

The Double Bottom Line for West African NPOs:

Exploring its Relevance for a More Successful Funding and Sustainability

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OVERVIEW / INTRODUCTION

In West African Countries, NPOs are increasingly displaying fragility, lack of liquidity, and profound vulnerability at this current storm of the Covid-19 crisis.

Yet, NPOs were already affected by the reduction of private donations and government funding.

This project reviews some range of points that shed light on the Double Bottom Line (DBL) approach to see if it can be a solution against the shortage of donation and funding. This research talks to me and prepare me to face the reality of this field in a near-future.

OBJECTIVES

1. To find out if the DBL approach is a life-saving response for NPOs facing funding issues.
2. To provide recommendations for African leaders who want to undertake social enterprise while running their NPOs.



RESEARCH QUESTIONS

1. What factors show that implementing a social enterprise in the nonprofit organization can be a key response in an African context?
2. What specific changes the DBL approach brings to organizations as a key solution in their researches for funding and sustainability?



METHODS AND APPROACHES

This paper engaged a qualitative research approach that drew on primary and secondary sources.

- Primary data was collected through semi-structured interviews. These interviews were conducted with four experts, all involved in Social Entrepreneurship and Nonprofit: three from Senegal, and one from Oman, in Jordan.
- The literature review provided secondary sources (journal articles, reviews, and academic books) through Google Scholar, and Gleeson Library.



DATA ANALYSIS

Findings

Definition

Expert Interviews

Int. #4: Social Enterprise encompasses a trilogy. Performance, Solidarity and Social Utility.

- It enables local mobilization of resources also known as financial counterpart or local contribution.
- Lot of values in SE action because it allows an internal self-financing.
- It allows to take an orientation and actions to promote man, to respond to sufferings, to respond to vital needs, and to face the aspirations of community development.

Literature review

DBL: NPOs committed to solve social issues while running programs that make them earn revenues for their social causes. (= hybridity)

Social Entrepreneur: Is the one who brings concrete and innovative solutions to social problems that often appear unsolvable

Social Enterprise: Is a business with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximize profit for shareholders and owners



DATA ANALYSIS

Findings

Implementation of SE from a Survival Instinct (Observation)

Expert Interviews

- . Int. #1&2: Partners belong to aging Western communities, and therefore with fewer donors, which means fewer funds.
- . Int. #1: Through SE, NP leaders are able to continue to render service. There is coherence between the SE and the mission of the Organization
- . Int. #1: With SE, there is a greater efficiency and with a larger target.

Literature review

Gone are the days of charitable relief-cash handouts and subsidies that do more to create dependencies in program participants than to prepare them to take on the world themselves

Gone, too, are the days of easy money from government and foundation grants, for which results and accountability were rarely required or enforced

It is necessary for nonprofits to operate like business enterprises, to adopt their for-profit attitudes. This represents the best method for ensuring nonprofit success.



DATA ANALYSIS

Findings	Expert Interviews	Literature review
<h2>Professionalization and Quality of Human Resources</h2>	<ul style="list-style-type: none">SE allows our African organizations to become more professional.Int. #4: SE has to be made strong. This is a necessity in the face of scarce resources and opportunities that still exist.Int. #2: Human resources must be at the forefront of what the enterprise wants to do.Int. #1: We have to put the right people at the right place (True Competency).	<ul style="list-style-type: none">Enterprising NP: Nonprofit leaders need more than ever to be entrepreneurs.Necessity of Reconfiguration: by bringing Innovation for a successful implementation of the SE. Implementing shared services.Management Challenges: It is necessary to ensure that there is no absence or lack of competent manager within the Organization. Hence the importance of training SE managers.



DATA ANALYSIS

Findings	Expert Interviews	Literature review
<h2>Circumventing the Scarcity of Financial Sources</h2>	<ul style="list-style-type: none">. Int. #1: By investing (in real estate and in the capital of its socio-entrepreneurial microfinance structure, in order to reap the "dividends).. Int. #4: By diversifying existing partnerships.. Opening up to other structures that are in the development field and for which the organization should be able to obtain funding.	<ul style="list-style-type: none">. Achieving a financial stability by being engaged in a more efficient allocation of resources, an increased revenue diversification and earned-income ventures.. Moving from traditional NPO to the introduction of the enterprise inside the organization, that is, using the SE label to get additional funding.. With their existing social missions, infrastructure, and networks, nonprofits might be considered useful conduits for innovative social enterprises to flourish (Kerlin).



DATA ANALYSIS

Findings	Expert Interviews	Literature review
Knowledge of the Market realities	<ul style="list-style-type: none">. Int. #2: Preliminary studies are essential, that is to say, inventory and assessment, before thinking of creating any income-generating activity. This is a crucial step to successfully gaining market share.. Int. #1: Importance of the quality of the product and its permanence	<ul style="list-style-type: none">. Leaders have to make their nonprofit business model explicit. Need for formation in order to know the reality of the market.
Ethical Challenges	<ul style="list-style-type: none">. Int. #1: Remaining faithful to the initial intuition of the social mission of departure, when the temptations to change course to earn more income arrive. Int. #1: The staff must appropriate all the points that are well written on the ethics, principles, and mission of the organization	



DATA ANALYSIS

Findings

Solutions For Income Generating Financial Sustainability

Expert Interviews

- **Int. #3:** Being a service provider and putting forward its expertise in order to gain some part of the State market.
- Have the social programs clearly distinct from the commercial or service activities that are carried out in parallel to the activities of the organization.
- Stop hiding the social enterprises behind the social programs of the organization in order to benefit to the tax exemption of the organization. This will provide full benefits.
- Offer original products in the Public Square, products that are of good quality and that make a mark.

