



# A HANDBOOK

For Setting Up Group-Owned  
Community-Based Enterprises in Africa

THE NEW  
INSTITUTE

AEUI EUROPEAN  
UNIVERSITY  
INSTITUTE



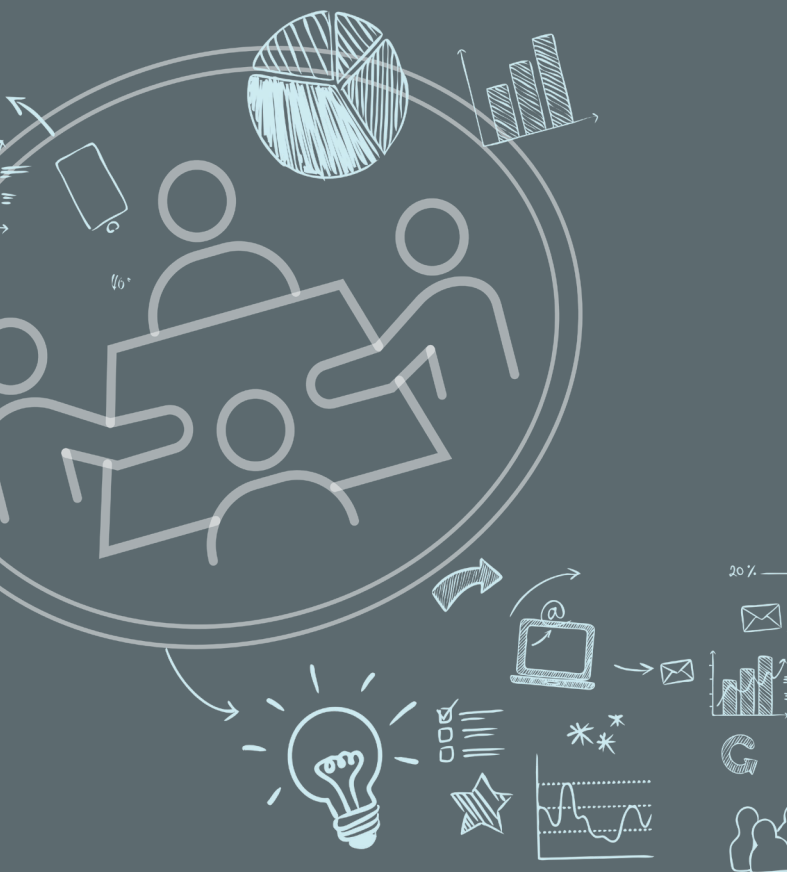
LUISS   
Research Center  
Law and Investment  
on Future and Earth



ÓKÓBÌ



*From the roots of the Eastern Heartland,  
Imo State, Nigeria.*



1	Table of Contents
2	Introduction
4	What This Handbook Offers
5	A Call to Action

## **PART 1**

### **Understanding Group Entrepreneurship and Its Role in Corporate Community Economic Development**

7	The Concept of Group Entrepreneurship
9	Leveraging Group Entrepreneurship for Corporate Community Development
10	The OKOBI Model
13	Why Corporates Should Engage with OKOBI-like (Group-owned) Business Models

## **PART 2**

### **A Five-Phase Implementation Strategy for Organisations**

19	Initiation Phase
35	Planning Phase
55	Execution Phase
71	Closing Phase
72	Impact Assessment Phase

## **SUMMARY & CONCLUSION**

### **THE OKOBI MODEL: ECONOMIC DEVELOPMENT THROUGH SHARED ENTREPRENEURSHIP IN AFRICA**

### **AFRICAPITALISM FELLOWS AT THE NEW INSTITUTE**

CONTENTS





**Africa is at a critical juncture in its development as it faces a growing youth population, persistent social inequalities, high unemployment, and poor governance.**

## Introduction

Africa is at a critical juncture in its development as it faces a growing youth population, persistent social inequalities, high unemployment, and poor governance. These issues not only threaten individual livelihoods but also pose a significant risk to regional stability, exacerbating societal problems and migration pressures.

High unemployment, in particular, presents a major challenge—one that fits the description of ‘wicked problems’ or grand challenges: complex, interconnected issues with no simple solutions. Addressing these significant issues calls for bold ideas and unconventional methods. In recognition of the enormity of these challenges, Paul Polman, the former CEO of Unilever, consistently advocated for a multi-stakeholder approach, involving governments, businesses, Non-Governmental Organisations (NGOs), and local communities, to tackle these pressing issues such as environmental sustainability and economic development.

Businesses have responded by attempting to address these challenges through Corporate Social Responsibility (CSR) initiatives. However, traditional CSR approaches in Africa, while well-

intentioned, have often fallen short of delivering transformative change envisioned by the likes of Paul Polman. The limitations of conventional CSR are well-documented. For example, too frequently, CSR is equated with philanthropy—sporadic acts of charity with the unintended risk of fostering dependency rather than empowering stakeholders and communities. Companies often prioritise the construction of infrastructure—schools, roads, boreholes—which, whilst beneficial, fail to address

**By focusing on handouts rather than empowerment, businesses risk being perceived as quasi-governmental entities, thereby perpetuating a culture of dependency.**



the root causes of societal problems such as poverty and unemployment. These efforts, often driven by short-term public relations goals, have limited impact and fail to create sustainable value.

By focusing on handouts rather than empowerment, businesses risk being perceived as quasi-governmental entities, thereby perpetuating a culture of dependency. This approach limits traditional CSR's potential to drive systemic change and misses an opportunity for businesses to align their operations with the long-term needs of the communities they serve or operate in. These misalignments call for a new paradigm where businesses can economically empower their host communities and help them become independent through collective entrepreneurship.

The concept of group or collective entrepreneurship relates to collaborative venture formations where ownership, governance, and profits are shared fairly among all members. The ensuing enterprises are built on the idea of collective ownership and are managed by the specific group of stakeholders, which can include family, kindred, friends, community members, employees, alumni, classmates, or local organisations. A good example of this in practice is the One Kindred One Business Initiative (OKOBI) of the Imo State Government of Nigeria, which has produced many group-owned businesses with a significant number of jobs created.

This handbook, funded by THE NEW INSTITUTE, Hamburg—Germany, supports the need to fundamentally rethink corporate community engagement in Africa—in a way that prioritises sustainable, community-driven growth, through group or collective entrepreneurship.

THE NEW  
INSTITUTE



## What this Handbook offers

This handbook serves as a practical toolkit for businesses, policymakers, and other stakeholders looking to facilitate the establishment of new group-owned businesses or support existing ones. It provides a comprehensive framework for designing and implementing business initiatives that deliver lasting impact. While not prescriptive, it offers a set of considerations underpinned by **The One Kindred, One Business Initiative's (OKOBI)** core principles, adaptable to local contexts and responsive to each community's unique needs. The handbook is divided into two parts; the first part provides an overview of collective entrepreneurship and group-owned businesses, making a business case for this model and the second part presents a five-phase implementation framework for corporates to engage with group entrepreneurship as their corporate community development strategy.

### Organizations using this handbook are encouraged to adopt the following core principles:



**Flexibility:** Recognize that every community and business operates in a unique context. Adapt the considerations in this handbook to suit local circumstances, industry needs, and specific challenges while maintaining its core principles.



**Co-Creation:** Engage with key stakeholders—including community leaders, policymakers, and local entrepreneurs—to ensure inclusive decision-making and shared ownership of initiatives. Collaboration strengthens impact and sustainability.



**Contextualization:** Align implementation with cultural, social, and economic realities. A deep understanding of the local environment enhances relevance and effectiveness when applying the insights in this handbook.



**Solution-Oriented:** Focus on practical, actionable solutions that drive measurable impact. This handbook is designed to help organizations go beyond theoretical discussions, encouraging them to implement strategies that create lasting change using group-owned enterprises as a solution.

## A Call to Action

The African unemployment crisis demands innovative, community-driven solutions. The group-owned business model exemplified by OKOBI offers a compelling pathway for corporations to engage with poverty and unemployment in a way that creates shared value for businesses and communities alike. By embracing this model, businesses can move beyond checkbox philanthropy and forge genuine partnerships that empower communities to build sustainable livelihoods and shape their own destinies.

