

GSBI OVERVIEW

- GSBI Overview
- GSBI – 2017 Organizations
 - Problem/Opportunity
 - Value Proposition
- Case Study Assignments (using info on GSBI – 2012 organization)
 - 8 Reports – Carlson/Koch Exercises for your org
 - Class Discussion
 - Final Project

GSBI OVERVIEW: READINGS

- GSBI-2017 Investment Profile / “Data Sheets”
(Camino Folder)
- GSBI-2017 Summary
(Camino Folder: video link and spreadsheet with links)
- Check-out Web Sites and links for those organizations of interest

GSBI OVERVIEW

- **Originated in Summer 2003**
 - Based on inputs from: U.N. Millennium Development Goals, Tech Award Laureates, World Bank Development Marketplace, and the Global Forum's Global Junior Challenge.
 - All identified the need for help in developing sustainable and scalable business models for Social Ventures/Businesses.
- **15 in-residence sessions** (through summer 2017): 226 participants (plus 106 online, and 603 off-site) total from 65 from countries.
- Approximately 200 mentors
- **GSBI-2017:** Class of 14 selected from 128 applicants

GSBI RESULTS TO DATE

- Provided on-line business planning – over 1000 organizations have “completed” one or more exercises.
- Taught SCU “Social Business Plan Paradigm” to 382 Social Venture executives (156 online)
 - $\geq 90\%$ are still in operation
- Estimated 260M beneficiaries from GSBI trained organizations
- “Lessons learned:”
 - Mentoring is key to learning
 - External Environment is unique (and important) for social ventures
 - Simple and inexpensive products/services
 - “Combinatory” principle of innovation (Prahalad “hybrid”)
 - Market creation (compete with non-consumption)
 - Efficient supply chain is crucial to most
 - Choice and execution of appropriate business model are essential
 - Partnerships lower costs
 - ICT (mobile, radio, apps.) are increasingly important

GSBI-2017 PARTICIPANTS

- Building Tomorrow Inc., Uganda
Focuses on providing access to education in hard-to-reach rural areas through the construction of new schools and by supporting improvements in the quality of education delivered through the deployment of Ugandan college graduates in the Building Tomorrow Fellows program.
- Food for Education, Kenya
Provides nutritious, heavily subsidized lunches to vulnerable school children in Kenyan public schools to improve school attendance, performance and nutrition status. To cover the cost of subsidies, FFE runs a food delivery business whose profits are converted to school lunches.
- Hipocampus Centros de Aprendizaje, Mexico
Provides premium quality care and early childhood education for children 1 to 6 years old, at a cost accessible to most Mexican families, particularly supporting working moms.
- Hippocampus Learning Centres, Uganda
Provides affordable joyful education in small towns and villages of India, in communities with a population between 5,000 to 100,000 people.
- KadAfrica, Uganda
A Ugandan agribusiness that envisions a world where out of school girls are economic drivers of their communities using passion fruit farming as a vehicle for girls to become independent empowered decision makers..

GSBI-2017 PARTICIPANTS

- MoringaConnect, Ghana
Provides vertically integrated supply chain to: (1) turn nutritious moringa leaves into moringa-powered superfood tea and snack products under our Moringa Foods brand, and (2) turn moringa seeds into clean beauty products, both under the award winning True Moringa brand.
- Nizam Potential Energy, Pakistan
Provides the under-served, and the off-grid with affordable, Pay-As-You-Go solar energy, coupled with mobile payment, monitoring, and data driven credit scoring.
- Resonate, Kenya, Rwanda, Uganda
Resonate is a non-profit social enterprise that uses storytelling to empower women and girls to build self-confidence and unlock leadership potential.
- Simusolar, Tanzania
Simusolar serves rural Tanzanians with productive tools and equipment financing payable in installments via mobile money. Equipment includes both power generation and its applications: irrigation, small business, home lighting, and more.
- Someone Somewhere, Mexico
Someone Somewhere is a lifestyle clothing brand that connects global adventurers with rural artisans, through products that combine traditional handcrafts with functional and fun designs.

