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*Sustainability Partnerships for NGOs in International Development: Towards an Adaptable Model of Social Franchising for Achieving and Sustaining a Wider Scale of Impact*

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## Abstract

This major research paper discusses and assesses the prospects for achieving a wider, cross-boundary scale of reach and impact in a sustainable manner for non-governmental organizations (NGOs) and social enterprises, and the roles that a new wave of sustainability partnerships can play in making this possible. This assessment is grounded in an analysis of the primary and secondary literature currently available on the subject, as well as an analysis of pre-selected case studies of current examples of social franchising among non-profit actors in development and other forms of sustainability partnerships which resemble franchising. Certain aspects of these case studies are carefully dissected and contrasted against their counterparts to emphasize and highlight specific modalities and mechanisms which seem to contribute significantly to the overall success of the partnership venture. In chapter one, the roles of the nonprofit sector in development is contextualized through the consideration of the Sustainable Development Agenda and the re-orientation of international development best practices around sustainability, roots-based approaches and results-based work. A comprehensive review of the literature and current cases of social franchising establishes the debates and arguments in which this paper will situate itself. This is followed by a brief discussion of the paper's chosen theoretical frameworks and research methodology. In chapter two, the first two case studies - CARDTS and the *ShasthyaSena* intervention - are examined, under the banner of short term relief intervention. In chapter three, the final two case studies - Farm Radio International and Care & Share Associates - are examined, under the banner of long term capacity building. In chapter four, a discussion of the findings drawn from the comparative analysis between the two major analytical categories is laid out, along with a table summarizing the comparison according to a sustainability gradient that is defined within the research methodology section of the first chapter. Implications for future sustainability partnerships in developing regions and recommendations for the relevant actors are also offered.

## CHAPTER ONE - INTRODUCTION

### *1.1. Context - Sustainable Development Agenda*

When the United Nations formally revealed in September 2016 the successor to the Millennium Development Goals, the 2030 Sustainable Development Agenda, encompassing seventeen Sustainable Development Goals, it set in motion a heavily comprehensive and ambitious plan for the future of international development with a new set of goals and corresponding targets revolving around sustainability as the main lynchpin of the agenda. This is resulting in a re-orientation of international development best practices that is based on the reconceptualization of development around roots-based approaches and results-based work. As both a narrative for international development discourse and a central ideal-type for executing development work, sustainability has become one of the new calling cards of the development community, and it has already begun to birth new manners and modalities of thinking about and tackling many global issues.

Rounding out the nascent agenda which makes manifest this pivot principle is Goal 17: “Strengthen the Means of Implementation and Revitalize the Global Partnership for Sustainable Development” [UN, Resolution 70/1 - *Transforming our world: the 2030 Agenda for Sustainable Development*, 2015]. It stands to reason that forming new partnerships and consolidating key existing ones will be fundamental to achieving success on many important issues and achieving said success on a global scale. However, what is yet to be rendered very clear and evident is the ways by which actors and institutions will change their positions and thinking when it comes to how we structure the international development partnership regime. It has been theorized by some

[Hearn, 2007; AbouAssi, 2013; Fisher, 1997; Fowler, 1991; 1992] that this has been predicated upon trends that have been emerging since the structural adjustment era of the 1980s and onward, when many countries began to roll back their direct development involvement and funding in favour of more indirect, multilateral arrangements and funding patterns; contracts for projects and initiatives began to be doled out more to non-public entities including non-governmental organizations (NGOs) as well as private sector organizations specializing in development work, and funding started to come more from international and multilateral organizations such as development banks. This has gradually fostered induced demand for alternative funding models and development practices which cater more to nonpublic entities in the current epoch of neoliberal constraint and austerity.

A big part of the equation may lie in the re-thinking on partnerships for development that has been accelerated by the Sustainable Development Goals. The aforementioned final main goal of the 2030 agenda is appended with 19 targets which specify more concrete pathways for how this goal can be realized, all structured around the tenets of finance, technology, capacity-building and systemic considerations. These four categories are traditional pillars of development which have been integral parts of many strategies laid out in official documents and publications; certain targets under Goal 17, however, appear to invoke new, outside-the-box thinking which could potentially mark a departure from the rigidities of the previous public sector-centric system. The targets which perhaps inspire this assertion the most are Target 17.3 - “Mobilize additional financial resources for developing countries from multiple sources” - Target 17.16 - “Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the

achievement of the sustainable development goals in all countries, in particular developing countries” - and Target 17.17 - “Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships” [Transforming our world, 2015, 26]. The specific language employed by these particular stipulations strives to involve both public and nonpublic actors and positions both sides as necessarily complicit in development efforts while also encouraging them to innovate within the arenas of collaboration and resource sharing. This renewed emphasis and focus on unique global partnerships has thus opened up the question of which specific strategies and modalities have the potential to work best in this vein, and for the widest number of actors. This Major Research Paper intends on answering that question with respect to one strategy in particular: social franchising.

*1.1.1. The NGO Question: What is Social Franchising and Where Does It Fit Within the Global Sustainability Paradigm?*

As an intern for Canadian nonprofit group Farm Radio International during the summer of 2015, I was tasked to conduct a review of social franchising in order to gauge the current state of the art and undertake a feasibility study for a series of potential pilot projects the organization could run to test their ability to further scale-up their operations. This experience first exposed me to the growing realm of not-for-profit sustainability partnerships, and revealed an equally burgeoning subfield of social franchising as a specific modality by which sustainability in development work can be heightened through increased scale and scope of reach. The International Centre for Social Franchising (ICSF) - a non-profit organization dedicated to

providing consultation services to other organizations who inquire about the strategy - defines social franchising as an agreement where “a successful social purpose organisation enables at least one independent franchisee to deliver their proven model under license” [2012, 2]. As this explanation might imply, this tactic borrows from the traditional business milieu where franchising first originated. It essentially means that an organization which has built a successful, proven and reliable model of not-for-profit social or humanitarian intervention, lends its model to other organizations for the purpose of scaling up service delivery and impact to more people across wider divides than what would otherwise be feasible. Experts such as Dan Berelowitz list additional qualifying factors such as a binding franchisor-franchisee agreement, a common brand identity and a provisioned space for dialogue and knowledge sharing [2012, 13]. As will be discussed further in the literature review, what would seem to make social franchising distinct from traditional networking and collaborative activities between NGOs and other actors is the unique, quasi-business nature of the franchising partnership which offers a verifiable mechanism for ensuring that practices which are normally performed by recognizable and reputable organizations are seamlessly standardized and reproduced by other organizations, while also allowing the ‘franchising’ NGO control and accountability with respect to operations. Concurrently, where social franchising factors into the sustainable development discussion is its potential to be a comprehensive bridge for helping to form those key multi-modal, multi-stakeholder partnerships and relationships that will be crucial to achieving the sustainable development goals; according to existing evidence and testimony, franchising can help many development actors bypass the myriad issues associated with resource circumscription and funding dependence en route to scaling up their operations, forging new partnerships becoming

more sustainable and impactful in the process [Annis, 1987; Bishai *et al.*, 2008]. In both advanced and developing economies, it is already being used as a way to scale up local and regionalized services offered by nonprofit groups and organizations who do not command the level of resources or politico-economic autonomy needed for considerable expansion.

### *1.2. Research Question*

As will be highlighted in chapter 2 of this MRP, there are already numerous cases around the world where franchising has been operationalized as a means for social justice ends, and as such, it may already be ostensibly evident that franchising is malleable enough to suit the purposes of many different types of organizations and the development partnerships they wish to pursue. This being said, if franchising does hold the potential to help those organizations such as NGOs overcome their traditional obstacles of severely limited scale, scope and financial resources and economic leverage, there needs to be a clearly defined logistical model of implementation which can moulded and adapted to the unique needs, circumstances and contexts of the near-boundless development applications to which it can be applied.

This is the basis of this paper's research question: **How can social franchising help non-public entities - and NGOs in particular - in international development perform more sustainable work through the fostering of key partnerships, and what are the specific parameters through which this would be possible?** In answering this question, this paper will be attempting to fill these theoretical voids and round out the equation for success for the social franchising model - something which the literature has yet to fully establish, as will be

demonstrated below - and in doing so, will examine cases which lie primarily in what experts denote as the 'third sector', i.e. non-governmental organizations, between the public and the private sectors. NGOs have been selected as the main unit of analysis because of their unique and specific nature of being (mostly) non-profit entities who tend to work within niche-based environments, in strictly-defined locales and with constrained and limited financial capabilities. Helping NGOs become more sustainable and maintain their critical importance in the sustainability era of development thus means addressing these obstacles, which will be the primary concern of this paper. Through literature and case study analysis, it will seek to determine to what degree franchising represents a viable and adaptable option for building comprehensive development cooperation and achieving a significantly wider scale of impact within the boundaries of the issues and causes that NGOs work in, and how this option might practically manifest itself in terms of concrete operational modalities and avenues for public policy support.

### *1.3. Literature Review & Research Contextualization*

For NGOs who work in international development, the emergent sustainability paradigm that was effectuated by the 2030 Agenda for Sustainable Development poses a number of new and challenging considerations because of new points of emphasis being placed on certain operational modalities, processes, and outcomes which run counter to their traditional experiences in development and humanitarian assistance. More specifically, NGOs have long faced issues of constrained scale and growth because of a relative lack of internal resources and a continual

dependence on external sources of funding and logistical support [Khieng & Dahles, 2015; Mitchell, 2014; Aveling, 2010]. Not having robust cost-recovery systems or total independence in both the economic and political sense has forced many development NGOs to remain very narrow and localized in their service delivery, with a consistent focus on short-term, interventionist work that merely addresses symptoms of complex and widespread issues, as opposed to systemically targeting their causes. Moreover, the lack of capital and financial acumen necessary for any significant scale-up, expansion or differentiation of their services has also consistently inhibited NGOs in this sense. Development NGOs have sputtered in their efficiency and effectiveness because of their reliance on dated and inadequate funding frameworks and service approaches, which are often dictated by fickle political agendas and other ulterior interests [Loman, Pop & Ruben, 2011; Lewis & Babar, 1999].

