The Role of Service Design for Social Enterprises in Finland

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**Title of thesis** The Role of Service Design for Social Enterprises in Finland  

**Department** Department of Design  

**Degree programme** Collaborative and Industrial Design  

**Year** 2019  
**Number of pages** 98  
**Language** English

**Abstract**

This thesis examines ways to utilize Service Design to benefit the development of Social Enterprises in Finland. Social Enterprises in Finland generally lack support to develop their enterprise and do not qualify for the same financing options as other businesses. As such, this thesis seeks to determine if Social Entrepreneurs can utilize Service Design methods and methodologies to gather evidence and design new services, so as to be better positioned to receive funding or investment, to begin business activities, or to fulfil their social missions, or all three. The work is conducted in partnership with Ehta Raha, a cooperative which specializes in providing financial advice and services to Social Enterprises.

The design process of the project is structured in three phases; research of the problems and existing solutions, development of design interventions, and prototyping those interventions with Social Entrepreneurs. The research is conducted through a literature review, five narrative interviews, a survey, and five Social Enterprise related Events. The literature review covers the fields of Social Entrepreneurship and Human Centred Design, focusing on understanding the landscape both in Finland and more globally. The interviews, survey, and events focus on understanding the needs and abilities of Social Entrepreneurs, and highlight the need for business planning and financial opportunities.

The core outcome of this work is a new framework and supporting workbook. The workbook, “How to Design a Social Service,” provides a process for newcomers to learn about Service Design, and is specifically tailored towards Social Entrepreneurs. This framework is developed and then iterated based on user feedback, prototyped as a workshop, and is eventually refined as a workbook which can stand alone without a specific facilitator to guide the process. The workbook consists of an introduction and design recipes. The introduction consists of three tools that are designed to orient and direct the social entrepreneurs’ project based on its own principles, resources, and goals. The design recipes follow the Double Diamond model of design, and contain specific sets of design tools to address different scenarios. The framework and workbook help social entrepreneurs to develop their business by providing a clear process to guide their business ideation and development, including testing and validating of solutions.

Acknowledgements

Special thanks to Ehta Raha, especially Kimmo, Tanja, Kaisa, Arja, Marjo, and Marika for working so closely with me. I am extremely grateful to all the Social Entrepreneurs that shared their time and stories with me, and to everyone who responded to the survey. I would like to express my deep gratitude to Kati from Makupiste and Tero and Merja from Hyvinvointikylä. My grateful thanks to Andres Lucero for being patient and guiding me along the way. Finally, many thanks to my friends, teachers, and colleagues who supported me along the way.
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Introduction

This thesis examines the role of Service Design as a business development tool for Social Entrepreneurs in Finland. This thesis follows the design journey of the project from the background research to the design and delivery of the final outcomes. The work was done in partnership with Ehta Raha, and is published with permission.

In the introduction I look at the background to this thesis, the preliminary activities, establishing the partnership, and outlining the research questions and plan. The thesis work is then structured over three phases: research, design definition and development, and prototyping. In the research phase, I conduct background and primary research through Design Methods. In the design definition and development phase, I analyse the needs of Social Entrepreneurs and create a framework to educate Social Entrepreneurs about the design process. In the prototyping phase, I test and iterate the framework, prototyping it as a workshop and then as a workbook. In the conclusion, I discuss the results, possible next steps for the project, and share a few words about the possible future of the field of Social Enterprises.

This thesis originated as a result of a project between two organizations, Demos Helsinki and Ehta Raha, called the Boosting Project. The Boosting Project aimed to increase the financial wellbeing of small social enterprises and start-ups in southern Finland. I was first introduced to the Boosting Project as part of one of the bootcamps which was held for entrepreneurs, where I was a facilitator with Demos Helsinki.

After discussions with Ehta Raha, the thesis topic started by researching Social Enterprises in Finland and how a service designer could contribute to the success of those enterprises. Through my research, as described in this thesis, I found that there was a need to help develop the enterprises before their launch, to give the better financial readiness for launch and operations.
Background

“There are professions more harmful than industrial design, but only a few of them.” – (Papanek)

At Demos Helsinki.

This thesis started while working as a Research Intern at Demos Helsinki in the spring of 2017. Demos Helsinki is a think tank and consultancy that focuses on creating a more democratic and sustainable future society.

“Demos Helsinki always has two customers – the partner whom we work with, and the society which benefits from each project. The purpose of our work is to create a persistent societal change, towards which we work with many changemakers and partners.” – (Demos Helsinki)

At Demos Helsinki I started thinking about possible alternative forms of organization. In particular I started paying attention to alternatives to the for-profit/not-for-profit divide. Demos Helsinki itself is a Social Enterprise, its organization contains both a foundation and a corporation. The profits from the profitable corporate work fund the foundations not-profit or at-cost work. Furthermore, Demos’ work focuses on creating societal impact rather than generating profit.

Rahoitusvoimala, The Boosting Project.

One project I became involved in during my work at Demos Helsinki was the ‘Boosting Investment Readiness of value-based enterprises in Finland’ (Hereafter referred to as the ‘Boosting Project’, translated from ‘Rahoitusvoimala’ in Finnish). The Boosting Project is an EU funded project run by both Demos Helsinki and Ehta Raha. The project aims to provide investment and financial advice to Social Enterprises through multiple types of activities. The Boosting Project comprised networking events, consultations, peer support groups, Impact Measurement training, and a 2-day Bootcamp.

“Your business can only be an idea, it can be new and newly established, or it has worked for longer. The Boosting Project is:

- Breakfats and evenings: learning and networking events open to everyone, with initials on various topics.
- Counselling: company-specific advice on financial capability development.
- Peer support groups: groups meet in Orivesi, Tampere and Helsinki as needed. Also involved are experienced mentors or counsellors to meet the needs of companies.
- Impact Measurement Training
- Coaching camps: two days of power to develop financial literacy by leaps and bounds.” (Advertisement for the Boosting Project, translated, “Ehta Raha”)

The Boosting Projects’ target group was Social Enterprises, sometimes referred to as Value-Based Enterprises. Social Enterprises are defined in the Boosting Project as “enterprises which generate well-being for people, animals and the environment through its business. The goal of the company is defined by the owners. Social enterprises often work to solve difficult social or ecological problems.” (translated, “Ehta Raha”)

Bootcamp

At Demos Helsinki I facilitated one of the Bootcamp events, the ‘Helsinki Impact Camp.’ A team of three facilitators from Demos Helsinki ran the event. Ten different groups of entrepreneurs attended the Bootcamp. Over the two-day Bootcamp the entrepreneurs developed their concepts and then pitched those concepts to a panel. The panel consisted of investors and financial advisers who gave feedback and, potentially, investment.

There were nine Design Exercises, including a Value Proposition Canvas, a Business Model Canvas, and a User Journey Map. The canvases were too numerous and complex, especially since the entrepreneurs had not prepared any background material to input beforehand. They lacked evidence and struggled to give deep answers on the worksheets that were not solely based upon intuition. Additionally, there was not enough facilitators to work with every group at the same time. This left some groups having to figure
The Boosting Project would end in May of 2018 and what would happen next was unclear. Without continued external funding the Boosting Project would not continue. There was still a desire to continue the work of the Boosting Project, and a clear need for it among Social Entrepreneurs.

This thesis is one avenue pursued to continue that work. In partnership with Ehta Raha, this thesis aims to discover how I, with my skills and knowledge as a Designer, could contribute to improving the financial readiness of Social Enterprises. This thesis is my contribution to the development of the ‘Boosting Project 2.0’, in whatever shape that will take on. Thus, we agreed that this thesis would be in partnership with and with support from Ehta Raha and the work and results would get published openly.

Research Question

Based on the background experience, needs of the partner and the needs of Social Entrepreneurs, the Research Question for this thesis is:

RQ1. How can we better meet the needs of Social Enterprises during their entrepreneurial journey?

To answer this research question, these Exploratory Questions emerged:

1. What are the needs of Social Entrepreneurs?
2. What does their development process consist of?

In conjunction with the Exploratory Questions, these sub-questions arose:

- Who are Social Entrepreneurs and what are their needs?
- What does it mean to be a Social Entrepreneur in Finland?
- Are Service Design Tools beneficial to Social Entrepreneurs?
- When in the Entrepreneurial journey is Service Design most applicable?
- Why would Social Entrepreneurs use Service Design Tools?
Introduction

To understand the background, first this thesis will explore the wider topics of:

- Landscape of Social Entrepreneurship
- Service Design Tools and Methods
- Diverse Economies Framework
- Social Innovation

Research Methods

The primary and secondary research will comprise a literature review and qualitative research. The research methods selected for this thesis are Narrative Interviews, Surveys, Observations, Workshops, and Rapid Prototyping. Insights drawn from the research will inform the development of solutions. I will define the Scope and Target Group of this thesis from the background research. Then, I will develop solutions, test them with users, and then iterate as needed. Finally, I will package and deliver the outcome for the client, Ehta Raha.

Timeline

Phase 1: Design Research

January 2018
Demos Helsinki Internship through March 2018

April 2018
20.04 Interview 1
22.04 Survey development with Arja

June 2018
6.06 Open Cinema Launch Event
19.06 Survey Analysis with Arja

Phase 2: Design Definition

August 2018
21.08 Meeting with Ehta Raha
Put in contact with Makupiste

October 2018
03.10 Presentation to Ehta Raha and Entrepreneurs

Phase 3: Design Prototyping

December and January 2018-2019
Developing the Workbook

March 2018
Rahoitusvoimala Bootcamp facilitation
23.03 First meeting with Ehta Raha
29.03 First draft of Survey

May 2018
02.05 Interview 2
7-8.05 Tampere Visit
47 tribe
Rahoitusvoimala Spring Reflection
Interview 3
11.05 Survey sent
24.05 Interview 4
30.05 Survey closed
31.05 Interview 5 + Arvoliitto Book Launch

July 2018
Converging to Problem Definition & Design Brief

September 2018
Development of the First Framework
03.09.18 Meeting with Makupiste

November 2018
02.11 Workshop with Hyvinvointikylä
Prototyping a Design Recipe
16.11 Follow up with Hyvinvointikylä
Results of first prototyping
Phase 1: Research

In phase one, I conduct the secondary and primary research of this thesis. First, I go through a literature review, setting the background for the primary research. Then, I engage in the primary research through narrative interviews, a survey, and observations. Finally, I synthesize the insights from the research and summarize my findings.

Background Research

The background research starts with a literature review. The primary goal of the literature review is to define the scope of the thesis, understand the potential target users, and explore existing tools. The authors were selected to give a broad overview of the topics at hand. The results from the background research contribute to the insights guiding the following phases of the thesis.

The literature review first focuses on understanding the Field of Social Enterprises. The literature review then explores related topics, such as the Finnish landscape of Social Entrepreneurship and Diverse Economies. Next, it focuses on the field of Design, understanding the background of Human Centered Design, the different fields, models, and tools for design. Finally, the literature review looks at Design for Social Innovation and Systems Thinking.

Social Enterprises & Finland

The ‘Boosting Project’ targeted Value-based or Social Enterprises, but the definition of Social Enterprises is quite murky. This section explores other definitions and typologies of Social Enterprises, and what it means to be a Social Enterprise in Europe and in Finland.
Defining ‘Social Enterprise’

When trying to define what a Social Enterprise is, there are many places to look. The first definition, from Ehta Raha, is that Social Enterprises are “enterprises which generate well-being for people, animals and the environment through its business. The goal of the company is defined by the owners. Social enterprises often work to solve difficult social or ecological problems.” (translated – “Ehta Raha”) This definition focuses on the impact or goals of an enterprise, but that is not the only lens with which to view social Enterprises.

