



Social Entrepreneurship and Ethics

BUS 60904

Dr. Aqilah Yaacob

Group Assignment

Zero to Hero

School of Hospitality, Tourism and Events

School of Food Studies and Gastronomy

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New Social Venture Plan - Zero to Hero

1.0 The social enterprise concepts

1.1 The existing problem(s)

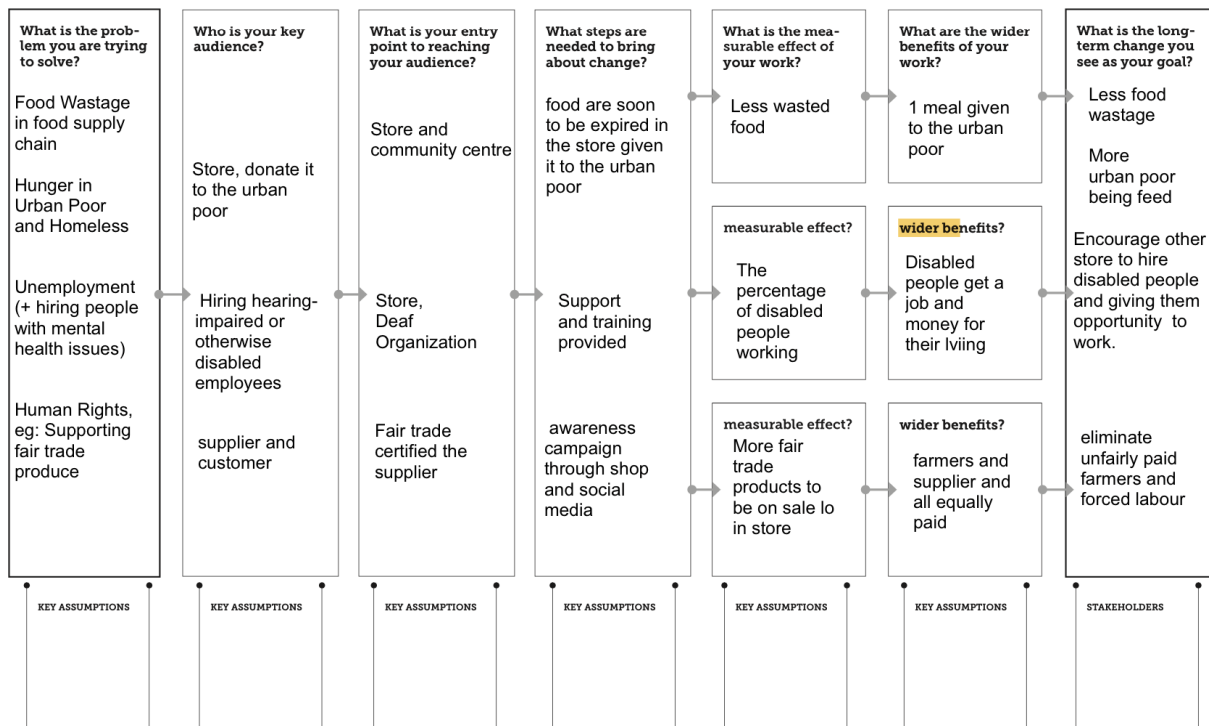
- Food Wastage in the food supply chain (According to The Guardian, the food supply chain wastes 45% of all produce, 35% of seafood, 30% of cereals, and 20% of meat and dairy products every year)
- Hunger in Urban Poor and Homeless
- Unemployment
- Human Rights, eg: Supporting fair trade produce

1.2 Vision and Mission

Vision: To settle the urban poor and homeless with their worries. Letting them have a meal every day without worrying about finances.

Mission: Not wasting any food in the grocery store and gets to use all of our food. Helping others doesn't lack any part of our body but help them feel warm.

1.3 Theory of Change



1.4 The solution - Social impact

The solution to these combinations of social problems is to start up a Zero Waste grocery store to encounter the food wastage issue. Other than that food is to be given to the urban poor and homeless to reduce wastage as is made with soon to be expired food materials leftover by the end of sales day. The food produce is sourced from fair trade suppliers to support human rights. Furthermore, our shop supports the needy through 2 systems: firstly, the pay it forward system where customers get a choice of donating to support the cause as well as when customers spend at the store, every RM 15.00 spent, RM2.00 of profits will be allocated to be donated as food supply to the needy. A team of volunteers, as well as partnerships, will assist in distributing meals to the urban poor and homeless in the Kuala Lumpur area. Lastly, the enterprise supports the hiring of the disabled by providing jobs and training to them. The end goal is to be able to support the homeless and the urban poor to get back on their feet for their future and provide as many jobs as possible to the disabled further expanding when needed.