We hope this handbook serves as your guide to unlocking the immense potential of African communities and driving inclusive economic growth. Together, we can pave the way for a brighter, more prosperous future for all.



**The African unemployment crisis demands innovative, community-driven solutions. The group-owned business model exemplified by OKOBI offers a compelling pathway for corporations to engage with poverty and unemployment in a way that creates shared value for businesses and communities alike.**

## PART 1



# Understanding Group Entrepreneurship

and Its Role in Corporate  
Community Economic  
Development

**a**

**The Concept of Group  
Entrepreneurship**

**b**

**Leveraging Group  
Entrepreneurship for Corporate  
Community Development**

**c**

**The OKOBI Model**

**d**

**Why Corporates Should Engage  
with OKOBI-like (Group-owned)  
Business Models**



## The Concept of Group Entrepreneurship

In contrast to traditional businesses that are owned by individual shareholders or private investors, group-owned models focus on shared prosperity, aligned with the goals of the community. These businesses are often deeply rooted in the communities they serve, promoting economic inclusion, sustainability, and long-term wealth creation. In leveraging the bonds of friendship, family, and community, they emphasise collective well-being and social objectives over individual profit, ensuring that everyone benefits economically and socially. Thus, they align with the UN Sustainable Development Goals (SDGs) by tackling issues like poverty (SDG 1), reducing unemployment and promoting decent work (SDG 8), and reducing inequality (SDG 10).

**In leveraging the bonds of friendship, family, and community, they emphasise collective well-being and social objectives over individual profit, ensuring that everyone benefits economically and socially.**

---

Group-owned businesses can empower marginalised groups to become active participants in the economy, reducing their dependence on external aid and creating sustainable value chains that businesses can leverage to integrate social impact into their core operations. For instance, the profits generated can be reinvested into community development initiatives like education, infrastructure, or business growth, rather than being funnelled into the pockets of external shareholders. This approach fosters resilience by keeping wealth circulating within the community, reducing reliance on outside entities, and empowering local populations to maintain their economic and social independence over the long haul.

The table below summarises the differences between group-owned businesses and traditional forms of business.

Aspect	Group-Owned Business	Traditional Business
<b>Ownership</b>	Shared by a defined group (e.g., family, kindred, community, employees, friends)	Concentrated among private/shareholders/ investors
<b>Primary Objective</b>	Balance profit with social impact	Maximise shareholders' funds/returns
<b>Governance</b>	Participatory, stakeholder-driven	Hierarchical and investor- driven
<b>Wealth Distribution</b>	Reinvested locally or shared among stakeholders	Distributed to shareholders/external stakeholders



## Leveraging Group Entrepreneurship for Corporate Community Development

Given the attributes of group-owned businesses, they appear well-suited for corporate community economic development (CCED) projects. CCED represents a shift away from traditional corporate social responsibility (CSR) approaches as these projects aim to economically empower a company's stakeholders, particularly, local communities. This thinking is reflected in a recent publication by the McKinsey Global Institute (2025), which focused on how organisations can empower their stakeholders. In it, they advised that corporations should design suitable measures by incorporating the following considerations: connections, contexts, and capabilities to guide such initiatives.

“Companies could design made-to-measure initiatives with three considerations: (1) connections: taking stock of which stakeholders within reach cannot afford basics and what their needs are; (2) contexts: identifying major barriers to empowerment in particular locations; and (3) capabilities: understanding what advantages a company's core products and services, as well as its assets and operations, offer to empower its stakeholders.”

- MGI

Group-owned businesses have the potential to reshape the dynamics between corporations and communities by focusing on collaborative value creation that meets real needs. They can achieve this by weaving principles of collective ownership and participatory governance into the fabric of economic systems. When businesses partner with group-owned enterprises in their operational ecosystems, they help ease social tensions and build sustainable value chains, all while ensuring smooth operations. Take Nigeria's **One Kindred One Business Initiative (OKOBI)** model, for instance.



“It is when citizens stop waiting for professionals or elected leadership to do something and decide they can reclaim what they have delegated to others, that things really happen.”

**Peter Block, Community –  
The Structure of Belonging**

---

## The OKOBI Model

The OKOBI model is a transformative framework pioneered by Imo State, a subnational government in Nigeria, seeking to empower communities to control their economic destinies through group entrepreneurship while creating shared value for businesses. It is deeply rooted in the Igbo philosophy of ‘onye aghala nwanne ya,’ which emphasises collective prosperity. The model brings communal values into business practices, boosting resilience and unity. The origin of the model can be traced to the Imo State government’s launch of an ambitious industrialisation agenda in 2023 through its Industrial Policy. This policy aims to drive growth and development across all sectors of the state’s economy by identifying and exploiting economic opportunities for rapid development.

OKOBI, as a form of group entrepreneurship, is an approach that encourages the people of Imo State to actively collaborate with the state government in shaping a positive and prosperous future for the state. It is not just a call for participation but also presents a framework that offers clear actions for implementing the industrial policy. This framework seeks to combine economic goals with the sociological realities that already exist in the state, creating a more holistic approach to development. In essence, it emphasises the need for a partnership (SDG 17) between the people and the government, with a focus on integrating both economic and social aspects to achieve sustainable growth and progress.



**At its core, OKOBI leverages the concept of communality—a shared sense of belonging and collective identity within a community—to drive group entrepreneurship in Imo State.**



At its core, OKOBI leverages the concept of communality—a shared sense of belonging and collective identity within a community—to drive group entrepreneurship in Imo State. This approach taps into common heritage, mutual support, and collaboration among individuals in a group, typically at the kindred level but potentially extending to broader connections based on shared heritage, values, or goals. The initiative seeks to foster an inclusive economy at the kindred level, a close-knit social unit in Igbo

society, to stimulate growth and development in rural economies by harnessing principles of self-reliance and communal living.

These principles of self-reliance and communal living are deeply ingrained in the culture of the people of Imo State, who are part of the larger Igbo ethnic group in Nigeria.



**The OKOBI model champions the use of private capital to finance community- focused, group-owned businesses as a powerful means of combating poverty and unemployment in Africa. This aligns with the principles of Africapitalism— a unique perspective on capitalism that emphasises the private sector’s role in driving inclusive and sustainable development.**



Historically, many social amenities in rural Igbo communities—including electricity, schools, hospitals, civic halls, and markets—have been established through community self-help projects. OKOBI extends this self-help ethos to the economic sphere, encouraging communities to collectively invest and utilise various forms of capital available to them. In essence, OKOBI represents a practical attempt to develop a new economic model by transforming an existing cultural institution. This innovative approach not only provides a framework for economic growth but offers valuable insights for leveraging cultural institutions for economic development anywhere in Nigeria and beyond.

The OKOBI model champions the use of private capital to finance community- focused, group-owned businesses as a powerful means of combating poverty and unemployment in Africa. This aligns with the principles of Africapitalism— a unique perspective on capitalism that emphasises the private sector’s role in driving inclusive and sustainable development. Therefore, OKOBI provides an opportunity for corporate engagement with poverty and unemployment.



## Why Corporates Should Engage with OKOBI-like (Group-owned) Business Models

Corporations that engage with local communities in designing enterprises tap into valuable local knowledge, making sure their initiatives are culturally relevant and sustainable thereby leaping over the often superficial approach of traditional corporate social responsibility (CSR). In adopting group-owned business models for their CSR projects, companies can create lasting impacts. Those who embrace these models will move beyond mere transactional philanthropy, nurturing ecosystems where economic growth and social equity thrive together.

“If rural communities are a hotspot of challenges for implementing the Sustainable Development Goals, they are also a hotspot for innovation and creative solutions.”

**Jamison Ervin, United Nations Development Programme**

---

This strategy has the potential to mitigate some operational risks, as empowered communities are less likely to experience unrest. Engaging with the OKOBI model is not merely an act of corporate social responsibility—it is a strategic move.

## By supporting community-based entrepreneurship, corporations can unlock significant benefits, including:



**Enhanced Social License to Operate:** Demonstrating a genuine commitment to community development builds trust and strengthens relationships with host communities.