In the book ‘Social Enterprise Typology’, by Kim Alter, there is a list of definitions from a wide variety of sources:

“As early as 1996 The Roberts Foundation Homeless Economic Development Fund [http://www.redf.org] defined social enterprise as “a revenue generating venture founded to create economic opportunities for very low-income individuals, while simultaneously operating with reference to the financial bottom-line.”

NESsT [http://www.nesst.org], on the other hand, uses the term social enterprise to refer to “the myriad of entrepreneurial or ‘self-financing’ methods used by non-profit organizations to generate some of their own income in support of their mission.”

Both definitions capture the social and financial characteristics of the social enterprise; however, The Roberts Foundation’s definition emphasizes social enterprise as a program approach, whereas NESsT’s definition stresses it as a funding approach.

The Nonprofit Good Practice Guide [http://www.npgoodpractice.org] offers a holistic definition: “A non-profit venture that combines the passion of a social mission with the discipline, innovation and determination commonly associated with for-profit businesses [...]

The UK-based Social Enterprise Coalition [http://www.socialenterprise.org.uk] reminds us that the simplest definition of social enterprise - as business trading for a social purpose - allows for a wide range of interpretations and there is still an ongoing debate among practitioners and academics over the exact definition of social enterprise.” – (Alter, 11)

All of these definitions bring together an aspect not found in Ehta Raha’s – that of economic value. While Ehta Raha mentions ‘business’ it makes no statement on the revenue generating abilities of the organization. The definitions from Alter define a Social Enterprise as a revenue generating organization. However, they do not rule out a non-profit organization either. Whether an organization is profit-generating or not is the first aspect with which to define Social Enterprises.

“Defining what social entrepreneurship is, and what its conceptual boundaries are, is not an easy task . . . in part because the concept is inherently complex, and in part because the literature in the area is so new that little consensus has emerged on the topic.” (Johnson, 5)

Another aspect of defining a Social Enterprise is through its commitment to a social mission. Whether the organization places the social mission at the core of its work, as a consequence of its work, or as an extra activity which offsets its work. All three of these examples are Social Enterprises.

Therefore, defining a Social Enterprise only by its commitment to a social mission is not satisfactory. A Social Enterprise must blend the both aspects. This is best illustrated in Emerson’s writing on the Blended Value Proposition.

“We must move beyond the traditional belief that an organization’s Economic Value is separate and at odds with its Social Value.” (Emerson, 11)

The Economic Value, as he terms it, is dependent on the Social Value of an enterprise. Most authors consider the Social Value to be more important than the Economic Value, but they are interdependent.
"For social entrepreneurs the social mission is explicit and central. This obviously affects how social entrepreneurs perceive and assess opportunities. Mission-related impact becomes the central criterion, not wealth creation." (Dees, 2)

**Typology of Social Enterprises**

These different definitions illustrate that the field of Social Enterprises is not a uniform, homogeneous set of organizations but rather a set of varied organizations with differing values and purposes. Social Enterprises are a grey area with boundaries which are hard to describe - between commercial entrepreneurs and not-profit-generating charities there exists multitudes. How can it be possible to describe those multitudes? Here we turn to some typologies which describe Social Enterprises not as one group, but as a spectrum.

"All hybrid organizations generate both social and economic value and are organized by degree of activity as it relates to: 1) motive, 2) accountability, and 3) use of income." (Alter)

In Figure 1, Alter presents a Hybrid Spectrum of enterprises, from Traditional Non-profit to Traditional For-Profit. Thus, we can classify a specific enterprise across this spectrum. These hybrid organizations have a revenue-generating operation, unlike a traditional non-profit. This operation can either be the core activities of the organization, with which they create social impact, or an extraneous function which supports the social impact activities.

Further to the right on this spectrum, the revenue-generating mechanism is the central purpose of the organization, but they still carry out some socially responsible activities on the side. To the left, the revenue-generating activities are no longer central to the business, sometimes so much so that the organization is no longer revenue generating at all. When they are no longer revenue-generating they lose control of their mission. Therefore, being able to generate some revenue, being self-sufficient, retains one's control over the enterprise.

"As a hybrid, the social enterprise is driven by two strong forces. First, the nature of the desired social change often benefits from an innovative, entrepreneurial, or enterprise-based solution. Second, the sustainability of the organization and its services requires diversification of its funding stream, often including the creation of earned income" (Alter, 15)

Ultimately, it is the sustainability of an organization that determines the revenue-generating needs. If an organization can remain sustainable and active without generating its own revenue, then that is a viable approach. Otherwise it must seek to generate revenue, moving from a non-profit to a social enterprise.

In Figure 2, Nicholls presents a different spectrum which includes the funding mechanism of an organization. Here we can see the primary difference between a Social Enterprise and a Corporation is the mission focus, and the primary difference between a Social Enterprise and a Volunteer is the self-sufficiency, the sustainability, of the organization.

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**Figure 1 – The Hybrid Spectrum between traditional non-profits and traditional for-profits. (Alter, 15)**

**Figure 2 – Funding Dimensions of social entrepreneurship (Nicholls, 12, adapted from Dees 1998b; Alter 2002)**
Based on these typologies I would propose a definition of Social Enterprises for this thesis:

Organizations that place a social mission at the centre of their activities, while using revenue to be self-sufficient.

Social Enterprises in Europe

In 2014 a report for the European Commission was published which mapped Social Enterprises and their ecosystems in European countries. In “A map of social enterprises and their eco-systems in Europe: Executive Summary” the authors found a surprising amount of diversity across the nations. The differences came down to understanding, awareness, financial access, legislation, support systems, and more. Some countries, for example UK or Italy, are strongly supportive of Social Enterprises, and have things from specific legislation to support the financial activities, to banks that provide funding options.

First, they identified a set of ‘public support measures’ that increase the development of Social Enterprises:

“Awareness raising, knowledge sharing, mutual learning;
Specialist business development services and support;
Investment readiness support;
Dedicated financial instruments (e.g. social investment funds);
Physical infrastructure (e.g. shared working space); and
Collaborations and access to markets.” (Wilkinson)

Second, they identified a set of ‘Barriers and constraints to the development of social enterprise’ generally in Europe:

“Poor understanding of the concept of social enterprise
Lack of specialist business development services
Lack of supportive legislative frameworks
Access to markets

Access to finance
Absence of common mechanisms for measuring and demonstrating impact” (Wilkinson)

In Finland – Legislation, Marks, and Organizations

In the specific Country Report for Finland the authors go more in-depth about the Legislation, Organizations, and landscape in Finland. The report makes some interesting findings that show that Finland is a fairly unique landscape for Social Enterprises to operate within.

In Finland, there is a lack of specific legislation for Social Enterprises that is seen in other countries. The only legislation is in regard to Work Integration Social Enterprises (WISE), which is a very specific and narrow definition of Social Enterprise.

“In Finland, there is an Act on Social Enterprise (1351/2003 which entered into force in 2004), but it limits ‘social enterprises’ only to the field of work integration.” (Wilkinson)

This means that there are “no specific support systems or tax reliefs specifically for social enterprises” (Wilkinson). Despite the lack of specific support systems, Finland is supportive of Entrepreneurs in general.

“Strategic objectives of Finland include promoting start-ups and growth and sustainability of the enterprises, especially small and micro-sized companies. There are a number of support systems (funding, training, guidance, counselling etc.) for enterprises in Finland which are open to mainstream enterprises as well as social enterprise” (Wilkinson)

The report identifies four organizations for Social Entrepreneurship in Finland:

Social Enterprise Coalition / Union of Social Enterprises (yhteiskunnallistenyrittäjienkoalitio / liitto);
Social Entrepreneurs’ Association of Finland (Suomen Yhteiskunnalisten Yrittäjienyhdistys);
Finnish Social Enterprise Research Network, FinSERN; 
Academy for Finnish Social Entrepreneurship (SyyAkatemia).

Unfortunately, these organizations have all ceased activities. Two new organizations are now working towards championing Social Entrepreneurship; Arvoliitto and Sitra. The Social Entrepreneurs’ Association of Finland seems to have merged with the Association for Finnish Work, which is more general.

The Association for Finnish Work gives out the Mark, which consumers can look for to identify products from Social Enterprises, but it is not well known in Finland, despite 203 marks being awarded as of 2019.

“The Finnish Social Enterprise Mark (Yhteiskunnallinen yritys) was launched in 2011. The mark can be held by companies that have been set up to solve social and environmental problems and dedicate most of their profits to this purpose.”
(Association for Finnish Work)

Arvoliitto, “Finnish Association for Social Enterprises” (Arvoliitto) is a network of Social Enterprises and partners, and they do work to promote Social Enterprises in Finland.

Sitra, the Finnish Innovation Fund, has two initiatives with limited scope for Social Enterprises. They are currently trialling Social Impact Bonds for specific sectors, which is part of a larger Impact Investing movement which aims to measure the societal impact of a company. Sitra also has run an Impact Accelerator for specific challenges.

“Impact investing helps promote well-being effectively and in a resource-wise way. It is a means of channelling private equity to projects whose aim is to achieve positive, measurable social benefit.”
(Sitra)

Success Factors

The literature on Social Enterprises identifies a number of barriers to development of Social Enterprises as a field and as individuals. Nicholls gives us first a global overview of the basics:

“the main barriers to social entrepreneurship remain quite basic. These include: a lack of adequate legal forms for independent not-for-profit organizations (NPOs); fair, let alone favourable, tax rules for donations or for trading; laws and a political environment that make it possible to argue, criticize, and campaign; and protections from violence or the arbitrary caprice of bureaucrats.”
(Nicholls, 76)

Then Rost tells us the underlying reason, the non-traditional notion of success:

“the three biggest barriers for the growth of social entrepreneurship are limited forms of initial financing, a lack of targeted follow-up financing for social ventures and limited transparency for the allocation of public-financing (Höll & Oldenburg, 2011). Central elements for these financial hurdles are the different notions of success for social ventures.”
(Rost)

Then Wilkinson puts that into context for Finnish Enterprises:

“The main factors constraining the growth of social enterprises (in Finland) are: a lack of conducive policy framework for social enterprise, under-developed social investment markets and more generally, lack of understanding of the specific characteristics of social enterprises.”
(Wilkinson)

From this literature I have shown the challenges in defining Social Enterprises, compromising the wide variety of organizational possibilities and focus, described a Typology for Social Enterprises, and examined the barriers Social Enterprises face generally, in Europe, and specifically in Finland.
Diverse Economies

One of the background topics which Ehta Raha made reference to was that of the Diverse Economies Framework, which is a way of viewing the economy including more than just formal transactions but also including informal transactions. Gibson-Graham gives the examples “of unpaid economies such as; unpaid carers, worker cooperatives, community supported agriculture, alternative currencies such as elder care credit, the social economy or third sector, informal international financial networks, squatting or slum-dwelling, and many more.” (Gibson-Graham, 617)

Later in the paper they go on to state that “(alternative economic activities) status as marginal and unconvincing is difficult to budge. It is here that we confront a choice: to continue to marginalize (by ignoring or disparaging) the plethora of hidden and alternative economic activities that contribute to social well-being and environmental regeneration, or to make them the focus of our research and teaching in order to make them more ‘real’, more credible, more viable as objects of policy and activism, more present as everyday realities that touch all our lives and dynamically shape our futures.” (Gibson-Graham, 618)

For this thesis it is important to recognize Social Enterprises as one alternative economic activity, that legitimizes work done by, for example, carers by bringing them into the formal, paid economy. Social Enterprise is a choice that is made, and bridges between purely economic activity and purely social activity. In the Diverse Economies Framework, social enterprises fall into the ‘Alternative Capitalist’ category, rather than purely capitalist or non-capitalist. Oftentimes a Social Enterprise is replacing an otherwise Unpaid or Capitalist activity with an alternative, hybrid activity.