2.0 The social enterprise plans

2.1 Executive summary

Our social enterprise plan is a Community Zero Waste Grocery Store with products from good sources such as fair trade. The concept is hiring disabled people to work with us as the staff (cashier, janitor, and helper). For every RM15 purchased by the customers, a meal (RM 2) would be given to the urban poor and homeless people at the end of the day. The meals that are going to be given are made with soon-to-be expired food materials from our grocery store. By doing that, we help to reduce the amount of food wastage in our environment. The meals will be distributed by volunteers who are willing to give them encouragement.

2.2 Business Model Canvas

Business Model Canvas		Designed for:	Designed by:	Date:	Version:
		Community Grocery Store		27 April 2021	
Key Partners  Volunteers: help to distribute food Fair Trade Supplier NGO: *name* Organisation non profit or normal organisation / companies	Key Activities  Giving meal to the urban poor, homeless and disable Providing working opportunity for disable people Reduce food wastage in grocery store	Value Propositions  Provide food to the urban poor and homeless. Customer: Every RM15 spent in grocery store, one meal will be donated to the urban poor and homeless. Fair Trade every supplier gets to have fair share of profits. Characteristics : Cost and waste reduction benefit both customers and industry.	Customer Relationships  Website, Emails, Newspaper: To promote social enterprise. Discount can be receive from the email after subscription. Facebook : Every 3 weeks will have a new updates and targeted advertising.	Customer Segments  Customers : Gives them more value when shopping. Full pay customer who are socially concern about the urban poor, homeless and disable. Urban Poor/Homeless/ Disable: Donates meal to them	
	Key Resources  Grocery Store Human Resources will be from organisation from Urban Poor, Homeless and Disable		Channels  Website Email Newspaper Facebook		
Cost Structure  Grocery Store: -Start Up Cost -Staff Salary -Inventory -Stock Structure -Distribution Cost		Revenue Streams  Customer Purchases: Get revenue from selling grocery of food related items Membership Registration Fees: RM10 Donations from customers Sales of Voucher Grants Commission for assisting sales of other product			

2.3 Target market

Our social entrepreneurship businesses' key audiences are split into two segments, firstly the customer/consumers which are also the revenue streams. Targeted customers are people who are likely a supporter of human rights where our business will source products that are fair trade certified as well as products from suppliers that treat their workers equally with fair pay in mind. Other than that our customer segments are those who wish to help out the poor without extra charges added to their bills, therefore they know that they are adding social benefits to society just by doing their basic groceries at our store. Additionally, customers can optionally wish to donate and help out.

Further on, we have beneficiaries, known as “donees”, our targeted audience to receive benefits from our profits are given as meals to both the urban poor as well as homeless people in the city within a range around our shop. Furthermore, we hire people that are able to work although having disabilities such as autism, deafness and down syndrome.

2.4 Competition

	Direct Competitors	Indirect Competitors
Competitors	Stores that sell health-oriented foods with little to no wastage on the packaging. Eg: Zero Waste Store - The Hive - Nude	Grocery Stores that specialize in eco or healthy (organic) eating oriented and high-end grocery stores. Eg: Grocery Store - Jaya Grocer - D'Market - Other grocery stores in shopping malls.
Strengths	- Multi-branch all over Kuala Lumpur and Selangor City - Well known with peoples trust	- Sell imported snacks and food materials which might attract more foreigners to come - Branding
Weaknesses	- High Prices - Low choices of food products, more focused on grains, dried goods, essentials.	- High in selling price - Still produce food waste per day

2.5 How to Differentiate Us from Competitors

We are doing business while giving benefits to the society by giving meals for the urban poor per RM15 purchases of the customers. Moreover, our grocery store tries to hire disabled people (deaf and down syndrome people) which could give them more job opportunities.

