# SOCIAL & BUSINESS CO-CREATION: collaboration for impact

## A European Competition

# Articles Series

# Articles series
# European Social & Business Co-Creation Competition

In 2014, Ashoka, the Zermatt Summit Foundation, Fondation Guilé, DPD and Boehringer Ingelheim launched an online collaborative competition, *Social & Business Co-Creation: Collaboration for Impact to source*, to identify pioneers in the field of Social and Business Co-Creation and to highlight innovative Co-Creation projects in Europe. 338 projects from 34 European countries participated in this competition and 5 winning Social & Business Co-Creation projects received coaching, financial prizes, and were featured in prominent media. These articles were published on Forbes.com during the course of the competition.

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Editors: Felicity McLean, Stéphanie Schmidt, Ashoka

## 1. Why Co-Creation is the Future for all of Us? *Danielle Batist*

*Published on 2/04/2014 – 13,373 views*

In a world defined by rapid change, the search for solutions to societal and environmental challenges has become more complex. While market systems have become interconnected and supply chains have become supply webs, public policy and industry norms are not changing as fast. As a result, they are increasingly inadequate tools to govern our societies.

In order to drive the inevitable force of change towards social and environmental problem-solving, a crucial first step is to identify broken systems. From unsustainable value chains to unequal citizenship, a radical rethink of antiquated status quos is needed.

Social entrepreneurs have long been inventing solutions to problems that governments or businesses were unable to tackle–and in many instances had helped to create. But to solve the problems of our time at the scale and speed required, it is crucial to look beyond the traditional social and business sector divide.

"The private sector has been the missing player in the evolution of social entrepreneurship," says Stephanie Schmidt, Managing Director at Ashoka Europe. "Its potential has largely been untapped. Philanthropy and CSR are really only a drop in the ocean when it comes to the actual potential a company has to change the world."

Almost 60% of the 150 most important economic entities in the world are companies, not countries. With such impressive influence and success, they have got a lot to teach social entrepreneurs.
There are key strengths of the corporate sector that are valuable for the social sector, says Schmidt. "It is scale, but also efficiency in terms of operations, product development, distribution, as well as innovation."

But Schmidt is convinced it works both ways—that social entrepreneurs can potentially teach traditional corporations a thing or two about reaching their own goals.

"In times of crisis, social entrepreneurs have demonstrated their capacity to turn traditional business logic upside down, decrease the cost of their solution as much as possible, operate on a shoestring budget and be extremely 'client'-focused. All of these things could be very valuable for companies."

Seen from a business perspective, social entrepreneurs focus on market failures. They create products, services, and solutions for people who are not served by traditional markets: from people with disabilities to the aging population to women outside the workplace.

Low economic growth and high unemployment have led companies to look for ways to remain competitive and find new growth opportunities. Co-creating products or services together with social entrepreneurs could allow them to detect market failures quicker and find creative ways to address them, placing themselves ahead of the curve.

At the same time, companies are looking for ways to motivate employees who are searching for meaningful jobs. As Schmidt says, "From lawyers and young marketing managers in large consumer good companies, the search for purpose is everywhere." Co-creation projects between social entrepreneurs and employees of traditional companies are a powerful way to ensure the employees' satisfaction with their jobs.

Though Ashoka's first Fellows began exploring co-creation a decade ago, major barriers between the social and business sectors still exist, and the work of social entrepreneurs remains largely invisible to corporations.

However, in the instances when social and business leaders have managed to find each other and work together, the collaboration in many cases has led to greater scale for the initiatives—and therefore greater impact. Examples across the 3000-strong Ashoka Fellowship highlight the potential of cross-sector collaboration.

For example, one social entrepreneur in France runs a charity for people in debt. Rather than fighting financial institutions that provide the very loans that create over-indebtedness, he now works together with banks to identify large groups of at-risk customers and intervene with budget help and other support.
Meanwhile in Denmark, another Ashoka Fellow started co-creating after looking for a work placement for people with autism, including his own son. His Specialist People Foundation teamed up with a leading IT company after realising that many autistic employees had an exceptional talent for coding and programming. Many more companies have since come on board.

Co-creation is an emerging model across sectors, says Schmidt. "We see it happening among our Fellows and partner companies, but it is still in very early stages. What needs to happen now is to give visibility to this trend. We want to identify the pioneers in co-creation in Europe and highlight their work, support them so they can go even further, and of course inspire others to start co-creating as well."

*This post was written by Danielle Batist, a London-based journalist who writes about social change and highlights solutions.*

## 2. Co-Creation: Moving Beyond CSR, *Jean-Christophe Laugée*

*Published on 3/03/2014 – 3,851 views*

In 2009, in the middle of the economic crisis, Danone CEO Franck Riboud made the following statement: "It is a common sense observation that no living organism can grow and develop in a deprived environment or a desert. It is in a company's best interests to take good care of its economic and social environment, in one word, its 'ecosystem.'"