Human Centred Design

“Being a human-centered designer is about believing that as long as you stay grounded in what you’ve learned from people, your team can arrive at new solutions that the world needs.” (IDEO, 9)

“IDEO (2009) considers HCD (human-centred design) as an approach that, aimed at enhancing the lives of people, can help organisations to better connect with their existing network of stakeholders, while discovering new opportunities for change.”

In Valladares’ thesis entitled ‘Design When Social Enterprises Arise, Design for Sustainable Development in Guatemala Through Social Enterprises’ she writes about the role of design;

“The role of design seems to be amplified being practiced not only by design professionals, but also, by social enterprises, who, in specific cases, have approached the needs of oppressed communities with creative solutions to improve their lives and raise their traditional values.” (Valladares)

This is to say that design is a method which some Social Enterprises have used, amongst other Innovation methods, to develop their businesses with the needs of the users first. IDEO (above) and Meroni have both articulated that design, when it focuses on User or Human needs first, can lead to innovative solutions that improve individuals’ lives. This method of design has been around as a framework since at least 1988, first articulated by Don Norman in the ‘The Design of Everyday Things’.

“User-centred design has been to date the main framework for research into experiences and interactions (Norman 1988, Anceschi 1993, Shredoﬀ 2001).” (Meroni, 63)

The Human Centered Design (HCD) process has a number of key tenets – it should focus on “building a deep empathy with the people you are designing for; generating tons of ideas; building a bunch of prototypes; sharing what you have made with the
people you are designing for; and eventually putting your innovative new solution out in the world.” (IDEO)

These tenets put forth three important things for this thesis:

1. Human Centered Design should involve the people you are designing with.
2. Human Centered Design should leave behind preconceptions.
3. Human Centered Design should iterate based on user feedback.

Service Design

“What exactly is service design? Service design addresses the functionality and form of services from the perspective of the user. It aims to ensure that service interfaces are useful, usable, and desirable from the client’s point of view and effective, efficient, and distinctive from the supplier’s point of view.” – (Mager, 34)

Within the field of Design, different designers tend to focus on different mediums. There are Product designers which focus on material objects, Interior designers which focus on human spaces, Interface designers which focus on human-computer interactions, and Service designers which focus on the in-tangible transactions. All of these design practitioners can apply Human Centered Design to their work, but it is the Service Designers this thesis focuses on.

Service Design has emerged over the last 20 years along with the Service Economy. One aspect of the shift towards Service Design is that you are very often designing for a service that already exists, whereas a product designer is more likely to be designing something totally original. The book ‘Design for Services’ examines this development;

"Designers previously saw their task as the conceptualisation, development and production of tangible objects. In the twenty-first century, a designer rarely ‘designs something’ but rather ‘designs for something’: in the case of this publication, for change, better experiences and better services” – (Meroni)

While Design for Services tends to leave aside the conceptualization and development of products, there still exists the conceptualization and development of new services. For Social Entrepreneurs, this will be the focus of this thesis. This focus on incremental service improvements does not mesh well with that of Social Entrepreneurs – they need to solve problems in innovative ways that do not necessarily exist. Social Entrepreneurs are driven to create the change and better services using innovative methods– very often finding gaps in existing services which reveals an opportunity for something new. Mager talks about designers that can create solutions to problems that do not even exist yet today, and this is the definition of Service Design that resonates most with the needs of Social Enterprises.

"Service designers take a deep dive into the ecologies of services, into the world of needs and experiences of users and providers. They visualise, formulate, and choreograph solutions to problems that do not necessarily exist today” – (Mager, 35)

Design Model

To communicate the Human Centered Design process there are many models to describe the process. From IDEOs three stage process to a nine-stage design thinking model, there are many options out there. This thesis selected the Double Diamond model from the Design Council UK to describe the design process and categorize design tools. The Double Diamond model is a synthesis of many different designers’ process which collects the commonalities and synthesizes that into a cohesive model. The advantage of the Double Diamond model is that it gives equal emphasis on defining the problem as it does creating solutions. All too frequently work is executed without an adequate understanding of the user needs and problem area, resulting in designed solutions that miss the mark entirely, only solving half of the problem if at all.

"Every design specialism has a different approach and ways of working, but there are some commonalities to the creative process. At the Design Council we like to illustrate this with our Double Diamond model."
Divided into four distinct phases – Discover, Define, Develop and Deliver – the Double Diamond is a simple visual map of the design process.

In all creative processes a number of possible ideas are created (‘divergent thinking’) before refining and narrowing down to the best idea (‘convergent thinking’), and this can be represented by a diamond shape. But the Double Diamond indicates that this happens twice – once to confirm the problem definition and once to create the solution. One of the greatest mistakes is to omit the left-hand diamond and end up solving the wrong problem.

In order to discover which ideas are best, the creative process is iterative. This means that ideas are developed, tested and refined a number of times, with weak ideas dropped in the process. This cycle is an essential part of good design.” (Design Council)

Design Tools

“Though no two human-centered design projects are alike, we draw from the same kit of tools for each of them.” (IDEO, 12)

Within Human Centered Design, across different Service Design practices, and around the Double Diamond design model there are sets of methods, or tools, which guide the designer. These tools share commonalities across design disciplines, but there are also specific tools for specific challenges. There is a multitude of resources out there for finding different design tools, a few of which are here.

“The role of the designer as an actor able to listen to users and facilitate the discussion about what to do. They show very clearly how a multiplicity of dedicated tools have been made available to support the designer in this role: tools that can be used in all design practices,” (Meroni, 28)

These resources often group the tools into categories based on a design model – IDEOs Design Kit is grouped by their three stages (Inspiration, Ideation, and Implementation). Within each of these sections are tools, each of which with a title and description, sometimes with step-wise directions, sometimes with canvas on which to work. At the end of ‘Design for Services’ there is an appendix containing tools based on the 18 case studies. This is a typical example of a description of one of these resources;

“Tools have been clustered in four main activities: analysing, generating, developing and prototyping. These activities can easily represent the four common stages of a design process. The tools, listed in the following pages, are briefly described in terms of what they are, when they are generally used and how they are generally applied. It is not a detailed description, but it works as scaffolding instructions and examples that professionals and researchers can pick up and reinterpret in their own processes. Moreover, given the iterative nature of any design process, the same tools can actually be used more than one time and at different stages by different people.” (Meroni, 274)
The fact that these tools are for professionals and researchers to reinterpret is important. Many of these toolkits presuppose that the user is familiar with the design process and has conducted design work before.

Abridged list of resources:

- **DIY Toolkit** - “This is a toolkit on how to invent, adopt or adapt ideas that can deliver better results. It’s quick to use, simple to apply, and designed to help busy people working in development.”
- **Livework studio** - “The tools enable us to design and create effective services for customers that organisations can deliver.”
- **This is Service Design Doing** - “54 hands-on descriptions that help you DO the key methods used in service design.”
- **Design a Better Business Tools**. - “All the Tools You Need to Design Your Business.”
- **Creative Enterprise Toolkit, Nesta**. - “Starting a business can be daunting. That’s why Nesta created the Creative Enterprise Toolkit - a practical resource to help you plan, build, test, communicate and launch your new creative business.” -- business rather than design or user centric

These five resources all contain a multitude of tools that can be applied in a variety of scenarios. It is left as an exercise to the browser to determine exactly which tool they should be using depending upon their exact needs, although guidance is usually provided in the overview.

**Design and Social Innovation**

There are two important works on Social Innovation that are relevant to this discussion. Because they articulate the social impact that design can have.

The first is ‘Design, when everybody designs: An introduction to design for social innovation.’ by Manzini, which examines the changing role of the designer in the world.

The second is ‘How to Innovate: The Tools for Social Innovation’ by Murray, et al, which discusses the variety of tools that are used to drive Social Innovation.

In ‘Design, when everybody designs’ Manzini discusses design and the designers’ role in social change. He promotes that designers can and should work in responsible ways, being aware the impact our own work has. He began the introduction of this thesis with a quote from Papenek about the consequences of Industrial Design, of the material waste, and Service Design has its own impact to be aware of. When Manzini talks of service design he says it is “particularly relevant” because it works “to conceive and develop solution ideas that take into account the quality of the interactions involved” (Manzini, 59).

“Design has all the potentialities to play a major role in triggering and supporting social change and therefore becoming design for social innovation.” (Manzini, 55)

“In fact, to promote social innovation, design experts must use their design skills and competences to recognize promising cases when and where they appear and to reinforce them. That is, to help them to be more accessible, effective, lasting, and replicable.” (Manzini, 58)

In ‘How to Innovate’ Murray lays out a huge number of methods that have been used for Social Innovation, and invites the reader to explore methods they are not yet familiar with.

“Our research suggests that relatively few people working in the field have had the chance to reflect on the methods that they already use, and that even fewer are aware of the other methods in neighbouring fields which they could be using” (Murray, 1)

This sharing of methods can help to build stronger, more resilient Social Enterprises, but discovering and using these methods is challenging.

“Some of what is happening in the market entails the adoption of ideas from the social sector – collaboration, cooperation, trust-based networks, user involvement in service design, for example,”
Research Activities

Herein is a description of the research activities that took place during the research phase of this thesis. The research activities were grounded in the background research and sought out current practitioners to validate and give depth to the findings. Additionally, the research activities uncover challenges and opportunities not found in the literature. The selected activities were:

- Narrative Interviews - Deeper insights and empathy for Entrepreneurs
- A Survey – Quantitative insight into the needs of Entrepreneurs
- Events – Immersion into the landscape of Entrepreneurship in Finland

The results of the research activities formed insights which informed the scope and target group for the design phases, defined design opportunities, and created the evidence for the design intervention.

Narrative Interviews

During the research phase of this thesis, five narrative interviews were conducted with members of the Ehta Raha cooperative or of the Boosting Project. Overall the interviews lasted approximately one hour of conversation. The participants consented to their stories being used in this thesis. The interviews took place over a period of two months, with each interview building upon the results of the previous ones.

The goal of the interviews was to understand each individuals experience, background, motivation, and dreams. The interviews also served to build an understanding of the field of Social Enterprises in Finland, what challenges they face, and what opportunities they have. These interviews complemented the literature review, covering similar topics.

In a Narrative Interview, the topic guide provides the starting points for each question. The interviewer then follows the narrative being discussed, probing further as and when necessary. The interviewer is responsible for keeping the conversation on track and following up on interesting insights. The Topic Guide is attached in Appendix 1.

The results of the interviews highlighted language issues, the diversity of social enterprises, and challenges they face. Since the backgrounds of each of the individuals interviewed are different, their purposes and motivations were similarly diverse.

The challenges of Entrepreneurs they highlighted were:

1. Difficulties in recognizing their status as a social entrepreneur. As Social Entrepreneurship is not widely known, some entrepreneurs struggle with their identity. They feel outside of traditional startup culture. They do not know how to reconcile their Social Mission with traditional cultural pressures of what it means to be ‘successful’.

2. Challenges finding funding. Due to the trade-off between Economic Value and Social Value many Social Entrepreneurs find that they are not a ‘worthwhile’ investment for traditional investment firms, and struggle to find investors whose values align with their mission.

3. Challenges finding mentors and advice. Due to the relatively unknown nature of Social Entrepreneurship many entrepreneurs struggle to find experienced mentors, let alone frameworks for developing a socially responsible business.