GSBI-2017 PARTICIPANTS

- Tugende, Uganda

Tugende is an asset finance company helping people take control of their economic futures by owning the productive assets they use to make a living. Over the past 4+ years, Tugende have provided lease-to-own financing of motorcycles to over 4500 motorcycle taxi drivers (boda bodas) in Uganda, helping them own their own bikes in 19 months or less.

- Vega Coffee, Nicaragua

Vega Coffee, an online subscription service, upends the typical coffee supply chain by empowering farmers with the tools, training and market access to roast and package their own coffee, thereby earning 4x more than through typical export channels.

- VITALITE Zambia, Zambia

VITALITE provides high impact, quality products and services accessible and affordable to all Zambian households. We currently offer modern, renewable energy products. including solar home systems and improved cookstoves via pay as you go financing, and are expanding our product offering to include productive-use products to increase income generating potential of customers.

- Yellow Leaf Hammocks, Thailand

Yellow Leaf Hammocks is an outdoor, lifestyle brand dedicated to blissful relaxation and sustainable job creation. Through global sales of “ridiculously comfy” handwoven hammocks, they are empowering artisan mothers in rural Thailand to create a brighter future for their families and communities.

GSBI-2017 PARTICIPANTS

- HippoCampus Learning (Uganda) and HipoCampus Centros go together
- Resonate, Someone Somewhere, and YellowLeaf Hammocks are excluded
- Pick 3 (or more) in prioritized order and submit (in class) on January 15th.
- If there is someone you want to work with – let us know on your list and pick the same priorities
- We will assign teams of 2 (January 17)

Building Tomorrow Inc, Uganda

George Srour, CEO

- **Problem/Opportunity Statement:**

In Uganda, more than 1.2 million children are out of school, largely due to the lack of school facilities. Building Tomorrow's target market is comprised of local and federal government contracts as well as individual foundations/philanthropists looking for a high-quality contractor that prioritizes community engagement and long-lasting construction. In addition to a World Bank commitment of funding over 275 primary schools in Uganda, more than 400+ school and community-related infrastructure projects are initiated each year by local and district governments.

- **Value Proposition:**

Building Tomorrow provides general construction contracting services which are long-lasting, high-quality, cost-efficient, and community centered for rural areas throughout Uganda. Profits are reinvested in Building Tomorrow Fellows, who are helping to enroll students.

Food for Education, Kenya

Wawira Njiru, Founder and CEO

- **Problem/Opportunity Statement:**

Food for Education targets over 2,000,000 middle class Kenyans who work in the offices of local and international corporations and businesses in urban areas to deliver healthy, affordable, authentic, and convenient office lunches. The profits provide school lunches targeting the over 5,000,000 children who go to school hungry each day in Kenya, in order to improve their educational outcomes.

- **Value Proposition:**

Food for Education sources for food ingredients locally through farmer networks and delivers nutritious and authentic meals conveniently to individuals and corporations in urban areas that have limited access to fresh produce, with the profits enabling subsidy of healthy nutritious meals for hungry school children.

Hipocampus Centros de Aprendizaje, Mexico

Luis Martinelli, Co-founder and Director

- **Problem/Opportunity Statement:**

Our target market includes 700 thousand working mothers (or women seeking work, schooling, or training) aged 14 and older, who earn (or have the opportunity to earn) between \$250 to \$550 (two to five times the minimum wage) per month. In addition, the 10,000 businesses with labor-intensive processes that primarily employ women who struggle with employee turnover or are seeking solutions for on corporate social responsibility and employee welfare.

- **Value Proposition:**

Hipocampus Centros de Aprendizaje offers affordable quality care and modern education for children while their parents are at work. Unlike government or privately-run kindergartens, or family members with limited flexibility, Hipocampus has long hours that fit mothers' working or education needs, offers modern pedagogy, exposure to English, and more teachers to care for students.