Based on this philosophy, Danone chose to go beyond corporate social responsibility by implementing innovative business models that generate social and environmental value in a sustainable way. Through three platforms, Danone seeks to address critical issues related to the corporation's expertise and goals—issues like malnutrition, access to water, sustainable resources management, and sustainable supply and value chains.

The Danone Ecosystem Fund is one of these platforms: it supports the partners of Danone's "ecosystem" (small agricultural producers, small suppliers, proximity distributors) to effect powerful social changes—and reinforces the company at the same time. The Fund is designed to support initiatives with general interest purposes, which are first identified by Danone subsidiaries in the territories where they operate, and the initiatives add value in three areas: employment, skills and employability, and micro-entrepreneurship.
By design, projects supported by the Fund need a top manager from a Danone business unit to champion them and a partner from a non-profit organization to co-design, co-manage, and co-monitor the project over time. This process ensures the commitment of Danone's subsidiaries and non-profit organizations to developing what is known as a "hybrid" approach to dialogue, design, and strategies, based on new and alternative methods of creating and sharing value. Other parties may be brought on board as well, such as local government bodies or international institutions. Social mission organizations facilitate dialogue between communities and Danone and provide expert knowledge of the local context. This co-creation process commits Danone to rethinking its practices and business models, through partnerships with players who traditionally stick to their own fields of expertise.

Such innovations are intended to spread across the Group and help promote the transformation of the company. To this end, the Ecosystem approach promotes open source knowledge in terms of business models and project management: good practices, practical tips, and decision-making tools are being formalised and shared within the business community. Danone's Guide to Co-creation, accessible online to anyone, was designed to contribute to a greater common knowledge about public/private partnerships and to facilitate co-creation implementation through a structured process.

**But how does this translate into the reality of a project?**

**Fighting violence against women through public-private partnership**

In Spain, 2 million women suffer from gender violence, according to the Spanish Institute for Women. Since November 2011, Danone Spain and the Danone Ecosystem Fund, in partnership with the Ana Bella Foundation, run a Social School for Women Empowerment to help abused women become more autonomous in their lives and better integrated into society. The women benefit from personal coaching, social workshops, and professional training. With the aim to become financially independent, they are offered job opportunities by Danone Spain as sales promoters for the Group's brands in supermarkets. Each year, 150 women "manage to regain control of their personal life through a proper job," explains Ashoka Fellow Ana Bella Estévez. On top of committing to diversity and promoting women's leadership, the project is a means for Danone Spain to recruit and keep salespeople who are qualified and motivated – the commercial performance of these women as healthy nutrition and brand ambassadors is above average. Sales increased in several sales points as a result of the work of the project's beneficiaries.

This type of project is meant to be replicated and scaled-up to maximize its social and societal potential, as well as contribute to transforming business practices from the inside.

After four years of existence, the Danone Ecosystem Fund has supported the co-creation of nearly

50 programs with more than 30 different non-profit partners, aiming to impact 50,000 direct beneficiaries. The best proof of the relevance of such models is that they have attracted co-funding from a variety of stakeholders, matching the amount committed by the Fund itself so far.

Results to date acknowledge that it will leave a footprint in the way of doing business at Danone in terms of business models and people. What needs to happen now is mainstreaming these alternative ways of doing business with Danone and in the industry in general.

*This post was written by Jean-Christophe Laugée, Social Innovation and Ecosystem Fund Operating Director of Danone.*

## 3. The Innovative Beat of Corporate Social Intrapreneurs, *Joseph Agoada*

*Published on 2/24/2014 – 1,967 views*

The breakout year for the social intrapreneur continues. After being recognized as 2014's most valuable employee last month, the social intrapreneur will now be at the center of an upcoming book by Professor David Grayson of the Doughty Centre for Corporate Responsibility and co-authors Melody McLaren and Heiko Spitzeck. "Social Intrapreneurism and All that Jazz" is filled with evidence of intrapreneurial social impact, analysis of intrapreneurism and its most distinguishing characteristics, and how all this can be understood in the context of jazz as a comparison. The book makes clear that social intrapreneurs are becoming important players in tackling the world's most pressing social problems and that their stock will rise as the deadline for achieving the United NationsMillenium Development Goals approaches. The reader takes away that social intrapreneurship represents a totally new model of doing business that is not just about innovating new social programs, but establishing a paradigm where initiatives for social good are being driven by economic factors for long term impact and sustainability.

