Miller Center
for Social Entrepreneurship

MILLER CENTER REPLICATION AND SCALING INITIATIVE:
Extending the Impact of Global Social Enterprises

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EXECUTIVE SUMMARY

Starting a new enterprise is difficult, and expanding it can be even more challenging. Analysis of a database of 10,000 commercial startups from around the globe paints a bleak picture: fewer than one in a hundred enterprises grow substantially.

The challenges intensify for social enterprises, whose goals are measured in social and environmental impact rather than profit. Social entrepreneurs are driven by questions of how to increase their impact so their positive effects can spread, whether that means reaching new people or deepening the impact with those they already serve. They often work in tough, isolated locations facing constraints in government policy, infrastructure, and financial and human resource limitations.

As the largest and most successful university-based social enterprise accelerator in the world, Miller Center for Social Entrepreneurship—one of three Centers of Distinction at California's Santa Clara University—has learned a great deal about how to help social enterprises thrive. Still, we noticed that even among our Miller Center Global Social Benefit Institute (GSBI®) alumni, only a small fraction of the social enterprises that complete our programs grow significantly.

We recognized two opportunities to multiply social impact through replication and scaling. First, many social entrepreneurs were trying to build a business in the same sector (e.g., last-mile distribution [LMD], energy, water, education, agriculture) without learning from more established models. This 'reinvention of the wheel' slows growth and often causes failures. Secondly, established startups were starting to expand into new countries but had little experience or support to efficiently execute and raise the funding for scale.

The result of our exploration is our Replication and Scaling Initiative. The Replication and Scaling Initiative is now a core part of Miller Center and contributes to our broader goal of accelerating entrepreneurship to end global poverty and protect the planet.

In this paper, we outline some of the challenges and opportunities facing social enterprises globally and describe how the Replication and Scaling Initiative is prepared to assist. We introduce current offerings from Miller Center, notably replication playbooks and scale-out master classes, and provide some examples of social enterprises that are embarking on their own replication or scaling endeavors.

WHAT REPLICATION AND SCALING MEAN FOR SOCIAL ENTERPRISES

Replication and scaling are proven ways to multiply the impact of a successful startup. Replication means taking a process, methodology, best practice, or entire business model and applying it somewhere else. It is one form of scaling, which simply means multiplying or expanding in size and/or scope. Scaling, more generally, helps existing entrepreneurs to expand rapidly into new geographies and markets, to serve larger populations within their current markets, or (on a more subtle level) to increase the degree of impact among existing customers. For social entrepreneurs, we see an opportunity that replicating or scaling can multiply the business model impact 10 or 30 times.

As the largest and most successful university-based social enterprise accelerator in the world, Miller Center for Social Entrepreneurship is deeply involved in supporting the growth of social enterprise models. Recognizing the challenges that social entrepreneurs face, Miller Center has created mentor-accompanied methodologies to help social entrepreneurs more effectively apply replication and scaling processes to their enterprises. Miller Center's approach builds on our proven curriculum and mentorship, which has assisted more than 1,000 entrepreneurs in more than 100 countries—resulting in more than 380 million lives improved, transformed, or saved.

We recognized two opportunities to multiply social impact through replication and scaling: 1) Many social entrepreneurs were trying to build a business in the same sector (e.g., last-mile distribution [LMD], energy, water, education, agriculture) without learning from more established models. This 'reinvention of the wheel' slows growth and often causes failures; and 2) established startups were starting to expand into new countries but had little experience or support to efficiently execute and raise the funding for scale.

In our replication work, we help new entrepreneurs take a solution already proven in the real world, adapt it to new markets, and apply it to launch or expand their own successful, sustainable businesses. It's our hypothesis that new enterprises based on replication not only have a significantly higher probability of success, they also grow their impact faster than the original startup they used as a model.

Scaling, or what we call Scale-Out, is focused on expanding out into new geographies and markets. It can take many forms: opening new branches of a social enterprise in different geographic areas; licensing or open-sourcing arrangements that enable a social enterprise to apply a business model proven by another enterprise tackling a similar issue; and franchising. We support more mature enterprises sharpen their strategy and execution to avoid common pitfalls in scaling.

Both scaling and replication offer significant potential for impact growth. But in practice, social entrepreneurs struggle to grow much, if at all. Without assistance, few entrepreneurs achieve the multiplier effect of scaling and replication. As an example, only 10% of Miller Center's Global Social Benefit Institute (GSBI®) alumni can point to significant growth after their initial startup phase, despite being cutting-edge enterprises with mentorship from experienced Silicon Valley practitioners.

Over the past three years, Miller Center's Replication and Scaling team has worked with more than 50 entrepreneurs to expand their reach so that they can create greater impact more rapidly, with less risk and fewer investment requirements. Our leading-edge Replication and Scale-Out support increases return on investment, lessens investment requirements, and reduces the risks for impact investors.

OPPORTUNITIES AND CHALLENGES

Traditional enterprises have money as their driving force. They are incentivized to generate and retain as much money as possible on behalf of their owners or shareholders, executives, and employees. A key characteristic of traditional enterprises is competition against other enterprises for customers and market share.

In contrast, while social enterprises must have a degree of financial sustainability, their driving force is their impact in improving social or environmental conditions. Social enterprises typically start small and act on a very specific, usually local problem—often among people they already know. Cooperation rather than competition characterizes their approach.

