to create and develop a service concept it is important to identify all detailed processes, including micro processes and individual activities as identified in figure 6.

![Figure 6 The service process source (Edvardsson, B. & Olsson, J., 1996, p. 156)](image)

One interesting aspect of a service process, as highlighted by Edvadsson and Olsson (1996) is the “Line of visibility”, i.e. what parts of the service are visible to the customer when they are a part of the service. Another key aspect emphasized is the service system. This includes the administrative support and control systems, for example, the financial, planning and information systems. These systems provide organizational and administrative control over the service execution and experience, both internally and externally. Furthermore; based on the work by Edvardsson and Gustavasson (1990) Edvardsson and Olson (1996) conclude that these systems include employees, physical and technical environment and the customers (Figure 7).

![Figure 7 The service development environment source (Edvardsson, B. & Olsson, J., 1996, p. 154)](image)
The development of services requires as prerequisites understanding of the developments in the concept, process and system. This kind of development environment allows the organization to generate the desired customer outcome with inherent customer processes.

**Business process modeling**

A social enterprise provides tangible and intangible solution to social dilemma. Though the business objective of an organization are clear, yet the organization may lack a structural approach to define a clear business process, information flows and links that can be implemented to ensure a smooth execution of the project.

The business process models described in this section are the To-Be processes that show core and support business processes and information flows based on the infrastructure of the organization like LBK.

The business process modeling approach followed here has a clear structure; each business process is a set of “activities” that is initiated by a “triggering event” and is completed by achieving a particular result as shown in Figure 8.

![Diagram](image)

**Figure 8 Basics of business process modeling** (Itälä, 2013, p. 5)

The method to map business process for LBK is bottom up process discovery where relevant activities for each process has been identified and then linked to form complete processes.

**Theoretical framework**

Business process defines the objectives of an organization and the outcome. In case of Social enterprises these business models should be able to incorporate day to day activities that contribute to the social and financial objectives as identified by numerous academics and practitioners. To be able to create the business process concept as per the research question, it is imperative to define the outcome of these business processes. Once the outcome is defined the processes and the comprising activities have to be defined.
As defined by Edvardsson and Olsson (1996), the end user needs to be able to define the offering. In case of LBK, it is:

**Offering are the final goods, services and social interaction** that will be delivered by LBK to its customers as shown in Figure 9.

![Figure 9 Lettucebee Kid’s Offering](image)

Activities that integrate the processes have to combine elements from different areas and rely on other external elements to be successful. This grouping forms the environment that may already have the capability to deliver the processes. These processes may need to be adapted to use the resources available. The supporting systems help with the operations. As identified by Edvardsson (1996) these systems include employees, physical and technical environment and the customers.

Davenport (1993) defines the business process as a structured set of activities designed to produce a specified output for a particular customer or market. In case of LBK, the market is Pakistan. In this market, with respect to the social enterprises and non-profits’ objectives, there is an emphasis on education, agriculture and poverty eradication. To face these mammoth challenges using the business processes the framework that can aid exploration of the subject area comes from the study of innovation process front end (Berg, P., Pihlajamaa, J., Poskela, J., Lempiälä, T., Haner, U. & Mabogunje, A., 2008). Berg et al. (2008) use the framework to discuss the innovation process and different types of environments that affect the process. They also conclude with the formation of the measurement method to define a Balanced Front-end Innovation Environment (BIFEM).

For this thesis, this framework (Berg, P., Pihlajamaa, J., Poskela, J., Lempiälä, T., Haner, U. & Mabogunje, A., 2008) is used to explore the environment and processes that can lead to the successful delivery of LBK offering as shown in Figure 10. The aim is to explain the areas defined by Berg et al. (2008) and
explore them based on the data gathered from interviews, surveys and literature. The outcome of this thesis will explain these areas for LBK showing what is needed in the following areas for LBK to succeed. The research plan can be explained with the help of the following diagram in Figure 10.

![Figure 10 Theoretical framework used study of business environment and process source Berg et al (2008)](image)

The different areas that need to be explored for the definition of process are: environment, business roadmaps, portfolio and development, and process.

**Environment**

The challenges and opportunities may arise from the social, virtual and physical environments. These opportunities can be identified and leveraged to shape processes within the organization and forge partnerships with other entities in the same environment to achieve the aimed offering as shown in the Figure 10.

Since LBK is a social enterprise, the social value generated has to be on both the levels, i.e. benefiting the children by creating processes and activities for their mental and physical health, and at the same time creating opportunities for the societies to engage in social welfare through volunteerism.

**Roadmaps, portfolio and development**

The roadmaps also have two angels that will have to be explored, i.e. the roadmap of the organization and the offering, and how one uses the other to develop the portfolio. Portfolio for a social enterprise does not only mean to have range of services and goods to offer. It also means the innovative ways LBK is able to create social values and engage community in improving the lives of the underprivileged children, without relying on external funding. Of course the roadmaps and portfolio development has
its roots in the already created brand image through BeeGreets and LettuceBee Band (LettuceBeeKids, 2010). The focus will also be on engaging children into activities around LettuceBee Deli (LettuceBeeKids, 2010). The Business process will have to contribute to creating the same social values as the previous efforts.

**Business process**

Business Processes in this scenario will contain both the external and internal process that LBK will have to deploy. These processes will have to cater for the following:

- Provide step by step directions about how to incorporate new kids into the system.
- How to track their progress.
- How to ensure that the children get sufficient time for education and healthy activities.
- How to involve new partner organizations.
- How to provide access to these kids for other organizations and above all how to generate revenue with the resources available.

These business processes will also have to cater for the external and internal environments of the organization.

The methodology that can be used to explain the aimed business processes is used by Berg, Pihlajamaa and Lindroos (2005). Berg et al. (2005, p. 10) use the framework (Figure 11) for goal setting. The same method can be used to identify the business activities. Starting from the ‘Why’ to define the desired outcome for LBK and the market and then moving onto the ‘To Whom’ to define the benefactors. In the end, defining the ‘What’, i.e. the focus areas of the projects and extracting the ‘How’ to create the planned activities.
The above described framework is used to study the offerings and provide external and internal perspectives with respect to LBK. With the help of the frame and focusing on the different elements mentioned within, the aim is to create the business processes that contribute to successful fulfillment of the LBK offering to the end-user, social value generation for children and sustainable growth for LBK.
PATH AND THE RIDE
To the reader: This section initially discusses the research plan and purpose of the chosen data gathering techniques. The text includes the details of how the research was conducted, methods used for data collection, analysis and the challenges faced.

Research plan
To define the business process model and practices that would support social enterprises in developing countries it is crucial to, study the environment and the user needs in the target area. Hence, to be able to gain insight about the environment, this study was conducted in two parallel but important directions.

Firstly Interviews were conducted to gain insight from the people working in the social enterprises in Pakistan and Europe. Surveys were conducted to gauge the user expectations about the service.

1- Interviews to study social enterprise environment in Europe (N=2)
   a. To gain insight from the social enterprises arena in Europe and benefit from the expert view, two interviews (N=2) were conducted with experienced professionals working in the enterprise and in a non-profit organization in Europe. The questions are focused around how their organization establishes goals and how the operations aspire to achieve these goals. For more details on interview questions please see the Appendix B.

2- Interviews to study social enterprise environment in Pakistan (N=3)
   a. To gain insight into the social enterprise environment, a brief review of the existing social enterprises operating in Pakistan was conducted to view their areas of influence, their model, and their key feature. For details, please, see the ‘Social enterprises in Pakistan’ section.
   b. Interviews were conducted to better understand the social enterprises in Pakistan. The interviewees are people who work in the social enterprise sector in Pakistan. The interviews questions focused around their views on their organization’s working, the legal and social issues faced in the environment, and on their view of Lettucebee Kids’ (LBK) concept. For details about the interview questions please see the Appendix B.

The interviews were conducted in a semi-structured format; the interviewees were informed beforehand about the questions. The questions served as a guide line to discuss social, physical and virtual environments of the different businesses. Later on, quantitative analysis was conducted to extract information and insight from the interview data.
Secondly, to cover the user’s view of the social enterprise equation, three surveys were conducted with participants that were chosen because of their prevailing social economic conditions (N=50, in each survey). The surveys are a series of questions designed to increase understanding of the user needs that LBK is trying to fill. The three surveys were systematically shared with the users. All the participants were asked to fill in an information release form before they participated in the survey. The focus of each survey is different in the following manner:

Survey 1- This survey consists of questions aimed at how the user perceives and interact at restaurants. Also what is the user’s orientation towards organizations working towards social values. Total Questions: 6; time to complete: max 5 minutes.

Survey 2- This Survey was used to identify the user segmentation based on their geographical location. Also a question about the street children further gathers information about how the participating users observe their environment. Total Questions: 9; time to complete: max 6 minutes.

Survey 3- Concept testing and story board. The survey consists of questions, based on the story board provided in the form of a video. These questions helped in identifying users’ inclination about the concept of what Lettucebee Kids could become in the future. Before starting the questionnaire, the participants were asked to view the videos at:
http://www.facebook.com/photo.php?v=10152771775610392&set=o.607461835935270&type=2&the
ater
OR
http://youtu.be/6LSflsSgUgU

Total Questions: 7; time to complete: 7 min (2:06 min for video+ 5 minutes for answering questions).

The story board was created after discussions with the LBK team. The story emphasizes the key features of LBK offering and attempts to engage the users by getting their responses on these features’ feasibility and desirability.