**Improved Brand Reputation:** Supporting OKOBI businesses attracts socially conscious consumers who increasingly demand that businesses align with their values.



**Access to Innovation:** Partnering with OKOBI entrepreneurs can help businesses tap into new sources of creativity and innovation, driving competitive advantage.



**Contribution to Sustainable Development:** By promoting community-based entrepreneurship, corporations contribute to poverty alleviation (SDG 1), decent work and economic growth (SDG 8), and sustainable cities and communities (SDG 11).

Companies that align with global sustainability trends position themselves as leaders in inclusive capitalism, merging profit with purpose to build resilient and equitable futures. By integrating community strengths with corporate accountability,

organizations can systematically tackle poverty, unemployment, and inequality. The next part of this guidebook outlines a scalable framework for creating or supporting group-owned businesses as a CSR initiative.



## PART 2



# A Five-Phase Implementation Strategy for Organisations



# Overview

For organisations that seek to adopt group-owned entrepreneurship as a creative CSR initiative, this part of the handbook presents a five-phase implementation strategy to help them bring this solution to life. The phases are Initiation, Planning, Execution, Closing, and Impact Assessment. While each phase is explored in detail later, a summary of each phase is provided below>>:

1

## Initiation Phase



In this phase, the organization is expected to identify the specific challenges within a target community and evaluate whether establishing group-owned enterprises is the most effective solution. It clearly defines the problem—whether it is poverty, unemployment, or another pressing issue—and carefully assesses the benefits of adopting group-owned entrepreneurship as a solution. Based on this evaluation, the organization decides whether to proceed with the establishment of group-owned enterprise/s as its preferred solution and CSR initiative. Once the decision is made, the necessary internal approvals are secured, and a high-level CSR project plan is developed outlining the project's scope and objectives, as well as a monitoring and evaluation framework.

2

## Planning Phase



During this phase, the organisation collaborates with key stakeholders to gauge readiness and design a robust program for forming group-owned enterprises. This collaboration involves engaging community leaders, potential beneficiaries, and other partners to ensure alignment and garner support. The organization conducts an economic needs assessment and evaluates business feasibility while gauging the passion, readiness, capacity and enthusiasm for the initiative. The phase culminates in a comprehensive implementation plan that details the necessary steps, resources, and timelines for establishing the group-owned enterprise/s.

3

### Execution Phase



This is the phase where the organization implements all operational activities required to legally establish the group-owned businesses. The focus is placed on fulfilling all legal requirements and formalities to form the enterprises on a solid legal foundation. Additionally, the organization

provides the necessary operational support and resources to facilitate the start-up and sustainable growth of these enterprises. This phase also involves monitoring activities and ensuring that key activities are being implemented as planned.

4

### Closing Phase



This phase marks the formal conclusion of the CSR project implementation, ensuring that all administrative and structural tasks are completed and that the businesses are set up and have received the required support as planned.

5

### Impact Assessment Phase



During this phase, the organization tracks and evaluates the overall impact of the initiative. Through the monitoring of key performance indicators and ongoing evaluation, the organization determines whether the objectives of the initiative have been met. The insights gained are then used to refine future CSR projects and ensure that the initiative delivers long-term, sustainable benefits to the community.

**Through the monitoring of key performance indicators and ongoing evaluation, the organization determines whether the objectives of the initiative have been met.**





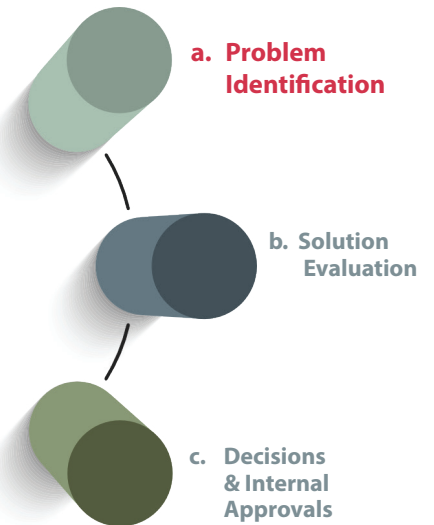
...the organisation begins by identifying the specific challenges within a target community. It thoroughly examines issues such as poverty, unemployment, and other pressing concerns, clearly defining the problem at hand and what it intends to solve.

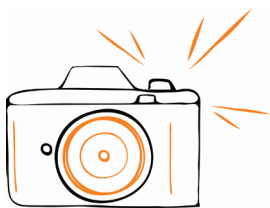
The detailed steps of each phase are provided below:

## 1 Phase 1: Initiation

### a. Problem Identification

In this phase, the organisation begins by identifying the specific challenges within a target community. It thoroughly examines issues such as poverty, unemployment, and other pressing concerns, clearly defining the problem at hand and what it intends to solve. The table below serves as a guide for this process. However, organisations are at liberty to use an approach/ method that suits their particular situation.

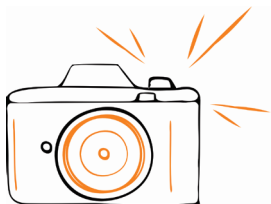




## Snapshot of steps in Problem Identification



Step	Action	Purpose	How to Get It Done
1. Define the Target Community	Identify the community and/or the group for Intervention (e.g., rural populations, women, youth, etc.).	To focus on the community that will benefit most from the intervention.	Collect demographic data and research the community's background and needs.
2. Conduct a Needs Assessment	Gather data on challenges such as poverty, unemployment, education, healthcare, etc.	To identify pressing issues and ensure the intervention targets real problems.	Use surveys, interviews, or focus group discussions with community members to gather first-hand information.
3. Engage Stakeholders	Consult with local leaders, community organizations, and government bodies.	To align with community priorities and get buy-in for the initiative.	Hold meetings, consultations, and community forums to gather input from diverse stakeholders.
4. Analyse Socio-economic Indicators	Review key socio-economic data such as income levels, education rates, and employment statistics.	To gain an understanding of underlying factors contributing to the community's challenges.	Analyse government reports and data or carry out desk research.



## Snapshot of steps in Problem Identification

Step	Action	Purpose	How to Get It Done
5. Identify Root Causes	Use tools like root cause analysis to explore underlying issues.	To identify systemic challenges rather than just symptoms.	Conduct group discussions or use the "5WHYs" technique to trace the cause of the problems.
6. Prioritise the Problems	Rank the issues based on their impact and urgency.	To focus on the most pressing problems that will benefit the community.	Use a ranking matrix or consult with stakeholders to prioritize the issues.
7. Define the Problem. Clearly	Write a concise statement of problem outlining the specific challenges and their impact.	To establish a clear problem statement that will guide further actions.	Draft a problem statement and validate it with stakeholders to ensure alignment.



# Key Questions to ask During the Problem Identification Stage

## I. Define the Target Community

- Who are the key members of the target community (e.g., youth, women, rural populations)?
- What are the specific needs of this community that require intervention?
- How representative is the data about the target community?

## II. Conduct a Needs Assessment

- What specific challenges is the community facing (e.g., unemployment, poverty, education)?
- How urgent are these challenges?
- What are the existing gaps in resources or services in the community?

## III. Engage Stakeholders

- Who are the local leaders and community organisations that should be consulted?
- What are the community's priorities regarding their needs and problems?
- How can we ensure broad buy-in and alignment with community values?

#### IV. Analyse Socioeconomic Indicators

- What do income levels, education rates, and employment statistics reveal about the community's challenges?
- How can socioeconomic data guide the development of targeted interventions?
- Are there any major barriers identified through this analysis that should be addressed first?

#### V. Identify Root Causes

- What are the underlying causes of the community's challenges (e.g., systemic issues, lack of resources)?
- How do we differentiate between symptoms and root causes?
- What tools (e.g., root cause analysis, "5 Whys") should be used to explore these deeper issues?

