

**Supporting Sustainability and Scale in Social Entrepreneurs:
Lessons in Growth from the Ashoka-Grameen Dialogue**

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Ashoka

Ashoka is a global nonprofit organization that invests in social entrepreneurs who run a business or organization that provides goods or services to the poor. Founded by ex-McKinsey consultant Bill Drayton, the organization aims to develop the profession of social entrepreneurship by building a network and support systems necessary for a competitive social sector.

What is a Social Entrepreneur?

Social entrepreneurs are one type of entrepreneur, different from business entrepreneurs. Rather than being bound to maximize profits, social entrepreneurs have an explicit and central social mission that affects how they perceive and assess opportunities.¹

A social entrepreneur is *not* simply any individual who establishes a non-profit or one who starts an income-generating business arm as part of a non-profit organization. As an innovator, a social entrepreneur uses *new* approaches to solve a problem or meet a need. Social entrepreneurs are change agents who “attack the underlying causes of problems, rather than simply treating the symptoms, and often reduce needs rather than just meeting them. They create systemic changes and sustainable improvements...”²

Ashoka identifies and invests in *leading* social entrepreneurs, called Ashoka Fellows—extraordinary individuals with unprecedented ideas for change in their communities. Ashoka Fellows undergo a rigorous selection process in which they demonstrate that they possess creativity, strong ethics, an entrepreneurial quality, and most importantly, an innovative idea with the potential for great social impact.³

Ashoka's mission is to shape a citizen sector that is entrepreneurial, productive and globally integrated, and to develop the profession of social entrepreneurship around the world. Pioneering what is known as the "social venture capital" approach, Ashoka invests in Fellows, supporting their ideas and institutions throughout their life cycle. It has invested in more than 1,700 Fellows in 60 countries in areas as diverse as agriculture, education, health, human rights and the environment.

Challenges Social Entrepreneurs Face

Social entrepreneurs face a unique set of challenges, the most obvious of which is financial sustainability, or funding. A social entrepreneur must find funding or earn income to sustain and grow an enterprise whose core purpose is not an income producing activity.

Another challenge faced by social entrepreneurs is a lack of metrics and performance indicators for creating value. Business entrepreneurs have multiple sources of feedback about performance: stock price, earnings, customer satisfaction, etc., that either directly or indirectly measure one variable profit. In business, markets reward

¹ The Meaning of “Social Entrepreneurship” by J. Gregory Dees (1998).

² Ibid.

³ Ashoka website. www.ashoka.org

or punish business' decisions and actions. Underperformers lose money and may even go bankrupt. Social entrepreneurs lack this market feedback mechanism and the very metrics by which we normally gauge performance. For social entrepreneurs, social impact is the gauge,⁴ which is inherently difficult to measure. For example, is the performance of a pre-natal care program measured by the health of the mothers, by the health of babies born, or by a reduction in the number of infant mortalities and sicknesses?

The Ashoka-Grameen Dialogue

Ashoka's desire to help social entrepreneurs face these unique challenges was the impetus in creating the **Ashoka-Grameen Dialogue**, a hands-on, ten-day workshop with Grameen Bank in Bangladesh for thirteen of its Fellows, who were competitively selected to participate. The Dialogue's general objective was for Fellows to explore the issues of scale, sustainability and performance measurement, by learning from Professor Muhammad Yunus, a pioneer social entrepreneur in the field of microfinance who has successfully created a sustainable, scaleable social venture called Grameen Bank. Yunus' original social enterprise started with a handful of micro-loans to poor, rural women in Bangladesh. Today, Grameen has disbursed over 5 billion USD to over 5.5 million people, mostly women, and has expanded into other industries to form a non-profit conglomerate called the Grameen Family, comprised of Grameen Textiles, Telecom, Energy and Phone.

The Ashoka-Grameen Dialogue exposed the Fellows to the Grameen model and allowed for an exchange of ideas. First, Fellows spent three days in a rural village with Grameen employees, and then observed the operations of Grameen Family businesses. In addition to visits, the Dialogue consisted of nine days of structured discussions with Yunus, other Grameen leaders, and other Fellows. Through both field visits and the discussions, Fellows thoroughly explored the Grameen business model, models used by Fellows, and new alternative models.

In addition to creating an experience where Fellows could explore scale, sustainability, and performance measurement at Grameen Bank, the objectives of the Dialogue were to:

1. Bring together and facilitate interaction between leading 'market-based' social entrepreneurs who are working to eliminate poverty through business/social ventures.
2. Develop a shared understanding of microfinance as an example for organizing the poorest as economic, social and political actors and for stimulating market-based social/business models to promote economic citizenship and full participation of the poor in the economy.
3. Build the basic elements of a global common vision centered on removing systemic barriers that inhibit business/social ventures and implementing successful strategies to achieve scale and measurably reduce poverty.
4. Define individual and collective opportunities for realizing this global common vision.⁵

⁴ Ibid.