In recent years, many nonprofit experts have spoken to these issues prominently through research which illustrates the difficulty many NGOs experience in attempting to provide comprehensive specialized assistance as singular entities with big financial constraints. Findings published in the *Stanford Social Innovation Review* by Alice Gugelev and Andrew Stern point to the existence of what the authors refer to as a “social capital chasm”, or a significant gap between existing resource inventories for many nonprofit groups and the budgets and autonomy they require to achieve greater scale and growth, a discrepancy that is exacerbated by various factors pertaining to the ineffective frameworks and approaches that were set in place by the prevailing international cooperation regime [2015, 3]. For these reasons, the playing field has historically been considerably imbalanced for nonprofits, who face a continuously steeper climb in order to maintain the same footprint and impact they worked to achieve in the first place. It has thus

become clear that NGOs and other social organizations require extensive help in order to continue to maintain their impact within their vital roles in development. Such help has manifested itself largely in the form of social entrepreneurship.

Although an epistemological consensus on social entrepreneurship does not yet fully exist, Janelle Kerlin succinctly summed up the state of the research as it stood in 2012 by offering the following definition: “The use of nongovernmental, market-based approaches to address social issues” [91]. In other words, says Kerlin, ‘social enterprise’ often invokes the starting point for a sort of business logic for NGOs that are socially oriented [91]. Kerlin’s conceptualization is pertinent and stands out from certain others because it contains the three elements which many in the field agree have become integral to the essence of the social enterprise: the operation of *non-public or private entities* within a *market-based* ethos or environment for the purposes of tackling *social issues* or adding *social value* [2012].

Since its emergence as a distinct field of research, social entrepreneurialism in both theory and practice has generated much optimism regarding its potential to be a stopgap for large discrepancies in the provision of public and social services that the traditional commercial sector has not been able to adequately address. Alain Fayolle and Harry Matlay begin their 2010 compiled research volume by declaring: “We believe that entrepreneurialism can be an important way to restore a better balance between economic purposes and social well-being. Indeed, entrepreneurship can be a great source of economic value creation, but it can also be...a means to contribute to greater social justice” [1]. They, like other experts, go on to say that one of the main goals of social entrepreneurs should be to provide the kind of value that goes beyond financial or

monetary accumulation - i.e. a more intangible, social value which can inject societies with the social capital and cohesion that can help push them forward - “and social entrepreneurialism appears to be a unique method that help us rethink, reformulate and resolve human problems on the path to social progress” [2]. These are sentiments which are echoed by a number of authors, including Alvord *et al.* [2004] and Hearn [2007]. .

On the whole category of social entrepreneurialism, the literature thus offers much encouragement, however there is less of this sense of assurance where it specifically concerns achieving greater sustainability through cooperation and inter-organizational linkage. Fayolle and Matlay do concede that, much like in a traditional business milieu, social entrepreneurs are more likely to thrive and succeed in their mission when they are firmly situated within a larger ecosystem which mutually benefits all members in terms of institutional support and navigating the particularities of the operational context [2010, 3]. In a separate chapter within their volume, Raymond Saner and Lichia Yiu also assert that the success and sustainability of social entrepreneurialism will depend on wide, cross-border cooperation and network integration [2010, 126]. Where these arguments stop short is going beyond a strict ‘social entrepreneur club’ theorization of the network or ecosystem concept, and consequently they fail to really delve into the possibilities of extending the idea to other non-entrepreneurial actors, such as NGOs, cooperatives or even public agencies. As a result, the jury is still out on whether the literature truly considers social entrepreneurialism - and its sub-categories, including social franchising - as a bonafide avenue for innovation in sustainable partnerships and cooperation. This will be one of the main theoretical gaps that this paper will attempt to address.

What is important to note is the distinction the scholarly literature makes between social franchising and social entrepreneurship. Though much of the discourse employs similar language and rhetoric in its explication of these two concepts, they are not simply interchangeable ideas. Social franchising has in fact emerged as a sub-category of social entrepreneurship, as many experts consider franchising to be one of many business-based tactics that can be deployed by social entrepreneurs as part of cross-border networking strategies to expand their reach and impact and increase their chances of sustainable operation. As Thierry Volery and Valerie Hackl assert, franchising has emerged as a unique new tool of organizational arrangement within the broader field of social entrepreneurship which holds a potential to modify existing structures and organizational modalities towards the ends of replicating and scaling-up the implementation of a proven social model or concept [2010, 157]. They also add that there is typically a contractual aspect to franchising within the social realm, just as in the business realm [158]. This is an observation which further cements franchising as a subset of social entrepreneurship. As such, social franchising is really only feasible as a branching-off strategy for social ventures that are already established, since franchising is meant to be a way of connecting multiple individuals, groups and organizations who share similar social agendas and mandates. Given this ordinal differentiation of social entrepreneurship and social franchising within the literature, this paper will thus refer to the latter as both a conceptual and practical manifestation of the former.

The literature indicates that social franchising is already being adopted by many groups around the world within various contexts where large gaps between socio-economic welfare and service provision exist. Such cases appear on a wide spectrum of locations, ranging from the fully industrialized to the least developed. For example, in the U.K., a private foundation known as the

Trussell Trust offers business templates, management advice and other resources to local community-based groups such as churches and schools so that they can set up and run their own chapter of a nationwide food bank network, an initiative committed to mitigating hunger and malnutrition within their respective communities [Berelowitz, 2012, 7]. The simplicity and cost-effectiveness of this model has allowed it to become very popular, to the point where the Trussell food bank model is now used worldwide. Concurrently, in some of the poorest regions of south Asia, in eastern India, a network of private clinics known as Vaatsalya Hospitals recruits localized clinics and individual physicians and instructs them on helping marginalized communities in semi-urban and rural areas using a proven model which targets major health concerns that are specific to that relatively isolated demographic [ICSF, 2012]. Also in India, based within the highly impoverished Karnataka province, a local organization known as the Citizens' Alliance for Rural Development and Training Society (CARDTS) utilizes franchising as a means of distributing key support and training services to other NGOs and even UN-based assignments performing development work, serving as a crucial middle man which allows those partner groups to carry on in more sustainable and grounded fashions. In rural parts of eastern sub-Saharan Africa, Farm Radio International is also adopting the trend by licensing out proven methods of agricultural intervention to radio stations who broadcast specialized programming which helps local farmers become more productive and efficient [Clementina Sanchez, 2015; Gavin Anderson & Alex Hitchins, 2007]. As we can observe, preliminary evidence suggests that there is already a good amount of contextual diversity and practical flexibility with which social franchising can be adopted in order to adapt to various contexts and circumstances, a characteristic which this paper will investigate as part of its determination of social franchising's

parameters of applicability.

As mentioned above, the literature on social franchising and entrepreneurship does not lack optimism vis-à-vis the promise of harnessing the power of for-profit ideas for social advancement. That being said, however, there is an opposing camp as well when it comes to this particular paradigm, and this paper would be remiss to not present it in order to eventually arrive at the more balanced, ternary perspective which will be used to plug the aforementioned gaps within the existing theory base. Within this vein, there are a number of critiques of social franchising and entrepreneurship which represent an interesting contrast from the vantage point of the more optimistic praise lauded by the previously cited sources. Some noteworthy critiques come from authors such as Tina Wallace [2004] and Sangeeta Kamata [2004], who argue that the merger of private interests and the public good has enabled global policy organizations and world powers to hijack international and development NGOs in order to further neoliberal agendas, which has resulted in an eroding of grassroots democratization efforts. This particular school of criticism essentially seeks to paint franchising and other social sustainability initiatives as illusions that are simply meant to mask and obfuscate transnational corporate and hegemonic interests. This line of thinking is built upon by others such as Patrick Valéau [2010], who argue that no business or for-profit idea can truly be modified for good-natured, non-profit social ends without ulterior motives, because a clash of values and objectives would inevitably derail the entire operation. Roger Martin and Sally Osberg [2007] go further in legitimizing this view by arguing that the apparent unwillingness of experts and industry leaders to nail down the exact parameters and definitions of social entrepreneurship leads to a malleability that can be exploited by those with diverging interests, while Alex Nicholls [2010] backs it up by attempting to

illustrate that social franchising's still-emergent nature and lack of any agreed-upon epistemology perpetuates a theoretical and paradigmatic vacuum that allows powerful, resource-rich actors to control the discourses and narratives which legitimate social entrepreneurship, thus granting them control and leverage over its various processes. These are just some examples of the critiques of social franchising that appear in the literature which this project will engage with in addressing the gaps which appear within these theories.

#### *1.4. Theoretical Frameworks & Research Methodology*

##### *1.4.1. Post-Development Theory*

The research methodology will be guided by the overarching analytical framework of post-development theory. To be more specific, the research will work under a number of assumptions and tenets belonging to the post-development banner which will help guide and inform its theoretical and analytical foundation. These include the importance of grassroots and bottom-up development, increased ownership of development activities and an emphasis on more sustainable, systemically-targeted intervention typologies [Matthews, 2004; Escobar, 2011]. In supplementation, two other theories will be used as conceptual frameworks; although they were not developed specifically for nonprofit or social contexts, they will be useful for making sense of the dynamics of social franchising between the relevant players, as well as the contextual diversity with which it is being deployed.

##### *1.4.2. Resource-scarcity Theory & Agency Theory*

According to Ilan Alon, most franchising activities today are undertaken under the auspices of either resource-scarcity theory, agency theory or both [2006, 11]. These two competing paradigms attempt to explain the underlying motivations behind the franchising reflex that is becoming more prevalent in both the for-profit and nonprofit sectors. As Alon explains, resource-scarcity theory predicates franchising upon the immediate shortage or inaccessibility of different types of resources for the principal firm or organization, a fact which necessitates the forging of economically advantageous partnerships between actors along a value chain so as to maximize operational and revenue-generating viability. Alon lists human capital, managerial talent and local knowledge as among those precious resources which franchising firms and organizations covet the most [15].