4. Some entrepreneurs actually are lacking of ambition. One of the surprising ways some Social Entrepreneurs differ from traditional Startups is the ambition for scale. Many Social Entrepreneurs are content to operate on a small, local scale which is off-putting to investors that want to maximize growth.
Ehta Rahas' Survey of Social Entrepreneurs

The survey was conducted as part of the Boosting Project, to collect more information about Social Entrepreneurs and their needs regarding training and funding. The survey was primarily written by Ehta Raha, while I helped formulate questions, gave advice and assistance in creating the survey, and supported in analysing the responses. It was disclosed that the survey would be used for this thesis, and respondents gave their consent.

While the survey was conducted in Finnish, the questions and responses were translated to English for analysis and synthesis for this thesis, either through machine translation (Google) or by Ehta Raha. The survey questions are attached in Appendix 2.

The main topics the Survey covered were:

- Project background and information
- What makes you a Social Enterprise?
- What kind of help or information do you need generally?
- What kind of Funding have you received/Current funding needs?
- General Challenges
- Need and preferences for different types of training.

The survey received 16 responses from a variety of organizations, including companies, associations, foundations, and cooperatives. They ranged from brand new business ideas to 28 years of operation, and from single person ventures all the way up to 70 employees. Despite this wide range, they all agreed the need for trainings, with over 75% willing to pay 20 euros per month to meet once a month for a year.

The most prominent topics on which they needed training were Financing, Developing a Business Plan, and Marketing. Additionally, when asked what information was hardest to find they responded with ‘Finance applications, Processing your own business idea, and Marketing.’ This survey draws attention to the fact that entrepreneurs are actively seeking advice, but cannot necessarily find it, and that they are willing to pay for training, but not much when compared to the costs.

When summarizing the results from the survey Arja, a volunteer for Ehta Raha, wrote that “the viability of businesses is influenced by income streams and entrepreneurial skills, there is a risk that value-based entrepreneurship will concentrate too much on producing good.” Meaning that despite the entrepreneurs recognizing they need financial advice they are still spending too much on doing activities that do not contribute to their financial bottom line.

Social Enterprise related Events

During the research phase, there were five events that were relevant to this thesis. Two related to the Boosting Project, one was an event by Ehta Raha, and the other two were from different Social Enterprises. The goal of attending these events was two-fold; to understand the Social Enterprise scene in Finland, and to make contacts with whom to design.

The first event was the Boosting Project Bootcamp, during which I assisted the facilitation team from Demos Helsinki. This event has been described already in the background chapter, on page xx. At this event I met many entrepreneurs as they worked with Design Tools, which gave insights into their needs and understanding of design.

The second and third events both happened in Tampere, the second largest city in Finland. Tampere, while less active than Helsinki, has a strong entrepreneurial scene.

The second event was at P47, the open workspace of Tribe Tampere. Here one of the members of Ehta Raha gave a talk about GDPR and Privacy for small enterprises. The turnout for this event was quite good, compromising of entrepreneurs both socially-minded and otherwise. The space was also active, with many groups coming and going for meetings and working time. This showed that there is demand for support for startups even outside of the capital region.

“The Tampere is the support organization for entrepreneurial and startup players in the second biggest startup scene in Finland, Tampere startup city. It is made to stimulate collaboration and action between all the key ecosystem players.” (Tribe Tampere)

The third event was the Boosting Project Spring Reflection in Tampere, which concluded the Boosting Project activities there. They had been running different meetings and events, which people had participated in. In attendance was a wide variety
of organizations and individuals, from an alternative music bar to a massage therapist. There was a panel discussion with three different cooperatives and then a reflection session on what people had learnt. It was clear that while the events had been successful the participants wished they would continue beyond the ending of the Boosting Project.

The fourth event was a book launch in Helsinki. The book is called Arvovallankumous (‘Value Revolution; Ethics as a source of innovation in social enterprises’), by the author Soiliikki Viljanen. I had hoped to interview Soiliikki, but was not able to due to the massive turnout. The presentation was conducted in Finnish; therefore this event did not further inform this thesis.

The fifth event was the launching of the Open Cinema Finland, based on the successful Open Cinema movement in the UK. At the launch there was a presentation from Christoph Warrack, the founder of the Open Cinema Movement. At the event there were many film enthusiasts that were eager to help with this project, and the Open Cinema Finland has a promising future.

These events were an interesting insight into the resources available to entrepreneurs, and the enthusiasm surrounding them. There are many resources available to startups in general, but very few meetings just for Social Entrepreneurs. This reflects what was discovered in the Literature Review. The enthusiasm was quite surprising actually, with the massive turnout at the book launch and the high participation at the Spring reflection a testament to the demand for socially responsible movements.

Research Findings

In the research phase I established what a Social Enterprise is, and the variety contained within the Hybrid Spectrum. I showed that within Europe there are challenges with understanding Social Enterprise, development services, legislation, access to markets and funding, and measuring impact. I showed that within Finland there are opportunities for startups in general, but no specific structures or provisions for Social Enterprises. I also showed that there are very few organizations working to foster Social Entrepreneurship. I showed that Human Centered Design and Service Design have processes and methods that can change the future for the better, and create new solutions. Design for Social Innovation showed that design has the potential to create social change.

The narrative interviews brought up further challenges defining the scope and terminology, as well as the challenges of Social Entrepreneurs. I discovered the needs of Social Entrepreneurs, articulated through the survey, centred around Financing/ Funding and Developing a Business Plan. Additionally, I developed empathy and experienced the social enterprise scene here in Finland. Therefore, based on the background research and research activities the key findings were:

1. Support for start-ups in Finland is good, but not for social entrepreneurs
2. Social entrepreneurship as a concept is misunderstood in Finland/Finnish
3. Social entrepreneurs lack articulation their value proposition
4. Social entrepreneurs do not know what the market or their customers can support and desire
5. Social Entrepreneurs need help finding financing opportunities
6. Social Entrepreneurs need help developing a business plan
7. Social enterprises vary widely in scope, field, and mission.

Landscape Map

The landscape of Social Enterprises comprises many different types of organizations. In this landscape there are many factors: the size and age of an enterprise, the scale of an enterprise, the organizational structure of an enterprise, its specific blend of a Blended Value Proposition, the field the enterprise works in, and more.

Three corners of the Social Enterprise landscape

1. Corporate social responsibility – Big, well-established organizations with large budgets that adapt socially responsible activities either as part of their core business, or more usually, to offset their core business.
2. Startups - New entrepreneurs with innovative products or services that are profit driven. In extreme cases they may be seen as using social impact as a means to greater profits, such as greenwashing.
3. NGOs or charities – Organizations that are out to save the world, with complete disregard for turning a profit. Often these organizations rely on donations to remain active.

This map incorporates three aspects in one – the size and age of an organization, its profit motive, and its social mission. This blends the Hybrid Spectrum typology with the discussions from the narrative interviews. It was discussed in the interviews that across the spectrum there are certain trends, or situations that are more likely than others. One example is that large corporations tend to be profit focused with social mission being left out – while there are exceptions to this rule (Patagonia, perhaps) the trend stays true.

The focus of this thesis, aligned with the focus of Ehta Raha, is to assist small scale enterprises that are primarily value-based, or profit as a means to create social impact. We are focused on the extreme end of the small scale, enterprises that are still in the Entrepreneurial phase rather than long well-established enterprises. These enterprises lie somewhere between NGO’s and Startups.

Language Issues

It has become apparent that the language we use when talking about Social Enterprise is quite important. Two main points kept coming up in the interviews, the survey, and literature. 1, in Finnish there is not a clear separation between for Socialist and Social. 2, the distinction between profit, not for profit, and non-profit is not self-evident.

In Finnish the descriptor for a social enterprise has connotations of Socialism and Communism (think USSR…) which is unwanted when discussing Social Enterprises. It has been proposed to start using the term ‘value-based enterprise’ as an alternative, but it has not yet caught on. Additionally, due to the legislation, many people associate the term Social Enterprise with the Work-Incorporate Social Enterprises, which is only one subset of Social Enterprise.

There is often much confusion about how a Social Enterprise differs from a Charity, or Non-profit. This stems from most Social Enterprises, while they may be profitable, using all profits to further the purpose of the enterprise. Thusly, a Social Enterprise can be not-for-profit but not a non-profit.

Defining the Scope and Target Group

Based on the research findings, the scope of this thesis is limited to and targeted for:

1. Social Enterprises that are currently in the process of establishing their business, preferably during the scoping and ideation phase of startup.

2. Social Enterprises that have a Hybrid Value, both economic and social. Ideally, those that intend to turn a profit only to be self-sufficient.

This leads to the redefining of the Research Question for the subsequent design phases:

**RQ2. How can service design methods and methodologies help social entrepreneurs develop their business?**

Furthermore, can service design improve the financial readiness or access to funding opportunities?
Phase 1: Research

Building on the evidence gathered in the research phase, phase two follows to define the problem area based on the user needs and begin developing potential solutions for the target users. In this phase I establish the design space, within which I ideate and develop solutions, eventually narrowing down to a framework. Finally, I gather user feedback and insights.

Design Opportunities

The next step is to give a problem definition, which is articulated by the redefined Research Question from the research findings:

RQ2. How can service design methods and methodologies help social entrepreneurs develop their business?

Therefore, the next phase is to develop new ideas and solutions, based on the previously identified needs and design opportunities. Through my analysis and understanding of the problem space, I found that Social Entrepreneurs, especially in the early stage of starting their business, could benefit from the principles, methods, and practices of Service Design. To summarize, service design methods and methodologies could help social entrepreneurs to:

- Understand their users’ needs
- Understand the environment they are working in
- Create applicable solutions
- Test and validate those solutions before launch
- Work in an iterative manner, without huge up-front investments
- Provide evidence for their ideas

The hypothesis is that if Social Entrepreneurs can utilize Service Design methods and methodologies to gather evidence and design new services, then they will be better positioned to receive funding or investment, to begin business activities, or to fulfill their social missions, or all three.

Phase 2: Design Definition

Building on the evidence gathered in the research phase, phase two follows to define the problem area based on the user needs and begin developing potential solutions for the target users. In this phase I establish the design space, within which I ideate and develop solutions, eventually narrowing down to a framework. Finally, I gather user feedback and insights.
Moreover, service design methods and methodologies can help social entrepreneurs to develop their business by giving a process and clear steps to work through. For instance, testing and validating of solutions based on users’ needs and feedback will contribute to articulating feasibility and desirability of business ideas.

The main challenges to be solved are; educating the entrepreneur in Design Methods, aligning with the Social Mission, and giving assistance developing Business Plans. Based on these challenges, and given the constraints available to me I ideated different solutions that could help out Social Entrepreneurs, in three main categories;

1. To create a support structure for social entrepreneurs, e.g. a network or meetings
2. To provide assistance in business development, e.g. workshops or accelerators
3. To give opportunities to gain funding, e.g. matchmaking or crowdfunding

Some of the concepts were:

“A Service Mapping tool to test which business actions could take place in which business models, whether traditional corporation or charity, or some hybrid model

“Process Toolkit: A series of exercises (toolkit) that will strengthen and harden a concept/pitch into a Sustainable Service, with concrete outcome/deliverable to evidence decision making and gather idea buy in.”

“Mentor Network: A network of experienced individuals that somehow provide their time in exchange for something”

I decided to craft a framework, based on the Process Toolkit concept, since the concept best matched the needs of social entrepreneurs and strengths of design. The framework could be used to guide entrepreneurs, and applied to a variety of challenges. It was not yet clear what the format of the final outcome would be, but the framework could apply to a workshop, online class, etc.

