

Executive Training Report

Kampala, Uganda: 15-16 October 2015

Rotterdam, the Netherlands: 27 October 2015

From October 2014, the Partnerships Resource Centre (PRC), the Netherlands-African Business Council (NABC) and the Eastern and Southern Management Institute (ESAMI), are collaborating on the project *“How can Inclusive Business Strategies Contribute to Inclusive Development in Sub-Saharan Africa?”* This research project is part of the research agenda of the Knowledge Platform Development Policies and is funded by The Netherlands Organisation for Scientific Research.

An important aspect of the programme is to share knowledge and develop practical tools for inclusive business development. In this regard, the lead partners –ESAMI, PRC and NABC-organised an executive training on the 15th and 16th of October 2015 in Kampala, Uganda and on the 27th of October in Rotterdam, the Netherlands.

In Kampala, twenty-nine participants from different organisations and countries attended the training and in Rotterdam twelve consortium members were present. The executive trainings aimed to inspire the partners, to familiarise them with inclusive business concepts and strategies by focusing on the opportunities, barriers and tipping points of inclusive business.

The executive training was the second workshop for both the African as well as the Dutch partners to learn about the strategic importance of inclusiveness in business models. The zero measurement results of the survey gave the partners insight in their own position on the inclusiveness scale. During the conference, practical tools were used to reflect on the business model of the participating organisations and to plan the next steps. By applying this to their own organisation the participants were challenged to identify ways in which their business models already create shared value and where there is room for improvement.



In addition to sharing knowledge, this event also aimed to build an inclusive business community for the consortium members, ranging from Civil Society Organisations (CSO's) to companies, knowledge institutes and government representatives. By creating a safe space during the training session, the participants could freely interact with each other, share experiences and best practices within the community.

Highlights from the Executive Trainings

The Importance and challenges of Inclusive Business

An important issues addressed during the training was the meaning and relevance of the concept of inclusive business. A distinction was made between standard businesses with a single (financial) bottom line, and inclusive businesses that aim for a triple bottom line, i.e. not only a financial return on investment, but also a social- and environmental return.

In his presentation, Professor Rob van Tulder, director of the Partnerships Resource Centre, emphasized the relevance of inclusive business for meeting the recently adopted Global Goals for Sustainable Development (SDGs). The SDGs are universal and aim for inclusive development based on the three Ps: people, planet and profit. Businesses are important for promoting inclusive development in and of themselves, but also through partnerships with governments and CSO's. Partnerships, as such, might be critical instruments for filling in the institutional voids in developing countries that raise the cost and risk of doing business alone. The question of how to effectively translate institutional voids into business opportunities is an essential challenge of inclusiveness ambitions that was also thoroughly discussed during the training.

The training further explored a number of challenges for businesses in their ambitions to become more inclusive. These challenges include managerial and organisational obstacles, but also technological barriers and obstacles related to access to finance, poor infrastructures and the regulatory burden. The relevance of these obstacles was discussed in greater detail by considering the case of Safaricom's M-pesa mobile banking service (see below), and the difficulties of expanding the service to other African countries.

Mapping your inclusive business model

In order to become more inclusive, it is important to must first fully understand the current business and see where there are opportunities for change. The business model canvas is a tool regularly used to map the core logic for creating and capturing value of a company: for the company itself, for its clients and for society. For this programme an 'Inclusive Business Model Canvas,' has been developed, which is an extended version of the business model canvas that captures the triple-bottom-line and the business ecosystem of a business model.

During the training the participants were asked to first map their current business model, then fill in the inclusive business model and subsequently reflect upon the earlier version to see where there could be room for improvement. The events saw an active participation of participants in which they mapped their business models, including their social and environmental impacts. This was followed by group discussions on improving social impact, and the pathways needed to achieve greater inclusiveness.



Mapping your Inclusive Business Model and Assessing Your Pathway

In addition to the business model canvas exercises, Professor Rob van Tulder introduced the functional areas framework, which is a tool for identifying the degree of internal alignment in terms of inclusiveness across functional areas. The framework was used to critically reflect on the tipping points in transitioning towards greater inclusiveness. The functional area framework was also critical in identifying transitioning pathways within the organization, and translating those strategies to action.

Participants were invited to critically reflect on their obstacles and transitioning pathways in three functional areas, Human Resource Management, inclusive purchasing and inclusive or frugal innovations. A number of internal and external barriers for change and change pathways were identified, leading to a fruitful discussion that involved changing teaching experiences.

Case-study M-Pesa

In Kampala, a case study was used to reflect on the potential of mobile banking to contribute to inclusive growth by looking into the case of MPesa in Kenya. The discussion highlighted the importance of partnership to introducing novel business models, but also the supportive role of government policy in expanding mobile banking in Kenya. Another issue discussed as an explanatory factor for the success of Mpesa was the specific market context in Kenya. The reasons behind the low level of success of mobile banking in other East African economies was

also discussed. In Ethiopia, it was pointed out that the state owned telecom monopoly was less obliged to open up the market, suggesting the role of competition.



I will....

The executive training in Kampala concluded with an “I will” statement: a personal statement reflecting the participants’ own future achievements and goals.

Reflection and looking ahead

The participants expressed their interest in creating an online community to continue the discussion and sharing of experiences. In the coming months this platform will be created.

