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Social Intervention Towards Sustainability

Volume 2, No. 3 September 2012

Contents

ARTICLES	Pages
Editorial	3
A Poverty Free World: When? How? Romanes Lecture at Oxford University MUHAMMAD YUNUS	5
School Twinning Project SANDRA CHEVRET	16
The Bookworm Revolution: The Winner for Social Business Youngsters NAZIA ZEBIN	19
Youth Brainstorming in Atlanta 2011: Student Skills to Create Business Solutions Social Business Plan 1: Read4Life! School of Business GEORGIA GWINNETT COLLEGE Social Business Plan 2: The SewCo, Inc GAINESVILLE STATE COLLEGE Social Business Plan 3: Fresh Oasis Andrew Young School of Policy Studies GEORGIA STATE UNIVERSITY	23
Youth Brainstorming in Dhaka 2012: Student Skills to Create Business Solutions Augrojatra IT and Training Firm (First Winning Social Business Plan) UNIVERSITY OF DHAKA	34
Pro-Youth Economic Franchises That are Open Network Replicable ISABELLA MACRAE	45
JSB Call for Papers	47
JSB Annual Subscriptions & Payment Methods	back cover

Editorial

Whose ‘Overall Purpose’ is End Unemployment and Invest in Youth’s Productivity!

In the 1930s John Maynard Keynes proved that economics is increasingly the only way to design peoples’ futures. He also clarified that for any country or any place that wants to grow from generation to generation the whole purpose of economists needs to be celebrating discovery and continuous improvement of organisational systems or networks that end unemployment and truly invest in the next generation.

The cardinal action learning of entrepreneurial networks since the 1930s has been to use community building tools – real as well as virtual networking – so that our community searches out three types of most trusted and collaborative entrepreneurial practitioners: bankers, healthcarers and educators. If all three of these jointly dedicate their skills to empowering the community (integrating those who start with the least) to celebrate the ‘overall purpose’, then families will sustain growth from generation to generation. Especially, in a setting of worldwide collaborations, the net generation’s technology and the promise of MDGs can make our communities’ young people ten times more productive than before.

It’s inspiring that young people around the globe are increasingly brainstorming ideas on entrepreneurial solutions to critical socio-economic issues facing communities, NOT in a format of universities’ traditional way of students’ Business Plan essay submissions in fulfilment of their degrees. Notably, the Social Business Day 2011 ‘Youth Brainstorming’ in Dhaka (Bangladesh) focused on ‘Achieving MDGs via Social Interventions’ while eradicating poverty and hunger through decent employment for Young and Adults (see winning essay by a university student Md Jannatul Habib in JSB Vol 2, No. 1, April 2012, Pp107-118). Another innovative ‘Student Skills to Create Business Solutions’ contest took place in the US State of Georgia in autumn 2011. Over one thousand students from 38 university institutions and colleges across the state

and their principals huddled together in an economic regeneration conference, which the University System of Georgia (USG) called and at which the Nobel Peace Laureate Muhammad Yunus spoke. Students' teams had the exciting opportunity of eloquently presenting their cases – they put their knowledge to work while finding business solutions to some pressing community issues such as unemployment, adult illiteracy, domestic violence, housing, etc.

Which of those youth brainstorming ideas could all Georgia universities' resources, staff and youth value most by turning society's problems into experimental youth labs? This issue includes three winning cases that Georgia was cheering, also one of the three winning Social Business Day 2012 job-creation tales – crafting the idea of an IT venture to provide the disabled young people with training and skill development courses in order to make them 'employable', recruit some, and create or explore job opportunities for them elsewhere.

The Journal hopes to celebrate many more collaboration cases of youth and academia regenerating society in its future issues. Finally, if young people around the world study Bangladesh's 1972 onward microentrepreneurial hallmark as the first network transformational economics case, then we/they can optimise designing futures people most want everywhere now – that all human productivities can be freed by a million times more collaboration technology than when industrial age man raced to the moon in the 1960s.

JSB Editorial Team
September 2012

A Poverty Free World: When? How?

*Romanes Lecture at Oxford University*¹

MUHAMMAD YUNUS
Nobel Peace Laureate
Founder of Grameen Bank
Bangladesh

Vice Chancellor Dr John Hood, members of the faculty, students, distinguished ladies and gentlemen:

I am very honoured to be invited to deliver the *Romanes Lecture* at the world famous Sheldonian Theatre at Oxford. It is indeed a privilege for me to become a part of this great, hundred-year-old tradition at Oxford University. Thank you for inviting me here.

I have chosen 'A Poverty Free World: When? How?' as the title of my speech today. Because I believe that not only is poverty the most pressing issue of our time, I also believe, at the same time, that it is a problem that we have the full capacity to tackle and overcome within the first-half of this century – if only we choose to do so.

I am a compulsive optimist as far as poverty is concerned. I am an optimist because I am convinced that poverty is not as difficult or complex an issue as we are constantly told it is. After all, poverty is about people. I have always said that the ingredients for ending poverty comes neatly packaged within each person. A human being is born in this world fully equipped not only to take care of him or herself, but also endowed with the ability to enlarge the well being of others in the world.

Why is it then that more than a billion people on the planet suffer through a life-time of misery and indignity, spending every moment of their lives looking for food for physical survival alone?

¹ Prof Yunus delivered the Romanes Lecture at Oxford University on 02 December 2008. The speech is published here under the author's permission – JSB Editors

Poverty is Not Created by Poor People

Poverty is not created by the poor people. Rather it is created by the economic and social system that we have designed for the world. It is created by the institutions that we have built, the concepts we have developed by the policies borne out of our reasoning and theoretical framework. In order to overcome poverty, we have to go back to the drawing board and redesign our concepts and institutions.

The Banking System

One major institution that needs to be redesigned is the financial institution. There is something fundamentally wrong with an institution that leaves out more than half the population of the world, because they are considered not creditworthy. This is what my work with Grameen Bank has been about, to design a banking method which can deliver the financial services to the people left-out, particularly to the women, the most difficult to reach.

When I first started out and gave 27 US Dollars to 42 families in that first village, I never imagined that I would one day create a bank, let alone that our efforts would grow to become a global movement to bring credit and financial services to poor people. When I got started I was trying to solve a local problem. I was shocked to learn that poor people are shackled because they do not have access to even a few dollars to invest or start a tiny income-generating activity. That poor people were at the mercy of loan-sharks in the village who lent to the poor at exorbitant rates and then forced them to sell their goods to them at a price arbitrarily decided by them. This to me was a kind of slavery.

When I gave the first US\$27, to try to free them from the clutches of the loan sharks, I didn't know what would happen. Imagine my surprise when I saw the excitement that this created in them! It just made me want to do more of it. This is what led me to create Grameen Bank, after a long series of little steps. Grameen Bank has grown to become a nationwide bank. It has lent more than US\$7 billion to 7.5 million people in Bangladesh. Our repayment rate is 98%. Our own internal survey show that our members are steadily crossing the poverty line every year, with 64 % of our borrowers, who have been with Grameen Bank for more than five years, have already crossed the poverty line. And now there are microcredit programmes around the world, in nearly every country.

Capitalism and the Financial Crisis

Banks explain that poor people are not credit-worthy. But the real question to ask is whether banks are people-worthy! In the context of the total collapse of the financial system, this question becomes more relevant and urgent. We are still in the midst of the worst financial crisis of the century. In Grameen Bank there are no legal instruments between lender and borrower, no guarantee – no collateral. You can't get riskier than that, and yet our money comes back while the prestigious banks all over the world are going down with all their intelligent paperwork, all their collateral, all the lawyers and legal systems to back up their lending. This contrast raises many questions in one's mind.

In the last 50 years, capitalism has reigned supreme. Socialist economies have faded away and moved to capitalism. This has brought unprecedented wealth and prosperity to some countries and to some people. But billions are left-out. In some places, the situation is getting worse and worse for those who are left-out.

The financial crisis that has gripped the world economy illustrates the social failings of the existing capitalist system. It has been described in the media as *casino* capitalism or *irresponsible* capitalism. Credit markets were originally created to serve human needs – to provide business people with capital to start or expand companies, and to enable families to buy homes. In return for these services, bankers and other lenders earned a reasonable profit. Everyone benefited. In recent years, however, the credit markets have been distorted by a relative handful of individuals and companies with a different goal in mind – to earn unrealistically high rates of return through clever feats of financial engineering. They repackaged mortgages and other loans into sophisticated instruments whose risk level and other characteristics were hidden or disguised. Then they sold and resold these instruments, earning a slice of profit on every transaction. All the while, investors eagerly bid up the prices, scrambling for unsustainable growth; and gambling that the underlying weakness of the system would never come to light.

With the collapse of the housing market in the United States, the whole house of cards has come down. Millions of people around the world who did nothing wrong are suffering. And the worst effects, as usual, will be felt by the poor. As economies falter, as government budgets collapse, and as contributions to charities and NGOs dwindle, efforts to help the poor will diminish. With the slowing down of economies everywhere, the poor will lose their jobs and income from self-employment.

Bailout cannot be relied on as solution to market problems. In the long-run, self-protection is possible only when market can ensure that it will not allow a crisis to develop in the first place.

I suggest a mechanism to buy all potential toxic assets on a daily basis through a business created by the participation of all businesses, which engage in highly speculative business and make high profits. I suggest that the market must be equipped with a strong mechanism to detect bubbles at the very initial stage and an instantaneous reaction device to shoot it down.