⁵ Appendix A

Columbia MBA Student's Post-Dialogue Research

In post-Dialogue research, Ashoka wanted to examine the impact of the Dialogue on the Fellows who participated, and determine whether the Dialogue had led to changes in the Fellows' mindset and approach to running their social ventures. Specifically, the purpose of the post-Dialogue research was to examine the fourth objective of the Dialogue: Ashoka wanted to identify opportunities to help Fellows increase the scale and sustainability of their social enterprises. Another important aspect of this research was to allow Fellows the opportunity to thoughtfully reexamine all of the objectives of the Dialogue as well as their own experience. Thus, the objectives of the post-Dialogue research were to:

1. Encapsulate and syndicate learning relating to scale and sustainability achieved by Fellows as a result of the Dialogue.
2. Validate the use of the Dialogue process within the Ashoka Fellowship and identify opportunities to improve future Dialogues.
3. Facilitate the continuation of the Dialogue Fellows' experiential learning cycle via reflection on learning sparked by the interview process.

For this study, Ashoka and Columbia GSB selected a team of three MBA students—Angela Hansen '05, Abbas Hasan '06, and Rachael Strieter '06—to develop a survey to interview Dialogue participants, and to synthesize findings in a digestible form.⁶ The results of the study were presented at the 6th annual Social Enterprise Alliance in Milwaukee in May 2005.⁷ While conducting the study, the MBA team also sought to identify trends in how social ventures developed.

It was important to Ashoka to capture each Fellow's experience, and for each Fellow to have a chance to tell their story. At the same time, Ashoka was interested in learning about specific aspects of the Fellow's experience and about how the Dialogue affected the leadership, scale, and structure of the Fellows' social enterprises.

The Columbia MBA team created an interview survey that allowed for a conversation in which Fellows could share their story. This semi-structured approach allowed the Fellows to express their thoughts and feelings about the Dialogue, and allowed the Columbia team to gather useful information necessary to document the evolution of Fellows' thinking and to recognize future trends and opportunities for Ashoka to support social entrepreneurs. The survey questions were divided into four main areas: the Fellow's personal experience as a participant in the Dialogue, the current scale and expected future scale of the Fellow's social enterprise, changes in financial sustainability of the social enterprise (for example, changes in the funding structure, charging a fee-for-service), and exchange and new collaboration between Fellows, post-Dialogue.

The thirteen Dialogue participants hail from eleven different countries. Interviews with two of the Fellows were conducted face-to-face, ten were conducted via telephone conference call, and one Fellow could not be reached for interview. The two face-to-face interviews took place in Brazil and Peru, at the Ashoka Fellows'

⁶ Appendix A, Ashoka Post-Dialogue Semi-Structured Interview Approach

⁷ Appendix B, Presentation for Social Enterprise Alliance Annual Gathering, 2005

social enterprises, where the Columbia MBA team had the privilege of viewing and learning about the Fellows' social enterprise firsthand. Details of the trip can be found in the March 24, 2005 article "Social Entrepreneurship in South America" in *The Bottom Line*, the weekly Columbia Business School student newspaper.

Interviews revealed how the Dialogue changed the Fellows' mindset, and identified both the challenges Fellows face in growing their social enterprises in a sustainable way, and where Fellows need support in order to overcome these challenges. The MBA team uncovered three themes across countries and sectors that most affect Fellows' social enterprises. First, organizational restructuring is a common step before scaling up. Second, partnerships across citizen and business sectors are increasingly important. Third, systemic challenges (especially corruption) constrain emerging economy ventures.

General Dialogue Insight

The Dialogue helped the Fellows to further clarify Fellows' goals, to consider alternative, new organizational structures, to explore a shift from donor-funded to market-based financing of ventures, and exposed the need for vital linkages with government and the business sector. It also uncovered roadblocks to growth that Fellows face.

