



## **Civil Society Resource Centre**

**(A Project of Aga Khan Foundation)**

**Women Empowered through Citizens' Community Boards  
(WECCB)**

**Hum Qadam Project**

**Participant's Manual**

**Local Resource Mobilization and Social  
Entrepreneurship**

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## Local Resource Mobilization

### Understanding Resource Mobilization

#### Learning Outcomes:

- That resource mobilization is not begging, rather, giving people the opportunity to give (whatever they can);
- That an organisation mobilizes resources from various sources to carry out its mission and acquire organisational sustainability;
- Four broad categories of local resource mobilization i.e. Human Resources, Organisational Resources, Infrastructural Resources and Financial resources;
- Resource mobilization supports the projects, NGO and local contributors also benefit in a number of ways; and
- How to deal with challenges to resource mobilization.

#### 1- What is Resource Mobilization?

##### Definition:

It is giving people the opportunity to give. It is not an end in itself but rather the process whereby resources are transferred from those who are able to give to those who have the need to receive. The mobilization of resources facilitates this process. Resources are the enablers of an activity that not only satisfies the need, but also satisfies the giver that their contribution has been wisely and effectively used.

This term is used to be more comprehensive than the usual "fundraising". Fundraising suggests that someone else has funds – and approaches need to be devised to access their funds. Resource mobilization includes two other concepts; first, that non-financial resources are also important; and second, that certain resources can be generated by the NGO rather than accessed from other sources.

##### **Resource Mobilization is:**

- NOT begging;
- People helping people;
- Giving people the opportunity to give (whatever they can); and

- Asking.

Resource mobilization is ASKING. While most people are willing to give to obvious and needy causes, only on rare occasions will people give without first being asked. No matter what the communication methods we use to convey the message of need, if this does not include an ASK, effective response will not take place.

### **1.1- Purpose of Resource Mobilization:**

How can an organisation raise the income needed to carry out its mission? Where are the required resources? How do you sustain your organisation and work? These are the key questions confronting organisations when they consider how to maintain their work and strengthen organisational sustainability. Developing a plan or strategy for resource mobilization can lead to creative efforts in using your own local assets to gain support for your organisation. Multiple sources of funding can increase your independence and flexibility to implement programs and reduce reliance on external (or foreign) funding. With increased competition for scarce grant resources, thinking of, and creating options for new, diverse, and multiple funding streams will help your organisation manage its programs.

### **1.2- What do we mean by local resources?**

Local resources are any contribution from within the local community that assists the implementation of an activity, project or program. They include a wide range of financial and nonfinancial contributions from local community members, including individual citizens, institutions, organisations, businesses, or government authorities.

**Resource Mobilization** includes various forms of self-generated income, such as community contributions, fees for services and sales of publications; it also includes obtaining support from the national government, the corporate sector, trusts and foundations as well as from the 'public'.

### **1.3- Categorization of Local Resources**

It is essential to be aware of the availability of the resources at the first place, which can then be mobilized for human development modalities.

**Four broad categories of local resources are as follows:**

#### **1.3.1- Human Resources:**

Human resources could be a great source of local resources e.g. potential learners, teachers/facilitators, local teachers and influential personalities, indigenous knowledge, technical skills, intellectual expertise and cultural heritage, community wisdom and labour and public relations, etc.

#### **1.3.2- Organisational Resources:**

Organisational resources, e.g. government commitment and institutional (both of government and non-government organisations) support is another category of local resources.

#### **1.3.3- Infrastructural Resources:**

Physical environment status, existing material facilities, transportation, and communication establishments etc. can also contribute to local resources.

#### **1.3.4- Financial Resources:**

The development funds available at local level, e.g. Department of Community Development offering 80% funds for local communities, small grants for short-term projects are the major government sources through which an organisation can mobilize financial resources. Although, donor agencies offering funds for small and large grants to undertake social action programs are the major financial resources for NGOs, however, social philanthropy is also considered to be an effective tool to mobilize financial resources at local level.

### **1.4- Why should you seek local resources?**

By mobilizing local resources to support projects, your organisation and your local contributors benefit in a number of ways e.g.:

#### **1.4.1- Sense of Ownership:**

By contributing their time and resources, citizens, institutions, businesses, and others can assume greater ownership of activities that directly contribute to the positive development of their communities. The sense of "ownership" comes from the pride and accomplishment of knowing that they have done their share to make their community a better place to live.

#### **1.4.2- Building Social Capital:**

Social capital refers to the value of social networks and the increased willingness of individuals and organisations to help one another as a result of these relationships. By seeking local support, NGOs are more likely to build long-term relationships with other institutions and organisations. These relationships contribute to the social capital within the community and provide a better base for future work.

#### **1.4.3- Sustainability:**

Mobilizing local resources increases the sustainability of community initiatives. As relationships and communication between NGO and supporters develop, future support is more likely. As members of the community with long-term interests in community projects, local supporters are more likely to continue supporting initiatives than external donors.

#### **1.4.4- Independence:**

Raising resources locally also gives an organisation more independence and flexibility to implement activities targeting needs that a community finds important. Additionally, local support means that an NGO does not have to adjust their programs to meet the needs and interests of external donors.

## 2- Challenges to Resource Mobilization:

- ⇒ Steadily dwindling resources
- ⇒ Reducing external dependency Vs. financial sustainability
- ⇒ Many organisations are seeking access to resources while resource levels are still the same.
- ⇒ Strategic issues, lack of solidarity among the NGOs, compromise of principles in order to get funding
- ⇒ More for profit organisations under social corporate responsibilities are giving resources(banks, oil companies)
- ⇒ Lack of accountability has in some cases caused donors to shift funding to other organisations.
- ⇒ Competition for resources may result into lack of solidarity and unity among NGOs

## Development and Management of a Resource Mobilization Plan

### Learning Outcomes:

- The need and proper utilization of resources for an organisation.
- What will be the resources used for?
- Prospect organisation for resources.
- By when an organisation needs the resources – for operations, or projects or capital?
- How much will it cost to raise the support from each source with each method?
- Who has the responsibility for raising the resources with each method?
- How will an NGO measure the results of income and expenditure?
- How to develop an effective action plan for resource mobilization?

### 2-Preparing a Specific Resource Mobilization Strategy:

In writing a resource strategy plan, whether it is one page or 100 pages, you should be able to answer the following in preparing the contents:

- How many resources do you need?
- What will be the resources used for?
- Who are you going to ask for resources?
- By when do you need the resources – for operations, or projects or capital?
- How much will it cost to raise the support from each source (organisation, individual etc.) through each method?
- Who has the responsibility for raising the resources with each method?
- How will you measure the results of income and expenditure?

## **2.1- Contents of a Specific Resource Mobilization Plan:**

*Your written strategy plan format and layout should include:*

### **2.1.1- Introduction:**

Here you express the needs for resources and refer to challenges (strengths/weakness/opportunities/threats) as listed in your case statement and probably in organisational plan.

### **2.1.2- Environment:**

Here you explain the internal and external issues that will influence your strategy. You should be able to extract these from the case as well.

### **2.1.3- List of Resource Objectives:**

These come either from your strategy planning workshop, or from the case statement, or from a fundraising committee you have appointed, or from the organisation's management. They will include the amount of resources to be raised over which specific period, sub-divided into the specific purposes for which you need the funds.

### **2.1.4- Potential Partners:**

List the groups of people you will approach for funds, listing as much information as you can gather. This includes marketing activities.

## **2.2- Action Plan:**

How you are going to implement each aspect of the strategy. This will include timing of the resource mobilization activities and events; the people you need to help achieve the results; the methods you will use to mobilize the resources from the targeted audience; the cost of raising the resources by each method.

- Income and Expenditure Budget:
- Summarize all the income forecasts, together with the costs of raising income into one budget.
- How will you measure the results of income and expenditure?
- The steps you will take and the "tools" you will use to monitor the progress of your programme, the reports you will issue.

## **2.3- Roles and Responsibilities of Resource Mobilization Team/Committee:**

The resource mobilization team/committee is a sub-committee of the governing body (Board), responsible for planning, implementing and evaluating resource mobilization strategy. It comprises a minimum of five people, and should preferably be chaired by a Board member.



Board members and suitable volunteers are co-opted to this committee. The Executive Director (or project coordinator) should be a member, and the staff member responsible for mobilizing resources should also be in this committee. Women representation should be ensured in the committee.

***The committee is supposed to perform the following tasks:***

- ⇒ Set policies and plans for mobilizing resources.
- ⇒ Schedule the Board's involvement in resource mobilization.
- ⇒ Enable committee members to learn the principles and techniques of effective resource mobilization.
- ⇒ Provide information to the Board on the trends, climate and the organisation's progress.
- ⇒ Might set guidelines for Board members' financial involvement, and solicits those contributions.
- ⇒ Identify, cultivate and solicit gifts involving major donors.
- ⇒ Work closely with the executive and finance committees.
- ⇒ The Executive Director and the fundraising officer will be actively involved with this committee.
- ⇒ If the organisation has no resource mobilization staff/volunteers then the committee takes responsibility for implementing the resource mobilization programme.

***2.4- Mobilizing Non-financial Resources:***

Philanthropic giving is more than just about money. It is not just about a donor feeling guilty or obligated but the spirit that moves within us, an emotion that is moving the mind and soul; it is a sincere emotion in *"wanting to make a difference"*. This desire to help is more than a simple handing over of cash or a cheque but a genuine longing to get involved and participate in a societal activity that will change things for the better. It is our job to offer such an individual or a company an opportunity to give and to share in a different way. This is why non-financial giving is better than money in the bank and must never be underestimated.

*"There are few strong relationships anywhere in the world that are based solely on money. Therefore it is important to build partnerships involving people, exchanges, and assets far more valuable than mere money."*

*Laurie Regelbrugge – Hitachi Foundation*

Relationship development and loyalty to non-profit organisations' mission and service delivery within a community cannot be given a price tag – there is nothing to compare with the long-term support secured when a person is involved and feels appreciated, and this show of appreciation starts with the smallest of contributions.

What is the true value of non-financial resources? Have you ever considered the benefit of individuals' volunteer time? If you receive free premises to carry out your important work do you factor that into your income budget?

Some of the common examples of non-financial resources are donated goods-in-kind and people's time donated for a social cause, venue provided by a community member to conduct any social activity (community meeting, seminar etc.)

## Determining Resource Mobilization Targets and Selecting Resource Mobilization Vehicles/Tool

### Learning Outcomes:

- To develop and introduce a promising programme (for which resources are required) that will yield results;
- Effective management and leadership by NGO's Board Members and staff who will ensure the accountability and transparency of the organisation;
- The ability to attract, create, and sustain new resources, especially based in the local community.
- The need to recognize the motivations and expectations of a volunteer;
- How income generation activities (e.g. Business Ventures, Cost Recovery, and Membership Fee) can contribute to resource mobilization; and
- How foundations, trusts, and other grant-making entities that make grants could be another major source of financial resources and how to approach them.

### ***3.1- Preparing for Resource Mobilization:***

Before you start mobilizing resources, you should lay the foundation to have a compelling reason for target audiences to give. A plan that weighs your options can help save time and effort and have a better chance of success. Some of the key elements that will strengthen your case include:

- Clear sense and commitment to your vision and mission: who you are, where you are going, and how your mission relates to the communities served.
- Promising program that will yield results.
- Evidence of past accomplishments.
- Effective management and leadership by your board members and staff who will ensure the accountability and transparency of the organisation
- Financial systems that will safeguard the resources raised, including adequate financial controls that demonstrate good management and builds trust
- Solid reputation, credibility, and positive image.
- Mutual respect and knowledge sharing between the organisation and the community it benefits, as well as other stakeholders with emphasis on participatory development and the inclusion of women and marginalized communities,
- The ability to attract, create, and sustain new resources, especially based in the local community.