Alternatively, agency theory stipulates that principal actors, or franchisors, are in fact dependent on agents, or franchisees, to undertake critical parts of the organization's operations or activities on behalf of the franchisor in order to heighten organizational efficiency, reach and impact, as opposed to simply offering key assets through affiliation [16]. This in turn results in a dynamic which can be mutually beneficial for both parties while remaining ultimately accountable to the mandate of the principal as compatible interests become fulfilled through exchange and partnership. Volery and Hackl elucidate this further by adding that agency theory affirms a top-down power dynamic between principals and agents in terms of control and coordination, with a contract typically acting as a binding mechanism [2010, 159].

While these frameworks were developed mainly to interpret commercial franchising, they are relevant for studying social franchising as well because of how neatly many non-profit cases lend themselves to these particular modalities of structural organization. For example, as Shumate

and O'Connor [2010] have noted, many NGOs exhibit resource scarcity behaviour when they branch out and form strategic partnerships with various other actors in order to help overcome their own organizational limits, while as per agency theory, they concurrently formulate these partnerships in ways which foster comparative advantages and areas of specialization between the different partners, which creates benefits for all parties. In other words, social organizations which pursue social franchising efforts typically borrow from traditional commercial franchising models as at least a starting point, and then continually adjust those models to suit their goals and needs [Volery & Hackl, 161]. In analyzing the behaviours of social organizations through this lens, this paper will also make a cleavage between institutional shifts and modifications, and the attitudes and ideologies which are inspired from the level of the individual; this will enable critical examination of the power relations which underpin these behaviours. Further theoretical classification for understanding relationships between NGOs, social enterprises, private businesses and governments will be provided by James Austin [2000], whose differential framework encompassing the categories of philanthropic, transactional and integrative collaboration between multi-sectoral actors has been backed and cited by many authors, and will be used by this paper to differentiate accordingly between the different types of interactions that have been observed among the aforementioned actors.

### *1.5. Research Methods*

The analysis of case studies will be the backbone of the research methodology. For the purposes of this project, specially-chosen cases will be used to illustrate the concepts and ideas which the literature has thus far offered. A comparative lens will be used to analyze these cases in

order to sift through relevant similarities and differences and arrive at useful conclusions. This project will benefit from the use of case studies because of their ability to assist in tackling the research question through process analysis and theory application. Answering the research question will require informing the theory and concepts explored with actual, practical and useful examples of how those theories and concepts are being applied and tested in the field, and as such, strategically chosen cases will help to elucidate much of the nuances and circumstantial considerations and other workings of real-world examples of social franchising, which will in turn serve to ground the theoretical portions of this proposed paper and round out the central argument.

#### *1.5.1. Case Study Analysis & Literature Review*

This paper will attempt to determine whether franchising is a universal answer for most NGOs by evaluating their candidacy against a sustainability gradient. This gradient will range from inapplicable, partially applicable and applicable, and a diverse group of case studies of NGOs performing development or social work around the world will be used as litmus tests against this gradient for assessing the versatility of social franchising. For the purposes of this research, social franchising will be unpacked into core criteria that will serve as baselines for all the case studies: widespread issue or cause prevalence, simplicity of intervention model, cost of model implementation versus financial incentive and appropriateness of cross-contextual application.

The case analysis will be divided into two chapters, structured along the lines of two broadly-defined development work typologies: short-term relief intervention and long-term

capacity building. Each chapter will cross-examine two main cases: a partnership between two traditional non-governmental, non-profit organizations, and a partnership between an NGO and some other type of non-public sector actor. Brief considerations of other organizations and partnerships will also be featured to supplement the main exhibits. Within the aforementioned categories will be NGOs working in more specific sectors and niches such as communications, agriculture and healthcare, as well as smaller intervention models such as food banks and homeless shelters. To provide more focus, the analysis will concentrate on smaller, less differentiated and complex NGOs who do not already command a wide (i.e. global) scope of reach or impact, expansive budgets or significant international clout. Most of the chosen cases will come from technical reports written by industry professionals and case examinations written by independent researchers. This inductive approach has been chosen due to the fact that there is not an overwhelming abundance of evidence with which to suitably form a hypothesis as a starting point for this kind of enquiry.

Underpinning this paper's treatment of case studies will be the continual examination of the literature and its arguments and debates in order to elicit insight from the prevailing academic opinions within the subject areas and matters of technical expertise. Conducting this kind of analysis in supplementation of the case study examination will help discern important secondary perspectives on social franchising from the prevailing opinions and stances of different observers and researchers regarding social franchising. Valuable insights and evidence will be gleaned from literature sources containing summaries of practical or primary research conducted in the field, which will contribute to this paper's knowledge base of the issue. It will also aid in more

concretely situating this project's scope within the broader research spectrum on the issue.

### *1.5.2. Sampling & Data Collection*

Data for the case study analysis this paper will present will come from the peer-reviewed literature, technical reports, summaries and briefings from experts and field workers, as well as primary testimonies produced by different NGOs and other organizations. Additionally, secondary data will come from the examination of the literature. Samples - in this case, the organizations chosen and the type of work they do - will be chosen according to the pre-defined criteria listed above as well: smaller, less differentiated and less complex NGOs who do not already command a wide scope of reach or a significant international presence such as Oxfam, Amnesty International or Greenpeace. The types of NGOs to be examined will be those characterized - at the time of the writing of this paper - by limited budgets, localized scope of impact, non-extensive collaboration efforts and little to no corporate structure or behaviour.

## **CHAPTER 2: CASE ANALYSIS - SHORT-TERM RELIEF INTERVENTION**

The first segment of cases to be examined in the analysis portion of the paper will be the short-term relief-targeted development organizations. The first case to be examined will be that of the Citizens Alliance for Rural Development and Training Society, also known as CARDTS, based in west India, while the second case here will be the *ShasthyaSena* intervention, an experiment in social franchising for scaled-up healthcare in Chakaria, India.

### *2.1. Citizens' Alliance for Rural Development and Training Society (CARDTS)*

CARDTS is a non-profit healthcare organization whose central mission is to target and help some of the most marginalized and disease-afflicted people in India. The organization in essence constitutes a network of clinics, doctors and other healthcare specialists and individuals who operate in different geographical zones in order to help as many people as possible. The way they accomplish this is through the diffusion of units - both clinics and individuals - as social franchisees, all carrying out the CARDTS mandate. They expand their reach through the recruitment of doctors, nurses and other practitioners, and they target a range of issues which deal mainly with maternal and child health and malnutrition within the poor Western province of Karnataka, as well as across India.

CARDTS is achieving wider direct impact and recognition thanks to a tailored partnership system whereby contracts for different community-based developmental projects are awarded to it by larger organizations and regional authorities - government agencies, transnational organizations, specialized service providers and other local NGOs - looking to cement a presence in certain areas. While it does work to provide a systematized set of both short and long-term services, the latter of which includes educational and technical training-based provisions designed to strengthen community capacities to learn and grow, CARDTS remains largely characterized and defined by its relief work, hence its inclusion within the short-term typology category. This organization is an example of the emergence of numerous forms of alternative provisions of medicine and healthcare that has been observed in rural India. Barun Kanjilal and Sumit

Mazumdar [2013] have noted how increasing privatization of health services in India over the past decades has left countless people living in rural areas and under the national poverty line on the margins and unable to access the care they need [19]. While this allowed for a lucrative medical industry to flourish in India, it has also reinforced rigid socio-economic inequalities and imbalances and exacerbated health-related impoverishment [2013, 20]. As a result, these authors and others have documented the rise of third-party health services providers, especially in rural provinces; while some of these providers remain on the private side (known as rural medical practitioners, or RMPs), others have evolved as social projects and enterprises [2013, 24]. As a member of the latter group, CARDTS plays an important role in helping to fill the large gaps in health welfare that exist in rural India.

Part of what makes CARDTS unique is their governance structure: they are a syndicated organization in which all members are joint owners and stakeholders, making the organization a cooperative by nature. Implementing a social franchise partnership system between its members as a result means that the governance structure is horizontal rather than vertical or top-down as the literature has documented as being the theoretical norm. This holds important implications for accountability - with no over-arching head franchisor acting as a central authority or funding disburser, the practitioners are purportedly accountable only to the primary stakeholders, i.e. the communities they help. As the organization asserts on its website, the system checks itself with built-in self-monitoring and evaluation praxis, including assessment reports regularly submitted by field staff. The organization also manages its own internal auditing system to closely monitor its finance. This naturally begs certain questions, such as to what degree such a closed system

with little to no enforcement leads to a lack of self-discipline or fungibility of internal funds. However, this particular organization's track record suggests that this comprehensive system not only helps CARDTS track its progress and continually improve its operations, but it also helps promote efficiency in their day-to-day work and, as mentioned before, instill accountability to their stakeholders using a horizontal governance structure and operational framework.

### *2.1.1. Collaboration over Control*

One of the key distinctions between these two particular models is their structure of governance and operation. While certain initiatives such as the *ShasthyaSena* intervention choose to implement a traditional top-down hierarchy vis-à-vis its participating franchisees, as will be explained further below, CARDTS is an organization which deploys a more horizontal structure and instead keeps its franchisees along a level playing field with respect to operations. While both approaches have their advantages and disadvantages, observations reveal that the rigidity of the top-down system keeps franchisees within confined boundaries, and allows for little incentive to innovate or adapt the service readily in order to better accommodate the needs and particularities of certain locales. Conversely, in the horizontal model, CARDTS allows its franchisees more freedom and leverage to perform their work independently and in a way which is more tailored to the needs and circumstances of the individuals and communities that they help.