As part of this special Forbes series on social intrapreneurship and co-creation, Professor Grayson has agreed to give us a sneak peak into the findings for the upcoming book, scheduled for release this March. The following has been excerpted from his book:

### Defining social intrapreneurs and their "close relatives"

We define social intrapreneurs as "people within a large corporation who take direct initiative for innovations that address social or environmental challenges while also creating commercial value for the company"… In contrast with social entrepreneurs, social intrapreneurs can leverage existing infrastructures and organisational capabilities to deliver social value on a large scale…

…Unlike their "close relatives," such as corporate volunteers, corporate responsibility (CR) champions or green team members inside companies who are also furthering social and environmental goals, social intrapreneurs aim to generate entirely new forms of commercial value through significant innovations in products, services, processes or business models for their employers. However, as will become evident from the examples in our book, these diverse members of the corporate "family" may find themselves working together as an "ensemble" to enhance the sustainability performance of their companies.

### How social intrapreneurs, like jazz musicians, are not "solo acts"

While there is a Western business stereotype that celebrates the heroic efforts of the intrepid business entrepreneur, a successful social intrapreneur, although perhaps originating an intrapreneurial project idea of their own, must learn to work in, and then help to create "ensembles"

of like-minded individuals with complementary skills and ideas—as happens with jazz musicians who are "jamming" or performing together—in order to succeed.

If the number of individuals involved is sufficiently large (i.e. the intrapreneurial project requires assembling a "big band" with a diverse range of talents), the proportion of orchestral "scoring" required relative to the amount of free improvisation may need to increase to grow a corporate project to a large scale.

And, as with jazz ensembles, the mere presence of other players is not enough. We found that the quality of the "conversation"—the collaborative relationships—between social intrapreneurs and their colleagues both inside and outside their organisation (often partners in external not-for-profit organisations) was instrumental in determining whether an idea could get off the ground and secure support in a company.

**What makes a successful social intrapreneur**

Successful social intrapreneurs have spent time learning skills associated with their own corporate specialism—whether it's marketing/communications, engineering, procurement, finance or some other business profession or function—as well as gaining an intuitive sense of how businesses work generally. They have "learned the ropes" of how things get done in their own company, internalised the company's values (what matters most) and, crucially, how, when and where to communicate ideas in the language of their corporate peers, developing a robust "business case" for their project ideas. They have also mastered the delicate art of balancing the behaviours of risk-taking entrepreneurs and rule-following employees within a large organisation.

**On the motivation for studying social intrapreneurship**

The value of studying social intrapreneurs lies in their potential to develop solutions to our global challenges by virtue of their positions in organisations that manage significant resources and power. Social intrapreneur Gib Bulloch at Accenture explains: "Affecting even small change in large organisations can lead to significant positive social impact" (SustainAbility 2008)…

…Why are these stories important? Because they prove that work can, and should be, more than "just a job"; it can be a fulfilling means to making the world a better place. Social intrapreneurism, we believe, is a gateway to an entirely new way of doing business: creating value, not just for investors, but for society as a whole. Businesses need to be recognised for what they truly are—not isolated entities operating in bubbles but value-generating (and potentially value-destroying) communities, interconnected with the wider world through networks of employees, suppliers, customers and others. We look forward to a future era in which it will be commonplace for inventive minds to design products and services that not only are commercially profitable but also address the world's

most pressing social, environmental and economic challenges.

Perhaps you, a reader of this book, will be a leader in that future. If so, we look forward to meeting you and learning more about the great work you will be doing.

*This post was written by Joseph Agoada, a digital platform innovator, resource mobilizer, and technology development specialist teaching social intrapreneurship with TechChange: The Institute of Technology and Social Change.*

## 4. The Secret Weapon of Intrapreneurial Innovators, *Joseph Agoada*

*Published on 3/10/2014 – 6,309 views*

Last summer, Jennifer Sigler, the Chief Operating Officer at Global Giving, shared with me that her entire staff was reading the Lean Startup by Eric Ries. The idea that a senior manager of a non-profit would have all of her employees read a book about start-up strategy sounded unconventional and fresh. After our meeting, I headed straight to the local bookstore to pick up a copy and quickly realized Jennifer was onto something big.

Startup strategy is no longer just applicable to the new tech company; it's a secret weapon for innovators and social intrapreneurs at all levels of large established corporations, nonprofits and civic institutions. The tactic is especially relevant to those working on pressing social issues, such as poverty and education, and are constrained by tight budgets and limited resources for new ideas. As you start considering the startup strategies for your institutional innovations, here are four potential outcomes to focus on:

### 1. Create a common language for innovation strategies across the organization

The brilliance of having an entire team TISI +0.35% read a book about startup strategy is that it provides a common language for members of every part of the organization to share, plan and evaluate innovation. The Lean Startup mixes simple scientific ideas with plain speak on strategy, and the model allows seemingly complex "Silicon Valley" concepts to become tangible to the bureaucratic organization. Introducing the lean or other start-up model creates a baseline understanding on how an innovation can proceed through bureaucracy, and into piloting and scaling.