### ***3.2- Volunteers as Resources:***

Volunteers can provide great resources and benefits to your organisation. Volunteering is generally done by choice, without monetary reward (apart from expenses), and benefits the community. To recruit and keep your volunteers, you need to recognize the motivations and expectations of a volunteer. People give their time because they get something out of the service they provide. For example, a young person may gain skills or experience to apply for future opportunities. Volunteers can be retirees, technical experts, young people, or student interns. They can serve for a long term, such as on your board or short term, such as providing labour to build a health facility. They may be a local resident or someone from another country. Regardless of whom they are and what skills they bring, you may want to think systematically about managing volunteers to get the most of this valuable human resource.-

#### **Some steps are:**

- Identify tasks that need to get done, outline a job description, duration of the volunteer service, and profile or skills required.
- Depending on your needs, recruit volunteers from places such as local schools or universities or inquire about foreign volunteer programs for placement of volunteers in your CSO. Corporations, local government offices, community associations, and other agencies may have skilled human resources to fill gaps in your organisation. Mapping your community's assets may help you to identify local residents with specific skills and capacities.
- Ensure quality of the work by interviewing, selecting, and hiring the person with the appropriate qualifications. Managing volunteers can be as time-consuming as managing staff.
- Retain volunteers by supervising them and providing support and mentorship as required. Volunteers usually desire opportunities that are meaningful and can fulfil their own needs (such as skills development, social environment, networks, learning). Provide opportunities of capacity building to volunteers, especially women, as they may have no previous experience but are an untapped resource.
- Recognize and acknowledge the volunteer in staff meetings and in public (in a newsletter or public event). Appreciation goes a long way but be careful of social considerations and norms while encouraging women so as not to make them uncomfortable.
- Keep track of volunteer hours and record this in your reports to funders and other stakeholders.

### ***3.3- Income Generation Activities:***

#### **3.3.1- Membership Fee:**

Your organisation may have members who form, own and operate the organisation. The organisation can generate cash from membership dues or subscriptions. The amount should be spelled out in the original charter or bylaws and may be done on a sliding scale. Members are also a good source of volunteers and spokespeople for your cause. In return, the organisation will be accountable to the membership base and add to the financial resources of the organisation.

**3.3.2- Cost Recovery:**

NGOs may choose to charge a nominal fee for their products or services. This helps the NGO to recover some of their costs and be accountable to the communities they serve to. However, in reality, many of the NGOs work in areas where the poor do not have the ability to pay. An alternative could be to subsidize some of the costs by charging those who can pay. To determine people's ability to pay, NGOs will need to analyse the overall socio-economic conditions of the local communities.

**3.3.3- Business Ventures:**

As part of their mission statement, many NGOs work to improve the economic conditions of a targeted group by helping to create new sources of income. The strategies employed to realize these goals can also be useful in generating income for NGOs directly. An effective financial plan can have a significant impact on the success and mission of a venture. Generating resources from the sale of goods and services can add to the income generation of the organisation. A common source of fees is to charge for training workshops or consulting in a technical field.

*Before you venture into a commercial or business proposition, some of the aspects to consider and to develop into a business plan are:*

**3.3.3.1- Conduct research on the business venture:**

- How the business or an enterprise can serve as a connector between your social and organisational endeavours?
- Analyse if by entering into a business venture the overall structural nature of your organisation does not changes from non-profit to for-profit organisation.
- Under what act or law your organisation is registered and if you could legally enter into a business?

**3.3.3.2- Think strategically:**

- How is the mission of your organisation related to the proposed venture?
- What are the goals and objectives of business?

**3.3.3.3- Conduct a market analysis:**

- What is the potential market for your product or services based on a market analysis, pricing structure, and strategy describing your niche?
- Have you identified a buyer for your services or products?
- What are the global, regional, or local trends affecting your product or services?
- What is the competition from other companies, including their coverage, market share, pricing, etc.?

**3.3.4- Identifying Foundation Support:**

Foundations, trusts, and other grant-making entities that make grants are another major source of financial resources. The first step in seeking a grant from a foundation is to identify those foundations

that operate in your geographic area and support work on your specific issue. Foundations have priorities, guidelines, and requirements detailing what they support. Usually foundations require a letter of inquiry or proposal demonstrating that your organisation or project is a good investment.

### **3.3.5- Cultivating Individual Donors:**

Your organisation can raise funds from individuals and present or past beneficiaries who give their money and time. Individual solicitations require unique approaches depending on the person's interests, motivations, and ability to give. For example, professionals can give regular, moderate amounts and may consider membership fees. The general public may want to give loose change at public collection boxes or buy a ticket for a special event. Developing a list of potential individual donors who can give substantial sums (also called "prospect list") starts with understanding what motivates them to give. It is important to recognize the motivations and incentives of the prospects so that you can tailor how you ask for a donation. For donors to keep giving, it is critical to ensure that you continue to meet their expectations and continue to educate and inspire them about your cause. Depending on the donor, this may be a report with photos describing your achievements and how the funds were used. Treat your donors with respect and honour their commitment by using their donations appropriately. Your strongest supporters are those whom you have already convinced to give once.

### **3.3.6- Soliciting Business Contributions:**

Corporations or local businesses may be interested in contributing more than just funds. Ask for their expertise, volunteers, products, or services. Small businesses located in the community's neighbourhood may have a personal interest in the organisation's work and may sponsor events or provide prizes for raffles. A business may want to be associated with your organisation because:

- *Your organisation's reputation*
- *Your expertise on a specific issue or services you offer*
- *Your organisation offers advertising for the company's product or services to a new market segment*
- *Your organisation provides an avenue to improve the company's image in the community or country*

Accessibility to the decision-makers of a company may be the biggest challenge you face. As with individual donor solicitation, building a relationship will require time and effort. Use your board members and network of friends to open doors. Use your best marketing tactics to convince them that forming an alliance with your organisation will be beneficial to them. Corporations may provide grants to those organisations their employees are affiliated with. Alliances with businesses also come with risks. Ensure that the company's values are aligned with yours and that funding does not distract you from your mission.

## Special Events

### Learning Outcomes:

- How special events could serve as effective strategy to mobilize resources;
- Importance of organisation's mission and link with organizing a special event, successfully;
- The importance of choosing an event according to the community needs;
- Significance of selecting an event date which does not conflict with seasonal duties.

Special events, also known as benefits, are a popular fundraising activity. The organisation sells tickets to a social event or concert etc. to mobilize financial resources. You can also sell crafts, T-shirts with your logo, or food at the event to make more money. You can have a “work party” where you bring the community together for a day to help renovate houses or a community library. Special events can be a fun way to publicize your cause, raise awareness of a specific issue, introduce a new program, create a positive image of your organisation, outreach to your community about your services, mobilize your constituency, and celebrate your accomplishments. Special events can also be labour-intensive, take staff time, and lose money.

***To maximize your chance of success, some tips in planning the event are:***

- *Tie the event to your mission or cause.*
- *Choose an event that people want to attend.*
- *Choose a date that does not conflict with seasonal duties.*
- *Repeat your event annually if successful: the first year may be the hardest and you may have learned lessons for the next one.*
- *Set an appropriate price.*
- *Recruit a local celebrity or dignitary to serve as an honorary chair.*
- *Nominate a volunteer to serve as the manager of the event and enlist other volunteers, this could be a way to test new leadership skills and build a team.*
- *Find a local business sponsor to donate cash or goods in exchange for free advertising.*

### 4.1- Ideas for organizing a special event:

#### 4.1.1-Art Exhibitions:

There are many talented amateur and good unknown professional artists/sculptors etc. who would welcome a chance to have their work exhibited and sold. Give them that chance, in the name of your

organisation, and raise some money too. Talk to local sellers about prices. You charge an entry fee and take a percentage of the profit.

#### **4.1.2-Women Eid Bazaar:**

Majority of women entrepreneurs running small-sized enterprises are often faced with the challenge of access to relevant market and potential customers. On the eve of Eid, an organisation can arrange a Bazaar with a difference to allow women entrepreneurs display their own manufactured products. The organisation can charge small fee to those interested in installing their stalls in the Bazaar.

#### **4.1.3-Crafts Market:**

Many people have a handiwork hobby. You can arrange for a weekend market for them to display their products. Use a school hall, and charge exhibitors a display fee and the public a small entry charge. You could also ask for a percentage of sales.

#### **4.1.4-Flower Festival:**

Decorate a school or trust building hall like a garden. You could work with a local gardeners club. Have a VIP gala opening, with pre-sold entry tickets. Invite nurseries, hardware shops, flower shops, book sellers and seed merchants to set up stalls at the venue. Distribute the flower displays to local hospitals or old-age homes after the event. This needs lots of publicity to bring the public in over a weekend.

#### **4.1.5-Sports Festivals:**

This is often used by service clubs who hold sports tournaments with large entry fees for players or teams. For spectator events, such as celebrity cricket, you have to sell thousands of tickets to cover costs, and you need the support of a large organisation to help you bring it off. You might persuade a local club or sports body to give you a percentage of sales of one of their annual gala matches. The more costs you have covered up front and the higher the attendance, the better chance you have for success.

#### **4.1.6-Variety Shows:**

The idea is to present some form of entertainment using local talent. It may take the form of variety, or could be a play or musical. If you can build in local events and flavour, the audience will love it. Plan well ahead. Rehearse well. Budget costs carefully. Using many ticket sellers will ensure full houses - they must be closely "managed" and give you daily progress reports.

### **4.2- Objectives of organizing a special event:**

The objectives of organizing a special event should match with an organisation's mission statement and the common problems of the target communities. An objective will be a specific, measurable outcome of an event. Narrow the prevailing community problems down to what can be accomplished through an event.

### **4.3- Common reasons why special events are failed:**

- The reason(s) behind organizing a special event does not match or not clearly explained with the social interests of the target community(s).



- The title of the event does not strike the audiences as significant.
- Local community representative have not been involved in the planning.
- The event is poorly planned, written and hard to understand.
- The nature of the event disturbs the social values or religious rituals of the community.
- The event has not been shared with the like-minded individuals.



## Direct Mail

### Learning Outcomes:

- The significance of direct mail appeals in the resource mobilization mix;
- Direct mail can do more than just raising resources for an organisation;
- How an organisation can create awareness among the potential stakeholders about your organisation and the community needs that you are dealing with;
- Investing in a direct mail campaign;
- The ideal contents of a direct mail package ; and
- The need of Mailing envelope, the enclosure, the reply envelope and a response leaflet and their relevance with ensuring the desired results of the direct mail campaign

It is writing a letter to someone, requesting them for their individual or organisational support in undertaking a specific social development programme in response to a need you have described. Direct mail is an important part of any resource mobilization programme, and a communications system by which you can contact many people at the same time. Direct mail can do more than just raise resources for an organisation. It can also create awareness for the relevant stakeholders about your organisation and the community needs that you are dealing with. NGOs of all sizes use direct mail, to find new sources, to get existing donors to give again, to ask donors to give more, to persuade inactive donors to begin giving again, and to keep long-term relationships between the organisation and its donor friends.

Direct mail appeals still have a very important role in the resource mobilization mix. They pull in prospects of like interest; keep current donors informed; upgrade regular donors to higher levels of response. It is still the most controllable and predictable fundraising cost. You know what it costs to produce and mail one letter, therefore, you can decide in advance how much to spend.

### ***5.1- Investing in a direct mail campaign:***

A new source acquisition campaign may seem expensive. You have to cover the cost of creating or buying a list, printing the appeal letter and response piece, producing an outer envelope and return envelope, plus bulk postage. It's possible to bring this cost down by using volunteers for some of the folding, inserting and envelope sealing work. When you use your own lists the cost will come down.

The key to controlling costs effectively is to test. Before taking the plunge and investing in any mailing, test a sample quantity of the total mailing. Anywhere between 10% and 20% of the total list should give you the answers to important questions: When you mail out the full quantity? What will be the response? What are the number of responses and size of income likely to be?