Clarification of Goals

Through the interview process, the Columbia MBA team learned how the Dialogue process changed the Fellows' mindset. While Fellows felt they always understood their mission, the Dialogue helped them define discreet goals and measurements by which they can drive growth. Fellows repeatedly expressed that the Dialogue clarified goals and gave them a better understanding of their organization's role as change agent within society. One Fellow said, "After the Dialogue I came away with a better understanding of our theory of change. We developed four discreet goals against which we measure performance and drive growth."⁸ Another noted, "Since the Dialogue, our goals are clearer and we approach problems in a more integrated way... [and] involve all sectors."⁹

Organizational Systems

Structure of processes can allow for organizations to better serve the poor, and achieve large scale and financial sustainability—they are all interconnected. Social enterprises need dynamic organizational structures that can scale. Albina Ruíz, who has built a community-based solid waste management system in the poor neighborhoods of Lima noted about her learning process, "The Dialogue showed me how clearly defined processes can facilitate program replication and sustainability, as well as the importance of measurement and tracking appropriate indicators of success."¹⁰

Through the Dialogue process, Fellows saw organizations can be structured to leverage knowledge and networks across regions and functions. As one Fellow stated, "We learned the importance of building systems instead of working on

⁸ Appendix B, Ashoka Fellow J.B. Schramm, USA

⁹ Ibid, Ashoka Fellow Arturo García, México

¹⁰ Ibid, Ashoka Fellow Albina Ruíz, Perú

individual problems on a piecemeal basis.”¹¹ Organizing and creating systems was also seen as a need at the program level. One Fellow, Dr. Pradip Sarmah, runs an organization which provides credit, insurance, and other services to rickshaw pullers in India. He noted that job standardization improves workers’ lives, for example streamlining rickshaw quality, work uniforms, and work conditions.

Financial Sustainability

Some Fellows admitted that before the Dialogue, they resisted the notion of charging fees for service, and felt that such was contrary to their organization’s mission. The Dialogue taught Fellows that revenue from customers can improve program quality and allow them to offer additional services. *In fact, quality and sustainability require more predictable capital inflows.* Social enterprises can generate revenues from mission-aligned goods and services. For example, insurance is a product that could be sold to the agricultural communities where the homeless in Poland find work and shelter, or to India’s rickshaw pullers. Insurance would offer protection against market downturns, which cause these vulnerable groups to suffer disproportionately. The Dialogue taught other Fellows to see the business sector as a source of equity financing, and to consider new organizational structures.

Vital Linkages

Another recurring theme uncovered by the team’s research was the need to create linkages with government and the business sector. The Dialogue reaffirmed some Fellows’ efforts in this area, while others saw that they needed to do more to create and bolster their organization’s linkages.

Research revealed that Fellows need to work with government to increase knowledge transfer and the acceptance of a social mission. In addition, engagement with government can be valuable in order to ease structural limitations on access capital.

Fellows also need business management assistance and strategic advice to guide their organization’s growth. Win-win partnerships need to be developed with the business sector as both partners and donors. Commercial partnerships with private sector can move an organization towards financial sustainability, facilitate a move into new markets or services, and trained management assistance can help guide an organization’s rapid growth phase. Business partnership can even take the form of equity investment.

Roadblocks to Growth

The interview process also uncovered remaining obstacles that Fellows face and pointed to two ways in which Ashoka can assist Fellows in overcoming obstacles. First, Fellows with established linkages to the business sector stated that their organization’s mission was not yet a high priority for business partners. There is some resistance from businesses that view Fellows’ missions as outside their scope. Second was issues with the government. In some countries, government lending laws limit access to capital and equipment, and this in turn limits productivity. EU

¹¹ Ibid, Ashoka Fellow Tomasz Sadowsky, Poland

regulatory standards impede entrepreneurs' ability to compete. In confronting these two obstacles, Fellows expressed a desire for more training and assistance, and suggested that Ashoka advocate as a collective voice for social entrepreneurs with government and the corporate sector.

Impacts of the Research

For Ashoka, the post-Dialogue research uncovered the areas in which Fellows need support. There are a few key points on scale and sustainability on which Ashoka can focus their future efforts in assisting Fellows.

Social Enterprises need *dynamic organizational structures* that can scale. A single structure organization may actually limit growth. Other structures—such as hybrid structures—can better accommodate rapid growth, but may be unfamiliar to Fellows. Therefore, the opportunity of growth in a hybrid structure is offset by the risk of dealing with new, uncharted territory. On an individual level, Ashoka can assist Fellows with hybrid structures to define the access path to new capital markets that were previously unavailable. On the network level, Ashoka can share success stories to help its Fellows to leverage the network and support Fellows in developing integrated social and business infrastructures.

The research also found that Fellows think that Ashoka should encourage early stage social entrepreneurs to consider sustainability and scale from the start, and should share the Dialogue knowledge with the entire Fellow network.