It is inherently hard to replicate and scale a business of any kind, much less a social enterprise. Brian Chesky, founder of Airbnb, summed up the challenge this way: "You have a completely new job every 6 months. It's like if you were a pro bowler, then became a pro football player, then a pro hockey player."
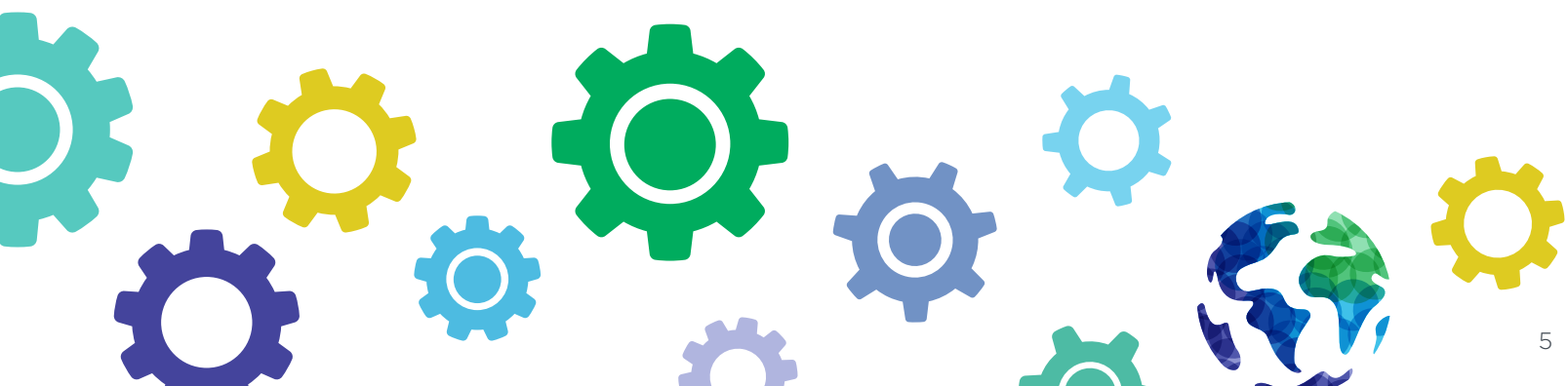
Compared to traditional enterprises, social entrepreneurs have additional limitations on replication or scaling. When they launch their growth initiatives, they often work where financial and human resources are limited. They frequently face constraints in their supply chains, restraining government policies, or they lack partnership opportunities to support expansion. In addition, they often lack communications capabilities to learn about other enterprises addressing similar issues in distant locations.

Scaling failures often occur because the enterprise business model or team are not ready to scale—the systems and people are not sufficiently developed to support the current business and the expansion into new markets. Scaling before the enterprise is ready puts the current business at risk and significantly lowers the probability of successful scaling.

Another common cause of failure is choosing the wrong target markets. The selection criteria for scaling markets should be based on the market factors that made the startup work originally. Too often, entrepreneurs jump into new markets for opportunistic reasons such as the promise of funding or proximity to the original enterprise. As enticing as those temptations can be, successful scaling requires markets that fit the business model and growth objectives.

MILLER CENTER'S REPLICATION AND SCALING INITIATIVE

Miller Center is uniquely qualified to offer replication and scaling assistance to social enterprises. We are building on 15 years of experience and a proven methodology for social enterprise acceleration through our pioneering GSBI programs for social enterprise capacity development. We have continuously improved the GSBI methodology since its founding in 2003.

We recognized that social enterprises in the same sector—facing many of the same issues, challenges, and potential opportunities—were unaware of one another or were not communicating. From our vantage point working with so many social enterprises globally, Miller Center is able to identify when a particular social enterprise might benefit from experiences or best practices developed by other enterprises, and to close the knowledge or expertise gaps.

In 2016, Miller Center officially announced our Replication and Scaling Initiative. Since then, we have designed, prototyped, tested, and continually refined our replication and scaling offerings. When we launched replication and scaling offerings in 2017, social entrepreneurs lined up to participate. To date, more than 50 social entrepreneurs, including many GSBI graduates, have participated in Miller Center replication and scaling programs.

GEOGRAPHIC SCALING: SOLAR SISTER

Solar Sister had expanded its women-led solar distribution operations in Tanzania and Nigeria. Following the organization's success, they had ambitions to scale to other geographies. The team had a few potential countries in mind but were betting on those based on available funding and partnerships.

When Solar Sister joined Miller Center's Scale-Out program, they discussed the selection criteria with their mentors. The Solar Sister team soon realized that they needed more market research to systematically select new countries that had the right workforce, serviceable market, and supply chain. They worked together to narrow down candidate locations. Now they have a robust story and execution plan that rationalizes new country markets.

"It is really valuable to me to be able to talk about the complexities of what we are trying to do. Working with [Miller Center] we are able to dig into the real issues around scaling including structuring and financing because you are already there— you understand all the facets of scaling."

— Katherine Lucey,
Co-Founder and CEO, Solar Sister

"Solar Sister is now poised to significantly scale its reach through an ambitious 5-year growth strategy, released in February 2019, to grow our impact tenfold. The guidance we have received through the Scale-Out Master Class has been invaluable to better understand and map our scale-out readiness and growth plan. [Miller Center mentors] have been responsive, thoughtful, and patient advisors, helping us prepare for what to expect in the scaling process ahead—and how best to be prepared to tackle new opportunities and challenges inherent in the scale-out process."

— Neha Misra, Co-Founder and Chief
Collaboration Officer, Solar Sister

Miller Center's Replication and Scaling Offerings

Miller Center offers three programs specifically designed to aid entrepreneurs with their replication and scaling efforts. All three provide faster, less risky, and more cost-effective avenues for growth.
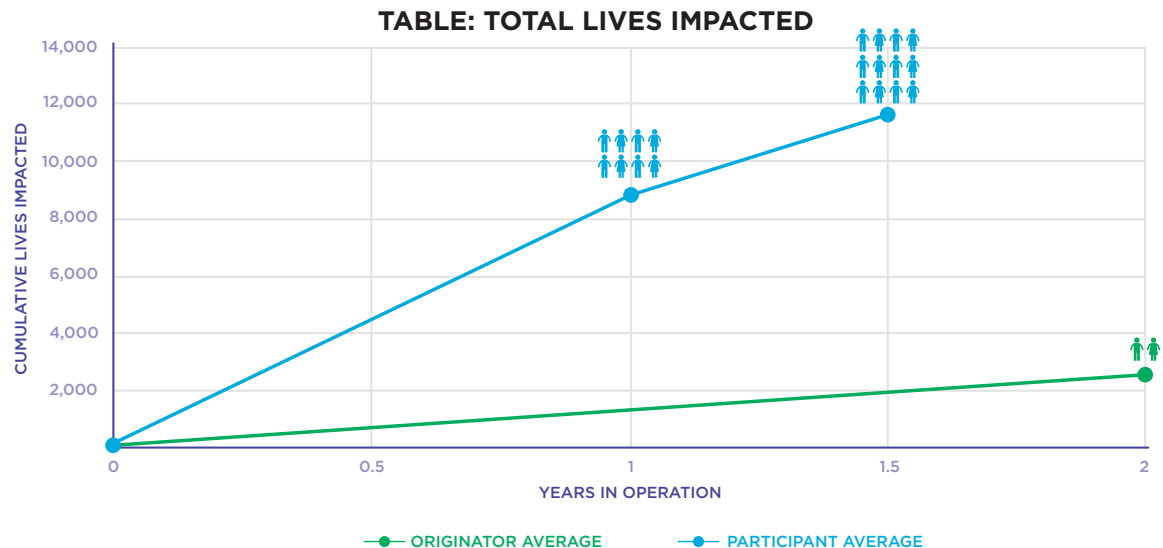
REPLICATION PLAYBOOKS