### 2. Develop a more agile organization (while keeping your talent engaged)

Often when working for a startup, you can give yourself whatever job title you like. This is because during the bootstrapping phase titles are irrelevant and staff members may be asked to wear different hats on different days, meaning individual roles can change quickly as the organization grows. A large organization can harness the startup energy that results from this through what the MIT Media Lab Director Joi Ito describes as an "anti disciplinary" approach. The anti-disciplinary approach pushes staff to think differently about their jobs and their colleagues' jobs by spending time on tasks outside their expertise. In this process staff gain new skill sets and the organization creates a higher level of adaptability to new circumstances in a rapidly changing environment. A less radical approach, but a more practical avenue to startup staffing agility, is a contracting practice the Harvard Business Review calls "Tours of Duty". Tours of duty are time bound and shorter term assignments that enable

employees to rotate into different roles, building diverse skill sets while providing their organization with an ability to better adapt to changes in their sector.

### 3. Engage Core Customers/Beneficiaries with Minimally Viable Products (MVPs)

The minimally viable product (MVP), introduced to Eric Reis REIS +2.29% by his mentor Steve Blank and deeply explored in his book, is perhaps the most adaptable strategy for larger organizations to utilize. In a nutshell, MVPs (like a prototype) are the most basic version of a product, program, platform, etc. that enables the employee to test out their innovation with the intended customer/beneficiary and get feedback before releasing the official version(for a more detailed explanation, check out this animated lecture).

MVPs are extremely useful for socially focused organizations with limited budgets, and can help ensure accountability to target beneficiaries. UNICEF has leveraged the technique with great success, particularly the UNICEF Innovations team which has used participatory prototyping and rapid deployments to improve maternal health and vaccination distribution. The UNICEF Social and Civic Media Team with their innovative mapping tool, UNICEF Geographic Information System, continuously engage one of UNICEF's core constituencies, young people, in testing the latest iterations and features of the tool. Leveraging its social media network Voices of Youth and working with technical partner Innovative Support to Emergencies Diseases and Disasters (InSTEDD), the UNICEF civic mapping platform has developed in partnership with young people and empowered youth to report and take action on environmental hazards in Brazil, Haiti, Argentina, and starting next month, Kosovo.

### 4. Allow teams to bounce back faster from failure

Like start-ups, new innovations and ideas inside organizations have a high rate of failure. Among intrapreneurs and innovators, the idea of "failing fast" or "failing better" is a strong one. There are even FAILFaires which serve as a type of group therapy for learning from mistakes. However, for large and more traditional companies, the idea of allowing "failure" for innovative growth can be difficult and scary. Framing the process of learning and achieving in the face of failure as part of the innovation lifecycle is critical. The lean model'spivot or preserve is one concept that can help managers and teams set practical and timely mechanisms for evaluating new innovations. It creates a space for well thought-out risks and provides milestones where course adjustments can be made based on aspects of an innovation that are not working.

*This post was written by Joe Agoada, a resource mobilization, technology development and civic innovation specialist. He is a course facilitator forTechChange: The Institute for Technology and Social Change.*

## 5. How Philanthropists And Investors Can Work Together To Create Social Change, *Marc Cheng*

*Published on 3/31/2014 – 5,390 views*

Scaling up innovation is rarely as simple as investing in a company. The best social innovations aren't companies – rather they are social movements, coalitions co-created by businesses, social sector organisations and governments working together.

**But how do you fund and scale up a movement?**

The remarkable story of Aravind Eye Hospitals offers some insights. Aravind is a chain of eye hospitals founded in India that pioneered a new way of delivering ultra-low cost cataract surgery for the rural poor.

In 1992, a social entrepreneur named David Green, who had been working with Aravind to develop their social business model, teamed up with Aravind and the Seva Foundation to set up a company to make the lenses needed for cataract surgery. Green had noticed that the world market for such lenses was dominated by a handful of firms who were charging huge margins. At that time, the market price for such lenses was around $300. Aurolab, the company that Green founded, began selling them at $10, profitably.
The combination of Aurolab's low cost lenses and Aravind's revolutionary delivery model together led to a global surge in affordable eye surgery. Today, Aravind hospitals and others based on their model perform nearly one million surgeries each year, and Aurolab has approximately 9% of the global market share.

The Aravind-Aurolab case study provides valuable insights into how the right kind of funding model can help social / business partnerships scale up:

**1. Use philanthropy for start-up costs and investment for growth**
The start-up social business is often unattractive to commercial investors, because the risk/return of such ventures rarely meets their requirements. It is tough enough raising capital for a commercial enterprise, let alone one that deliberately seeks out low income customers. Sometimes there is only one funder who can step into fill this early stage gap – the philanthropist.

"I could never have launched Aurolab by raising money from venture capitalists," says David Green. "We could not have offered them the financial returns they need."

