

## Elective Session 4 – Social Finance

### Group Concept

“Social Finance” for youth can be divided largely into two categories. First, it refers to the notion of youth coming together to form collective financial activities such as forming credit unions, to financially supporting activities, trying to start their own businesses in the competitive market. Second, it refers to various activities/organizations that financially support youth activities, such as social ventures, co-ops and various Not-For-Profit initiatives. These may refer to social economy support centers, investment banks reserved for the youth, etc.

In this group, participants shared with inspiring cases or practices that they know and discussed ideas on social finance to tackle our common social and environment issues.

### Facilitator

	<p>Yujiao Xia (China)</p>	<ul style="list-style-type: none"> <li>▪ Member and a trained team coach of MTA China team</li> <li>▪ Co-founder of Innovative Organization Development Centre in China and initiator of Impact Hub Shanghai</li> <li>▪ Bachelor degree from University of Tasmania and Shanghai Ocean University Majored in International business &amp; Marketing</li> <li>▪ Master degree from Mondragon University majored in Intrapreneurship and Open Innovation (MINN Program)</li> </ul>
--	-------------------------------	--

### Detailed Program

<p>23<sup>rd</sup> Aug</p>	<p>11:00</p> <p>12:00</p>	<p><i>Check In</i></p> <ul style="list-style-type: none"> <li>▪ Introduce yourself?                             <ul style="list-style-type: none"> <li>- name, where I am from, my social venture or activities</li> </ul> </li> <li>▪ Which instrument is most similar to me?</li> </ul> <p><i>Orientation</i></p> <ul style="list-style-type: none"> <li>▪ Content session                             <ul style="list-style-type: none"> <li>- Overview of the three days</li> <li>- MTA Methodology input (team learning principle)</li> </ul> </li> <li>▪ Team Formation (20-25 people divided into 4-5 teams)</li> <li>▪ Team Sharing                             <ul style="list-style-type: none"> <li>- Why I am here?</li> <li>- Your expectations for these three days</li> <li>- Team presentation</li> </ul> </li> </ul>
----------------------------	---------------------------	---

	14:00	<b>Team Building &amp; Group Dialogue</b> <ul style="list-style-type: none"> <li>▪ What is your childhood dream?</li> <li>▪ Where am I now?</li> <li>▪ Where am I going?</li> <li>▪ How do I get where I want to go?</li> </ul>
	15:00	<b>Topic Sharing</b> -Invite some expert from social finance filed for a topic sharing
	16:30	<b>Check Out</b>
24 <sup>th</sup> Aug	9:00	<b>Check In &amp; Pre-Motorola Tool Input</b>
	9:30	<b>Post-Motorola reflection</b> <b>Group Dialogue</b>
	11:30	(team discussion 60mins, presentation 30mins, dialogue 30mins) <ul style="list-style-type: none"> <li>▪ What is social finance?</li> <li>▪ What is our challenge?</li> <li>▪ What valuable resources we have?</li> </ul>
	14:00	<b>Input &amp; Dialogue &amp; Teamwork</b> <b>Applying the golden circle</b> <ul style="list-style-type: none"> <li>▪ Why ask 5 Ys</li> <li>▪ What redefine our challenge + Ideation &amp; Prototype</li> <li>▪ How-Back forward planning</li> </ul>
	20:30	<b>‘Birth Giving Challenge’</b> 1 <sup>st</sup> October 2018 GSEF conference Show your activity of ‘Social Finance’ team during 1 year after youth camp (From September 2017 to August 2018)

## Program Methodology

### Theory U



During this Working group, facilitator Yujiao Xia introduced ‘Theory U and U shape’. MIT lecturer C. Otto Scharmer has written a book on his approach to leadership called ‘Theory U: Leading from the Future as it emerges’. Using his experience of working with some of the world’s most accomplished leaders and innovators, he shows through Theory U, how groups and organizations can develop seven leadership capacities in order to create a future that would not otherwise be possible. It shows how that capacity for ‘Pre-sensing’

can be developed and how we going to cope with the problems we are facing now – the vision we have and where we want to go. Pre-sensing is a blended word combining ‘Sensing (feeling the future possibility)’ and ‘Presence (the state of being in the present moment)’. Pre-sensing means “sensing and actualizing one’s highest future possibility – acting from the presence of what is wanting to emerge.” Pre-sensing is a journey with five movements: Co-initiating, Co-sensing, Co-inspiring, Co-creating, Co-evolving.