Literature review

- **The Impact of the hybridity:** In Africa today, many NPOs have endorsed the concept of Social Enterprise, seeking to make themselves grow and transform through the concept of hybridity in the management of their organizations.
- There is growing recognition that hybrid organizations can play a critical role in tackling intractable global sustainable development challenges.



DATA ANALYSIS

Findings	Expert Interviews	Literature review
<h2>Challenges of Compliance</h2>	<ul style="list-style-type: none">. Lack of clear clarification within our West African States of the status of NPOs and NGOs.. Int. #4: We are an NGO, but formally we should not make money if we stick to our non-profit status.. Leaders of organizations do not dare to communicate too much about their social enterprise services or make them visible.	<ul style="list-style-type: none">. Social entrepreneurs face many challenges including the legal environment, accompanying infrastructure, support for social innovation, funding, training, promotion and evaluation of practices (Elamdassi).. Organizations must find the right legal form guaranteeing the possibility of pursuing both economic and social objectives (Elamdassi).



DATA ANALYSIS

Findings

Future of Hybridity

Expert Interviews

- **Int. #4:** Partnership with the public and private sectors is the future of the hybridity.
- **Int. #2:** SE is to be managed in a professional way, with professional relationships.
- **Int. #1:** The future of hybridity can be radiant if NPOs opt for empowerment of their structures.
- **Int. #4:** It is about promoting a social enterprise model that departs from the current practices of the 'parent-organization.'

Literature review

- A nonprofit's strategy for sustainability encompasses both programmatic elements and financial elements (Masaoka).
- Leaders have to make their nonprofit business model explicit.

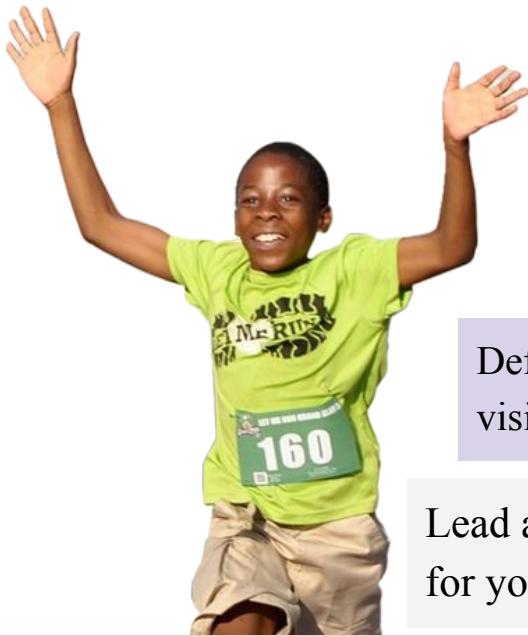
IMPLICATIONS



- There are many good factors that attest to the adequacy of this implementation.
- Implementing the DBL is the only salutary path open to African NPOs which are experiencing steadily financial difficulties due to the shortage of Western donors and government subsidies.
- There is an attraction to the creation of social enterprises whose primary goal is to offer an answer to unemployment.
- The DBL approach enables leaders to bring something on the table of the negotiations with the partners.
- People who are engaged in the DBL are from the community and thus it is a source of employment and growth for the grassroot community.



RECOMMENDATIONS



Dare to undertake, dare to do, and dare to change. Entrepreneurship within charitable organizations should not be seen as a dream. It must be launched.

Diversify partners should be a priority. It enables to experience a rewarding image with donors and other organizations

Define clearly your objectives in terms of results. That will provide legibility and visibility of the economic actions undertaken.

Lead a common plea at the State level to make clearly defined the legality of the SE for your NPO.

Separate the management of the two entities and have the right people at the right place to achieve performance.

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SUMMARY

This project reviews some range of points that shed light on the Double Bottom Line (DBL) approach to see if it can be a solution against the shortage of donation and funding.

PURPOSE

The purpose is to have a large view of the SE model that could engage our organization in performing visible and sustainable social missions that will attract more donors.

RESEARCH

- ❑ What factors show that implementing SE in the NPO can be a key response in an African context?
- ❑ What specific changes the DBL approach brings to organizations?

METHODS

- Qualitative research approach that drew on primary and secondary sources.
- ❑ Literature Review
 - ❑ Four Expert Interviews

DATA AND ANALYSIS

	Experts	Lit. Review
Definition	Mobilization of \$	DBL, SER, S E
Survival Instinct	Get out from an Old Concept	Gone are the days of easy money
Professionalization / Quality HR	HR must be at the forefront	Enterprising NPOs
Circumventing the Scarcity	By Investing and Diversifying	Introducing SE inside the NPO.
Market realities	Inventory, Quality Assessment	Need for formation
Ethical challenges	Engagement for a Good Ethical culture	
Solutions	Separate activities of SE from the NPO	Growing recognition of SE
Challenges of Compliance	Lack of Clarity of the Status	Must find the right legal form
Future of Hybridity	Partnership Separation	Make the business model explicit

RESULTS

- ❑ DBL is the only salutary path open to African NPOs which are experiencing steadily financial difficulties
- ❑ The DBL enables leaders to bring something when negotiating with the partners.
- ❑ There is an attraction to the creation of social enterprises whose primary goal is to offer an answer to unemployment.

RECOMMENDATIONS

- ❑ Dare to undertake, dare to do, and dare to change.
- ❑ Diversify partners should be a priority.
- ❑ Define clearly your objectives in terms of results.
- ❑ Lead a common plea at the State level for the legality of the SE for your NPO.
- ❑ Separate the management of the two entities.

REFERENCES

- Dees, J. G., Emerson, J. & Economy, P. (2002). *Enterprising Nonprofits: A Toolkit for Social Entrepreneurs*. John Wiley & Sons.
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