This discrepancy holds important ramifications for power relations between franchisors and franchisees and the role of agency in these types of partnerships. The horizontal, decentralized system lends itself more easily to the adage of 'collaboration over control' that is

touted by some experts and insiders. Dan Berelowitz notes how in both social and commercial milieus, even in cases where expansion is driven by profitability, strenuous and tense relationships between franchisors and franchisees can evolve from authoritative, top-down practices because they can marginalize the voices and agency of the lower-tier partners, curb their influence over their own operations and effectively compromise their overall impact [2012, 26]. He uses the example of what is perhaps the most successful case of franchising in history - McDonald's - to clarify his point. As he points out, the corporate culture had to adapt its strategy over time in order to allow for more collaboration and dialogue between peer franchises, regional offices and central headquarters, including bottom-up reporting and recommendation procedures which all came to be collectively known as a 'feedback network' [27]. Moreover, the horizontal model allows CARDTS to maintain a more direct and hands-on relationship with its stakeholders and mitigates any distance between those who run the venture and those they set out to assist, i.e. its direct and indirect stakeholders. The need for this tends to be more pronounced in the social sector, where social organizations often operate in resource-constrained environments; agents that are recruited for franchising partnerships can thus leverage their importance and utility to gain more agency in such arrangements and insist on building equality into the agreements [2012]. Thus, the rigid distinction between 'principal' and 'agent' that is typically quite pronounced in franchising ventures is being circumvented by innovative partnership structures in the social sector, such as with CARDTS, in order to diffuse the friction caused by top-down power relations. This is just one example of the positive organizational effects which can be generated from instilling an institutional equality among partners, which in turn can foster partnership, minimizes bureaucratic congestion, promotes bottom-up collaboration over top-down control and

eliminates excessive hierarchical distance between actors.

## *2.2. The ShasthyaSena Intervention*

Before delving into the second case study of this chapter, it is worth briefly visiting some other key insights from the social healthcare enterprise literature. Bishai *et al.* [2008] have noted how the type of type of business practices that social enterprises have been employing to render certain operations more efficient tend to yield corresponding business-like solutions. The example of this explored earlier in this paper has mainly been the binding business contracts increasingly characterizing the social franchising landscape. These agreements have the power to organize small franchisees and partners into arrangements which can yield returns on investments for aspects such as physical capital, supply chains, and worker supervision and accountability without mentioning helping to improve overall accessibility to services. Privatization of all or most healthcare services as a pure and end-to-end solution, however, has not necessarily proven as the most effective path toward achieving those ideal goals. Authors who have studied those models can attest to this, including Barun Kanjilal and Sumit Mazumdar [2013] and Joshua Reading [2010], who have studied health care privatization trends in India and Pakistan, respectively, and have both pointed out that while privatization does serve some needs efficiently, it almost inherently falls short of providing an appropriate standard of care for everyone who needs it. Instead, it simply entrenches and reinforces deep inequalities between pronounced socio-economic classes and worsens symptoms of extreme poverty that are linked to health and its social and economic determinants [Kanjilal & Mazumdar, 2013, 19].

As a cooperative, CARDTS plays a vital role in helping to fill those gaps in healthcare servicing which emerge with privatization - in areas of India where such gaps have tended to be very pronounced, namely the province of Karnataka - while operating squarely outside that private, formal market. Among the chief reasons why CARDTS and other similar organizations more broadly can be seen as a viable alternative to the private market are two big factors: accessibility and affordability. A study conducted by Iqbal *et al.* on the informal health sector in Bangladesh found that what are commonly referred to as ‘village doctors’ (VDs) or individual informal healthcare providers “are a widely consulted and popular source of care among the rural population” [2013, 37]. The study cites accessibility in the form of relative local proximity and near-constant availability of VDs as well as their flexibility with respect to costs and payments as being the main reasons why informal providers are actually widely accepted throughout many rural and impoverished regions of Bangladesh and south Asia more generally [37]. This underscores the rationale of these authors and others who insist that the prevalence and importance of this parallel health sector - which is common today in many developing economies - cannot be underestimated or taken for granted. As Iqbal *et al.* maintain, hindering or removing informal providers to any serious extent in favour of the legal and more lucrative formal sector will threaten the public health prospects of millions of people, however ignoring them completely and not providing with them with the regulatory and institutional support they need will leave many providers sputtering in their efficiency and effectiveness while continuing to leave those same millions of affected people exposed to potentially harmful practices, treatments and drugs [38]. Such is the nature of the delicate balance any serious intervention must strike, the authors conclude, and within this vein they explore one intervention in particular which they feel reaches

this balance and sets a good precedent for future approaches: the *ShasthyaSena* intervention.

### 2.2.1. Multilevel Coordination

Carried out in Bangladesh between 2008 and 2010, the *ShasthyaSena* intervention serves as a good example of the kind of service modality that has been successful in illustrating the key contrasts between private and alternative service provisions in healthcare in developing countries. A joint effort by local officials in the province of Chakaria (where the intervention was concentrated), non-profit project coordinators from the International Centre for Diarrhoeal Disease Research (ICDDR), and private village doctors, the *ShasthyaSena* intervention sought to determine the effects of a comprehensive and enforceable regulatory framework on certain aspects of rural informal health care provision, such as doctor accountability, knowledge dissemination and skills training, as well as patient safety and well-being. As Iqbal *et al.* point out, this initiative took on the structure and form of a social franchise system, with local ICDDR delegates from the organization's outpost in Bangladesh acting as the head franchisor and the participating village doctors acting as designated franchisees [39]. This was critical because this system allowed the coordinators of the initiative to efficiently organize resources for doctor training and mobilization, and it also rendered the monumental task of institutional adherence much easier.

The intervention was deemed successful in most of its main initial goals, including fostering more responsible and safe healthcare provision in the geographic scope of the project and strengthening the doctor-community relationships through increased trust and

confidence-building [42]. As subsequent studies and impact measurements would show, the structure and systematic organization of the entire initiative would prove highly effective because of how quickly and comprehensively participants were able to be pre-screened and trained according to predetermined guidelines and standards and the leverage they were given in implementing said guidelines in their practice [40]. According to the intervention parameters, as the head franchisor, the ICDDR controlled the training of the doctors and accredited them upon completion of training based on the aforementioned guidelines and standards that were developed with state health officials and established physicians [40]. Post-intervention interviews conducted by Iqbal *et al.* revealed that the unique nature of this training regimen and the accreditation with which they were thereafter recognized was instrumental how the affiliation system granted them a newfound form of legitimacy with both the community they served and the local officials which now checked in on them more often [44]. The training also proved effective at lowering the rates at which the prescription of drugs or harmful medicines was overly relied-on, and it was vital in allowing the affected communities and patients to also learn more about the doctors who were treating them [45]. Amid these positive results, the authors concluded that among the most important successes from the whole operation was the buy-in achieved from the local governments, specifically involved members from the Chakaria provincial legislature's union committee, who agreed following the conclusion of the intervention studies and analysis that informal health care should be much more tightly regulated and overseen, given that it clearly holds merit as a vital service for large segments of the population but cannot truly succeed on its own, and debated the idea of a permanent committee or body being in charge of that responsibility [51]. While this particular case study does pose obvious limitations with respect to

the conclusions and applications that can be extrapolated, given the impermanence of the intervention and the short timeframe in which it took place, the strong evidence borne from this experiment across many of the key indicators suggests that this kind of initiative could replicated with similar results in regions that are also characterized by over-reliance on informal health services. This, along with the successful implementation of a social franchise pilot programme, led the coordinators of this initiative to conclude that the *ShasthyaSena* intervention was successful in concretely establishing the kinds of regulations, guidelines and standards that are needed to make informal healthcare both accessible and safe in terms of provider effectiveness and legitimacy and stakeholder well-being and empowerment.

### **CHAPTER 3: CASE ANALYSIS - LONG-TERM CAPACITY BUILDING**

The second main segment of cases to be examined in the analysis portion of the paper will be the more long-term, capacity building-oriented development organizations. The first case study here will be Farm Radio International, a rural and agricultural development organization based in Canada, and the second case will be Care and Share Associates, a healthcare and elderly care group based in the U.K.

#### *3.1. Farm Radio International*

Farm Radio International (FRI) is a registered Canadian nonprofit organization based in Ottawa, Canada, with head regional offices in Arusha, Tanzania and liaison offices in six

additional sub-Saharan countries. With over 35 years of experience working with more than 600 broadcasters in 39 countries, Farm Radio has become a leader in the field of communications-for-development (C4D) while specifically cultivating innovative solutions for rurally-based farmers and agricultural workers within the context of radio-for-development [Farm Radio International, 2016]. FRI specializes in helping small, independent and rurally-based radio stations and outlets by supplying key broadcaster resources and equipment, helping create impact programming and providing training and capacity development, all of which are designed to harness the power of radio for individual empowerment and rural development [2016].

A combination of practical and impactful project implementation and consistent contribution to cutting-edge research in this particular field has gradually but definitively given rise to clear links between the craft of radio and localized development, a phenomenon indicative of a key dynamic between radio broadcasters and agricultural workers which FRI has worked to cultivate. The result is a wide network of broadcasters which FRI maintains consistent and parallel relationships with, all simultaneously producing and airing timely, reliable and quality-controlled radio programming aimed at helping farmers and agricultural workers become more informed, productive and empowered [2016]. A slight caveat with this particular NGO is that while they effectively maintain these relationships, they do not explicitly advertise their system as being based on franchising. However, their success has led to an important opportunity to take advantage of the emerging movement, which can build upon their existing success and reputation and potentially replicate the FRI model on an unprecedented scale.

### *3.1.1. 'I-FRAS'*

Given that franchising offers non-profit organizations a way to replicate their model of service delivery through specialized partnerships, this dynamic allows for the creation of unique agreements and systems between the various parties who employ the same strategies and work toward the same ends in different places. One of those arrangements is what Dan Berelowitz calls an arm's length model, whereby member groups maintain a certain degree of autonomy and independence vis-à-vis one another, and often from the head franchisor or original purveyor of the service in question, which typically acts as a centralized body or authority [2012, 4]. This helps to ensure that as little overlap as possible takes place between the franchised organizations, while not severely compromising their ability to collaborate and share information.

This arrangement has already begun to be mainstreamed into FRI's operations with a model dubbed the 'I-FRAS', or 'Integrated Farm Radio Service' [Sanchez, 2015, 3]. I-FRAS represents a slight re-tooling of FRI's traditional main operations whereby certain elements and processes of the organization's existing praxis were re-aligned in order to create a model of mutual responsibility and convergence between Farm Radio and the broadcast partners. This particular model demonstrates how concurrent interplay between these two main entities on a number of levels could produce a perpetual cycle of self-sustained programming which consistently improves through mutual monitoring, quality control and feedback [3]. The model also integrates key external actors such as knowledge partners, extension service providers and government agencies, all of whom would play key roles in helping to render the network of affiliated broadcasters optimally functional and conducive to the goals of sustainable and consistent, quality-driven farmer radio programming [4].