A Framework

In response to the Design Opportunity, how to provide support to Social Entrepreneurs, the following framework was drafted. It kept in mind the needs of the target group, while incorporating aspects of design and systems thinking, such as the Guiding Star and the Double Diamond.

The goal of this framework is to provide an entrepreneur with the process necessary to embark upon a designerly way of developing their business without needing formal training in Design. The framework was drawn up in the ‘tool’ mindset, conceived as a process or series of exercises that an individual would follow with which to develop their idea to business.

They should be able to follow the process of this framework and engage in the design process, so as to better understand and serve their customers, to build evidence for their value proposition, and ultimately assist in gaining funding.

The framework consists of nine stages, which can be separated into three categories. The nine stages are: Why?, Starting Points, Planner, Inputs, Ingredients, Outcomes, Evaluate + Plan, Repeat, Evaluate + Do.

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<tr>
<td>What is your Guiding Star?</td>
<td>Where are you in your process? In the design process? What is the 1st steps?</td>
<td>Document your progress. Keep track of to-dos, ideas, next steps, and measures of success</td>
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<tr>
<th>4. Inputs</th>
<th>5. Ingredients</th>
<th>6. Outcomes</th>
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<tr>
<td>Hypothesis: Gather evidence! Put the user first</td>
<td>What tool? Plant the thing Do the thing -time, people, place, resources?</td>
<td>What did you learn? New to-do? Next steps? How does this affect what you’ve already done? Re-do a previous tool?</td>
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<tr>
<td>Reflect on guiding star Is the desired outcome still possible? What needs to happen to start next step?</td>
<td>Repeat steps 4-7 for each tool. Proceed through (design) process until? Update planner</td>
<td>After x iterations, you can launch your service! If you aren’t getting closer, seek out mentorship or guidance</td>
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Figure 5 - The First Framework
The Framework Categories

The first set of tools allows the entrepreneur to align their existing mission and resources to the design process, ensuring they keep the mission first. The stages in this category are: Why? and Starting Points.

The second set of tools allows the entrepreneur to evaluate different tools and processes and decide upon a direction to proceed with to further accomplish their goal while staying on track. The stages in this category are: Planner, Inputs, Ingredients, and Outcomes. These function as a loop together, with which each potential tool is run through.

The third set of tools allows the entrepreneur to evaluate what they have done, iterate upon their plan based on new information, and eventually to launch a successful business concept. The stages in this category are: Evaluate + Plan, Repeat, and Evaluate + Do. Each of these stages functions as a gate, each with a higher threshold of preparedness, which should be overcome before launch.

A Description of Each Tool

1. **Why?** - The goal of this stage is to make explicit the motivations and ideals behind your actions. The tool is derived from the Guiding Star and Near Star exercise from the Systems Practice workbook. (“Systems Practice”) “A guiding star is a vision that is framed as the desired future system toward which your team is working. It will serve as a navigational tool for the long haul as your team impacts the system and adapts over time.” – (“Systems Practice”, 17) Rather than the ‘future system’, instead it is about the vision that you are working towards. Thus, your Guiding Star will lead your entrepreneurial activity towards a desirable future state.

2. **Starting Points** - The goal of this stage is to identify where you are in your process, whether you are beginning with just an idea or have already launched your business.

3. **Planner** - The goal of the Planner stage is to keep track of your progress, create approachable goals, and make sure there is an accurate and up to date to do list. This plan should include the tools or methods that you will use to carry out the development of your idea.

4. **Inputs** - The goal of the Inputs stage is to understand what evidence you either need to gather or already have to contribute to the next tool or method, as an input to that activity.

5. **Ingredients** - The goal of the Ingredients stage is to carry out some tool, exercise, or workshop which will get you closer to your goal.

6. **Outcomes** - The goal of the Outcomes stage is to reflect upon the outcomes of the previous stage, and update your plan.

7. **Evaluate + Plan** - The goal of the Evaluate + Plan stage is to reflect upon your guiding star, and update your plan

8. **Repeat** - The goal of the Repeat stage is to repeat stages four through seven, as per the plan created in the Planner stage.

9. **Evaluate + Do** - The goal of the Evaluate + Do stage is to evaluate the current stage of your idea and whether it is feasible. At this point you should have gathered enough evidence to either prove or disprove your ideas feasibility. If not, then you should loop back to stage four.

The tool is a series of iterative processes. First, the user starts on-boarding and learning about design. Next, creating a first plan for carrying out research and design work. Then evaluating the outcomes of that process and repeating. Finally, you get to the end of your design process with a clear, validated idea which is ready to launch. Ideally, the user of the framework will move through the different stages many times at different phases of the Design Process.
Testing the Framework

The guiding principles which ground this framework are; iteration, evidence building, and engaging users. According to these principles the next step was to gather feedback, iterate the tools, and to flesh out each of the stages. I set up a meeting with a Social Entrepreneur to present the framework to them and collect their input. Additionally, I used this as a further research opportunity to validate the needs and challenges of Social Entrepreneurs.

Meeting Makupiste

I met with Kati, the entrepreneur behind Makupiste in a coffee shop in Itakeskus where we discussed her history with entrepreneurial activities, her current venture, and her future plans. This took place in the form of a narrative interview with the three topics above each as starting and steering points for the conversation that followed. Additionally, we touched upon the topics of planning and doing, of design and education, of understanding users, of challenges, among others.

Previously to starting Makupiste, Kati was running a small corner store. This corner store became untenable when a new shopping centre was opened nearby. The added competition reduced foot traffic and therefore business. When this closed, Kati took her experience in sourcing goods and started Makupiste with an alternative, ‘location agnostic’ business plan.

"From the local Makupiste shop-car in Eastern Helsinki, you can easily get local and organic food for everyday and festive occasions. Place an order in the online store when you best fit and deliver the delivery by a shop car to your home street or pick-up point of your choice!" – (translated, “Makupiste Verkkokauppa”)

Makupiste is described on their web-store as a ‘shop-car’ which acts as a delivery mechanism for local and organic food to families in the Helsinki metropolitan region. On a regular schedule Makupiste loads up customers’ orders from the webstore and makes the rounds to deliver food around the city. At these delivery points Kati meets with the customers and talks briefly with them. The next week the same process repeats – order, loading, delivery.

One of the key features for the customers is transparency in the supply chain; for each item in the webstore it is clearly labelled who the producer is. If the producer is not a domestic, local producer then the product must be Organic. Kati chose this approach, rather than being stricter with only local production, so as to provide a wider selection of goods. This prioritizes customer needs, minimising the number of stores they need to go to in addition to Makupiste.

When discussing the future, for Kati and for Makupiste, the conversation focused around money; could the business become and stay profitable with this model, could it continue to attract customers, and so on. Among future options for the business she had been discussing different ways to deliver products to customers, including communal pick-up locations, different types of storage lockers, etc. Simultaneously she identified that the webstore experience was a pain point for returning customers, lacking features that had been requested during her discussions on her rounds.

Late in the conversation we discussed planning strategy and time management. While there are many ideas for the future of Makupiste, it is hard to stick to any one for a long time. When testing new concepts, Kati is very quick to iterate to the next idea. She also struggles to set time aside from the running of the business to focus solely on concept ideation.

Insights from the Meeting

During the meeting we discussed my first framework idea, with its 9 stages, to see how it matched with the needs and experiences of Makupiste. She responded positively to the framework and idea of utilizing design methods to improve her services. Interestingly, she could already articulate quite well her users’ needs, due to the closeness she has developed with them through her chosen delivery method – many of the customers are now like friends, part of a community.

Despite this, she still faced challenges with improving services. The primary concern was that the delivery mechanism did not work for every customer. This is likely contributing to the slow uptake of the service among interested customers. Therefore, it was of interest to utilize the framework to develop alternative services for delivery of food. The most guidance was needed in understanding the design process, finding the correct tools, and staying on track. This feedback guided the second iteration of the framework.
Phase 3: Prototyping

"Iterate, Iterate, Iterate. By iterating, we validate our ideas along the way because we're hearing from the people we're actually designing for." —Gaby Brink, Founder, Tomorrow Partners. (IDEO)

Following phase two, where I created the first iteration of the framework and gathered feedback, I will next begin prototyping in phase three. I will iterate the framework and develop a workshop, which I will prototype with Hyvinvointikylä. After the workshop I reflect on the outcomes and create a workbook to accompany the framework.

The Second Framework

Based on the feedback and insights gathered during the meeting with Makupiste, the framework was iterated. I took a step back and rethought the framework from the bottom up. The first three stages stayed the same, which made clear tools, and also stage eight, repeat. Into stage eight I condensed the two other Evaluation stages, which simplifies the iteration part of the process. Instead of a series of stages which set up and execute one tool at a time I instead have the concept of 'Design Recipes' which

![Figure 6 - The Second Framework](image-url)
follow the Double Diamond process. Therefore, when using this framework to guide a development process, one would first ground themselves in their goals and resources, develop a plan, and then carry out a design process including user research and co-design. This works to address the disconnection from the actual Design Process that the previous version of the framework suffered.

Description of the Framework

The framework is divided into three categories which are now named; Introduction, Double Diamond // Design Recipes, and Repeat.

The Introduction contains three tools with which to align a Social Mission to the design process, establish your starting point, and then build a plan. The contents of the first three tools took the form of canvases.

The Guiding Star canvas dives deep into identifying what drives the Social Entrepreneur. It first asks them to brainstorm what their main principle is. Then, utilizing the ‘5 Why’s’ method (IDEO), they immerse themselves into the deeper meanings behind what drives them.

The Starting Point canvas contains four sections which shape the current state of the Social Entrepreneurs idea – Project Description, Who and What, Mindset, Problem Definition. It is alright if the user cannot immediately answer these questions, and it is also good to iterate the answers on this canvas as you go along.

The Planning Tool canvas contains four sections, the first three are time based and the last is process based. The Daily sections establishes a to-do list, the highest priorities. The weekly section documents the small-scale goals which are achievable in one weeks’ time. The long-term section keeps the focus on the Social Mission, always reflecting back on the purpose. The Recipe sections is where the Design Recipe is crafted, the set of tools with which they will work over the next set period to achieve the next goal.

With the Recipe crafted and a to-do list in place, the Entrepreneur can embark on their design journey. This journey is based on the Double Diamond model (Design Council), containing two diverging and two converging phases with the problem definition in the centre. When crafting the Recipe, it should follow this model. Your Recipe might not take you all the way through the Design Process, only planning as far as is reasonable and then resetting your course based upon the new information gathered.

Finally, at the end of the journey comes the Repeat. Ideally, when you are finished with your design journey then you are ready to launch, but that rarely happens with only one iteration. Additionally, since the recipe is not always for a whole design project but sometimes just for one phase, it is good to reset expectations often. During the Repeat phase you should evaluate your progress, reflect upon your guiding principle, and iterate upon your Plan (using the Planning Tool canvas, as necessary).

Testing the Second Framework

Next, I tested the framework in a workshop format with an Enterprise. The workshop prototype was created based on the framework: first to discuss and establish needs, then to work through the first three canvases, then to build a recipe of design tools, then to give them time to execute the recipe, and finally to evaluate the results. For this prototyping I enlisted the help of Tero and Merja from Hyvinvointikylä in exchange for helping them develop their business.
Hyvinvointikylä

I met with Tero and Merja, at Hyvinvointikylä (Hereafter translated to the ‘Wellbeing Village’) to test the framework. I interviewed Tero and Merja, and then conducted a workshop with them. After the workshop they went away and worked for two weeks, after which we met again for both a reflection and second workshop combination.

