

## Models of Impact, The Toolkit

*Editor's Note: To download the Models of Impact toolkit and access more information and content, please visit <http://modelsofimpact.co>*

As a strategic business-design toolkit, the mission of Models of Impact is to promote legacy and entrepreneurship in the social impact community by developing tools and resources that make it easy (and fun!) to design disruptive business models. The process works best when at least two “players” are involved, and the recommended materials include sticky notes and polyhedral dice. The toolkit is designed for educators, consultants, executives, and entrepreneurs.

### The Methodology:

Our methodology breaks down into four distinct segments: Learn, Invent, Program, and Report. After users deep-dive into the landscape of existing business models most relevant to their areas of interest/operation, they engage in a cross-pollination of ideas that serve as the catalyst for a new product, service, or program. The “secret sauce” of the Models of Impact methodology is a game-based experience that creates the space for spontaneous discovery in order to challenge ideas and help users think BIG. By exploring a range of ideas in an unbiased manner, users have the ability to better understand the edges of their opportunities for impact. The method is simple to learn, and each toolkit provides advice for implementing the curricula appropriately depending on the user's specific context and logistics.

#### SEGMENT 01:

### Learn

In the first segment, users introduce themselves to a range of relevant business models by tapping into the Models of Impact Glossary. The glossary contains over 100 unique impact and revenue models that span the service and product-oriented business landscapes. Users can also engage in a number of

supporting materials including reference materials in addition to the glossary, additional frameworks, and our original series of maps that compare the models across a series of 2x2 axes. During the exercise, participants collectively determine the top six, 12, or 20 impact models AND the top six, 12, or 20 revenue models they would like to pursue further. This can be determined randomly, democratically based on a voting/ranking process, or strategically based on the findings from previous directions and initiatives. In addition to ranking and selecting these two lists of models, users will also generate an additional list of six, 12, or 20 "other factors"—the specifics of which are entirely flexible, but may consist of product features, customer touch points, audience members, relevant trends, or global challenges that are of interest to the initiative.

## SEGMENT 02:

### Invent

In the first segment, participants study the landscape of business models, and the designated facilitator(s) guide the participant(s) through an activity that culminates in a series of three lists of equal length: impact models, revenue models, and "other factors." During the second segment, participants explore a randomized assortment of models and factors in order to begin inventing a range of new business models for their product, service, or initiative. This is where the polyhedral dice come in. Using dice, participants take turns rolling random values in order to determine what model/factor to include in that round.

Each round that participants engage in has two deliverables: the elevator pitch and the scenario development worksheet. Based on the combination of factors generated in each round, participants are encouraged to work alone or together in order to develop an elevator pitch that articulates a concept for a product/service/initiative that combines a series of models and factors.

After participants complete the elevator pitch, they develop a scenarios for their idea. To help participants develop a scenario, the facilitator asks each participant/group to think through the Opportunity (What is the potential of this concept? Why is it great?) and Risk (What could go wrong?

Why might this not be a good fit?) of the concept as well as a method/approach to developing a prototype for the concept that would cost little to no money to implement.

Depending on the length of the overall session, we have seen participants complete anywhere from 2-5 rounds of invention. With each round, the complexity of the assignment escalates in order to increase the vulnerability of the ideas and open up edges to explore more. The following is a breakdown of recommended invention rounds:

**ROUND 01:**

1 Impact Model, 1 Revenue Model, 1 "Other Factor"

**ROUND 02:**

2 Impact Models, 2 Revenue Models, 1 "Other Factor"

**ROUND 03:**

3 Impact Models (choose at least 2 of the 3 to pursue),  
3 Revenue Models (choose at least 2 of the 3 to pursue),  
1 "Other Factor"

**ROUND 04:**

3 Impact Models (choose at least 2 of the 3 to pursue),  
3 Revenue Models (choose at least 2 of the 3 to pursue),  
2 "Other Factors" (choose at least 1 of the 2 to pursue)

**ROUND 05:**

4 Impact Models (choose at least 3 of the 4 to pursue),  
4 Revenue Models (choose at least 3 of the 4 to pursue),  
2 "Other Factors" (choose at least 1 of the 2 to pursue)

**SEGMENT 03:**

## Program

If Segment 02 could be referred to as "Blue Sky," Segment 03 is all about getting into the dirt. Participants reflect upon the idea(s) generated in their completed final scenario-development exercise in order to determine which concept(s) they would like to pursue. The specific success criteria that the facilitator will use to guide the participant(s) through the decision-making process varies depending on the context/

scenario/audience, but a series of recommendations for specific types of audiences are listed at the bottom of this segment.

To begin the programming phase, after the specific concept(s) are selected, participants work through our unique business plan writing tool known as the Models of Impact Canvas in order to get into the nuts and bolts of how the concept might be implemented into the context they are hoping to work in (or are currently working in).

Let's face it, Business Plans are terrifying. They are full of numbers, fancy projections, and shiny pie charts that don't make much sense to the average joe. To be completely honest, most small businesses don't even have a business plan. The reason? It is just too daunting of a task. We developed the "Program" Segment to make the process of writing a business plan fast and more fun.