Although it has not been branded or implemented as a franchising system per se, I-FRAS does serve as a good example of the different modalities of partnerships which can proliferate under franchising-like conditions. One of the key indicators of this is the presence of a contract, acting as a legal linchpin which binds the partnership to certain standards and obligations. As the literature makes clear, one of the elements which many agree has become central to social franchising is the outlining of terms in the form of a legally-binding contract, mainly so that every party can remain protected from potentially fraudulent or malevolent practices. In the business sense, these contracts stipulate how a given model of service delivery is licensed or sub-contracted out to different groups who are willing to participate in the joint social venture. As part of I-FRAS, FRI engages in this practice in a systematic fashion - every agreement they enter into under the I-FRAS model is formalized through a memorandum of understanding (MoU) which is tailored to the parameters of the specific bilateral working relationship [Sanchez, 2015, 2]. Such agreements allow FRI intellectual property and other resources to remain protected under specified licensing provisions. These established practices and modalities could lend the FRI model relatively easily to a fully franchised system in a slightly stricter and more technical sense because of how closely it already resembles the theoretical frameworks discussed earlier.

### *3.1.2. Flexible Standardization*

In addition to the contractual nature of the agreements and relationships it forms, one of the main reasons for this is the structure of the working relationship, which when closely examined, reflects elements of both a vertical and horizontal arrangement. FRI maintains a degree

of top-down control and authority in providing their broadcasting and radio content creation expertise and resources to broadcast partners on a private peer-to-peer licensing basis, as well as maintaining strong and active direct ties and contact with partners. This runs contrary to how the role of agency is handled by organizations such as CARDTS, which maintains an almost purely horizontal structure; however, FRI attempts to balance this by maintaining separate bilateral working relationships with each broadcast partner in a fairly horizontal fashion, thereby keeping all partners on an equal playing field, at an arm's-length distance and allowing them to retain full ownership of the content they produce in-house and the liberty to air it in the way that they best see fit [6]. In other words, even though FRI works directly with the broadcasters, they remain independent private entities who govern themselves and the use of their specially-created farmer radio programming.

Ultimately, this has likely proven crucial for the success of Farm Radio International because their model has had to be flexible enough in its application to be able to respect the unique personalities - and audiences - of each individual broadcaster. This ties back to assertions that are made by Berelowitz [2012], Volery and Hackl [2010], and others, which point to the importance of ongoing relations between franchisors and franchisees that tend to be more equitable and tenable in terms of the distribution of power and autonomy. Standardization of organizational systems and operations - taken here to mean the systematic reproduction of nonprofit activities across all partnership modalities structured as franchising - is evidently crucial to ensuring efficiency and cost-effectiveness when undertaking replication of social services through franchising. It stands to reason that organizations within both the social and commercial sectors render their missions easier by systematizing their work and subsequently

distributing a model that is set in stone. By the same token, however, this kind of standardization does need to be carefully designed and implemented so as to remain flexible, which in this sense denotes a built-in contextual sensitivity which in fact allows systematized models to be slightly adjusted and adapted within different localities as based on differing local needs, priorities and circumstances.

### *3.1.3. Resource Mobilization*

In addition, as private entities, this independence gives the broadcasters the freedom to pursue further business plans and other funding options to sustain their farmer programming. As internal documents indicate, one of the main goals of I-FRAS is to maximize opportunities to develop broadcaster abilities and mechanisms to procure the non-public financing necessary to be able to indefinitely air the farmer radio programming without making derailing compromises in other areas [Sanchez, 2015, 4]. For this reason, while FRI remain the owners of their guidance resources, they allow their broadcast partners to retain ownership of the content and programming they create in-house and encourage them to sustain the farmer radio programmes through dedicated revenue channels, mainly in the form of programme sponsorship and advertising [3]. As the name of the initiative itself indicates, this is one the main avenues by which Farm Radio hopes content created especially for farmers becomes integrated as regularly scheduled programming. It is also for this reason that I-FRAS has been designed specifically to target rurally-based stations, where commercial visibility is significantly lessened and broadcaster business plans tend to be less sophisticated. In one of the earliest pilot I-FRAS projects, Farm Radio staff worked closely

with a community radio station in Malawi to prepare business development plans and other resource mobilization strategies to sustain the farmer content. These strategies involved elements ranging from fundraising and strict internal resource allocation to developing marketing campaigns for sponsorships and selling advertisement airtime at competitive prices to companies who cater to the agriculture market [Mloza Banda, Chapota & Chinkhokwe, 2015, 7].

This is an example of what James Austin [2000] would categorize as a transactional collaboration between a non-profit organization and a private business, or a partnership which sees both sides working together on certain aspects of the arrangement and coordinating on certain activities, but still working toward slightly divergent end goals [72]. Hal Culbertson takes it a step further in providing another layer of classification: value chain impacts, as a pattern of collaboration, represent the driving force behind partnerships which include for-profit actors whose operations are affected by the issues tackled by the NGOs they partner with [2014, 225]. This applies neatly to the case of Farm Radio and I-FRAS because the private sector entities which Farm Radio works with - rural broadcasters and radio stations - are directly affected by the issue sector which Farm Radio works in, that being rural development, livelihoods and productivity, and micro-economic growth.

An explanation for this organizational behaviour can be found in the works of authors who agree that these kinds of partnerships are becoming increasingly critical to helping social purpose organizations overcome institutional challenges and obstacles, namely by diversifying their pool of resources and knowledge en route to expanding their scale of reach and impact. Christensen and Lehr [2014] elaborate on this specifically when they assert that cross-sectoral partnerships in development can engender solutions to financial and other institutional obstacles through creative

financing and learning-based adjustments [44]. They argue that this is especially useful for NGOs who operate in subsistence economies and resource-constrained environments because that is where outside-the-box partnerships become a necessary tool. They illustrate this with the example of Guatemalan NGO called Mercy Corps Guatemala which partnered with an American NGO called the Linked Foundation in order to solicit financial, technical and logistical support for a franchising venture it set up to deliver reliable and timely health care services to impoverished communities across rural Guatemala, with the help of private doctors and clinics, a model also employed by CARDTS [2014]. The franchising model this partnership ultimately yielded was one based on business modelling, and the authors point out that this made it successful because of the market-like results it produced such as creating employment opportunities for franchisees, standardizing the services delivered and creating a uniform brand under the label '*Tiendas de Salud*' (Stores of Health) in order to foster recognition and trust [45]. This case closely resembles what Farm Radio is currently attempting with its I-FRAS initiatives, insofar as these both represent partnerships between for-profit and nonprofit entities for the purposes of scaling up important work being done by the non-profits and creating new market opportunities alongside social contributions for the for-profits.

In 2010, Shumate and O'Connor proposed a new framework with which to consider these and other emerging NGO-private entity arrangements that are characterized at least in part by resource mobilization: the Symbiotic Sustainability Model [2010]. In essence, they argue that capital mobilization resulting from these kinds of NGO-corporate alliances - even with private sector groups which do not constitute corporations - is happening more and more through processes and channels of specialized communication. There is a discernible rhetoric here which

emerges and serves to legitimize and encourage the mobilization of not just financial capital but political and socio-cultural capital [2010, 581]. One of the main mechanisms at play here, they contend, is an overlap of resource niches that occurs through the kinds of partnerships that this paper argues are made possible by social franchising. More specifically, what Shumate and O'Connor's model tells us is that when flexible, mutually-beneficial partnerships between NGOs and private entities, principals and agents or, effectively, franchisors and franchisees, are allowed to be moulded to the context, functions and resources of the particular operating environments, partners can dip into each other's pools of knowledge and resources. This helps to confirm the working tenets of resource-scarcity theory on which this paper grounds itself; resource-sharing becomes both commonplace and necessary in situations and environments where key inputs such as capital and knowledge are scarce. As a result, the aforementioned dialogue and collaboration that emerges between partner organizations can reinforce this action with the weight of added organizational clout and co-constructed rhetoric and discourse - toward the ends of mutually supporting the mobilization of various forms of capital [583]. This demonstrates, at least in theory, the considerable prospects for greater scale and sustainability in the third sector that are presented by franchising: partnering in ways which allow for significant degrees of service replication and modelling, contextual adaptation, resource mobilization and mutual support can increase both an NGO's and partner organization's ability to reach more stakeholders while also consolidating its own internal capabilities.

#### *3.1.4. Conclusion*

The case of Farm Radio International demonstrates the evidence that there needs to be a fine balance struck between model systematization and malleability of deployment, a tricky element which adds to the challenge of franchising, but one which has already gone a long way in ensuring the success of today's social franchising pioneers. Examples include social purpose organizations such Dialogue in the Dark and Science-Lab, German-based groups cited by Volery and Hackl who license their models out to other organizations and individuals and who, while not constituting development NGOs, both exhibit that balance of standardization and flexibility which Voley and Hackl attest as being key to their success and endurance [2010]. For these authors, this necessarily translates to franchise contracts that are minimal in their restrictions and standards, and allow for high degrees of decision-making by individual franchisees [2010, 168]. It also translates to ensuring that relations between franchisors and franchisees are not over-bearing or 'intense', as they put it, from the top-down sense, which leaves parties spending less time negotiating awkward power dynamics and more time executing activities collaboratively in non-competitive fashions. More concretely, this means that the required support and counsel which franchisors must provide for franchisees must not cross the line of authority and autonomy impingement, and that prospective franchisors might take extra care in selecting and approving franchisee candidates which align closely enough with their own internal value systems and mandates, so as to minimize the potential for future conflict [178]. This might lead us to examples of tangible parameters which, in accordance with the analysis of the above authors, could be recommended to social purpose organizations who wish to consider franchising: contracts which deal predominantly with the legal and financial minutiae of a franchising agreement while taking care not to overly curtail and creative liberties which franchisees could take in the deployment of

the service(s) in question, and also not derailing the abilities of franchisees to properly and adequately address the circumstances and needs of the locale in which they choose to operate.