Conclusion

The post-Dialogue research was an opportunity for the MBA student team to meet and interact with inspiring leaders, who are the CEOs of major enterprises. It was an honor to spend time with individual Fellows who could have done anything with their lives, but chose to change the world instead of chase profits. Juan Infante showed us Gamarra in Lima, Perú. Today, Gamarra is a rehabilitated, clean, and organized garment district, providing decent employment to many low-income Peruvians, where once stood a sweltering, over-crowded, chaotic and dangerous workplace. Adair Meira's organization, Fundação Pro Cerrado, provides environmental and vocational education to high-risk, underprivileged Brazilian youth. Youth are then employed by Brazilian corporations, not just providing employment, but also placing a marginalized population into Brazil's formal sector of the economy, where employment is more stable and chances of success are greater. Once employed as skilled vocational workers, youth also use their training in the environment to effect positive changes within corporations and their communities.

Social enterprise is the nexus of the business and social sectors, and this project required MBA students' understanding of the market-based ideas of scale and financial sustainability. In addition, this project required a similar problem-solving approach as used in management consulting. A large and general question was posed, and required the MBA team to structure an approach, and to determine what other questions needed to be answered before developing the survey and conducting interviews. By applying an analytical mindset to the experiences and feedback of the Ashoka fellows, the MBA team was able to bring a perspective on where Ashoka

might focus future assistance to help social entrepreneurs scale and develop insights in this field.

Appendix A = Survey Questionnaire

Appendix B = Presentation for Social Enterprise Alliance Gathering

Appendix C = List of Ashoka Fellow Dialogue Participants



Ashoka Post-Dialogue Semi-Structured Interview Approach

1 Interview Topics

The questions below are meant as a discussion guide to allow the Team to learn as much as possible about Dialogue Fellows, their vision as leaders and social change agents, and their organizations. The Team will encourage Fellows to incorporate quantitative responses whenever possible, though qualitative explanations are expected in many cases.

1.1 Topic One: *Your Participation in the Grameen-Ashoka Dialogue*

What do you feel were the key insights you took away from the Dialogue Field Visit to Grameen? As a social entrepreneur, what do you feel you learned from the Dialogue workshops? Did the opportunity to network with other Fellows give you insight into your own organization?

Additional Questions:

- Overall, what aspects of your experience in Dhaka were most beneficial (Grameen exposure, workshops, networking)?
- How did the Grameen/Ashoka Dialogue change you?
- How did the Grameen/Ashoka Dialogue change your venture/organization?
- In what ways have you attempted to incorporate ideas taken from the Dialogue into your work? What have been the results so far (if any)?
- In what ways could the Dialogue been more helpful (or relevant) to your own work? Do you have any suggestions for improvements in the Dialogue process?

1.2 Topic Two: *Your Organization Today*

How would you describe the strategic challenges facing organization(s) today? Would you say that the 'scale' of your organization has changed in the past 12-18 months? Do you see your scale changing in the future? How?

Additional Questions:

- Are you (still/now) working full time with your venture/organization? Have you started or considered starting any other organizations?
- Has the number of clients your venture/organization serves increased, decreased or remained the same in the last 12-18 months?

Appendix A

- Have the products or services you offer changed in the last 12-18 months?
- Have you developed any new partnerships or relationships with other organizations or private sector companies in the last 12-18 months?
- Has the mission of your venture/organization changed?
- Has your venture/organization's governing structure changed? Have you investigated any new structures?
- Has the scope of your work changed? Increased, decreased and why?
- Has your target population changed?
- Has the way you market your organization changed?
- Has your organization been involved in any external policy change or influence of the work of other individuals or organizations?
- When/if you think about expanding the scale of your organization, which seems like the most difficult question: What to scale? OR How to scale it?
- If there have been changes in your organization in the past 12-18 months, to what do you attribute these changes? Were these changes in line with your goals and expectations? What changes do you anticipate for the next year? The next five years?

1.3 Topic Three: Your Costs and Funding

Have you seen any reductions in the costs involved in running your organization in the last 12-18 months? In what ways (if any) has your funding structure changed during this time? What do you anticipate your costs and funding structure will look like in three years?

Additional Questions:

- Have you taken any specific actions with regard to costs? If so, what were they and what motivated you to make these changes?
- Have you seen an increase or decrease in the proportion of funding needs that are met by fee for service or product revenues?
- If you have not significantly expanded your fee for service capability, what do you see as the major challenges still facing you in this regard? Can you suggest any collective action that might help remove or reduce these challenges?
- If you have expanded your fee for service capability, what have been your biggest roadblocks to increasing fee this source of income? Do these barriers seem universal, or do you think they are specific to your situation?

1.4 Topic Four: You and other Fellows

How frequently do you interact with other Ashoka fellows? Of those with which you interact regularly, did any also attend the Dialogue? Do you feel you would be more likely to reach out to a Fellow who participated in the Dialogue than one who did not?

