



SocialForce exists to create better lives community by community. The SocialForce web platform helps people come together to solve local problems through local collaboration. Our goal is to connect mission-driven small- and medium-sized enterprises (SMEs) with relevant nonprofit organizations in their communities for greater impact. The strategic match of local resources to local needs facilitates long-term relationships and unlocks the potential of communities to solve what matters most to them.

Complex challenges



require collaboration!



For local, smaller players:



Local organizations need (non-) / financial resources



SMEs want to help but have trouble selecting partners strategically

little match - little impact

Problem Statement

SocialForce addresses the market gap between local organizations that need resources and local SMEs that want to make a positive impact in their communities.

Corporate impact, localized

Consumers' increasingly care about companies' sustainability and social impact [11]. The idea that the third sector can't solve economic, environmental and social challenges by itself means that corporate social responsibility (CSR) is an increasingly mainstream priority for large companies [1, 2]. These companies may have external (driven by customers, investors, governments) or internal (driven by culture, employees, their mission) reasons for taking on more responsibility for the impact of their business activities on society and the environment.

SMEs and corporate responsibility

However, sustainability has yet to become mainstream for the 'Fortune 5 Million,' or the millions of small to medium sized businesses in the U.S.[3]. 99% of the private sector in the US is made up of small and medium-sized enterprises (SMEs), accounting for over 50% of total GDP [15]. Not all SMEs will have a stake in the sustainability of their local communities.

Nevertheless, a significant proportion will be 'mission-driven' and seeking a way to make a lasting difference in addition to growing the bottom line. This 'triple bottom line' approach,

which considers social and environmental outcomes in addition to financial metrics [9], to doing business is one that is widely recognized in the Fortune 500 business community, but an underappreciated quality of SMEs. Most mission-driven SMEs tend to lack the capabilities or

resources to invest in making a difference in their communities in meaningful ways [10]. When small efforts are implemented, the value of these projects to SMEs is ultimately limited because activities are usually not strategic or related to core business [12]. This also makes it challenging to measure or assess what, if any, impact results from the projects.

Understanding the missed opportunity for strategic local impact

Our approach: Since January 2016, the SocialForce team has conducted more than 20 interviews (e.g. NerdWallet, Plum Organics, the Executive Director of the Center for Responsible Business at Berkeley-Haas, United Way of the Bay Area, etc.) and used design thinking to test hypotheses from the pre-proposal and to redefine the business model.

In our conversations, we heard that these barriers mean SMEs tend to withhold resources that could be invested in their communities. This is leading to a significant missed opportunity for such companies to make a positive impact. Given that 42% of US nonprofits in a recent national study claimed to “not have the right mix of financial resources to thrive and be effective in the next 3 years” [13], it also harms organizations doing good.

For small community organizations that lack access to financial services and other resources, funding from a consistent source is a critical need and can be the key to realizing impactful local initiatives. [14] There are thousands of community organizations driven to solve local problems, for instance by providing services to low-income, underserved populations.¹ Unlike major national or global NGOs, local community organizations often have deep personal experience with the issue they are dedicated to. Yet, they often cannot fulfill their potential because they lack access to resources and/or lack specific skills, expertise and organizational abilities. [14]

SocialForce recognizes that much of this resource gap could be provided by local, mission-driven SMEs. However, often local community organizations do not have established relationships with companies to resolve their financial exclusion. [16]

As a result, a market gap exists between local organizations who understand the issues affecting their communities and have solutions that meet such needs, and local SMEs who want to make a difference in their communities but might not know where to start.

A Case Study on the missed opportunity: Nerds Pay it Forward

NerdWallet

founded: 2009

NerdWallet is a San Francisco-based company with a mission to clarify financial decisions for Americans. The firm has grown from a startup to an SME in less than 6 years. With this growth, its 300 employees have begun shaping the firm's culture into its very own "Nerd Culture." As part of it, they have launched their own employee-driven community impact program: Nerds Pay it Forward.

The objective is to get "Nerds" (i.e. employees) involved in their local community, the Tenderloin neighborhood in San Francisco. The program consists of several, unrelated events where NerdWallet

¹ 187,262 tax-exempt entities in California [5], at least 743 nonprofits in the Bay Area [6]

employees volunteer at local organizations active in the Tenderloin. During such events volunteers work on a range of activities from helping out in soup kitchens, planting trees, to cleaning streets. Many NerdWallet employees sign up for one-off volunteering opportunities, and some participate in gift-matching also set up within Nerds Pay It Forward.

The initiative was developed by two employees, Jessica and Rowena, who set up this "program" by spending a considerable part of their free time shaping and now managing it. NerdWallet's management was very receptive of it and has shown full support. To them, Nerds Pay It Forward has become a part of the company culture, it encourages socialization among Nerds from different teams, and it is used for recruiting purposes. However, because it is not a strategic priority, Nerds Pay It Forward is not tied to the company's core business, its mission and objectives.

For Jessica and Rowena, this translates into a lot of time-consuming one-to-one engagements with local organizations, which they really enjoy. However, managing the program from an Excel spreadsheet for a 300-person company is now a challenge. With support from NerdWallet's management, they have sought out a product/service that would help them manage the Nerds Pay It Forward's finances, human resource investments and relationships with local organizations, but have been unsuccessful due to the company's small size.

It's clear from the NerdWallet example that there is a market of mission-driven, growing startups and established local SMEs who want to engage with their communities to make lasting impact. Social Force has identified three missed opportunities, illustrated here in the context of the NerdWallet case:

- **Strategic fit with the mission:** NerdWallet could be leveraging its Nerds Pay it Forward program in a strategic way by focusing on impact initiatives that are core to its business mission, i.e. educating community members on managing finance or financial literacy.
- **Long-term relationships:** Provided with a specific roadmap on community impact, NerdWallet would be better able to structure its support by establishing relationships and participating in initiatives planned for the Tenderloin community's development strategy.
- **Affordable tools for managing impact:** NerdWallet is in need of a management solution that meets its current scale. Although the company's is not suitable for full-blown CSR / IT software solutions, it needs a tool to efficiently manage relationships and measure the impacts of the resources invested in the Tenderloin.