Description of the Wellbeing Village

The Wellbeing Village is both an organization and a space. It is located outside of the urban area of Helsinki and is used to escape from the city life and connect with nature. Typically, the space is used for events or retreats, as well as workshops and meetings. It can be used for an afternoon or overnight, fully equipped with a kitchen, beds, and sauna.

“The wellness village is a meeting place where stress and rush are forgotten. We offer positive nature experiences, activation and an excellent environment for creativity both outdoors and indoors.” – (translated, “Hyvinvointikylä”)

The Wellbeing Village is located in Vihti, a stretch past the reaches of Helsinki’s robust public transit system. To reach it you must drive into the countryside, down small gravel roads. The site used to be part of a hospital, but set apart from the main building. Currently the Hospital is no longer in use and seeking new purpose.

The Wellbeing Village is made up from a collection of buildings; a main, large house, a smaller house that is rented out, a sauna, and an old church that needs repair. On the border of the Wellbeing Village is an unused quarry. The Villages’ own land remains relatively untouched and natural. There also exists kilometres of trails in the area. Not all on their land, and are maintained by another organization. A few of the trails are wheelchair accessible.

The main building is quite old and impressive, made out of wooden beams. It contains two stories and is heated by a large oven. Downstairs is a kitchen, large dining table, a mixed-use yoga or workshop space, and a sauna. Upstairs there is a common room and the bedrooms. The decoration is a mix of rustic and modern, warm and welcoming.

Interview

The interview was conducted as a narrative interview, with the facilitator guiding conversation to stay on topic. The main topics concerned their past experience and background, the development process of the Wellbeing Village, and their future plans. During the interview they told a lot of the background of the Wellbeing Village, and what the history has been, the different things they tried at first, how they came to the land they have now, and the vision for the future. Both Tero and Merja have a history in the advertising industry and Tero has a background in digital service creation.

They prototyped the Wellbeing Village concept in a few ways, although they did not explicitly call it prototyping but rather exploring. The idea started when they were traveling the world and they did some work experiences on farms and other locations which prioritized connecting to nature. Then back in Finland they started visiting farms and experienced the peace and stillness of nature and rural life. The vision was to have a place where people could come and be in nature, possibly from all over the world. They were inspired by some of the working farms they visited internationally. They then spent up to a week at a time in different locations in Finland, sometimes bringing a group to a location as a test. They then decided to buy land and ended up with the location in Vihti.

Their vision for the future is a decentralized network of Wellbeing Villages that people can go to, which are all modelled on the current property in Vihti. Their overall goal is to help people that are feeling outside of society, which we later we discussed more in-depth.
Workshop

After the interview was completed, we then moved to the workshop portion of the day. The workshop was structured around the framework process, such that we went through the three canvases of the Introduction phase and subsequently created a Design Recipe.

I facilitated the conversation and laying out tasks, while the participants worked together to complete the work. Together we co-designed the Recipe based on their needs and abilities. I guided and focused the discussion without giving direct feedback on the ideas put forth, allowing the participants to select ideas and decide what was the best direction. In the workshop we were sat in a circle, with a flipchart to place post-its and write on. The post-its documented the small ideas and then we wrote with the marker the final, or summary, version of the task.

We started with the guiding principle of Hyvinvointikylä, while the history or starting point we had established in the interview, and then developed a plan based on their needs. I also got their feedback on the canvases as a general tool, and on the structure of my framework. There were minor difficulties translating difficult concepts from Finnish to English, but they were eager to do so. As their target audience was partially international, the translations “needed to be done.”

The work on the Guiding Principle quickly went to practical considerations as well, but I steered the conversation towards a principle that focused on why and not explicitly how. Pre-existing they had a set of 3 words that describe what somebody will get when they visit the village which was a great starting point and ‘near star’ goals.

The Starting Point canvas was more difficult, and we struggled to describe the mindset and problem definition at the outset. Rather the problem definition felt that it belonged later in the workshop, towards creating the recipe. The ‘project’ in project definition proved tricky because the Wellbeing Village is not just a ‘project’ anymore. Regardless we moved forwards with a description.

On the Planning Canvas we just discussed what was necessary for their current situation, the daily tasks and the long-term plan. Since I was present this was easy, but the canvas would still be good for when there is not a facilitator. From there we moved to creating a Recipe. The Problem Definition came more easily at this stage, since we could now focus on the future rather than the past or present.

Outcome

The guiding principle we co-described was as such:

“Our motivation is: to do meaningful and concrete work in order to prevent the social exclusion of others. How? Nature + Forest.” (from the workshop)

The outcome Recipe was comprised of three distinct tasks:

1. Creating a stakeholder map, with which to target sales activities. Target groups > Potential cases > Contacts > action plan
2. Creating Persona stories which give examples of the benefits of the Wellbeing Village. 2 to 4 stories > linked to the Wellbeing Story and 3 Words
3. Finding evidence for the ‘Greencare’ method which underpins the experience and mechanism of change.

Working Period

We agreed to meet again in 2 weeks to go over their progress with these tasks and get some feedback from them. We expect that they will not have completed all of the work, but it was a reasonable target. During this time, they worked without my inputs.

The Second Meeting

Before our second meeting they sent a presentation, which included the What, Why, and How of the Wellbeing Village, the personas, a contact list, and the action plan. However, there had been challenges with unforeseen circumstances and not all of the tasks had been completed. Not everything can always go to plan, but they were happy with what had been accomplished in the little time they had. Therefore, there were no Stories or Evidence for ‘Greencare’ (Tasks 2 and 3).

Going forwards a new deadline should be taken up, so as to keep on task with the plan. Furthermore, the other two tasks will be worked on - the stories will be developed and used, and evidence will be gathered. Finally, we agreed that I will write some text about their background, our workshop, and the results.
Reflection

Overall, the workshop format worked well, with the facilitator able to guide the creation of design recipes. The canvases for the first three tools were useful and functional for their purpose. The recipe was good, but too ambitious due to the unforeseen circumstances. If they had had all the time they expected, we could get a more accurate evaluation.

In the workshop we worked together, with the facilitator supporting them. If they were working on their own, there would be additional challenges. Therefore, some guidance must be given, within the restrictions of the Social Entrepreneurs' time and budget. While it is suboptimal just for it to be put out there for people to use on their own, it is also suboptimal to require an individualized workshop. The question remains, how to deliver this training at the lowest possible cost?

The Workbook

After reflecting on the outcome of the workshop and discussing with Ehta Raha, it was decided that a workbook should be provided to assist the workshop. The main advantage of the workbook is that it can lower the financial cost and facilitators' time requirements, as it should help the Entrepreneur to do work without face-to-face time needed. Additionally, it would be a freely available component which can help Entrepreneurs evaluate whether they want to participate in the workshop. The 'normal paradigm' is that a facilitator will run you through some workshop or bootcamp, but these individuals do not always have the resources or opportunities available. Therefore, it must be accessible to them without a facilitator.

While there are many toolkits out there for picking up Human Centred Design, none are focused specifically on educating Social Entrepreneurs with the Social Mission as the priority. As such, the framework was adapted into a workbook with exercises and advice, and references other toolkits for specific exercises in the Design Recipes.

The workbook is titled 'How to Design a Social Service' and is 24 pages. The book starts by introducing the reader to opportunity design can provide, and introduces their Design Journey. It then walks through the design process, using the Double Diamond model as a guide and reference. Then it has improved versions of the three canvases, which are also available as separate Reference Sheets. Lastly it includes examples of Recipes for different situations, and closes with extra resources. The workbook is released under Creative Commons. The Workbook is attached in Appendix 3.
Conclusion and Discussion

This thesis started from the desire to continue the work of the Boosting Project when the funding for that project ended. I offered my help to Ehta Raha, and approached the problem as a design project. I set out to establish the ways that Service Design could help to meet the needs of Social Enterprises, and create solution concepts for Ehta Raha to develop and utilize. In the end I have helped to meet the needs of social entrepreneurs, by utilizing design methods to assist them in the development of their business. However, I cannot claim to have solved all of the needs identified.

In this thesis I have discovered the needs of Social Entrepreneurs, through a literature review and conducting interviews and a survey. I have created a framework to introduce Design to Social Entrepreneurs, which I iterated based on users’ feedback. Finally, I have prototyped it in two different ways, both as a workshop and workbook. In this section I discuss the results, limitations and next steps for this project, and leave the reader with some final thoughts about the state of Social Entrepreneurship.

The main result of this thesis is a new framework. The framework provides a process for newcomers to learn about Service Design, and it is specifically targeted for Social Entrepreneurs. The framework has been tested as a workshop. A workbook has then been developed to accompany the workshop, or to stand alone.

The framework and workbook, presented in this thesis, help social entrepreneurs to develop their business by providing a clear process to guide their business ideation and development, including testing and validating of solutions.

Limitations

While this framework and workbook do not directly address the financial readiness of an Enterprise, developing a strong business plan with iterated and validated solutions does align with requirements for different funding opportunities.

The testing thus far has been limited in scope to the one scenario presented here. In-depth testing should be conducted to address the variety of scenarios and situations that Social Entrepreneurs may face. The framework should be iterated based on the findings of further testing.

As I found in the Research Findings, the two largest challenges for Social Entrepreneurs were finding Financing opportunities and developing their business. While the scenario presented here evaluated the framework’s usefulness for business development, it did not address the other need. Therefore, other case studies should be conducted and evaluated to determine the frameworks impact on financial readiness.

Next Steps

I believe there are five main avenues for future work developing this concept:

1. Design Recipes. The easiest opportunity is to develop more example Recipes with case studies to describe how to use the tools.
2. Iteration. The workbook should be tested both as an independent tool and in combination with the workshop concept. Trialling different delivery mechanisms, including workbook only, Group workshops with workbook assistance, and more could lead to interesting business development opportunities.
3. Usability. Evaluation with non-designers the usability of the Introduction Tools and iterating them to improve the ease of usability and comprehension.
4. Contextualization. The framework and workbook presented in this thesis are based on Research that is specific to the Finnish support system, but based on Design Methods that are more universal. It should be evaluated whether the framework is applicable outside this context.
5. Outreach. It is clear that this framework has the most use for Social Entrepreneurs that have time and flexibility, which is usually quite early in the development process. Therefore, efforts should be targeted towards these early-stage entrepreneurs.
The outcome of this thesis should be communicated and disseminated to the public for use. Ehta Raha will receive the workbook for use and further development if they so decide, and the results will also be shared with Makupiste and Hyvinvointikylä.

Reflections on the Journey

Looking back at the process that lead me to this point, of creating the framework and writing a workbook, there were definitely moments where I struggled to find my direction. In this process, I found it difficult to adopt an outside perspective to the field of design, since I’ve been primarily practicing design for so long. It was valuable for me to start over, reflecting upon what I have learnt through my design education. Through the analysis of what one would need to begin a design journey, I learnt significantly more about working with non-designers than I had during design projects before.

Over the development, testing, and prototyping work there are a few learnings that I wish I had known before. First, I would like to have involved more Entrepreneurs as participants in the development of the solution concepts. I feel that this work as lacking in co-creative processes, and this was due to lack of contacts in the entrepreneurship scene. Second, I would like to have created concepts earlier in the design process, rather than waiting until I felt that I understood enough of the background. There is great value in iterative process, and while the work I did was iterative, it could have benefited from a more thorough exploration of the solution space.

When I started this journey, I had the perspective of a service designer, that I would be creating a specific service for Ehta Raha that would serve social entrepreneurs. Rather during the research phase, I reflected on the actual need for education amongst Social Entrepreneurs and instead found myself designing a basic curriculum with which to democratize design. I found the work and result fulfilling, and that I developed my skills as a designer. I gained greater experience in learning about new cultures and ways of working, and I gained a greater appreciation for designers that work in different cultures. Though the work initially impacts only on a few individual entrepreneurs, the framework will grow and spread, having an impact greater than that of just this thesis.