SCALE-OUT MASTER CLASS

HYBRID APPROACH

REPLICATION PLAYBOOKS

We capture best-practice business models from successful enterprises and, with mentor support, foster the launch of new enterprises in new geographies that increase and accelerate the social impact. Playbooks provide distilled know-how to entrepreneurs so they can scale more quickly, require less capital, and pose lower risks for investors.

Miller Center has launched playbooks and mentor coaching for last-mile distribution (LMD), microgrids, and retail eyeglasses, with plans to do more. To date, participating entrepreneurs have achieved six times the impact in the same amount of time as the original entrepreneurs.

TABLE: TOTAL LIVES IMPACTED

CUMULATIVE LIVES IMPACTED

14,000
12,000
10,000
8,000
6,000
4,000
2,000

0   0.5   1   1.5   2

YEARS IN OPERATION

ORIGINATOR AVERAGE   PARTICIPANT AVERAGE

To create a playbook, we work with existing successful enterprises and sector experts to understand the critical challenges they faced and the approaches they developed. We turn what we learn into a framework that Miller Center mentors use to coach entrepreneurs.

A playbook is less prescriptive than an operating manual, but more prescriptive than a set of case studies. It's designed to prompt and equip entrepreneurs to make a series of choices common to entrepreneurs in their sector, using customized decision-enabling tools such as surveys to use with their customers and suppliers and Excel templates to assess different financial options. Each playbook informs users about how relevant enterprises evaluated their choices, the decisions they made, and how to approach each option effectively for the particular challenges the new entrepreneur faces.

While every startup faces a common set of challenges (e.g., customer understanding and market fit, financial management, funding), each type of social-impact enterprise has

unique characteristics and problems to overcome. LMD startups typically struggle with sales training and inventory management. Microgrid enterprises don't have exactly the same concerns; more often they are challenged to find the right combination of electricity generation and the mix of customers that will be financially viable. Each playbook draws on GSBI business model curriculum, but with modules customized based on the key elements of the business model for a given industry or sector.
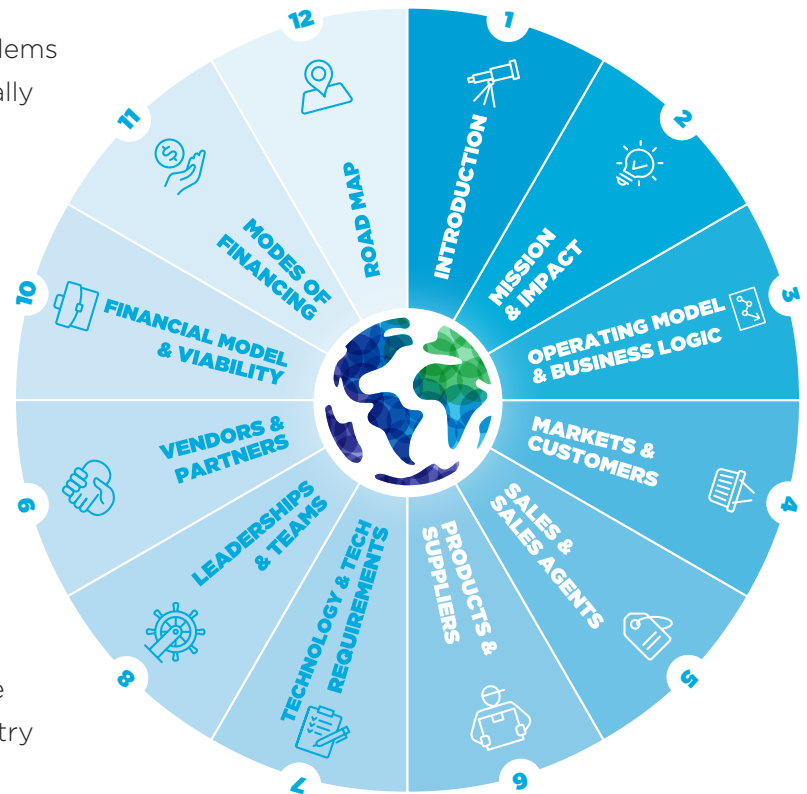
LMD PLAYBOOK MODULES

To put the playbooks into action, replication cohorts of 5 to 15 entrepreneurs engage in 4- to 6-month programs. Two mentors work with each entrepreneur to address every element of the business model and integrate the lessons from the original enterprises into the operating plan (see figure).