What are the things you can test? Here are some ideas. Do not test too many of them at one time because this will confuse you:

- *The effectiveness of a message on the front of the envelope.*
- *An individually typed letter versus a printed letter.*
- *A reply-paid envelope or no return envelope.*
- *Whether to include a leaflet or not.*
- *One message style or contents as opposed to another style or contents.*
- *A single page letter or a letter of many pages.*
- *One mailing list versus another list.*
- *Addressing men and women.*

It usually takes about one month from the mailing date for most of the responses to come in. If you have mailed a sample quantity of 20%, multiply the result by five. Now you know how the 100% mailing will respond, and what it will cost. Armed with this information your Board must approve the full expenditure, assuming you have found the combination that pulls the best response, in new prospect names or money income, or both.

## **5.2- The Direct Mail Package:**

In the opinion of most direct mail experts the ideal contents of a direct mail package are: A mailing envelope; a letter; an enclosure such as a leaflet; a reply leaflet or card; and a reply envelope. It makes sense to keep the mailing package to a size that fits a standard envelope. You can obtain postal rates from the post office in a leaflet that gives you the sizes and weights of the normal letter rates.

### **5.2.1- Mailing envelope:**

This is more important than you think. If the envelope carrying your appeal letter is not opened, those fine words you have written inside will never be read. The envelope's job is to carry the appeal and to encourage the receiver to find out what's inside. The post office has restrictions on the amount of space you can use to print a message on the front of an envelope, besides the recipient's name and address. You need to check this with your post office. You might not want to print on the envelope, "Our Annual Appeal", as this is likely to put the reader off.

### **5.2.2- The letter:**

There has been so much progress with letter production these days. The computer or word-processor enables you to turn out many letters at the same time, and make each one look personal. Although the contents of the letter will be the same for everyone, you can put the recipient's name and address at the top and even call them by their first name or nick-name. You could also drop their name into the body of the letter if you want to get really personal. The appeal letter should be warm and friendly. If you have gone to the trouble of making it personal, why make the contents look stiff and formal. The more you can make the letter sound individual and friendly the more likely it will be read. For instance, the opening sentence for a disabled group could read: "As a friend who has always responded to the needs of crippled children..."

**5.2.3- The enclosure:**

What goes with the letter? Many an appeal letter goes into the envelope on its own. Yet tests show that the letters will attract better response if they had something extra with them. Usually a leaflet is enclosed with the letter. The information leaflet is there to convince the reader that the organisation is worth supporting and that the reason for the appeal is important and relevant. If you have a small general information leaflet about your organisation or the project, this will help. Other motivating enclosures could be a letter from someone the organisation is helping, or a photograph of the need in the community - such as failed crops due to the lack of water. A letter from a well-known person or a government department supporting the organisation and its work can also be used as an insert with the letter of appeal.

**5.2.3- The reply envelope and a response leaflet:**

No fundraiser raising money by mail should fail to enclose an envelope for the donor to use when responding. This envelope carries the name and address of the NGO. Whether it should have a stamp on it or not, or have a business reply license, is something you will have to experiment with.

Donors are encouraged to make a gift if you include a response leaflet. This is a form on which the donor indicates how much they are sending and what they would like the money to be used for. It can also invite the recipient to pay by cheque or by credit card, or even agree to give regularly to the project by debit order or pledge. This form should have the name and address of the person printed on it, with a request that they check this information for errors before returning it. In this way you can make sure that your records of each donor are kept up-to-date.

## Major Gifts

### Learning Outcomes:

- Learn the skills of asking and negotiating personally for large gifts;
- Know the six steps in preparation for a major gift;
- Rehearse and script their approach to donors;
- Properly identify prospects through various techniques; and
- Recruit a suitable person with the right profile for this type of solicitation.

### 6.1- Six Steps in Preparation for a Major Gift:

Step 1	⇒	<b>Discover and Qualify</b>	<ul style="list-style-type: none"> <li>⇒ Find new and newly qualified prospects.</li> <li>⇒ Gather and analyse relevant information on each prospect.</li> </ul>
Step 2	⇒	<b>Plan</b>	<ul style="list-style-type: none"> <li>⇒ Formulate a plan for contact: first meeting, cultivation, solicitation.</li> </ul>
Step 3	⇒	<b>Involve</b>	<ul style="list-style-type: none"> <li>⇒ Establish a bond between the prospect and organisation, identifying linkages, interest and ability.</li> </ul>
Step 4	⇒	<b>Ask</b>	<ul style="list-style-type: none"> <li>⇒ Invite prospect to consider investing in the project or programme.</li> </ul>
Step 5	⇒	<b>Negotiate and Close</b>	<ul style="list-style-type: none"> <li>⇒ Lead the prospect to commitment by removing any objections.</li> <li>⇒ Decide which kind of “close” is appropriate.</li> </ul>
Step 6	⇒	<b>Thank and Plan</b>	<ul style="list-style-type: none"> <li>⇒ Express appreciation and recognition for the gift.</li> <li>⇒ Lay the groundwork for future involvement.</li> </ul>

## 6.2- Getting the Appointment:

- Send a letter to set up the phone call.
  - This begins the process.
  - Start to set up your presentation.
  - People like to be forewarned.
- Plan your approach and prepare to make the call.
- Make the call to request an appointment.
- Address immediate objections and issues, and agree on a time to meet in person.
- Confirm the date, time and place of the appointment.

## 6.3- Hints for Your Conversation:

- Use questions to get started.
- Listen well and patiently.
- Be sure the conversation keeps returning to the cause and the needs.
- Answer objections in a positive tone.
- Don't hurry - get the respondent to ask what is needed.
- Don't ask until you feel the time is right.
- Ask for a specific amount.
- Stress the people and the programme, not the cost.
- Base your appeal on logic and facts.
- Talk about other donors and leaders.
- Be ready to talk about various gift mechanisms.
- Naming opportunities.
- Offer a written proposal if necessary.
- Tell how the gift will motivate others to give.
- Ask at the highest level you can.
- Be flexible and understanding.
- If "no" ask how it could become "yes".
- Suggest a follow up meeting if need be - keep appointment.

***Note: If you in the least bit feel uncomfortable with the situation or feel unreasonable requests are being made that compromise your self-respect or dignity, beg your leave.***

### ***Some things to bear in mind during solicitation:***

- Prospect is under no obligation to give.
- Prospect is busy so don't drag the conversation.
- Might react emotionally and want to give immediately.
- Concede points if the prospect argues - don't press your view.
- Mention prestige and recognition.
- Help donor to decide the size of the gift.
- Discover how the gift will fulfil the prospect's needs.

***By the end of the first meeting you should know:***

- How the prospect feels about the organisation, project or need.
- What is of greatest interest?
- What size of gift is likely?
- What giving method is likely?
- What should happen next?

**6.4- Handling Objections:**

Objections are a natural part of any large gift solicitation process. You will encounter and deal with them at all stages of the process: getting the appointment, involving the prospect, asking, negotiating and closing.

***There are four general types of prospect attitudes and judgments as follows:***

**6.4.1- Misunderstanding:**

They are discrepancies between the prospect's perception of the facts, and your perceptions. The best way to deal with this is to clarify the statement, and then clarify the prospect's perception with the facts as gently as possible.

**6.4.2- Indifference:**

This may be defined as unperceived need. An indifferent prospect shows no particular feeling about your organisation one way or another, and gives you very little to work with as a next step. A good strategy for dealing with indifference is to clarify your understanding of their statement and then ask questions which will start to draw our perceived need.

**6.4.3- Scepticism:**

This is the disparity between the prospect's experience and the view of reality presented by the solicitor. It is usually best handled by an "expert witness" who can share the facts, observations, opinions and experience with objective credibility.

**6.4.4- Objection:**

These are real emotions, issues or personal experiences that cannot be neutralized by argument or simply reviewing the facts. They are based on facts or on indisputable personal experience, often wrapped in strong emotions. Objections must be acknowledged and sensitively worked through to get "yes". The mind-set is that you will "meet" the objection, not "beat" the objector.

**6.5- Establishing a bond between the prospect and organisation:**

Cultivate prospects; educate them to the point where they are convinced. This might take years for the really big gift. Earn friendship by giving your time: helping them understand the benefits of giving to you; proving the organisation's worthiness; demonstrating your commitment to the work; making the organisation meaningful to prospects.



***You could get signals during this period that say:***

- No, I'm not interested
- Yes, I am interested
- Silence, meaning neither "yes" nor "no"

If during cultivation the answer is "yes" then we follow up with visit, telephone or letter depending on size of the gift. If the answer is "no" don't give up. Qualify the reason for the "no".

## **6.5- Asking, Negotiating and Closing:**

Asking is inviting the prospect to invest in the project or programme. Factors that contribute to getting the "YES":

- The mind-set should be confident and opportunistic.
- What is the funder going to get out of the transaction?
- Involve people as partners in the solution to a community problem.
- Running the organisation on sound business principles.
- Start out with the vision that your approach will be successful.
- People put money into winners.
- Hold a passionate belief in what the organisation does.
- Dress to "blend" not to "offend" - like the prospect.
- Use volunteers for presentations (rehearse).
- 90% of sales decisions are based on emotion, and 10% on logic.
- Magic question: "Is there any way we could revise this proposal to get your "yes"?"

### ***6.5.1- Four things you need for closing:***

- ⇒ An interest in the project
- ⇒ Timing and pledge period
- ⇒ Assets - how the gift will be funded
- ⇒ The amount agreed on

### ***6.5.2- Three types of closes:***

#### **6.5.2.1- The Sole Objection:**

When the prospect is interested but holds reservation or can't move past indecision.

- Isolate the single objection.
- Turn objection into satisfaction.
- Satisfy the objection.

#### **6.5.2.2- Recommendation Close:**

When the prospect and the solicitor have developed a rapport.

- Test all the remaining objections.
- Summarize the close.
- Make a recommendation: "Based upon..."
- Be quiet and wait for response.

**6.5.2.3- The Assumptive Close:**

When time has passed between approaching and the negotiation

- Assume the prospect is ready to close.
- Add a minor point.
- Be quiet and wait for a response.

***6.5.3- Thank and plan long term relationship:***

On the principle that when we have financial need we go to our friends first, we need to see this gift as the first step, or the next step, in a long-term relationship. The appropriate recognition and careful record keeping come into play here. This is followed by keeping contact and by servicing the donor's needs.



## Grants

### Learning Outcomes:

- The types of support available in the shape of grants;
- Investigating an NGOs leading prospects;
- The guidelines for grants;
- Building community support and its relevance with applying for grants;
- Developing a working group; and
- What could be learned from rejections?

### 7.1- What are grants?

For our purposes, in this section, grants mean financial awards to your organisation to carry out a community project you have proposed. In real life, grant awards are sometimes given in resources other than cash (e.g., travel expenses, time off the job). And occasionally, especially for research, grants are made to individuals as well as groups.

### 7.2- Do you really want to apply for a grant?

Grants are wonderful, most of us think: and much of the time they really are. People give you money to do just what you want to do, maybe what you've always longed to do. How many times does that happen in life?

But most of the time, grants aren't easy to get. First, you have to find the right grant source. Secondly, you have to write the grant proposal. Both take time and energy, often intense hard labour; and your labours are not always rewarded, because grants are competitive. This isn't surprising; many others want grants for the same reasons you do.

Now, the good news: grant-writing is learnable. You can learn how to do it, and to do it well. Two main sets of skills are involved. One is writing the grant itself and here there are many excellent resources that will lead you through, step-by -step, with plenty of details.

The other skill area involves activities that accompany the actual grant-writing. Many of these deal with preparation. Some others parallel the writing itself. All of them fall under the heading of "general approach"; and while this heading is loose, its contents are vital.

***With the right approach, you can:***

- 1) See how your grant-writing plans fit with your organisational goals
- 2) Get in the right frame of mind before writing
- 3) Appreciate the role of social and political factors (over and above proposal content) in the grant review process; and, we believe,
- 4) Increase your overall rate of proposal-writing success.