## **Day 1(23<sup>rd</sup> Aug)**

### **Step 1. Co-initiating**

#### **Co-initiating:**

The movement of the U that helps us listen to what life calls us to do in order to crystallize an initial sense of intention and direction. Participants co-initiate by attentive listening to others, to themselves, and to what emerges from constellations or circles of people that they help bring together.

### **Check In**

15 people introduce themselves one by one. They answer about 3 questions. ①What is your name? ②Where are you from? ③Tell us your social venture or activities.

Name	Location	Social Ventures/activities
A	Russia	Consulting NGO for government finance on regional, local, central level
B	Spain	Work in cooperative for software development
C	Indonesia	Try to partner with resource providers(Charities, other NGOs) to look after Asia
D	Canada	Social economy initiative university
E	Japan	Have an organization in Tokyo for mutual learning (freedom school)
F	Cambodia	Work for performing enterprise, work with young talented artists
G	Korea	Studying at university, this camp is the first experience for social economy
H	Hong Kong	Work for NGOs, find business partners to sponsor community
I	Korea	Volunteer for North Korean people especially the woman
J	Korea	University student, run a club helping multicultural family
K	Bangladesh	Volunteered through blood donation, participate in human rights and teaching
L	Korea	Involved in club activities including planning of projects on SDGs and recruiting volunteers
M	Singapore	Researcher, run databases, familiar with statistics, numbers
N	Korea	Started social venture helping people by teaching them music
O	Korea	Recently got into social venture

The group focused on the learning through people, so they can learn from their own experience. So a lot of their activities are based on this idea: ‘Most of the learning happened in your experiences.’



## Step 2. Co-sensing

### Co-sensing:

The movement of the U that helps us connect with and tune in to the contexts that matter, moving into a state of seeing in which the boundary between observer and observed begins to collapse and in which the system begins to see itself.

## Group work

There are 3 groups. Each group talked about each other's experience, their expectations, etc. Here is a list what they want to know during this Youth camp.

Group 1	<ul style="list-style-type: none"> <li>▪ big questions about trust, credibility</li> <li>▪ the relationship between debt and equity</li> <li>▪ is it possible to be sustainably profitable?</li> <li>▪ how to connect with the community?</li> <li>▪ social finance of impact investing, public good, community bonds, debt, funding</li> </ul>
Group 2	<ul style="list-style-type: none"> <li>▪ What is social finance?</li> <li>▪ way to earn money, support from profit movement</li> <li>▪ how do we use social finance?</li> <li>▪ what does social finance come from?</li> </ul>
Group 3	<ul style="list-style-type: none"> <li>▪ What is social and what is finance?</li> <li>▪ 2 aspects of social finance; giver and receiver                             <ul style="list-style-type: none"> <li>- Giver (bank): which criteria using to give the money?</li> <li>- Receiver: how do they get the money for the social projects?</li> </ul> </li> <li>▪ how to start a cooperative business without money?</li> <li>▪ how do we balance between values and money?</li> <li>▪ how to earn while being involved in SSE?</li> <li>▪ to become a social financier, what are the values?</li> </ul>



## *The 1<sup>st</sup> Global Youth Camp for SSE “Reviva! The Youth Revive the Society”*

Next, participants used the card to tell a story about ‘What is your character?’, ‘Where am I now?’, ‘Where am I going?’, ‘What challenges am I facing?’ Every participants in group shared their dreams and values. They connected with each other.

Dreams	Values
<ul style="list-style-type: none"><li>▪ connecting people to learn and understand more about social finance so as to set a starting point and spark change to help those in need</li><li>▪ influence rest of the society by inspiring individuals around us</li><li>▪ transparency in every organization</li></ul>	<ul style="list-style-type: none"><li>▪ solidarity</li><li>▪ equality</li><li>▪ reciprocity</li><li>▪ empathy (people, compassion, love)</li><li>▪ honesty and trust</li><li>▪ democracy</li></ul>



### **Check out**

Every participant was assigned a homework that is due tomorrow. Write down answers for the following questions by themselves. ① What happened today touched you most? ② What surprised you? ③ What do you appreciate most about yourself and others?

