

Group : En décalage !

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Great Transition - Autumn Semester 2018

Note of intent : The Eng'Out Project

Problem

Multiplying places and moments of engagement in France : a society core issue

25% of the French population is currently involved in a volunteering activity. This level is very high among the 65+yo (35%) but is quite lower among the under 35yo (21%). 38% of the population would be willing to participate (among the remaining 75%). So there is a great potential, which could be used by associations. Some associations - like food banks for instance- are in constant need of people and have issues finding volunteers. One could wonder how to use this potential. **How to match supply and demand ?** How to facilitate involvement ? Our goal is to make a full use of these potential volunteers by **rethinking commitment**.

Proposed concept

How engagement could be the starting point of a Great Social Transition ?

Society values are based on two pillars : a vision and an action. The ability not to only believe in change and think about change but to actually take action is a requirement for it to happen. Our generation is the first one to be completely aware of social and environmental challenges that will face this century. We most certainly know what should be done to make the planet a more sustainable place to live. But our lifestyles do not always reflect this consciousness. That is why encouraging people to commit and engage in meaningful actions on an environmental, social and solidarity scale is a core issue of our society.

Our goal is to propose a concrete solution to take civil engagement to a whole new level. We do believe that if everyone gives a little of their time on a regular basis, massive needs could be met. But in a world in which money is the main currency, shedding light on engagement and the benefits it brings to the givers and the receivers appears necessary. We wanted to create **a new "currency" that would be the time spent engaging in meaningful activities** for social good. We met the moral problem of "monetizing" engagement. We did not want our project to be a way to pay people for their commitment and take out the noble action in it. That is why the model we are going to present you is based on circular economy and rewards are meant to shed light on fair trade shops and environment-friendly activities.

Our project is a Great Transition as it will develop and encourage engagement on a much larger scale than what is already existing. Indeed, our engagement account will aim at promoting all kind of engagement amongst all categories of population (children, families, teenagers, students, retired people, etc.). It will not have strict conditions like it can be the case for the current civil service or even to volunteer sometimes (you have to be present a certain amount of time per week, to commit for a certain duration).

With our solution, **people can give as much time as they want and they will be rewarded proportionally**. The real idea and the real transition here is to make engagement not only a few months during your youth, but to really turn it into a lifestyle. It is a way of living, consuming, thinking and taking action more than just an account, turning engagement into a currency.

That explains why our project, as will be described below, has two dimensions : **an individual** one, with the account, and **a collective** one that aims at creating a community and social link around engagement. We hope to help make a Great Transition towards a more human and respectful world one step at a time by implementing this virtuous circle model.

Our proposition : promoting social engagement through a special account

We want to create an engagement account in order to promote social engagement. Who ?

- associations in need of human resources
- random people from the society
- private firms that want to become actors of engagement

Where ? One platform online that will link all those actors.

Our start-up would aim to create social links between different actors of engagement : on one hand, people who would like to get engaged and on the other hand, associations and actors of the social and solidarity economy. More specifically, it would be an internet platform that will allow the ordinary citizen to be rewarded for being engaged in associations and acting for a better future. The goal of their social actions is to earn some virtual coins (from our engagement currency), and so a compensation for their time by concrete gifts, discount vouchers, etc from our partner firms. Indeed, **we want to share the same values as our partner firms** (local engagement, ecology, fair trade...), as well as giving them visibility on our platform. It is a win-win solution. Rewarding citizen's engagement will make them more efficient and more likely to help society. It gives them a concrete motivation : transforming their involvement time into a valuable currency. The idea would be to accompany the process of engagement on a long-term scale and create an intrinsic motivation to get involved. In summary, our platform aims to create a community of associations, eco-businesses and individuals that rewards and acknowledges their acts for a better future within a virtuous circle.

Our main indicator would be the evolution of the number of social actions led in a given territory after experimenting our solution. → KPIs : "expective positive impacts"

Direct impacts - 4 MORE

- + More engagement coming from ordinary citizens
- + More actions valuable for social good
- + More acknowledgment about important issues for society and people who decide to get engaged : ecology, sustainable economy, defense of minorities, disability...
- + More visibility for our partners : firms that offer gifts and discounts & associations, social projects...

Indirect impacts

- + Make people more aware about engagement for society through association
- + Make people feel more responsible by empowering them
- + Make their participation at the democracy and society in general, more active
- + Transmit values and engagement will to their children and surroundings

Expected positive impact

Solving the engagement issue

Our projects aims at various results: first, we would like to **motivate the highest number of people to start or continue engaging**. Transforming their engagement time into a voucher permits them to have a clear view on their passed engagement, and give them a goal: the important is the feeling that while their engagement's target always took benefit from his actions, the worker himself is now also recognized and granted.

Secondly, an obvious added-value of our project is the **economic boost it gives to the ethical and solidarity economy**: it brings economic activity to start-ups and small retailers, in an always bigger scale, but it guarantees also a great promotion for all these economic actors.

Finally, we shouldn't underestimate the **social impact of this project for the workers themselves**: our project includes the creation and animation of a real community of "engagement workers", permitting them to share their experience and feel even more part of a general movement.

Deployment strategy and major milestones

The Engagement Account : a practical and specific solution

How would a potential client come into contact and eventually be able to use our platform to facilitate their activity of engagement? To answer this, it would be important to note the various touchpoints, and more so, the most utilized and effective touchpoints.