**7.3- How should you apply for grants?*****7.3.1- Be clear about your reasons for applying:***

Before you begin, take a step back, and look at the larger picture. Why are you thinking about applying for a grant? Try these questions, and check your answers:

- ⇒ **What are my true long-term program goals here?**
- ⇒ **Can I do the same work as well, or almost as well, without grant money?**
- ⇒ **What will I actually use the dollars for?**
- ⇒ **Am I planning to apply simply because grant funds are potentially available?**
- ⇒ **Is a grant the only way (or the best way) to do what I want to do?**
- ⇒ **Are there other (and perhaps better) ways of getting the money I need?**
- ⇒ **Am I clear on my realistic chances of success? And given your best estimate?**

***7.3.2- Know the types of support available:***

Some of these are listed just above (under "Why Should You Apply for Grants?"). Here's the simple point: Before you pursue a grant, you should know the other options available to you.

***7.3.3- Focus on the type of support you want:***

After consideration, perhaps your thinking about funding will change, or you'll decide to support your work some other way. But perhaps you'll decide that you want to write a grant proposal after all. Good! Now you can move more confidently into the next preparation stage. What you want to do now is to...

***7.3.4- Search the field******Who makes grants anyway? There are three main sources:***

- The government: often federal, sometimes state, and occasionally local
- International development agencies
- Private businesses and corporations
- Foundations, which distribute many millions of dollars per year to community groups and organisations similar to yours
- Proposal-writing details are somewhat different from source to source. Government grants in particular tend to require more paperwork and more filling out of pre-established application forms.

There are also special techniques and procedures for securing government grants (and also government contracts) which we will not cover here.

- But there are many thousands of foundations. How can you find the ones most suitable for you?
- It usually takes research. But there are many good sources to make your search easier. We can't give a full list here, but just to get you started

### **7.3.5- Narrow the field:**

Your research might turn up dozens of foundations that could potentially support your cause. That's good: but you are probably not going to apply to all of them. It's time to narrow the field further through some further checking.

- Check the fields in which grants are offered. Are you sure the foundation makes grants in your particular area?
- Check the purpose of grants offered. You may want start-up, or "seed" money. But some foundations emphasize other types of grants, such as those for on-going support.
- Check the size of grants offered. You may be looking for Rs. 25,000. But the maximum award size of a promising foundation might be Rs.10, 000. (It's possible, though, to apply to more than one foundation at a time.)
- Check the locations where grants are offered. Are you sure the foundation covers your geographic area? Some have geographic preferences, as well as restrictions; and other things equal, you are often better off applying to a foundation close to home.
- Through this checking and rechecking, you can narrow the field to a smaller number of leading candidates. It's a gradual process, much like looking for work, or applying to school. But being methodical here will pay off; and now you are ready to do some further investigation of your leading prospects.

### **7.4- Investigate your leading prospects:**

Before you even consider applying to a foundation or granting agency, learn as much as you can about it. If you were applying for a job you really wanted, wouldn't you want to find out as much as you could about your potential employer? Here, you are making a different type of application, but the same reasoning applies.

How can you find out? The simplest way is to call the foundation itself, and ask for information. Almost all foundations which accept public applications will send you basic application guidelines. If the foundation has a separate application form, that will be included as well. Many foundations will also include an Annual Report and/or Grants List, which will tell you more about the foundation's goals and organisation, whom it has made recent grants to, and in what amounts.

Doing your homework can save you a lot of time and trouble in the long run. Your group's issue may be neighbourhood safety, and you may have had the Safe Homes Foundation in mind as your number one prospect; but on making an inquiry you find out that Safe Homes funds only projects related to

endangered species. It's better to learn such things sooner than later, so that time isn't wasted on both sides.

### **7.5- Know the guidelines (These can vary):**

Each foundation and granting agency does business in a slightly different way. This is perfectly justifiable: it's their money. So the guidelines often vary.

Some foundations will ask for a short one- or two page letter describing your proposal, and nothing else to begin with. (The foundation will read these letters, screen out inappropriate inquiries, and request more information if it wants to know more.) Others prefer to get the whole application up front. Some first want to know your credentials; others are primarily interested in your ideas. Some want detailed budgets; for others, money talk comes later.

*The guidelines will tell you what the rules are 99% of the time. That means your next step is simple:*

#### **7.5.1- Follow the guidelines:**

Now that you know what the guidelines are, follow them. If the foundation asks for an initial 2-page letter, don't send 20. If they want proof of your tax-exempt status, be sure to include it. If their application deadline is June 1, don't wait till summer. If your case is an exception, this should be described in your application, most commonly in your cover letter. But don't handicap yourself at the start; why shoot yourself in the foot before you've started walking down the road? Guidelines can sometimes be stretched, and very occasionally broken. But if you choose not to follow the foundation's guidelines, you should have very compelling reasons for doing so, and make sure they are well explained.

#### **7.5.2- Ask questions, if needed (But think before asking):**

Even though foundation guidelines are usually clear, you may still have a question. Some point may not be covered by the guidelines, or you may not be sure about a point. In those cases, it's perfectly okay to call and ask. Most foundations will have someone on staff to respond to calls like yours. And most foundations expect to receive such calls.

Think before calling, though. A call (or other contact) generally means you will need to identify yourself. Since first impressions count, you want to present yourself in the best possible light. So be sure you don't ask questions that are covered and italicized in the guidelines, Page One.

However, if you have a good reason do so, there are advantages to making a personal contact. First, the foundation staff person may also volunteer some information not explicitly in the guidelines, which can help you. Also, in the course of conversation, you can ask other questions or check on other guidelines to make sure you are on the right track. This leads us right into the next point.

#### **7.5.3- Consider a meeting with the funding source:**

Sometimes, it's also possible to set up a meeting with a foundation staff person to explore your idea before a proposal is written or delivered. Suppose that your issue is adult education, and that the Lifelong Learning Foundation seems to be right up your alley. But you're not sure whether your

particular approach is something that Lifelong Learning would seriously consider. So you call and ask if you might visit to discuss it.

#### **7.5.4- Have others make contacts for you:**

One variation of the above idea: You don't have to initiate a personal contact yourself; perhaps someone else could do it for you. This is especially true if you are a new player on the grant-writing scene; or if you know few people in the foundation world; or if you don't have much of a track record, or if you are promoting an untested idea.

Perhaps you have a friend (especially a well-connected friend) or know another well-connected person who knows a program officer at a local foundation. It's perfectly acceptable for your contacts to call up their foundation contacts and say, "These people I know are going to be calling you about their idea to do X. I think it's an interesting idea, and they are good people. I think you should meet them. "

#### **7.5.5- Build community support:**

Most organisations that make grants will want to know that your ideas have community support. This is because a usual part of the funder's mission is to serve the community. So if you can build community support before you start, that can be a big point in your favour. Ensure that you are inclusive in your approach since most funders want to emphasize the inclusion of marginalized communities.

How to build it? Sometimes the support will be there already, and you'll know it. Sometimes the whole community will be behind you from the get-go, waiting for you (or someone else) to step in. Other times, you'll need to ask for support, and be forthright about asking. At other times still, especially when you have a new or unfamiliar idea, community support may need to be actively cultivated.

A good way to build support for new ideas is to circulate the outlines of your ideas, as a rough draft, or "concept paper," and ask for feedback. This serves four distinct purposes:

- It validates (or, occasionally fails to validate) community interest in the idea.
- It gets some others actively interested.
- It makes it easier to get formal letters of support in a full-scale application, if they are needed.
- It provides useful corrective feedback about your idea itself - others may think of points you hadn't thought about before.
- It allows you to get valuable feedback from groups that may not have direct access to you.

#### **7.5.6- Form a working group:**

Most of the time, you'll want to gather the input of others in planning your grant application. Even if they aren't experts, those others may have attractive content ideas, good strategic thoughts, and often bits of specialized knowledge which one person alone will rarely have. And even if they lack any of these things, a group can give you the support you need to get the job done.



So form a working group, to talk about what should go into the application and how it should be presented. This will usually be a short-term group; it needn't meet more than a few times, unless it's a very large application. The group may not do the actual writing; "writing by committee" is not usually preferred. But the group's original input will be important; group members can divide up the information-gathering, legwork, and possibly drafting; and the group comments on the first (and later?) draft can be valuable too. Ensure that where possible, the group consists of and has adequate representation of women and marginalized sections of society, including the disabled.

#### **7.5.7- Get expert advice:**

When you do have a proposal draft, perhaps you know of an expert (or experts) in the field who might be willing to review your draft and give advice. "Expert" here could mean either an expert in your grant content area, whatever that may be; or it could mean someone particularly knowledgeable about how foundations work, perhaps even about your chosen foundation in particular.

Sometimes expertise may lie within your group or organisation itself; if so, call upon it. But otherwise, it's often a good idea to look for expertise from the outside. This is especially true if you are relatively new to grant-writing. Why not get an expert opinion before you send in the final application?

#### **7.5.8- Use a successful model:**

Artists use models; it makes their job easier. And if you were building something, from a bird house to a summer cabin, you'd almost always want to have a successful model nearby, (or at least a diagram), so that you could see how it was done and refer to it as needed. The same applies to writing a grant. If you can get hold of a winning application, particularly one that was funded by your chosen foundation, you are ahead of the game.

How can you do it? It might be easier than you think. If you have a list of grants previously made by that foundation, you can call up one of the awardees, and politely ask to see a proposal copy. (They've gotten their award; you won't be competing with them: so what can they lose?) The next best alternative is to find a winning example on a related topic that was selected by your foundation. If you can't do that, plenty of sources have at least partial examples of successful grant applications.

#### **7.5.9- Learn from rejection:**

Most grant applications are not funded; yours may not be either. That's the cold reality of the grant-making world.

If you go ahead with your proposal, you certainly want to be optimistic and to give it your very best shot. But even though you have done all your homework and covered all the bases, even though you may truly have a terrific proposal in all possible respects, you may not get that hoped-for phone call or award letter. The reasons may have little to do with your proposal at all; the foundation may have only a very limited amount of money to give; another application may have come closer to a foundation priority; political considerations may have intervened; you may have asked for too much money; or the foundation reviewers may simply have made a mistake.

But you can learn from rejection. If your application is rejected, you certainly have the right to find out why. If that is not made clear in your rejection letter, it is perfectly reasonable and generally desirable to call the foundation and get more feedback.

This is true as long as you take the proper tone, which is not "Why didn't you fund my brilliant proposal?" but rather, "What could we have done to make our proposal better?" The latter approach is not only more professional, but also more in your interest. Why? Because no one likes to feel criticized or put on the defensive. Because you probably want to keep the door open to later applications, which means you want a good working relationship. And because the foundation, when properly approached, will in fact be more willing to give you helpful advice which you might use in subsequent applications, whether to that foundation or not.

If your application was a good one, the foundation might even encourage you to make revisions and apply again. Even if it doesn't, you can gain from a rejection experience. "If it doesn't kill you, it makes you stronger." Well, not always. But in this case, maybe so.

# Social Entrepreneurship

## Understanding Social Entrepreneurship

### Learning Outcomes:

- The key concepts of social entrepreneurship i.e. innovation, and sustainable solutions to social problems;
- Definitions matrix of social entrepreneurship defined by different international organisations; and
- Distinct from a business entrepreneur who sees value in the creation of new markets, the social entrepreneur aims for value in the form of transformational change.

### 8.1- What is Social Entrepreneurship?

Social entrepreneurship is about innovative, people-oriented approaches underpinned by a passion for social equity and environmental sustainability. Ultimately, social entrepreneurship is aimed at transformational systems change that tackles the root causes of poverty, marginalization, environmental deterioration and accompanying loss of human dignity.

*The key concepts of social entrepreneurship are innovation, community orientation and social change.*

### 8.2- Social Entrepreneurship defined by “Skoll Centre”:

Social Entrepreneurship is the product of individuals, organisations, and networks that challenge conventional structures causing inadequate provision or unequal distribution of social and environmental goods by addressing these failures and identifying new opportunities for better alternatives.