Existing Solutions

SocialForce will enter a complex landscape. Here we consider each side of our marketplace and the combined space and its closest existing solutions.

Solutions for SMEs

Today, large companies have to use a variety of tools (see appendix) to find organizations for their impact activities; however, implementing a CSR strategy is even more challenging for SMEs as it is complicated and time-consuming, without the certainty of measurable impact. The management of the impact activities is usually done with MS Excel and other manual solutions as the CSR tools used by large companies are too expensive.

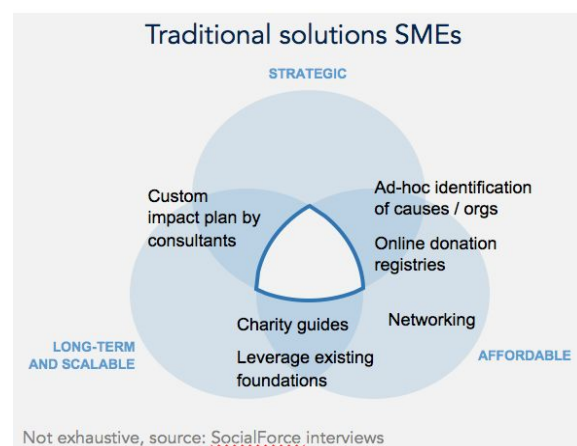
Solutions for local organizations

For community organizations (non-profits/NGOs, civil society organizations, etc.) raising funds or identifying volunteers and deploying them against the most pressing challenges is resource-intensive and risky (see appendix). There is much to be gained, however, as corporate donations to nonprofits in the US alone totaled nearly \$18b in 2014, and is growing by 14% per year, while individual donations totaled over \$175b. [7] Local organizations often source funding through grants as well as donation solicitations. Managing resources time intensive as the organizations often lack comprehensive IT tools.

Evaluation of most common tools used

During interviews, SocialForce identified three factors that SMEs and local organizations need to trade off in attempts to generate impact: strategic, long-term/scalable and affordable/efficient.

Mapping the three factors, we see that traditional solutions tend to contain two of the factors but require a tradeoff against a third area. For example, the more technologically savvy local organizations may have turned to crowdfunding (like Generosity) or volunteer platforms. However, these more affordable options come with lower levels of commitment, and rarely include the most valuable resources for building organizational capacity.



Matching companies and communities

In the past few years, approximately a dozen software-based solutions have arisen that claim to offer the “next generation” in CSR development and management. While many of these are innovative, we found our solution addresses an unmet need within this nascent market. Specifically, SocialForce targets smaller companies, local organizations, offering a more **strategic approach** to impact that enables **long-term relationships** through an **affordable platform**.

A profile of some of the largest solutions or those most relevant to SocialForce and a market map that visualizes the competitive environment follow.

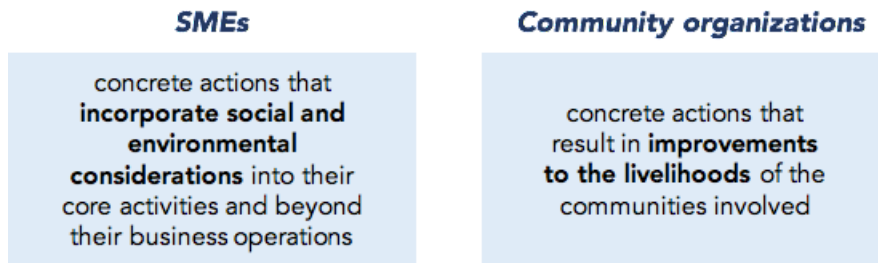
Company / Organization	What is it?	Strengths & Weaknesses		
		Strategic	Long-term	Affordable
Benevity	Tech product for employee giving, gift matching, and volunteer mgmt	Yes&No, allows matching with “2 million” NGOs; limited strategic advice	Yes, robust set of tools for long-term engagement and scaling	No, not viable for small companies (starts at “a few hundred employees”)
B1G1	CSR platform that helps SMEs donate a part of revenues to nonprofits	No, List of nonprofit projects; no advice on where to partner or why	No, all based on one-off projects; company doesn’t interact directly with nonprofit	Yes, designed (and priced) for small businesses
Bright Funds	Giving, matching, and volunteering program offering nonprofits grouped into “funds” by theme	Yes&No, “funds” rely on users to identify nonprofits, with limited strategic advice	Yes, easy-to-use interface that is scalable with company size	Yes&No, focused on delivering to larger companies / startups
CSR-Match.de	Platform to match employees with CSR project by their expertise	Yes, unique matching with focus on impacting local organizations	No, no option for financial donations	Yes, low cost for companies
Entrepreneur Foundation / Communities Foundation	Facilitates community involvement and philanthropy for SMEs	Yes&No, focused on instilling strategic approach to <i>philanthropy</i> in SMEs	No, offers vary a lot, so long-term relationships isn’t guaranteed	Yes, Free or low costs information and advice
SmileyGo	Data driven platform that matches companies to vetted organizations	Yes&No, limited advice for CSR strategy beyond the specific orgs	Yes, curated set of organizations allows companies to engage deeply	No, entirely non-US, so in-person engagement is not affordable

SocialForce's Competitive Landscape (non-exhaustive)



SocialForce's innovation

SocialForce exists to enable SMEs and local organizations to strategically deliver impact based on the specific needs of their local communities. Our definitions of impact activities are:



SocialForce is based on the premise that community-grounded organizations and individuals active within them understand the needs of their communities best, but lack the visibility to harvest the resources to execute the projects that address such needs.