2.6 Social marketing

- Video campaign of us giving the meals to the urban poor and homeless people and encourage people to do great thing with us
- Use Facebook and Instagram to promote our activities and promotions thereby posting daily video or photo
- Partner up with universities to find volunteer and NGOs to find disabled people to work with the grocery store
- Email subscription to build relationships with the customers by giving members discount

2.7 Partnership

- MFD - Malaysian Federation for the deaf to find people in need.
- Soup Kitchen - Help Identify and Distribute food (fruits, other food that can be upcycled from our store) to the urban poor and homeless
- Zero Waste Malaysia - Advertise our store and campaign to the public, in addition to their list of Zero Waste motifs.
- Government - Promote zero waste campaign so citizen would be more educated about reducing food wastage

2.8 Team plan

1. Founders

Hong Han Ming	Kelly Andre	Lim Chermyn
Education Background 1. Diploma in Culinary Arts 2. Bachelor in Culinary Management Experience Intern (Shangrila Hotel) Part Time (myBurgerLab) Skills Business Management Finance Food Knowledge	Education Background 1. Bachelor of International Tourism Management 2. Minor in Entrepreneurship Experience PATA's treasurer Worked for a month as a receptionist Skills Communication, Networking, as well as Designing	Education Background 1. Diploma in Culinary Arts 2. Bachelor in Culinary Management Experience 1. Intern in Fourseason Hotel Skills Culinary Skill F&B Management Food Knowledge
Tasks Manage day to day business operations Back of House	Tasks Design campaign post for social media Public relations for reaching more partners Financial supervisor	Tasks Inventory Management Manage kitchen operation Front service

2. Other Staff

Hired Staff

Requirements for paid staff

- Education background: SPM or equivalent
- Age: 18
- Skills: People that strive for growth and helping others

Disabled Staffs

- Part of Deaf or Down Syndrome Non-Governmental Organisations
- Ability to work with a team

Volunteers

- University (Volunteers) - To lend a hand in distributing foods for the urban poor as well as provide new ideas and raise awareness through social projects.

2.9 Financial plan

Financial Planning - Mobilizing Resources

Step 1 Capabilities Needed?	Step 2 Provided by?	Step 3 How is it met?	Step 4 Comes from?
Shop Floor	Rent Expense	Shop	Earned Income to pay rent
Staff	The Store	Time and energy	Income earned from the store
Distribution of meal	Volunteer	Time and energy	Once every 3 months Vouchers given to volunteers from donations
Donation through spending	Customer	Money	Each RM15 spending will be paid for each meal given
Work opportunities	Urban poor and homeless	Time and energy	Earned Income