Instead Green raised a substantial grant from the SEVA Foundation that enabled him to build a state-of-the-art factory in Madurai, India. Freed from the financial constraints of venture capital, Aurolab did not need to price in margins to provide for a high cost of capital, and could instead price to maximize distribution. By having philanthropic capital funding the start-up risk, and then bringing in investors to scale up proven projects, social business partnerships can often scale their impact much quicker.

**2. Scale through Replication**

It's not a movement if only one player is involved. True social change takes place when others adopt and replicate the model. Once Aravind had proven the effectiveness of its model, it began to spread that knowledge to others, setting up a consultancy LAICO to share the knowledge with as many partners as possible. Today the model has been replicated in more than two dozen countries around the world. Philanthropic funding, with support from Seva Foundation and others, was the ideal funding source to support this strategy of scaling through replication.

**3. Create a Campaign**

Scratch the surface of a new social business venture, and you'll often find a campaign to change consumer behaviour and build a new market. Consider the challenges of launching a recycling business at a time when households were unused to the idea of sorting waste into "recyclable" and "non-recyclable." Yet these challenges were overcome – today such practices are the norm in much of Europe. Here social business partnerships may be ideal. Governments and foundations can play a key role in public education, highlighting social causes such as the need for recycling. Businesses can focus on providing products and services to meet the market need. And donations and investment can be channeled to each accordingly.

**4. Find Different Roles For Different Funders**

Sometimes investors want to support a social enterprise, but have very different risk appetites. If donors don't need a financial return, why not ask them to fund the more risky or purely social aspects of a venture?

For example, Fair Finance, a UK-based social enterprise which provides loans and debt advice to financially excluded individuals in London, entered into a partnership with several commercial banks to greatly increase the size of its lending. By first finding social investors who were willing to underwrite any expected "first losses" in the lender's portfolio as well as working capital, Fair Finance was able to bring on board the more risk-averse banks. As a result, it raised nearly ten times the amount of funding that it could have raised from grants alone.

Donors and investors are used to operating in different worlds. Increasingly, by working together, they are finding the formula for scaling up social innovation.

*This post was written by Mark Cheng, Director of Ashoka UK and Ashoka's senior advisor on social finance.*

## 6. Jugaad : the Art of converting Adversity into Opportunity, *Navi Radjou*

*Published on 3/23/2014 – 4,347 views*

We are entering an Age of Complexity characterized by intensified economic unpredictability, tectonic demographic and technological shifts, and accelerating resource scarcity. Adversity has become the New Normal. When you face adversity you either throw in the towel quickly or keep on fighting the issue. But what if you could transcend this "fight-or-flight" reaction and uncover a third way that could empower you to see adversity as an opportunity for personal and collective growth? Adversity would then become your ally and could ignite your ingenuity to unearth revolutionary solutions that yield amazing value for yourself and for humanity. You would become a modern-day alchemist—one who could literally transmute adversity into opportunity.

### Jugaad Innovators: The Modern Day Alchemists

Jugaad is a Hindi word meaning an innovative fix or an improvised solution born from ingenuity. Jugaad is the gutsy art of spotting opportunities in the most adverse circumstances and resourcefully improvising solutions using simple means. Jugaad is about seeing the glass always half-full. Almost all Indians practice jugaad to make the most of what they have.

The jugaad spirit, however, is not limited to India. In our book Jugaad Innovation, we show how thousands of ingenious entrepreneurs—including many social entrepreneurs who operate on a shoestring budget and are aiming at addressing societal challenge—across emerging economies such as China, Africa, and Brazil, use jugaad to overcome adversity and create socially-valuable solutions. In Kenya, for instance, entrepreneurs have invented a device that enables bicycle riders to charge their cellphones while pedaling. In the Philippines, Illac Diaz has deployed A Litre of Light—a recycled plastic bottle containing bleach-processed water that refracts sunlight, producing the equivalent of a 55-watt light bulb—in thousands of makeshift houses in off-the-grid shantytowns. And in Lima, Peru (with high humidity and only 1 inch of rain per year), an engineering college has designed advertising billboards that can convert humid air into potable water.

### Jugaad Innovators Use Partners to Co-Create Sustainable Value

All the jugaad innovators we studied in India and other emerging markets not only demonstrate great resilience, but also excel at building and nurturing partner ecosystems. They actively engage partners to co-create greater value for society. Specifically, jugaad innovators leverage partner networks to

1. **Co-discover end-user needs**. Jugaad innovators don't design solutions by sitting in an insular R&D lab. Instead, they collaborate with local partners to learn about local problems and identify end user needs. Take Embrace, co-founded by Stanford graduates Jane Chen,

Linus Liang, Naganand Murty, and Rahul Panicker. In India, China, and Africa, Embrace markets a portable infant warmer for premature babies priced only $200—or 1% of the cost of incubators sold in the West. The device doesn't need electricity and helps mothers hold their babies close to their bodies, boosting their survival. Embrace used NGOs and hospitals in emerging markets to understand end users' constraints—like lack of electricity—and find ways to overcome them.