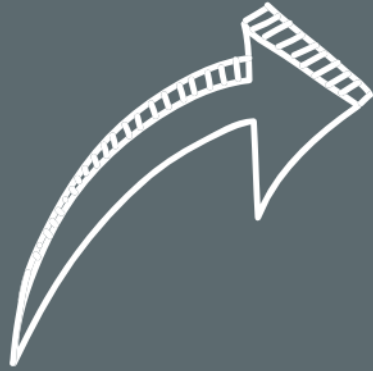
#### VI. Prioritise the Problems

- Which problems have the most significant impact on the community's well-being?
- What criteria should be used to prioritize these issues (e.g., severity, urgency, community feedback)?
- How do we ensure that the prioritized problems align with the needs and desires of the community?

#### VII. Define the Problem Clearly

- How can we write a clear, concise problem statement that reflects both the scope and depth of the challenges?
- Does the problem statement accurately capture the community's key concerns and needs?
- How can we validate the problem statement with stakeholders to ensure it resonates with the community?







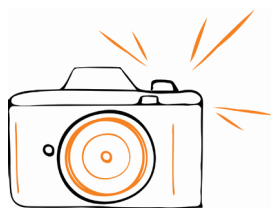
**A structured evaluation process ensures that the decision to proceed is well-informed, minimizing risks and maximizing the chances of success.**

## **1** Phase 1: **Initiation**

### **b. Solution Evaluation**

Upon identifying the problem, the organization must critically evaluate whether establishing group-owned enterprise(s) is a viable and effective solution. This involves a comprehensive assessment of its benefits, feasibility, and potential impact in addressing the identified challenges. A structured evaluation process ensures that the decision to proceed is well-informed, minimizing risks and maximizing the chances of success. Below is a detailed breakdown of key steps in the Solution Evaluation Phase (See tables >>):



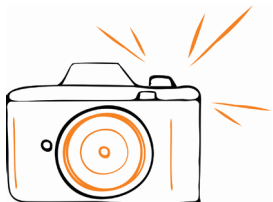


## Snapshot of steps in Solution Evaluation



Step	Action	Purpose	How to Get It Done
1. Assess Community Readiness	Evaluate if the community has the basic resources and readiness to start a group-owned enterprise.	To gauge if the community has the foundational resources to support the enterprise.	Review internal research or get preliminary information on the community's skills, resources, and willingness to engage in business activities. Use simple surveys, community engagements and/or internal discussions to get a sense of readiness.
2. Estimate Resource Requirements	Identify the key resources needed to start and run a group-owned enterprise (e.g., funds, skills, materials).	To determine if the required resources are accessible or achievable.	List the key resources that will be required and compare them against available resources in the community.
3. Analyse Organizational Capacity	Determine if the organization can support the group-owned enterprise initiative.	To ensure the organization can support the initiative internally.	Review internal capabilities: Do you have the expertise, time, and personnel to help get the initiative off the ground? If not, consider partnerships or hiring.

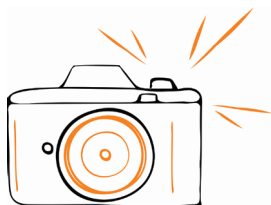




## Snapshot of steps in Solution Evaluation



Step	Action	Purpose	How to Get It Done
4. Identify Key Success Factors	Identify the internal factors that will contribute to the success of the group-owned enterprise (e.g., leadership, team cohesion, training).	To ensure that the right factors are in place for success.	Internal brainstorming or a simple assessment can help identify the critical success factors. Consider things like community trust, leadership strength, and availability of training or support.
5. Evaluate Potential Risks	Assess potential risks or challenges that could affect the success of the group-owned enterprise (e.g., financial risks, lack of collaboration).	To understand the potential downsides before moving forward.	Conduct a simple risk assessment by listing potential risks and identifying ways to mitigate them. This could include financial challenges, lack of cooperation, or skills gaps.



## Snapshot of steps in Solution Evaluation

Step	Action	Purpose	How to Get It Done
6. Develop the Theory of Change	Create the Theory of Change (TOC) to outline the expected outcomes and how the group-owned enterprise will achieve them.	To provide a structured approach for understanding how the initiative will work and the changes it aims to create.	Work with stakeholders to define the desired long-term outcomes, assumptions, and the process for achieving those outcomes. Use tools like logic models or outcome mapping. If the organization lacks the capacity for this, it can get an expert to do so, and a guide is provided for in subsequent pages of this handbook.
7. Make Preliminary Decision	Based on the evaluation, decide if the group-owned enterprise approach should move forward.	To decide whether to proceed with the initiative or explore other solutions.	Based on the information gathered, decide whether to proceed with the idea of a group-owned enterprise. If there are too many risks or if resources are insufficient, it may be best to reassess or explore other solutions.

# Key Questions to ask During the Solution Evaluation Stage

## I. Assess Community Readiness

- Does the community have the necessary skills and resources to support a group-owned enterprise?
- How willing is the community to participate in and sustain this initiative?
- What is the community's level of understanding about entrepreneurship and group-owned businesses?

## II. Estimate Resource Requirements

- What resources (e.g., capital, materials, human resources) are required to establish a group-owned enterprise?
- Does the community already possess these resources, or will they need to be sourced externally?
- How do we assess the feasibility of mobilizing these resources effectively?

## III. Analyse Organizational Capacity

- Does the organization have the necessary internal expertise to support the initiative?
- Are there enough personnel available to handle the implementation and ongoing support?
- If not, what partnerships or external expertise are required?

## IV. Identify Key Success Factors

- What internal factors (e.g., leadership, team cohesion, trust within the community) are crucial for success?
- What has worked in past projects, and how can those lessons be applied to this initiative?
- Are there critical elements (e.g., access to training, local leadership) missing that need to be addressed?





#### **V. Evaluate Potential Risks**

- What risks could hinder the success of the group-owned enterprise (e.g., financial instability, poor collaboration)?
- What are the potential financial, operational, or social challenges that need to be managed?
- How can we mitigate or manage these risks to minimize their impact?

#### **VI. Develop the Theory of Change**

- What are the desired long-term outcomes of the initiative (e.g., economic empowerment, reduced unemployment)?
- What assumptions underlie the Theory of Change, and are they valid?
- How can we structure the Theory of Change to ensure it is realistic and achievable, given the community's resources and readiness?
- What specific actions will drive the desired changes?
- What resources (funding, people, partnerships) are needed?

#### **VII. Make Preliminary Decision**

- Is establishing a group-owned enterprise the best solution to address the community's problems?
- What are the potential benefits, and how do they outweigh the risks?
- Based on the evaluation, should we move forward with the initiative, or is there a need for further exploration or a different approach?



**Based on its assessment,  
the organisation determines  
whether group-owned  
entrepreneurship should be  
adopted as its preferred CSR  
solution.**

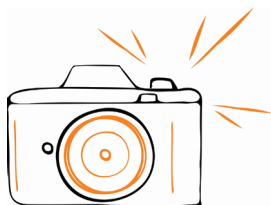


## Phase 1: Initiation

### c. Decisions and Internal Approvals

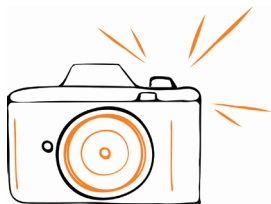
Based on its assessment, the organisation determines whether group-owned entrepreneurship should be adopted as its preferred CSR solution. Once this decision is made, the necessary internal approvals are secured. At this stage, the organisation may decide to support the establishment of one or more group-owned enterprises within the community of interest. Following this decision, a high-level CSR project plan should be developed that clearly outlines the project's scope and objectives, along with an initial framework for monitoring and evaluation to effectively track the initiative's progress and impact.