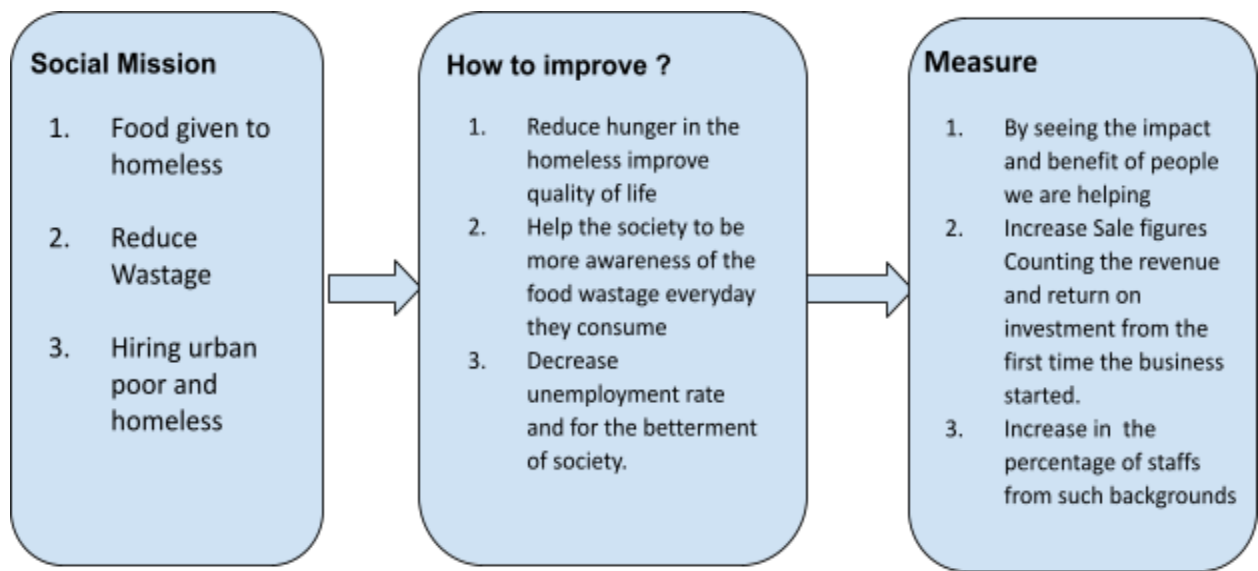
2.10 Income Statement

Income Statement for Zero to Hero Year Ending Dec 2022

Revenue	2022 (RM)
Sales (RM1500 sales per day)	547,500
Grants (Social Impact Matching Grant -SIM)	50,000
Membership Registration Fees (RM10*1 member a day)	3,650
Commission for assisting sales of other product (RM100 per day)	36,500
Donations from Customers (RM140 per week)	7,280
Sales of Voucher Books(20rm * 1 sold a day)	7,300
Total Revenue	<u>652,230</u>
Less: Cost of Goods Sold (65% costing)	355,875
Gross Profit	<u>2496,355</u>
Less: Expenses	
Salaries (1500, 3 Staff)	54,000
Rent (4000 per month)	48,000
Advertising Expenses (1500 per month)	18,000
Donated goods (every 15 RM spend, 2rm in giving)	73,000
Daily Expenses (2000 per month)	24,000
Total Expenses	<u>217,000</u>
Net Income	<u>79,355</u>

Net Profit Margin = 12.17%

2.11 Impact monitoring and evaluation



1. Way of measuring inputs, activities and solutions

Counting the revenue and return on investment from the first time the business started and increase in revenue. Also, seeing the impact and benefits of the people we are helping (urban poor and deaf people) whether the urban poor receive a proper meal every day from our store and the job opportunities for deaf people are increasing. (numbers of the meals given - increasing each day). Moreover, increasing the employment numbers of the deaf and people with down syndrome