Everyday the market must hunt down the potential toxic assets and these must be bought off by a company created for this purposes. Capitalisation of this company may be made from requiring companies to pay a percentage of gains made from highly speculative transactions at a progressive rate. Market must be developed as a self-correcting system. It cannot be left as a wild party of some money-hungry people, and organisations.

I believe we can tackle some of these challenges within the free market system of capitalism provided we design appropriate built-in mechanism to protect the system.

Capitalism is Half-Done Structure

Even if we can overcome the problem of financial crisis, we'll still be left with some fundamental questions about the effectiveness of capitalism in tackling many other unresolved problems. In my view the theoretical framework of capitalism that is in practice today is a half-done structure.

The theory of capitalism holds that the marketplace is only for those who are interested in making money, for the people who are interested in profit only. This interpretation of human being in the theory treats people as one-dimensional beings. But people are multi dimensional. While they have their selfish dimensions at the same time they also have their selfless dimensions. Capitalism, and the marketplace that has grown up around the theory, makes no room for the selfless dimensions of the people. If some of the self-sacrificing drives and motivations that exist in people could be brought into the business world to make impact on the problems that face the world, there would be very few problems that we could not solve.

Present structure of the economic theory does not allow these

dimensions of people to play out in the market place. I argue that given the opportunity, people will come into the market place to express their selfless urges by running special types of businesses, let us call them 'social businesses', to make a change in the world. In the absence of such opportunity in the market place people express their selflessness through charities. Charitable efforts have been with us always, and they are noble, and they are needed. But we have seen that business is able, to innovate, to expand, to reach more and more people through the power of the free market. Imagine what we could achieve if talented entrepreneurs and business executives around the world devoted themselves in ending, say, malnutrition, without any intention to making money for themselves or the investors.

CSR vs Social Business

Corporate social responsibility (CSR) is considered to be a part of company policy nowadays. CSR usually means let us make money, and then use part of that wealth to help society. This is an important development in the business world. But this still does not let business people to express their selfless urges within the framework of the market. Just as an individual person who makes money in business, then gives away a part of his income into charity, similarly now a company, a legal person, does the same – make money and give part of it into charity.

I am proposing a different structure of the market itself; I am proposing a second type of business to operate in the same market along with the existing kind of profit maximising business. I am not opposed to the existing type of business (although I call for many improvements in it like many others do.) I am proposing a new business in addition to the existing one. This new type of business I am calling 'social business', because it is for the collective benefit of others.

This is a business whose purpose is to address and solve social problems, not to make money for its investors. It is a non-loss non-dividend company. Investor can recoup his investment capital. Beyond that there is no profit to be taken out as dividend by the investors. These profits remain with the company and are used to expand its reach, improve the quality of the product or service it provides, and design methods to bring down the cost of the product or service. If efficiency, competitiveness, dynamism of business could be harnessed to deal with specific social problems, the world would be a much better place.

The concept of a social business crystallised in my mind through my experience with Grameen companies. Over the years, Grameen created a series of companies to address different problems faced by the poor in Bangladesh. Whether it is a company to provide renewable energy or a company to provide healthcare or yet another company to provide information technology to the poor, we were always motivated by the need to address the social need. We always designed them as profitable companies, but only to ensure its sustainability so that the product or service could reach more and more of the poor – and on an ongoing basis. In all these cases the social need was the only consideration, making personal money was no consideration at all. That is how I realised that businesses could be built that way, from the ground up, around the specific social need, without motive for personal gain.

The idea of social business got a boost when we launched a joint venture with Danone. Grameen has teamed up with Danone to bring nutritious fortified yogurt to the undernourished children of rural Bangladesh. The aim of this social business is to fill the nutritional gap in the diet of these children. We sell yogurt to the poor children to make the company self-sustaining. Beyond the investment capital, neither Grameen nor Danone will make any money from this venture, by agreement. We have one plant operating in Bangladesh, and we hope to have 50 such plants throughout the country.

We have built an eye care hospital on the social business principle. We have created a joint-venture with Veolia of France to deliver safe drinking water in the villages of Bangladesh. Under the company we are building a small water treatment plant in a rural part of Bangladesh to bring clean water to 100,000 villagers, in an area where existing supply of water is highly arsenic contaminated. We will sell water at a very affordable price to the villagers to make the company sustainable, but no financial gain will come to Veolia. Now more and more companies are coming forward to partner with us to set up new social businesses. We feel excited in creating a series of examples of social businesses, which, hopefully, will encourage others to join in.

Some people are sceptical. Who will create these businesses? Who will run these businesses? I always say that, to begin with, there is no dearth of philanthropists in the world. People give away billions of dollars. Imagine if those billions could be used in a social business way to help people. These billions will be recycled again and again, and the social impact could be all that much more powerful. CSR money of the companies could easily go into social businesses. Each company can

create its own range of social businesses.

Once the concept of social business is included in the economic theory, millions of people will come forward to invest in the social business because they all have those social dreams in their hearts. We will need to create social stock markets to channel these funds to appropriate social businesses.

Information Technology Can Help End Poverty

The other area where huge strides are being made is in the area of information technology. The advances being made are happening at such a rate that it is difficult to keep up. All manners of gadgets, devices are being created, making those that have come before obsolete in very short periods of time. Websites and online platforms are transforming the way we communicate, do business and interact with each other. The world is getting smaller, but only for those who can afford the technology, and for those who are trained to use it. Unless it is properly directed, the way these advances are taking place, it will go on to deepen the digital divide.

I have been arguing for years that technology could play a powerful role in closing the gaps between the rich and the poor, in a way that other things cannot do. If we could channel some of this brilliant creativity and innovation into creating IT solutions to the problems of the poor, we would succeed much more quickly in our race to end poverty. From e-healthcare and mobile phone banking to online market places to sell the products and services of the poor around the world, we are beginning to see what the possibilities are.

The future of poverty as I see it, will be decided by the technological devices and services that are designed a priori for poor people. These will be designed with their needs in mind, rather than those created for the well off and adapted for the poor. We have the technology, but we have to transform it into the digital genie for the poor.

A broad range of technology has a fundamental role to play in the current global food crisis that we are seeing today. The poor countries like Bangladesh are facing the brunt of this crisis. The shortage of food will wreak havoc in the lives of millions of the poor. As populations rise, their incomes and expectations rise, the global demand of food will continue to rise steadily. We need new technological revolution in agriculture, to ensure that we can have a much higher output of food,

grown on the finite amount of land that is available to us. With all the advances taking place today, there is no question that we can come up with breakthroughs in agricultural production, in terms of both yield and quality.

It's disheartening to see many of the world's poorest falling back toward poverty just when we thought the planet was ready for a big step forward. We had thought food shortages were a thing of the past, but now they are back – not due to any lack of productive capacity on the part of the world's farmers, and certainly not due to lack of effort by the farmers themselves, but due to forces that could have been averted – the economic crisis and the world's failure to address the need to improve agricultural technology to increase yields. We have to focus our attention at the global level to tackle this great new challenge to the world's poorest.

Globalisation

We live in a globalised world, for better or for worse. What we do in one part of the world has a direct impact on another. We are now connected and interdependent in an unprecedented way. This can be a good thing, this can be a bad thing. Good waves spread quickly. So are the bad waves. Collapse of the financial system in the USA was immediately transmitted globally. The whole world now has to suffer for something which happened in the USA.

Wrong doings of the rich world impacts on the lives of the poor people very heavily. Blunders of the North can make lives in the South unsustainable.

The issue of climate change and how this will affect the earth, and how human beings will continue to survive on this planet is a very good example of this.

The world has many resources but much of it is non-renewable. We have to understand that the patterns of our consumption, and the path to development that the world is taking could seriously endanger our future on this planet. The food crisis is in part caused by changes in climate patterns caused, scientists believe, due to global warming.

Bangladesh is singled out very often as a country that will be most affected, and most quickly, by the effects of climate change. As we all live in the same world, we have to understand that we all have to share this world with everyone today, and also with future generations.

There has to be a new approach.

It is up to your generation, the compassionate and creative young generation, to make a break with this past, and create a new future. We recognise how all of us, wherever we are in the world, are connected by a common fate and destiny in the natural world that we share.

Millennium Development Goals

We started the new millennium with grand hopes for a new world. In 2000, the world pledged in one voice to achieve the Millennium Development Goals. The most important of those goals was the goal to reduce poverty by half by 2015. All the countries and peoples of the world agreed to these goals, the most bold, the most noble of goals ever set for mankind.

Bangladesh is an example of a country that has made tremendous progress towards the MDGs. The poverty rate has fallen from an estimated 74% in 1973 to 57% in 1991, to 49% in 2000, and then to 40% in 2005. Though still too high, it continues to fall by around 2 percent a year, with each percentage point representing a meaningful improvement in the lives of millions of Bangladeshis. The country is on track to achieve the Millennium Development Goal of reducing poverty by half in 2015. Even more remarkably, Bangladesh's rapid economic growth has been accompanied by little increase in inequality.

The sharp drop in poverty is reflected in changes in economic growth, employment patterns, and the structure of the economy. Growth has averaged 5.5% since 2000, while per-capita growth has increased to 3.5% currently.

Population growth, major problem in Bangladesh, one of the most densely populated countries on earth has fallen sharply from an annual average of 3.0% in the 1970s to 1.5% in 2000. The decline in population growth has been driven, in large part, by improvements in health care. During the 1990s, the percentage of Bangladeshi mothers receiving prenatal health care doubled. Partly as a result, infant mortality rates in Bangladesh fell almost by half between 1990 and 2005.