## **Day 2(24<sup>th</sup> Aug)**

### **Post-Motolora reflection**

This is from the company called Motorola, so the name of the tool is post-Motorola. This is for reflections by yourself or with your team. The purpose is to crystallize/consolidate what group members have learned so that they can apply lessons next time.

### **Step 3. Pre-sensing and Team building**

Pre-sensing:

Blended word combining ‘Sensing (feeling the future possibility)’ and ‘Presence (the state of being in the present moment)’. Pre-sensing means “sensing and actualizing one’s highest future possibility – acting from the presence of what is wanting to emerge.” This step is the most important part.

In order to see the possibilities based on the analysis of current status, the working group discussed various aspects of social finance through two stages – firstly reflection on ‘why social finance?’ and through asking in which process have we become interested in the social finance (reflection on our motives) thereafter, the group went on to collectively identified the current issues in the social finance (reflection on social finance as a whole).

#### **▪ Stage #1. Group reflection**

#### **“Why social finance and why are we interested in?”**

1	Social finance is crucial in order to prevent money from becoming a problem for realizing good ideas. Social finance is the backbone of economic activity, creating value such as opportunities and access for resources. Social finance starts initiatives because it takes resources from those that have it to those that don’t.
2	Social finance transforms organizations into human centered organizations that care about humans rather than treating them as tools to make money.
3	Social finance allows for transparency and accountability, which helps distributing capital to those that really need it.
4	Social finance allows for more available capital that can be used to help others.
5	Social finance is about social equity, equity of opportunities.
6	Social finance calls for innovation and for the underprivileged to also enjoy the fruits of innovation. Social finance helps myriad people.
7	Social finance is important because the sustainability of a project depends on the sustainability of the financial aspects.

## The 1<sup>st</sup> Global Youth Camp for SSE “Reviva! The Youth Revive the Society”



### ▪ Stage #2. System reflection

**“What are the issues in social finance? What are the possible questions that the group can raise to better identify possibilities?”**

1	Social finance has two competing notions: sustainability and self-determinacy. Does social finance have to be sustainable finance, or should people become self-determinant?
2	Every country has different regulations, so it is difficult to come up with an economic structure that works for all.
3	It is difficult to decide upon which projects to finance – should it be based on impact? Existing trust?
4	Unlike the commercial industry that communicates in terms of revenue and profit, there is no common language for the social sector.
5	Using a single ruler (profit, revenue) is problematic – it is important to develop a metrics that measures the social aspects, not leaving anything out.

### **Step 4. Co-creating and Group Dialogue**

#### **Co-creating:**

The movement of the U that enables us to explore the future by doing; enacting prototypes of the future by linking the intelligences of the head, heart, and hands and by iterating through the guidance of fast-cycle feedback from all stakeholders in real time.

Based on the collective identification of ourselves and the social finance per se, the group came up with identifying rooms for improvements and co-create solutions based on the deepened understanding of each group member and mutual feedback. After the discussion, the group reached conclusions for the ideal future direction of social finance that will better serve needs of society.

### **Main Ideas**

▪ There should be a system that helps feed projects – the projects use the money, pay back, and the system helps other projects.



- There should be a centralized institution as well as metrics to measure success.

### ***Discussions for further improvements of social finance***

- Use social measures such as the reduction of the problems of the SDGs rather than financial measures. Financial measures should be removed from the vocabulary of social finance.
- Social finance should be driven by a set of core values in which money should be a mean to achieve social justice rather than an end in itself.

### ***Step 5. Co-evolving and Teamwork***

#### **Co-evolving:**

The movement of the U that helps us interweave and link with the larger ecosystem around; by co-evolving, they begin to see, strategize, and act from presenting the emerging whole.

The final step of the working group was discussions on how we can co-evolve together and build teamwork to actualize ideas that the group formulated collectively. Also, the group reflected on the entire youthcamp programmes. The social finance working group’s verdicts on the youthcamp and the next step we should take to create an eco-system of change makers as below.

### ***Evaluation of the youthcamp and identification of improvements***

- Networking went very well with a friendly environment.
- The sessions lacked in-depth context because of a lack of coherence.
- There were language barriers and a lot of missed opportunities.

### ***To which direction should we head?***

- There should be a base to start on which discussions can be furthered.
- Share information about social finance with others