## Snapshot of steps in Decisions and Approvals

Action	Purpose	How to Get It Done	Questions to Ask
1. Make a Decision	Decide whether to proceed with the establishment of group-owned enterprises based on evaluations.	Review the Theory of Change and all the evaluation reports (e.g., feasibility, community readiness, expected benefits). Hold a meeting with the leadership team to discuss the findings and finalize the decision.	<ul style="list-style-type: none"> <li>Does the problem identified justify the need for a group-owned enterprise?</li> <li>Are the potential benefits clearly defined?</li> <li>Is there likely to be sufficient support and buy-in from key stakeholders?</li> </ul>
2. Secure Internal Approvals	Obtain necessary approvals from senior management or board members to proceed.	Prepare a summary of findings, evaluation results, and proposed next steps. Present the case to senior leadership or the board for approval. Gather feedback and finalize any necessary revisions to align with organizational goals.	<ul style="list-style-type: none"> <li>Is the leadership team aligned with the decision to move forward? - What changes or additional considerations need to be addressed?</li> </ul>



## Snapshot of steps in Decisions and Approvals

Action	Purpose	How to Get It Done	Questions to Ask
3. Develop a CSR Project Plan	Create a high-level plan detailing the scope, objectives, and expected outcomes of the initiative.	Collaborate with internal stakeholders to draft the project plan, clearly defining the scope, goals, target outcomes, and a rough timeline. Identify key activities and resources needed.	<ul style="list-style-type: none"> <li>• What are the specific objectives and key deliverables for the project?</li> <li>• What is the timeline for launching and executing the initiative?</li> </ul>
4. Develop a Monitoring and Evaluation Framework	Establish a system to track the progress and impact of the initiative.	Develop a framework that defines measurable indicators, milestones, and progress check-ins. Assign responsibilities for monitoring the progress and making necessary adjustments during implementation.	<ul style="list-style-type: none"> <li>• What are the critical success factors (CSFs) to monitor?</li> <li>• How will data be collected, and who will be responsible for the monitoring process?</li> <li>• What is the frequency of evaluation checkpoints?</li> </ul>



# Key Questions to ask During the Decisions and Approvals Stage

## I. Make a Decision

- Is group-owned entrepreneurship the most effective solution for addressing the identified problem (e.g., unemployment, poverty)?
- What specific outcomes do we expect from this initiative (e.g., job creation, economic empowerment)?
- How feasible is it for the community to embrace and sustain this model?

## II. Secure Internal Approvals

- Do all internal stakeholders understand the scope and purpose of the initiative?
- Are the resources and budget available to support this initiative?
- Are there any concerns from internal stakeholders that need to be addressed before moving forward?

## III. Develop a CSR Project Plan

- What are the key deliverables, and what is the timeline for the project?
- What resources (funding, personnel, training) are needed to launch the initiative successfully?
- Who are the responsible teams or individuals for overseeing each component of the project?

## IV. Develop a Monitoring and Evaluation Framework

- What key performance indicators (KPIs) will help measure the success of the initiative?
- How will feedback from the community and stakeholders be incorporated into the monitoring process?
- What tools or methods will be used to track progress (e.g., surveys, interviews, financial records)?

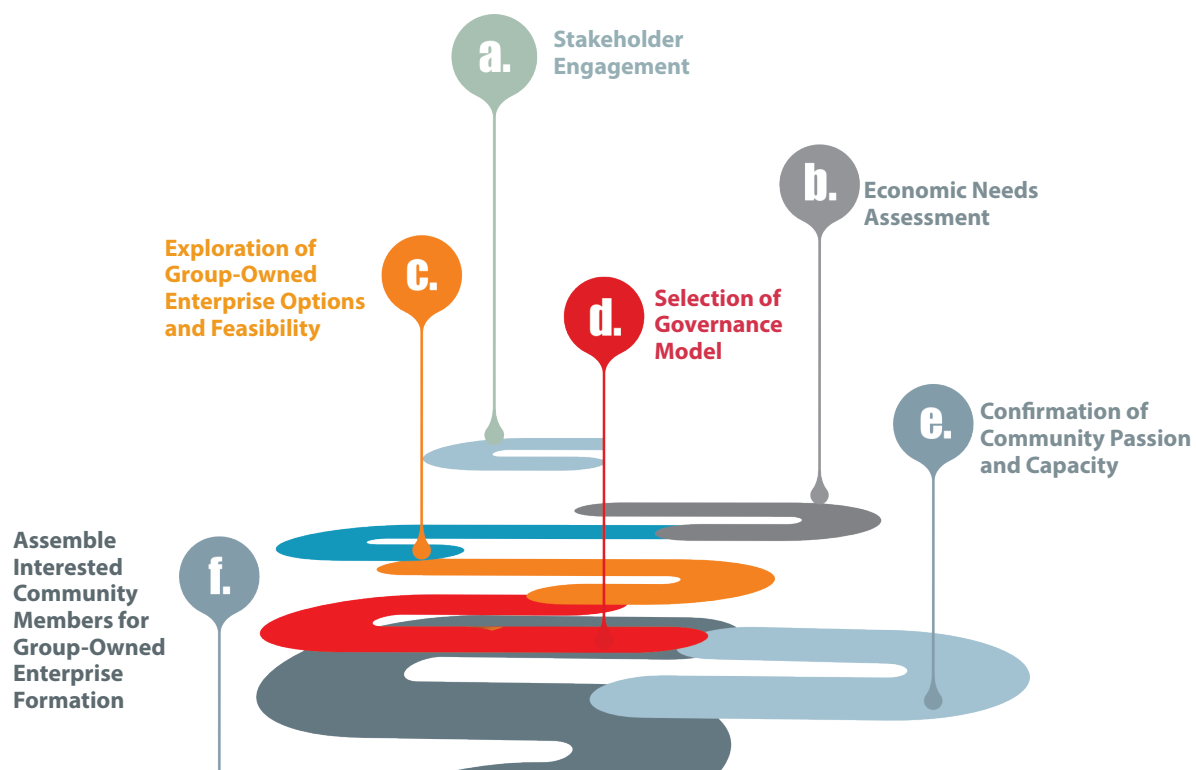




In this phase, the organisation is expected to work hand-in-hand with community members and beneficiaries to design a robust plan for establishing group-owned enterprises.

## 2 Phase 2: Planning

In this phase, the organisation is expected to work hand-in-hand with community members and beneficiaries to design a robust plan for establishing group-owned enterprises. This collaborative process ensures that the initiative is tailored to local needs and leverages community insights at every step. The phase involves the following interconnected steps:





a.

## a. Stakeholder Engagement

The step involves the active engagement of community leaders, relevant government agencies if applicable, and other relevant stakeholders as may be identified, to discuss the initiative and identify potential beneficiaries. Through meetings, workshops, and focus group sessions as required, the organization gathers valuable insights about local challenges and opportunities. This open dialogue not only builds trust but also lays the foundation for the establishment of group-owned enterprises that resonate with the community's resources, needs and aspirations. Potential beneficiaries are also identified at this stage.

As the organisation works to establish group-owned enterprises, stakeholder engagement and management will play a critical role in ensuring the success and sustainability of the initiative. Stakeholders could

**As the organisation works to establish group-owned enterprises, stakeholder engagement and management will play a critical role in ensuring the success and sustainability of the initiative.**

include community leaders, government agencies, potential beneficiaries, local Civil Society organizations, private sector partners, and other relevant groups. Managing these stakeholders effectively will require a strategic approach to ensure that their interests, needs, and concerns are addressed and that they remain committed to supporting the initiative. Detailed below are some stakeholder analysis and management tips that organizations can utilize:

### I. Identify and Prioritise Stakeholders

- **Stakeholder Identification:** The first step will be identifying all relevant stakeholders who can impact or be impacted by the initiative. This could include community leaders, local government representatives, women's groups, small-scale



business owners, educational institutions, and potential investors or donors.

- **Prioritise Stakeholders:** Once identified, stakeholders should be categorized based on their level of influence and interest in the project. Key stakeholders should be prioritized for regular and deeper engagement, while others may require more passive communication.
  - **High Influence, High Interest:** These stakeholders should be closely managed and engaged through regular updates and direct involvement in decision-making processes.
  - **High Influence, Low Interest:** While these stakeholders may not be directly interested in the day-to-day aspects of the initiative, their support is essential for success. They should be kept informed and consulted regularly to ensure their backing.
  - **Low Influence, High Interest:** These stakeholders are

While these stakeholders may not be directly interested in the day-to-day aspects of the initiative, their support is essential for success. They should be kept informed and consulted regularly to ensure their backing.



crucial for gathering feedback and ensuring that the initiative is tailored to local needs. Engaging with them through surveys, workshops, and community meetings will be vital.

- **Low Influence, Low Interest:** These stakeholders should be monitored and engaged as necessary, ensuring they are informed but not overwhelmed with information.