***Social entrepreneurship must display all three of the following key characteristics:***

- **Sociality:** a context, process and/or set of outputs that are for public benefit.
- **Innovation:** the creation of new ideas and models that address social or environmental issues. This can be manifested in three ways: a new product or service (institutional innovation); the use of existing goods and services in new, more socially productive ways (incremental innovation); and/or the reframing of norms to redefine social problems and suggest new solutions (disruptive innovation).

- **Market orientation:** the performance-driven, competitive, outlook that drives greater accountability and co-operation across sectors. Market-orientation can include anything from conventional competitive markets to the exchange of social and/or environmental value.

### **More about Social Entrepreneurs:**

Entrepreneurs are essential drivers of innovation and progress. In the business world, they act as engines of growth, harnessing opportunity and innovation to fuel economic advancement. Social entrepreneurs act similarly, tapping inspiration and creativity, courage and fortitude, to seize opportunities that challenge and forever change established, but fundamentally inequitable systems.

Distinct from a business entrepreneur who sees value in the creation of new markets, the social entrepreneur aims for value in the form of transformational change that will benefit disadvantaged communities and, ultimately, society at large. Social entrepreneurs pioneer innovative and systemic approaches for meeting the needs of the marginalized, the disadvantaged and the disenfranchised – populations that lack the financial means or political clout to achieve lasting benefit on their own.

### **Who is a Social Entrepreneur? (ASHOKA Definition):**

Social entrepreneurs are individuals with innovative solutions to society's most pressing social problems. They are ambitious and persistent, tackling major social issues and offering new ideas for wide-scale change.

Rather than leaving societal needs to the government or business sectors, social entrepreneurs find what is not working and solve the problem by changing the system, spreading the solution, and persuading entire societies to take new leaps.

Social entrepreneurs often seem to be possessed by their ideas, committing their lives to changing the direction of their field. They are both visionaries and ultimate realists, concerned with the practical implementation of their vision above all else.

Each social entrepreneur presents ideas that are user-friendly, understandable, ethical, and engage widespread support in order to maximize the number of local people that will stand up, seize their idea, and implement with it. In other words, every leading social entrepreneur is a mass recruiter of local change makers—a role model proving that citizens who channel their passion into action can do almost anything.

Over the past two decades, the citizen sector has discovered what the business sector learned long ago. There is nothing as powerful as a new idea in the hands of a first-class entrepreneur.

## Basics of Social Entrepreneurship

### Learning Outcomes:

- How to diversify its revenue base and create resources to impart momentum to growth of a dynamic and relevant organisation;
- Adding new sources of revenue while reducing its dependence on government and donor funding;
- How an organisation should explore social entrepreneurship as a strategy to enhance its organisational capacity, mission impact and financial sustainability;
- A range of specific entrepreneurial strategies and practical considerations; and
- Exploring how an NGO can reduce the risks and maximize the impact of its chosen strategy for starting-up a social entrepreneurship.

### ***9.1- Four Steps in Starting Social Entrepreneurship:***

Whether growing an existing business or starting a new one, social entrepreneurship should begin with an opportunity that:

***Step 1 ⇒ Aligns with your organisation's mission and core values:***

A sound opportunity should at least support your mission and core values. Ideally it should help you enact them.

***Step 2- ⇒ Leverages an asset or capability that you already possess:***

Whether it's a customer relationship, a program, a piece of equipment or an identifiable brand name, a sound opportunity should leverage what you already have or can easily gain access to.

***Step 3 ⇒ Address a defined but unmet community needs:***

A sound opportunity should respond to an identifiable group of customers that possesses both a specific need *and* a desire to have that need addressed.

***Step 4 ⇒ Financial Sustainability:***

***This consideration comes in two parts:***

- ⇒ *If your opportunity does not have a programmatic element that helps you enact your mission, then it should most certainly demonstrate an ability to generate a financial surplus, from earned income, that will go toward supporting your social endeavours.*

- ⇒ *If your opportunity will help you enact your mission*, then it should be able to demonstrate that it will be financially sustainable, based upon *all* its revenue sources, including government grants and payments, private giving and earned income.

## **9.2- Specific Social Entrepreneurship Strategies:**

For simplicity, we've grouped the diverse array of social entrepreneurship strategies into two main categories:

Social entrepreneur's first priority is to strengthen and, where appropriate, grow their current business activities.

### **9.2.1- The relative potential of your various business activities**

If, you have a variety of business activities, you may want to use the 'sound opportunity' criteria to identify and focus on those activities that have the highest potential.

### **9.2.2- How you do your marketing?**

Enhancing your marketing involves deciding upon who your best customers are, and then tailoring your product or service, pricing, payment methods and terms, promotion, and method of distribution to meet their unique needs and wants.

### **9.2.3- How you produce your product or deliver your service?**

Improving your production practices can include: changing your production process, using different equipment, using different facilities, employing different people in new ways, trying different materials.

### **9.2.4- How you manage your staff and volunteers?**

Enhancing your human resource practices can involve changing how you define your job requirements, how you recruit and select your staff and volunteers, how you orient and train them, how you lead, organize and evaluate them, and how much you pay them.

### **9.2. 5- How you manage your money?**

Financial enhancements can involve upgrading your accounting system and procedures and improving how you budget and manage your costs and cash flow.

## **9.3- Key Benefits of Specific Social Entrepreneurship Strategies:**

***The key benefits of this strategy are that:***

### **9.3.1- You Can Start Now:**

Because this strategy involves fine-tuning what you're already doing, you can start sooner and for less than it might cost to start a new business.

**9.3.2- Less Risk:**

Improving an existing business activity is inherently less risky than starting something new, because you're dealing with a few changes (in, for example, your pricing, staff training, or budgeting) to an otherwise familiar situation.

**9.3.3- Quicker Results**

A well thought-out change to your pricing will result in short-term benefits -increased customer satisfaction, sales and profit - whereas a new venture will take time to produce results.

**9.3.4- It builds your capacity to succeed in a new business**

Much of what you learn by enhancing your current business activities, and the capacity you build, can be applied directly to any new business you might choose to start. The benefits of this strategy notwithstanding, it does require that you have at least some current business activities. And, because you're not creating an entirely new enterprise, your potential for growth may be limited. Finally, focusing solely on this strategy might cause you to overlook some very new, very viable business opportunities.

**9.4- Creating New Business Activities – Key Considerations**

With this strategy, you get to choose and make the big decisions. That's the good news. The bad news is that, with this strategy, you have to choose and make the big decisions (and all the small ones too). Five of these 'big decisions' are outlined below. Considering each will help you to start forming your own unique new business strategy.

**9.4.1- Services and Beneficiaries:**

A very basic consideration is, "To whom do you want to sell (your market) and what are you going to provide them (your products or services)?" You have several options, each with its own set of risks and efforts. The option with the least amount of risk and effort is providing more of your current markets with more of your current products and services. Conversely, the option with the greatest risk and effort involves providing new products and services to new markets.

**9.4.2- How should it relate to your mission?**

*There are three different types of social entrepreneurship opportunities:*

- I. Integrated opportunities which simultaneously produce social and financial outcomes. These are also known as mission-related opportunities.
- II. Re-interpretive opportunities that involve utilizing your products, services and other capacities in new ways to either reduce costs or generate revenue. Examples include a library that leases one of its extra offices to a local small business, or any charity that markets its products or services to new customers who are unrelated to their mission.

- III. Complementary opportunities that involve buying or starting a separate for-profit enterprise for the sole purpose of financially supporting the charity's mission-related activities.

#### **9.4.3- Part of your social or a separately incorporated enterprise?**

A practical consideration is whether you want to (or can) operate your new venture within the legal structure of your social, or if you should set it up as a separate, for-profit business that is owned (in whole or in part) by your social work. If you have identified an *integrated* opportunity that relates directly to your social endeavours or mission, there's little regulatory incentive to set up a separate business. However, for opportunities that don't directly relate to your mission - especially those that may represent a significant percentage of your total budget - it may make sense from a regulatory perspective to incorporate a separate, for-profit business. Even for integrated opportunities, there may be a strong case for setting up a separate, for profit business - access to financing, freedom of operation, etc.

#### **9.4.4- Scale, complexity and timing:**

A smaller, simpler opportunity (e.g., providing a new product or service to one of your current clients) will likely involve less investment and risk and be quicker to implement than a larger, more complex opportunity (e.g., launching an entirely new business that will serve a new community). Not surprisingly, our mantra is, "start small, start now, and grow as you're able." This said, you might be at a point where you're willing and able to pursue that big opportunity that will transform your capacity, impact and sustainability. Just be aware of the investment, risk and time it will involve.



#### 9.4.5- Employ community representative(s)?

If your mission includes training, or helping people to rehabilitate or integrate into society, you might consider a business strategy that actively engages them in your business.

### **STARTING SMALL: IN-HOUSE BUSINESS ACTIVITIES**

*This common business strategy involves activities that are based out of your existing facilities, and can take a variety of forms:*

- Providing your own product or service within a current program  
For example, a sheltered workshop that employs mentally challenged adults to produce wooden chairs and benches
- Re-selling another's products or services  
The same workshop markets a line of wood stains and polishes.
- Marketing a product, service or capacity outside of a program  
Where the workshop rents out an extra office space to local small business.

Within any of these activities, you may market your product or service to your mission-related clients or to another, unrelated group of customers.

***This strategy is effective and common because:***

It often involves simply enhancing or re-packaging what you're already doing or already have;

- ⇒ Building upon what you're already doing allows you to start smaller and sooner than with an entirely new venture; and
- ⇒ Starting smaller in turn can translate into lower required investment and risk.

***Potential downsides of this strategy are threefold:***

- ⇒ Because of its commonly smaller scale of operations, this strategy can have limited impact, especially in the short term, and may take time to grow.
- ⇒ A culture clash can result from developing new entrepreneurial opportunities – that will require special attention and may result in special recognition – alongside existing activities.
- ⇒ The additional duties that result from the resulting business activities usually fall to staff who is already working at or near capacity. These challenges notwithstanding, many organisations have been successfully employing this strategy for several years. For them, an opportunity exists to do more of what they're doing, and do it better, for enhanced impact and financial sustainability

### **9.5- Managing the Risks of Social Entrepreneurship – a Systematic Approach**

Risk is a function of two things: the likelihood of failure and the consequences of failure. By taking a systematic approach to your business development, you can reduce (but never eliminate) both. Undertaking the following steps will help reduce your risk and ensure a thorough, disciplined process is in place for the generation, selection and implementation of your business ventures:

**9.5.1- Determine Organisational Need & Purpose:**

Starting at the highest level, your organisation must agree to the need for social entrepreneurship (e.g., increase the number or quality of services, enhance profile and influencing reach, etc.) and agree to the purpose - to make a profit, to increase profile, to support education and advocacy activities, to train clients, etc.

**9.5.2- Determine Organisational Readiness & Commitment, Barriers & Inhibitors:**

What will get in the way? What does your organisation have to do to ready itself (e.g., everything from preparing policies to streamlining decision-making processes to establishing comprehensive data and financial systems)?

**9.5.3- Search for Opportunities:**

Look at your organisation's capacity and ties to potential markets.

**9.5.4- Create New Products & Commercial ideas:**

Involve staff and volunteers in brainstorming potential products, creating dozens or even hundreds of potential ideas that you can then screen and possibly develop.

**9.5.5- Screen Products & Ideas Including Product Business Plans:**

Do an initial screening to test the feasibility of ideas generated by brainstorming. Select several to take to the preliminary business feasibility analysis stage and, from there, one or two to take to a business planning stage.

**9.5.6- Research:**

Product research and development.

**9.5.7- Design & Test:**

Work out and pilot how the product will be delivered. Take your business model and design and implement a test - consult with potential clients, test the product or service with a sample market, etc. - that will allow you to evaluate your assumptions.

**9.5.8- Launch:**

Prepare launch plans and implement.

**9.5.9- Review & Revise (on-going)**

Constantly evaluate outcomes and assumptions against the business plan, and create and revise approaches as necessary.

It is imperative that through the social entrepreneurship development process, a business plan is developed for each opportunity as well as for the whole portfolio of opportunities.