Detailed surveys are provided in Appendix C. The story board images are provided in Appendix D.

**Data collection methods**

Capturing the required information is only the first goal of the research, interpreting that information and reaching a conclusion or designing a solution around the findings may prove to be just as time consuming and challenging. Although these two tasks are seemingly less dependent on each other, yet this is contrary to the truth. To be able to interpret the information accurately, the interpreter requires
rich information, which should include the elements of the environment, the situation, the reaction, the triggers (for action) and finally the action. Of course the method and the detail of information required depends on the type of question the observer and the interpreter are trying to answer. Any product or business starts with a need, and that need is generated by the human desire to achieve something from a simple task of peeling potatoes to more complicated activities like creating robot arms to paint cars with dazzling precision and speed. It would be fair to say that we are in the process of creating a world around us based on our perceptions and that of people around us.

Although there are numerous techniques and methods for gathering data on requirements, in my view every scenario where an individual or a team engages with another individual or group is unique, and the methods and techniques available should be adapted accordingly for that purpose. Each one of us has a different perception of reality and the target of the techniques/methods is to create a common understanding whether it is the user in focus; as mentioned by Beyer and Holtzblatt (1995), or a system/process under scrutiny.

**Interviews**

As the purpose of this study is to develop a business process concept, the interviews conducted are for the purpose of gaining insight into internal and external factors that determine the social enterprise environment. However, to understand why an interviewee gives a certain response to a question, it is important to know the user’s background and the environment they live in. In other words, understanding the context of users’ behavior brings perspective to the findings. This would mean either shadowing the user or apprenticing him/her at work (Beyer, H.R. & Holtzblatt, K., 1995) or bringing the customer and recreating the environment at your site (Butler, 1996). Both these techniques require time and resources.

Conducting the interviews to gain insight can be formulated in structured, unstructured or semi-structured way. An interview where the questions are created by the researcher and the answers are provided to the respondent to choose from is a structured interview, whereas the semi-structured interview is loosely formulated and allows respondents to answer in their own words (Ghauri. P. & Gronhaug, K., 2005).

Being prepared for interacting with the user is as important as actually meeting them. Wendell, Holtzblatt and Wood (2004) captured this need and identified that before the meeting, attending to details regarding the questions and the information that needs to be shared with the user is essential. It is also vital to orchestrate the interviews, have the required background information and ensure that the needed equipment is available and running.
After the sessions with the user are complete, an important part which is usually missed is the wrap up. It is very important to summarize for the user what you have gathered, ask about other relevant issues and thanking the user for their cooperation as highlighted by Wendell, Holtzblatt and Wood (2004). Last but not the least the interpretation session is also necessary. In order not to pollute the information gathered, it is important avoid repeating information before it is interpreted. Also it is valuable to conduct the interpretation session as quickly as possible.

To be able to propose a business process concept, it is imperative to understand the environment in which LBK needs to operate in. Similarly the business process has to be built around a core service which has the potential to attract society and community to create social inclusion for these children. Generating revenues and using the profits for the benefits of targeted children and building a system that allows the organization as a whole to be self-sufficient. Existing organizations that operate in developing countries and people working in key positions have insights about the function of their organizations and how their organizations manage to balance the social and financial objectives. Besides the aim of the organizations, there are insights that help how to engage society and target beneficiaries without trembling on the social fabric that these people exist in. Governance and legal aspects of organizations operating in developing countries and working as social enterprises and non-profits are best understood by talking to the people who tackle these issues on daily basis. Especially when it comes to children, it is critical to be able to define a line between educational activities and child labor. A business process is no good, if it does not have the appeal for the market. Or in other words a business process that does not have a value for the customer has no potential to generate revenue. To get a feedback about the concept and the feeling of the on-ground (in Pakistan) consumer, it is important to understand how people react to social welfare work, and how closely are they willing to interact with the target group to be part of the solution that LBK is trying to implement. Getting a view of the end user’s perspective can provide insight into what should be made parts of the offering, and more importantly it can help define the line of visibility (Edvardsson, B. & Olsson, J., 1996).

The aim of the interviews for this study was to gain insight into a social enterprise. It was required to gain knowledge about the social, economic, political and legal aspects that social entrepreneurs have to consider while operating globally and in Pakistan. Experts were chosen for interviews that are currently working in social enterprises, in non-profits or related organizations. These professionals have varied experience but all of them are, or have been working with organizations that have a social and financial aims. Initially up to eight people were contacted, but only five interviews could be managed due to tight schedules. The interviewees were contacted at least two weeks in advance and the questions were shared with them. Please see the interviewee’s profiles in Appendix E.
Using the Qualitative analysis technique proposed by Taylor and Renner (2003) following steps were conducted:

1- All the interviews were transcribed.
2- The interviewees from Pakistan (N=3) and Europe (N=2) were analyzed separately because of the difference in questions.
3- The quantitative data was read and re-read to identify the categories that formed. Categories were combined where possible (for example in case of interviewees having same opinions about different aspects)
4- From the categories patterns were identified, combining similarities in the different categories.
5- From these patterns, relationships were identified, considering the comments, and patterns that arose from the data.
6- These key relationships also identify the findings from the interviews.

Surveys

Surveys are defined by Ghauri and Gronhaug (2005) as the technique of data gathering that may use questionnaire or interviewing technique to record the verbal behavior of the respondents. It serves as a good tool to gather opinions, attitudes, descriptions and developing cause and effect relationships. The type of survey can be analytical or descriptive, the choice of the type depends on the question that they are desired to be answered, and similarly different surveys lead to different issues and demand different type of handling.

According to Ghari and Gronhaug (2005), a lot of consideration is required when formulating questions for the survey so that the questions yield clear and correct answers. Use of shared vocabulary, clarity of questions and lack of words that allow respondents to assume, ensuring that biased words are not used and the level of personalization are the key areas to consider while formulating questions (Emory C., 1985). It also needs to be considered how the questions have to be answered. As well it is important to note for each answer whether an open-ended or closed answer is needed. This can be controlled in the questionnaire by providing limited options to the respondent. Another aspect that needs to be checked is whether the answers should or should not give a way out to the respondent by providing a “no comment” or “not applicable” option (Ghauri. P. & Gronhaug, K., 2005).

Similarly it is also important to consider the length of the survey, in case of long surveys the respondents may lose interest. Emory (1985) emphasizes on the sequence of the questions so as to invoke an interest of the respondent. The respondent should not be asked for information that is too personal or ego threatening. The sequence should be designed so that the questions start from simple
to more complicated and from general to specific. The design of the questionnaire should not jump from one frame of reference to another constantly.

For this study the goal of conducting surveys was different from the interviews. The surveys were targeted at an audience with the following characteristics:

1. Belong to the upper middle and middle class.
2. Literate, educated up to a level of Bachelors at least.
3. Living in urban areas
4. Married (with or without children)
5. Decision makers
6. Early adapters
7. Socially active (via social media and otherwise)

Since the survey was used as means of testing the concept with the end users, the people mentioned above fit the description of the consumer in the market who is aware of upcoming trends. These participants are the early adapters, and being socially active they share what they like. So, the thinking behind conducting the surveys with this set of participants was to get an idea of what could be the future of LBK look like and what are likes and dislikes that can be considered while defining the processes for the final service.

The survey participants were contacted through Facebook either via the group created specifically for the purpose of this study and via the LBK Facebook page. The total number of respondents per survey was kept at fifty.

The surveys were differentiated with three lines of questioning so that the participants do not have to take more than seven minutes on each survey. Survey 1 focused on getting personal information about the location, marital status and what they see around them on the road. Survey 2 focused on the social values and participants feelings toward social enterprises, non-profits or other welfare organization. Survey 2 also asks questions about how the participants feel about integrating restaurant business with social welfare and how would they react to a restaurant with an objective besides the business? Survey 3 was used to test the concept of LBK, and a story board (video) was used to take the participants through a user journey. Finally, they were asked specific questions about how they felt during different stages of the story board. The number of open ended questions was kept to a minimum; most of the answers were multiple-choice so that clear decisions can be extracted during the analysis. Please see Appendix C and Appendix D for details in the survey questions and the story board respectively.
Data analysis

Analyzing qualitative data requires different techniques compared to the analysis of quantitative data, and one of them is proposed by Taylor and Renner (2003). This technique revolves around narrative analysis and demands details analysis to identify categories and themes that are formed in the respondent’s answers.

The five key steps mentioned by Taylor and Renner are:

1- Get to know your data: reading and re-reading the answers to identify the impressions and the sentiments in the data.
2- Focus the analysis: reviewing the purpose of the evaluation, in an effort to solidify the questions that the analysis is aimed to answer.
3- Categorize information
   a. Define the patterns
   b. Organization of coherent categories
      i. Emergent categories
      ii. Preset categories
      iii. Large categories
      iv. Relative importance
      v. Relationships
4- Identifying patterns and relationships within and between categories
5- Interpretation.

Since the surveys yield quantitative data the approach to analysis is different. To analyses the data the gathered from surveys the data was categorized into different areas based on the framework used. The data was converted to the percentage of respondents (N=50) that agreed or disagreed to a certain question to identify the inclination toward a certain trend.