Educational opportunities for children have also improved. The 1990s witnessed a tripling in the number of children attending secondary school. More girls now attend secondary schools than boys, a feat unmatched in South Asia and a remarkable achievement given the fact

that, in the Bangladesh of the early 1990s, there were three times as many boys as girls in secondary schools.

The problems of poverty in Bangladesh, though improved, are far from being solved. Bangladesh is still one of the poorest countries in the world, with tens of millions of people living at a level barely above subsistence. But the social and economic trends are moving in the right direction.

Despite all the obstacles and difficulties Bangladesh has made great progress. If Bangladesh can do it, so can any other country. Bangladesh is a reason we should not abandon the MDGs. If we go village by village, city by city, district by district, country by country to achieve these goals, it can be done. I believe it can be done. We must all believe it can be done, and work hard with a commitment to achieve them all.

Poverty Can be Overcome

The thought that always energises me is that the poverty is not created by the poor people. Poverty is an artificial imposition on the people. Poor people are endowed with the same unlimited potentials of creativity and energy that any human being in any station of life, anywhere in the world. It is a question of removing the barrier in front of the poor people to unleash their creativity to solve their problems. They can change their lives, only if we give them the same opportunity that we get. Creatively designed social businesses in all sectors can make this unleashing happen in the fastest way. We are fortunate enough to have been born in an age of great ideas and great technologies. A lot will rely on your asking yourself ‘What use do you want to make of your creative talent?’ Do you want to focus exclusively on making money by using your talent? If you must, go ahead; but while making money through profit maximising businesses do make sure that your businesses make positive impact in people’s lives, at least, it does not make any negative impact. Alternatively, you could use some or all of your talent to change the world by harnessing the power of creative social businesses to address human and social needs – you can devote yourself exclusively to social business or do both types of businesses. Doing both is an attractive idea too. Making money through responsible profit-maximising businesses could be the means, while using that money for social businesses could be the exciting end. The solutions to many of our world’s pressing problems could be accelerated through the creation of social businesses.

I always insist that poverty does not belong in civilised society. Poverty belongs only in the museum where our children and grandchildren can go to see what inhumanity people had to suffer, and where they will ask themselves how their ancestors allowed such a condition to persist for so long.

You the next generation, have to decide that poverty no more! We overcame slavery. We overcame apartheid. We have done other things that people once thought impossible. We have put persons on the moon, into space to explore far away worlds. We can overcome poverty, if only we decide that this does not belong to the world that you want to create. It is up to your generation to decide the world you choose to live in will not contain the scourge of poverty. □

School Twinning Project

SANDRA CHEVRET
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Starting Point

What if children were the key to a harmonised world? This project offers a different insight on education and seeks the creation of bonds between children of opposite horizons. A school-twinning programme will provide a unique opportunity for students to discover a whole new world while rediscovering themselves. This rich mind opener is a life changing experience whose purpose is to foster an understanding, respect and a set of values between nations that tends to disappear

Context of Project Idea

There is something wrong in the world's development model; globalisation has interconnected all the populations in an economical and cultural way, however, it has forgotten about the people themselves. Social businesses and associations have bloomed to answer global stakes when governments have failed in delivering their promises. This project is one of them. Its purpose is to bring people closer and create bonds regardless of colour, culture or religion. And it is particularly dedicated to the youth.

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The Objective of Twinning Project

An exchange project between middle and high school students of countries that are different in every aspect – culture, education, living standards and values.

Twinning Two Schools

This project is based on the twinning of a French school to another school in a less advantaged country, where the children don't have access to equal living standards.

An association shall be created to supervise the project. Its role will be to connect all stakeholders and ensure the viability of the initiatives. The initiative will rely on local entities and two schools, so that the project would function on its own if needed. Schools will be chosen from case to case, based on the relevance of what both schools can offer and receive from the twinning. Various scopes of action can be considered – social, environmental, cultural, etc, depending on the local community's needs.

Students of the two schools will experiment in turn a unique immersion in each other's country. For both students, this rich experience shall be open minded whilst developing their sense of respect, community and understanding of others.

The purpose of the student's participation relies in the discovery of a different culture and of his personal capacities. The project should be bared by the students themselves and overseen by the school and the project structure. In the two countries, students will be gathered into a unit, within their school, under the supervision of the association. This project shall be driven over the course of one year. Students should be implicated in the various aspects of the initiative: logistics, accounts, communication, etc. In particular, they will actively contribute to fund-raising activities, in their own creative ways. Dancing, singing, drawing could be one of many. The purpose of these activities is to develop the children's autonomy, creativity and sense of responsibilities. The money raised will be entirely invested in the various costs induced by the project.

Before the journey, students will be prepared for this very special experience. They will receive a training session to discuss intercultural differences and the lifestyle awaiting them in the welcoming country. The students coming to France will receive first French language basics prior to their coming. Their stay will last a month during the summer

and be separated in two distinct activities. As for the French students, their stay will spread over national holidays for about a month during which half of the time will be dedicated to projects meeting the needs of the local population. The last 15 days are dedicated to the discovery of the country. The other school's students will spend a month fully immersed in a French student's family while attending the French school and spending weekends discovering the country.

Free-form reports will testify of what has been constructed over the course of the year and completed by experiences in the welcoming countries. Discussions by the end of each journey will be organised between the students of the two schools to put forward what has been learnt and shared.

Students who would like to keep contributing to the project over the rest of their scholarship will be accompanied to do. Equally, foreign students willing to come back to France will be supported by the association based on an evaluation given by the end of their stay. It could eventually lead to a foreign student given the chance to enter higher education in France.

Evolution

First on a very small scale, this project's aim is to grow bigger so that a network of schools could be created. If we give the chance to every young people to open his mind and heart, selfless initiatives will find a stronger breeding ground to bloom.

The first project would start with a pilot school in France and another one in Africa. It would later extend to other projects in various countries of Asia, Central and Latin America. Replicated to more schools, the creation of a network of interconnected communities could be imagined.

This initiative would fully accomplish its goal if it is acknowledged, recognised and taken up by governments as a mandatory step towards the education of our children and young people. □

The Bookworm Revolution: The Winner for Social Business Youngsters

NAZIA ZEBIN
Bangladesh

To quote from danone.communities blog: Remember our call for projects on Facebook, **Social Business Youngsters?** Our winner is **Nazia Zebin and her team from Bangladesh.** Their project? *The Bookworm Revolution*, a project that aims at helping young children in rural areas to develop literacy competences, by giving them access to adapted books to their young age. But, better than us, Nazia tells you her story.¹

Throughout the world, education has been established as the key to good jobs and high incomes. A few recent researches on education have proved that scholarly culture – the way of life in homes where books are numerous, esteemed, read, and enjoyed- is important for holistic education. *The scholarly culture hypothesis holds that reading provides cognitive skills that enhance educational attainment, a cultural toolkit.* A home in which books are an integral part of the way of life will encourage children to read for pleasure, thereby providing them with information, vocabulary, imaginative richness, and wide horizons.

¹It's amazing to learn about exciting new projects from the danone.communities blog. One such thrilling innovation is The Bookworm Revolution: The Winner of Social Business Youngsters. We are delighted to have this exciting idea published in this issue of The Journal of Social Business, in order to encourage young people to come up with new, new ideas while addressing critical issues facing the communities at large. The story and rationale of The Bookworm Revolution is published in Courtesy of danone.communities – JSB Editors.

A research conducted by M D R Evans, Jonathan Kelley, Joanna Sikora, and Donald J Treiman in United States in 2010 pursued the idea, measuring parents' scholarly culture in a consistent manner by the number of books in the home and estimating its effect on children's education in 27 nations, net of a comprehensive, consistently measured set of control variables. *The results actually showed that the difference between a bookless home and one with a 500-book library is as great as the difference between having parents who are barely literate (3 years of education) and having university educated parents (15 or 16 years of education).* Thus, a having books at home is as important as parents' education, the most important variable in the standard educational attainment model. The greatest impact of book access was seen also among the least educated and poorest families.

Another study of close to 3,000 children in Germany found that the number of books in the home strongly predicted reading achievement even after controlling for the parents' education levels and income. In another study conducted by 'Reading Is Fundamental' (RIF) that scrutinised 11,000 reports and 108 of the most relevant studies, it was found that access to print materials improves children's reading performance and causes children to read more and for longer lengths of time. *Giving children print materials leads to more shared reading between parents and children thereby allowing parents to explain more life related examples to the children.*

First Book Marketplace is a non-profit organisation which provides a resource essential to overcoming illiteracy, one that is missing for children from low-income families: access to an ongoing and diverse supply of high-quality books at a cost they can afford. Some 42% of American children, more than 31 million, grow up in families that lack the income to cover basic needs like rent, childcare, food and transportation. In bookstores, most hardcover children's books sell for US\$15 to \$20, with paperbacks typically running from US\$5 to \$10. Although lower cost titles are available, the pricing of books, especially the most popular and attractive children's books, as well as baby board books puts regular book buying out of reach for low-income families. This situation might be acceptable if books were luxuries, like silk scarves. However, educators contend that access to books should be seen as a necessity, alongside access to food, shelter and healthcare. *It has also been a key motivator of our proposed social business project- The Bookworm Revolution.*

Bangladesh has experienced strong and steady economic growth since 1990 and has seen improvements across a range of social indicators –

including achieving more than 91% primary school enrolment and gender parity in primary education. However, according to the Education Watch Report prepared by the Campaign for Popular Education (CAMPE) in 2008, the literacy rate of the population aged seven was recorded to be 48.5% in 2008 while the literacy rate of the population aged 15 and above was at 52.1%. This disparity in literacy rate and enrolment rate can be explained by high drop-out rates in the primary schools.