SocialForce is an impact management tool that leverages the core business competencies available locally to meet the needs of a community by establishing long-term relationships between mission-driven SMEs and community-organizations in a strategic and sustainable way.

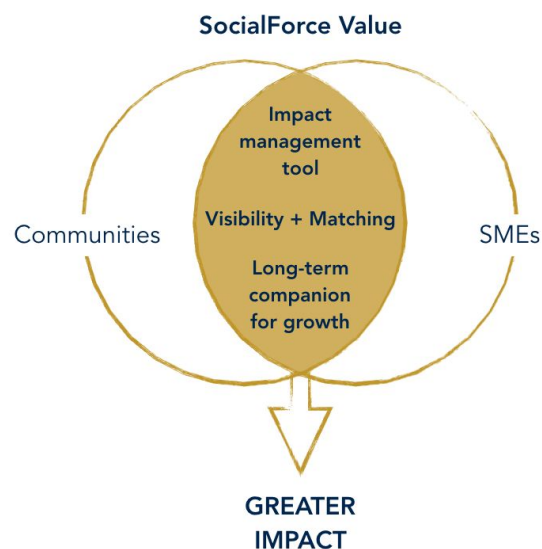
Benefit for companies

As small businesses grow, their growing workforce becomes more and more interested in impacting their local communities. However, still prioritizing their financial sustainability to ensure business success and with **no resources to spare**, these young companies lack the human resources to dedicate to managing employee-driven impact initiatives. As a consequence impact activities are often delayed.

SocialForce allows SMEs to identify, execute, manage and measure impact activities in their local communities in a **strategic and meaningful way**. Matches made on SocialForce will enable SMEs to create **long-term relationships** they can build out over time and that grow and change in line with the company's mission and vision. Socialforce provides an **affordable, efficient and transparent solution** for impact beyond fungible donations.

Benefit for local organizations

Community organizations also benefit strongly from gaining more visibility and establishing **strategic relationships** with local SMEs without compromising their mission, (i.e. "selling their soul"). For these organizations, **engagements that are longer-lasting** represent reliable sources of support yielding



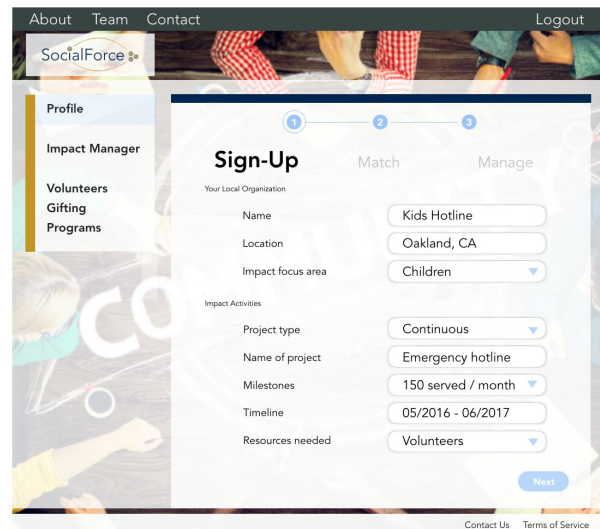
more valuable investment and reducing the coordination costs of constantly working with new partners and volunteers. SocialForce also provides an affordable and **efficient impact management tool** (e.g. for tracking donations and volunteer hours).

How SocialForce works

Onboarding

For SMEs, the SocialForce onboarding process involves determining the company's starting point on its impact journey. Our "Path to Impact" tool will ask impact managers at SMEs a set of simple questions to determine their starting point and creating their SocialForce profile.

By providing information on progress metrics, like the company's past and existing relationships with local organizations, initiatives executed, gifts made, etc., SocialForce determines the starting level of engagement, number of community organizations, and focus areas that are listed on their SocialForce profile.



The screenshot shows the 'Sign-Up' form in the SocialForce interface. The form is titled 'Sign-Up' and is part of a three-step process (1, 2, 3). The first step is 'Sign-Up', the second is 'Match', and the third is 'Manage'. The form is for 'Your Local Organization' and includes the following fields:

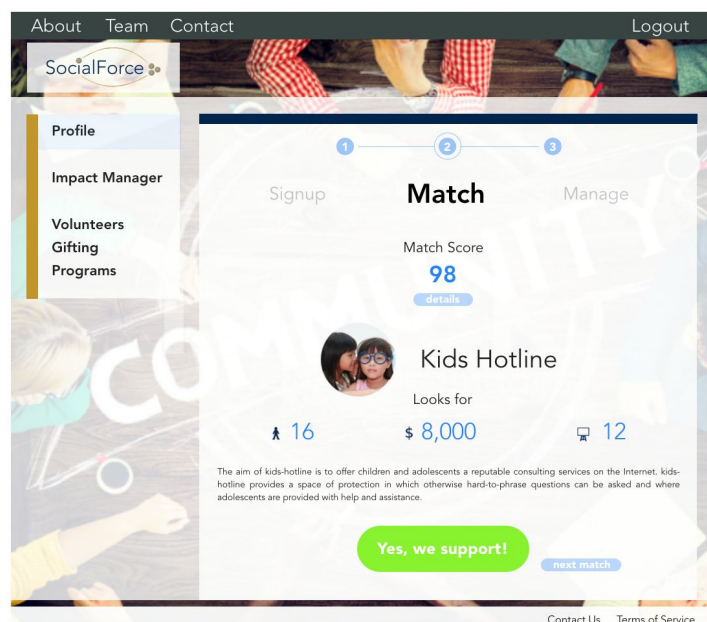
- Name: Kids Hotline
- Location: Oakland, CA
- Impact focus area: Children (dropdown)
- Impact Activities:
 - Project type: Continuous (dropdown)
 - Name of project: Emergency hotline
 - Milestones: 150 served / month
 - Timeline: 05/2016 - 06/2017
 - Resources needed: Volunteers (dropdown)

At the bottom right of the form is a 'Next' button. The left sidebar contains links for 'Profile', 'Impact Manager', 'Volunteers', 'Gifting', and 'Programs'. The top navigation bar includes 'About', 'Team', 'Contact', and 'Logout'.