## ***9.6- How NGOs can become more entrepreneurial***

Many of you may question how NGOs should become more entrepreneurial and run their own business ventures. Find the following answers to your questions:

### **9.6.1- What do we have to sell?**

As seen, you have a lot to sell.

### **9.6.2- Doing a business is different. Do we have the skills?**

Running a business is different, but if you are already running a small- to medium-sized enterprise your skills are there. It is a matter of applying them to different ends.

### **9.6.3- What about resources?**

This can be a problem. However, size does not matter. Perhaps you have to start small. Others have found 'investors' to help with start-up and therefore they can grow the business faster.

### **9.6.4- What Impact Will It Have on Our Mission?**

If undertaken as we've presented, social entrepreneurship can both focus and expand your mission impact. By following these suggestions outlined above, you should be able to find the best answers for your organisation. And you may find, as many other have, that social entrepreneurship can play a vital role in enhancing your organisational capacity, mission impact and financial sustainability.

## Pakistan's Experience and International Models of Social Entrepreneurship

### Learning Outcomes:

- Pakistan's experience of social entrepreneurship in the context of policies and opportunities;
- Successful international models of social entrepreneurs; and
- Historical models of successful social entrepreneurs.

### ***10.1- Pakistan's Experience of Social Entrepreneurs***

In Pakistan, all the policies have always been biased towards the élite. This is especially true of the economic policy which has been biased towards the large scale sector. The result is that this sector has developed on the incentives of rent-seeking rather than entrepreneurship. The development of small scale sector to some extent reflects the characteristics of entrepreneurship however this sector has largely grown up as an informal sector continually besieged by the state in its quest to protect its favourite child the large formal sector. Rather than entrepreneurship, policy planned for investors and investments became the norm. Incentives were offered to attract investment. Such incentives included licensed monopolies in protected markets, cheap land and credit and subsidized inputs. Keeping the economic definition of entrepreneurship in mind, we see that entrepreneurship in Pakistan is seriously impaired by government policy, legislation and regulation.

The government has continuously been of the opinion that investment especially at the large industrial level is entrepreneurship. As a result, it has been unable to promote genuine entrepreneurship and promoted cartelization and rent-seeking instead. In the last few years the entrepreneurial class in Pakistan has been on the rise for the first time. This trend has been recognized by the media both in Pakistan and abroad as well as by quite a few bloggers. The interesting thing is that the trend of rising entrepreneurship continues in spite of the growing political challenges and unstable business environment. A young breed of entrepreneurs has shown remarkable contribution in technology.

### ***10.2- Successful International Models of Social Entrepreneurs:***

*The following are some of major examples over the world, showing how social entrepreneurs have brought about sustainable solutions to the social issues.*

<b>Muhammad Younas</b>	Founder of microcredit and the <b>Grameen Bank</b> . He was awarded the 2006 Nobel Peace Prize.
<b>Dr.Verghese Kurien</b>	Founder of the <b>AMUL Dairy Project</b> which has revolutionized the dairy industry through the production chain of milk, small producers, consumer products and health benefits.
<b>Bill Drayton</b>	Founder of <b>Ashoka, Youth Venture, and Get America Working</b> .
<b>Sebastian Marot</b>	Founder of <b>Friends International</b> .
<b>Jody Williams</b>	Founder and chair of the <b>Nobel Women's Initiative</b> .
<b>Matt &amp; Jessica Flannery</b>	Launched <b>Kiva</b> - the online micro-lending venture.
<b>Joe Madiath</b>	Founder and Executive Director of <b>Gram Vikas</b> .
<b>Sam Goldman and Ned Tozun</b>	Co-founders of <b>D.light Design</b> - a social venture providing high-quality, affordable energy solutions for families living without adequate electricity around the world.
<b>Roshaneh Zafar</b>	Founder and Managing Director of <b>Kashf Foundation</b> - Pakistan's third largest microfinance institution.
<b>Jordan Kassalov</b>	Founder of <b>Vision Spring</b> - a social enterprise, helping women create businesses to sell eye glasses to those at the bottom of the pyramid who need them the most.
<b>Ann Cotton</b>	founder and Executive Director of <b>CAMFED International</b> - an international organisation dedicated to eradicating poverty in Africa through the education of girls and the empowerment of young women.

## Social Entrepreneurship and Sustainable Solutions to Social Problems

### Learning Outcomes:

- Different government policies regarding social entrepreneurship development and social entrepreneurs can grow in this environment;
- How some social entrepreneurs marked a successful history over the world; and
- International models of social entrepreneurs who registered history in the world.

### ***11.1- Social Entrepreneurs: Doing Sustainable Development:***

The basic model of the social entrepreneur working in sustainable development is fairly simple. Assess a problem and understand the environmental, social, and economic dimensions. There are some at first contradictory characteristics that crosscut leading social entrepreneurial efforts in sustainable development that appear to be distinctive traits. Part of what differentiates the social entrepreneurial project from your garden-variety sustainable development effort is the ability to balance and harness a set of these potentially opposed notions to drive better and better results.

A social entrepreneur is someone who develops social innovation through entrepreneurial solutions. A social entrepreneur takes notice of a social problem or need, decides to passionately pursue it, creatively innovates new solutions and entrepreneurially addresses the issue through an organized 'business plan' approach, thus allowing the social entrepreneur to address the issue of sustainability of the social venture undertaken.

Leading social entrepreneurs have the ability to evaluate the system dispassionately, but then have the vision to make a passionate bet on a leverage point and a strategy to tip that leverage point. Community needs and preferences must fundamentally drive social entrepreneurial efforts. But these efforts must also be pragmatic and opportunistic about external realities.

A key to long-term sustainability is community control over natural resources. However, a reality faced by many communities is that traditional control and decision making systems may need to be revived or may be strained when encountering previously non-existent threats. Therefore, intervention is sometimes necessary. But the intervention, to be lasting, must be aimed at capacitating local control as opposed to simply solving the problem at hand.

**11.2- Social Entrepreneurship and Sustainable Solution to Social Problems:**

Social entrepreneur is to recognize when a part of society is stuck and to provide new ways to get it unstuck. He or she finds what is not working and solves the problem by changing the system, spreading the solution and persuading entire societies to take new leaps. Social entrepreneurs are not content just to offer food rations or to teach how to grow food. They will not rest until they have revolutionized the food industry.

Identifying and solving large-scale social problems requires a social entrepreneur because only the entrepreneur has the committed vision and inexhaustible determination to persist until they have transformed an entire system. Scholars come to rest when they express an idea. Professionals succeed when they solve a client's problem. Managers call it quits when they have enabled their organisation to succeed. Social entrepreneurs go beyond the immediate problem to fundamentally change communities, societies, and ultimately, the world.

In rural and remote areas, the development of social enterprises is particularly important because they have a wide range of benefits, in terms of economic growth, employment and community support. Social enterprises are run to benefit people and the environment rather than to generate profit for individuals or shareholders.

In addition, a social entrepreneur has the incentive to continuously improve its offerings in order to compete in the market. Finally, the good will nature of social entrepreneurship tends to generate a more socially oriented use of profits and resources and to enable collaborative and participative processes with the community, rather than dissociative or conflicting relations with it.

The revolution — led by leaders committed to social entrepreneurship — is fundamentally changing the way society organizes itself and the way we approach social problems. These leaders are certainly doing more than giving food or money away. They are teaching the world to reorganize itself along more long term and sustainable lines by bringing about a renaissance in the way we think. There in lie the seeds for changing the thrust of modern capitalism towards longevity and sustainability. The renaissance in terms of measuring return on investment through emotional dividends, happiness, social responsibility, cohesion and fulfilment: beyond the singular lens of capital and financial accounting: has already begun.

## Sex and Gender

## Sex and Gender

### Learning Outcomes:

- The key concepts of sex and Gender; and
- Characteristics associated with sex and Gender.

## 12- Understanding Gender Perceptions, Roles and Difference with Sex:

### 12.1- What is Gender?

#### Definition:

#### ***Gender – Determined by Social, Cultural Affiliation, Learned Behaviours***

Gender is determined by social interaction, exchange, and absorption of peer, familial, and larger cultural values that determine gender identity and affiliation.

Gender can be considered fluid in the sense that one can challenge their own gender identity, in some instances holding it completely opposed to their sex.

#### ***Sex – Determined by Physical Anatomy, Biological Description***

Sex is determined biologically and refers to an individual's physical anatomy – genitalia, facial hair, body structure and composition. Sex refers to the biological characteristics that separate men from women.

Sex is not culturally influenced in a direct way (although certain cultures believe in certain practices or influences impact the sex of a child during pregnancy) and is normally considered to be completely biological in nature, uninfluenced by cultures, norms, values, or mores.

Some examples may help illustrate the distinction between gender and sex. Parents may socialize a biological boy (XY chromosomes) into a traditional masculine role, which includes traditional gender characteristics like: independence, courage, and aggressiveness. Likewise, parents may socialize a biological woman (XX chromosomes) into the traditional feminine role, including characteristics like: submissiveness, emotionality, and empathy. Assuming both children feel like their gender roles fit their identities, the masculine boy and feminine girl will behave in ways that reflect their genders. For



instance, the boy may play with toy soldiers and join athletic teams. The girl, on the other hand, may play with dolls and bond with other girls in smaller groups.

## Women Social Entrepreneurs

### Learning Outcomes:

- The significance of the role played by women social entrepreneurs; and
- How to learn to support/motivate women social entrepreneurs.

### **13- Background**

According to research women are much more likely than men to want to start a business with a social objective. Surveys show that nearly 50% of women want to use their 'big' idea to help people less fortunate than themselves, compared to less than a third of men. Entrepreneurship is about doing things differently and implementing innovation. It involves introducing new products, services, processes, or business models and managing the change that follows. Entrepreneurship entails exploring new territory, taking chances, managing with incomplete information and addressing resistance. Entrepreneurs are characterized by a strategic vision, which they promote with enthusiastic passion and determination. While the overall blueprint to realize the vision may be clear, the details are often evolving. Entrepreneurs take prudent risks, assess costs, and persuade others to join in and help. Social entrepreneurship is an increasingly important concept in the study of voluntary and non-profit organisations. In spite of the growing recognition of this concept, little is known about what individual characteristics might describe or explain who in society is likely to be (or become) a social entrepreneur. Preliminary studies empirically addressing this question while focusing suggest that a number of social entrepreneurs are likely to be women. Social entrepreneurs also tend to have more social capital, as measured by their activity in clubs and organisations other than work, and they are more likely to be happy, interested in politics, extroverted, giving (to charity), and liberal ideologically. Although exploratory, these findings help describe the social entrepreneur and suggest ways in which this important actor in civil society can be better identified, understood, and perhaps cultivated.

#### **13.1- Status of Women Entrepreneurs in Pakistan**

The business environment for women in Pakistan reflects the complex interplay of many factors, which fall into two basic categories. The first is made up of social, cultural, traditional and religious elements, which is anchored in the patriarchal system and clearly manifested in the lower status of women. The second group of factors is constitutional structures, policy documents, regulatory arrangements and institutional mechanisms. The regulatory environment does not generally discriminate against women, but even well-intentioned provisions can sometimes result in negative discrimination. An example would be the highly skewed labour structure of the apparel industry in Pakistan. Employment figures show that about 90% of workers in this sector are male. This is exactly opposite to the situation in other South Asian countries where 90% of workers in the apparel industry are women. The difference is

explained by a labour regulation in Pakistan that restricts the employment of women after 7 p.m. Hence the long hours often required in this industry provide a disincentive to employ women.

In Pakistan, as in many other developing countries, women are handicapped in society. Therefore they face many challenges, as they do not enjoy the same opportunities as men. They are not only deprived of financial resources but also lack access to basic needs such as education, health, clean drinking water and proper sanitation. Limited access to the essentials of life undermines their capabilities, limits their ability to secure gainful employment, and results in income, poverty and social exclusion. Their ambitions and aspirations are suppressed.