The information from the analysis of interviews and surveys was then combined under categories based on the framework in Figure 10. The areas that the findings are distributed into are:

1. Environment
2. Roadmap and portfolio
3. Business Process

After the categorization, trends are identified.
HIDDEN TREASURES

Picture credits: Lettucebee kids
To the reader: As explained earlier the interviews were conducted to understand the environment of social enterprises. The surveys were aimed at understanding the target market sentiments about the social innovation that LBK aims to bring. But the interviews and surveys both provided insights into other areas of the framework so the key findings mentioned below are categorized accordingly. Furthermore, to get the complete picture this section starts with an organizational background of LBK.

Lettucebee kids’ organizational background
Lettucebee kids (LBK) is a social enterprise founded by Sarah Adeel. Sarah is a Fulbright scholar and her “research project explores the family and community structures in relation to the design of orphanages, examining how a prosperous social structure takes physical form through design” (LettuceBeeKids, 2010). In her research, she also looks into all kinds of child welfare systems, and how they can be created in a self-sustainable way, so that they not only guarantee a prosperous future for the children but also eradicate the gap between the society and them. LBK is esthetically described in Figure 13.

![Figure 12 LBK Vision source (kids, 2010, p. Gallery)](image)

LBK is aimed at not only guaranteeing a prosperous future for the children but also to eradicate the gap between society and them. The objective is to achieve self-sustainability by implementing the following programs:

- Lettucebee Design: Arts and Crafts | The more you draw, the more you draw.
- Lettucebee Deli: Relationship with Nature | The more you grow the more you grow.
- Lettucebee Band: Importance of Music | The more you play, the more you play.
- Lettucebee Yours: Respect of Elders | Adopt a grandparent.” (Kids, 2010)
So far Lettucebee kids have been working with more than 40 street children for the past two years and has executed regular activities like drawing sessions, exhibitions and the launch of a greeting cards line (LettuceBeeKids, 2010) among other very interesting concepts, mentioned above.

Since self-sustainability has been a key focus for this organization, most of the work is done by volunteers and no major funding has been acquired so far. In fact, donations have been denied. The volunteers belong to the community including designers, engineers, doctors and students. They contribute towards children’s life by spending time with them, teaching them skills and having a personal connection with them.

Currently all the activities are performed in public spaces or rented enclosures. LBK is looking for a physical space that can facilitate in performing activities so as to achieve the preset objectives of creating awareness about the problem, achieving self-sustainability, creating social integration for the street children and helping them become productive member of the community.

LBK has a very strong social media presence; they are active on twitter, Facebook, Pinterest, Vimeo and manages a constantly updated blog (LettuceBeeKids, 2010). It generates awareness also by promoting volunteerism and community service, which are not known practices, especially in Pakistan.

**Key findings from the interviews**

The aim of the interviews was to develop a complete picture of the environment the social enterprises operate in. The environment in this case is a combination of physical, social, virtual and economic elements besides other things. Furthermore the analysis of the data also leads to insights that belong to areas more internal to the LBK business activities.

The relationships generated at the end of the data analysis phase for the interviews also form the key findings. From the interviews of social enterprise professionals following are the key findings. These can be considered from the different areas of the framework and can be categorized from these perspectives:

<table>
<thead>
<tr>
<th>Environment</th>
<th>Roadmaps, portfolio and development</th>
<th>Business process</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Increase in corporate CSR can be improved by private public</td>
<td>Organizations focusing on educating or creating awareness need not only</td>
<td>Social Welfare work that can lead to economic growth can</td>
</tr>
<tr>
<td>Collaboration</td>
<td>Education of the target group but also their families and community</td>
<td>Lead to a sustainable solution</td>
</tr>
<tr>
<td>---------------</td>
<td>-------------------------------------------------------------------</td>
<td>------------------------------</td>
</tr>
<tr>
<td>Political games and influences give rise to corruption which does not allow the existing laws to be implemented.</td>
<td>Focus should be in resource development as a road to sustainability.</td>
<td>Creativity is in helping the children without making them labors.</td>
</tr>
<tr>
<td>There are very few laws if any in place for children on the street.</td>
<td>People empowerment lead to sustainable solutions.</td>
<td>Return on investment has become an important element of the SE because for-profit investors are becoming aware of the financial and social benefits.</td>
</tr>
<tr>
<td>Laws that exist are misused instead used for creating hindrance.</td>
<td>It is important to start at the grass root and then grow.</td>
<td>The business planning plays a key role to grab investors’ attention.</td>
</tr>
<tr>
<td>High level of poverty makes the parents to make their children work in industry or other homes.</td>
<td>A good innovative process has the potential to become viral.</td>
<td>Profit is a simple measure.</td>
</tr>
<tr>
<td>Lack of literacy in Pakistan is one reason for high number of kids on the street.</td>
<td>People empowerment can be a goal, yet making people think can also serve a goal.</td>
<td>The challenge is to identifying the starting point.</td>
</tr>
<tr>
<td>There will always be opposing views on the LBK concept.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>There is a need to close the gap between investor and social entrap, this can be done through changing the existing system.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public and private partnerships are very important for the on ground success.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The table is color coded to identify the comments from Pakistani and European interviewees. Since the purpose of conducting interviews was to get insights about the environment, most insights belong to that area.
Key findings from the surveys
The purpose of conducting these surveys was to understand the consumer’s perspective of the environment and sentiments towards the concept so that the goals for business processes can be identified. To begin with, it was important to choose participants that lived in urban areas and fit the profile mentioned above. Survey one defines this profile and as shown in Figure 13 all the respondents belong to major cities in Pakistan

![Figure 13 Survey 1 respondents’ location.](image)

With survey 1 the respondents replied to the nine questions defining the demographics of the group. The data from the first survey provides the following insights:

The data from the three surveys can be found in Appendix F. Table 4 below describes the findings from the three surveys and how they belongs to different areas of the framework.

<table>
<thead>
<tr>
<th>Environment</th>
<th>Roadmaps, portfolio and development</th>
<th>Business process</th>
</tr>
</thead>
<tbody>
<tr>
<td>58% female and 42% male respondents.</td>
<td>70% eat out at least once a week.</td>
<td>52% have mild concern about who serves them food.</td>
</tr>
<tr>
<td>71% are unmarried.</td>
<td>87% interact with the children on the street in one way or the other.</td>
<td>74% some time interact with the service personal.</td>
</tr>
<tr>
<td>82% do not have children.</td>
<td>44% go to a restaurants because of its food’s quality.</td>
<td>44% are positively surprised to see the kid working (in the storyboard).</td>
</tr>
<tr>
<td>58% are employed.</td>
<td>34% go to restaurants because of its</td>
<td>24% were intrigued to see the</td>
</tr>
</tbody>
</table>
Considering data from three surveys, following insights can be extracted:

1- Roughly half the respondents are employed, yet three quarter of them eat out at least once a week.

2- The marital status and less number of children does not affect their high interest in engaging with the child in the story board, nor does it bother them to see a child working to earn a living.

3- Low employment does not stop the respondents from paying a little extra for the fresh produce because most of them understand the importance of social work and others understand the importance of fresh food.

4- A very high number of respondents are willing to visit a restaurant because of the quality of food.

5- More than half of the respondents are not bothered by the ambience, in case a restaurant is designed to have another purpose besides serving food.

6- The most effective way of marketing a restaurant is through word of mouth.

7- All of the respondents are aware of the problem of street children, and have interacted with them in one way or another.
8- More than show a mild concern about who handles their food, hence this has to be considered carefully.

9- Maximum respondents agree to a restaurant having a social purpose in parallel.

10- Respondents show a great tendency to involve their friends and family into a cause if they believe in it.
DISCOVERING AND DEFINING
To the reader: This section uses the insights from the interviews and surveys and combines them to define the key activities for LBK. Starting from the offering and defining the processes and environment elements that will contribute to the successful delivery of the goods and services, this section ends with the detailed business processes.

**LBK offerings and the process characteristics**

Using the insights from the interviews and surveys, it is clear that there is a need for development of an offering that balances social and financial objective. In case of LBK this means a system that can provide material, psychological, emotional and social support to the children on the street. Considering the offering (Figure 15) that LBK wants to deliver, the goods and services have to be generated in a way that can help integrate these children back into the society and appeal to the market simultaneously.

First, it is important to define the environment that is needed to establish an organization that can deliver the desired offering. Using the innovation front-end framework as presented by Berg et al. (2008), to define the elements in key areas, the environment should have certain characteristics to support an organization and deliver the required offering.

The offering that is aimed by LBK is a combination of goods, services and social value for street children (Figure 15).

![Figure 14 LBK Offering](image)

**Goods**

The goods are tangible artifacts that can be sold to generate revenue and the money generated can be used for the benefit of the system and the children. Furthermore the goods can also generate social value by allowing a channel for the society to know these kids through their work. These goods include:
1- Cards and diaries, for which the art work is created by the children during their art classes. The cards include seasonal and event greetings. Diaries range from small pocket books to larger notebooks.

2- Music and CDs, come from the collaboration with partners like the local radio station. The music professionals are brought on board to teach the street children how to play musical instruments and sing to gain revenue and exposure. The final outcome will be musical CDs and live shows.

3- Exhibitions of the arts and musical pieces created by the children will serve as a marketing strategy. LBK will also rent out the space for exhibitions by other artists.

4- Food Products include the menu items served at the restaurant and the fresh produce that is grown by the kids and sold in the open market.

5- LBK can represent the country in the international arena by selling its goods abroad and by displaying the work of the children in international exhibitions.

**Services**

Services are intangible in nature, none the less they can be sold. Using services as a source of revenue and generating social value by exposing the kids to the society and vice versa, these services explained below can help achieve the goal of social integration for the street children in the long run.

