

MANUAL

ECOGOOD BUSINESS CANVAS

The tool for founding common good



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Preamble

"There is a big difference to the classic Business Model Canvas. The Ecogood Business Canvas puts its focus on the impact which is achieved together with all stakeholders. So it is a perfect fit for "impact entrepreneurs"."

Chisom Nwabufo and Marcel Ströhle, Eruisaku Foundation, Bludenz/Ulm, January 2022

Is your company/organisation¹ in the start-up phase and do you want to align the process with values right from the beginning? Or do you want to "re-found" an existing organisation and re-align it with values of the common good? Then the Ecogood Business Canvas (Ecogood Business Canvas) will help you as a tool for a common good-oriented start-up strategy.

The overarching goal for the management of any organisation should be the good life for all. For us, this includes the following principles:

- Money not as an end, but as a means to an end (= maximising the common good)
- Development of a financially sound organisation
- Organic development instead of rapid growth and quick sale
- Cooperation instead of competition
- Agility and entrepreneurship to implement social-ecological innovations
- The four value pillars of the Economy for the Common Good (ECG):
 - » Human dignity
 - » Solidarity and social justice
 - » Environmental sustainability
 - » Transparency and Co-determination



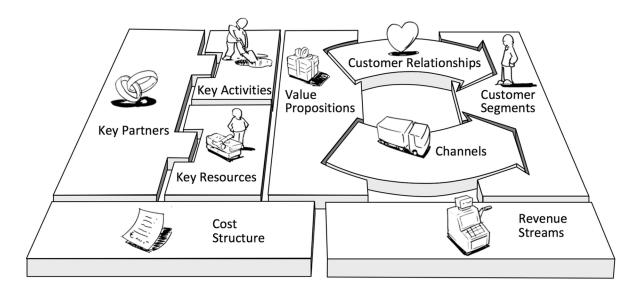
Context

The Business Model Canvas

The launch of the Business Model Canvas (BMC) by Alexander Osterwalder and Yves Pigneur in 2011 fundamentally evolved the way organisations could work during their start-up phase. The BMC allows for a collaborative, iterative and creative elaboration of an organisation's value proposition and the resulting relations to the market (right side in the picture) as well as the necessary elements of product or service creation (left side). Finally, the income and expenditure of these two areas are determined and compared at a higher level. This can serve as the basis for a subsequent business plan.

The tool allows the use of different methods and visual working techniques.

Image: Business Model Canvas (Source: Osterwalder, Alexander; Pigneur, Yves: Business Model Generation, A Handbook for Visionaries, Game Changers and Challengers, Campus Verlag, Frankfurt/New York, 2011)



The Ecogood Business Canvas

The BMC as well as its many variations focus mostly on products and markets. Meaning, vision and values play - if at all - a subordinate role. In addition, the interdependencies of the organisation with its stakeholders is classically seen in terms of competition rather than cooperation.

For this reason, a working group of consultants and speakers of the Economy for the Common Good developed the Ecogood Business Canvas: a combination of the advantages of the BMC and the ECG balance sheet. A tool for all those who want to start a business based on the common good.

With the Ecogood Business Canvas, you are able to develop a clear positioning for your organisation or company to be founded, as to how how it will contribute to the common good by implementing the four pillars of the Economy for the Common Good. You can even use the Ecogood Business Canvas if you want to re-orientate an existing organisation towards a vision based on values.

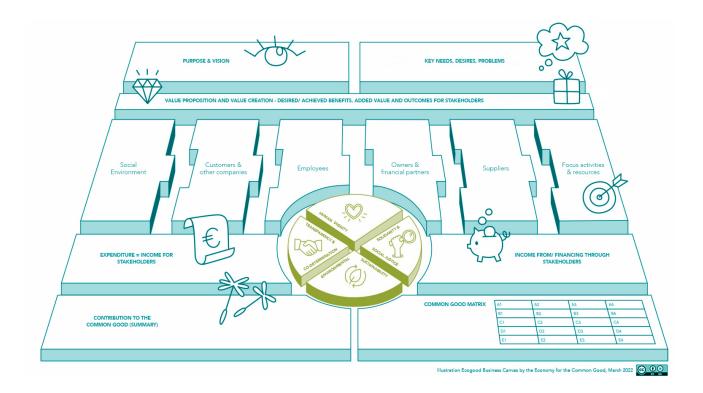


Image: Ecogood Business Canvas

How to apply the Ecogood Business Canvas?

Application

As with the Business Model Canvas, different methods are possible: the Canvas can be created individually, in moderated teams with guidance. For example, you can use it for a quick brainstorming session on specific strategies related to the common good. The exercise can be supported by an Ecogood Business Canvas poster (A0 format) or an online whiteboard. With only little experience in conceptual teamwork and this manual, you can create your own Ecogood Business Canvas.