### *3.2. Care & Share Associates*

The next case in the long-term, capacity-building analytical category is Care & Share Associates Limited, or CASA, based in Newcastle, in the U.K. CASA is typically representative of the social franchise networks that are steadily proliferating within healthcare sectors worldwide, expanding impact through a tailored system which exhibits parallels with other social partnerships such as Farm Radio International. A highlighted case in the 2012 ICSF report, *'Innovation and the Power of Old Ideas'*, Dan Berelowitz explains how this particular group formed a centralized body for the purposes of managing a collectivity of franchises after having developed and finely tuned their own service delivery model and strategy as a division of the pre-existing organization Sunderland Home Care [2012, 20]. First established in 2004, CASA specializes in providing training programs which equip different groups and organizations such as shelters and homes for the elderly - spread out across the U.K. - with the skills needed to provide specialized care and assistance to vulnerable persons, notably elderly persons. As of 2014, they were among the biggest nonprofit social assistance providers in northern U.K., with 6 units employing nearly 600 total full and part-time employees and staff collectively providing over 10,000 hours of care and assistance [2016]. Close inspection reveals that CASA's comprehensive training package is central to their operations. At the forefront of their social enterprise is the priority to strengthen and consolidate the internal capabilities of local care providers in terms of

capacity through professional development and workforce planning, and they widen the scale of this impact through social franchising [CASA, 2016]. As the head franchisor, CASA trains franchisees for effective care provision in exchange for financial considerations such as franchise or membership fees, which constitutes a fairly centralized stream of revenue which gets fed back into the entire network to continuously maintain and improve operations. Although their organizational focus tends to be on elderly care, CASA's website states that their training is flexible enough to provide solutions for assistance provision that is targeted to other vulnerable population segments as well, including children and at-risk families [2016]. In addition to providing technical healthcare assistance, CASA also helps to centrally assist franchisees with business strategies, mediation between them and local authorities and external support actors and more generally with good procedural and management practices [Berelowitz, 2012, 21]. At the outset, similarities can already be drawn with the preceding case, Farm Radio, but with some key differences illuminated by contrast as well.

### *3.2.1. Organizational Framework*

As a pioneer of nonprofit-to-nonprofit social enterprise franchising, CASA's organizational framework stands out as a primary point of interest. Berelowitz highlights that the franchisees who partner with the principal organization remain independently owned and operated. This is similar to the Farm Radio model, which as has been stated above, allows for the flexible delivery of key services. Moreover, CASA insists that its franchisees be already established groups with history or experience in health care. This ensures that extra time, energy

and capital is not needlessly invested in excessive start-up and model duplication costs, but rather in simply adding CASA services as an additional fixture on top of any pre-existing service provision [CASA, *For Professionals*, 2016]. As per Berelowitz, partners who already have a track record in health care and specialized assistance translates to higher quality assurance through experience and knowledge of current industry standards and regulations, thus facilitating the replication of the CASA model while helping to maintain its commitment to quality service [2012, 23]. With this broad of a knowledge and support base, CASA is able to offer customizable modules for various degrees of training and support requirement, making its template flexible and, as of 2016, accessible in 8 cities in the U.K. [CASA, *Where CASA Operates*, 2016]. This makes CASA a good example of a social purpose organization which has successfully replicated its model of service and intervention delivery on a considerable scale thanks in part to its organizational framework.

Another key aspect to this framework is its structure, which - much like the case of CARDTS in the previous chapter - is characterized by a largely horizontal framework of control and ownership. This helps it to further assure its stakeholders of the quality of service it purveys. As it touts on its website, “As an employee-owned social enterprise, CASA is able to attract high calibre recruits” [2016]. Although no annual report was available at the time of the writing of this paper to verify the extent and details of the CASA recruitment process, this is evidently a built-in mechanism which social enterprises who are franchising out their service models are using to help maintain quality and standards of service, the rationale being that entities who retain major stakes in their operations will be more inclined to self-monitor and adjust in order to conform to the franchisor’s established reputation and initial expectations as to how they will perform. Volery

and Hackl allude to this in their chapter when they talk about the internal cultural effect that the social purpose mandate has on quality. The social enterprise places much higher value on its social impact than any financial or economic measure such as market presence or brand recognition, and therefore will strive to ensure quality of service delivery through the most practical means [2010, 178]. For social organizations looking to scale up through franchising, these means seem to involve a horizontal partnership structure which incentivizes self-discipline with help from mandated check-ins and evaluations from head franchisors. This makes logical sense since many of these small-to-medium sized organizations typically do not have the internal capacity to conduct rigorous evaluations themselves or to enforce strict adherence to organizational standards and principles [Valéau, 2010, 215]. Given this, the success of CASA thus far in both expanding and sustaining its reach can be at least partly attributed to its foresight and innovative organizational set-up.

### *3.3. Analysis - Lessons from the Informal Sectors*

Informal activities in marginalized and impoverished communities provide us with a number of examples of cases involving both private and nonprofit actors working to deliver vital services within mainly rural and outlying areas. One of the most important threads common to these cases, as demonstrated above, is the prominence of contextual factors in determining the concrete roles that said organization can play in certain issue areas and how their activities affect those issues. A number of important parallels can be drawn from the cases examined in this and the previous chapter - these will be explored below, but for the purposes of brevity and simplicity,

they can be summarized by the following table in Figure 1:

<b>Sustainability Factor</b>	<b>CARDTS</b>	<i>ShasthyaSena Intervention</i>	<b>Farm Radio International</b>	<b>CASA</b>
Partnership Layout	Horizontal	Horizontal	Mixed	Vertical
Implementation of Operations	Non-standardized	Standardized	Standardized	Standardized
Extent of Business Practices Adoption	Moderate	Low	High	Moderate
Scope of Reach	Regional	Regional	Trans-national	National

Figure 1: Sustainability Gradient Summary Table

On the surface, what stands out here are aspects of social franchising partnerships such as systems standardization - most notably in the form of comprehensive training designed to get all franchisees on the exact same page in terms of service delivery and establish firm baselines for progress measurement - and multi-sectoral collaboration between nonprofit and for-profit actors, along with the involvement of the public sector toward the ends of strong institutional regulation and support. These and other factors have tended to yield positive outcomes in franchising partnerships with respect to supply-side efficiency, effectiveness, and accountability and demand-side well-being, inclusion and empowerment. The case of Farm Radio International and their I-FRAS initiative illustrates this well, with an already-established multi-sector network of partners and affiliates all performing various activities toward goals that are common, yet geographically and contextually distinct. However, what close examination of these aspects also makes clear is the importance of building contextuality into these partnerships and lending credence to how different issues can, and should, predicate the set-up and subsequent dynamics of

the principal-agent partnership. With cases in the health sector for example, such as CARDTS and the *ShasthyaSena* intervention, what we can induce is that more uniform approaches and methods can be used in delivering services to those in need, even in cases of geographic and cultural disparity, given that there is already a wide breadth of knowledge of the diseases and conditions which afflict certain groups in different areas and how to treat them. In the case of CARDTS, healthcare providers operate in the same country, and can thus rely on discernible patterns and trends that are shared between them in the execution of their activities. However, in other cases, such as with the work performed by Farm Radio and CASA, much more nuance and understanding of local sensitivities and particularities is required to carry out effective services. As stated above, this holds important implications for how franchising partnerships should be structured in terms of the principal-agent relationship - for example, in issue areas which depend much more on local knowledge, agents should be afforded more freedom and leverage to be able to collect necessary data and design corresponding activities which can adequately serve stakeholders.

Moreover, what we can also pull from this chapter is that, as predicted by resource-scarcity theorists such as Alon and others, social ventures like the Farm Radio integrated radio service that are more geared toward long-term work such as local capacity building and grassroots empowerment have business modelling and adaptation built into the core of their partnerships, and that this is done deliberately to fill gaps in resource availability and overcome institutional obstacles which impede significant scale-up of operations. As a result, cross-sectoral partnerships between NGOs and social enterprises, private businesses, foundations and local governments will factor more directly in the overall effectiveness of sustainability partnerships

and how wide their impact can reach.

While much of the documented literature supports these outcomes, not all studies are in agreement, and researchers and observers alike are not unanimously sold on social franchising or the ability of informal or alternative sectors to adequately serve the poor and disenfranchised, even with support from governments. For example, the results of a 2013 systematic review conducted by Beyeler, York De La Cruz and Montagu encompassing 23 previous studies that were done on varying types of health franchise networks (focusing mainly on reproductive health franchises) revealed widely scattered outcomes among the different programs. While social franchising was positively associated with increased client volume and overall client satisfaction, the findings on health care utilization and health impact were mixed. Some studies found that franchise systems significantly outperformed other models of health care, while others seemed to show that franchises are either equivalent to or worse than other private or public clinics. Where the study specifically concerned cost-effectiveness and equity, social franchises were generally found to have poorer outcomes than other traditional forms of healthcare provision such as the formal private market or public clinics [Beyeler, York De La Cruz and Montagu, 2013].

A similar study conducted three years prior by Wafula & Goodman cross-examining 10 studies looking at educational interventions in the pharmaceutical industry in several sub-Saharan African countries also yielded fairly mixed outcomes; where education was used a primary vehicle for scaled-up service improvement and quality assurance, the authors say, it was effective on some fronts, including general knowledge for drug sellers, and it did result in less harmful dispensing practices overall for patients, however the results were more varied for good communication between sellers and clients, as well as the fostering of a robust system for

referring patients to appropriate health facilities [2010].