## II. Understand Stakeholder Needs and Expectations

- **Engage Early:** Stakeholders should be engaged early in the process to understand their needs, concerns, and expectations regarding the group-owned enterprise. This can be done through direct meetings, surveys, focus groups, or town hall sessions.

- **Assess Their Needs:** Conduct an analysis of what each stakeholder wants from the project. For example, community leaders may seek long-term economic benefits for their community, while local government agencies may be concerned with compliance and alignment with development policies.
- **Document and Address Expectations:** All stakeholder expectations should be documented, and the organization should strive to address as many of them as possible within the scope of the initiative. Regular updates and clear communication about how the project aligns with these expectations will help manage relationships.


### III. Develop a Clear Communication Strategy

- **Tailored Communication:** Not all stakeholders need the same level of communication. Tailor communication strategies based on the needs and interests of each group. For example:
  - **Community Leaders:** Engage with them through face-to-face meetings or informal discussions, providing them with information in a format that they can share with the community.
  - **Government Agencies:** Keep them informed through formal reports, policy briefs, and regular meetings to ensure alignment with national or regional development goals.
  - **Beneficiaries:** Use simple and clear communication, such as community meetings or local radio programs, to inform them about the benefits of the initiative and how they can get involved.
- **Transparent Communication:** Ensure transparency throughout the initiative




**All stakeholder expectations should be documented, and the organization should strive to address as many of them as possible within the scope of the initiative**





**Building partnerships with stakeholders will be crucial for the success of group-owned enterprises. Work collaboratively with community leaders, government agencies, and NGOs to identify resources, share knowledge, and solve challenges together.**



by regularly providing updates on progress, challenges, and successes. Being transparent helps build trust and reduces the risk of misunderstandings or conflicts.

#### **IV. Foster Collaborative Relationships**

- **Create Partnerships:** Building partnerships with stakeholders will be crucial for the success of group-owned enterprises. Work collaboratively with community leaders, government agencies, and NGOs to identify resources, share knowledge, and solve challenges together.
- **Leverage Existing Networks:** Take advantage of existing networks within the community, such as local women's groups or youth organizations, to

spread the word about the initiative, gather input, and create momentum for the project.

- **Shared Goals:** Establish shared goals that benefit both the community, and the stakeholders involved. For example, stakeholders can be motivated by the opportunity to support economic empowerment, job creation, and social welfare, while the organization can benefit from the support and participation of these stakeholders.

#### **V. Manage Conflicts and Concerns**

- **Identify Potential Conflicts Early:** Conflicts may arise when stakeholders have differing interests or concerns. For example, local government agencies may be focused on regulatory issues, while community members may be more interested in the economic benefits. By identifying



## Engagement with stakeholders should not end once the group-owned enterprises are established.

potential conflicts early, the organization can take steps to manage or mitigate them before they escalate.

- **Address Concerns Proactively:** Listen carefully to the concerns of stakeholders and address them as soon as possible. For example, if there are concerns about the viability of group-owned enterprises or potential risks, provide evidence, clarify misconceptions, and ensure that all parties are on the same page.
- **Create a Feedback Loop:** Set up mechanisms to allow stakeholders to express their concerns or suggestions throughout the project. This could include regular community meetings, suggestion boxes, or an online platform

for feedback. Actively listening to stakeholders helps maintain trust and engagement.

### VI. Regular Monitoring and Evaluation

- **Monitor Stakeholder Relationships:** Continuously assess stakeholder engagement and satisfaction throughout the initiative. Regularly evaluate how well stakeholders are being managed and whether their needs are being met. Adjust strategies as necessary to keep relationships strong and maintain alignment with the project goals.
- **Measure Impact:** Establish clear metrics for assessing how the group-owned enterprises are impacting stakeholders, particularly the beneficiaries. This includes tracking the economic impact, employment creation, and social outcomes. Regularly report these results to stakeholders to demonstrate the effectiveness of the initiative and reinforce their support.
- **Feedback and Adjustment:** Gather feedback from stakeholders at various points in the project and use it to refine the approach.

### VII. Maintain Long-Term Engagement

- **Sustain Relationships Post-Implementation:** Engagement with stakeholders should not end once the group-owned enterprises are established. Continue to involve stakeholders in the ongoing management and evolution of the project. This includes keeping stakeholders informed about the performance of the enterprises, celebrating successes, and addressing any emerging challenges.
- **Capacity Building:** Provide ongoing training and capacity-building opportunities for stakeholders, particularly community leaders and beneficiaries, as may be required.



The insights derived from this assessment ensure that the proposed solution is tailored to the community's unique economic landscape.

## b. Economic Needs Assessment

Following stakeholder engagement, a comprehensive economic needs assessment should be conducted in collaboration with the community and potential beneficiaries. This assessment analyses local economic conditions, identifies market gaps, and pinpoints key areas where group-owned enterprises can make a meaningful impact while pursuing economic gains. The insights derived from this assessment ensure that the proposed solution is tailored to the community's unique economic landscape. Organisations may follow the steps below to conduct an economic needs assessment.

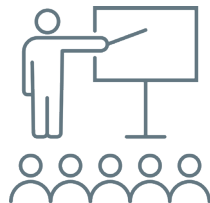
### Steps for Conducting the Economic Needs Assessment

#### I. Data Collection & Community Engagement

- **Surveys and Interviews:** Engage different stakeholders- local business owners, artisans, farmers, unemployed youth, and other key groups to gather first-hand insights.
- **Focus Groups:** Facilitate group discussions to understand economic challenges, existing income sources, and community aspirations.

#### II. Market and Economic Analysis

- **Observational Studies:** Visit local markets, production sites, and business hubs to assess commercial activities and economic trends.
- **Identifying Market Gaps:** Assess which goods and services are in demand but not adequately supplied within the community and in external markets.
- **Evaluating Economic Activities:** Map out the dominant industries, employment trends, and existing business structures in the area.
- **Understanding Household Incomes:** Analyse income distribution to determine purchasing power and the affordability of new services or products.
- **Local vs. Export Opportunities:** Identify products and services that can thrive locally and those that can be exported to other communities for broader economic impact.



### III. Stakeholder Validation

- **Community Feedback Sessions:** Present findings to stakeholders to validate the data and adjust strategies as needed.
- **Consultation with Development Partners:** Engage government agencies, NGOs, and financial institutions to align with broader economic development plans.



...a comprehensive economic needs assessment should be conducted in collaboration with the community and potential beneficiaries.

### Outcome

- A report detailing the economic challenges and opportunities within the community.
- Identification of potential areas for group-owned enterprises to thrive.
- A roadmap for developing enterprises that align with community needs and economic conditions.
- A classification of opportunities into local markets and external market opportunities for maximum economic impact.





## c. Exploration of Group-Owned Enterprise Options and Feasibility

Once the economic needs assessment is complete, organisations can support target beneficiaries in exploring potential group-owned enterprise options and assessing their feasibility. The following key factors should be considered to ensure the success and sustainability of the business.

### 1. Market Demand Assessment

**Key Question: Is there a real need for this business?**

Before starting a business, target beneficiaries must determine if there is a genuine demand for their product or service. Organizations can support them by:

- Providing tools and guidance to help them conduct customer surveys and engage with potential buyers.
- Helping them analyse local market trends to understand consumer needs and purchasing behaviours.
- Advising on market gaps and business opportunities that align with their skills and resources.

- Assisting in assessing local vs. external trade potential to determine the best market approach.

### 2. Competition Analysis

**Key Question: Who else is offering similar products or services?**

Understanding competition is crucial for business positioning. Organizations can help target beneficiaries:

- Identify existing competitors by providing research tools and strategies.
- Analyse pricing, quality, and customer base to understand how competitors operate.
- Identify gaps in services/products and explore how their business can stand out.



Once the economic needs assessment is complete, organisations can support target beneficiaries in exploring potential group-owned enterprise options and assessing their feasibility.

### 3. Determining Resource Needs

**Key Question: What is needed to launch and sustain the business?**

Organisations can help target beneficiaries evaluate and secure the necessary resources for their businesses by:

- Providing training on financial planning to help them calculate start-up and operational costs.
- Helping to identify funding sources such as microfinance, grants, or local investment options.
- Assisting in listing or acquiring required equipment and infrastructure and exploring affordable ways to acquire them.