1- Restaurant plays a dual and vital role in the LBK portfolio. Firstly, it provides a contact point for the society to engage with the children in a social setup. Secondly, it provides a source of fresh food and a rare opportunity to see what these children are capable of, if given the chance.

2- The presence of a new restaurant provides the community with a place to hang out, especially the youth which is always looking for such places.

3- With a center allowing access to these children, there is an aim of developing and promoting social ties for the street children, who otherwise lack the basic manners of social interaction.

4- By engaging the elderly of the society LBK can tap into a life time of knowledge and time to spend that these elderly possess. Giving a new purpose and a sense of companionship to the elderly in their otherwise mundane lives and giving a sense of respect and relationship to the children.

5- Recycling is very close to what these children do in their daily lives to earn money. By organizing the process of picking up and selling recyclable materials from the registered households, these children can spend less time on the street and can be protected from the health issues and abuse they face. The returns from the recycling service can generate revenue for the children and LBK.

6- The space for the children can also be used to outsource to other artists for exhibitions or workshops to generate revenue and awareness about LBK cause.
**Social services**

The social services that form the offering come from the products and services just explained above. As a social enterprise the beneficiaries in this case are mainly the street children, yet the society and the market stands to benefit too. These social services are:

1- Through the restaurant and the other activities mentioned above, LBK can create social integration for the street children.

2- Bringing the children under one roof provides an opportunity to focus on their health and education.

3- Instead of roaming on the street the children are able to work in a respectable and safe environment.

4- The center also serves as a temporary shelter for the street children that are in trouble.

5- With access to these children, the center serves as an initiator of social work, for those who are interested but do not know where to start.

6- Surrounded by educational facilities in the city, LBK can develop volunteer programs with the students and other volunteer bodies.

7- Last but not the least, this center provides identity to the children, who otherwise are invisible to the society.

To deliver the above mentioned offering LBK needs to develop an organizational structure capable of using elements from the environment and using their team to its fullest potential. It goes unsaid that to be able to achieve a fully sustainable system, LBK needs to invest in land and human resources before other things.

To elaborate the demands of such a system, framework can be employed to define different areas of focus for LBK as shown in Figure 15.

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![Figure 15 Process elements leading to offering source Berg et al. (2008)](image-url)
**Environment for LBK**

The environment as a whole is a combination of social, physical and virtual environments. LBK needs to have certain features in these areas and each area should contribute to the offering. The three environments must have the following features:

**Social environment**

For the successful delivery, the social environment needs to have the following characteristics:

- Acceptance of new and innovative ideas
- Community should have the tendency to own the system
- Openness towards new concepts
- Willingness to take part.
- Awareness to the cause of LBK
- Trust among the members of the society

The responses from the surveys indicate that the social environment has a high concentration of these features. But the location of the center is very critical, i.e. it should be located near enough communities like universities. Choosing a neutral location (religiously, politically and racially) is the first most crucial decision LBK management has to take.

**Physical environment**

The physical space and its location have impacts on the business and the social targets. The physical space must have:

- Easy access
- Welcoming ambience
- Open and transformable
- Possibility to support limited farming
- Near a community that is willing to interact and trust.
- Appeal for the LBK staff.

The starting point could be central location in sectors (housing blocks in Islamabad) or renting spaces in the parks located in the city.

**Virtual environment**

To run a system that can generate revenue and social value; as aimed by LBK, there are certain demands that need to be fulfilled for operational execution and efficiency.

- Seamless connectivity to Khan Academy
- Presence and promotion using social media channels
- Content post processing and publication
- Gallery/exhibition infrastructure
- Registration and progress monitoring system for children
- Registration system for partners
- Tracking and monitoring system
- Financial management system for sales and revenue monitoring

The presence or absence of the characteristics mentioned above, will dictate the success or failure of the financial and social objectives.

The processes that need to generate the business to support financial aims require attention from LBK management to have a productive team that will be able to deliver. The team needs to use its competencies, strengths and knowledge to define and execute the activities. By focusing on the business intelligence, strategy and competence LBK can use and adapt processes delivering social values for the children and goods for the market.

**Business intelligence**

Considering that the main financial sources for LBK center will be a restaurant. Business intelligence is required to run a successful restaurant business. The surveys give a hint towards the consumer behavior in this regard. 70% of the respondents eat out at least once a week, 44% consider quality of the food as a reason to visit the restaurant the first time, 77% will go to a restaurant that triggers their curiosity and 72% would visit a restaurant first time because of friend’s recommendation. These stats; although not conclusive, indicate the behavior of population in urban environment. Considering that food and restaurant business is one of the most successful in Pakistan, it is important for LBK to engage and consult businessmen and entrepreneurs in the restaurant sector to establish the current market situation, in the respective area and develop a restaurant that

1- Triggers people’s curiosity, in terms of restaurant’s operations and cuisine.
2- Restaurants should have an appealing environment for the youth, but includes the elderly and married people with children.
3- Has the physical space should be multipurpose in nature. Promoting and using prototyping and testing methods to achieve the balance between the current classic trends.
4- Collaborate with other organizations for the interior and ambiance of the place.

**Strategy**

The strategy for the business should be driven by LBK objectives; these can be broadly stated as:
1- Creating social integration
2- Harnessing potential in children by providing psychological, emotional, material and social support.
3- Creating revenue while creating social value.

The objectives of LBK are understood and appreciated by the target customers. In this case the surveys support the idea of opening a restaurant with a social objective. A user centered business strategy that aims to contribute to the social aims of the organization and create a friendly environment is eminent as 68% of the respondents are not bothered by the ambience designed for children, 44% are positively surprised to see the kid working (in the storyboard), 86% agree with the social cause that is being run in parallel to the restaurant, 51% purchase the art work and other artifacts because they understand the reason behind the sales, 24% were intrigued to see the kid working (in the storyboard) and 24% are willing to pay a little extra for fresh produce because they understand value of fresh food.

**Competency**

Certain competencies are required in the LBK team to develop and deliver the aimed offering. The current team are mainly volunteers coming together to work with children on every weekend. The team that would be capable of delivering the LBK offering should be dedicated to the task and should belong to the following areas of competencies:

1- Art crafts and musicians
2- Media and social media
3- Software and technology
4- Business and entrepreneurship
5- Volunteer groups and students
6- Collaborating organizations including:
   a. Doctors
   b. Educational institutes
   c. Local businesses

Equipped with the capabilities, LBK can plan and deliver the offering that can generate social value and revenue for the benefit of street children. The organization structure needs to be developed to provide support to the aims of the organization. The team structure can look as follow:
Figure 16 Proposed team structure of LBK

Roadmap and development
Currently LBK is conducting weekly activities with the street children in city. These children work in the street all day to take some money back to their families. Over the weekend LBK gathers these children (with the permission of their guardians/parents) and engage with them in activities that encompass physical, mental, educational and educational growth in these children. At the same time, the outcome of the arts activities are processed and sold, whereas other activities are captured in pictures and used to promote LBK on the social media. In line with the ongoing activates and the LBK brand, LBK can develop their portfolio road map. This can be better explained with the help of Figure 17 below.
The offering in green identifies the current and ongoing activities. These activities have enabled LBK to create a bond of trust and a relationship with the children and their families. These activities can be developed further, building on the current activities and the expectations of the children. The roadmap can be further expanded using the brand value and exploring into areas like recycling, elderly collaboration and opening a restaurant for revenue and attracting the community towards these activities. To be able to execute these activities in a seamless and smooth fashion, business processes are required. These business processes identify the day to day actions that are needed to perform activities with the children and how the organization should manage itself to deliver. The logical framework can be used to identify the key activities. The framework shown in figure 12 is used in the next section to elaborate the key activites by defining the desired outcome, beneficiaries, focus area and the actions that follow.

Business processes
The logical framework can be used to define the concept in detail. The beneficiaries and the goals behind each activity can be identified as shown in Figure 19.
As mentioned by the interviewees in Table 3, it is always difficult to define a starting point for a project like this. The aim of the following business processes is defining goals that are in line with LBK objectives and the processes that achieve those goals.

The key benefactors as shown in Figure 19 are street children, the market and society. Each activity has a purpose defined by ‘WHY’ section. The focus areas explained in the ‘WHAT’ section determines the planned course of actions identified in the ‘HOW’ section. Each of these actions can be used as a part of the business process concept. Multiple planned actions can be combined into a single business process or then a single action can be translated into a single business process.

The focus of LBK is on street children. Hence they form the key entities in case of business process models. The key entities for the business processes for LBK are:

- Children
- Partners
- Elderly
- Volunteers
- Recycling households

The business processes defined below revolve around the entities mentioned above. The business processes to follow are brought together by the child management and activity management in the LBK environment.
**Children management**

Note: Legend for all business process models in this thesis can be found in Appendix G.

Since the focus of LBK is working with street children and bringing social benefits (education and social integration) to them there should be special consideration for the children. It is essential to register them when they join LBK and define a system that supports LBK manage the children, once they become part of the organization. The three key features that need to be defined are

1. Registration of the child when joining LBK.
2. Defining the activities that the child must perform in their daily visit to LBK. These activities serve the dual purpose of creating social value for the child and contribute to LBK’s financial goals
3. Defining the academic path for the child and evaluate progress.