Additional Questions:

- Are there any barriers stopping you from communicating with other Fellows on a regular basis (i.e. telecom access, spare time, etc)?
- When/if you do communicate with other Fellows, do you find this communication helpful to you personally? To your organization?



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Sustainable Scaling: Lessons in Growth from Emerging Economy Entrepreneurs

Research by:
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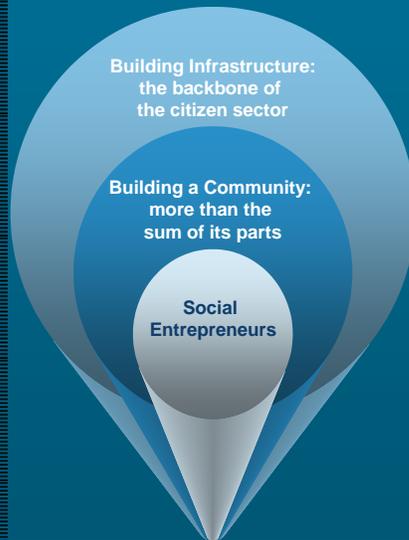
About Ashoka



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Ashoka's Theory of Change



- Ashoka is spurring the development of systems and supports necessary for a competitive social sector and is building bridges between the business and citizen sectors
- Ashoka detects patterns of change for entrepreneurs to work together successfully to change fields:
 - Learning
 - Economic Development
 - Environment
 - Law/Human Rights
 - Health
- Ashoka invests in social entrepreneurs, supporting individuals, ideas and institutions throughout their life cycle



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Selecting Ashoka Fellows



- Truly a transformational innovation for social change?
- Creative approach to goal setting and problem solving?
- Will persevere until the vision is a new pattern in society?
- National or continental impact potential?
- Trustworthy social role model, motivated to serve others?



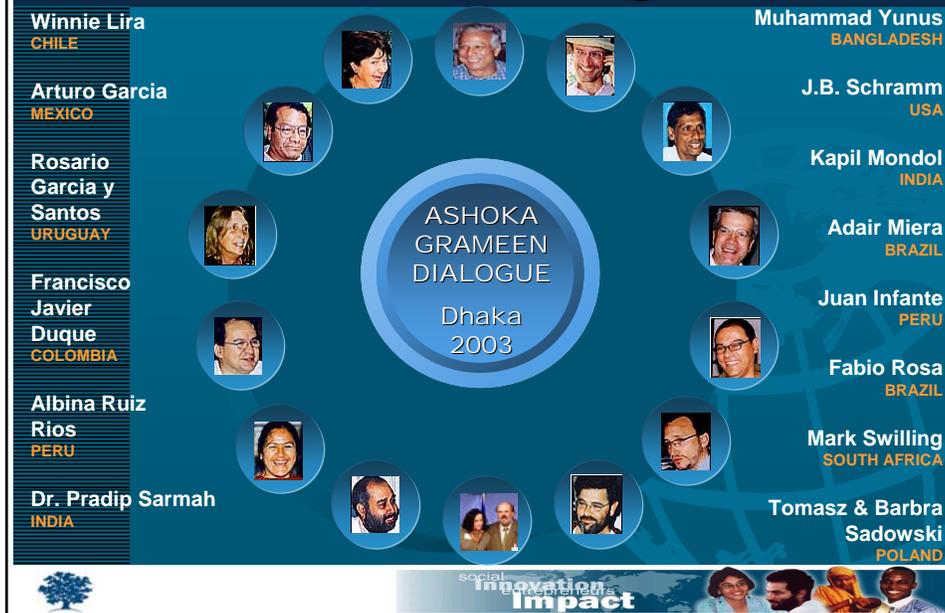
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Supporting Ashoka Fellows



Fellows in Dialogue



Dialogue Process

Definition

- Conceptualized when Yunus joined the Global Academy
- Competitive selection process based on outreach, scale and market basis of enterprise
- Over 100 Fellows applied to participate

Exposure

- 14 selected Fellows traveled to Bangladesh
- Spent 3 days in rural village w/ Grameen employees
 - Observed operations of Grameen Bank, Phone, Fisheries & other Grameen ventures
 - Visited other Fellow organizations (e.g. Waste Concern)

Exchange

- Participated in 9 days of structured discussions
 - Engaged closely with Yunus and other Grameen leaders
 - Explored Grameen business model, models used by Fellows, and new alternatives