PLAYBOOK INSIGHTS

While building the Last-Mile Distribution Playbook, we learned that pay-as-you-go financing ("PAYGO") is increasingly popular with last-mile distributors. PAYGO enables customers to pay for household appliances (and other durable goods) in small increments, enabling cash-strapped customers access to products they otherwise could not afford. PAYGO is a popular and powerful idea, but can lead to ballooning receivables and cash crises if negotiated outside the context of the LMD business as a whole. Therefore, in the LMD Playbook, we present PAYGO in the broader context of the whole enterprise, giving users a simple Excel tool so they can see PAYGO's effects on cash, along with the effects of other possible terms with customers and suppliers.
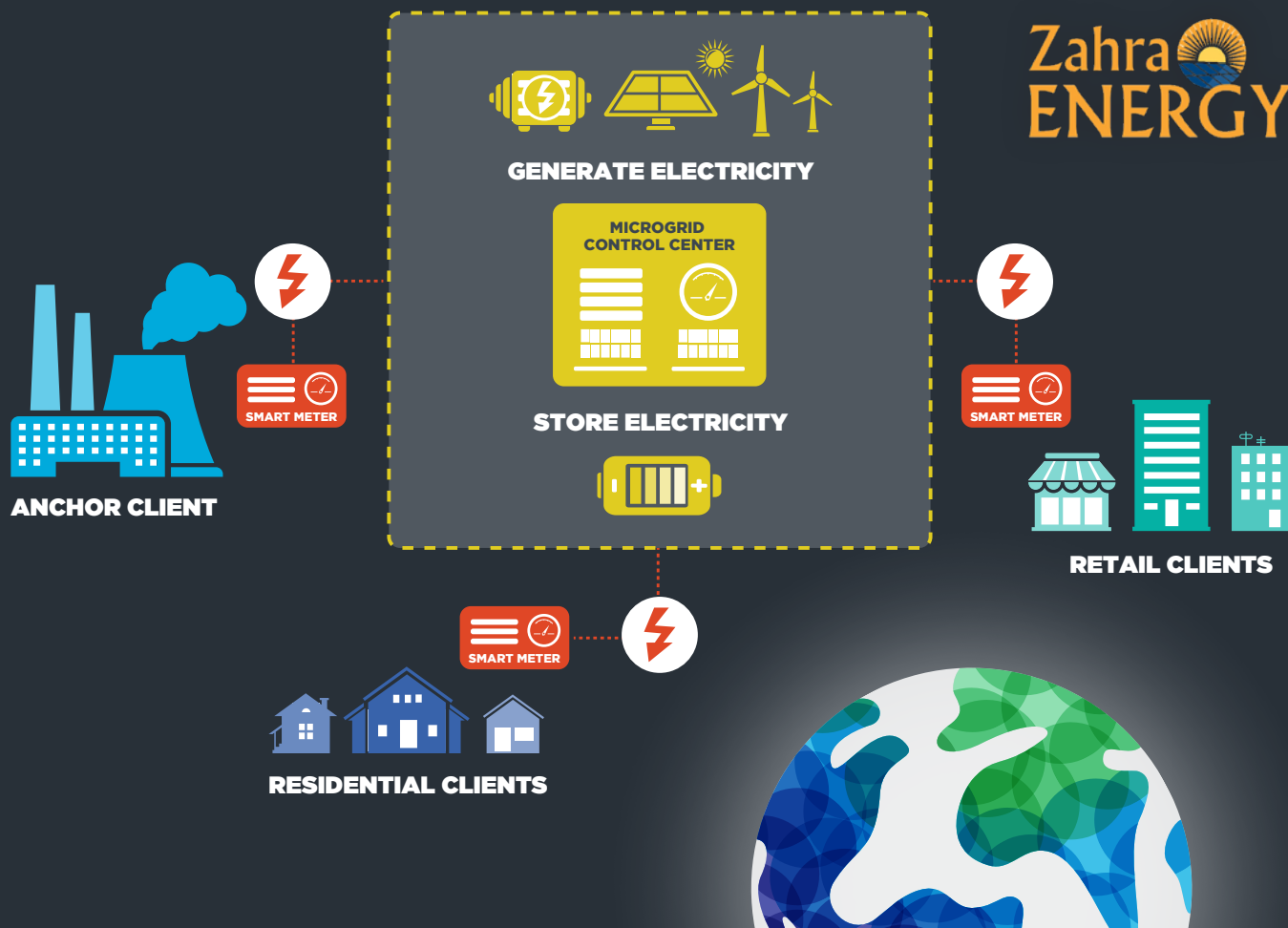
MICROGRID PLAYBOOK: ZAHRA ENERGY

Zahra Energy joined the first cohort of users of the Miller Center Microgrids Playbook. Zahra Energy was founded in 2015 and is based in Zaria, Nigeria. Its mission is to provide economic opportunity to Nigerian communities by accelerating access to clean and affordable energy, focusing on solar home systems and microgrids in rural areas. Eight full-time staff operate the business.

CEO Bello Bamalli Abdullahi and two of his colleagues met weekly (virtually) with two Miller Center mentors in Spring 2019. After clarifying Zahra's mission statement and value chain in the first couple of weeks of using the playbook, Bello and the Zahra team began defining and segmenting their target market, estimating demand for three categories of customers, and scrutinizing existing meter readings to refine these estimates.

Continuing through the playbook's 12 modules, they refine their site selection criteria, consider the staffing/cost implications of providing on-site maintenance to their customers, and understand the implications of their numerical estimates (on-demand, pricing, etc.) using a unit economic modeling tool portraying the profitability of their next proposed microgrid.

The playbook is a structured way to progress through all such topics, with useful tools at hand, and with mentors accompanying the entrepreneurs through all the exercises.

GENERATE ELECTRICITY

MICROGRID CONTROL CENTER

STORE ELECTRICITY

Zahra ENERGY

ANCHOR CLIENT

SMART METER

RETAIL CLIENTS

SMART METER

RESIDENTIAL CLIENTS

SMART METER

SCALE-OUT MASTER CLASS

Miller Center supports founding social entrepreneurs that have existing, mature enterprises so they can design and execute a scaling strategy into new markets. The potential of the scale-out approach is to create 10X to 30X the social impact of the original enterprise.

Here's what makes scaling so difficult for entrepreneurs: the approach that made their startup successful typically won't work when they scale. The Miller Center Scale-Out team studied the issues that have given entrepreneurs the most difficulty when trying to scale, distilling the best practices that successful enterprises devised to meet the challenges.

We developed an online Scaling Readiness self-assessment that entrepreneurs can use to quickly determine if they are adequately prepared to participate in the Scale-Out program. Once selected, the entrepreneurs work with Miller Center mentors to address four key scale-out questions:

➜ **Is your business model ready to scale?**
Many enterprises scale too soon and fail because their business model is not ready for the rigors of scaling. We conduct a high-level business assessment of the maturity and scale-readiness of the business model, including the management processes, people, organization, leadership, and operating costs of the enterprise.

➜ **How well does your business model fit the target market?**
Entrepreneurs often choose the wrong initial market for scaling. In this program, entrepreneurs work with mentors to review the selection criteria for the target market as well as the critical elements for success, including partners and the strength of the product/service fit with customers in the new market.