These three are combined as follows:

![Figure 19 Child LBK process](image)

The three expandable processes in Figure 19 that form the interaction between the child and LBK can be further explained as follows:

**Child registration**

The child registration process shown in Figure 20 is quite complex as it involves LBK internal departments that should be in place for the smooth execution of the registration. Furthermore a system should be in place to serve as a repository for all the information flow. The system in question is basically a data repository capable of storing and retrieving information. In case of child registration, the system should be able to generate a ‘child ID’ at the end of the process. This id should serve as a unique identifier for accessing and updating child’s information. The presence of the children in the
system also ensures that the children are monitored and their activities do not increase enough to overcome the academic or social integration efforts. As identified by the interviews in Table 3 child labor laws; if existing, are often abused by organizations and governing bodies. A strict monitoring ensures that this does not happen in LBK. Before the generation of the child-id at the end of the registration process, LBK should ensure the following:

1. Permission from the parents/guardian of the child
2. The child is healthy and does not have any special needs. Otherwise LBK should contact partners who specialize in handling kids with special needs or then contact partners who can help in medically facilitating the child.
3. The child undergoes the aptitude test. This test forms the base line for measuring the child's academic journey. The tests are conducted at regular intervals.
4. All the results and information related to the child should be stored in the system for reference.

Figure 20 Child registration process
Once the registration is completed the child is ready to be integrated into the LBK environment. This means that the two processes of education and daily activities can start in parallel as shown in Figure 19.

The activities in question are multipurpose in nature, i.e.

- Learning valuable skills like arts, music, painting, team work and social values.
- Creating base materials for LBK goods, through arts and music.
- Contribution to self-awareness and self-education.

**Child activity planning**

Hence, as shown in Figure 21 it is important for LBK to consider that the child’s health and aptitude match the activity he/she is involved in. Furthermore the process should also ensure that LBK gives time to the child to adjust and then evaluate the progress. The biggest challenge in this case is that the child should only spend limited time in these activities. The child’s timetable needs to be updated by different activity owners and the child should be able to influence the decisions made for him/her-self. Similarly at all times it is necessary to keep the parents/guardians informed.

![Child activity planning process](image-url)
**Child education**

Similar to the activities, the other most important feature in reference to the children is their education. After the initial aptitude test as shown in Figure 20, an academic schedule should be created for the child to peruse. This schedule can be created using Khan Academy curriculum. Considering the child’s existing knowledge the education team should develop this schedule and test the child regularly to evaluate the progress. This progress should reflect in the changing time table (as the child progresses or digresses) which should be updated and visible through the system. Figure 22 shows the linearly integrated process for the child education.

![Child education process](image)

**Activity management**

Similar to the child management, there are other operations critical to the execution of the LBK business. These operations include:

- Partnership management
- Volunteer Management
- Elderly integration
- Fresh produce
- Recycling management
- Arts and crafts

These processes are critical for LBK operations to deliver the offer to the society, market and the children. The first three involve external entities, and it is important for them to exist in the LBK system. The last three are core operations which not only give rise to activities for the children but also serve as a source of revenue for LBK. Figure 23 captures the activity management environment. As highlighted by the interviewees in Table 3, the bi-products of these activities can be improved and sold to the market creating revenue and social value at the same time. All the different activities are in parallel and executed by the LBK team structure mentioned in Figure 16.

**Partnership management**

Partners play a critical role in the LBK environment. Since the team cannot do everything on their own, they need experts to develop, finalize and sell the goods in the offer. LBK team needs to develop business relationships that are long term and trusting. To name a few areas where LBK is already
Partnering with others and would need to continue these partnerships in the future are arts and crafts printing and selling, music production, child health, child education and exhibitions. To maintain a long term relationship the partnership management process needs to be developed, as shown in Figure 24, to streamline the operations. The process involves creation of the contract after mutually agreeing with the partner and then evaluating the outcome and the deliverables at the end of the contract duration. As mentioned by the interviewees in Table 3, CSR is on the rise in Pakistan. Having a strong partnership management can allow LBK to develop relationships organizations that are looking for opportunities to develop a CSR portfolio.

Volunteer management
Most of the work currently done by LBK is with the help of volunteers. These individuals are from different professions like doctors, designers and student bodies. Currently there is no system in place to manage the volunteers within the organization and people approach LBK to lend a hand as they hear about it from friends or social media. The aim of this process is to streamline induction of volunteers into the LBK environment and help the volunteers develop their portfolios. The volunteer management process creates and ID for each volunteer in the system that helps LBK track the activities the volunteer has been engaged in with the children. As shown in Figure 25 this process can further be developed to create a volunteer program and involve universities and schools to collaborate with LBK in creating social integration for the children and creating awareness about the problems in the society. Furthermore a volunteer program also serves as a marketing tool for LBK.
Elderly Integration

The idea of using elderly to put their free time and energy for the benefit of new generations is not new. In case of LBK the social environment in Pakistan has always has preached and practiced respect for the elderly. There are no old houses and elderly live on their own or in their children’s abode. LBK should register the elderly and plan activities that allow these elderly to come in contact with the children, transferring knowledge and help the children understand the social fabric of the community while developing a sense of relationship. Figure 26 shows the Elderly integration process which involves the observation of the joint activities for security and progress.
Fresh Produce

To run a different restaurant business that can involve the children and produce productive activities for the children LBK needs to run a garden which produces fresh vegetables grown by the children. These fresh products can be marketed under the LBK brand in the restaurant and sold on the open market. The process of growing garden fresh products requires management making the children part of this process holds valuable lessons related to ownership for the children. Selling garden fresh products in the restaurant gives an edge to LBK and adds value to the brand. The restaurant serves as a point of interaction where the people can come in and spend time learning about what LBK is trying to achieve. Figure 27 shows the management process of this garden and how the revenues can be generated that contributes to the financial objectives of LBK. The financial system needs to be integrated to ensure that no money is wasted in this effort and every penny is accounted for. Whereas it is of critical importance to ensure that the children that work in the garden only spend the required time working and learn through experience during their activities.
Recycling Management

Most of the children with whom LBK is working at the moment spend most of their time picking trash and selling it later. Considering that they already have the knowhow about this business, LBK can use this knowledge and improve on their existing work condition. The idea is to involve the household in the community and provide them with LBK branded recycling bins. These bins can be emptied by children making rounds on specific times and the resulting plastic and glass can be sold to generate revenue for LBK and the children. The improvement is brought in the process by engaging the households and defining times when the kids go to these houses to pick up the recyclable materials that are already sorted. The children will not have to spend all day in the street, the will not have to go into trash dumps to find plastic and glass and the children will be safe as LBK will have registered the households. The recycle bins serve as brand ambassadors for LBK and promote the habit of sorting garbage in the society. Figure 28 shows the process of registering and engaging households and adding this activity to the children’s time table.
This aspect of LBK activities is already being prototyped and working in practice (LettuceBeeKids, 2010). In the near future, LBK is already planning to expand their portfolio by engaging partners to teach and produce music with the street children. To improve on the existing process, LBK can plan in advance by defining the holidays that require cards, or identifying the exhibitions where LBK can show the children’s work. Importance of running this operation is in defining the time to market and planning these activities for the children in a way that their academic pursuit is not disturbed. Figure 29 shows how the planning can be executed. Furthermore, the role of partners in this process is of utmost importance as LBK cannot manage to print, publish and sell the goods on their own. The financials have to be managed between LBK and the partners to develop a long-term partnership.

Figure 28 Recycling management

Arts and Crafts
Figure 29 Arts and Craft management
NAVIGATING WITH THE STARS
To the reader: Following is the discussion and conclusion of the thesis followed by future research areas. The discussion revolves around the ideas proposed in this thesis and the learning’s from the existing research. Limitations of this research are presented and the future research possibilities are also discussed.

Discussion and conclusion

Social innovations have been an upcoming method for the entrepreneurs to challenge and overcome the problems being faced by society. Ranging from global warming to helping people in distress or assisting the disabled, the innovations that have led to answers have always come from understanding the environment and translating the needs and requirements to answering solution. With the advent of social enterprises the need of having solid business logic has become more and more evident.

Like other social enterprises, LBK needs to develop a business around their offering of generating social value. It is important for the business activities to have the same amount of focus on financial objectives as on the social activities. Importance of a multidisciplinary team that can execute the day to day operations becomes paramount for the success of LBK. Developing a relationship with the consumer that allows LBK to understand the end user needs and design LBK goods to satisfy these needs while using the revenue to fuel the social cause is the corner stone. Once LBK develops the team and activities to deliver the desired offering, the need is to track and evaluate the progress at regular intervals so that they do not stray from their initial objectives and transform into just another business as identified by Pirson (2012). As the business activities dictate the operations, LBK needs to avoid the impulse of running after the money blindly.

The socio-economic conditions in Pakistan are turbulent and volatile. From the surveys, it is clear that upper middle class and middle class; even though with very limited economic stability, are inclined towards being a part of a social cause. This kind of attitude in the society is a healthy sign for entrepreneurs aiming to solve social issues on their own.

As identified by the interviewees in Table 3, it is essential to start at the grass root level. In case of Lettucebee Kids (LBK), this means working with a small group of children in the beginning and growing to expand in other communities. Although it should be kept in mind that there are always opposing groups that do not accept anything that challenges the status quo.

Developing a business around a social cause with strict business rules and ethics can serve to develop repute and positive relationships with the society and other businesses. As highlighted by the interviewees in Table 3 a strong business process also helps in grabbing the attention of investors. For
LBK, even though the aim is self-sustainability, yet to have a long-term and sustainable impact they need investment initially, for resources like land, space and human resources.