For advice and support, please contact regional ECG consultants or the Ecogood Business Canvas development team.

Professional guidance often prevents a dead end, speeds up the learning curve and opens your eyes to new approaches.

Here are a few tips: The canvas is a model in which you can structure your ideas. It is important that only one start-up idea is elaborated per canvas. To avoid getting stuck, you should only ever describe the core aspects. The best strategies shine through their simplicity.

Use different colours to differentiate stakeholders and services. Working with Post-It notes allows you to make changes quickly, unlike multi-page plans.

Before making any major changes, it is advisable to take a photo or a screenshot in order to be able to track the development of your founding at different points in time.

In addition to this structural model, it is also important to choose the right approach in order to translate the planned into action. Here you can draw on the wealth of experience of ECG consultants.

Working steps and guiding questions

As far as the procedure is concerned, it is recommend to go from top left to down right (see numbering in the diagram), always checked by recursions and cross-references.

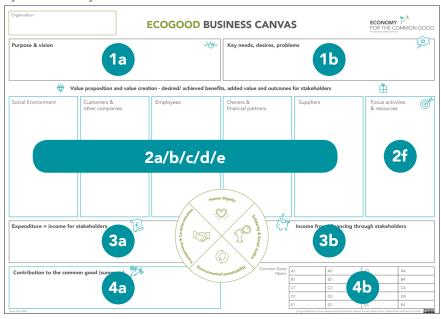


Image: Recommended work steps with the Ecogood Business Canvas

Step 1a: Purpose and vision

In contrast to the BMC, we start with purpose and vision, which may already have been formulated and consensually developed with suitable tools (vision journey, storytelling, etc.).

Guiding questions:

- What is the purpose of our organisation as a common good organisation?
- What positive social impacts do our products and services have?
- What powerful vision (internally and externally) do we have of ourselves as a common good organisation?

Step 1b: Key Needs, wants and issues



In the BMC, the value proposition to the customers is at the centre. This arises from the "How can we..." question. The Ecogood Business Canvas starts with needs/desires/problems for all contact groups of the organisation (see step 2) and identifies those that have a key role for the organisation to be founded.

Example: The key need of the TEIKEI cooperative is not to offer the "such and such best" coffee, but to offer the coffee farmers in Mexico a perspective for their profession as suppliers and to show society how coffee can be produced in a thoroughly fair and ecological way. Quote: "magine that you are part of building an international Community Supported Agriculture and are part of a living community."²

The aim is to consciously ask for the needs, wishes and problems of all conceivable stakeholder groups, thus and thus to work out the range of requirements. The selection of the most important elements can be made using systemic consensus or other techniques.

Guiding questions:

- Which key needs, desires or problems of our stakeholders do we satisfy, fulfil or solve? (Note: not necessary for each contact group)
- What positive economic, social, environmental outcomes and conditions do our stakeholders want to achieve?

Steps 2a-e: Promise of value(s) and creation of value(s)



The Economy for the Common Good differentiates the field of impact of organisations into

- social environment
- customers and co-enterprises in the market
- employees
- owners and financial partners
- suppliers

and refers to these stakeholders as contact groups. Especially in small organisations, there can be individual overlaps. In Ecogood Business Canvas, it is therefore important to pay close attention to the roles. In the above example of TEIKEI coffee, customers are often also owners (if they are members of the cooperative) and employees (if they take care of transport, for example).

For each contact group (or better still, for each stakeholder within these groups), the desired value propositions of the organisation are now documented. This includes a brief explanation of how the value(s) are created. Benefits, added values and effects are described as precisely as is necessary for understanding.

It is important to check the relationship to the four value pillars noted in the circle - you can think of the circle as a hub with which the collected mentions are checked again for completeness and relevance. The value assessment also helps to identify where there are higher-value alternatives for implementation, for which you should then make a conscious decision.

And last but not least: Which of the identified key needs/desires/problems are actually answered by your organisation? It is possible that key needs remain unanswered or that values are created for which there are no needs.

Key needs can also be detrimental to one or more of the values. In the case of TEIKEI coffee, for example, a key need is to communicate with the coffee farmers in a lively and personal way, which can lead to ecologically questionable air traffic between Europe and Mexico. It is a matter of weighing up and making the higher-value decision in each case.

Guiding questions:

- How do we create benefit/added value for our contact groups through our common good-oriented work and by implementing the four value pillars of the Economy for the Common Good?
- How do we do this concretely, and how do we work together with the contact groups?
- What concrete effects do we want to achieve for ourselves and trigger for the contact groups? Which of the key needs/desires/problems formulated in step 1b are answered?