Examination

- Changemakers.net 11/03 article & online bilingual initial feedback forum
- Follow-up conducted 18 mo. later
 - Evolution of thought documented
 - Key insights shared at SEA Alliance Conference and with Ashoka staff and Fellow community



social innovation impact



Further Examination

Dialogue participants are examples in the Business-Social Ventures Map; part of the solutions bank available on Changemakers.net

The follow-up cases in this presentation also contribute knowledge capital to the field

Sector > Type of sbv:	Serving Small Producers:			Serving Low-Income Consumers:			
	Commercial Linkages	Microfinance	Other Services	Environment	Energy	Education Jobs	Health
Social Enterprise	BASA	YSSU		Ciudad Saludable	IDEAAS	Edu-Cerrado	Aurolat
emphasis on fees for service:	Fundación Solidadad			Waste Concern			
Mixed		Centre for Rural Development	Barka Foundation	Sustainability Institute		College Summit	
emphasis on donor fundings:	AMRU						
No Fee for Service Yet	Fundación Colombia en Marcha		Necesitamos Millonarios				



social innovation impact



Case 1: Adair Meira, Brazil






Organization

- Fundação Pro Cerrado provides environmental and vocational education to underprivileged Brazilian youth
- \$8m USD budget; 15,000 served since 1994

Funding Structure

- Model is completely sustainable through fee-for-service and commercial partnerships with private sector

Roadblocks to Scale

- FPC's mission not yet high priority for business partners
- Resistance from businesses that view youth job training as outside their scope




Case 1: Adair Meira, Brazil






Dialogue Insight

- Organizations can be structured to leverage knowledge & networks across regions and functions
- Need to work with government to increase knowledge transfer and acceptance

Support Needed

- Facilitate networking to herald importance of skill development, regionally and nationally
- Promulgate "win-win" partnerships between citizen and business sectors




Case 2: Sadowsky Family, Poland



Organization

- Barka Foundation supports Poland's homeless by building communities for housing, education and business training, and by influencing government policy

Funding Structure

- Advisory & other services funded by fees and outside donors; agricultural communities are self-sustaining

Roadblocks to Scale

- Agricultural communities' lack of access to capital /equipment limits productivity
- EU regulatory standards impede entrepreneurs' ability to compete



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Case 2: Sadowsky Family, Poland



Dialogue Insight

- Value of engagement with government to ease structural limitations on access capital
- "We learned the importance of building systems instead of working on individual problems on a piecemeal basis" – Tomasz Sadowsky

Support Needed

- Agricultural communities need access to capital to purchase/lease modern farm equipment
- Barka needs help to broaden policy impact; currently driven by core competencies (housing & job creation)



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Case 3: Dr. Pradip Sarmah, India






Organization

Funding Structure

Roadblocks to Scale

- Centre for Rural Development supports sustainable development ventures such as Rickshaw Bank, which provides credit, insurance, and other services to rickshaw pullers
- Budget grew 400% in 2 years to R4 million (\$91,376)
- Revenue from corporate advertising sales and direct donations; goal to increase ad revenues
- Too few relationships with business partners/donors
- Need skilled managerial assistance and strategic advice to guide growth




Case 3: Dr. Pradip Sarmah, India






Dialogue Insight

Support Needed

- Selectively extended credit services can normalize markets with excess labor
- Job standardization improves pullers' lives (e.g. rickshaw quality, uniforms, work conditions)
- Revenue from existing customers can increase by offering additional services (e.g. insurance)
- Assistance to partner/ fundraise with corporations in order to facilitate move into new markets & services
- Trained management assistance (e.g. consultants, MBA students) to guide rapid growth phase






JB Schramm, USA

“After the Dialogue I came away with a better understanding of our theory of change. We developed four discreet goals against which we measure performance and drive growth, similar to Grameen’s ‘5 Star’ model.”



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Arturo Garcia, Mexico

“Since the Dialogue, our goals are clearer and we approach problems in a more integrated way. We now make our beneficiaries an integral part of the development of solutions and involve all sectors.”



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Juan Infante, Peru

“In developing countries, institutionalization is forced from the top down; this is often why it fails. Ashoka is [by contrast] a mosaic; a knowledge map of social entrepreneurship. We must work to systematize this knowledge. The Dialogue was a start to that.”



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Winnie Lira, Chile

“For me, the Dialogue was an affirmation that our work is ultimately social work, and even when moving towards sustainability, it must be emphasized that the social impact is what we seek.”



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Albina Ruiz, Peru

“The Dialogue showed me how clearly defined processes can facilitate program replication and sustainability, as well as the importance of measurement and tracking appropriate indicators of success.”