In 2016, the research team will elaborate on making the next steps while linking the business models to academic research and the country specific context during the stakeholder dialogues that will be organised in the autumn of 2016. For a further specification of the research plans and workshops please see the Quarterly Update.

ANNEX 1

Participant List Executive training Kampala

Name of Participant	Organization
1. Nathan Akandwanaho	Heineken -Uganda
2. David Kandia Masai	Rafiki Microfinance (Subsidiary of Chase Bank) Kenya
3. Yalew Teshome Demissie	Esami (Ethiopia)
4. Andrew Othieno	Esami (Rwanda)
5. Claver Serumaga	Bank of Africa Uganda
6. Rob Van Tulder	RSM - Netherlands
7. Maryn Kleingeld	NABC- Netherlands
8. Thijs Rutjers	NABC-Netherlands
9. Addisu Lashitew	RSM - Netherlands
10. Siri Lijfering	RSM Rotterdam
11. Sören Brosch	ICCO-Uganda
12. Lucky Yona	Esami – Arusha -TZ
13. Peter Kiuluku	Esami - Kenya
14. Joy Kiiru	Esami –Kenya
15. Samson Bekele	SSH -Ethiopia
16. Michael Koech	Safaricom-Kenya
17. Francisca Nobre	FAWE Mozambique
18. Emmanuel Ongoye	NAUTICA (logistics) -Uganda
19. Stephen Magezi	Uganda Mothers (UMAMA)
20. Denis Kimbugwe	Pure products-Sparkles water
21. Rahel Heruy	Damascene essential oils processing Plc - Ethiopia
22. Yemesrach Fisseha	Yerkisho Honey and Wax Trading PLC -Ethiopia
23. Binyam Kassa	Lactal Creamery PLC -Ethiopia
24. Michael Kwizera	Barefoot Law firm -Uganda
25. Deogratius Chubwa	SNV Tanzania
26. Caiphos Chekwoti	Esami-Uganda
27. Theogene Maniragaba	Rwanda Energy Company
28. John Bosco Rusagara	Intraspeed Rwanda Ltd
29. Aldo Hope	ICCO Cooperation- Uganda
30. Stephen Bayite-Kasule	NL Embassy- Uganda
31. Prof. Joseph Mumba	Esami

Participant List Executive training Rotterdam, the Netherlands

Name of Participant	Organization
1 Mariya Soshinskaya	FMO
2 Gerbrich Salverda	FMO
3 Andre Vording	ICCO
4 Tom Harmsen	ISS
5 Geertje Otten	SNV
6 Saskia Verbunt	Philips
7 Frans de Pater	AfricanWise
8 Alain Mugwenza	AfricanWise
9 Martijn Voorham	STC
10 Rob van Tulder	PRC
11 Addisu Lashitew	PRC
12 Maryn Kleingeld	NABC
13 Siri Lijfering	PRC

ANNEX 2 WORKSHOP PROGRAMME

Executive training Kampala, Uganda

Oct. 15: Morning (10:00-12:30) --- [MOTIVATE]

- Introduction: Progress updates, and expectations for the training (30 minutes)
- Presentation on the macro picture (30 minutes)
--- [15 minute break] ---
- Discussion on survey responses on framing issues and defining inclusiveness (30 minutes)
- Time for reflection (45 minutes)
--- [60 minutes lunch break] ---

Oct 15: Afternoon (13:30-17:00) --- [UNDERSTAND]

- Using the **business model canvas** with illustrating example (15 minutes)
- Exercise: Mapping your business model (1 hour 15 minutes)
--- [30 minute coffee/tea break] ---
- Using the **modified business model canvas for inclusive business** with illustrating example (15 minutes)
- Exercise: Mapping your **inclusive** business model (1 hour and 15 minutes)

Oct 16: Morning (10:00-12:30) --- [REFLECT]

- Transition into an inclusive business model (Rob's presentation -- 30 minutes)
- Discussion and reflections (30 minutes)
--- [15 minute break] ---
- Case study on shared value creation (1 hour and 15 minutes)
--- [60 minutes lunch break] ---

Oct 16: Afternoon (13:30-17:00) --- [PLAN]

- Group exercise: Changing your business model to become inclusive (1 hour and 30 minutes)
--- [15 minute coffee/tea break] ---
- Next steps: your role in changing your organization (1 hour)
- Closing remarks (15 minutes)

Executive training Rotterdam, the Netherlands

Inclusive Businesses in Africa Executive Training

October 27, Rotterdam, the Netherlands

Programme

09.30 - 10.00: Arrival with coffee & tea

10.00 - 10.30: Welcome remarks, programme & introductions

10.30 – 11.00: Presentation on survey results and the training in Kampala
by Professor Rob van Tulder

MOTIVATE

11.00 – 12.30: Mapping exercise of your inclusive business model
by Addisu Lashitew

UNDERSTAND

----**12.30 – 13.30: Lunch break**----

13.30 - 14.30: Reflecting on your business model

REFLECT

14.30 - 16.00: Transitioning towards inclusiveness:
identification of tipping points and dilemmas

16.00 - 16.45: Choosing your transitioning strategy

PLAN

16:45 - 17.00: Closing remarks