2. **Co-develop frugal and sustainable solutions**. Jugaad innovators don't develop new solutions on their own. Rather, they engage local—and even global—partners to design and build their frugal offerings. For instance, Mansukh Prajapati is an Indian potter who invented MittiCool, a fridge made entirely of clay that consumes no electricity. Prajapati involves many women in his village to co-produce his sustainable fridge, thus also creating gainful employment for local community members.

3. **Co-deploy solutions to a large number of users**. Jugaad innovators in emerging markets solve the "last-mile problem" by leveraging grassroots partners to make their frugal solutions accessible to a large number of customers. For example, SELCO—founded by Ashoka Fellow Harish Hande—employs a grassroots network of micro-entrepreneurs to charge, install, service, and collect payment for solar lighting systems that are rented to over 125,000 rural households in India. Similarly, Embrace partnered with GE Healthcare to scale up the distribution of its portable infant warmer while Indian retail giant Future Group distributes in its stores the frugal products of jugaad innovators like Prajapati.

The ingenious solutions created by these jugaad innovators—our modern-day alchemists—should inspire citizens in the US and Europe who are confronted with an economic crisis, resource scarcity, or a challenging social context. Rather than giving in to pessimism, entrepreneurs and companies in developed nations should learn from jugaad innovators in emerging markets how to transmute adversity into opportunity and engage partners to co-create greater social value at lower cost.

*This post was written by Navi Radjou, co- author of Jugaad Innovation and winner of the 2013 Thinkers50 Innovation Award. He is a Fellow at Cambridge Judge Business School and a member of World Economic Forum's Global Agenda Council on Design Innovation.*

## 7. Overcoming the Last Mile Challenge: Distributing Value to Billions, *Nicolas Chevrollier & Stéphanie Schmidt*

*Published on 2/17/2014 – 4,058 views*

You can buy a Coca-Cola anywhere in the world, but affordable products that provide essential value like water treatment or lighting often do not reach billions of poor populations around the globe. However, in what is commonly known as the "last mile distribution challenge," some social entrepreneurs are providing innovative solutions to make the last mile a first opportunity.

A majority of the population in developing economies live in rural areas often accessible only by poor quality road infrastructure. Furthermore, geographical isolation or limited access to relevant information disconnects populations in many developing countries from any business value chain. The consequence—which can affect both urban and rural populations—is that products providing essential value either do not reach the intended customers or are more expensive or lower quality than the standard products that are accessible by other populations.

**Innovative distribution schemes for underserved populations**

Social entrepreneurs have innovated and co-created across sectors to overcome these challenges. With passion, perseverance and patience, they invent ingenious ways of reaching these underserved communities. Some of these alternative distribution schemes include:

- **Leveraging existing retail channels.** By making use of limited existing channels and infrastructure for distribution, social enterprises can create new routes to markets. For example, Hapinoy Stores in the Philippines improves a network of small neighbourhood convenience stores (Hapinoy sari-sari stores) by introducing new business opportunities to sell products like medicines, solar solutions, or financial services through mobile platforms. Store owners—often women—are trained on business management and personal development to increase profitability of the store and, if needed, gain access to finance to grow and build a bigger store.
- **Creating hybrid partnerships**. Non-profit organizations or microfinance institutions that are well established in the local scene can provide a direct network of targeted communities. The rise of Grameenphone in Bangladesh—the result of a partnership between Grameen Bank and the Norwegian mobile operator Telenor —is an example of such a win-win situation. As part of the cross-sector partnership, existing women borrowers of Grameen Bank are equipped with a mobile phone and become mobile public call offices commonly known as village phone. It allows the for-profit Grameenphone to reach rural areas often neglected by mobile operators.

- **Tapping into village entrepreneur forces**. Empowering leaders and entrepreneurs in the community to play the role of sale agents is another path for creating reliable distribution networks in underserved communities. Ashoka Fellow Greg van Kirk from the New Development Solutions Group in Guatemala delivers health-related goods and services to remote villages by empowering the villagers to help themselves. As trusted members of the community, these distribution agents bridge culture diversity, identify critical needs in the local population and facilitate the product adoption process by increasing awareness of the relevance and potential social impact of life-changing goods that improve, for example, health or financial stability.

### The "last mile" in Europe

While there is the misconception that the last mile is a problem that only affects developing countries, Western countries are also facing this challenge. The last mile challenge is primarily caused by isolation—isolation due to, for example, poor roads in rural Ethiopia or a lack of available information in a slum in Bangladesh. In a Western setting, isolation is faced by aging populations in rural areas, people left without transportation means or facing mobility issues.