➜ **What is your scaling recipe?**
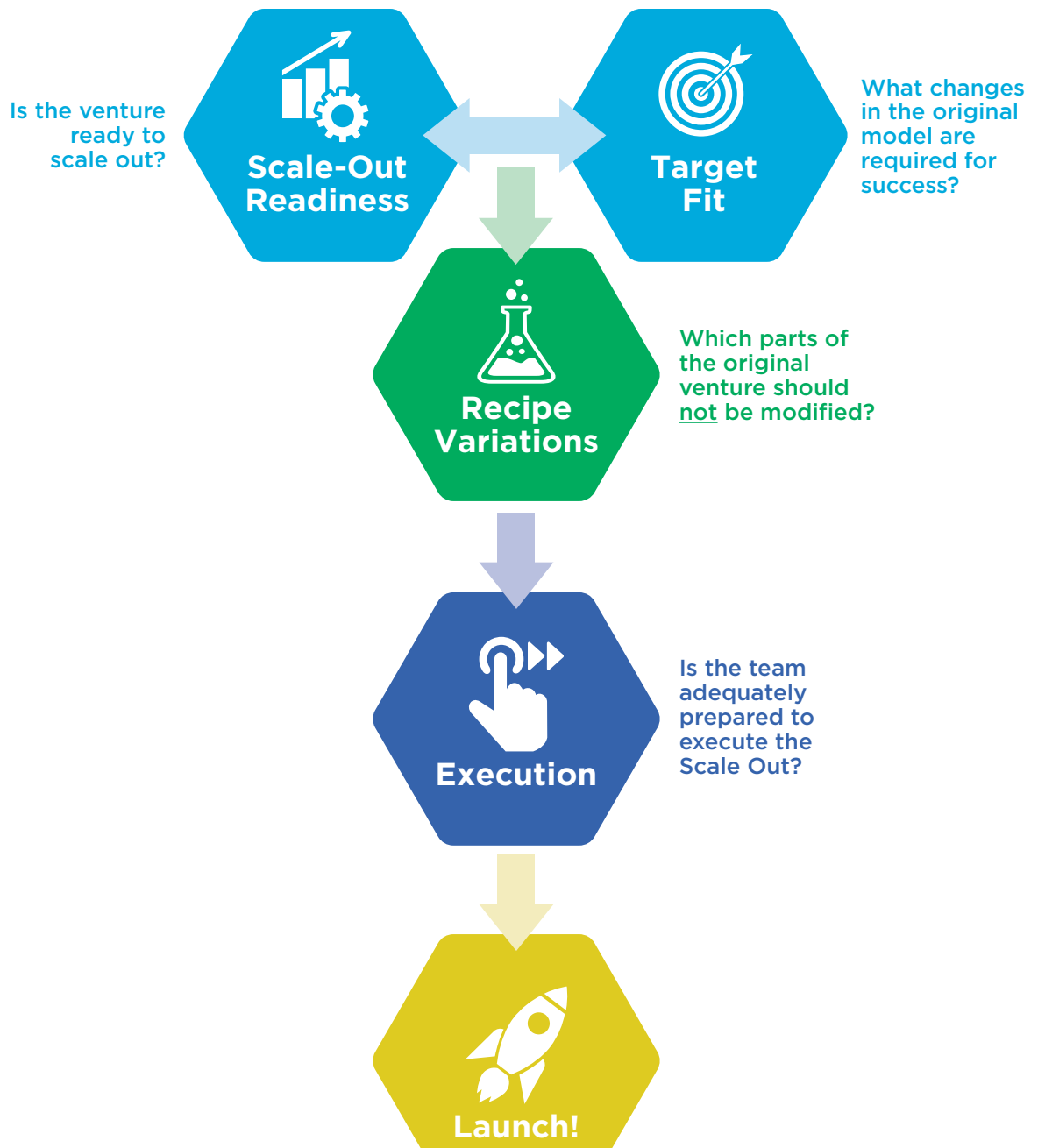Most entrepreneurs fail to address two fundamental questions before they scale in new markets:

- *What parts of your business model will not change in the new market?* It is critical to identify elements that are essential to success that can't be modified without undermining the integrity and viability of the enterprise.

- *What parts of your business model will change?* Often modifying the approach to fit the characteristics of the market is required.

A clear recipe is essential for successful scaling.

➜ **Is the team adequately prepared to execute the scaling strategy?**

Scaling stresses the founding enterprise in many ways. Hiring rapidly in new markets is difficult, the demands of training multiply quickly, communications are time-consuming and often frustrating, and collaboration with the new management team is complicated by distance. In addition, any new venture has uncertainties and risks. We help each entrepreneur build an execution approach that addresses those challenges.

SCALE OUT APPROACH

Is the venture ready to scale out?

Scale-Out Readiness

Target Fit

What changes in the original model are required for success?

Recipe Variations

Which parts of the original venture should <u>not</u> be modified?

Execution

Is the team adequately prepared to execute the Scale Out?

Launch!

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SCALE-OUT:
ALL ACROSS AFRICA

All Across Africa (AAA) leaders realized that after 6 years its growth—measured as revenue base and artisan reach—had remained unchanged. AAA participated in the GSBI In-Residence Accelerator in 2016 and developed a scaling plan that was linked to the amount of funding they intended to raise. However, the team found within two years of exiting the accelerator that they needed to develop a scaling plan that they could implement independent of the amount of funding they raised.

AAA joined Miller Center's Scale-Out Master Class in 2018 to better understand what had been blocking them from scaling in the past and to get support around creating a new plan. Their mentors worked with them by asking them the "big, open-ended questions" that helped them focus, such as:

→ What is All Across Africa really good at? What is your recipe that makes your offering unique?
→ How will you break up the roles at your organization to better focus on and implement scaling?

→ What are three areas within your organization that, if you fueled them, could grow?

These questions helped Alicia Wallace, the COO, divide the work amongst the team more appropriately so she could focus solely on scaling. It also helped the rest of the team evaluate new business that came in and decide whether or not it fit within their growth plan, which eliminated distractions. The primary outputs they've developed through the Scale-Out program are a scaling story to share with their board, capturing why and how they will scale, and a 60- to 90-day execution plan that they are currently actualizing.