Hippocampus Learning Centres, India

Umesh Malhotra, Founder and CEO

- **Problem/Opportunity Statement:**

Rural India has 54M preschool and 97M primary grade students, most of whom are in underserved communities. There is also an existing base of 181,000 affordable private schools to which our programs can be licensed.

- **Value Proposition:**

Hippocampus Learning Centres (HLC) creates integrated and comprehensive preschool and primary grade education programs that serve the needs of underserved communities. These programs are holistic, activity-based, and support differential learning. Parents in a Hippocampus school/preschool are able to appreciate that our methods, though different from the norm, are generating superior learning.

KadAfrica, Uganda

Rebecca Kaduru, Managing Director

Eric Kaduru, CEO

- **Problem/Opportunity Statement:**

In rural Uganda, few livelihood options exist for young women often due to cultural bias. They have limited access to resources. Their economic prospects are further affected by high attrition from school and pressure to marry young and raise children—often leading them to choose risky livelihood options. Approximately 25% of girls aged 14-22 will be married, 45% will have had at least one child, and all will be earning less than \$2 a day. In general, this income will come from subsistence farming, with little to no formal employment outside of the seasonal plucking of tea at local tea estates.

- **Value Proposition:**

The KadAfrica Experience equips girls with knowledge, skills, and assets to begin their own passion-fruit farms so that these previously unemployed young women can become economic drivers of their communities.

MoringaConnect, Ghana

Kwami Williams, Co-founder and CEO

Emily Cunningham, Co-founder and COO

- **Problem/Opportunity Statement:**

MoringaConnect is changing the economic opportunities for the 120 million small-farming families in Africa.

- **Value Proposition:**

Moringa is a crop known locally as “the miracle tree” for its nutritional, medicinal, and economic value. MoringaConnect is the first vertically-integrated supply chain for moringa oil and moringa powder. By adding value to moringa produce sourced from farmers in Ghana, we create jobs locally and increase rural farmers’ income by 4-10X on average.

Nizam Bijli, Pakistan

Saad Ahmad, CEO

- **Problem/Opportunity Statement:**

According to the IFC, 144 million people in Pakistan do not have access to reliable electricity. Eleven million households suffer from more than 12 hours of blackouts per day. More than ten million are living off-grid, with no access to the national electric grid.

- **Value Proposition:**

For off-grid villagers in rural Pakistan, Nizam Bijli is the only source for an affordable and reliable solar energy product which combines innovative technology and superior customer service to deliver an on-grid experience. In partnership with Telenor and Mobilink, we provide improved energy services using mobile technology.

Simusolar, Tanzania

Marianne Walpert, CEO

Michael Kuntz, COO

- **Problem/Opportunity Statement:**

Simusolar targets rural smallholders and fishers in Sub-Saharan Africa. These clients have 0.5 to 4 acres, though they are generally only cultivating 0.5 acres of their land. We segment them into two groups, one that generates over 75% of their income from farming, and the other that is diversified in its livelihood.

- **Value Proposition:**

Simusolar provides financed equipment systems, which are affordable, turnkey, quality packages for smallholder farmers and fishers, thereby increasing productivity and consistency of yields and therefore incomes, unlike manual or fossil-fuel solutions used by 98% of our target market, which are limiting and cost prohibitive.

Tugende, Uganda

Michael Wilkerson, CEO

- **Problem/Opportunity Statement:**

Motorcycles drive the economy in East Africa, transporting people and goods, and create an enormous number of jobs. There are over 800,000 full-time motorcycle taxi drivers in East Africa, including 400,000 in Uganda. However, most drivers cannot afford to buy their own motorcycle or access formal credit, leading to informal rental relationships with “landlords” who can withdraw the motorcycle at any time. This leads to job insecurity—you can lose your key tool through no fault of your own-- and there is difficulty building savings due to the permanent rental status.