Step 2f: Focus activities and resources



Finally, we summarise the activities (and their resources) that seem most important at the moment for our focus. On the one hand, this is important to keep track of all the activities. On the other hand, the focus activities always depend on the state of development of your organisation. Therefore, you should also review this step regularly to ensure that there is always new focus on the tasks ahead in the start-up phase. The "Eisenhower Matrix" can be used as a method.

Guiding question:

• What are currently the most important focus activities and necessary focus resources for our value creation, based on our value propositions?

Steps 3a and 3b: Expenditure, income and financing



This step is reminiscent of the classic BMC with the comparison of income and expenditure.

The Ecogood Business Canvas wants to broaden the view

- on the one hand to its holistic view along the contact groups, because the expenditure of some is the income of others (this promotes solidarity), and
- on the other hand, through the question of which of these flows are monetary and which can be services of others.

First, the largest necessary expenditure of the organisation to be founded is roughly described - also that of the alternatives of higher- or lower-value approaches. Revenue and financing are then considered.

Since this is the link to the financial business plan, you do not need to go into depth at this point. Rather, you should be able to identify and understand the major blocks and make an assessment of how they will develop in the first few years. And consider in advance how and for how long you want to work with underfunding, and - in the happy event - how you want to deal with stable surpluses and what development phases you will then have to face.

Guiding questions on expenditure:

- What are our fixed and variable expenditure areas/cost types?
- What are the cornerstones of a common good-oriented cost structure (purchasing guideline, salary guideline, financing guideline, external costs)?

Guiding questions on income and financing:

- From which income areas/types of income do we achieve added value?
- What does our common good-oriented pricing structure look like?
- How do we secure our financial independence with/through our contact groups?
- What rule do we give ourselves in case we achieve very good profits?

Step 4a: Our contribution to the common good (summary)



Now that almost the entire canvas is in front of you, it's time to pause, calmly recap all aspects, check the overall consistency and then draw a conclusion. It will give you a new perspective on your previous plans and intentions!

Guiding questions:

- What contributions to the common good do we consider to be the most important for our organisation?
- What were we not yet aware of and should be intensified?
- What should not be processed (any longer) or what should we refrain from doing in the interests of the common good?

Step 4b: Cross-check with the common good matrix

If you are experienced in the Economy for the Common Good or if your work is accompanied by an ECG consultant, then it is a good idea to mirror what you have worked out with the Common Good Matrix. The filling out of the matrix and the resulting contemplation of the matrix already serves as preparation for a possible subsequent focus report or a Common Good Balance sheet. A tick is used to document what has been sufficiently worked on and a circle where there is currently the greatest need for action. The remaining empty fields are not currently in the foreground for your foundation.

With this step you can already get an idea of the role the ECG should play for your foundation. Do you want to be actively involved? Do you want to support the ECG through your membership? Do you want to do a balance in the future? Do you want to enter into dialogue with your contact groups about the value orientation and jointly develop higher-value solutions?

Guiding questions:

Looking at the 20 fields of the common good matrix:

- Which field has been sufficiently developed? (Tick)
- Where is the greatest need for action at present? (ring)
- Which areas are currently not in the foreground? (blank)

Additional information

- Economy for the Common Good websites
 - » International Federation: https://ecogood.org
 - » Germany: https://web.ecogood.org/de
 - » Austria: https://austria.ecogood.org
 - » Switzerland: https://gemeinwohl-bilanz.ch
- ECG advisors in
 - $\textbf{\textit{y}} \qquad \textbf{\textit{Germany:}} \ \textbf{\textit{https://web.ecogood.org/de/unsere-arbeit/gemeinwohl-bilanz/unternehmen/bilanzberatung/zertifizierte-beraterinnen} \\$
 - » Austria: https://austria.ecogood.org/berater-innen
 - » Switzerland: https://gemeinwohl-bilanz.ch/gwoe-beraterinnen
- For ECG members in the wiki: https://wiki.ecogood.org/display/GENERAL/Ecogood+Business+Canvas

Editing, further development and feedback

This guide was created by the Ecogood Business Canvas development team: Daniel Bartel, Werner Furtner, Sandra Kavan, Isabella Klien und Hartmut Schäfer.

We welcome feedback, suggestions and practical examples. If you're an ECG member, use the wiki page (see above).

Otherwise, you can contact us via email at canvas@ecogood.org Thank you.

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For attribution purposes, the reference "Ecogood Business Canvas Development Team" is sufficient.

Acknowledgements

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