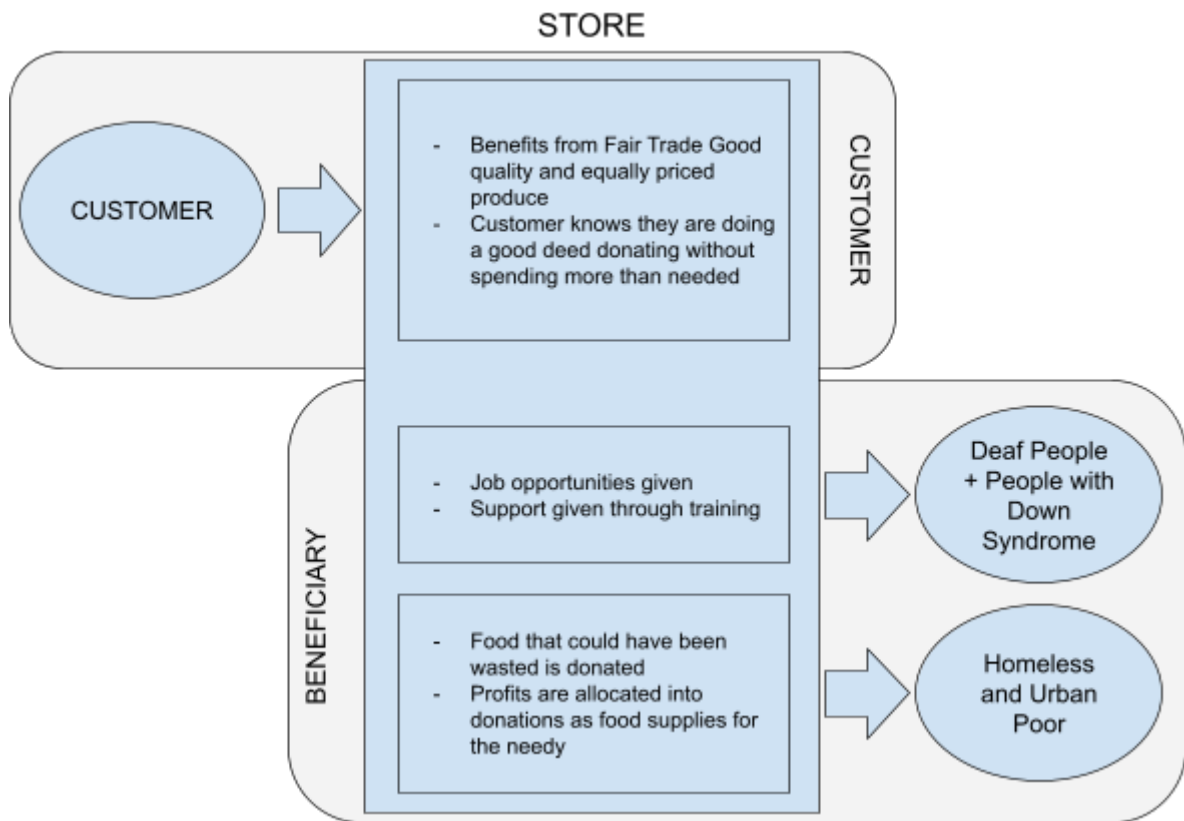
2. Social venture's measurement

Risk and opportunity

	Opportunities	Risks
Financial	• Generates sustainable source of income • Reduces donor dependency • Increases credibility with funders	• Start-up costs higher than willing to commit • Opportunity cost (earned income vs fund-raising)
Mission	• Sustainable programme for both business and society • Accountability for achieving social objectives	• The organization might face difficulty balancing between mission and money, causing mission drift from core social activities to business
Operations	• Requires organizations to manage social interest, assets and investment	• New systems required to support enterprise could add costs

2.12 Implementation plan

1. Customer/beneficiary's experience



2. Profit and achieve the social mission

The store operates like any other profit-making zero-waste store.

Hidden beneath the operations are we hire people that are deaf or have Down syndrome. Secondly, we only sell items that are of fair trade or equally paid supplier/source. Furthermore, we support the zero-waste movement whereby there will be no wasted food and products in-store and no waste in other non-recyclable items such as plastics. Besides that, foods that might be wasted by the end of the sales day are given to the urban poor/homeless through NGO services like SoupKitchen. Lastly, profits go to buying food items for the urban poor and the homeless as well.

3. Gantt Chart

Activities	May	Jun	Jul	Aug	Sept	Oct
Plan on - Purchase of equipment - Rent of space - Business Plan - Gathering suppliers						
Social Marketing - Blast advertising on social media platforms - Getting Partnerships to work together						
Management - Hiring Employees - Working with NGOs and volunteers - Confirm suppliers, and other partnerships Store - Construction/Renovation - Fitting Shelf & Equipment - Branding - Point of Sales System Installation						
Management (Training) - Train all staffs and volunteers on the standard of operation Store - Order supplies - Order day to day items						
Open for business - Push for quantity sales - Develop an idea in the customer's mind that they shop for a better tomorrow						
Work with NGO and Soup Kitchens in helping the needy						

3.0 References

Lyons, K. (2015). *Cutting food waste by a quarter would mean enough for everyone, says UN.* [online] the Guardian. Available at: <https://www.theguardian.com/environment/2015/aug/12/cutting-food-waste-enough-for-everyone-says-un> [Accessed 5 Jun. 2021].

4.0 Appendix

1. Interviews of potential Customers

a. Susan, Female, 60

I like the way you implement multiple social missions into a single social entrepreneur. I will definitely support your social venture because of the benefits it brings to society. It will definitely help irradiate the poor by providing them job opportunities and also to dispatch free meals to the urban poor which there are a lot of in the city (KL)

Improvements: you can also work with orphanages that need this kind of support, in addition to the urban.

b. Andrey, Male, 21

In my opinion, your social enterprise concept is a great idea since many people are not considering these matters, especially the opportunities for disabled people. In my point of view, there's an opportunity for your social enterprise to reduce food wastage, and the idea provided by your teams is counted as support.

Improvements: Maybe the target can be expanded not just urban poor since there's a lot of different categories in the groceries and the volunteers can also open to the public as well.

c. Alex, Male, 50

Overall this social enterprise is a very good idea as in current society, there are so many people that forget about these issues as there are a group of people that need opportunities. In my opinion this concept can contribute to society as it can lower down the rate of unemployment and also decrease food waste, at the same time helping people that need food. But there are more improvements that can be made like getting more people involved and increase awareness of these issues.