The Bookworm Revolution¹ targets to improve overall education level among the poor children of Bangladesh by:

- a. making specially-designed age story books available to the poor children of Bangladesh who do not have access to many reading materials;
- b. selling books to these kids at a price affordable to them; and
- c. reinvesting the profit into the business to run it as a social business.



Hence, our value proposition reads – ‘We will provide a tool to influence the poor kids to pursue education and create zeal in their mind for education, which will make a mark in the economic development in future.’

The two main customer segments are school-going students of class 2-5 and the headmasters of primary Schools. The students are the end-users of the books. In the effort of making the books affordable for poor

children, we will be delivering the books directly from the publishers without any intermediaries so that it reduces cost. Our asking price will be Bangladeshi Taka/BDT 5 (US\$0.07) per book, since any diminution higher or lower than that price may result in lost sales.

Our efforts are targeted to achieve a few very important social changes. The Bookworm Revolution is expected to enhance the children's ability to read and comprehend. It will also encourage them to build interest in reading books. As it will induce, at least to some extent, a positive scholarly culture in rural homes, in the long run, the project can contribute to increase in literacy. In addition, in the future, we are expecting that that we are looking to bring about – the project can reduce the drop-out rate in rural schools.

Our team has been very lucky to have won Social Business Youngsters, one of the most innovative ventures undertaken by danone. communities. This competition has provided us with a very good opportunity to share our project with the rest of the world and win votes for our favour. Most of the projects were full of potential and innovative ideas. It was amazing to see how youngsters today are becoming more and more interested in getting involved with social businesses.

I would like to end the note by thanking all the supporters of The Bookworm Revolution, without whom we could not have been here and the danone.communities for arranging such a wonderful platform for youngsters all over the world to come together. □

Youth Brainstorming in Atlanta 2011¹

Georgia Gwinnett College School of Business

Read4Life! Students' SB Team

Shalaya Morissette
Adam Herbert
Kathy Cheng
Sasha Ruiz
Elizabeth C Smith

Social Problem Addressed – The Social Business Opportunity

Over 1.3 million *adults* in Georgia – 247,000 individuals in Gwinnett County alone – cannot read a children's book. Illiteracy costs Georgia US\$2.6 billion annually. While there *are* programmes to address the problems of illiteracy, these programmes do not target adults aged 18 years and older. In addition, starting an effective literacy programme from scratch is virtually impossible for the typical volunteer organisation. **Read4Life!** provides volunteer organisations with a low-cost, *turnkey franchise* that facilitates the start-up and sustainable operation of a *proven* literacy programme that succeeds by providing high-interest books, software and training.

Solution Proposed – Business Model, Product/Services/Programmes

A sustainable and profitable franchise, **Read4Life!** puts books that *will* be read into the hands of non-literate individuals *and* assigns them a coach to help jump-start the learning-to-read process. For a monthly flat fee, **Read4Life!** provides franchisees with: 1) a rotating high reader-interest library of books which can be rented for profit or loaned; 2) the software and organisational tools necessary to manage the **Read4Life!**

¹ OFC Innovation & Entrepreneurship Programme (ofcvc@hotmail.com); Norman Macrae Foundation (chris.macrae@yahoo.co.uk)
http://www.usg.edu/social_business_microcredit/video/social_business_plan_competition_for_students

library and franchisee's volunteers; and 3) the **Read4Life!** monthly training newsletter and marketing guide.

Read4Life! offers three franchise tiers of 20, 60, or 100 bar-coded book titles at one time from its catalogue; the franchisee chooses the titles. Each tier includes: 1) a bar code scanner; 2) circulation desk software; 3) software and scanner installation on the franchisee's PC or laptop; 4) a day of initial training; and 5) access to client forums, a help desk, monthly newsletters, book catalogue updates and Webinars.

20 Books – US\$730 initial fee + \$50 per month

60 Books – US\$890 initial fee + \$75 per month

100 Books – US\$1,050 initial fee + \$100 per month

Market Analysis and Strategy

Read4Life!'s unique selling proposition is that this social business engages the lost market of non-literate adults 18 years of age and older. This franchise changes lives through its use of high-interest books plus tutors to create readers out of non-readers.

Read4Life!'s target markets include but are not limited to 26 YMCAs, 304 shelters, over 5000 places of worship, 69 Rotary Clubs, 231 community centres, plus the Junior League and National Charity League organisations in Georgia – each of which needs a **Read4Life!** literacy franchise.

Launch Strategy and Requirements

Phase I: Incorporate the franchise business, hire the initial employee, implement the sales approaches, make sales calls in Gwinnett County, close orders and train the franchisees and their volunteers.

Phase II: Expand the franchise into the greater Atlanta area.

Phase III: Hire a second employee and expand statewide.

Read4Life! Start-Up Requirements	
Start-Up Expenses (US\$)	
Legal	5,000
Office Expenses	3,500
Office Rental*	0
Start-up Inventory	2,000
Marketing/Other	2,000
Total Start-up Expenses	12,500
*Assumes free use of Georgia Gwinnett College office space	

	Gwinnett County		Metro Atlanta		Statewide
	Year One	Year Two	Year Three	Year Four	Year Five
Franchises	30	50	100	160	260
Revenue	\$17,250	\$28,750	\$57,500	\$92,000	\$149,500
Office*	\$2,000	\$3,000	\$4,000	\$5,000	\$6,000
Personnel	\$40,000	\$40,000	\$40,000	\$60,000	\$80,000
Travel	\$1,500	\$2,000	\$2,800	\$3,500	\$5,000
Marketing	\$3,000	\$3,000	\$4,000	\$4,000	\$5,000
Expenses	\$46,500	\$48,000	\$50,800	\$72,500	\$96,000
	\$(29,250)	\$(19,250)	\$6,700	\$19,500	\$53,500
*Assumes free use of Georgia Gwinnett College office space					

Impact Summary? – The Social Benefits

The projected 260 franchises in a three-to-five-year period translate into 50,000 newly literate adults *per year* in Georgia. Higher literacy and educational attainment reduces crime and unemployment while increasing wage earnings and workplace productivity. One former non-reader says it best: ‘I am not a good reader but . . . I could not stop reading. I am going to try reading another book. I can’t believe I finished the book.’ That is exactly how **Read4Life!** ‘literally makes a difference.’

An Exciting Reflection

Read4Life!’stipulates that adult literacy can be accelerated with right resources put in place. The project means a lot to me,’ said student Shalaya Morissette, a member of Georgia Gwinnett College’s team whose entry focused on adult literacy. To note, Morissette’s mother did not know how to read. ‘It’s a simple idea, but there are adults who can’t perform simple tasks like reading prescription bottles or books to their children,’ said Morissette. ‘With the right resources, they will.’ □

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Gainesville State College Students In Free Enterprise (SIFE)

SewCo, Inc Students' SB Team

Efren Chavez

Anastasia Roberts

and others ¹

Identification of Social Problem

Northeast (NE) Georgia has long been a vibrant environment for businesses utilising basic family skills in search of profit. NAFTA and CAFTA laws changed the local work environment in 1993. As result, thousands of NE Georgians lost their jobs when the cut & sew operations moved offshore and textile mills closed. A resulting re-direction of these relatively low unskilled workers was short circuited with the real estate and banking collapse of 2008.

Social Business Opportunity

Every family has garments that may need repair, or alterations. When some discard damaged garments, others seek repairs and alterations. This is expected to be a continued area of interest as the economic situation of the area fails to improve. Opportunity exists for alteration of uniforms and patch insignia for uniformed personnel and youth organisations. The skills required are not as common as when many worked outside the home in cut & sew factories. People who worked in the cut & sew operations are still in NE Georgia and represent an opportunity to fill roles as volunteer coaches and entrepreneurs.

¹ Other Team members include Jonathan Rajala, Juan Pardo, Pedro Mandujano, James Geeter, Patty Muriel, Katie Foster, Anna Loerke, Dominique Brown, Travis Ebbert, Carla Sanchez, Claudia Guillen and Cierra King.

Revenue Assumptions				
Cost to join SewCo		\$5.00		
Equip rental rate (% of mbr work ticket)		15%		
Avg mbr work ticket		\$20.00		
# tickets/ma./mbr.		5		
Month	Membership	Mbr Work Tickets @ \$20 ea.	Join fees	Tickets X 15%
1	5	\$500	\$ 25.00	\$ 75.00
2	10	\$1,000	\$ 25.00	\$ 150.00
3	10	\$1,000	\$ -	\$ 150.00
4	15	\$1,500	\$ 25.00	\$ 225.00
5	20	\$2,000	\$ 25.00	\$ 300.00
6	25	\$2,500	\$ 25.00	\$ 375.00
7	30	\$3,000	\$ 25.00	\$ 450.00
8	30	\$3,000	\$ -	\$ 450.00
9	30	\$3,000	\$ -	\$ 450.00
10	30	\$3,000	\$ -	\$ 450.00
11	30	\$3,000	\$ -	\$ 450.00
12	40	\$4,000	\$ 50.00	\$ 600.00
Sub-Total Year 1	40	\$27,500	\$200	\$4,125.00
Total SewCo Rev (Fees + Rental)				\$4,325.00
Gross Rev to Mbrs from work tickets		\$27,500		
Total Revenue to SewCo (fee+rental)		\$4,325		
Net Rev to Members after 15% rental fee		\$23,375		
Initial Investment SewCo (cash + equip)		\$8,910		
Ret on Investment Yr. 1		\$4,325		
% Return on Start-up Investment		48.5%		

Social Business Model, Products and Programmes

The Sewing Co, Inc, (SewCo) will be a privately owned, non-profit cooperative organisation devoted to improving the lives of residents of NE Georgia through economic development, the teaching of sustainable marketable skills, and entrepreneurship. SewCo will address the unemployment problem by focusing on family based craft skills.