Because the solution to all these problems lies in reducing isolation of underserved populations, there is abundant opportunity for reverse innovation and for these pioneers from both developed and developing country contexts to learn from one another, collaborating across international borders to adapt solutions that fit particular circumstances. With inspiration from top social entrepreneurs in developing countries, traditional companies and social entrepreneurs in Europe can also leverage their complementary strengths and expertise to address their own distribution challenges.

Take Ashoka fellow Anne Charpy from Voisin Malin in France. She has developed a unique approach to restore community in France's poorest urban districts. By partnering with public institutions and public utility companies, she empowers neighbors of these underserved communities to become advocates of essential services (e.g. reduced transportation prices). To ensure delivery of service, she applies a combination of approaches, including a hybrid partnership model like the one used by GrameenPhone in Bangladesh and a strategy for empowering local entrepreneurs similar to that of Greg van Kirk in Guatemala.

In addition, traditional companies like La Poste, the French postal service provider, are looking for ways to reinvent their business models. La Poste seeks to leverage its 17,000 postal centers all over France to deliver basic services in line with its social mission, thus combining large, established profit-driven institutions with a social impact agenda.

While the "last mile" probably represents the greatest challenge for global economic development, it also represents a significant opportunity for innovators to come together across sectors and across borders. And if executed correctly, the impact could be unprecedented.

*This post was written by Nicolas Chevrollier, a programme manager at the BoP Innovation Center, a leading incubator accelerating the number and impact of inclusive innovations in low-income markets, and Stéphanie Schmidt, a Managing Director at Ashoka France.*

## 8. A lesson for Partnering up for the Greater Good: Corporations Assist NGO in Employing the Homeless, *Vincent Boyet*

*Published on 3/17/2014 – 8,050 views*

Today, over 16% of the population of the European Union lives in poverty and does not have access to several essential products and services. But according to a recent European study from Accenture France, co-creation between the business and social sectors can enable the emergence of hybrid models that are better positioned to meet key societal needs, create new market opportunities, generate public savings and create new jobs.

The study focused on six sectors linked to essential needs such as housing, healthcare, and financial services and pointed out that "low income does not mean no income": poor people do spend a significant budget on these goods but are not adequately served, given that most offers are designed with higher income targets in mind. For instance, 21 million people are struggling to heat their homes, and the household energy market for vulnerable populations is estimated at € 25 billion. Twelve million people suffer from severe housing deprivation and the housing market for vulnerable populations is estimated at € 124 billion.

Accenture is convinced that businesses, together with social organizations and the public sector, can invent new approaches to address this large scale demand and co-create both high economic and social value. For that reason, Accenture's Skills to Succeed initiative—which aims to equip 500,000 people around the world with the skills to get a job or build a business by 2015—supports the work of people like Charles-Edouard Vincent, founder of project Emmaüs Défi.

Looking at Emmaüs Défi's case may be inspiring and give us some useful hints into the "how to's" of co-creation.

Emmaüs Défi was founded in 2007 with the vision to create an innovative business model that proposes a large scale, step-by-step work system for the homeless. As part of this model, homeless people can also benefit from a set of services such as access to permanent housing or telecommunications.

This innovative economic model is based on partnerships between public entities, leading private firms, and social action organizations. Public entities, such as the Paris City Mayor's office, are key to facilitating the emergence of innovative projects like the implementation of a flexible work contract for the homeless, which gives them the possibility to work one, two, or four hours a week, until they reach the capacity to sign a 26-hour contract and get a full-time integration job.

Private firms help to co-develop new businesses with economic potential that create a positive social impact by offering goods and services to poor populations.

For example, Carrefour gives unsold goods to Emmaüs Défi, which then supplies its "Solidary Equipment Bank," through which the underprivileged can access furnishings at low prices once they find permanent housing. Likewise, leading telecommunications company SFR is a strategic partner to support Emmaüs Défi's "Solidary Connexions" service, which aims to reduce the digital divide by offering low-cost and pre-paid phone and internet access to a fragile population whose needs in telecommunications are not covered by the traditional market.

Technology has a role as a strong driver for social impact change and a strategic enabler for developing co-creation and convergence of social and business initiatives. Technology has been vital to Emmaüs Défi in creating a wide range of social services, expanding from a centralized organization to a network of agencies covering the French national territory, and reaching more beneficiaries.

Accenture recognized that it could provide valuable technology support to Emmaüs Défi, so since 2012 it has co-created together with the organization by implementing, among other things, a customer relationship management tool.

"The support of Accenture has enabled our teams to build the essential tools for our development projects. The Accenture consultants' expertise, combined with the setting up of a system Salesforce.com database has allowed us to create the necessary know-how to replicate our social programs," says Charles-Edouard Vincent.

The choice to use a cloud technology was particularly important for the organization, which does not have an IT team. This also enables them to reduce the costs associated with IT maintenance and infrastructures. From an organizational point of view, the implementation of the CRM tool has helped in many ways: aiding process harmonization, data centralization reliability, reporting capacities to pilot activities, managing relationships with partners, and measuring social impact.