The Future of Social Enterprises

Based on the research conducted for this thesis, the future of the field of Social Enterprises will continue to grow. There are three main factors that have shaped and will continue to shape the field of Social Enterprises here in Finland – the governmental policies, the financial opportunities, and individuals’ motivations.

Policy level

At the highest level, the national policies will continue to dictate whether or not Social Enterprises experience the same growth that they have in other countries. Whether future policies created incentives

Funding level

At the funding level, the continued growth of the Impact Investment sector could lead to greater funding opportunities for Social Entrepreneurs. These investors use a double-bottom line approach to measure a ventures worth, combining a ventures financial outcome with its societal impact. Work in this area will contribute to the methods of measuring and evaluating social impact, which will give Social Entrepreneurs an avenue to gain more evidence of their value.

Individual level

At the individual project level, I doubt that people will be discouraged from participating in Social Entrepreneurship based only on policy and investment criteria – there will always be some desire to produce ‘good’. As such the social economy will likely continue to grow, which could lead to more resources being developed specifically for Social Entrepreneurs – things like bootcamps, workbooks, toolkits, and consultancies.

In an idealistic future, most companies will pursue a mission or impact focused approach; we, as designers, can and should contribute ourselves in creating the future we desire to live in.
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Appendix

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2. Survey 61

3. Workbook 66
Appendix 1: Interview Guide

Questions used for ALL interviews:

Personal Background:
What is your background?
When did you join Ehta Raha?
What do is your role at Ehta Raha?
Examples of work and projects

About Ehta Raha:
What does Ehta Raha do?
What kinds of clients are you working with?
What kinds of customers do you like to work with?
What have been really successful projects?
How do you get projects and work? (marketing, etc.)

Free Discussion topics:
What is the future of Ehta Raha?
What is the future of Rahoitusvoimala?
What is the future of Social Enterprises in Finland?
What is the past?
What has been done in this field?

Understanding the field:
Who are Ehta Raha’s partners? Complimenting your work?
Competitors? Doing the same as you?
Best clients? Best stories? Who I should interview?

Legislation and Funding
Are there any new changes or developments in legislation surrounding this topic?
New innovations in funding, such as platforms and crowdfunding?
<table>
<thead>
<tr>
<th>Kysymys</th>
<th>Vastaus</th>
</tr>
</thead>
<tbody>
<tr>
<td>53. Mikä tekee yrityksestäsi tai hankkeestasi arvopohjaisen?</td>
<td>Jokainen mainittu tekijä, mikä? TAI: Muu, mikä?</td>
</tr>
<tr>
<td>54. Milloin olette aloittaneet yhteiskunnallisen yritystoiminnan /arvopohjaiseen toiminnan?</td>
<td></td>
</tr>
<tr>
<td>55. Millaisen yhteiskunnalliseen yrittämiseen tai arvopohjaiseentoimintaan liittyvän tiedon tai avun saanti on ollut teille vaikeinta?</td>
<td>Valitse alla olevista vaihtoehdoista 3 itsellesi tärkeintä.</td>
</tr>
<tr>
<td>56. Edellisten lisäksi, millaisia haasteita koet liittyen arvopohjaiseen toimintaan?</td>
<td></td>
</tr>
<tr>
<td>57. Millaista rahoitusta ja kuinka paljon olet saanut yrityksellesi tai hankkeellesi?</td>
<td></td>
</tr>
<tr>
<td>58. Onko sinulla tällä hetkellä rahoitustarpeita? Jos kyllä, millaisia?</td>
<td></td>
</tr>
<tr>
<td>59. Mitkä ovat olleet suurimmat haasteet rahoituksen saamisessa?</td>
<td></td>
</tr>
<tr>
<td>60. OLISITKO KIINNOSTUNUT YHTEISKUNNALLISTEN JA ARVOPOHJAISTEN YRITYSTEN/HANKKEIDEN VALMENNUSOHJELMASTA, JONKA AIKANA YRITYSIDEASITYSTÄÄN RAHOITUSVALMIIKSI?</td>
<td>Mark only one oval.</td>
</tr>
<tr>
<td>61. Jos olet kiinnostunut yhteiskunnallisten ja arvopohjaisten yritysten/hankkeiden/projektien valmennusohjelmasta, valitse allaolevista aiheista ne, jotka olisivat sinulle tarpeellisia.</td>
<td>Tick all that apply.</td>
</tr>
<tr>
<td>63. Millainen valmennuskokonaisuus vastaisi sinun / hankkeenne tarpeita parhaiten?</td>
<td></td>
</tr>
<tr>
<td>64. Haluaisitko edetä:</td>
<td>Tick all that apply.</td>
</tr>
<tr>
<td>65. Millainen valmennusohjelman kesto olisi kannaltasi paras?</td>
<td>Mark only one oval.</td>
</tr>
<tr>
<td>66. Millainen ohjelman työrytmi sopisi sinulle / teille parhaiten?</td>
<td>Mark only one oval.</td>
</tr>
<tr>
<td>67. Minkä verran olisit valmis maksamaan tällaisesta valmennusohjelmasta:</td>
<td>Tick all that apply.</td>
</tr>
</tbody>
</table>
Google Translated Version:

Title: Questioning the Needs of Value-Based and Social Enterprises - Your Ideas Are Valuable!

Description:
This survey is carried out by the European Commission-funded EaSI Finance Facility. For a year, the financial power plant has focused on helping value-based and social enterprises and projects to get closer to financial readiness, achieving early-stage finance and, if necessary, finding funding for expanding operations.

The financial power plant project has been implemented by Cooperative Ehta Raha and Demos Helsinki. The joint project has provided training and advice in Helsinki, Tampere and Orivesi during 2017 and 2018.

Based on the experience of the project, we have gained a good understanding of the field of value-based and social entrepreneurship in Finland. Value-based business is growing and there is a need to support it. That is why we have decided to apply for further funding for our project. In order to provide a value-based and social enterprise and project support package that best meets their needs, we collect more information about the needs and aspirations of entrepreneurs as well as those involved in projects.

We appreciate your thoughts! Even if you can’t answer every point, your feedback is important to us! Thanks for answering ;)

Response time Until 3.6.2018

The material produced by the survey is also reviewed by Joe Savage from Aalto University as part of his Master’s thesis. He will be happy to provide further information on his work (English only) joseph.savage@aalto.fi. The collected feedback is analyzed anonymously.

For more information about the survey and the operation of the Financial Power Plant:
Kaisa Seppänen kaisa.seppanen@ehtaraha.fi
www.rahitousvoimala.fi

If you have questions about value-based and social entrepreneurship issues, you want more information or just talk, Marika Lohi marika.lohi@ehtaraha.fi answers questions

Name (company / project / project)
Company Form - Number of people (company / project / project)
Place - Contact person and position - Contact information (email and phone number)
Industry, please choose the most suitable:
-agriculture -handicraft -culture -social services -healthcare -tourism -environment -circular economy -Other: __________

2. What makes your business or project value-based? Any one of the above mentioned OR: Other, what?

3. When did you start a social business / value-based business? Year

4. What kind of information or assistance related to social entrepreneurship or value-based activity has been the hardest for you? Please choose three most important options:
   -financial advice
   -impact measurement
   -legal advice
   -information about different instruments of funding
   -finding funding
   -forming applications for funding
   -executing campaign for crowdfunding
   -peer group, sharing experiences with other social entrepreneurs
   -developing one’s business idea
   -marketing

5. In addition to the above, what challenges do you experience regarding value-based activities? What kind of funding and how much have you received for your business or project? Do you currently have financial needs? If yes, what kind? What have been the biggest challenges in obtaining funding?

6. WILL YOU BE INTERESTED IN A REPORTING PROGRAM FOR SOCIAL AND SUPERVISED ENTERPRISES / PROJECTS WHEN A BUSINESS SESSION IS DONE TO THE FINANCIAL SITUATION? If you are interested in a social and value-based business / project / project coaching program, select the topics below that you might need. What kind of training program would you like to have? What kind of coaching would best suit your / your project? Would you like to proceed: Yes/No

What kind of coaching program would be the best for you? What kind of program work would be best for you / you? How much would you be willing to pay for such a coaching program:

7. HOW DO YOU KNOW THAT YOU ARE LOOKING FOR WORK PRESENT IN WHICH WITH OTHER LOCAL ENTREPRENEURS AND ACTORS IS STANDING TO STRENGTHEN A LOCAL GOVERNMENT?
Appendix 3: Workbook

How To Design a Social Service

A Workbook for Social Entrepreneurs

By Joseph Savage, 2019
Contents

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The Double Diamond model of the Design Process 8
Recipes 16
Next Step 22
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Introduction

The goal of this workbook is to orient a newcomer to service design, provide the understanding to embark upon a new development process, and to develop your project with evidence to ready to launch.

Social Entrepreneurship and Design

Social enterprises are different from most enterprises in that they aim to improve well-being above pure profit-based motivation for being. Social enterprises are value-oriented, and whether those values are focusing on improving cultural wellbeing or reducing carbon footprints, this unique perspective on the world requires different strategies to ensure the sustainability of your enterprises actions, whether it is the economic sustainability, or environmental or social. Here, Design can help you by providing methods and tools to assist in developing your idea into a concrete reality.

Specifically, a human-centered design process will help to ensure that your dream is answering the needs of real people - both by asking you to talk to those people, and also by giving them a place at the table when developing your idea.

In this workbook we will outline a common Design Process, known as the Double Diamond, to help guide your first journey into design. We will also provide concrete tools and methods to help you start practicing Design in your work.

Your unique design journey

Each project is unique and requires a tailored process.

We will give you some background on the design process, some example recipes and tools, and resources to find your own path. The design process is human-centered and co-creative, so be prepared to listen to others and collaborate on every step. Since every project is unique, there is no one size fits all solution!

In this book, a Recipe will be a sequence of methods and tools that you and your team will work through, putting your research and own ideas into. In sequence with the design process, first you will understand the context and define the problem(s) you are aiming to solve, and then develop concepts and test them to find viable approaches.

3 new tools to orient your project in the design process

To orient your existing project and work to the design process, there are three new tools included in this workbook. These tools will help you understand the design process more in depth, and help you to build your unique recipe.

1. Guiding Principle: Find your guiding principle, the deep down why - everything you do should contribute towards that goal.

2. Starting with...: Understand what you are working with - who are you, what skills and resources do you have, and so on.


Expected outcomes

There are two expected outcomes of this first journey, either your project needs further development or it is ready to implement (with or without further fundraising). In the first case, it is just a matter of continuing the design journey with the appropriate tools to further your concept towards reality. In the second case, you should have the tools to begin executing your work plan, building your project into a company, and delivering results!

To reach this outcome, you will have developed a base of research and evidence with which you can argue for your projects value, feasibility, and viability. Through real-world stress testing and prototyping, you should have smoothed out any potential issues ...
**Design Process & Tools**

**Overview**

The Double Diamond model of the design process was developed by the Design Council in the UK. It separates design into 4 sequential stages; Discover, Define, Develop, and Deliver. The mindset in each stage is either divergent or convergent, meaning you are either expanding into many ideas or narrowing down into one, and you diverge/converge twice - once during research to establish a single problem definition, and once during development to come to a single solution. Of course, while it’s easy to present this as a linear sequence that one will move through smoothly, in practice you will often be jumping around, checking that your ideas still match your research, or seeking extra background information, etc. Don’t be too afraid to start jotting down solution ideas from the very start, but be sure not to focus on a specific solution until after you have determined your specific problem definition.