Similarly, for community organizations, their SocialForce profile will contain information about their impact focus areas, key contact people, as well as current and past projects indicating objective, milestones, timeline and budget.

Matching

Following the information provided on users profiles, SocialForce matches SMEs and impact projects with the goal of establishing a new partnership between the firm and the organization it is supporting². The aim is to establish relationships that will provide strategic benefits from impact projects to both sides. In order to identify issues that are most material to an SME's impact in the local community, SocialForce will use established impact measurements (like metrics from SASB³) and sector



The screenshot shows the 'Match' page in the SocialForce interface. The page is titled 'Match' and is part of a three-step process (1, 2, 3). The first step is 'Signup', the second is 'Match', and the third is 'Manage'. The page displays a 'Match Score' of 98. Below the score is a 'details' button. The main content area shows a profile for 'Kids Hotline' with a profile picture of two children. Below the profile picture are the following details:

- Looks for: 16
- \$ 8,000
- 12

Below these details is a green button that says 'Yes, we support!' and a blue button that says 'next match'. The left sidebar contains links for 'Profile', 'Impact Manager', 'Volunteers', 'Gifting', and 'Programs'. The top navigation bar includes 'About', 'Team', 'Contact', and 'Logout'.

² Initially, this matching process will be done by SocialForce's team. Down the line, the process will be automated using an algorithm.

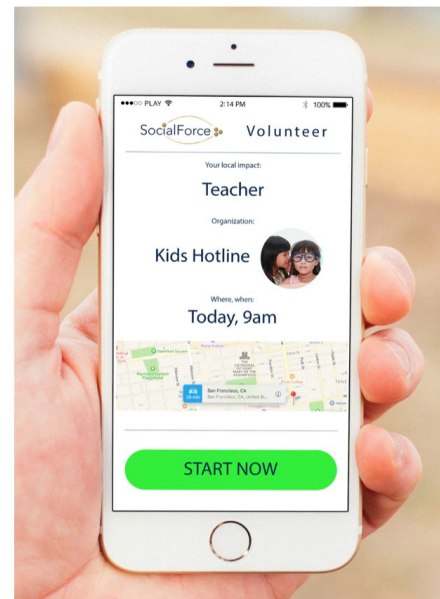
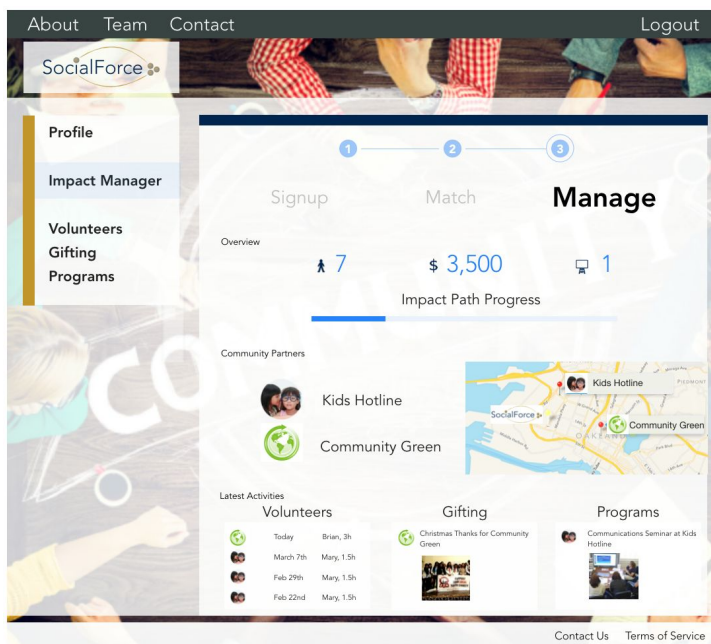
³ Sustainability Accounting Standards Board

indicators. For example, health and well-being are issues that might be important to food companies. SocialForce makes established impact tools that were developed by large companies available to smaller organizations.

Managing and measuring progress

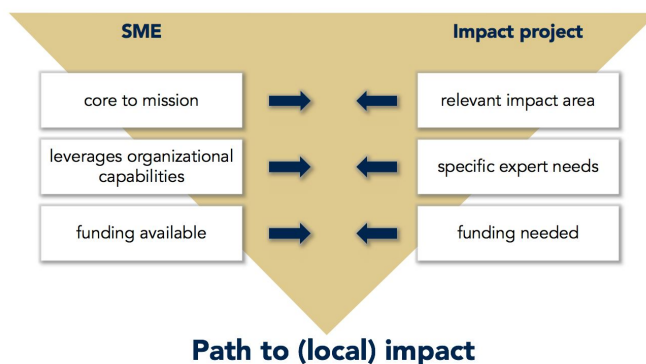
Currently, volunteers have to manually track their volunteer hours. With the SocialForce App (see above), volunteers just have to press “Start” & “Finish” and their records (verified with location data) will be transferred automatically in the database. In addition, the impact manager(s) of the SMEs have access to the SocialForce dashboard. The dashboard allows tracking and organizing of impact activities.

To determine the progress on the “Path to local impact”, SocialForce provides a simple tool, based on a set of standardized questions that will result in an assessment, both for the SME and for the community organization independently, of their trajectory to strategic local impact (onboarding questions will be also used for that). Companies and organizations on the same “impact level” will have the opportunity to connect and to share best practices. SocialForce will become the hub to engage and leverage local impact.