It is clear that in their current state these children cannot be taken away from their parents. The aim of the processes is to engage these children and redefine the time that they spend on the street trying to earn into being more productive and academic experience. Due to high poverty, the parents are forced to send these children on the street or to industry to earn money. LBK can develop an environment where these children can earn and learn at the same time. Using the activities as touch points between the children and the society to create social integration for the children and awareness for the society. Activities that manage to bring these kids close to the society like elderly interaction and volunteer integration help these children in developing a sense of relationship and ownership. Activities like arts, crafts and music help these children communicate with each other and the society, on the other hand the byproduct of these activities serve as sellable goods that represent LBK cause and bring revenue.

The restaurant with fresh foods from the garden serves as a touch point for the society to come and interact with these children. The growing of fresh food, being and organized activity for the children is a good way to teach responsibility and ownership to them. Creating a functional restaurant around the concept of organic and fresh foods is not a part of the scope of this thesis, but it is a great way to have a strategic differentiator for LBK in the Pakistani food market.

This thesis was undertaken in an effort to define business processes and activities that can allow LBK as a social enterprise to attain self-sustainability in a developing country like Pakistan. The interviews were conducted to find insights about the global and Pakistani social enterprise environment. The five interviewees in their responses provided the material which can be further expanded and explored by interviewing more experts. The surveys were conducted online with a specific aim to judge the target market’s interest. The surveys provide a limited view because the number of respondents were chosen and belonged to the upper and middle class of the society. For a better view, it is recommended to conduct these surveys on a larger scale and follow them by interviewing the participants. Using the qualitative analysis techniques (Taylor-Powell, E. & Renner, M., 2003) the interviews were explored and key findings from the interviews and surveys were used to populate the innovation front-end framework (Berg, P., Pihlajamaa, J., Poskela, J., Lempiälä, T., Haner, U. & Mabogunje, A., 2008) to define the supporting elements of the processes and environment. The logical frame work (Berg, P., Pihlajamaa, J & Lindroos, 2005) was used to define the goals of each business process. The business process modeling was used in Microsoft Visio to create the concept business processes around the outcome of the logical framework.
The business processes presented in the previous chapter are by no means definitive. They are designed as starting point with the consideration of balancing the financial and social goals of LBK. The aim is that these business processes can be expanded upon when work begins at LBK. Furthermore, these processes are independent of each other in terms of execution and depending on the funds available can be started and developed separately.

Future research prospects
The business process concepts and the structure of the organization do not consider some aspects from the children perspective. This perspective and other areas are explained as follows as a part of future research and areas of improvement for this study:

1- Interviewing the children to identify their mindset about working and studying in closed environment as the one proposed above. It is important to consider that these children live on the street and they would require time to settle and adapt to closed environments on daily basis.

2- Another interesting aspect that can be further explored is how social enterprises can prototype and tests the functional and operational aspects of business processes, as proposed above with limited budget and man power.

3- Answering the difficult question of what curriculum should be followed to educate these children is a tricky one. Although the efforts by LBK in last couple of years have been fruitful and have produced amazing results using Khan Academy as a base, yet to integrate these children into formal education requires exploration into the schooling systems in Pakistan and what skills will be required by these kids to succeed in the formal education system.

4- The surveys were conducted online so no interviews were possible to follow up and ask the participants about the reason for their answers to the surveys. These kinds of follow-up interviews can be conducted to develop a clear understanding of the target market’s behavior.

5- In all, the business processes the LBK system serves as a repository for storing and retrieving information. A schema of such a system can be looked into, with an aim to develop a detailed working model.

6- The framework proposed by Berg et al. (2008) to measure the efficiency of the innovative front end for LBK as a social enterprise can be conducted as a case study.
References


### APPENDIX A. Social enterprises and non-profits active in Pakistan.

<table>
<thead>
<tr>
<th>Organization</th>
<th>Sector</th>
<th>Description</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td>Akhuwat</td>
<td>Microfinance</td>
<td>Empowers socially and economically marginalized families through interest-free microfinance, capacity building and social guidance.</td>
<td><a href="http://www.akhuwat.org.pk">www.akhuwat.org.pk</a></td>
</tr>
<tr>
<td>Altair Initiative</td>
<td>Entrepreneurship</td>
<td>Law firms that provides new entrepreneurs with inexpensive and efficient legal information and advice.</td>
<td><a href="http://www.altairinitiative.org">www.altairinitiative.org</a></td>
</tr>
<tr>
<td>AMAL</td>
<td>Agriculture</td>
<td>Dairy cooperative venture.</td>
<td></td>
</tr>
<tr>
<td>Aman Foundation</td>
<td>[Donor/Network]</td>
<td>Local, self-funded, non-profit trust.</td>
<td><a href="http://amanfoundation.org/">http://amanfoundation.org/</a></td>
</tr>
<tr>
<td>American Pakistan</td>
<td>Donor/Network</td>
<td>APF identifies and supports scalable socio-economic initiatives by collaborating with partners on the ground in Pakistan, and by mobilizing intellectual and financial resources via the Pakistani-America diaspora towards these programs.</td>
<td><a href="http://americangpakistan.org/">http://americangpakistan.org/</a></td>
</tr>
<tr>
<td>Ansaar Management</td>
<td>Housing</td>
<td>A low-cost housing development and management company that aims to scale affordable housing in the country.</td>
<td><a href="http://www.amcpakistan.org/">http://www.amcpakistan.org/</a></td>
</tr>
<tr>
<td>Company (AMC)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development of Pakistan</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(ADP)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>School (BLISS)</td>
<td>urship</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agency (FMIA)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ghonsla</td>
<td>Housing</td>
<td>Social enterprise that provides housing insulation to low-income communities.</td>
<td><a href="http://globalchallenge.mit.edu/teams/view/10">http://globalchallenge.mit.edu/teams/view/10</a></td>
</tr>
<tr>
<td>Organization</td>
<td>Sector</td>
<td>Description</td>
<td>Website</td>
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<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Jassar Farms</td>
<td>Agriculture</td>
<td>A dairy and breed improvement project working to increase the milk yields of cows in Pakistan.</td>
<td><a href="http://www.acumenfund.org/investment/jassar-farms.html">http://www.acumenfund.org/investment/jassar-farms.html</a></td>
</tr>
<tr>
<td>Kashf Foundation</td>
<td>Microfinance</td>
<td>Provides cost effective microfinance services to low income households, especially women, in order to enhance their economic role and decision-making capacity.</td>
<td><a href="http://www.kashf.org/">http://www.kashf.org/</a></td>
</tr>
<tr>
<td>Microdrip</td>
<td>Water/Agriculture</td>
<td>A drip irrigation company that develops and provides products and services as poverty alleviation solutions to farmers in Pakistan’s arid regions.</td>
<td><a href="http://www.microdrip.pk/">http://www.microdrip.pk/</a></td>
</tr>
<tr>
<td>Naya Jeevan</td>
<td>Health</td>
<td>A not-for-profit social enterprise that provides micro health insurance to the urban poor.</td>
<td><a href="http://njfk.org/">http://njfk.org/</a></td>
</tr>
<tr>
<td>Pakistan Urban Link &amp; Support (PULS)</td>
<td>ICT4D</td>
<td>E-marketplace powered by SMS-to-Web software that provides job-match services and employee-employer networking between the working poor and elite.</td>
<td>(Will be up soon)</td>
</tr>
<tr>
<td>Sahara Welfare Organization</td>
<td>ICT4D</td>
<td>Community-based non-profit organization that aims to empower youth in rural communities with computer education.</td>
<td><a href="http://www.saharo-ak.com">www.saharo-ak.com</a></td>
</tr>
<tr>
<td>Saiban</td>
<td>Housing</td>
<td>Non-profit that provides low-cost affordable housing for slum-dwellers.</td>
<td><a href="http://www.acumenfund.org/investment/saiban.html">http://www.acumenfund.org/investment/saiban.html</a></td>
</tr>
<tr>
<td>SEC Access</td>
<td>Agriculture</td>
<td>For-profit company that empowers small farmers by providing access to information, markets, suppliers and finance.</td>
<td></td>
</tr>
<tr>
<td>Virtual Education for All Pakistan (VEFA Pakistan)</td>
<td>Education/Entrepreneurship</td>
<td>Non-profit that records lectures covering topics in the national curriculum and making them accessible free of cost to children in Pakistan's state-run schools.</td>
<td><a href="http://www.vefapakistan.org">www.vefapakistan.org</a></td>
</tr>
<tr>
<td>Rabbit Education</td>
<td>Brings students and mentors from different classes of society via educational camps in order to foster independent and critical thinking.</td>
<td><a href="http://www.rabtt.org">www.rabtt.org</a></td>
<td></td>
</tr>
</tbody>
</table>

**Naya Jeevan**

According to a survey in Dec 2011, top social enterprises were voted to be “Naya Jeevan”. The objective of this organization is to bring new life to the low income families in the emerging world by providing them with easy access to quality health care and other social services. The organization follows a global innovation model focused on three segments of the population:

1- Domestic staff and their families (cooks, maids, gardeners, drivers, etc.).
2- Low income staff, associated with any business and organization (restaurant, gas stations and factories).
3- Children attending NGO/public sector schools and their low income families.

The business model that Naya Jeevan follows involves the organizations and their employees, i.e. in this case the organization pays for the health insurance of the employees. The employee also pays a small amount contributing to their health insurance and it is deducted from their wages.