Profit incentives also appeared to constrain behaviour change in certain instances, which illustrated the hesitancy of many pharmacies to change their systems and practices unless financial gains could be exploited [320]. While authors who subscribe to this school of thought actively downplay the role of franchising in the social sector and its tenability vis-à-vis sustainable cross-regional scale-up of non-profit operations, other authors such as Koehlmoos, Gazi, Hossain and Zaman<sup>1</sup> have conversely argued that there is not even sufficiently robust evidence collectively to support any over-arching conclusions on social franchising (i.e. randomized and non-randomized controlled trials, interrupted time series studies, controlled before-after studies and what they refer to as ‘purpose built evaluations’ which they assert can help more concretely determine to what extent franchising is sustainable) [2009, 4]. In their own independent review, the above four authors ascertain that the gaps in suitable data and robust studies such as the ones listed above are simply too large to overcome, and can result in no substantive or definitive conclusions about the effects of social franchising - particularly where it concerns increased and reliable access to key social services in developing areas such as healthcare - until those gaps in research and data are filled [7]. Reviews and studies such as these reflect what is perhaps an inherent obstacle and truth in the world of scaled-up social work: interventions that are specifically designed to scale up a given model of service delivery that has been deemed successful within the confines of a specific locality or region will almost always encounter obstacles related to replication because of innumerable variations in the way models are implemented, where they are carried out, who carries them out and how stakeholders respond.

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<sup>1</sup> Of note is the fact that at the time of publication, all four authors of the review cited were employees of the International Centre for Diarrhoeal Disease Research, the organization which carried out the *Santhysena* intervention, which at the time was still in the implementation stage.

These are aspects which successful social franchise initiatives and ventures will need to carefully calibrate and pre-consider before undertaking any concerted effort to collaboratively scale up a given service model. This will be explored further in the final chapter.

#### **CHAPTER 4: DISCUSSION OF FINDINGS & CONCLUSIONS**

If there is one definitive conclusion to be drawn on social franchising, it is perhaps that context is king. In the three prior chapters of this major research paper, four concrete cases of social franchising in practice have been examined and contrasted according to macroeconomic context (industrialized versus emerging) and service delivery typology (short term relief intervention versus long term capacity building). These four cases have varied not only along these two categories but also in terms of organizational structure, the numbers and types of actors involved and the levels of stakeholder involvement. The circumstances which define one case differ considerably from the next; each case has a different set of motivations, goals and mission statements, and each franchising scheme is set up to embody those core fundamentals. There is virtually no way around this reality, as current best practices and the corresponding literature dictate that there is no one-size-fits-all formula for creating a social franchise network from one or various existing social enterprise ventures.

This variability makes one of the stated objectives of this paper - establishing guidelines for a replicable and adaptable social franchise model - markedly difficult, but not entirely pointless. Despite this paper's concession that context is in fact king, what the prior case studies have also revealed is that although they can be differentiated along many different lines, social

franchise ventures and initiatives also share a number of key elements and similarities which have been theorized by many authors as being vital to the success of the cases examined in this paper and others as well. Based on this, what this paper has determined to constitute success in social franchising is the sustained scale-up of a not-for-profit model of service delivery through replication of a part or the entirety of the model within at least one other locale other than the original geographic target area that is otherwise unreachable or unserviceable by the service model franchisor without the use of specialized partnerships. This paper has attempted to confirm this theorization and will justify it below. Some of the aforementioned elements can be formulated in the form of recommendations to social enterprises and NGOs themselves to directly implement if wish to undertake feasibility studies to determine whether or not franchising makes sense for their organization, while others will be in the form of indirect policy recommendations for governments and policy-makers who can support social organizations in their work and whose regulations - or lack thereof - can either benefit said organizations or hinder them. These qualities and characteristics will be discussed further below.

#### *4.1. Organizational Recommendations for NGOs and Social Enterprises*

There is much that non-profit organizations and social enterprises can do themselves in terms of self-help and internal policy structuring which can positively correlate with success in the franchising and sustainability partnership arena. Under agency theory, this paper has attempted to stress the centrality of people-centric influences on organizational and institutional behaviour, notably the power relations and struggles which can often precipitate between the different actors involved - in this case, mainly franchisors and franchisees. What future partners

can do to increase their likelihood of mitigating such struggles and achieving sustained scale-up of their not-for-profit activities falls (for the sake of simplicity) into two main categories: structure and operation.

#### *4.1.1. Structure*

Structural alignment and organizational modifications have proven critical to what this paper's chosen case studies have achieved. Specific methods of organizing their partnerships and agreements in particular are worth highlighting. It begins at the top with what is often both the starting point and covenant of the whole social franchising partnership: the franchise agreement. The franchise agreement was a common thread among all the cases examined by this paper and was identified by a number of observers and authors consulted to be a key lynchpin for maintaining strong and sustained relations between partners who agree to be franchisors and franchisees, respectively. The franchise agreement has become the primary tool for stipulating the exact parameters of the franchisor-franchisee relationship, including all modalities of both structure and operation which pertain to the licensing and implementation of the service model, and is often a legally binding contract to ensure syndication and discipline between all affiliated parties. Looking into certain specificities of those modalities sheds even more light.

The ordinal manifestation of the partnership structure is the first real telling aspect: how the different parties are organized and report to each, as seen before, can dictate the terms and nature of the working relationship. What the case studies revealed is that franchising partnership structures which deploy horizontal relationships as opposed to vertical relationships are more likely to yield working patterns which are predicated on fruitful and efficient collaboration,

mutual trust and open exchanges of information and knowledge. Berelowitz provided the example of the ‘arms-length’ model whereby franchisees are kept on an equal playing field in terms of the rapport they maintain with the head franchisor, but still operate within locales and geographic zones that are isolated enough to prevent inefficient overlap of impact [*Innovation and the power of old ideas*, 2012]. As was observed, franchising partnerships that are organized in a vertical fashion tend to be top-down and hierarchical in nature, with the head franchisor acting in more authoritarian ways, which produces tension and conflict between the affiliated parties; Berelowitz notes that examples of this phenomenon have been much more common in the private commercial sector, however the lesson is a valid and valuable one for social enterprises and NGOs nonetheless [26]. This stands to reason given that these recommendations are largely premised on contextual sensitivity and adaptability, as per the observations pulled from the case study analysis and literature review. The organization that is particularly emblematic of this is CARDTS, which keeps all of its partners on level terms in terms of rapport and dialogue while also extending to them the freedom and leverage they need to be their most effective. Abandoning top-down control by emphasizing context over rigid standardization ultimately allows social enterprise franchisees the ability to adequately serve stakeholder groups in different areas by moulding and adapting the service model to their specific needs and circumstances. Horizontal arrangements lend themselves much more seamlessly to the principle of ‘collaboration over control’ which Berelowitz advocates, whereby the franchisor-franchisee relationship is an active partnership based on collaboration and consistent feedback and dialogue, rather than a demanding or controlling relationship whose business replication model is rigid and inflexible because of economic imperatives or political pressures [2012]. Eliminating needless hierarchies and

top-down organizational formats with respect to social franchising partnerships represents one major step toward the kind of positive organizational effects which can be generated from instilling a structural equality among all partners within a given partnership, which in turn can foster collaboration, minimize bureaucratic congestion, promote bottom-up and grassroots involvement and eliminate excessive hierarchical distance between actors which can muddle communication and blur the central mandate.

#### *4.1.2. Operation*

Operationalization of the actual service by partners within a social franchise network is the other half of the equation when it comes to the internal adjustments and modifications that social organizations can make in franchising partnership. Much like organizational structure, how organizations implement and deliver the service that is licensed by the head franchisor can also dictate prospects for sustainable scale-up of social impact.

As the research has demonstrated, one of the factors that has been shown to be linked to the effective scale-up of non-profit service delivery is well-planned, comprehensive training. Franchisee training has been harnessed by organizations as the main tool through which they establish the common ground and baseline standards of operation for all franchisees and partners. This is crucial because this is how this paper's case studies have instilled accountability within their franchisees while also making sure that their service models do not become compromised or watered down by the wide distances between affiliated parties. While organizations such as CARDTS and the briefly-explored *ShasthyaSena* intervention have been shown to be strong purveyors of this tenet, the case study that is particularly exemplary of franchisee training is Farm

Radio International.

Training has helped take many of Farm Radio's broadcast partners to the next level of operational sustainability, particularly in terms of broadcasting pedigree, which has translated to a more consistent standard of quality-controlled Farm Radio-sponsored farmer programming, a goal which the organization has listed as a top strategic intention for their long-term future [Sanchez, 2015]. It is this assurance of quality which helps the service model stay effective over time and distance, as well as helping to cement the dependability of the Farm Radio brand. With specialized training, support and consistent dialogue and feedback, not only do Farm Radio broadcast partners become vehicles for proven farmer radio programming, and thereby end up becoming much more reliable support systems for rural farmers, but their economic viability and financial stability also tends to markedly improve, especially those based in rural, non-dense areas with very little opportunity for corporate support or sponsorship. This is attributable mainly to how as part of the core curriculum of training which Farm Radio provides, many activities which broadcasters undertake can be packaged and marketed as quality farmer radio programming, which can in turn be used to attract business partners in the form of programme sponsors and other private funding which can sustain the programming. In this sense, the comprehensive training packages which Farm Radio has developed can in many cases double as both programme creation and development training and business expansion and sustainability training as well [6]. According to case studies and internal reviews, this is a model that has proven itself very fruitful for many rural broadcasters and radio stations in sub-Saharan Africa [Anderson & Hitchins, 2007; Sanchez, 2013, 8]. Within the vein of criticism explored earlier within this paper's literature review that NGOs have become too reliant on external public sector and multilateral funding, and

by virtue of this, lend themselves too easily to political pressures and global neoliberal agendas [Kamata, 2004; Parks, 2008; Edwards & Hulme, 1996; McGann & Johnstone, 2005], this innovative, two-pronged approach to rural economic development by Farm Radio International - designed to help lift up both farmers and broadcasters - can be seen as an antithesis to the continued reliance on external funding for the third sector. Because of the refined and adaptable training and centralized support that Farm Radio is able to offer its partners, precedents such as this one help social franchising double as a framework through which the trappings of a business development plan could be outlined and implemented. This is what makes Farm Radio an exemplar of the importance of training, skills development and central support within social franchising initiatives, and by consequence this is what also makes Farm Radio a standout case in sustainability partnerships and an ideal case study for the study of social franchising.