### 4. Skill and Capacity Development

**Key Question: Do the target beneficiaries have the expertise to run this business?**

Organisations can help target beneficiaries assess their skills and build capacity by:

- Facilitating skills audits to identify existing expertise within the group.
- Connecting them to training programs that fill skill gaps.
- Providing mentorship and networking opportunities with industry experts.

### 5. Regulatory and Legal Requirements

**Key Question: Are there any legal or regulatory hurdles?**

To ensure compliance, organisations can support target beneficiaries in:

- Understanding business registration processes and selecting the right business structure (e.g., cooperative, social enterprise).



- Identifying required permits and licenses and guiding them through application processes.
- Learning about tax obligations and incentives that may benefit their business.

## 6. Financial Sustainability Planning

**Key Question: Can this business generate steady income?**

**Organisations can help target beneficiaries develop financial strategies by:**

- Guiding them in creating revenue projections to estimate profitability.
- Helping with cost analysis to track expenses and optimize spending.
- Advising on sustainable funding models such as partnerships, savings groups, and impact investment.

## 7. Explore Local vs. Export Market Opportunities

**Key Question: Should the business focus on the local market or expand beyond?**

Organisations can support target beneficiaries in identifying whether their business should focus on local markets or explore export opportunities. For example:

**Local Business Options:**

- Farming cooperatives
- Small-scale food processing
- Handicrafts and textiles

**Export-Oriented Businesses:**

- Specialty agricultural products (e.g., organic spices, shea butter)
- Packaged and processed foods
- Handmade crafts for international markets

**How Organisations Can Help:**

- Providing insights on logistics and transportation for wider distribution.
- Helping target beneficiaries understand export regulations and international trade requirements.
- Facilitating connections with potential buyers and trade partners.

Upon answering the questions above, organisations can then support the target beneficiaries in selecting the appropriate group-owned business (es) using the simple decision matrix below:

## Decision-Making Framework for Selecting Enterprises

**A structured decision-making matrix can be used to compare potential enterprise options:**

Criteria	Weight (1-5)	Option 1: e.g. Agro-Processing	Option 2: e.g. Cooperative Transport	Option 3: e.g. Local Handicrafts
Market Demand	X	Score (1-5)	Score (1-5)	Score (1-5)
Competition Level	X	Score (1-5)	Score (1-5)	Score (1-5)
Resource Requirements	X	Score (1-5)	Score (1-5)	Score (1-5)
Community Skills Fit	X	Score (1-5)	Score (1-5)	Score (1-5)
Regulatory Ease	X	Score (1-5)	Score (1-5)	Score (1-5)
Revenue Potential	X	Score (1-5)	Score (1-5)	Score (1-5)
Local or Export Viability	X	Score (1-5)	Score (1-5)	Score (1-5)
<b>Final Score</b>	-	<b>Total Score</b>	<b>Total Score</b>	<b>Total Score</b>



... the organisation can then proceed with the subsequent steps in supporting the establishment of the most promising group-owned business.

### Final Output

- A feasibility report summarising viable enterprise options.
- A decision matrix to support enterprise selection.
- A strategic roadmap for launching the most promising group-owned enterprise.
- Identification of funding sources, training needs, and regulatory requirements.
- A classification of opportunities into local-focused enterprises and export-driven enterprises to maximize economic impact.

With these final outputs, the organisation can then proceed with the subsequent steps in supporting the establishment of the most promising group-owned business.



In this model, a supervisory board composed of community members oversees the enterprise, which employs residents and reinvests a substantial portion of profits (e.g., 80%) back into the business...

## d. Selection of Governance Model

After identifying the most promising enterprise options, the organisation should work with the potential beneficiaries to select the most appropriate governance model(s) for the group-owned enterprise. Options include:

- **Social Enterprise Model:** In this model, a supervisory board composed of community members oversees the enterprise, which employs residents and reinvests a substantial portion of profits (e.g., 80%) back into the business, with the remaining profits (e.g., 20%) dedicated to specific social projects. Social enterprises may opt for a business model where the customers are the beneficiaries of the social value created by the enterprise. Others may have a business model where the customers are different from the beneficiaries.

### Community Benefits:

- **Mission-Driven Operations:** Prioritises community welfare over profit maximisation, channelling resources to local projects.
- **Access to Funding:** May qualify for grants, donations, and tax incentives, easing financial constraints.

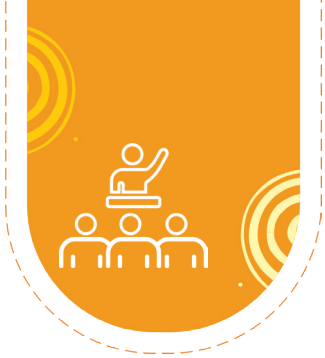
### Key Considerations:

- Subject to strict regulations regarding the use of profits and operational transparency. Must maintain rigorous reporting and governance practices to retain public trust and support.

- **Cooperative Enterprise Model:** This model adopts a traditional cooperative structure, requiring a minimum number of community members to share ownership and decision-making responsibilities, thereby promoting democratic governance.

### Community Benefits:

- **Democratic Ownership:** All members participate in decision-making, ensuring that the business reflects the community's collective will.
- **Profit Redistribution:** Surpluses can be reinvested into the business or distributed among members, fostering local economic development.



#### Key Considerations:

- Requires active member engagement, collaboration and adherence to cooperative principles.
- Must comply with relevant cooperative regulations that ensure transparency and accountability.

- **Majority Shareholder Model:** Here, a single person or family holds more than 50% ownership while sharing the remaining stakes with the community. This model emphasises community empowerment while allowing the majority shareholder to drive key decisions.

#### Community Benefits:

- **Balanced Profit Distribution:** Profits can be allocated in a manner that both rewards investors and funds community initiatives, ensuring reinvestment into the community.

**Profits can be allocated in a manner that both rewards investors and funds community initiatives, ensuring reinvestment into the community.**

- **Enhanced Credibility:** The model signals to potential partners and funders that the enterprise is committed to serving community interests.

#### Key Considerations:

- The governance and shareholding agreements must be clearly defined to balance community involvement with opportunities for external investment.

There may be additional regulatory requirements to ensure that the community's interests remain protected, and that profit distribution aligns with community goals.

- **Limited Liability Enterprise Model:** Designed for group-owned ventures with five or more members, this model balances profit generation with empowerment objectives, ensuring that the enterprise remains both financially sustainable and socially impactful.



There may be additional regulatory requirements to ensure that the community's interests remain protected, and that profit distribution aligns with community goals.

#### Community Benefits:

- **Shared Responsibility:** All members contribute to the management of the business, promoting collective investment in the community's success.
- **Risk Protection:** Limits the personal liability of each member, ensuring that individual assets are safeguarded against business risks.
- **Operational Flexibility:** The community business can adapt its internal structure according to its members' evolving needs and contributions.

#### Key Considerations:

- Requires clearly defined agreements outlining profit-sharing, decision-making processes, and roles to prevent conflicts.
- Requires clear common value systems and rigorous selection and onboarding processes.

The legal and regulatory environment for such models may vary by region, necessitating careful consultation with legal experts to ensure compliance.

If more than one group-owned business would be established, the community and beneficiaries can choose one or more of the models for different group-owned enterprises to be established.







## e. Confirmation of Community Passion and Capacity

After selecting possible models and business options, the organisation needs to engage the community and potential beneficiaries in open discussions about their passion and capacity for proposed group-owned enterprise (s). It should create a forum where every member is encouraged to share their thoughts and feelings candidly. The organization should ask whether community members/potential beneficiaries are willing to invest the necessary time, energy, and resources and if the business idea aligns with their interests or past experiences. Members should also be encouraged to envision their long- term involvement; if they cannot see themselves engaged over an extended period, it may indicate a lack of genuine commitment.

Next, it is important to evaluate the community's capacity to support the group- owned enterprise by reviewing the available skills, knowledge, and resources. It should work collaboratively with community members to identify any gaps in expertise or capacity.