"The Miller Center scaling program provided guidance and mentorship at another level than a standard mentorship or accelerator program. Focused on tackling the roadblocks to growth, the scaling program helped us step back from our day-to-day activities and identify unique issues and solutions to problems challenging our specific business. It was a guiding practice that in the end helped us to evaluate and make decisions at a detailed and deep level that have been prohibiting growth. It was completely customized to meet us right where we were and create a useful, action-oriented guiding plan to scale effectively despite our previous growth roadblocks. I highly recommend this for any organization that has been in business long enough to know their customer, market, and how to execute and is looking to take their operations and impact to the next level."

— Alicia Wallace, COO,
All Across Africa

HYBRID APPROACH

We combined the Replication Playbook's ability to capture the business model of a successful enterprise with the Scale-Out methodology of executing on a scaling strategy. The result is a highly tailored program that drives rapid growth and creates the potential for enormous—up to 30X—social impact across multiple continents.

Our first hybrid approach was to scale Ver de Verdad's Mexican business model of providing eyeglasses to base-of-the-pyramid (BoP) customers. The business model is an excellent candidate for scaling: It is robust, profitable, proven to deliver impact, and has the potential to be scaled across markets in South America, Africa, and parts of Asia.

Using the Scale-Out Master Class framework and coaching, we began working with EYElliance, a multi-sector coalition that drives the global strategy to increase access to eyeglasses, in its efforts to scale the Ver de Verdad business model into new markets.

In addition, the Miller Center team is creating an Optical Playbook that captures the key elements of the Ver de Verdad model. The playbook will allow rapid transfer of knowledge and an understanding of the keys to success to new entrepreneurs that are scaling into new markets across the globe. The combination of the Replication Playbooks and the Scale-Out Master Class helps to de-risk the endeavor for both entrepreneurs and investors.

HYBRID APPROACH: EYELLIANCE

EYElliance has a mission to increase access to eyeglasses to the 2.5 billion people visually impaired worldwide. The team recognized that with technology changes and decreasing manufacturing costs on the global supply chain, sustainable business models distributing eyeglasses to new customers was possible. Ver de Verdad in Mexico was identified as a proven business model for eyeglass distribution to BoP customers, providing shareholder profit and serving low-income markets with high-quality eyeglasses. Ver de Verdad has already opened 100 eyeglass retail stores across 16 cities in Mexico, with plans to scale to 300 stores over the next few years.

EYElliance partnered with Miller Center to capture and distill Ver de Verdad's model into an Optical Playbook. This 12-module playbook, applied in conjunction with Miller Center mentorship, is a tool to support entrepreneurs seeking to adapt Ver de Verdad's model in other countries. This will allow both Ver de Verdad and any enterprises that follow in its footsteps to expand their reach, increase profits, and close the eyeglass gap worldwide.

Partnerships

Partnerships are an integral part of Miller Center's Replication and Scaling Initiative and play various roles, given the many applications of replication and scaling. For instance, we partner with organizations possessing sector expertise to add additional insights during our playbook development. We connect with investors and other partners to support the financial needs of scaling enterprises, and we leverage local accelerators, universities, and social ministries to provide on-the-ground delivery of playbooks and scale-out guidance.

Currently, Miller Center is working with partners and experimenting with:

➜ Closely aligning with sector expertise organizations to develop playbooks and other tools to help scale businesses across geographies. A partnership with EYElliance (see boxed story) is an example of this approach. Also in the works are additional playbooks on specific enterprises or sectors such as solar energy, water, health, and business process outsourcing (BPO).

➜ Providing additional value to scale-out projects to include more action research projects with Santa Clara University students in conjunction with local partners: helping communities assess their needs, documenting operating procedures, and engaging in other supportive activities. Santa Clara University has committed to linking all of its student projects, if possible, to scale-out work.

➜ Leveraging social ministries, in particular Catholic institutions, to transform communities through locating local partners and entrepreneurs to adopt playbook models and scale out enterprises.

PLAYBOOK DEVELOPMENT PARTNER: STARBIRD

In addition to organizations with expertise in particular market or geographic sectors, Miller Center also partners with experts in the playbook development process itself.

One example of such a partner is Starbird Consulting and its founder, Greg Starbird. Starbird Consulting catalyzes entrepreneurs, corporations, philanthropists, and nonprofits to use innovative business models and flexible tools to distribute life-enhancing goods and services to broad populations. We collaborated with Greg and Starbird Consulting to determine, at a high level, what the Miller Center playbooks should cover and how they should be presented. We also worked closely on the creation of the Last Mile Distribution, Microgrid, and other playbooks.

Starbird
Consulting

Selection Criteria for Social Enterprises

The Miller Center team selects participants for the replication and scaling programs through direct interviews. For the Replication Playbook cohort, the top criterion was early-stage entrepreneurs dedicated to launching an enterprise. Strong leadership capabilities and prior startup experience, including fundraising, were also highly valued.

For the Scale-Out Master Class and the Hybrid offering, we avoid engaging naive entrepreneurs who don't appreciate the difficulty of scaling, or arrogant practitioners who overestimate their capabilities. The current roster includes social entrepreneurs who know that smart planning and learning are key. Participants include Executive Directors, former financial service managers, experienced entrepreneurs with a couple of startups under their belts, and program managers with global experience.

Demand for the Replication Playbook and Scale-Out offerings has been strong. Currently, the Replication Playbook covers three areas: Last Mile Distribution (LMD), microgrids, and eyeglass retail. The LMD Playbook is complete; 20 entrepreneurs completed the curriculum in 2017 and 2018. Subsequently the Microgrid Playbook was completed, and the first cohort launched in January 2019. The Optical Playbook will launch by the summer of 2019.

Recent Scale-Out projects with leading founding entrepreneurs include Solar Sisters, World Spinal Care, Sustainable Agro International, NUCAFE, LivelyHoods, Aquasafi, and All Across Africa. The Scale-Out pipeline of potential enterprises includes many more startups with operations around the world.

Miller Center is involved in a Hybrid project with EYElliance and Ver de Verdad to provide eyeglasses to base-of-the-pyramid (BoP) communities across three continents. Another Hybrid project with Solar Sister aims to scale their successful last-mile distribution and women empowerment model from two to five countries in Africa. Additional Hybrid projects are planned for 2019.

SMART SCALING INVESTMENT

In 2016, Silicon Valley entrepreneur and Miller Center Advisory Board Member Jon Freeman gave $1.5 million to Miller Center to explore the best ways to replicate effective social business models, in particular those aimed at addressing climate resilience.