In case of individuals who want to extent the benefit to their staff, they just pay a premium fee per month to cover the employee in question and his/her family. (thinkChangePakistan, 2011)

**BRAC**

BRAC has a history starting as Bangladesh Rehabilitation Assistance Committee in 1972 at the end of the Bangladesh’s war of liberation. Since then they have expanded their operation and now they are known as Bangladesh Rural Advancement Committee.

Their mission is to empower people and communities in situation of poverty, illiteracy, diseases and social injustice. They aim to achieve large scale, positive changes through economic and social programs enabling men and women to realize their potential. BRAC values innovation, integrity, inclusiveness and effectiveness in their operations. Currently BRAC is active in Asia, Africa and Americas. (BRAC International, 2013)
In Pakistan BRAC began their operations in 2007 through microfinance programs in North West Frontier Province.

The key features of the microloans are according to their 2010 publication (World Bank Indicators, 2013):

- Loan Range: USD 100 – 600
- Loan security Deposit : 10% of the sanctioned amount (refundable after repayment)
- Repayment Mechanism: Payable weekly in 24 to 48 equal installments.
- No collateral is required.
- After four group meetings the loan disbursement starts taking place

Currently they are also focusing on Education (Since 2009) and Health (since 2009) sectors.

Key features of BRAC pre-primary schools

- Flexible school timings
- Proximity to students home
- Small class sizes managed by local female teachers
- Child friendly teaching and learning environment
- Innovative curricula
- No costs to parents
- Close involvement of parents and communities in school management
- Close monitoring and supervision of program.

Acumen Fund Pakistan

The strategy for Acumen Fund (AF) in Pakistan since 2002 is to support innovative business models. AF leverages from its global presence and strong relationship with the local businesses. Also AF Pakistan collaborates with institutions and community leaders to invest in social enterprises aimed at resolving social issues in housing, health, and water and agriculture sector. Some of the investments in Pakistan are:

- Ansar Management company
- First Micro insurance agency
- Jassar Farms
- Kashf Education
- Micro Drip
- National Rural support Program
- Pharmagen Health care Ltd
- Saiban

(Acumen Fund, 2013)

**Kashf’s mission**

Kashf’s mission is an example of collaborative social enterprise aimed at eradicating poverty especially among women, by providing quality and cost effective microfinance services. This organization was inspired by the success of the Grameen Bank in 1996 and now it collaborates with Canadian International Development Agency, Acumen Fund, Sosense, Coca Cola beverages Pakistan Ltd and Coca Cola foundation, Grameen Foundation and Pakistan Microfinance network to name a few. With these collaborations the organization serves the Sindh and Punjab region with 157 branches in Pakistan. The services provided by Kashf’s mission are general loans, life insurance, financial literacy and recently most important the flood rehabilitation and reconstruction (Kashf, 2007)

**Microdrip**

Targeting the small land holding farmers of Thar (desert) region of Sindh Pakistan, Micro Drip (MD) is a profit-oriented venture between Thardeep Rural Development Program (TRDP) and Acumen Fund. This organization aims to shift the farmers from ancestral method of irrigation (flood irrigation) to drip irrigation system. Micro Drip provides the services for a small cost to set-up, educate and support the farmers so that they can use their limited water and generate sustainable income off their land. In their endeavors MD collaborate with other organizations with financial and social aims or expertise and interest in irrigations systems and agriculture.

- Acumen Fund
- Unilever Pakistan
- Universal Argo Chemicals
- International Development Enterprises – India
- Rural Support Program Network.

(Microdrip, 2007)
APPENDIX B. Interview questions for social enterprises

Social enterprise Professionals from Pakistan.

1. Tell me about yourself?
2. What are the guiding principles of your organization?
3. What do you know about any development happening for the kids on the street in Pakistan?
4. In Pakistan, what is in your view on social enterprises environment and their future?
5. In your experience are there any government organizations that favor, support or hinder social activities especially related to children?
6. What kind of government laws should be considered by upcoming social enterprises especially entrepreneurs in this field...?
7. What aspects of child labor should be considered in such a venture... are there any child labor laws in practice in Pakistan at the moment?
8. Do you feel that people in Pakistani cities (Islamabad, Rawalpindi, Lahore) are inclined towards supporting activities like this, if so in your view what segment of population is most prone to help a cause like LBK for example below rich, poor, middle class etc.

Interview questions for Social enterprises in Europe

1. Tell me about yourself (more specific about experience in developing countries, if any)
2. How have you been associated with the social/ welfare work?
3. What are the objectives of your organization?
4. In your organization can you clearly identify the social and financial objectives and how does your organization ensures the social and financial activities are balanced?
5. Do you think that the awareness among people (about the social issues and how to tackle them) has increased or deteriorated over time?
6. Do you see social enterprises as a possible solution for challenges that we face in the world today? Please tell me about your experiences in this domain.
7. In your experience what distinguishes successful social enterprises, from the ones who fail or change their objective over time to be more financial.
APPENDIX C. Survey questions

Survey 1: Personal Information and Location.

This Survey will help me identify who you are in terms of user segmentation and the geographical area you belong to. Also one question about the street children further informs me about what you see around you.

Total Questions : 9

time to complete: 6 minutes max

Please note that if you are filling this survey you must fill in the information release form before or after this you can find the release form at

:https://docs.google.com/forms/d/1VIAKDxwblzXe3tl5VwN4-jKeSOC4bj-NC1Dpo6U1oZA/viewform. (total questions 5, time to complete 3 minutes max)

Personal information

1. Gender?

  ○  Male

  ○  female
2. Married?
   - Yes
   - No

3. Children?
   - yes; How many?
     - __________________
   - No

4. Employed?
   - yes
   - no

Location Information

Please note that this information is required to get an idea of where you live. I do not need complete addresses, anything that can help me locate the area where you are residing is sufficient.

5. Are you currently based in Pakistan?
   - yes
   - no, which country are you based in
     - __________________

6. Which city in Pakistan do you live in?
Please note: if you answered ‘No’ in Question 5 please answer this question based on your home in Pakistan or your country of origin. There is no need to mention your complete address, for ‘Area in the city’ please mention the area that you live in for example, Saddar, F-10, Liberty- Market, Iqbal Town, Pakistan Town, Bahria Town etc, are sufficient.

City

________________________________

Area in the city

________________________________

Eating Out

7. How many times do you eat out or order in, in a week (including weekends)
   - O not at all
   - O once a week
   - O more than once
   - O more than twice
   - O more than thrice
   - O we hardly cook at home.

Street Children

Street Children are children (ages between 4 and 15) that you see every day during your commute earning and surviving on the street, they may or may not be orphans.

8. In your everyday commute, have you noticed the children on the
street, if yes, how many do you actually see in a single trip on your way to work or when you go out during the day.

- Less than 3
- more than 4
- more than 7
- more than 10

9. Have you ever interacted with any of these children. (multiple choice)

- No, i try to avoid them when i am out and about.
- No, i don't have time for people on the street in general
- Yes, i have bought whatever they are selling (newspapers, pens, cards, toys etc)
- Yes, i have paid them for cleaning my windscreen, or washing my car etc.
- Yes, i have several times given money, or food because they were begging for it.
- Yes, i have talked to them out of curiosity and tried to understand their situation.

Others (Text size Limit 60 Characters)

__________________________________________
Survey 2: Preferences and Social Value.

This survey consists of questions, telling me about how you perceive and interact at restaurants. Also what is your orientation towards organizations working towards social value
Total Questions : 6

time to complete: 5 minutes max

Please note that if you are filling this survey you must fill (if you have not already done so) in the information release form before or after this you can find the release form at:
:https://docs.google.com/forms/d/1VIAKDxwblzXe3tISVwN4-jKeSOC4bj-NC1Dpo6U1oZA/viewform. (total questions 5, time to complete 3 minutes max)

1. What appeals to you in a restaurant?
   - [ ] Food
   - [ ] Ambiance
   - [ ] convenient location
   - [ ] convenient/ extraordinary service
2. Will you go to a restaurant that triggers your curiosity?

Curiosity, in terms of a restaurant whose main business is other than food.

- Yes
- No

Depends (30 characters)

3. On a scale of 0 to 5, please, mark about the concern you have about the service person, serving your food?

0 1 2 3 4 5

not bothered

i have a phobia about who touches my food

4. Do you ever interact with the service personal beyond ordering food?

- some times
- always
- never

5. Would you take your children/friends/family to a place which is
designed with generating social value in mind?

by social value i mean the restaurant is conceptualized and built around a social cause.

☐ yes
☐ no
☐ maybe

6. If there are activities going around you in a restaurant, leading to social value creation for the less fortunate. Would you be curious enough and find time to engage in those.

☐ yes
☐ no

may be (30 characters)

________________________________________

Survey 3: concept testing Storyboard

This is the last survey of the series. It consists of questions, based on the story board provided in the form
of a video. These questions will help in identifying user inclination about the concept of what Lettucebee Kids could become in the future.