The Double Diamond could be thought of as a machine which you put ideas into and it sorts them into good and bad ideas. But it is rather, a series of small changes that lead to an outcome that can be evaluated, based on information gathered.

As you go through the your journey, you will gather evidence to support your decision making. This can be through primary research - going out into the world and collecting new data. This can be through secondary research - sorting through and analyzing data from primary research. Finally this can be through tertiary research, reading literature or other documents to inform decision making. Traditionally in design there is an emphasis on Qualitative Evidence. This is easily biased, and one should be aware of their own biases when conducting this type of research.

The strategies with which you go about discovering new data and with which you go about generating new ideas tend to fall into the category of Methods. Methods in design are strategies and protocols to follow. When you are analyzing data or testing prototypes, very often you will use canvases and mapping exercises to sort through, which we call Tools. It is with which Methods and Tools you utilize that forms your design journey. Online there are many resources with additional methods and tools which you can learn about.

**Iteration**

Iterating and repeating are crucial steps in the design process. What this usually means is repeating steps of the design process that seemed to be ‘done’ already. It can also mean making small changes to something as new information comes about. A typical example is when you have your first prototype, you should test it with real people and make changes based on their feedback. Another example could be changing the problem statement after designing the solution. These are all expected! Thus, my advice to you is to not be afraid of going backwards.

**Mindset**

There are many ways to carry out Design, of which human-centered design and collaborative design are two which we discuss implicitly in this book. Human-centered design can be contrasted with expert driven design - in human-centered design we start from a human perspective and include people - end-users - as participants in the decision making process. This tends to result in better experiences for the end user.
The Double Diamond model of the Design Process

**Discover**

Discover evidence. You are seeking to understand as much as possible from your surroundings.

**Useful methods & tools:**
- Interview
- Participant Observation
- Cultural Probes

**Define**

Define the problem. Focus on analyzing your research and defining the vision, plan, and problem statement.

**Useful methods & tools:**
- Affinity Diagram
- Mind Map
- Personas

**Develop**

Develop possible solutions. Create as many solutions as possible to address your problem definition.

**Useful methods & tools:**
- Mashups
- Lego serious play
- Storytelling

**Deliver**

Deliver a solution. Prototype your solutions, kill your babies, and finally, launch your enterprise!

**Useful methods & tools:**
- Role Play
- Service Blueprints
- Business model canvas
Guiding principle

This tool focuses on finding out your guiding principle, with which everything you do should aim towards. This isn’t a specific target you aim to achieve, but rather an ideal state in which your enterprises’ purpose has been fulfilled. This principle should reflect a future world state, probably a change greater in scope than an individual project, that you will contribute towards.

First, you and your team should brainstorm and create a list of potential main principles. From this list, select one and proceed through the questions on the following page. Go through this for a few of the ideas, until your principle starts to converge.

Remember to focus on Why you want to make an impact, not on what that impact will look like or how you will achieve it. For example, if you want to start a sustainable food cooperative, your first idea for a guiding principle might be ‘to deliver fresh food to our neighbors’. This is a great goal, but a poor principle, since it focuses on what you will accomplish. A better principle might be ‘a world in which the food system is efficient and sustainable’. This focuses on a future state which is greater than the single project.

The ‘5 Whys’ exercise is presented here as a tool to help with getting at your meta-reasons. For each stage, rephrase your previous answer as a ‘why’ question, and try to answer that. If you arrive at a satisfactory answer after 3 times, that’s okay, but it can be useful to push further into the abstract to really find the underlying motivations.

What could your main principle, that should guide all your action, be? _______

______________________________________________________________

And, why...? ________________________________________________

But, why...? ________________________________________________

But, why...? ________________________________________________

But, why...? ________________________________________________

Therefore, your reason for being is... _____

______________________________________________________________
Starting with…

The aim of the ‘Starting With…’ tool is to make visible the resources you already have, the research and understanding already developed, and any un-changeable investments already made. Focus here not on what you will do, but on what you have already done to get to this point.

1. **A description of your projects’ history:** Here is a space for you to describe what you’ve already done in this project, whether it’s just an idea in the back of your head or an already-running operation, there is a history behind everything.

2. **Who are you & what are your core skills:** Here is a space for you and your team to highlight your abilities.

3. **What developmental mindset are you in:** Here is a space to describe your current approach to development. Each design phase is approached with a different mindset, and how you approach the work is important. Are you worried about generating lots of new concepts or on iterating details of your current solution? Each of these will result in a different design journey!

4. **Existing knowledge and expertise in the project domain, and otherwise:** Here is a space for you to download your knowledge and research. If you already have research documents, those can replace this section. Try to be as comprehensive as possible.

<table>
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<th>A description of your projects’ history:</th>
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<th>Who are you &amp; what are your core skills:</th>
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<th>What developmental mindset are you in: (Generative, Idealistic, Iterative, etc)</th>
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<th>Existing knowledge and expertise in the project domain, and otherwise:</th>
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Building a plan

This tool will help keep you on track through out your design journey, with three different lenses. Moving from long term to short term, we break down each step into smaller, actionable items. While your long-term goal might be years away, there is always steps you can take today to get closer to the goal.

The first section is dedicated to your Recipe, which you and your team will decide upon based on the tools available to them. More information on the Recipe is in the next section, including examples.

Second is your long term goal, which is some concrete outcome that you are working towards. You can have multiple long term goals, 1-3 is a good number. This is only a suggestion for now, and your long term goal can and should be revised as you learn more. If you set the specific outcome now and never change it, then you are limiting yourself.

Third is weekly outcomes. In an ideal world, each week you would finish one part of your project which can then be ‘delivered’. This way you can start testing those small parts as quickly as possible. A weekly goal might be to conduct 3 interviews, or to create a system map - something maneagable.

Finally, the daily steps you will take. Some daily steps will stay the same each day, but others will be informed by your current stage in the journey. You can treat this as a to-do list, although it should be limited to only todays steps.
Recipes

Recipes overview

So now that we have established the first three parts of your journey, it’s up to you to define the rest. In an attempt to help give some guidance beyond a list of commonly used design tools (many of which have already been published), I thought I would provide you with Recipes instead. These recipes are intended to be flexible, iterative, and diverse.

While they should be a good starting point to your design journey, you may discover that your evidence leads to a different need than the one provided in the recipe. In this case you must use your best intuition and experiment with changing the recipe. Like cooking, it might not always turn out perfectly the first time. Second, the recipes should be only a first pass, and on your second go through they should be iterated upon. What this looks like - you might go through the first three stages of the design process, and discover you need to go back - this is a perfect point to iterate your recipe and choose alternative methods.

Third, the recipes should be diverse. The point is that no one recipe fits all scenarios, and even more so that different recipes will lead to different outcomes in the same scenario. Over time you will develop intuition and reasoning of which methods to choose for your recipe.

Each Recipe will be made up of a series of methods, usually a research exercise or a tool to fill in or brainstorm around. Each method should correspond to a design phase, such that divergent methods occur during divergent phases, etc. The outcome of the Recipe should give you a testable or tested prototype, which can give evidence to the feasibility and viability of your concept.

Core Recipes

Three Core Recipes - developing a new feature, a new service, and a new company:

A new service feature:

Customers of your company have been asking for alternative ways to get delivery of your products, and you want to see if a subscription-based offering could work in your market.

Methods: User interviews, Problem definition, Service Mapping, Paper prototype

Interview users about the current offering, define specifically what their problem is, map out different deliver possibilities, and then prototype the 3 most viable ones, iterate.

A new service:

Your company currently offers apartment cleaning services, and you’re looking to branch out and expand your offering. You’re interested in what new services you could offer.

Methods: Benchmarking, User interviews, Affinity Diagramming, ‘How Might We…’, Business Model Canvas

Benchmark what other similar companies are doing (and not doing), talk to different users, diagram your insights, brainstorm different avenues of solving user needs, evaluate each with the business model canvas, iterate.

A new company:

You’re just starting out, and have a small idea for sustainable clothing that you want to get funding for. Where to begin?

Methods: Landscape survey, User interviews, System mapping, Insights mapping, Service blueprint, User Journey map, Business Model Canvas, Investment Readiness Level

Start by understanding the clothing sector through the landscape survey and user interviews, map the system and insights, develop potential service blueprints and user journeys, evaluate through the business model canvas and investment readiness level, iterate.
Websites and Further Reading

As I mentioned before, there are tons of lists of methods. Frequently I will scan some of these lists to get inspiration for what to do next. My favorite websites for this are:

- Designkit.org
- https://designabetterbusiness.tools/
- http://www.servicedesigntools.org/repository
- Liveworkstudio.com/tools
- https://diytoolkit.org/tools/
- https://www.thisisservicedesigndoing.com/methods

A few tools specific to business planning and funding can be found here:

- https://diytoolkit.org/tools/critical-tasks-list/
- https://designabetterbusiness.tools/tools/investment-readiness-level
- http://www.designkit.org/methods/16 (Sustainable Revenue)
- http://www.designkit.org/methods/41 (Business Model Canvas)

A Further Example of a Recipe

Here is a recipe for a simple service with a minimal of tools. In this case our expected outcome is a new feature for an existing service, and therefore we already have a large knowledge of the background.

Context: Assume you are working with a barber shop that donates the hair cuttings to various charities. Your mission is to understand how people feel about this and design training material for the barbers to help facilitate conversations about donating.

Discover: Interviews + Observation. Utilizing interviews and observing the current practices, you can learn a lot. Well thought out interviews can reveal a lot about the current experience. Observations require the observer to have a keen eye and a specific set of things to observe for. Out of these exercises you should be able to build an understanding of how customer experience the barber shop.

Define: Journey mapping. Utilize journey mapping to build out the users journey - from deciding on getting a haircut through to showing off the new style - to understand the potential problems the client might face. From this you build a list of problems that you will tackle.

Develop: How Might We. Brainstorming by rephrasing your problem statements as ‘how might we’ questions. Once you’ve brainstormed a number of solutions, come up with more!

Deliver: Role Play. Through role-playing the customer and barber in a number of your ideas, you can quickly narrow down to the plausible ideas. Once you've sketched out how these ideas might work, it's time to build an implementation plan!
Extra: Tools Evaluation Canvas

**1. INPUTS**

- Estimate of work required to prepare the tool & evidence required to analyze

**2. INGREDIENTS**

- Estimate of work required to carry out the tool

**3. OUTCOMES**

- Expected and/or possible data and results

**4. Guiding Principal - Evaluation of Needs**

- Does the tools' outcome match our principles and needs?
- Do we have the resources needed to prepare and carry out the tool?
Next Steps

After reading through this guide, hopefully you have become familiar with the design process and how it could impact your work. If you haven’t already, now is the time to start doing; doing research, doing analysis, doing brainstorming, doing testing, doing whatever it is your project needs right now. Don’t worry about not knowing everything right away; that understanding will come with experience of doing.

Once you have passed through your first design process, you should be closer to your goal, and closer to changing the world for the better. You should have a deeper understanding of your customer, market, concepts, feasibility, value proposition, and much more.

Now there are two paths forward, and it all depends what you want to do. Either you can move on to the implementation phase, as your requirements are satisfied, or you can iterate again through the Design Process as your concept does not yet meet your requirements. All the time thinking of your higher goal!

Keep up the good habits you’ve built.
Keep working with your users, and listening to what they say.
Keep iterating on your ideas.
Keep changing the world for the better.
Best of luck to you!

Bibliography

IDEO. Field Guide to Human-Centered Design. 2015.