"I have always believed that the way to tackle challenges such as poverty or the negative impacts of climate change is by eradicating the barriers to opportunity," said Jon, who is President and principal owner of Stonecrest Financial, a real estate investment firm, as well as a Miller Center advisory board member. "Social entrepreneurs are more likely to build successful enterprises if they can start with a blueprint or proof of concept that has already been developed and confirmed somewhere else in the world."

Many social enterprises address similar problems afflicting the global poor—such as lack of access to drinking water or to clean, affordable energy—with highly localized solutions. Miller Center is using Jon's gift to help answer questions such as: Could taking the best solutions for a particular issue, and replicating them across regions or industries, help lift more people out of poverty more quickly? What if a business validated in one location for, say, providing safe drinking water could be reproduced and introduced to other geographic regions that also lack potable water?

The Miller Center Difference

The Replication and Scaling Initiative uses the proven model and years of learning developed through Miller Center's pioneering Global Social Benefit Institute (GSBI®) programs for social enterprise capacity development. This approach has been shown to educate and empower entrepreneurs who succeed in raising funds, creating solid enterprises and generating important social impacts.

Miller Center's GSBI methodology revolves around three dynamic, interactive aspects: social enterprise selection, stage-specific programs and curriculum, and executive-level mentoring.

Miller Center invites applications from social enterprises that are 'impact first,' meaning that their primary mission is to deliver goods and services to those in need. After attracting candidate social enterprises through an open, competitive application process, Miller Center staff carefully evaluate candidates, filtering for general program fit before interviewing and scoring the top candidates according to criteria that predict the enterprise's potential for short-term GSBI program success and long-term growth.

Miller Center's GSBI implements a range of programs and curricula, each designed to serve the needs of the enterprise at various stages of their life-cycle. Current program offerings include GSBI Boost, a 3-day workshop for startup social enterprises; GSBI Online, a 6-month training program for early-stage social entrepreneurs; and GSBI In-Residence, a 10-month program for mid-stage social enterprises, structured around nine days in residence at Santa Clara University.

Miller Center mentors act as trusted advisors to the social entrepreneurs, accompanying them via weekly calls for the duration of the GSBI Online and GSBI In-Residence programs. Miller Center selects Silicon Valley mentors who, through their education, background, and experience, have knowledge of the fundamentals of business planning and the challenges of executing on those plans.

Mentors are selected for their values as well as their business acumen. From the Miller Center mentor pool, we select Replication and Scaling mentors identified as having executive-level experience in scaling operations and business models, and who have a successful track-record in working with GSBI social enterprises.

The Replication and Scaling Initiative Approach

Miller Center's approach to replication and scaling is highly differentiated and valued by both social enterprises and partners. Each offering is built on unique, proven Miller Center content. Programs are based on direct feedback from entrepreneurs plus the analysis of successes and failures.

Prior to launching the Replication and Scaling Initiative, the Miller Center team prototyped and refined all the aspects of the program to make the activities rich in content and applicable to the real-world needs of social entrepreneurs. Every entrepreneur who participates provides feedback that helps to further improve the offerings.

We have tailored our Replication Playbook and Scale-Out approaches to fit the maturity and experience of the entrepreneurs. Users of the playbooks are early-stage entrepreneurs, so content and mentoring are crafted to provide them with what they need to succeed: all the basics as well as a focus on proven keys to success.

For Scale-Out entrepreneurs, the mentors use content that zeros in on the specific elements that more experienced entrepreneurs require to succeed in scaling. Mentors identify where the struggles in scaling occur, then focus on those elements—so they don't waste time on things an experienced entrepreneur already knows.

LIFECYCLE OF AN ENTERPRISE
(BASED ON THE "BLUEPRINT TO SCALE" FROM THE MONITOR GROUP)
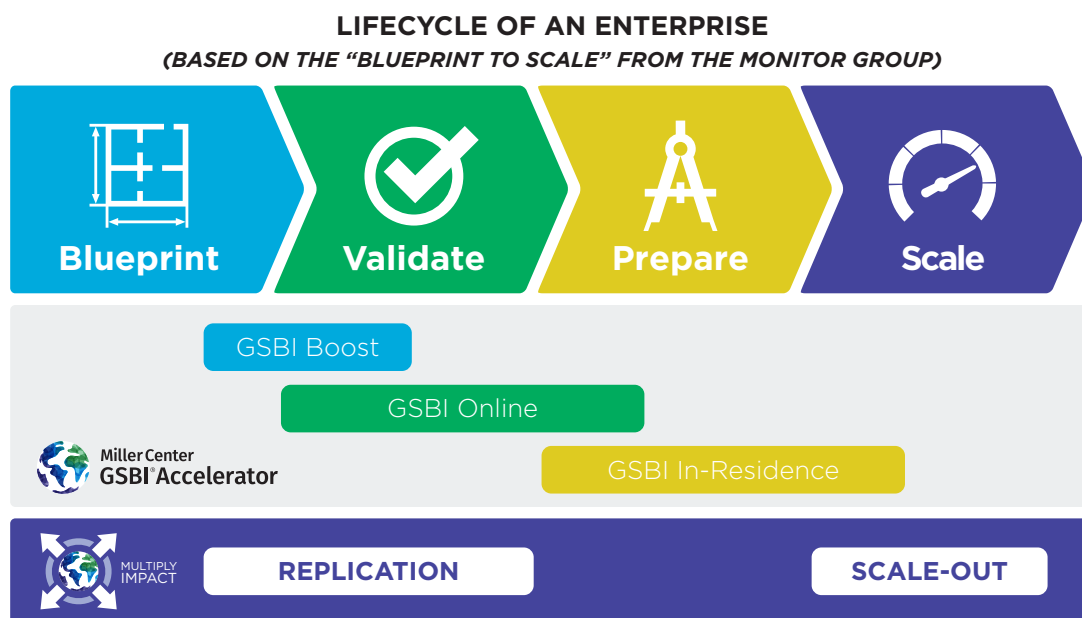
All Replication and Scaling offerings are integral to Miller Center's vision to provide the best acceleration services to more social entrepreneurs, working toward a world without global poverty and with a protected, prosperous planet. We are integrating and expanding these offerings in numerous ways, such as:

→ Including Scale-Out offerings as a service to GSBI Alumni, to provide continued support. Miller Center has a suite of master classes aimed at supporting more advanced entrepreneurs as they tackle common challenges to growth—such as developing and maintaining a board, investment facilitation, and human resource management.