The SocialForce Pilot

The goal of the SocialForce pilot is to develop a platform for mission-driven SMEs and local organizations to jointly deliver relevant impact to their communities. During the 1-year pilot, we will develop and launch the first prototype of SocialForce's service in the California East Bay, specifically Oakland and Berkeley. Post-pilot, we plan



to grow to the wider Bay Area, a growing market for impact with large numbers of mission-driven SMEs and impact-driven community initiatives. This pilot strategy is designed to ease the development challenge of onboarding SocialForce's initial users.

The objectives of the SocialForce pilot are three-fold:

- 1) **to develop the initial user base for SocialForce's proof-of-concept:** engage and onboard the first set of users, both on the SMEs and community organizations, and bring the first set of impact initiatives and projects
- 2) **to create the Minimum Viable Product (MVP) for SocialForce's platform:** based on research, interview insights and prototypes, and by working closely with initial users, we will develop a platform that can successfully run the Path to Impact tool, user profile creation, matching of users on both sides of the platform and provide a basing management tool to track progress on projects
- 3) **to pilot the management and execution of partnerships and projects:** understand the needs that the platform should meet by defining the pain points and obstacles that community organizations have in structuring a project, establishing milestones, deliverables and timelines. Learn what information and impact metrics business users require and what reporting requirements they need to meet.

Pilot challenges



Most important challenges	Plan A	Plan B
Two-sided market platform Chicken & Egg Problem: sufficient users on one side needed to attract the other	Start with local organizations: value proposition to them very clear, they are always looking for funding, lower cost to join	Make product free for local organizations to get closer to one-sided market platform
Alignment of incentives Customers might face different goals / expectations (funding vs. volunteers, duration / frequency of committed resources)	Collect data during the onboarding process (commitment levels, resources available/needed, goals), review preferences every 6 months	Introduce an engagement letter that makes incentives transparent to both sides.

Revenue model and retention Initial revenue model based on subscriptions, challenge to keep customers on platform while balancing flexibility	Encourage long-term sign-ups by giving discounts, emphasize that impact will mostly be realized in the long-term, test willingness to pay	Split offerings into one-time services ("Path to Impact" tool) and enduring services (matching, managing impact), explore alternative markets
Platform development Need basic platform for pilot, recruit technical talent while minimizing costs	Already recruited a software engineer (part-time, pro bono), limited functionality first to get user feedback	Utilize university ecosystem to recruit talent (organize hackathon, become client for CS169 class)
Fraud At the beginning, security mechanisms are limited but trust is key	In the very beginning, manually check every local organization / initiative (local visits, personal contact)	Staged funding based on defined milestones and transparent deliverables. Future: verification by trusted partners
Competition Barrier to entry (e.g.the user network) weaker at the beginning	Target companies that do not yet use any alternative service	Partner with local governments, be preferred solution within communities

Outreach and Marketing Plan

The SocialForce pilot will include a strong marketing strategy to successfully onboard the first set of users to the platform. SocialForce's customer acquisition strategy will be an organic process driven by local relationships, that starts in one community and grows from there:

Target locally: through **pro-active marketing measures** we will leverage our strong networks at UC Berkeley and Haas (Skydeck, Berkeley Angels Network and Berkeley-Haas Alumni Network). We will establish one-on-one connections by attending relevant events and local conferences (e.g. Socap, Net Impact meetups, etc.) to meet local mission-driven SMEs, impact investors (e.g. Better Ventures) and portfolio companies of (social) incubators and accelerators .

Our efforts to engage local community organizations in Berkeley-Oakland will include signing up to online outreach lists and sending personal emails to their leaders. We also envision connecting with local partners willing to support SocialForce, act as networking hubs, connecting us to community organizations (e.g. local government offices and councils, YMCAs).

Inform broadly: Provide content that explains what the platform enables and the value that users on both sides will gain from using SocialForce. Because the platform enables interaction in a business-to-business (B2B) setting, we will establish a strong online presence:

- Creating profiles on relevant social media sites including LinkedIn, Angelist.co, Facebook, Medium.com, etc (SocialForce will be "where" the customers are)
- Publishing stories and blog entries to strengthen our online presence and by paying for sponsored content on LinkedIn, local community online boards, techcrunch.com, etc
- Engaging "influencers" on social platforms who promote SocialForce to their online communities, e.g. Ben Mangan (Center for Social Sector Leadership at Berkeley-Haas)

Follow-up marketing measures: Contact companies and organizations/communities that express interest or sign up on the website (in form of a profile or as subscriber for news)

We understand that our marketing plan will be one of the main cost drivers throughout the pilot and early years of SocialForce as creating awareness is key. We have budgeted accordingly.

SocialForce's Revenue Model

SocialForce is planned as a for-profit venture; the primary component of the revenue model is an annual subscription fee (billed quarterly) charged to the companies that benefit from SocialForce's services, with differently priced tiers.

We have the following hypothesized pricing tiers that we would want to test with companies during the last months of the pilot. This pricing is based on competitive data as well as calculations for the value of the service (see appendix for more information). To actually enroll companies in the pilot, we would initially offer free subscriptions, but we would still plan to assess their willingness to pay and these pricing levels as we work with them.

SocialForce Essentials	Matching service, roadmap for the company's CSR efforts, ongoing tracking and reporting	\$3,499 annually (\$875 / quarter)
SocialForce Pro	Essentials + tools to natively manage volunteers and donations	\$5,499 annually (\$1,375 / quarter)
SocialForce Complete	Pro + consulting on managing rollout, engaging employees in the CSR effort, networking with similar companies	\$9,999 annually (\$2,500 / quarter)

One of the key tenets of SocialForce's value proposition is its ability to scale with the companies it works with. As such, the pricing is based on the level of service the companies receive but is not directly related to their size (so as not to disincentivize the service as the company scales).