This, has in the first instance, led to a major focus on the effective use of the web, internet platforms and more so, an integrated Information system that links the client to various associations and charitable organizations, a client's reward account that automatically adds reward points when a customer contributes to an organization and boutiques or stores whereby the client would be able to redeem their collected engagement points . For this reason we would use a website which would allow for a potential client to do all the activities mentioned below. Our website should allow the client to:

- Gather information on the objectives of our project
- Create of a personal account
- Access a list of all the available associations and charity organizations which descriptions of each of their activities
- Have a secured and direct payment platform to the charity organizations and associations
- Have their contributions automatically transformed and added up as reward points in their personal account
- Redeem their reward points in the form of direct purchases with partner stores or convert the points into coupons for purchases in other stores.

Our web platform will be available for all browsers with **both a desktop site and a mobile site**. Practicability of our web platform is that for one, a potential customer can do everything in our web platform at the comfort of his seat. The client can find the list and all the relevant details of the associations on our website; furthermore, the client does not have to worry about how to contribute to the associations as they can do this through our platform with a secure credit card or paypal payment, and the same is true for the points and redeeming of rewards.

With a clear and well defined web platform, we should be able to launch an application compatible with all Android and iOS mobile operating systems. The app will serve the same functions as the web and would be useful for the clients who like things done “at the click of a button”. To ensure a well running web platform and application, we would need a competent web and application developer. Our team would take up the role of pitching the idea to associations, enterprises and shops and ensuring we attain an array of both quantity and quality to ensure that our platform is attractive enough for a potential client.

There are various ways in which we can save the communication and advertisement costs. Firstly, would be through the use of social media by the creation and sharing of our social media pages and accounts which give information on our project. Secondly, since this would be a win - win situation for associations as they would potentially increase their number of contributors and make the contribution process easier, they could help advertise our project on their websites. However, to reach a larger audience, part of our capital will also be spent on advertising in the digital media and use of brochures present at the receptions of large partner associations.

Implementing our solution

As mentioned before, our platform aims at answering the needs of three main actors (Associations & NGO, people and private firms). On the short term, we wish to articulate these needs around **four fields** : Culture, Environment, Human rights, and solidarity-based economy. We might widen these areas later, depending on the number and commitment of the members. Our test field is Human Rights, and we'll adapt the website/app depending on the results we get from our members' commitment in the first months. According to their interests, skills and availability, the members will be attributed a list of associations and private firms towards which they can give interest and time. Our work will consist in contacting these associations/NGO and private firms in order to convince them of the **win-win situation** we are trying to provide to both sides of the engagement. To do so, we have this note of intent (values and goals of *Eng'out*), a business plan (financial sustainability) and a digital model of the app and website. This upstream work will take place in the **year** before the launching of the website. In the first **six months**, we will start communicating (through our partners and with our own social medias and communication team).

1. **Defending Human Rights** (Health, Fight against discrimination, Children's rights) Médecins sans frontière, Action contre la faim, Acted, Médecins du monde, Solidarités international, CCFD-Terre solidaire, Première urgence international, Amnesty international, EDH (french association gathering private companies that work in favor of a better integration of human rights into corporate policies and practices. We shall rely on them to spread Eng'Out's communication through its listed companies, in exchange for which we will share (1) our active and diverse community with both the association (1901's law) and the firms and (2) the help of a team of young digital communication diplomées)...
2. **Developing forms of Solidarity-Based Economy** (Une monnaie pour Paris...)
3. **Fighting against Climate change** (Too good to go...)
4. **Promoting Culture** (Education, access to culture) Aide et Action, European cultural Foundation, Like, Culture Action Europe, Goethe Institut : Fonds voor Cultuur, Castrum Peregrini

Major risks and actions to reduce them

Like every community social platform, the key of success is the vitality and the high number of users. The website will display opportunities, offer a sufficient amount of good commercial and non-commercial interactions only if a decent effective of users exists. Facebook, twitter and other giants of social media are now well-established and if they have to face other type of challenge, their ability to drag flows of users is not the biggest one. We will need to propose a very methodic communication plan to address this issue. High public relations management skills and innovative and creative advertisement will be required to overcome this challenge in the early stage of Eng'Out, and then convince the first businesses, partners and users of the utility of our platform.

Secondly, external criticisms might appear as potential threat for Eng'Out. Some might accuse us to "monetize" engagement whose essence is to be not interested and to transform it from a genuine act to a self-interested one. Explaining and communicating on the sense and the sincerity of our project will be vital in the success of the engagement account. Indeed, Eng'Out will still rely on the benevolence of a community of people whose time they dedicate to engagement is still far superior to what they can take advantage of being registered to Eng'Out. We just aspire to reward those socially valuable actions and enhance the virtuous circle coming from the creation of a community of engagement.

Investment analysis

After conducting an analysis of our expected initial investment , costs and operating expenses, we generated a model of our projected income statements for the first three years (comprised of the early development stages of our start-up).

The initial seed capital will finance the costs of setting up our website , application development and communication expenses , all of which sum up to an approximate 18,000€. Based on the expected revenue streams from corporate foundations and subsequent subsidies, amounting to approx. €15,000 for the first year of operation, €20,000 for the second and €22,500 for the third, we estimate an expected net operating margin of around €5,200 for the first year, which according to our model grows to around 8200€ for the second year. For the third year, the expected return was estimated to be around 8200€, (an estimated total growth rate of 45% from the initial return)

Given our sources of revenue for the first three years and the innovation stage of our start-up we use a discounted rate of 0%, thus using the three years duration, generating a positive Expected NPV (Net Present Value) of our start- up of € 5,100. The Expected ROI (Return on investment) is 0,283 (28.3%) and the expected (Internal rate of return) IRR estimate is 12 % for the first three years of operation.