SewCo will initially present two opportunities for cooperative members to learn marketable skills and entrepreneurship. First, sewing skills will be taught by volunteers to cooperative members who lack the necessary skills to successfully generate income for their families. The cooperative membership fee will include these skill foundations courses.

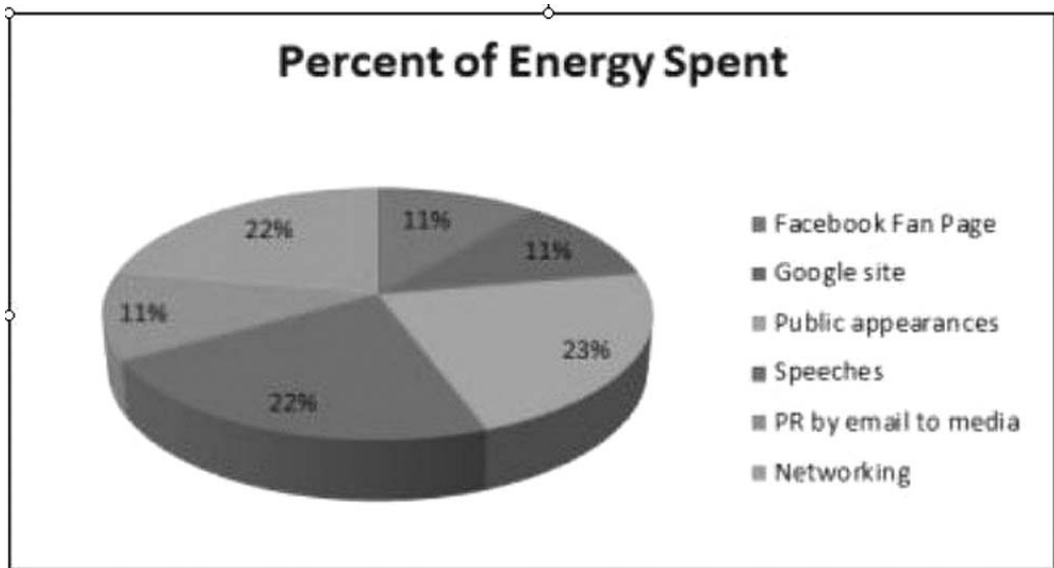
Second, SewCo will have a centralised location with sewing and alteration equipment that can be rented by members on a demand basis to allow skilled operators access to equipment without a capital investment. In this regard, SewCo will be providing virtual micro enterprise capital funding. Scheduling will be done online using a cloud based calendar system to facilitate rental convenience by members and volunteers. Rental rates will be set as a percent of the revenue generated by the renter (Co-op member). Refer to the Revenue Assumptions Table 1.

Market Analysis and Strategy

The Gainesville State College Student In Free Enterprise (SIFE) Team will provide the initial volunteers who will be marketing the programme. Presentations soliciting both participants and donors will be developed. Cooperative members will be solicited through presentations to community organisations such as GoodNews at Noon, Gainesville Housing Authority, and Department of Labour. Sewing and alteration equipment will be solicited as permanent or temporary donations from area businesses that sell or otherwise distribute sewing equipment. Local business partners may include: IMSA USA, Wal-Mart, Jo-Ann’s Fabrics, Hancock Fabrics, Hobby Lobby, and Michael’s (See Figure 1 below). There will be zero marketing cost while operating in the Marketing Environments listed in the pie chart below.

Launch Strategy and Requirements

SewCo will be located in temporarily donated industrial space in Hall County, GA and will be operated with the assistance of the volunteers from the Hall county area. SewCo is a start-up operation and may experience a net revenue loss for the first few years (See Financial Projections for the first year in Table 2). It will be an all-volunteer staff during the first year, with management provided by GSC SIFE. A part



time volunteer CEO will be chosen. Experienced volunteers will help with specific jobs and classes.

Training activities will be conducted both at SewCo's location and off-site as partner relationships evolve. Anticipated partners include Lanier Technical College, The University of Georgia College of Family and Consumer Sciences, and The University of Georgia Small Business Development Centre. Micro financing loans will be available from Access to Capital for Entrepreneurs (ACE) in Cleveland, GA for the establishment of member who wish to start small businesses.

Financial Projections – Year 1			
<u>Equipment</u>	<u>Qty</u>	<u>Value</u>	<u>Source</u>
Sewing Machines	4	300	Donated
Tables	4	200	Donated
Pressing Eq.	1	30	Donated
Misc. layout equip	2	40	Donated
Computer & printer	1	300	Donated
Chairs	6	60	Donated
Cleaning supplies		30	Donated
Work space	1000 s.f.	4,000	Donated
Seed cash		1,000	Donated
Startup licensing	1	150	Donation
Supplies (annual est.)	Annual	1,800	
Total cost for start up		\$7,910	
	Start up cash	1,000	
	Total Start Assets	\$8,910	

Impact Summary-Social Benefits

SewCo will educate and retrain individuals who may continue to rent the equipment to sustain themselves and SewCo. Others will create their own businesses and purchase their own dedicated equipment thus becoming entrepreneurs. Future development activities of SewCo will include on-site and off-site classes designed to help SewCo members plan and operate a micro-business of their own. This will help address the persistent unemployment common to this group of people and expand the economic development of Northeast Georgia.

Georgia State University
Andrew Young School of Policy Studies

Fresh Oasis Students as SB Team

Team Leader: Lauren Lowery

Team Members: Aundrea Bailey, Maxwell Bonnie

Social Problem Addressed – The Social Business Opportunity

Similar to many areas in the United States, Metro Atlanta contains multiple food deserts. Food deserts are ‘communities, particularly to low-income areas, in which residents do not live in close proximity to affordable and healthy food retailers. Healthy food options in these communities are hard to find or are unaffordable’ (Department of Health & Human Services, 2011). Thus, seeing that there is a lack of access to affordable and healthy food items in various low-income areas in Atlanta, there is an opportunity to eradicate food deserts in Metro Atlanta.

Solution Proposed – Business Model, Product/Services/Programmes

The solution to the eradication of food deserts in Metro Atlanta is Fresh Oasis, a mobile produce hybrid truck that also offers the option of bike delivery to customer’s homes. Initially, Fresh Oasis will operate solely in Fairburn Heights, a community southwest Atlanta that qualifies as a food desert. Customers will be able to purchase fresh, affordable produce with cash, debit card or EBT/SNAP benefits. Customers will have two options to purchase the produce: walk-up purchase at the truck (customers must bring their own bags for transport) and pre-order purchase (bike delivery). In order to manage the needs of walk-up customers, Fresh Oasis will purchase a predetermined amount of each of the staple produce options (based on initial market research) and will set up a covered display of the produce at Jackson Memorial Baptist Church in the community of Fairburn Heights.

Organisation Structure

Fresh Oasis will operate under a multi-layered structure. The management team will consist of the following: General Manager, Marketing Intern, and a Website Intern. The general manager will manage the following: daily operations, marketing plan, and community relations. The marketing intern will be responsible for marketing execution. The website intern will be responsible for website maintenance and all pre-orders. In addition to the management team, Fresh Oasis will have the following employees: a truck driver, bicycle delivery drivers, and hand labourers.

Marketing Analysis and Strategy

Market Strategy

Based on the observed market analysis (demographics, competitor identification, potential community partners), Fairburn Heights is an attractive market for Fresh Oasis operations. The long-term goal is to reach at least 60% of the households within Fairburn Heights while also

Fairburn Heights Market Analysis			
Demographics		Nearest Grocery Options <small>Note: All large retail markets are at least 25 minutes away via public transportation.</small>	Community Organizations
Area	0.648 Square Miles	Buy-Low Super Market	Jackson Memorial Baptist Church
Population Households	1, 418 498	Pic N Pay	Pathway Christian Cathedral
Median Household Income	\$30,750	Double AK Food Mart	St Paul of the Cross Church
Percentage of Population Below Poverty	32.50%	Shell Food Mart	Welcome All Missionary Baptist
Percentage of Single-Mother Households	20.40%	Fairburn Food Mart	Adamsville Recreation Centre
Percentage of Residents Born in-State	80.70%	Mystic Food Mart	Carrie Steele-Pitts Home
Median Age	Men: 29.7 Women: 34.4	Publix Super Market	Harper-Archer Middle School
Average Number of Cars per House/Condo	1.5		Towns Elementary School
Average Number of Cars per Apartment	0.8		Imhotep Centre of Education
Average Estimated Values of Detached Homes (60.5% of Residences)	\$105,759		Collier Heights Park and Recreation Centre

reaching consumers in nearby food desert communities through the local social and civic establishments.

Launch Strategy and Requirements

Fresh Oasis will take a community-based approach to marketing its services. These actions will focus on establishing relationships with the Fairburn Heights-area civic and social organisations, schools, planning office and state representative. Fresh Oasis will also develop community awareness by sponsoring a community forum on healthy eating prior to its target launch date.