If Emmaüs Défi can continue to get support from large corporations like Accenture, there's no telling what this could mean for the organization's ability to scale and maybe even eliminate homelessness in France.

*This post was written by Vincent Boyet, Managing Director of Accenture France, which partners with Ashoka on its corporate citizenship program.*

## 9. How Flexible Work Culture Can Make Business More Social? *Karen Mattison*

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Ten years ago, I met a woman working in the kitchens of my son's school. Prior to having children, she had been a high flying professional. This, she told me, was the only job she could find with the flexibility she needed to care for her family. After searching for months for something at her level of skill and ability, she felt she had no choice but to "back pedal" on her achievements, earning capacity and future ambitions.

I was struck by a stark paradox. Here was an incredibly skilled and talented candidate, living in London – one of the world's best cities in which to build a career – on the doorstep of employers who were suffering key shortages of the kinds of skills she had in abundance. I couldn't believe that a talent hungry business wouldn't consider her as a candidate, simply because she needed a small degree of flexibility. There had to be a blockage or fault in the system: one that was failing UK business as badly as it was failing the people who needed the flexibility.

And lo and behold, I found that flaw in the design. After teaming up with a former colleague, Emma Stewart, to conduct interview after interview with employers, we soon realised that there was one key systemic problem: the old-world recruitment industry was not fit for modern work culture.

New vacancies rarely mention what flexible working options a candidate might have, rendering great opportunities effectively "invisible" to the very pool of talent they're courting. In spite of the fact that 96 per cent of UK businesses offer some kind of flexible working options (according to the CBI/Harvey Nash survey data 2011), most jobs advertisements don't mention flexible working possibilities at all. In fact, our analysis of the UK vacancy market proved that only 3% of all jobs offering £20,000 or more are advertised with any kind of flexible working options up front (for example, the ability to work from home some of the time, the potential for the role to be carried out on a part-time basis or to job share the role).. Modern day recruitment practice is not reflecting the demands of the new workplace, and this is where the "crack" in the system is occurring.

In a bid to break the status quo, Emma and I began forging connections between this key pool of talent and employers, launching Timewise in 2012 as the very first visible and accessible marketplace for quality flexible work. In one year alone we amassed 30,000 candidates looking for flexible working options for a broad range of reasons, across a broad range of jobs, and began attracting an impressive, diverse suite of employers. We now have 54,000 candidates and are working with approximately 3,000 businesses.

In the course of our market-making work, we realised we had amassed a unique body of knowledge around flexible working, both in terms of policy, recruitment methods and practice. But we also wanted to know more – to get under the skin of how a particular business comes to design and shape a role and pinpoint who the internal influencers are. Talking to employers regularly, we realised our needs mirrored one another. They too had things they wanted to learn about. And each was at a different stage along the journey. Some already recruited roles as "open to flexibility for the right candidate"; others wanted to test this out; all wanted up-to-the-date insights and knowledge.

In late 2013 we launched the Timewise Partners programme—a collaborative forum where employers share experiences and explore how best to ensure fluid, agile career progression for those who need to work differently. We did this as a way to unlock the business potential for flexible working, to both help our clients and improve our own knowledge. As social entrepreneurs, we realised we were uniquely positioned to do this. We could provide a space in which large corporations could share information, regardless of the divides usually caused by industry segmentations and competitor information.

We share market insights regularly, deliver workshops and collaborate to tackle the biggest barriers to moving a flexible working culture forward. Together, we tackle diversity issues head on, by talking about how flexibility is not just useful for retaining existing staff in their roles, but as an attraction tool, too – and that this is crucial for opening doors to "hidden," important pools of talent. The ultimate goal is a business culture where working flexibly doesn't hold people back from promotion, where a diverse pipeline of talent is maintained through to senior management, and where businesses can attract outstanding candidates by opening up to flexibility in recruitment.

Our partners now include corporations like Accenture, the Bank of England, Credit Suisse, Diageo, EY, J.P.Morgan, Mercer, Oxford Instruments, PwC, Simmons & Simmons, Thomson Reuters and Wragge & Co. We are also starting to engage with the public sector market here in the UK, too. Forward thinking employers are no doubt becoming more open to flexibility. They do so not as part of an employee concession but because there are very real business benefits for doing so: less office space to rent, reduced salary costs, a great attraction tool, and more happy and loyal employees.

Recruiters and HR managers are beginning to drive change in this area. Increasingly, we are hearing flexibility as being talked of less in terms of "policy," and more in terms of it being part of the DNA of how a good business works. Our work with the Timewise Partners has helped to shape and articulate these difficult concepts and put metrics on how fast change is taking place. Together, we are starting a new, positive conversation about modern work — and building a better future for all.

*This post was written by Karen Mattison, MBE, Ashoka Fellow and founder of Timewise.*