***Women businesses in Pakistan are typically characterized thus:***

- Most women-headed businesses operate from home, and financial matters are taken care of by male family members.
- Women entrepreneurs are seen in subordinate roles; with low levels of education and technical skills; low exposure to business; lacking role models; lacking peer support and business associations; low incomes and poor investment capacity.

Gradually things are improving for a woman, which has been caused by their tremendous determination and courage. They are entering in the field of education, health, engineering, IT and active participation is seen in the sports and politics arena. About 60% of women entrepreneurs in Pakistan have opted for traditional business such as parlours, bakeries, boutiques, but the largest number is employed in the garments and handicrafts sector. In general, urban women are better placed in terms of accessing information than those operating in the rural areas.

Many women are learning skills such as embroidery, sewing, and knitting for income generation, but lack an environment conducive to embark on such a journey of developing their career.

However, economic necessity is forcing more and more women to engage in some sort of employment, without relieving them of their traditional roles. There is a potential envisaged to develop the handicrafts sector and create income generation measures for these women as they possess the talents and aptitude for entrepreneurial development.

Nurturing an individual's, natural spirit of entrepreneurship is a powerful key to economic development. Therefore realizing the vast potential that women entrepreneurs possess and translating this potential into profits is imperative. Supporting businesses with strong associations can strengthen the structural adjustment reforms that are part of the current international wave of decentralization, which is grounded in the belief that promoting private businesses is essential to growth.

There is great potential in the Women Entrepreneurship sector. Their development can only lead to greater economic growth.

### **13.2- Characteristics of Women Entrepreneurs:**

With social entrepreneurship being a nascent field information on entrepreneurs generally, let alone on women entrepreneurs is not available. However,, in light of recent the discussion, and characteristics generally associated with women entrepreneurs, aside from the social sector, one can associate the following characteristics and skills with women social entrepreneurs.:

- focus

For example; as the former head of the Red Cross, one of the world's largest NGOs, Elizabeth Dole managed 1.3 million volunteers, revenues of Rs. 2.1 billion, and supplied relief to victims of more than 60,000 natural and man-made disasters each year. According to Dole, *focus* was vital for "the management of inner resources.

- risk-taking propensity
- high energy level and passionate
- personal motivations and persistence
- general business management skills
- social adroitness,
- interpersonal skills
- competence in finance and in managing relationships
- creative problem-solving
- decisive
- enthusiastic vision
- information-seeking behaviour
- leadership
- scientific orientation
- self-confident
- strategic thinker

#### **Case Study: Asia's Young Change Makers: Shamila Keyani**

Providing affordable and accessible healthcare to the rural population of Pakistan is a big challenge due to an acute shortage of qualified healthcare specialists and adequate health facilities and the geographical isolation of some regions. It is estimated that 75% of the population of Pakistan reside in rural/remote areas where there is hardly any access to the basic healthcare services and this results to many patients only reaching hospitals when their medical problem becomes acute.

Shamila plays a key role in planning, implementing and coordinating "Jaroka: Tele-healthcare" which will provide affordable and accessible healthcare to underserved community in rural Pakistan. JAROKA utilizes a mobile platform to extend health services in rural Mardan.

The project was started after Mr. Atif Mumtaz, a team member of Shamila, build a facility hospital in an extremely poor village called Zahidabad located in the Mardan (city), in memory of his late mother. Once the facility was build, he realized that no doctor was willing to go there to serve. Further research showed us that Mardan district with total population of 1.6 Million people has 76/1000 infant mortality rate and 201/1000 maternal mortality rate. Despite of these alarming statistics there are only two hospitals in the whole city which are either too expensive or out of reach.

In this area of Pakistan people live on less than Rs. 1/day and can't afford expensive treatment. Women are confined to their home and find it difficult to travel without accompany of a male member of the

family and as a result these people either never get to see a doctor during their whole life or are treated by illiterate and unprofessional people.

“This motivated us to think of innovative ways to provide an affordable and accessible healthcare of the underserved communities of rural areas and to attract doctors to work at UM Healthcare and as a result “Jaroka: Tele-Healthcare” was initiated” says Shamila.

Jaroka is one of its kinds of sustainable and scalable tele-health system that utilizes ICT and mobile platform to extend tele-healthcare based services in rural Mardan. All of the software services are developed in National University of Science and Technology (NUST). Their service include voice, SMS, Multimedia Messaging (MMS), GPRS/Edge and VSAT to quickly and efficiently extend medical advice to local health workers in the field by connecting them to the network of specialists in Pakistan as well as abroad. This will enable them to provide better quality healthcare to the community they serve.

Since October 2007, the project had made significant progress in its mission of delivering high quality affordable health care to local villagers. Despite the fact that the team charges a nominal fee from every patient, JAROKA have treated around 23,000 patients (120-150 patients daily on average) at UM-Healthcare Trust. “Despite of all the challenges faced by the project, I am really hopeful and motivated to bring a positive change in the health sector of Pakistan by introducing technologies such as telehealthcare and mobile platform. My dream is to replicate Jaroka model to all the rural areas of Pakistan.” says Shamila.

<http://www.fyse.org/blog/?cat=67>

## Empowering Women Social Entrepreneurs

### Learning Outcomes:

- A conducive environment to facilitate women social entrepreneurs
- A list of tentative plans/actions to support women social entrepreneurs in becoming a success

### **14.1- Challenges in enhancing women's entrepreneurial activity:**

Some of the basic problems that will be highlighted through the activity (which have been indicated by various research studies undertaken by women entrepreneurs) will be:

- Lack of information
- Lack of Micro Financing Schemes
- Lack of Skill Development
- Lack of Entrepreneurship/Business Skills
- Lack of Marketing Facilities
- Lack of Product Designs
- Lack of Networking and Trust Building
- Expensive Raw Material
- Low Quality Control
- Non-Conducive Working Environment

### **14.2- Key Issues faced by Women Entrepreneurs:**

#### **14.2.1- Exclusion of Women from Formal Economy:**

Government departments, business associations and networking organisations have no viable data on women enterprises. This leads to exclusion of women entrepreneurship development from policy making and top level decision making.

Procedural complexities and Red Tape within government institutions prevent women entrepreneurs from obtaining adequate documentation. Such absence of firm registration results in the inability of women entrepreneurs to obtain business loans, credit and financing, thereby ostracizing their entrepreneurial activities.

**14.2.2- Lack of awareness about financial laws and regulations:**

Misconceptions regarding legal barriers and documentation formalities are the reasons behind women apprehension towards reaching out for adequate financing. Lack of awareness and knowledge about firm registration, business documentation, and government licensing procedures.

**14.2.3- Limited outreach of women's business forums:**

The small number of women's business forums existing in Pakistan have extremely limited outreach and offer few quality services. They do not exist as institutions but as personalities: they have limited membership and confined regional outreach. This explains as to why not any such business forum has emerged as a national lobby group for women.

**14.2.4- Lack of networking opportunities and platforms for women entrepreneurs:**

Women entrepreneurs face the inexistence of a proper networking and cooperating platform. This limits their exposure to potential clients, market segments, and business suppliers etc.

**14.2.5- Lack of counselling services for women entrepreneurs:**

Due to lack of counselling services, many potential women entrepreneurs refrain from starting their own business. In addition, many existing women entrepreneurs suffer from the effects of improper business training, and inefficient business practices due to the lack of adequate guidance and training.

**14.2.6- Socio-Cultural Taboos:**

Women are paid far less than their counterparts, and often are invisible and unacknowledged in the informal work force. The desired role of families and communities in supporting women in entering business is often found to be a missing element. Moreover, business is considered a masculine domain.

**14.2.7- Business Environment:**

- ⇒ Less informed/misinformed about how to formalize their business.
- ⇒ Lack of feminine models in entrepreneurship.
- ⇒ Women are mainly in informal sector – household economy with small and less successful businesses (lack of skills, time, resources, credit, and childcare). Lesser monetary compensation than men.
- ⇒ Social and gender discrimination continues to prevail within the institutional framework of women support institutions

## Leadership and Women Social Entrepreneurs

### Learning Outcomes:

- Improve their personal leadership style; and
- Explore opportunities to facilitate women leaders in being successful.

### 15.1- Competencies of Effective Leadership:

#### ***15.1.1- Visioning and goal setting:***

This competency involves knowledge and skill in establishing official and operative goals for the organisation/units and to establish a system of measuring effectiveness of goal attainment.

#### ***15.1.2- Designing Organisational Strategy and Structure:***

This competency involves knowledge and skills in the analysis of the environment, size, strategy and use of technology.

#### ***15.1.3- Creating and Managing Change:***

This competency involves knowledge and skills to manage change in the organisation through setting direction and urgency, building a coalition of support, communicating widely, handling resistance to change and facilitating implementation of successful change actions.

#### ***15.1.4- Undertaking Corporate Entrepreneurship:***

This competency focuses on venture creation, governance, differentiation and integration of new ventures into current business environment.

### 15.2- Engage Competency Cluster:

The Engage cluster addresses leadership competencies related to enhancing the organisation's relationships with its external partners and stakeholders. These skills include building strategic alliances, managing conflicts among different stakeholders, negotiating effectively to derive optimum solutions and communicating ideas, proposal and analysis well to various stakeholders. An effective leader is one who is able to: Engage external constituencies and stakeholders' groups, develop allies, and garner impetus and support for change.



**15.2.1- Building strategic alliances:**

This competency involves knowledge and skills to engage in internal and external stakeholder analysis and to negotiate agreements and alliances based on a full understanding of power and politics.

**15.2.2- Negotiating/managing conflict:**

This competency involves knowledge and skills to engage in two-party/multi-party negotiations and to facilitate third-party intervention or mediations into conflict situations.

**15.2.3- Communicating effectively:**

This competency involves good presentation skills (verbal and written), active listening, problem framing and use of presentation technologies.

**15.2.4- Handling crises:**

This competency involves effectively managing risks and crises, and handling public relations.

**15.3- Exemplify Competency Cluster:**

The exemplifying cluster addresses leadership competencies related to building a culture of trust, integrity, risk taking and creative thinking in the organisation through actions of high integrity, use of feedback and reflection to self-improve, following through on commitments, and engaging in behaviours consistent with the espoused values and culture of the organisation.

An effective leader is one who is able to:

**15.3.1- Fostering trust:**

This competency involves knowledge and skills to build and sustain trust in an organisation and between the leader and his or her colleagues, through such actions as integrity and consistent behaviour, following through on commitments and open communication.

**15.3.2- Seeking/using feedback:**

This competency involves knowledge and skills of seeking and using feedback from others to improve one's performance and authenticity. This requires active listening and modelling personal change in order to foster trust in the whole organisation.

**15.3.3- Solving problems creatively:**

This competency involves knowledge and skills of fostering creative problem solving in the organisation through critical reflection, problem analysis, risk assessment and rewarded innovation.

**15.4- Enable Competency Cluster:**

The enabling cluster addresses leadership competencies related to motivating, empowering and directing subordinates in one's organisation to optimally accomplish goals and objectives. The cluster focuses on creating processes for employee growth and development, providing employee feedback to facilitate improvement and creating shared identity through teamwork and shared ownership.

***15.4.1- Motivating for peak performance:***

This competency involves knowledge and skills in using motivational techniques such as job design, role clarification, reward systems and performance appraisal to motivate optimum subordinate performance.

***15.4.2- Promoting empowerment:***

This competency involves knowledge and skills in using processes, such as delegation and information sharing to enhance subordinate ownership and empowerment over their tasks and performance.

***15.4.3- Developing people/leaders:***

This competency involves knowledge and skills such as mentoring, performance evaluation/feedback, career planning, coaching, etc. to enhance subordinates growth and development.

***15.4.4- Building team orientation:***

This competency involves knowledge and skills in developing team work among people in the organisation through such actions as team goal setting, developing group identity, participative decision making and open and effective communication.