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Rosario Garcia y Santos, Uruguay

“The greatest benefit of the Dialogue came from sharing with others Fellows; reaffirming the necessity to channel our positive leaderships into real, efficient and effective contributions to the fight against poverty.”



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Themes from Dialogue Follow-Up

1. Organizational restructuring is a common pre-scaling approach

- As seen at FPC and Barka Foundation

2. Partnerships across citizen and business sectors are increasingly important

- As seen at CRD/Rickshaw Bank, FPC and CollegeSummit

3. Systemic challenges (esp. corruption) constrain emerging economy ventures

- As seen at Waste Concern



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Key Points on Scale & Sustainability

1. Social Enterprises need *dynamic organizational structures that can scale*

- Single structure CSO/NGO may limit growth
- Synergy across multiple structures = opportunity & risk

2. Sustainability requires *appropriate and more predictable capital inflows*

- Revenue from mission-aligned goods/services
- Equity finance option with some new organizational structures



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Supporting Sustainable Scale

1. Develop cross sector networks

- Develop integrated social and business support infrastructure

2. Support hybrid social business ventures

- Define access path to new capital markets
- Identify and share success stories

3. Encourage early stage social entrepreneurs to consider sustainability and scale from the start



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Appendix C: Ashoka Fellow Dialogue Participants

Detailed profiles of each Fellow can be found on Ashoka's website: www.ashoka.org

Fellow	Francisco Javier Duque	Arturo Garcia	Rosario Garcia y Santos	Juan Infante
Organization	Fundacion Colombia en Marcha	Red de Agricultores Sostenables Autogestivos (RASA)	Asociación de Mujeres Rurales del Uruguay (AMRU), Uruguay	Necesitamos Millonarios
Country	Colombia	Mexico	Uruguay	Peru
Interview Method	Unavailable	Telephone	Telephone	In Person
SBV Type	Commercial Linkages	Commercial Linkages	Commercial Linkages	Other Services
Industry	Small Business Development	Agriculture	Small Business Development	Small Business Development
Model	No fee for service yet	Social Enterprise	Emphasis on donor funding	No fee for service yet
Serving	Small Producers	Small Producers	Small Producers	Small Producers
Market Opportunity	The city of Cali, and Colombia in general, have official unemployment rates of more than 22%. Solving this increasingly serious social problem requires the ability to quickly generate new employment opportunities. Over 11 million people in Colombia live below the poverty line; all of them are potential beneficiaries of this new model.	Linking thousands of small coffee farmers with sustainable and more profitable markets. Fostering a direct collaboration between consumer organizations and small farmers cooperatives.	With the trend in organic food, there's an attractive potential market worldwide for all-natural homemade food products. This represents an untapped opportunity for increasing the income of rural women micro entrepreneurs	Most workers in the country border on subsistence living. Small and micro-enterprises represent 99.7% of all Peruvian businesses and yet make tiny profits.
Product/Service	Continuous services to 45 micro-entrepreneurs (split into 3 groups) and isolated services to a further 60 micro-entrepreneurs, benefitting 884 poor residents of the Aguablanca district of Cali. Within 5-years the organization intends to help over 20,000 people by directly serving 300 micro-entrepreneurs and at least 8 groups.	12,000 campesinos nationally. In 5 years RASA expects to have at least 80,000 members across the nation and another 20,000 in Central America. Declining prices for coffee in the international markets have decreased RASA's revenues from US\$2.5 million to \$500,000.	Current work involves 180 groups with 1,800 rural women from all departments in Uruguay. 130 of these groups involve small enterprises. In 5 years, more than 5,000 women will be associated with the organization, and AMRU will be deepening its work with 1,000 women. At least 5 groups in Latin America will be doing similar work to AMRU.	In his new organization he expects to reach 300,000 people through the media, 300,000 people through seminars, workshops, and speeches, 50,000 entrepreneurs through technical support, and 100 enterprises through corporate sales services.