- **Value Proposition:**

Tugende is a for-profit asset finance company. Our primary product is a lease-to-own financing package for motorcycle taxi drivers in Uganda, including training and insurance. Tugende’s path to ownership is affordable and requires no collateral, kick-starting financial independence for drivers considered too risky for formal lenders, even micro-finance institutions.

Vega Coffee, Nicaragua

Rob Terenzi, Noushin Ketabi, Co-founders

- **Problem/Opportunity Statement:**

Vega works with women coffee growers who export coffee through cooperatives. In Nicaragua there are about 45,000 coffee farmers, with over 80% living below the poverty line.

- **Value Proposition:**

Vega Coffee sells high quality, sustainably-sourced, and radically-produced coffee subscriptions to U.S. based coffee drinkers, creating market-driven change in vulnerable Latin American farming communities.

VITALITE Zambia Limited, Zambia

John Fay, Sam Bell, Co-founders and Directors

- **Problem/Opportunity Statement:**

Rural and peri-urban farming households in Zambia that have unreliable or no access to modern energy (our core business) and who generally cannot afford productive and welfare-improving products and services without access to appropriate finance. The size of the available market is estimated to be over 1.67 million households in Zambia.

- **Value Proposition:**

VITALITE provides PAYGO technology-enabled customer finance for productive assets, starting with household solar home systems as our anchor product. These products are otherwise unavailable and unaffordable for rural and peri-urban households, and thereby significantly improves productivity and quality of life, unlike the status quo where households have no access to resources or their energy options are inferior, expensive, and unhealthy.

GSBI-2017 CASE STUDY PREFERENCES

- Select at least 3 in which you are interested and turn in your list when you leave class tonight (it is okay to list more than 3). Due 1/15.
- I will assign 2 students per organization (giving you one of your preferences if possible). Will post the assignments on Camino before class on 1/17.
- Over the remainder of the term you will:
 - Search out information on the organization (Camino, web site, web searches, GSBI Box)
 - Create 8 reports which analyze your organization using the 9 point BP Paradigm (weekly assignment using materials in Camino, Box, and web searches).
 - Participate in 8 class discussions on your organization and turn-in written summary discussion prior to class.
 - Complete a 10 - 20 page report for an Investment Analysis and Recommendations for your organization
 - 2 people on each team figure out how to work together– both will receive the same grade on all assignments.

8 Reports (5 points each)

Outline/Analysis of Each Element of Business Plan

- 3-5 pages for each report
- Due on Monday following Wednesday lecture on the topic.
- Submit via Camino Drop Box in Folder for due date

B.P. Element	Lecture	Report Due
Mission	1/17	1/22
Ext. Env.	1/25	1/29
Target Market	1/31	2/3
Operations/Value Chain	2/7	2/12
Org. & HR	2/14	2/19 (No class)
Business Model	2/21	2/26
Metrics	2/28	3/5
Ops and Financing	3/7	3/12

CLASS DISCUSSIONS

(8 at 20 points with 2 points each – note there are 4 “bonus points”)

Contribute to discussion of your organization on each element of BP Paradigm, including:

- What is in the organization’s plan for that element-complete the Exercises in Carlson/Koch for in the relevant chapter.
- Any key innovations in this element
- Does this element create any competitive advantages (versus alternatives)
- How does “Business Plan Element” impact sustaining and scaling

TURN IN PowerPoint answering these questions by noon on Monday on which discussion is to occur.

Class Final Exam/Project (30 points)

Two Parts:

Part I: Investment Analysis (15 points)

Create an investment analysis (using a Capabilities Rating Matrix that will be provided) for the amount of funding requested by your organization.

Part II: Investment Recommendations (15 points)

Recommend specific changes to the organization's business plan (8 elements) that would improve the Capabilities Rating.