Before starting the questionnaire, please view the video at:


OR

http://youtu.be/6LSfisSgUgU

Total Questions : 7
time to complete: 7 min (2:06 min for video+ 5 minutes for answering questions)

Please note that if you are filling this survey you must fill (if you have not already done so) in the information release form before or after this you can find the release form at :https://docs.google.com/forms/d/1V1AKDxwbIzXe3lSVwN4-jKeSOC4bj-NC1Dpo6U1oZA/viewform (total questions 5, time to complete 3 minutes max)

1. You would visit a restaurant for the first time because

   o Friends recommendation

   o Flyers or brochures

   o Special offers

   o Advertisement (media and social media)

2. The restaurant int he story board: would it bother you if it looks and feels like a place for children?
3. How did you feel when you met "Jamal" at the door?
   - Intrigued
   - Surprised (positively)
   - Surprised (negatively)
   - Did not like it.
   - Confused
   - No reaction

4. In the story, will you be bothered by "Jamal' showing you his work while he guides you to your seating area?
   - Yes
   - No

5. In the story: would you look around and buy the stuff available for sale, considering that you understand the reason for selling?
   - Yes, i would buy only if i like it.
   - Yes, i would buy because i realize the social purpose behind the sales.
   - No, i would not buy.
   - No, i would not buy, but i would like to understand how this helps the community (Lettucebee kids)
6. In the story when you see the education center and the music room, how do you feel about it?
- Allowing the street children to earn and learn under the same roof is a good idea.
- Taking the children away from the street so that they use their time in a better way while earning for their family is a good idea.
- Work and play should be separate so as not to confuse the children
- Children should not be engaged in working in this manner.

7. Would you pay a little extra if the fresh produce (vegetables) from Lettucebee Kids garden was available at convenient location near you?
- Yes, because i realize the importance of fresh food.
- Yes, because i understand the value of Lettucebee kids work
- No, because the vegetables available in the market are fresh enough
- No, because i believe i can use my money for other social good.
APPENDIX D. Story board used with Survey 3

1

STORY BOARD

Drawings: Farz Khan

2

LUNCH TIME AT WORK. YOU CRAVE FOR GOOD FOOD, AND YOU FEEL LIKE GOING OUT TODAY.

3

A SMS FROM YOUR FRIEND REMINDS OF AN INVITE YOU HAD RECEIVED EARLIER THIS WEEK.

4

ON THE WAY YOU SEE KIDS EARNING A LIVING LIKE EVERY DAY ON EVERY CROSSING.

5

YOU ARRIVE AT THE LOCAL ADDRESS, LOOKS LIKE A DIFFERENT PLACE, NOT EXACTLY A RESTAURANT.

6

AS YOU GO IN, YOU ARE WELCOMED BY JAMAL, WHO GUIDES YOU TO YOUR SEAT.

Hi I am Jamal, I will be your host for today.
7

Please, enjoy the arts while I take your order and get it ready.

JAMAL TAKES YOU TO YOUR SEAT AND SHOWS YOU THE DIFFERENT ARTIFACTS AVAILABLE FOR SALE.

8

We make these artifacts and paintings for you during our classes everyday.

JAMAL TAKES YOUR ORDER AND TELLS YOU ABOUT HIS WORK.

9

INTRIGUED, YOU LOOK AROUND TO FIND THAT THE RESTAURANT IS ALSO AN EDUCATION CENTER FOR STREET CHILDREN, USING KHAN ACADEMY AS A CURRICULUM.

10

TEACHING MUSIC, ARTS AND OTHER SKILLS TO STREET CHILDREN, GIVING THEM A CHANCE TO WORK AND LEARN WHILE THEY EARN IN A SAFE ENVIRONMENT.

11

THE FOOD IS DELICIOUS AND FRESH.

12

THE BILL ALLOWS YOU TO REGISTER AND LEAVE A NOTE FOR THE KIDS IN THE COMMUNITY.
Thank you for your time

Please proceed to answering the questions for survey 3
APPENDIX E. Interviewees’ profiles.

Pakistan:

Tania Aitza; interviewed on 24\textsuperscript{th} Dec 2012, is a Communication Specialist with USAID energy policy project in Islamabad Pakistan. She is hired by Advanced Engineering Association incorporated which works as a consultancy to USAID to tackle energy related issues in Pakistan. She has been working in this position for 2 years and before this she has been working in other similar organizations and Faisal Bank. I am working for Energy Policy Project. “We don’t call it child labor because it is in the developed country and there is social welfare, and peoples’ needs are met.”

Saad Amanullah, interviewed on 9\textsuperscript{th} April 2013, is currently CEO of Gillette Pak, 25 years of experience in corporate sector. After working in Switzerland and Saudi Arabia he wanted to return something to the society. He started with Agha khan hospital when he returned, and became founder of HOPE fundraising society. Recently he is involved with Deaf school and its 5 branches. He is also on the advisory board, Naya Jeevan, Jinnah Hospital, LBK. “I have two passions: 1\textsuperscript{st} help our country and 2nd to elevate the poverty”

Sarah Shaikh, interviewed on 14\textsuperscript{th} April 2013, is working as Donor Engagement Director and is responsible for designing training and skill programs. She designs programs, presents them to donors for grants writing, monitoring and reporting. She is working with Family Educational Services Foundation an NPO registered under companies’ ordinance in Pakistan. “A country like Pakistan is a feeding ground for SE”

Europe:

Peter Kelly, interviewed on 24\textsuperscript{th} April 2013, is a Professor of Practice, High Growth Entrepreneurship in Aalto Ventures Program at Aalto University Finland. Peter has been teaching London Business School and has a vast market experience in the fields of economics and finance. His specialties are entrepreneurship, raising finance and business creativity. “Designing an offering for social enterprises to raise money is the same kind of challenge as a for profit entrepreneur trying to raise money from a capitalist”

Ulla Sarasalmi, interviewed on 25\textsuperscript{th} April 2013, is working with Finn Church Aid. Heading the livelihoods related initiatives of the organization. Ulla has been associated with Social enterprises all her life
through education and working with Helsinki School of Economics for several years before joining Finn Church Aid.

“i have to be very careful where to apply passion for instance, in my case my passion would help in the structure...The local people have to develop their own passion.”
APPENDIX F. Survey responses

Survey 1: personal information and location

1. Gender?

Number of respondents: 50

![Gender distribution chart]

2. Married?

Number of respondents: 48

![Married distribution chart]

3. Children?

Number of respondents: 50

![Children distribution chart]

Open text answers: yes; How many?

- 3
- 1
- 2
- 2
- 2
- 2
- 2
4. Employed?

Number of respondents: 48

5. Are you currently based in Pakistan?

Number of respondents: 50

Open text answers: no, which country are you based in
- Burundi
- Finland
- Finland
- UK
- Suomi
- Finland
- USA
- USA
- Norway
- Denmark

6. Which city in Pakistan do you live in?

Number of respondents: 49

City and area in the city
7. How many times do you eat out or order in, in a week (including weekends)

Number of respondents: 50

8. In your everyday commute, have you noticed the children on the street, if yes, how many do you actually see in a single trip on your way to work or when you go out during the day.

Number of respondents: 49
9. Have you ever interacted with any of these children. (multiple choice)

Number of respondents: 50

Open text answers: Others (Text size Limit 60 Characters)

- Yes I have spoken to these kids. I tell them that it is not their age to be on the roads begging. I do give them money at times to get food. I have always asked them to study and earn a living knowing they do not understand what I say. They have not seen a world where education is important for a child.
- Encouraged them to come train and work with me or go to school
- I am given them food instead of money many a times
- To give them food and money but not because they were begging
- I met to some randomly in bazar and in street mostly early morning time they pick grabage. I didn’t get time to know in deep.
- and given money also to assist them.
- My parents let them do their job if they insist too much. Otherwise hand them the money just. But there have been times when I feel like talking to them but have to avoid due to time limitation, etc.
- This is based on my experience in Pakistan (city Islamabad)
Survey 2: Preferences and social values.

1. What appeals to you in a restaurant?

   Number of respondents: 50

   Open text answers: Depends (30 characters)
   - should be less crowdy; spaciousness is something to look out for.

2. Will you go to a restaurant that triggers your curiosity?

   Number of respondents: 50

   Open text answers: Depends (30 characters)
   - what they offer
   - depends on the main business
3. On a scale of 0 to 5 please mark about the concern you have about the service person, serving your food?

Number of respondents: 50

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<th>1</th>
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<td>2</td>
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</table>

I have a phobia about who touches my food

4. Do you ever interact with the service personal beyond ordering food?

Number of respondents: 50

5. Would you take your children/friends/family to a place which is designed with generating social value in mind?

Number of respondents: 50

6. If there are activities going around you in a restaurant, leading to social value creation for the less fortunate. Would you be curious enough and find time to engage in those.

Number of respondents: 50
Open text answers: may be (30 characters)
- depending on my schedule

Survey 3: Concept testing Storyboard

1. You would visit a restaurant for the first time because

Number of respondents: 49

2. The restaurant in the story board: would it bother you if it looks and feels like a place for children?

Number of respondents: 50
3. How did you feel when you met "Jamal" at the door?

Number of respondents: 50

4. In the story, will you be bothered by "Jamal' showing you his work while he guides you to your seating area?

Number of respondents: 49

5. In the story: would you look around and buy the stuff available for sale. Considering that you understand the reason for selling ?

Number of respondents: 50
6. In the story when you see the education center and the music room, how do you feel about it?

Number of respondents: 50

7. Would you pay a little extra if the fresh produce (vegetables) from Lettucebee Kids garden was available at convenient location near you?

Number of respondents: 50
Yes, because I realize the importance of fresh food.
Yes, because I understand the value of Lettucebox kids work.
No, because the vegetables available in the market are fresh enough.
No, because I believe I can use my money for other social good.