In addition to the primary model, we have hypothesized that SocialForce can pursue a number of additional monetization sources, though these would not be tested in the pilot (see appendix).

Pilot implementation timeline

Our implementation timeline is designed to deliver on the three objectives identified for this pilot: **Outreach, Development, and Execution**. Because of the restricted time available for the pilot, we will be running the Outreach and Development Phases in parallel to ensure the Execution Phase can be done in a timely manner. In the following Gantt chart, dark yellow shows concrete tasks and light yellow illustrates continuous tasks. Each task is described next.

Task	2016							2017					
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Phase 1 Outreach													
1.1 Develop online presence													
1.2 Produce content for outreach													
1.3 Contact and engage influencers													
1.4 Establish relationships with targeted local partners													
1.5 Conduct pro-active marketing measures													
1.6 Onboarding													
Phase 2 Development													
2.1 Initial platform development													
2.2 Continuous product development													
2.3 Developing matching criteria													
2.4 Developing Path to Impact tool													
Phase 3 Execution													
3.1 Assessment of "Path to Impact" roadmap for SMEs													
3.2 Defining impact project													
3.3 Onboarding													
3.4 Matching of projects and SMEs													
3.5 Projects launch & execute													
3.6 Monitoring of project execution													
3.7 Mid-project check-in													
Phase 4 Impact and evaluation													
4.1 Measurement of impact													
4.2 Evaluation workshop													

Phase 1: Outreach will consists of marketing efforts described earlier aimed at onboarding the initial user base. This Phase will focusing on developing an online presence by creating and managing social media profiles. We will engage with UC Berkeley and Haas networks, contacting influencers, organizing visits to potential users, attending local events.

Phase 2: Development will focus on creating the pilot platform. The team will front-load the development of a prototype platform, i.e. the Minimum Viable Product, in order to quickly launch the pilot's execution phase. Throughout the pilot and beyond, findings and insights will be incorporated to improve the platform's features and functionality. We will develop the Path to Impact tool by designing the specific questions and data requirements for onboarding. Also, the SocialForce team will establish the minimum criteria (general) for matching.

Phase 3: Execution will take our users through the full process from onboarding to matching. For SMEs, this will be the "Path to Impact" tool. For community organizations, we will define their initial project including scope, budget, milestones, measured impact. During the pilot, we will match projects and SMEs manually according to preferences and characteristics given on users profiles. As projects launch SMEs and community organizations will be introduced to each other via the platform. This task will inform the future automation of processes on the platform.

Phase 4: Impact and evaluation will be conducted as described in the next section. A key task will be for the SocialForce team to hold a workshop with our early users to evaluate pilot according to their experience.

Measuring Success

SocialForce aims to bring in 5-7 mission-driven SMEs and 20-25 community organizations during the first six months after the platform is developed (striving to achieve a 1:3 ratio). The pilot is successful, if SocialForce can acquire 10-15 SMEs and 40-50 community organizations during the first year.

Besides the number of customers, SocialForce will also track performance indicators. In order to determine the indicators to monitor, a Theory of Change framework was applied (see appendix). SocialForce plans to measure the key pilot outcomes and impacts as follows:

Key Outcomes	Indicators	How
Improved employee engagement and customer recognition	<ul style="list-style-type: none"> - Total # of volunteers - Total # of volunteering hours - Self-reported ratings 	<ul style="list-style-type: none"> - Customer feedback survey upon sign-on (benchmark) and then periodically (trend) - Platform analytics of volunteering data
Increased ability to reallocate saved resources	<ul style="list-style-type: none"> - Time to find the right match & manage the distribution of resources - Frequency of SocialForce webpage visits - Usage of SocialForce impact reports 	<ul style="list-style-type: none"> - Platform analytics of usage (frequency and duration) - Customer feedback
Increased commitment to CSR / impact strategy	<ul style="list-style-type: none"> - Total amount of funds distributed by organisation - # of SMEs with strategic impact activities 	<ul style="list-style-type: none"> - Platform analytics of funds transferred by organisation and churn rate - Advancement of companies on the Path Of Impact
Increased resources to deliver initiatives	<ul style="list-style-type: none"> - Total # of community organizations signed up - Total amount of funds received - Total # of volunteers and volunteering hours available 	<ul style="list-style-type: none"> - Local organization sign-ups, retention rate, referrals - Platform analytics of funds received by organisation - Platform analytics of development of volunteering
Increased value of impact activities and stable engagement of SMES with local organizations	<ul style="list-style-type: none"> - Total # of SMEs signed up and total # of SMEs distributing resources / funds - Frequency and duration of local engagement 	<ul style="list-style-type: none"> - SME sign-ups, retention rate, referrals - Platform analytics of total resources transferred, change in average amount and frequency, and change in total number of SMEs
Increased number of aligned community based organisations receiving funding / resources	<ul style="list-style-type: none"> - Total # of community based organisations receiving funds and other resources - Stability of received resources 	<ul style="list-style-type: none"> - Platform analytics of total funds / resources received, change in average amount and frequency, and change in total # of community organisations

SocialForce will use platform analytics and customer feedback to analyse the impact and success of the pilot. It is important for SocialForce to understand which benefits SMEs and local organizations value most while using the platform. Towards the end of the 1-year pilot, we will organize an evaluation workshop that will give our initial users the opportunity to provide feedback. The pilot data will be used to refine the indicator set and develop threshold levels.