Financial Plan and Sustainability

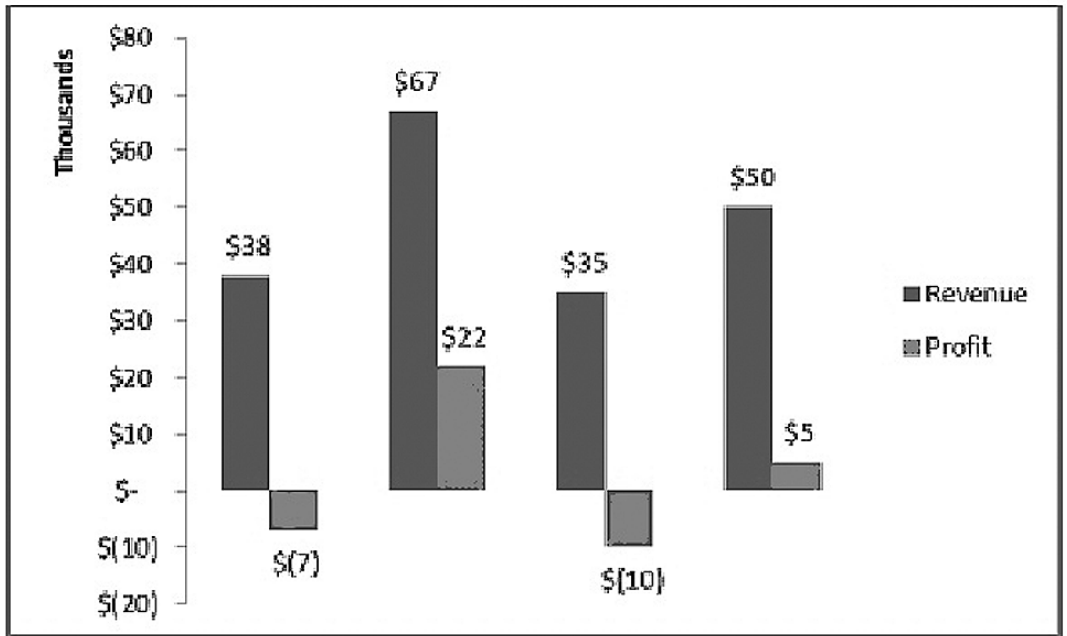
The initial start-up capital requirements for Fresh Oasis are expected to be around US\$75,000 (Cash Needed to Start \$62,000+One Time Costs \$13,000), and monthly costs \$15,000.

Produce will be purchased directly from wholesalers at the Atlanta State Farmers' Market. During peak harvest months, Fresh Oasis will sell at a 40% mark-up for a gross profit margin of 27% (26.667%). Due to seasonal pricing and availability as well as Fresh Oasis' mission of providing affordable produce to food deserts, lower margins are expected (around 16%) in the winter months (December – March). Assuming an average order price of \$20, the target number of orders per operating day is 325 orders. Based on the number of households in Fairburn Heights, Fresh Oasis aims to reach this target by the end of October of the first operating year.

Impact Summary – Social Benefits

Fresh Oasis will give Fairburn Heights access to fresh, affordable, high-quality produce with the goal of expanding to other food deserts in Metro Atlanta. Furthermore, Fresh Oasis has a long-term goal of creating jobs that will stimulate the economies in the communities it serves.

Figure 1: Expected Revenue Growth (Year 1, by Quarter)



Youth Brainstorming: Social Business Day 2012

Social Business Plan Competition
First Winning Team
Augrojatra IT and Training Firm
University of Dhaka
Bangladesh

Augrojatra Students as SB Team

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Social Problem Addressed

Among the eight Millennium Development Goals (MDGs), the Number One is 'eradicating extreme poverty and hunger'. 'Augrojatra It and Training Firm' is aiming to address this first goal through creating employment opportunities for a good number of disabled persons. *Augrojatra* will also indirectly contribute to the other two MDGs – 'achieving universal primary education' and 'ensuring environmental sustainability'. By motivating the disabled persons towards income generation (earnings), it will change their perception about education. If this vulnerable helpless section of the community can be motivated to get enrolled for primary/secondary education in order to enhance their employability against some secured jobs on completion of the courses, they will go for primary/junior secondary education. This will not only enlighten their understanding and awareness of their ability to enter the

job market, but also encourage them engaging in productive activities. Eventually, this will help them to improve their own living standards and contribute to the country's socio-economic development.

As such, 'Augrojatra' aims to achieve social stability by enabling the disabled persons to support themselves financially instead of relying solely on others; to reduce unemployment and poverty of the society and to provide the target customers with valuable services.

Social Intervention Idea to Address the Problem

'Augrojatra It and Training Firm' (meaning Advancement of It and Training), is an IT-based firm and training centre. It will be a privately owned 'Type 1 Social Business' venture. The innovator of this great business idea, Nobel Peace Paureate Muhammad Yunus has meaningfully categorised it as such. Its business focus would be on fulfilling social objectives like employment and rehabilitation of disabled people.

Five private individuals would be the investors in 'Augrojatra'. No corporate partner will be involved. The five investors will invest equally the same amount of capital, initially Bangladeshi Taka (BDT) 23, 85,200, towards the start-up of this business venture.

Via a social-cause driven business way, it is committed to promote and improve the welfare of the disabled people, especially who are physically handicapped (deformed hands and legs, and deaf and dumb) and are lagging behind the mainstream of society. In Bangladesh 10% of the population (nearly 16 millions) are disabled (www.bbs.gov.bd). – most very poor and lead a very miserable life, in absence of any reliable safety nets. They are deprived of the opportunity of generating income for their life and livelihood. They are treated as a burden of our society. 'Augrojata' is determined to provide them with training and skill development in order to make them 'employable'. And to create job opportunities for the disabled persons is *Augrojatra's* principal concern and an immediate task to address.

At the very outset of its business, nine disabled persons who have passed (minimum) SSC (O-Level equivalent) will be recruited. A three-month-training-course will be organised for them. Then the professional work will begin. Eight out of the nine trained disabled people will be employed in the office as designer staff and another one will be employed as training staff member. Both able and disable persons can attend the training courses. We will take only the minimum costs from the disabled

but usual costs from the able (normal) trainees to make cross subsidisation.

The *Augrojatra* will initially be located at Katabon area, at the heart of Dhaka Metropolitan City. It will design and print shopping bags, visiting cards, posters, pamphlets, brochures, etc. It will attempt to work as an outsource of data entry of research centres, hospitals, etc. It will also provide training on graphic design and basic computer courses.

Product/Service Design Process

Augrojatra will provide two types of services: Graphic Design with Printing and Data Entry Solutions, and Structured Training Programmes.

Graphic Design and Data Entry

The firm will provide graphic design and data-entry service. Graphic

Table 1a: Normal Courses

Courses	Course Contents	Course Duration	Fees/BDT
Basic Course	MS word, MS PowerPoint, MS excel, MS access	2 Months	1,500
Graphics Design Course	Adobe Illustrator CS, Adobe Image Ready CS, Adobe Photoshop	3 Months	4,000
**Special Offer (Basic Course+ Graphics Design Course = BDT 5,000 Only)			

Table 1b: Special Courses

Courses	Course Contents	Course Duration	Fees/BDT
Basic Course	MS word, MS PowerPoint, MS excel, MS access	2 Months	700
Graphics Design Course	Adobe Illustrator CS, Adobe Image Ready CS, Adobe Photoshop	3 Months	1,500
**Special Offer (Basic Course+ Graphics Design Course = BDT 2,000 Only)			

**Special Courses will be offered only for Disable Persons

design services include basically all types of writing and printing on the paper. The firm will also provide data-entry service both for local and foreign clients. Local clients are mainly advertising companies, telecom companies, consultancy/research firms, manufacturers. For the foreign clients, we will look into the out-sourcing websites.

Training Service

The service will be the training programmes for both able and disabled people. There will be two types of training programmes – normal courses and special courses.

Range of Products to be Offered

Graphic design service include Logo designing, Cover-page of Books and Magazines, Prospectus and Brochure, Banners and Posters, Annual Reports, Booklets, Business Cards, Calendar, Catalogues, Labels and Packet Designing, Check, Announcements, etc – basically all types of writing and printing on a paper.

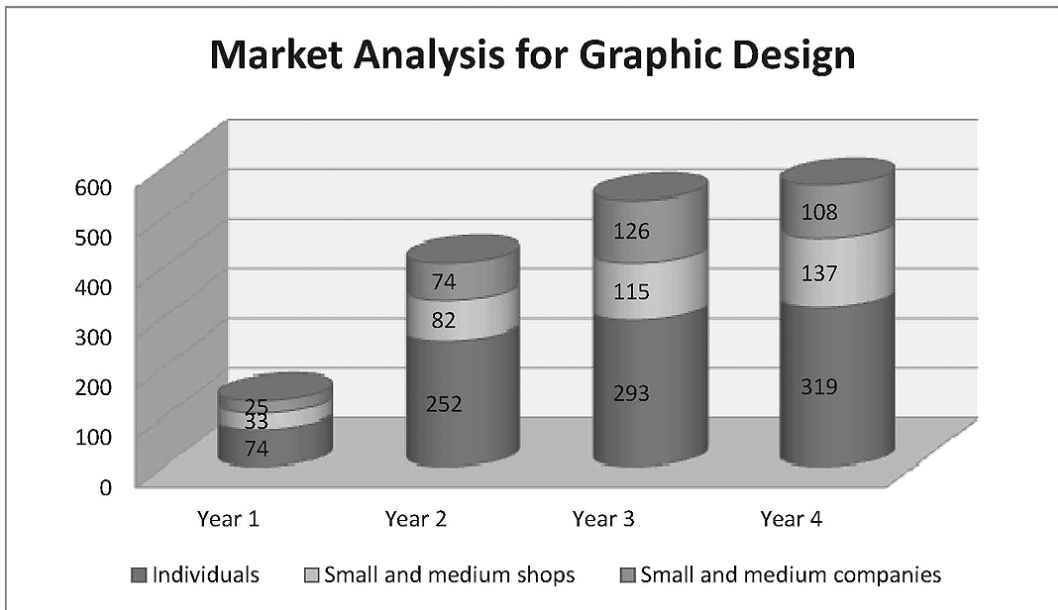
Market Analysis & Strategy

Target Market

- For the data-entry job, *Augrojatra* will look for those firms, organisations, hospitals and .com web-sites that look for out-sourcing a huge number of data to be processed.
- It will target small and medium shops, and companies located at the focal shopping areas (pockets) in the City – New Market, Gausia, Chadni Chawk, Chandrima Market, Gausul Azam, Nilkhet and Katabon, which are keen to design their shopping bags, visiting cards, posters, etc.
- It will target valued individual customers who need to print wedding cards, birthday cards, business cards, visiting cards, Eid cards, etc.
- *Augrojatra* will look for unemployed young and disabled people and provide them IT-related training and skill development short courses.