The secret sauce behind our approach to drafting business plans is a series of 13 critical questions. Using the Program Segment as an opportunity to think about what they have been exploring in the Invent Segment in a more detailed/tactical manner, participants work through the following questions.

**IMPACT MODEL:** An impact model is a method that allows a business to operate sustainably and effectively while simultaneously maximizing impact on its leader, team members, and community it aims to serve. To define their impact model, participants answer the following: What kind of impact do you want to make as a business/organization (social impact, personal impact, local/community impact, environmental impact, etc.)? How do you measure your impact?

**VALUE PROPOSITION:** A value proposition is the single factor that makes a business or organization stand out from its competition. If it has been around for a while, its value proposition may be well defined. If it's just starting out, this can take some time to establish. In either case, participants answer the following: What makes your organization and offer unique? Who else is in the space you are tackling, and why are you better?

**PARTNERS:** Partners are groups or individuals external to a business or organization's day-to-day operations (AKA

not your staff or shareholders) who can help you make things happen. New entrepreneurs might not have had the opportunity to meet the right partners yet. This takes time, but we recommend participants think big when tackling these: Who do you work with to create positive impact for your business, and for the world at large? Who won't you work with? Who are your clients, funders, and networks?

**PRODUCTS/SERVICES:** Often times, an entrepreneur will have put a lot of thought into their key offering without even thinking about writing a business plan. What are you creating? How do you ensure your product or service works well and creates the impact you are hoping to achieve?

**TALENT/OPERATIONAL MODEL:** The talent and operational model is a method that allows a business or organization to maintain a comfortable workload and steady bandwidth to deliver on its promise. Who does the work, and how do you find them? What will your organization chart and cost structure need to look like to live up to your impact model and value proposition?

**REVENUE MODEL:** A revenue model is the method a business or organization uses to earn revenue from its target market. Basically, this is the part no one really likes talking about, but it is a necessary evil. How is your work funded? How can it be creatively financed?

#### SEGMENT 04:

### Report

At this point, the participants enter the final segment: the report! This is when the whole experience comes to fruition. Participants share their findings with their facilitator fellow participants (if applicable). The report can take many forms, participants normally select a format based on the amount of time remaining as well as the physical space in which they are working.

If participants have time between sessions, they can design a presentation and give a short TED-style talk, or a Pecha Kucha (20 slides, 20 seconds/slide). If they do not have time between sessions, participants can simply stand up and "report out" on

the key components of their concept: the value proposition, the product/service concept, and the business models.

## VI.

### Conclusions

**"THE FACILITATOR IS USUALLY SOMEONE WHO GETS SOMETHING DONE, THE LUBRICANT IN A PROCESS TO ACHIEVE A GOAL. BUT, I THINK IT CAN BE MORE LIKE A DIRTY LUBRICANT. IT CAN FUCK UP A PROCESS A LITTLE BIT, MAKE IT SELF-REFLECTIVE, INEFFICIENT, AWKWARD, ETC.<sup>11</sup>"**

SEAN DOCKRAY IN CONVERSATION WITH DAVID ELLIOT

Dockray frames facilitation as an art form that flips the corporate strategy on its head to yield interesting results. His entrepreneurial initiative, The Public School, is an interesting model that provides nothing more than a space and a framework, relying on the audience to define the rest. Both the system and the user rely on each other's participation and existence for something new to be created. Without the framework, humankind's output cannot exist. Without humankind, the system's framework is useless. While the resulting image of generative art can be beautiful and provocative, the piece is not actually the artwork itself, but instead the by-product of the piece, which is the code or process that generated it.

In the Innovator's Dilemma, Clayton Christensen argues that, to truly innovate, the entrepreneur has to partner with the consumer to create a space for collaborative discovery. This relatively modern theory (dating back to the late 80s/early 90s) recognizes success not as the result of one individual, but instead as a collaborative effort.

**“MARKETS THAT DO NOT EXIST CANNOT BE ANALYZED: SUPPLIERS AND CUSTOMERS MUST DISCOVER THEM TOGETHER. NOT ONLY ARE THE MARKET APPLICATIONS FOR DISRUPTIVE TECHNOLOGIES UNKNOWN AT THE TIME OF THEIR DEVELOPMENT, THEY ARE UNKNOWABLE.<sup>12</sup>”** CLAYTON M. CHRISTENSEN

This collaborative approach to innovation that takes place between the supplier and the customer allows for a voyage into unknown spaces, where communal exploration, dissemination, and discovery can emerge. If collaboration between the entrepreneur and the consumer, as Christensen explains, is the true seed of progress, perhaps automation is not a strategy that matches the aspirations of this system. Instead of automation, then, the final system aspires to lay the groundwork for innovation by making visible our present condition in new and exciting, unbiased, manners. Models of Impact and its predecessor, The Emperor's New Post-It, then, are not a systems for autonomously generating business. They are entrepreneurial seeing-machines.

As a system, Models of Impact stands to position itself as a compelling approach to business-design in the post-reactionary entrepreneurial landscape. By systematically innovating new models and business concepts under the construct of a conditional system, entrepreneurs and organizations can reach new, previously unimagined potentials.

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