## Worksheets

### Work Sheet: 2-A

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#### Development and Management of a Resource Mobilization Programme

#### Test for Resource Mobilization Readiness; Score-Sheet

Score-Sheet			
S. No.	Your Score	Ideal Score	Rated Against
1		5	A sound long-term organisation plan
2		5	A prepared case statement
3		5	Analysis of needs for at least the next 12-months
4		5	Identified funding constituencies or sources
5		5	A history of broad donor support
6		5	A database of prospects and donors
7		5	An efficient funding record-keeping system
8		5	A fundraising expenditure budget
9		10	A prepared multi-year funding strategy plan
10		15	A competent fundraising staff/volunteers
11		15	A Board fundraising sub-committee
12		20	Involved, concerned and contributing Board members
<b>Total</b>		<b>100</b>	

# Work Sheet: 2-B

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## Development and Management of a Resource Mobilization Programme

### Action Plan for Resource Mobilization

Name of the organisation: \_\_\_\_\_

Activity	Who	When	Resources Needed

## Work Sheet: 12

### Sex and Gender

PEOPLE BINGO SHEET				
Had a paratha for breakfast today	Believes in gender equality	Lives in Multan	Is a teacher by profession	Writes poetry
Tea is her/his favourite drink	Reads the newspaper first thing in the morning	Went shopping the past week	Enjoys watching cricket	Lives with their parents
Says their prayers regularly	Was born in the 60's (sixties)	Loves oranges	Has played hide and seek (chupan chupai) in his/her childhood	Has a college going son
Likes reading books	Has two children	Wants to lose weight	Knows how to ride a bicycle	Has been married for ten years
Owens a Nokia cell phone	Has travelled to Malaysia	Likes wearing white collared clothes	Wants their daughter to get higher education	Got a second division in their metric

## Work Sheet: 14-A

### Activity Planning to Support Women Entrepreneurs in their Challenges

Challenges in enhancing women's entrepreneurial activity	Actions/Plans to enhance Women's entrepreneurial activity
A lack of information about the needs of women, and of different groups of women who want to become entrepreneurs and about those who had already taken the step.	
Administrative complexity for those wanting to start a business.	
Lack of access to finance and information about resource mobilization, often but not always related to traditional views of women's role outside the home.	
Low levels of ITC competence amongst women starting businesses after unemployment or economic inactivity.	
Low levels of confidence amongst women in their capacity to start and sustain a business despite the possibilities of extending existing interests and skills learned in other settings.	
Absence of Women Business Centres at local level.	<b>Pilot test</b>
Underdevelopment of business training for women at all levels of education.	
Lack of childcare support for self employed women.	
Lack of supportive networks for women beyond early stages of business creation and development.	

## Work Sheet: 14-B

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### Activity Planning to Support Women Entrepreneurs in their Challenges

#### Hand out for Suggesting and Sustaining Women's Entrepreneurial Activity

##### Developing and sustaining women's entrepreneurial activity

- 1) Enhanced procedures for ensuring women's access to opportunities and information.
- 2) Using new technologies to provide resources on-line for entrepreneurs.
- 3) Developing business incubators for social sectors; especially those focusing on women
- 4) Stronger analysis of women's needs locally and development of specific training programmes on basis of that analysis.
- 5) Improving access to micro finance for women
- 6) Examining possibilities of making existing childcare meet needs of self-employed.

## Resource Material

### SAMPLE- PROJECT PROPOSAL FORM

At ABC, we are constantly looking for deserving development projects to fund. Please fill out this Project Proposal Form to the best of your knowledge, and an ABC representative will get in touch with you soon. Please note that, at this time, we are only considering proposals with budgets of less than Rs. 8 lacs.

Fields marked with \* are mandatory. Your application will not be considered if any of these fields is not completed.

1. YOUR INFORMATION	
*Name	
*Telephone	
E-mail	
Position/Relation to Project:	
How did you learn about ABC?	

2. ORGANISATION INFORMATION	
Individuals that are not affiliated with any NGO, applying for funding skip to 3	
*Name	
*Registration Act	
*Telephone	
E-mail	
Website	
*Address	
Area of Expertise (if applicable)	
*Organisation Background: Briefly describe when it was formed, mission statement / nature of work, geographical served, target populations, etc.	



*List of Officers/ Board of Directors	
No. of paid staff	
No. of Volunteers	
*Revenues for past year	Enter total budget amount here
*List of major funding Sources	
*Relevant Previous Experience (describe why your organisation has the requisite skills and experience to implement the proposed project)	

### 3. PROJECT PROPOSAL

*Project Title	
*Project Location	
*Funding Amount requested	
*Detailed itemized budget supporting the amount above	
Deadline for Funding	
*Project Description Describe the need, target population, scope of work, goals, and monitoring plan	

### 4. REFERENCES

Please give as a reference at least two individuals at development organisations that you are currently working with or have worked with in the past. References of relatives or colleagues are not appropriate.	
*Name	
*Organisation	
*Position	
*Telephone	
E-mail	

*Name	
*Organisation	
*Position	
*Telephone	
E-mail	
Name	
Organisation	
Position	
Telephone	
E-mail	

#### 5. TERMS AND CONDITIONS

1. By submitting this proposal, you agree that you and your organisation fully satisfy the following terms to receive funding from ABC:
2. No religious mission or agenda, no sponsorship of religious projects of any kind, and no commitment to exclusively helping members of a particular religious background.
3. No institutional affiliation with any political parties.
4. No ethnic affiliation or commitment to only helping members of a particular ethnic group.
5. The organisation and its officers have never engaged in any illegal activity or in teaching, propagating or supporting, either directly or indirectly, acts of violence or terrorism.

Published on 21 Oct, 2008 by Ali Salman in Features, Social Partnerships

## Pani Ghar – Case Study of a Social Enterprise

A pseudonym 'Paniwala' (PW) has been used to disguise the identity of the leading entrepreneur behind 'Pani Ghar', a social enterprise established two years ago to provide safe drinking water at affordable prices. The social enterprise as a company was wound up while the pilot outlet still functions in Lahore.

Mr. Paniwala (PW) looks back to a year ago when his negotiations with a major international social venture fund were almost finalized, before they suddenly collapsed and so did his dream to start a revolutionary social enterprise for providing safe drinking water to the poor in a financially sustainable way.

### **Background:**

Potable water in Pakistan is polluted, and the health situation is getting worse. This has been confirmed by National Water Quality Monitoring reports issued by the Pakistan Council for Research in Water Resources (PCRWR). Keeping this in mind, many companies have launched bottled water. However, they are catering to the rich. A litre of bottled water costs Rs. 22; in jumbo packs of 19 litres, this price drops to Rs. 6 per litre: still a price, which the poor and lower income groups cannot afford. The Economist (November 9, 2006) estimates that the spending on drinking water by an average household does not cross over 5 percent of their monthly income. It translates into the fact that to afford clean drinking water through bottled water companies, the monthly household income should be more than Rs. 50,000; whereas according to the Economic Survey of Pakistan, the per capita income of Pakistan is Rs. 850 or Rs. 4,250 per month as per 2006 prices.

### **Pani Ghar: Beginning of an Idea:**

Concerned about the water situation (for example, lack of potable water) in poor communities, Mr. PW began to think of ways to provide this precious resource – water – at a large scale to the poor in a for-profit business model. He thus analysed various options including the government expenditure and compared household costs per annum.

Next, PW undertook professional market research to estimate the demand of drinking water in specified locations while keeping a price point of Re. 1 per litre. The market research yielded several insights and confirmed that a sizable demand exists at the community level for buying clean drinking water regularly.

Once PW had determined the demand level in these areas, he explored technologies available in the market. His purpose was to find a 'medium size ultra violet filtration plant, which could be placed in an exclusive shop and could supply water to a community of around 1,000 households'.

### **Competitive Analysis:**

PW also conducted a competitive analysis. He identified that household filters pose an immediate threat to his idea. But his research exposed the inadequacy and uselessness of these filters. Many target customers opt to use boiled water; however, boiling water is recommended only for emergencies and scientifically proven to be counter-productive, if used regularly. A low cost technology is water purifying crystals. However, while this technology may satisfy social concerns, it does not satisfy commercial requirements. The government has spent 12 billion rupees in its project 'Clean Drinking Water for All'. The project aims to install more than 6,000 filtration plants – one in each union council of the country – by the end of 2008. Only 600 were installed and this project has unfortunately taken the well-known downward trajectory associated with most government-run projects.

### **Pani Ghar: Commissioning Phase:**

PW identified a local manufacturer of water filtration plants, who had developed a prototype. This, for PW was a dream come true. PW signed partnership agreement with him and a company was established: Pani Ghar. Much to the disappointment of this young entrepreneur, a year later, this would prove to be the beginning of an end.

PW assumed charge of this business and managed the sales, operations and quality of the outlet. He also conducted a rapid assessment of Pani Ghar.

Unanticipated Problems in Pani Ghar and PW's Strategy Pani Ghar was located on Multan road in Ittefaq town, a congested urban area near Mansura, Lahore. Although this outlet was operational for almost a year, the number of customers was low. The management faced various unanticipated problems. These problems included unwillingness of people to buy 'uncertified water', slow sales, poor marketing, lack of monitoring and competition from household filters.

When PW assumed charge of Pani Ghar, he took specific steps to address each issue. He appointed a business graduate and delegated sales, quality management and marketing to him. This brought positive results rather quickly. After six months, Pani Ghar's revenue doubled and the enterprise achieved self-sufficiency. Some sixty plus households became regular customers of Pani Ghar. These households belonged to the lower-middle group and became loyal customers.

**Scaling up Pani Ghar:**

When the house was put in relative order, PW began to work on an investment which would help him scale up the project. He believed in the concept of economies of scale and knew that a well-paid professional management would make sense, once the operations were wide enough. PW prepared a plan to open ten outlets in Punjab and sought the help of a major social investor. Initial response was positive and a long, taxing process of communication ensued. Lack of Internal Coherence While the enterprise was doing well at the operational and business development levels, it faced an internal management challenge. PW's partner began to mistrust PW regarding his engagement with the venture fund and spending money on systems and management. The partner was of the opinion that spending money on quality control and management support was not needed at this stage and should be put off. However, PW insisted that for long-term benefit, this short-term expenditure should be absorbed. This conflict left both shareholders in bad taste. PW was asked by his partner to quit and wind up the company. The potential social investor also took note of the internal management conflicts and concluded that it is not a safe investment. Apart from learning several lessons about the marketing of a social enterprise, PW also learnt an important lesson the hard way:

*The social entrepreneur should remain independent at least until the pilot phase of the product is successful. Dependency on an external factor, including an organisation or an investment in the initial phase can be fatal.*

*In the last quarter of 2007, Pani Ghar was wound up as a company, though the lone outlet still continues to operate profitably. PW's dream was not realized but his initiative provided great insights and a useful knowledge base for similar initiative.*

**Organisation Letterhead**

Date: (dd/mm/y)

Name

Title

Organisation

Address

City

**Subject:** \_\_\_\_\_

Dear Mr./ Ms. (Name),

To introduce, (Your Organisation) established in 19XX, is serving the (geographical) community with our services: (List). Recently, we were honoured by (description) for (accomplishment). (Insert one or two other accomplishments of entire organisation.)

The (Your Organisation) seeks support (financial or non-financial) from the ABC/XYZ Foundation for (seed money, general support, project support, publications support, etc.) of our (special project). We think this project is very much aligned with ABC/XYZ goals in (field of interest, other funded projects or guideline statement).

The project for which we request financial/non-financial resources will make a difference in the lives of (such and such clientele) in the following way: (insert specifics of plan). The project will take the X amount of time, X amount of Rs. and we expect the following concrete results: [a], [b], and [c]. We have received (grant support, contributions, in-kind, volunteer, volunteer staff help, etc.) in the early stages. Support the first year will come from [a], [b], and [c] and the project will (be complete at that time or supported in the future by [a], [b], and [c]).

We invite you visit the project and we will call by (date) (or within two weeks) to arrange your visit. We will be glad to submit a full proposal with additional information for your further review.

Should you have any query, please feel free to contact us.

Sincerely,

(Signature)

Your name

Functional Title

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