Competitors and Competitive Strategy

Many individuals and firms are working in this fast expanding IT sector. But, it is observed that there are only a few trained and efficient IT people in Graphic Design and Data Entry businesses. We will have trained and efficient workforce and will enjoy competitive advantages as outlined below:



Cost advantages from efficiency: Since we will operate with trained, skilled IT workers, we will be able to minimise our cost of operation.

Product differentiation: We will provide special training packages for the disabled people.

Service differentiation: We will provide both graphics design and printing facilities.

People differentiation: We are mainly working with disabled persons and making employment opportunities only for them.

Innovation: We believe creativity can be both inherent and achieved with proper training; our workers will definitely be able to provide innovative solutions.

Sustainable competitive advantage: By reinvesting the profits into the business, we will ensure its sustainable competitive advantage.

Pricing Strategy

Augrojatra will follow a unique pricing strategy for the training programme. It will follow two types of pricing strategy for two types of people:

- Number One is *absorption pricing strategy* for the disabled people. In this system this firm will charge a little amount of fees for training

programme from the disabled individuals. The charge/fees will be fixed at close to the net cost.

- Number Two is *cost-plus pricing strategy* for the normal people. Here, the fees/charges will be calculated by adding total cost plus profit from the training programmes, etc. And this price will be equal to existing market price.

Basically, in pricing the training programme our strategy would be not to gain any profit from the disabled people, but make reasonable profit from the normal people to run the business and ensure the disabled benefit from a low price.

Promotional Strategy

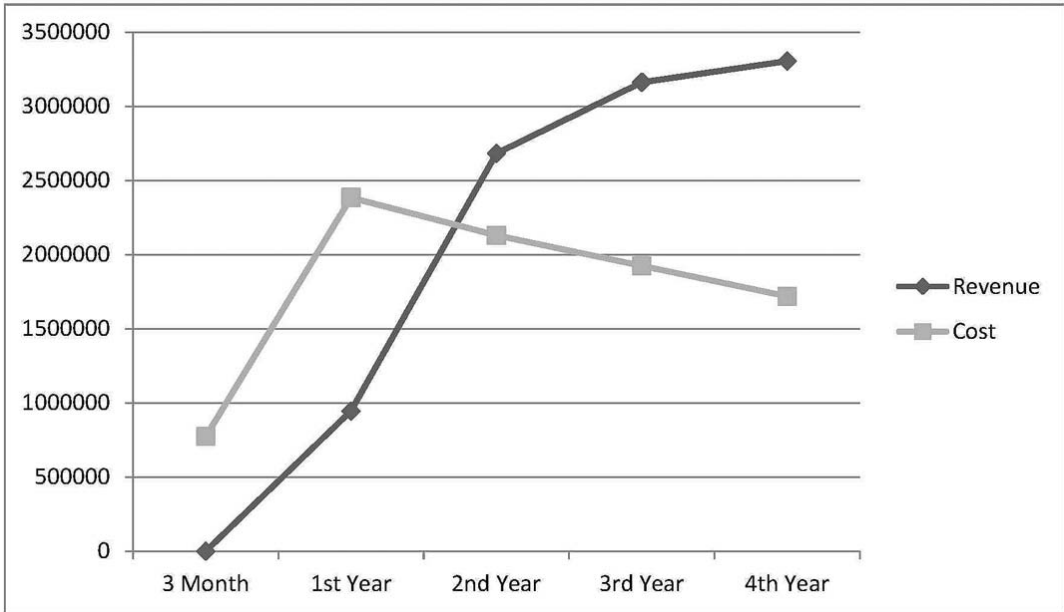
Our promotional strategy will be a little bit different. As a small firm, we can't advertise our firm through media. But we will try to capture market through emotional appeal, networking, and customer referral. The methods used for promotional strategy will be:

- Emotional Appeal: We will convince the customers that we will give our best service to them through the trained disabled people. If they come to us, they will get good service and at the same time it will be helpful for the disabled people.
- Networking: Networking will be based on personal and professional relationship with the managers, employees and existing and potential customers.
- Customer Referral: Customer referral will be another promotional strategy. We will ensure good relationship with our primary clients who will refer more customers to our firm.

Financial Planning & Business Forecast

Break-Even Period

Augrojatra will probably reach the break-even point in 2.5 years. As estimates in Table 4 shows, in the 1st year the total cost would be Bangladeshi Taka/BDT 23,85,200 but no profit. So, the total cost of the 1st year will be borne by the investors. The revenue of the 1st year is BDT 9,45,300, so the total loss is 14,39,900. The first two years' total cost is BDT 45,15,600, BDT 21,30,400 being the cost for 2nd year, and the revenue BDT 26,83,000, hence the profit is BDT 5,52,600. The firm will take approximately 2.5 years to reach the break-even point.



Projection of Costs, Revenue and Profits Next Four Years

Table 2a: Fixed Costs Next Four Years

Fixed Cost Items	Quantity	Per Unit Price	3 Months	1 Year	2 Year	3 Year	4 Year
Computer	10	30,000	3,00,000	3,00,000	3,00,000	3,00,000	3,00,000
Projector	1	5,000	5,000	5,000	5,000	5,000	5,000
Desk	1	5,000	5,000	5,000	5,000	5,000	5,000
Fan	5	2,500	12,500	12,500	12,500	12,500	12,500
IPS	1	1,50,000	1,50,000	1,50,000	1,50,000	1,50,000	1,50,000
PC Table	9	2,000	18,000	18,000	18,000	18,000	18,000
Chair (Normal)	2	2,000	2,000	2,000	2,000	2,000	2,000
Chair (Manager)	1	4,000	4,000	4,000	4,000	4,000	4,000
Special Chairs for Employees	9	5,000	45,000	45,000	45,000	45,000	45,000
Telephone	1	2,000	2,000	2,000	2,000	2,000	2,000
Rent Advance			75,000	75,000	75,000	75,000	75,000
Total Fixed Costs			6,18,500	6,18,500	6,18,500	6,18,500	6,18,500

Table 2b: Variable Costs Next Four Years

Variable Cost Items	Quantity	Per Month	3 Months	1 Year	2 Year	3 Year	4 Year
Office Rent			75,000	3,00,000	600000	9,00,000	12,00,000
Salary /Managerial	5	12,000	36,000	5,76,000	1296000	20,16,000	27,36,000
Salary /Employees	8	6,000	0	4,32,000	1008000	15,84,000	21,60,000
Salary Printing Supervis	1	6,000	0	54,000	126000	1,98,000	2,70,000
Salary Assistant Trainer	1	8,000	24,000	96,000	192000	2,88,000	3,84,000
Electricity Bill		5000	15,000	60,000	120000	1,80,000	2,40,000
Stationery Bill		1,000	3,000	12,000	24000	36,000	48,000
Telephone Bill		1,000	3,000	12,000	24000	36,000	48,000
Promotion			0	4,500	10500	16,500	22,500
Printing			0	2,20,200	496600	6,03,000	4,32,000
Total (Variable Cost)			1,56,000	17,66,700	38,97,100	58,21,500	75,40,500

Together fixed costs as in Table 2a and variable costs in Table 2b will make total costs as follows: BDT 7,74,500 (3 Months), BDT 23,85,200 (1st Year), BDT 45,15,600 (2nd Year), BDT 64,40,000 (3rd Year) and BDT 81,59,000 (4th Year).

Table 3: Sector-Wise Revenue Flow

Revenue Sectors	3 Months	1st Year	2nd Year	3rd Year	4th Year
Training	0	52,400	9,41,000	1,21,600	1,26,000
Data Entry		4,00,000	5,00,000	5,44,000	6,20,000
Graphic Design					
Individual	0	75,900	2,35,400	2,83,000	3,33,000
Small Company	0	1,04,000	5,50,000	6,23,000	9,09,000
Medium Company	0	3,13,000	9,52,000	15,91,600	13,18,000
Total / BDT		9,45,300	26,83,000	31,63,200	33,06,000

Table 4: Year-Wise Profits

	1st Year	2nd Year	3rd Year	4th Year
Revenue	9,45,300	26,83,000	31,63,200	33,06,000
Cost	23,85,200	21,30,400	19,24,400	17,19,000
Profit/BDT	(14,39,900)	5,52,600	12,38,800	15,87,000

Table 5: Payback To Investors Out of Profits

Payback	2nd Year Profit BDT (5,52,600)	3rd Year Profit BDT (12,38,800)	4th Year Profit BDT (15,38,000- 9,44,200= 5,93,800)
Investor 1	1,10,520	2,47,760	1,18,760
Investor 2	1,10,520	2,47,760	1,18,760
Investor 3	1,10,520	2,47,760	1,18,760
Investor 4	1,10,520	2,47,760	1,18,760
Investor 5	1,10,520	2,47,760	1,18,760

Payback Period for Investors

Payback to the investors will be started after the firm reaches the *break-even point*. After the second year when the firm profits BDT 5,52,600, it will then start paying back (see Table 4 & Table 5).