→ Providing additional value to GSBI Alumni Scale-Out through the student Global Social Benefit Fellowship (GSBF) research projects. In 2019, four out of the eight student projects will enhance social enterprise scale-out strategies. The projects will include evaluating expansion opportunities, documenting operational procedures, and outlining partnership strategies for scaling. In subsequent years, 100% of GSBF projects aim to be related to our Scale-Out work.

→ Offering Replication Playbooks in the GSBI acceleration programs. The playbooks use the GSBI methodology, and we plan to continue serving enterprises working on distribution models, microgrids, and other sectors for which we develop playbooks. Programs will run in parallel to GSBI standard curriculum, yet better serve the needs of specific types of enterprises.

NUCAFE SCALE-OUT AND GSBF: COOPERATIVE RESEARCH, OPERATIONAL ENHANCEMENTS

Joseph Nkundu, founder of the National Union of the Coffee Agribusiness and Farm Enterprises (NUCAFE), has pioneered a model in which small-holder farmers collectively own and operate their coffee farms. This moves farmers further up the coffee value chain, thereby increasing their income. Since Joseph participated in GSBI in 2016, NUCAFE has built a centralized facility where farmers can process and roast their coffee, and NUCAFE connects the product to domestic and international markets.

The Replication and Scaling Initiative has teamed up with Miller Center Global Social Benefit Fellowship (GSBF) fellows to provide concerted support to NUCAFE. In the Scale-Out Master Class, Joseph has been working with his mentors on identifying selection criteria to decide whether to expand this "farmer ownership model" through other commodities in Uganda and/or through partners taking up the model in other countries.

The GSBF student project for 2019 is to codify NUCAFE's farmer training process to support their scaling.

As NUCAFE builds on its earlier success, the strategic execution plan delivered by the Scale-Out Master Class, coupled with operational codification of the farmer training process, will enhance their ability to raise investment, establish partnerships, and share their model.

THE FUTURE OF MILLER CENTER'S REPLICATION AND SCALING INITIATIVE

We are poised for continued growth of Miller Center's Replication and Scaling Initiative. Here is some of what we look forward to:

➜ Raising awareness in the venture and philanthropic community of the attractiveness of replication and scaling.

➜ Continue to expand the curriculum and our partner network globally, to encompass other like-minded organizations including social enterprise accelerators, impact investors, and Catholic social ministries and similar local champions.

➜ Expand our roster of Replication Playbooks based on partnerships and funding opportunities. We aim to develop playbooks in areas such as safe drinking water, artisanal models, and business process outsourcing.

➜ Conduct Scale-Out and Hybrid mentoring with new enterprises to rapidly increase impact. Then, assess the experience and results of these efforts so we can learn more about ways to keep improving our offerings.

➜ Train new mentors to increase our Scale-Out delivery capability.

➜ Continue to leverage the value of Santa Clara University and other student action research in social enterprise Scale-Out projects.

Our goal is to significantly increase the rate of social impact by enhancing replication and scaling of proven models. The more Replication Playbooks we offer and the more enterprises that graduate from our Scale-Out and Hybrid programs, the more those enterprises will amplify social impact.

We invite those involved in the funding, management, or support for social enterprises to join us in our replication and scaling efforts. If you're interested in learning more, we encourage you to contact Neal Harrison at **nharrison@scu.edu**.


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ACKNOWLEDGEMENTS

Miller Center for Social Entrepreneurship

Miller Center is the largest and most successful university-based social enterprise accelerator in the world. Founded in 1997, Miller Center is one of three Centers of Distinction at Santa Clara University, located in the heart of Silicon Valley—where Miller Center leverages this entrepreneurial spirit with the University's Jesuit heritage of service to the poor and protection of the planet.

Miller Center has accelerated more than 1000 social enterprises since 2003. These collectively have improved, transformed, or saved the lives of over 380 million people in 100 countries. We help transform social ministries to more sustainable social enterprise models. We engage Santa Clara University students in research that helps social enterprises, leveraging our location in the heart of Silicon Valley and our Jesuit ambition to end poverty and protect the planet. To learn more, visit www.scu.edu/MillerCenter.
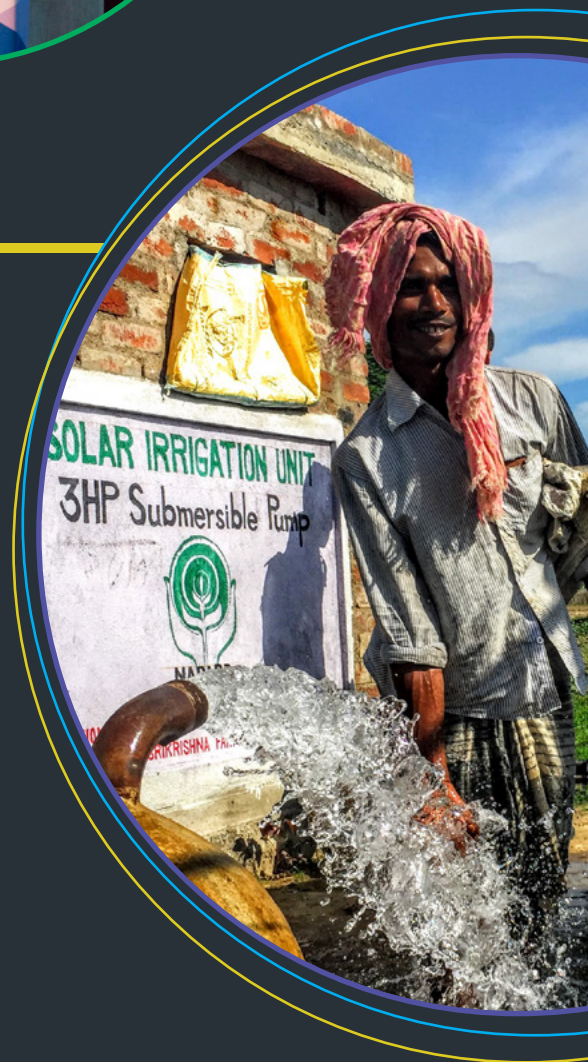
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