

SHARED **VALUE CANVAS**

DISRUPTOR'S HANDBOOK #1

INTRODUCTION

This handbook will introduce you to the 'lean canvas', a startup tool used to help social impact businesses document their business plan on a single page.

This version, however, has been modified to take account of the emerging shared value model.

The Shared Value Canvas is a “faster, more effective way to communicate your business model with internal and external stakeholders”. It is based on Alex Osterwalder’s business model canvas but has been modified to suit a social enterprise or purpose-focused business.

This handbook includes:

- An Introduction to the Lean Canvas
- Getting started with the Shared Value Canvas
- Validating your Shared Value Canvas

ASSUMPTIONS AND HYPOTHESES

Each and every section of the Canvas is a place for documenting assumptions and hypotheses. For no matter how much research that you do, or how many focus groups you ask, your idea will only move beyond being an 'idea' once you have people using (and preferably paying for) it.

So for example, you may make the assumption that customers will pay \$50 per year for your idea. Until you ask someone in that market segment whether they would pay \$50 per year or not, you have an hypothesis. Until they actually pay you, you have an assumption.

After completing a canvas, your challenge will be to actively test your assumptions and hypotheses.



BENEFITS OF THE SHARED VALUE CANVAS

SHORT

Rather than spending weeks or months on writing a business plan, you can create and experiment with your canvas in an afternoon.

SWEET

With a focus on simplicity and a basic lack of space, the canvas forces you to distil your ideas into their purest form.

SHARP

The canvas forces you to be brief, Its shortness is a hard virtue that you will come to value.

SOUND

It is not just a document to be stored away. The canvas is a sounding board for your business/idea and can be adjusted and improved with each iteration.



DISADVANTAGES OF THE SHARED VALUE CANVAS

MOMENT IN TIME

Like all business modelling, the canvas is a snapshot of a moment in time. Changes in any one of your segments can dramatically impact your model.

VALUE PROPOSITION CONFUSION

It is easy to end up with products in your value proposition segment.
Try to avoid where possible.

GOING FOR GROWTH

How do you acquire, maintain and grow your customer base?
The canvas struggles here - but that is covered in our handbook
DH5: Three Metrics That Matter





THE SHARED VALUE *CANVAS*



SHARED VALUE CANVAS

PROBLEM	SOLUTION	VALUE PROPOSITION		
		<i>CITIZENS</i>	<i>CORPORATES</i>	<i>CHARITIES</i>
	KEY METRICS	UNFAIR ADVANTAGE	CHANNELS	CUSTOMER SEGMENTS
COST STRUCTURE		SOCIAL IMPACT	REVENUE STREAMS	

WHAT GOES INTO YOUR CANVAS?

PROBLEM

What is the problem you are solving with your social innovation?

SOLUTION

Describe your solution to the problem.

KEY METRICS

What are the measurements and accountabilities that you will use to assess the success of your social innovation? How do you know it's a big enough problem?

UNFAIR ADVANTAGE

What is your secret advantage that you have that no one else does?

CHANNELS

How will you reach the people, groups, and organisations who will benefit from your social innovation?

CUSTOMER SEGMENTS

Who is the focus of your social innovation?

The shared value canvas is divided into 10 main sections.

Each of these sections deals with an aspect of your social innovation.



WHAT GOES INTO YOUR CANVAS?

VALUE PROPOSITION

Where the Shared Value Canvas differs from other variations of the Lean Canvas is in the value proposition. Rather than a single value proposition, social innovations that employ the shared value approach find that they must balance competing priorities and value propositions depending upon the stakeholders involved.

COST STRUCTURE

What are the immediate and ongoing costs of your social innovation?

SOCIAL IMPACT

What is the expected social impact of your innovation?

REVENUE STREAMS

What are the expected revenue streams that will support your social innovation?

The shared value canvas is divided into 10 main sections.

Each of these sections deals with an aspect of your social innovation.



A NOTE ON VALUE PROPOSITIONS

The three value proposition sub-sections of the Shared Value Canvas can be challenging to complete.