Pilot budget

The budget for the pilot follows the structure of the timeline presented earlier. A couple of key budgetary decisions have already been made:

- the core team will not receive any salaries
- all design of graphics and printed marketing materials (business cards, flyers, etc.) will be done in-house, incurring zero costs (exception: logo)
- subscriptions will be free during most of the pilot, but we aim to introduce paid subscriptions (at pilot prices) in the last quarter to prove willingness to pay to investors

- the development of the SocialForce platform will be mostly done by our in-house CTO, but we assume some costs for contracting engineers (e.g. UC Berkeley seniors)
- any legal advice required will be found through on campus resources for entrepreneurs

We foresee SocialForce to raise funds beyond the Big Ideas award. SocialForce anticipates receiving approximately \$5,000 from the following sources and competitions (non-exhaustive):

- Global Social Venture Competition:** organized at Berkeley-Haas, awards in April. SocialForce will apply in the 2017 competition. Maximum award \$25,000.
- LAUNCH:** UC Berkeley startup accelerator organized by Berkeley-Haas, awards in April. Maximum award varies from year-to-year (ca. \$25,000).
- Berkeley-Haas Startup Seed Funding:** funds awarded in May, award \$5,000.
- Gloria W. Appel Award:** funds 2nd year Berkeley-Haas MBA entrepreneurs, \$5,000.
- Hansoo Lee Fellowship:** stipend of \$5,000-\$10,000 for Berkeley-Haas entrepreneurs.

SECTION 1. PROJECTED EXPENSES	Details	Total
I. Outreach Cost		
Attending local conferences	1 team member per conference, 8 conferences, student price approx. \$250	2,000.00
Paid digital advertisements and content	7 ads on Hub newsletter, SME association, legal advice sites, etc., targeted ads through Google Ads (\$300 per ad), sponsored articles on LinkedIn	4,000.00
Travel costs	Visit SMEs and local organizations (\$150 per month)	1,800.00
Marketing materials	Printing business cards, t-shirts, flyers	500.00
Subtotal Outreach Phase		8,300.00
II. Development Cost		
Website development phase 1	In beta form, using support from offshore team (estimate based on the startups TravelSpoon and Badou)	2,500.00
Website development phase 2	Adding features, more automation, database development	2,000.00
Logo design	Using fiverr.com	50.00
Subtotal Development Phase		4,550.00
III. Execution Cost		
Domain registration	Annual fee for Social-Force.com	10.87
Web hosting	At heroku.com (\$7/month)	84.00
Subtotal Execution Phase		84.00
IV. Impact and evaluation		
Feedback workshop	One-day event (free venue, costs for food + beverages + material)	500.00
Subtotal Impact & Evaluation Phase		500.00
V. Personnel Costs		
Buffer for contract work	If support is needed for platform maintenance or outreach activities (\$50/h)	1,000.00
Subtotal Personnel Costs		1,000.00
VI. Other Project Costs		
Web security	Annual ssl-certification	29.00
Web security	Monthly ssl-endpoint (\$20/month)	240.00
Subtotal Other Costs		269.00
TOTAL PROJECTED EXPENSES		14,703.00
SECTION 2. PROJECTED REVENUE		
I. Revenue from pilot		
Expected revenue from subscriptions		0.00
Expected revenue from organizations / subsidies	Subscriptions will be free at the beginning of pilot	0.00
Subtotal pilot revenue		0.00
II. Grant or Prize Money		
Expected funding from Big Ideas		10,000.00
Expected funding from other sources (see text)	Most competitions award next year at the end of the pilot (not included here)	5,000.00
Subtotal additional grant or prize money		15,000.00
TOTAL PROJECTED REVENUE		15,000.00
SECTION 3. FUNDING GAP		
Projected Funding Gap	Buffer	297.00

We are SocialForce

web platform for greater impact community by community



match local organizations and small / medium enterprises

Susy Schöneberg - CEO & SME lead: Prior to joining the MBA program at Berkeley-Haas, Susy was a Senior Business Analyst in Sustainability Management at DB, one of the world's largest mobility and logistics firms. There, she led a think tank reporting directly to the CEO.

Denisse Halm - COO & local organizations lead: Denisse is an MBA student at Berkeley-Haas focusing on human-centered design and entrepreneurship. Denisse served as Operations Director for a grassroots NGO in Ghana and worked as a policy consultant to the World Bank.

Joh Schöneberg - CTO & product developer: Joh is a postdoc in biophysics at UC Berkeley. He has developed open source high performance particle dynamics simulations software. He also founded a web design & software company with 8 years of operations.

Mitul Bhat: Mitul is a first-year MBA student at Berkeley-Haas with a background as a consultant uncovering customer needs and translating those insights into growth strategy for companies; he most recently worked at Sanergy, a social enterprise in Kenya .

Reneé Selanders: Reneé is a first-year MBA student at Berkeley-Haas. She spent 4 years growing the largest tech accelerator in Oklahoma, working with startups to solve their business and product challenges. She also co-founded the first developer boot camp in Oklahoma.

Vaisakh Shankar: Vaisakh is an engineer with 10 years of experience in corporate strategy and marketing. He is passionate about storytelling as way to form product narratives focused on improving user experience. He is an MBA student at Berkeley-Haas.

Sid Ghosh - Impact measurement advisor: Sid has developed the Theory of Change for, and applied the Social Return on Investment (SROI) methodology to evaluate the the impact of, CSR programs. He is currently finishing his MBA at the London Business School.

Appendix I: Welcome to SocialForce



Appendix II: Overview of traditional tools for generated impact

SME tools	Donations	Volunteering	Impact strategy
Initial setup / find organizations	Founder/owner preference, networking during events, charity guides (e.g. GiveWell), cause related websites (handup.org)	Networking during (community) events, volunteermatch.org	In-house project, custom plan from consultants (rare in small companies)
Manage	CSR tools used by large companies too expensive, manual solutions like excel		

Nonprofit tools	Donations	Volunteering
Initial setup / find companies	Grant writing, crowdfunding, online donation solicitations (e-mail, social media, website), community events (sport/ competition pledges), company partners (eScrip)	Use own website, flyers, being listed on respective websites
Manage	Often lack comprehensive IT tools, manual solutions like excel and email	

Appendix III: Lead Generation

There are 787,779 companies listed on AngelList; 222,188 claimed companies; 168,53 hiring companies. Of these, 22,724 companies are located in the Bay Area. Their distribution by sector is: 1,092 in education, 1,509 in healthcare, 120 in impact investing and 1,231 “Ventures for Good”. The latter category's valuation is \$4.3M valuation.