Another key aspect of the operation side of the equation for franchising NGOs and social enterprises is one which harkens back to the pillar of contextual sensitivity: flexible standardization and systematization of partnership modalities. Systematic standardization of organization systems, operations and administration across the board is evidently crucial to ensuring efficiency and cost-effectiveness when undertaking replication through franchising. Organizations within both the social and commercial sectors render their missions tremendously easier by systematizing their work and subsequently distributing a model that is set in stone. This is perhaps best observed in the training and support which the successful franchisors documented above offer their franchisees - standard packages and troubleshooting responses, derived from previous extensive research and consultation, as well as trial and error, which are often presented as 'menus' for franchisees to choose from based on their specific needs and struggles.

By the same token, however, this kind of systemic standardization does need to be carefully designed and implemented so as to remain flexible, which in this sense of this paper's research findings denotes a built-in contextual sensitivity which allows said systematized models to be slightly adaptable within different localities based on differing local needs, priorities and circumstances. As such, there needs to be a fine balance struck between model systematization and malleability of deployment, a tricky element which adds to the challenge of franchising, but ultimately has gone a long way in ensuring the success of today's social franchising pioneers. This is a facet at which all the cases examined in this paper excel. In particular, Farm Radio and CASA, both of whom rigorously train their franchisees, create and regularly update standardized training and troubleshooting packages and maintain schedules for regular updates in order to continually fine-tune the packages. At the same time, specific and pre-defined criteria for how best to deploy these packages is applied to each and every franchisee, which helps keep the training and regular support custom for each partner. In the case Farm Radio, this involves pre-screening potential broadcast partners according to location, broadcast signal reach, audience demography, programming itinerary, and budget [Sanchez, 2015]. More specifically, in the case of the recently-launched 'I-FRAS' program, once partners are identified, Farm Radio field personnel conduct on-site group discussions, interviews and station visits in order to become much more intimately familiar with the broadcasters, and upon the completion of these preliminary assessments, a 'strategic needs' plan is formulated for each specific station, to which the training and other support packages are then tailored to [Mloza Banda, Chapota & Chinkhokwe, 2015, 4]. This is just one example of the effort that goes into making sure that while the systems and operations that are outsourced to partner organizations as part of

sustainability partnership agreements are standardized to a significant extent in order to maximize efficiency and cost-effectiveness, active customization of said operations is vital to respect the contextual differences inherent in scaled-up social work.

#### *4.2. Policy Recommendations for Governments*

The case analysis in this paper has also demonstrated the tantamount importance of the role of governments and policy makers vis-à-vis NGOs and social enterprises themselves as a determinant of the viability of social franchising and the overall impact of social enterprises. As Janelle Kerlin [2012] has asserted, it is not prudent to finish any robust analysis of the modern social enterprise without looking at the impacts and influences of the surrounding institutional environment in which they find themselves operating. Although it is beyond the scope of any social franchising model to adequately adjust or change most institutional factors, at least when it comes to NGOs and other grassroots organizations, they can still control for them if properly analyzed. Kerlin's underlying premise in her chapter is that when certain institutional factors are strongly expressed and favourable for social partnerships to flourish, social enterprises can carry out their activities on a much more liberal basis without having to navigate obstacles such as legal loopholes, fungible and conditional political funding and high societal transacting costs [2012, 112]. This is especially pertinent for cases such as CARDTS, examined in chapter 2, where institutions against Kerlin's standards would be graded poorly, based on a number of observations. First and perhaps most evident is the lack of institutional support for many Indian citizens who live in outlying rural areas. Second is the similar lack of support and regulation available for the actual organizations - specifically healthcare providers - who attempt to reach

and help those citizens [Kanjilal & Mazumdar, 2013, 26]. This is primarily due to the fact that rural medical practitioners and similar types of healthcare providers operate outside the formal healthcare sector, with no real or concerted by local and state officials to deal with them or provision for their safe and effective operating [27]. What is more, say Kanjilal and Mazumdar, is that these organizations, especially nonprofit ones, cannot easily conform to current formal market standards and regulations because of how tightly they cater to private providers and medical institutions [27]. Their recommendation in the institutional vein, painted in broad strokes, is for governments to create a whole new set of regulations based on the recognition of emergent categories of social service providers, including social enterprises, who need to operate within their own specialized boundaries and rules [28].

More concretely, based on independent case examinations of previous policy instruments and changes implemented for rural development, such regulations could be designed to streamline existing policy frameworks for all implicated actors and stakeholders in given region or country - as opposed to a select few - and push for greater enforcement, mandate points of contact and dialogue between local officials and state representatives and the implicated actors looking to perform specialized work in certain areas, create tailored taxation systems for said actors and organizations and lower transaction costs by encouraging business-like dealings and collaboration efforts among organizations outside the so-called 'formal' sector, including the kinds of partnerships that could give way to social franchising arrangements [Anderson & Hitchins, 2007, 16]. As many authors have noted, just as institutions predicate how well private enterprise can flourish within those institutions' boundaries, they can also heavily influence how well social enterprises can also reach and help people. The institutional environment can both positively and

negatively affect the social landscape in countries continually experiencing severe social service gaps and discrepancies, and is thus key to any holistic set of solutions which aims to undercut the systemic causes of those gaps.

That being said, this paper has identified certain notable policy avenues which governments can take toward the ends of fostering that ideal institutional milieu in which sustainability partnership networks and modalities such as social franchising can flourish. The first is simply acknowledging the legitimacy of those who operate outside the formal and often lucrative service sectors, and making efforts toward institutionalizing them to at least some degree. As Kanjilal and Mazumdar [2013] and Iqbal *et al.* [2013] have demonstrated, many informal markets and service providers operate very unsafely due to governments' unwillingness to recognize the importance of their contributions and thus either formalize them under the same standards and regulations as formal service providers or create new regulations and institutional arrangements for them, as the above authors urge in their work.

This is especially important for the health sector in developing regions, where there are large informal healthcare industries in parallel to their formal counterparts which cater to those who are unable to afford or obtain access to formal services. This was highlighted with the examination of the cases of CARDTS in India and the *ShasthySena* intervention in Bangladesh, and in the latter in particular, where end-to-end collaboration with local officials was instrumental in the successful implementation of what proved to be a very important and insightful initiative [Iqbal *et al.*, 2013]. During post-intervention de-briefing the regional legislative committees in Chakaria, where the intervention was mostly implemented, officials heard important

recommendations from the project coordinators, including the formal creation of a specialized, dedicated committee specifically to oversee all activities undertaken by informal healthcare providers in rural areas, and to also guide the legalization and formalization of said activities [52]. The clear benefits of even just temporarily working with government officials on an intervention designed to enhance health coverage and patient safety makes it clear that a more permanent solution is highly justified and warranted. These are examples of the types of measures that would help not-for-profit services expand and proliferate through partnerships that are regulated, overseen and legitimized.

#### *4.3. Concluding Remarks*

This major research paper has undertaken a comprehensive case study analysis of four established cases of social franchising, supplemented by literature analysis, in the pursuit of concretely determining flexible and malleable parameters for a social franchise model that can be adopted and replicated by NGOs and social enterprises worldwide, particularly those which work in international development and humanitarian assistance. The case analysis was conducted using a two-pronged contrast between organizations who carry out short-term intervention work and long-term capacity-building work, with the former encompassing the cases of the *ShasthyaSena* intervention and the Citizens' Alliance for Rural Development and Training Society, and the latter comprising the cases of Farm Radio International and Care & Share Associates. The cases were selected based on existing partnership arrangements and modalities they currently employ which either constitute or resemble social franchising.

These cases were evaluated against a sustainability gradient assembled under the

theoretical frameworks of agency theory and resource-scarcity theory - as put forth by Ilan Alon [2006; 2014] - as well as the broader tenets of post-development theory. This gradient comprised the assessment of the case organizations according to structure and partnership layout, implementation of operations, business-like relations and scope of reach and impact - these elements were summarized in the table presented on page 44. The cases were compared and contrasted with each other based on these aspects and were delineated based on the similarities and differences they exhibited on these levels. While the findings were slightly varied, what this paper has concluded is a social franchising model (designed to serve as guidance for NGOs and social enterprises exploring partnership possibilities for the purposes of achieving a wider sustainable scale of impact) can be predicated upon certain calibrated parameters and expectations that this paper's analysis has deemed to be necessarily implicated in the success or failure of social franchising as a viable avenue for implementing sustainability partnerships in development. These parameters are: a binding franchising agreement between all affiliated franchisors and franchisees, horizontal and collaborative franchisor-franchisee relations, flexible standardization of service provisions and operations, strategic resource mobilization and allocation, and finally, a strong and centralized system of support built on training, skills development and accountability.

As Ilan Alon tells us, franchising has afforded new opportunities for social enterprises to resolve their limited scope of impact through a cost-effective and hassle-free replication strategy which simply allows other groups to employ their model of service delivery in different locations and markets [2014, 6]. This has considerably balanced the playing field for many social purpose organizations looking to scale up their operations and extend their reach. In addition, franchising helps franchisors and franchisees assume a business mantle which promotes financial

sustainability and economic vitality through centralized management support that is administered to franchisees in an umbrella organization fashion, with the potential for robust revenue generation and income to be recycled back into the system for consistent network improvement and maintenance. The opportunity for wider scale that is offered by franchising also provides many service-based nonprofit groups with an avenue for more sustainable service provision and operation by allowing other groups and individuals to carry out their model in other areas and locales and incentivizing their participation with add-ons such as oversight, advice and guidance. Not only does this allow them to bypass the restrictions and constraints of their perpetually tight budgets and begin to address their target issues to scale, it also distributes the pressures and burdens of consistent monitoring and improvement among a consortium of partners all working to achieve the same goal in different physical locations. Organizations which typically need to rely on external sources of funding in order to be able to set most of their operations in motion can also mitigate the extent to which this is necessary by implementing a franchise membership fee structure in order to create a perpetual stream of funds which can be fed back into the management and continual improvement of the franchise system. Above all, franchising offers nonprofit groups a viable way to move away from the project-based approach to narrowly-defined developmental intervention that has been traditionally undertaken by the nonprofit sector, and begin to assume a mantle geared more toward long-term action that is deeply rooted within its host regions, more informed by the nuances and local circumstances of the issues and more conducive to positive change that is sustainable over a long period of time.

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