We call this the “Three Cs of Creating Shared Value” – value that is created simultaneously for separate groups/audiences:

CITIZENS

How does the population or segment thereof benefit? What would encourage them to participate, purchase, or otherwise be involved?

CORPORATES

What is the benefit for the participation of corporations? There can sometimes be a commercial outcome expected which can cause challenges.

CHARITIES

Not as straightforward as you might expect. What is the value proposition for participating charities or social groups? If you are working with a government enterprise, modify this section accordingly.

The 3 Cs of Creating Shared Value:

- Citizens
- Corporates
- Charities



VALIDATING YOUR CANVAS



You must attempt to understand the often competing priorities that your stakeholders have – and articulate these as clearly as possible.

A company, for example, may participate in your social enterprise for many reasons, including:

- **Values alignment:** Your social innovation may align with the firm's stated mission or vision
- **CSR:** It may form part of their corporate social responsibility program
- **Sponsorship:** They may see it as part of their sponsorship/marketing program
- **Employee engagement:** Your program may factor into existing or new employee engagement programs
- **Commercial returns:** The company may expect to monetise its involvement with your social innovation.

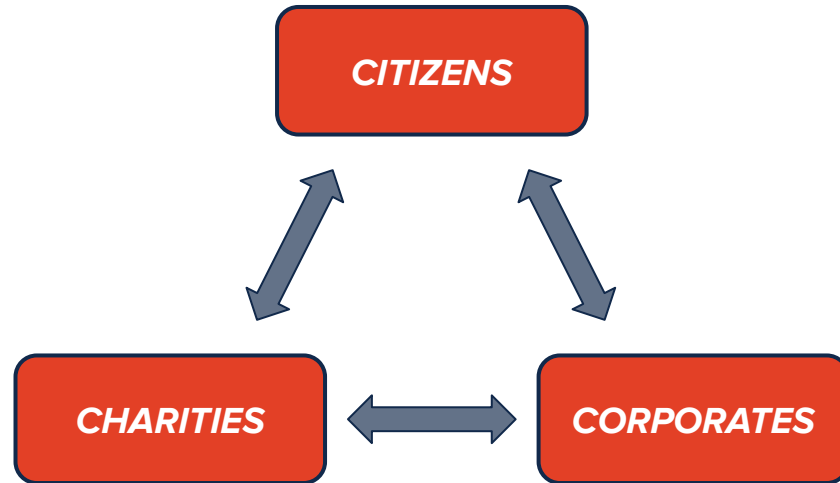
Similarly, citizens may participate in the commercial part of a social impact project where there is a tangible benefit for the charity. This could take the form of a direct donation to the charity from the corporate or the provision of cash or in-kind sponsorship. The opportunities are broad and varied, but need to be clearly articulated as part of the canvas.

The 3 Cs of Creating Shared Value:

- Citizens
- Corporates
- Charities



*The often
challenging triangle
of competing
interests are also
the driving force for
creating shared
value projects.*



Now that you have created your Shared Value Canvas (version 1.0), it's now time to validate each section. This means working with your stakeholders and potential participants to determine whether your hypotheses and assumptions have been correct.

Seek out your 'customer segments' and request a meeting. Face-to-face is preferable. In this meeting you are seeking to validate as much of your Shared Value Canvas as possible. Step through each section and actively ask, "does this resonate with you"?

In the key metrics section, ask whether you are measuring the right things. In the revenue streams section, ask whether you could count on an order at that price. In the channels section, seek to understand whether there are routes to market that you have not considered – or may be more direct than those you have specified.

Follow this style of questioning and analysis for each section of the canvas.

Remember:

Be open to feedback. Your aim with the canvas is to both educate and engage potential partners and stakeholders in the creation of shared value. This means updating the canvas as you go.



DISRUPTORS CO



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Innovation on purpose

Success shouldn't be left to chance.

Whether it's developing a new business model for your scaleup, digital strategy and marketing for your brand, or a new venture accelerator for your government agency or global corporation, we've got your back with the skills, tools and experience you need to innovate on purpose.

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