Social Impact Analysis

Social Return on Investment – SROI

According to government statistics, about 15 million persons are disabled in Bangladesh. Through offering proper training, our firm will ensure their employment and rehabilitation. We plan create job opportunity for the disabled people in our organisation as well as in different organisations. By ensuring employment we can include this huge section of our population (about 10%) in the mainstream economy. It will decrease unemployment rate; their purchasing power will increase. And this will positively change their standard of living and social status. Both social establishment and self-satisfaction will be gained. It will also help to decrease social crime, committed by the dependents of those disabled persons. Normal training session will help increase IT knowledge among the trainees. And our service-users will get good quality services from specially trained and efficient disabled persons. It however offers good opportunity for them to contribute to social works. Finally, by reinvesting the profits, the firm will use the funds to expand the business and promote the welfare of the disabled people of the society.

Social Impact Per Beneficiary X Number of Beneficiaries

Social return on investment of this firm will be huge. It is difficult to estimate the amount of ROI however. When the disabled people will be able to work, their family as well as their society will get the benefit. If a disabled person earns monthly BDT 7,000, their dependents will also benefit out of it. As a result, the social crime would decrease. The amount of that returns would be about six times than investment. For example, we invest BDT 1,00,000 for them. They earn BDT 1,50,000 from the business. At this stage the social crime loss will also decrease by BDT 2,50,000. Mental satisfaction as well as physical health improvement will also increase by BDT 2,00,000. So the total SROI would be BDT 6,00,000.

Does 'Augrojatra' Fulfill All 7 Principles of Social Business?

Yes, it fulfills the seven principles of Social Business in the following ways:

- The disabled people of our country are the unprivileged section in a sense that they are deprived of all basic instrument of joyful life. But after getting training from our firm –they will able to be self-dependent as they will be capable of earning money for them & their family. They will also be able to access the technology.
- The firm will provide job opportunities to the disabled that will make them financially solvent. And, as the working force will increase, the total economic situation will also be improved.
- Five investors will only take their investment, not the dividend. It will take almost 4years to give back the investments to the investors.
- After paying back the investment, the profit will stay within the firm, and will be reinvested to expand the business.
- *Augrajatra* will use energy-saving bulbs to reduce the energy consumption.
- Each and every employee (including managerial personnel) will get market wage, with a better condition of working.
- Every member of this firm is very enthusiastic and they are determined to give the society something.

Long Term Business Strategy

Augrojatra as a firm has some long-term business strategy to stay in the competitive market.

- After paying back the investment, it will upgrade its IT equipments, include more computers, etc, and more skilled employees.
- New courses will be introduced – web-designing, AutoCAD, Programming, etc.
- With more sophisticated technology, *Augrojatra* plans to include the blind people as employees.
- Transport facility for the employees will be introduced.

Finally, *Augrojatra* would project to create sustainable marketable skills and entrepreneurship for the young and disable persons and to make them a real useful asset for the society. □

Pro-Youth Economic Franchises That are Open Network Replicable

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Back in the 1940s, my grandfather Norman Macrae was mentored by John Maynard Keynes on the General Theory of *how economics rules the world* – in particular how economics, through markets, either designs or destroys the futures that people want to exponentially impact on next generations. In 1972, he first saw 500 youth sharing knowhow around a digital network, thus started the genre of Entrepreneurial Revolution www.ERworld.tv at *The Economist* magazine.

A version of the net generation's innovation flows is chartered in the 1984 book – *The 2024 Report: A Concise History of the Next 40 Years 1984-2024* by Norman and Chris Macrae. They attempted to explore the joyful future history of the net generation 1984-2024 knowing full well that the opposite possibility has already been plotted in George Orwell's Big Brother. On reading this book the UK's former Liberal leader and peer Jo Grimond said: 'I am happy to recommend that science can action this if history's big powers are decent enough to get out of the way'.²

What is needed for post-industrial revolution futures to benefit or human lot is: economists invest in ensuring worldwide youth of the 2010s are 10 times more productive than moon racing humans could ever be in the 1960s. Norman Macrae scripted 3 billion new jobs to countdown and how in 2005 man recognised that the difference in incomes and expectations between rich and poor nations became man's biggest risk.

¹ The author is an enterprising young student. She has written this short piece with assistance from her father Chris Macrae.

² http://en.wikipedia.org/wiki/Jo_Grimond

Now, here's a very important point in 2012 that an economist should answer the following question: from the beginning of the millennium, which two of these three variables sustains growth of human productivity by order of magnitude:

1. new forms of energy
2. new technology
3. world trade?

The answer is a), b) – for more information go to *The Economist* archives and search 'Gross World Product (GWP)' – an idea that can grow far more value through generation than adding up GNPs. The GWP economics offers multi-win games whereas world trade's economics metrics is at best a zero-sum game depending how speculative system designs of currencies become.

Contextually, we come to valuing the most detailed question my grandfather taught us to ask first to anyone making decisions around powerful global brand partnerships. See Brand Chartering by Chris Macrae published by Economist Intelligence Unit or join us at <http://charter.ning.com> Who would uniquely miss what if this brand leader did not exist?

So, What Would World Youth Miss if Grameen Bank Didn't Exist as a Consequence of Bangladesh Government's Drastic Action? The most pro-youth economic franchises that are open network replicable for finance? health? nutrition? energy? education? new technology? . . . ? We love to hear short answers to any of those topics.

Currently one idea may be how do we build a university of jobs competitions inspired by Prof Yunus out of the poorest county in USA. How do we do that in such a way that rich universities want to join in our competitions because we have a better understanding of selecting which community to turn into a *social lab* on what critical sustainability development issue. □

Journal of Social Business

An International Quarterly Journal

Call for Papers: 2012/2013 Issues

The Journal of Social Business (JSB) is focused on ‘Social Intervention Towards Sustainability’ – *one that addresses society’s most pressing problems*. Given that social business entrepreneurship is an emerging global phenomenon, the JSB will be emphatically international in its coverage in terms of scholarship and real world experiences. The JSB aims to provide an interface between the social mission-driven practitioner community – entrepreneurs who are actively engaged in embracing the challenge of a ‘new’ orientation to businesses while maximising social impact and the development of effective strategies for integrating their innovations into their ongoing and future operations, and the academic community – scholars who perceive the opportunity to apply their work (qualitative and quantitative) to critical issues facing the society and are enthusiastic to pursue ‘Social Intervention Towards Sustainability’ while encouraging entrepreneurial activities to maximise social impact.

The JSB invites contributions that offer creative ideas, observations and analyses in areas such as **Pro-poor Growth Strategy; Multiple Faces of World Poverty and Solutions; Pro-poor Healthcare and Education; Poor-friendly Technology; Moral Economic Philosophy and Business Ethics; Welfare Economics; Transformational Economics; Community Economic Development; Bottom-Up Development; Community Banking – Microcredit and Microfinance; Mapping Social Business Enterprise and Sustainable Economy; Social Business Ventures and Third Sector/Public Sector/Corporate Relationships; Inclusive Business; Business Sustainability; Philanthropy/Charity and Productive Activity; Micro-Entrepreneurship; Women Empowerment; Investing in Youth Jobs; Sustainable Energy Issues; Environment Community Action and Sustainability; Microfinance and Climate Change; Active Citizenship through Skills and Capacity Building; etc.** The JSB welcomes contributions that discuss these issues in new and imaginative ways, particularly if they point to new scope of application, reform or policy recommendation.

For full consideration of future JSB issues, manuscripts must be received four full months prior to respective forthcoming quarterly issues – April, June, September and December.

Guidelines

The title of the paper together with the author’s name, address, affiliation and a contact telephone number should appear on an introductory page, separate from the text (and title again) of the paper. In case of more than one author, full correspondence details – address, telephone number and email address – of the corresponding author should be furnished.

Manuscripts should include an Abstract of no more than 125 words, and up to six keywords which between them should characterise the paper. All pages of the paper must be numbered at bottom. Manuscripts typed in 1.5 spaces should not exceed 25 pages, including abstract, notes, tables, figures, and references. The author(s) must arrange permission for the reproduction of any material, tables and illustrations within manuscript.

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The JSB uses UK English spelling. Broad division and section headings should be clearly marked in the text where appropriate. Any quotations should appear in single marks, with quotations that exceed 40 words indented in the text. Notes should be placed at the bottom of each page as footnotes. Author's acknowledgement should be given at the end of the paper under a separate subtitle – **Acknowledgement**.

Statistical tables should be submitted on separate sheets (not in the text). Each row and column should be clearly labelled with appropriate headings, etc. Vertical lines should not be used in tables, and horizontal lines should be kept to a minimum.

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Smith, A (1776): *An Inquiry Into the Nature and Causes of the Wealth of Nations*, London: Ward, Lock, Bowden & Co.

Stiglitz, Joseph (2010): 'Needed – A New Economic Paradigm', *Financial Times*, 20 August, London, UK.

Yunus, M, Moingeon, B and Lehmann-Ortega, L (2010): 'Building Social Business Models: Lessons from the Grameen Experience', *Long Range Planning*, Vol 43 (2-3 April), Pp308-325.

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