Winnie Lira	Adair Meira	Kapil Mondal	Fabio Rosa	Albina Ruiz Rios
Fundación Solidaridad	Fundação Pró-Cerrado	VSSU (Vivekananda Seva Kendra O S)	Institute for the Development of Natural Energy and Sustainability (IDEAAS)	Ciudad Saludable
Chile	Brazil	India	Brazil	Peru
Telephone	In Person	Telephone	Telephone	Telephone
Commercial Linkages	Education/Jobs	Microfinance	Energy	Environment
Small Business Development	Environmental Education/Youth	Banking & Insurance	Solar Energy	Solid Waste Management
Emphasis on fee for service	Social Enterprise	Social Enterprise	Social Enterprise	Social Enterprise
Small Producers	Low Income Customers	Small Producers	Low Income Customers	Low Income Customers
Fundación Solidaridad could potentially count 120 socially responsible businesses as clients, sell more through the Fair Trade Network's 4,000 shops across the globe, and win more government bids. It also has a demonstration effect that could encourage the development of similar businesses.	Millions of Brazilian youth enter the labor market every year without the skills to compete effectively. On the other hand, solving environmental problems requires educating young people on the positive role that they can play as agents of change in their workplaces. FPC creates an opportunity by combining both needs. Growth in the program is determined by the availability of employment for 14 to 17 year-olds. Through the support of a specific Brazilian law, FPC can create 20,000 jobs annually. While the program is replicable globally, its	There is much room for expansion of services to both markets and villages, by as much as six times the current level.	2 billion people-30% of the population-lack electricity worldwide, mostly in rural impoverished areas. While traditional electricity services are beyond their budgets, about 1 billion people can afford solar energy at commercial rates. In Brazil alone, 25 million low-income people lack power.	With an increasing number of urban residents around the world, local governments are unable to address an increasing demand for waste management services. Albina is demonstrating that you can deliver cost-effectively these services while contributing to generate self-employment opportunities for low-income families (especially unemployed women who are heads of households).
Currently has 493 poor micro-entrepreneurs among its clients, of whom 87% are women. Expected to double in 5 years. Larger impact through advocacy role in changing government procurement practices.	4,000 low-income students aged 14-17 annually, exclusively in Brazi	Financial services for the rural poor (including savings, loans and insurance schemes), based on market research of clients needs. Social services (such as skills training for entrepreneurs and social development programs) to local residents.	Will reach 24,000 people in Phase I, the first four years of the venture. In 2003 has so far installed 70 households. Phase II will reach another 24,000 people.	15 micro-enterprises along the waste management chain, employing 132 workers and providing 1.5 million people in poor urban areas with efficient services and cleaner environment. Model has been replicated in other Peruvian cities and in San Salvador. In 5 years, estimated total of 1,050 direct workers and 5.25 million beneficiaries. Expected operations in 100 new cities of Peru's 24 regions and in 5 Latin American countries.

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Barka Foundation for Mutual Help	Centre for Rural Development	College Summit	SustainabilityInstitute/ Lynedoch EcoVillage	Organization
Poland	India	United States	South Africa	Country
Telephone	Telephone	Telephone	Telephone	Proposed Interview Method
Other Services	Microfinance	Education/Jobs	Environment	SBV Type
Community Development & Social Entrepreneurship	Veterinary & Farming	College Prep Services	Sustainable Development	Industry
Emphasis on donor funding	Emphasis on donor funding	Emphasis on donor funding	Emphasis on donor funding	Model
Small Producers	Small Producers	Low Income Customers	Low Income Customers	Serving
200,000 homeless people and more than 3.1 million unemployed people (18% of the population) in Poland. About 60% of the population earns a low income. A large percentage of Eastern Europe's population is becoming poorer, and many may become homeless with new laws.	India's population is 1.04 billion. In the northeast, the demand for animal products is extremely high but must be supplied from other regions due to low farming productivity. The organization is addressing this need. Currently 10 million rickshaw pullers operate in India and thousands more look for such opportunities every day. There are 1 million rickshaw pullers in Assam struggling to make a living.	About 900,000 low-income students graduate from high school every year. Only 46% of these low-income students enroll in college the following fall. (U.S. Census).	Since the 2002 World Summit on Sustainable Development in Johannesburg, most governments have committed to making their country's infrastructure and resources more sustainable, paving the way to massive practical changes in living systems that very few people know how to undertake. Those who do are in high demand.	Market Opportunity
Annually serving 3,000 homeless or long-term unemployed people, 700 of which live and work in 20 communities. Plan to have 160 centers nationally in 5 years. Important contributions to the reform of social policy in Poland.	Veterinary and farm management services. Veterinary training for young entrepreneurs. Technical assistance for agricultural farming and fishing. Capacity building and marketing assistance for self-help groups. The Rickshaw Bank shall provide credit and delivery services.	College immersion workshops, college application training and peer support network for students in the application process. College application management training for high school teachers. Qualified low-income and minority applicants and data on this population for colleges seeking to recruit, enroll and retain such students.	Policy change, new network of opinionmakers, influence > 1,000 EcoVillage visitors and > 500,000 visitors to Spier Wine Estate each year. 400 children at the school, 40 houses in the EcoVillage plus savings in the community bank, and jobs in the local small businesses. 80 graduate students and 40 emerging farmers at the Sustainability Institute each year. Eventual target is models of sustainable living in practice in at least 20 African countries.	Product/Service