East Bay-based mission-driven startups

Mindblown Labs - financial literacy for underserved youths

GoldieBlox - introducing girls to science and engineering through play

Qeyno Labs - career discovery platform for underserved youths

SleekGeek - engaging kids in science and math

Solar Mosaic - making solar affordable

Pigeon.ly - data aggregation and analytics for incarcerated population

Naja - fast fashion lingerie brand with social mission / sustainable supply chain

Mayvenn - beauty products startup aiming to boost incomes of African American beauticians

Appendix IV: SocialForce Revenue Model Pricing Calculations

Additional revenue sources:

- **Revenue from nonprofits:** Charge nonprofits a nominal subscription (e.g. \$500/year) for establishing sustained partnerships plus 5% fee for any donations through the platform. This fee is comparable to competitors, e.g. BrightFunds charges 7.5%, and is significantly less than the 20% US nonprofits pay on average to fundraise.[8]
- **Consulting services:** Our insights from engaging small companies in local impact activities is likely to be of interest to governments, philanthropic foundations, and larger firms. Eventually, SocialForce could consult with them on its data and learnings.
- **Ancillary revenue from events:** Some of the programming and advice (webinars, networking events, etc.) that are included in SocialForce Complete could be offered on a one-off basis to other subscribers, taking care not to cannibalize Complete subscribers.
- **Subsidies from local governments:** when possible, we will aim to engage partners who see indirect benefits (i.e. happier communities) from SocialForce projects, requesting their support.

SocialForce Revenue Model Pricing Calculations

Competitive

B1G1 targets small enterprises in the retail / food and beverage sector.

Their pricing is as follows:

For 31-100 employees: \$940 annually + \$200 first year setup fee

Their target companies' salaries are considerably lower than the technology ventures SocialForce targets (median salary for retail and food and beverage is \$50,000 as compared to \$102,000 for the median technology industry job in San Francisco).

Thus, SocialForce prices can use $\$1,140 * 2 = \$2,280$ as a benchmark price (keeping in mind that B1G1 offers just a matching service and donations processing).

Value-based

Average full cost per FTE for an operations / administrative employee who would be tasked with setting up CSR activities = \$80,000 annually or \$320 per day (assuming 250 work days)

10 working days spent researching organizations and setting up partnership = \$3,200

5 working days spent developing and revising CSR strategy and roadmap = \$1,600

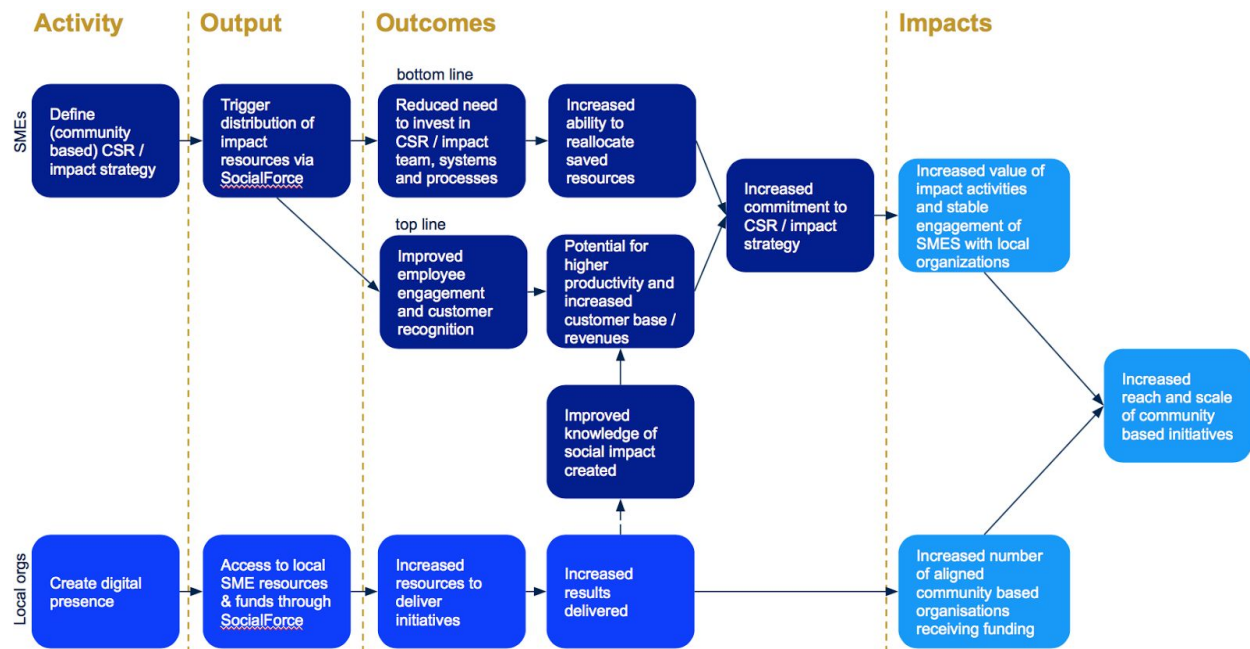
→ Included in SocialForce Essentials

0.5 day per month spent coordinating a volunteer and donations program and reporting on results = \$1,920 annually

Additional benefit from saving all employees 1 hour per month of manually tracking and reporting volunteer hours = $\$40 * 12 * 40 \text{ employees} = \$19,200$ annually

→ Included in SocialForce Pro

Appendix V: Application of Theory of Change framework for SocialForce



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