If such gaps are found, the organization should plan to implement a capacity-building program during the execution phase.

It should be accepted that if, at any point during these evaluations, key stakeholders or community members decide not to pursue the group-owned enterprise approach, the project should be terminated. Conversely, if the community/ potential beneficiaries confirm enthusiasm and demonstrate the necessary capacity and willingness, the organization should develop a comprehensive implementation plan for the formalization and start-up of the group-owned businesses, update the Monitoring and Evaluation plan if required, and proceed to the Execution Phase to formally establish and operationalize the group-owned enterprises.

The engagement matrix below serves as a guide for this process.

## Engagement Matrix for Group-Owned Enterprise Discussions

Key Area	Questions to Ask Beneficiaries	Considerations for the Organization
1. Interest and Commitment	<ul style="list-style-type: none"> <li>• What excites you most about this business idea?</li> <li>• Do you see yourself actively involved long-term? Why or why not?</li> <li>• Are you willing to invest time, energy, and possibly financial resources?</li> <li>• What would keep you motivated to stay engaged?</li> <li>• What challenges might prevent full commitment?</li> </ul>	<ul style="list-style-type: none"> <li>• Look for genuine enthusiasm, not just initial excitement.</li> <li>• Observe body language and tone during discussions.</li> <li>• Identify practical signs of commitment, like offering ideas/resources.</li> </ul>
2. Decision-Making and Next Steps	<ul style="list-style-type: none"> <li>• Are we fully committed to this business as a group?</li> <li>• If we start today, what would be our first three steps?</li> <li>• Do we have a plan for handling conflicts?</li> <li>• What support do we expect from the organization, and what will we handle ourselves?</li> <li>• If we don't move forward, what alternatives should we explore?</li> </ul>	<ul style="list-style-type: none"> <li>- Be open to stopping if commitment or interest is lacking.</li> </ul>



## f. Assemble Interested Community Members for Group-Owned Enterprise Formation

Once potential beneficiaries with the necessary skills and readiness have been identified, the next step is to bring them together to formally establish the group-owned enterprise. Organisations can support this process by facilitating the following key steps:

### 1. Convening Interested Beneficiaries

Bringing together committed beneficiaries is a crucial first step in establishing a group-owned business. Organisations can:

- Coordinate an inaugural meeting to introduce the enterprise concept and align expectations.
- Facilitate team-building activities to strengthen relationships and foster collaboration.
- Encourage open discussions on individual contributions, roles, and responsibilities to ensure clarity and shared commitment.



### 2. Defining the Vision, Mission, and Goals

A clear vision, mission, and set of goals provide direction for the enterprise.

Organizations can:

- Guide beneficiaries in developing a vision and mission statement that reflects the purpose and long-term aspirations of the business.
- Assist in setting clear short-term and long-term goals related to operations, profitability, and impact.
- Ensure that all members understand and agree on these guiding principles to foster ownership and commitment.

### 3. Establishing a Governance and Leadership Structure

A strong governance framework is essential for effective decision-making, accountability and long-term sustainability. Organizations can:

Once potential beneficiaries with the necessary skills and readiness have been identified, the next step is to bring them together to formally establish the group-owned enterprise.

- Support the election or appointment of a leadership team responsible for operations, decision-making, financial oversight and conflict resolution.
- Help define clear roles and responsibilities for members, covering areas such as financial management, marketing, and production.
- Help develop a governance framework outlining decision-making processes, accountability measures, and conflict resolution mechanisms.
- Provide the leadership team with support through establishing and participating as a member of the team's advisory board and sharing best practices with the team.
- Grow the capacity of the leadership team by providing relevant skills development training and opportunities to fulfil their roles.

#### 4. Structuring Ownership and Membership Agreements

Formalising ownership and membership agreements ensure transparency and accountability. Organisations can:

- Assist in drafting agreements that specify members' rights, responsibilities, financial contributions, and profit-sharing models.



- Clarify decision-making procedures, including voting systems and leadership tenure, to promote fairness and inclusivity.
- Ensure that agreements comply with legal requirements by engaging legal or cooperative development experts.

#### 5. Finalising the Business Model and Operational Plan

A well-defined business model and operational plan set the foundation for success.

Organisations can:

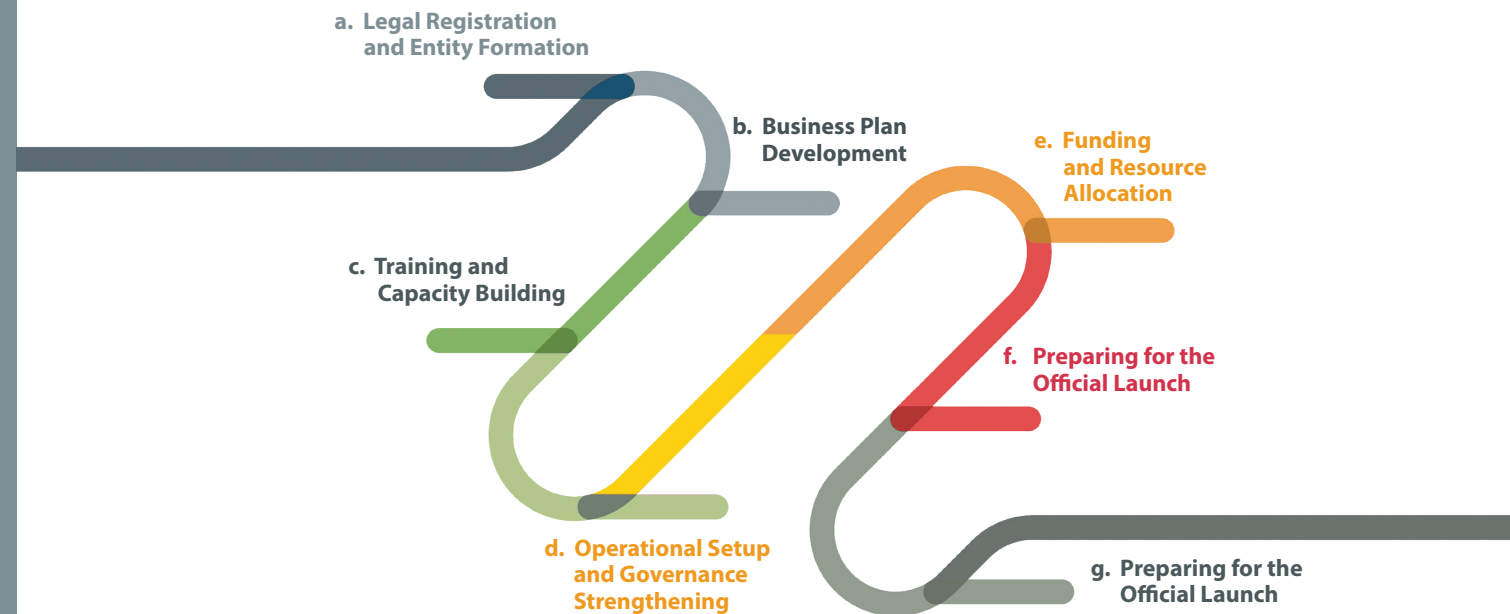
- Confirm the selected business model and revenue streams based on prior feasibility assessments.
- Outline the enterprise's operational structure, including supply chain management, production processes, and service delivery.
- Help to develop an initial work plan with timelines, responsibilities, and key milestones to guide the business launch.



At this point, all preparatory work done during the Planning Phase begins to take shape, and the enterprise starts operating as a fully functional business.

### 3 Phase 3: Execution

The Execution Phase is the stage where the group-owned enterprise moves from concept to reality. At this point, all preparatory work done during the Planning Phase begins to take shape, and the enterprise starts operating as a fully functional business. This phase requires a structured implementation to ensure that the enterprise is legally established, well-organized, adequately financed, and equipped with the necessary skills and resources to thrive as follows:



## a. Legal Registration and Entity Formation

A critical first step in this phase is the formal registration of the group-owned business as a legal entity.



A critical first step in this phase is the formal registration of the group-owned business as a legal entity. Registering the enterprise provides it with official recognition, allowing it to access financial services, enter into contracts, receive government support, and establish credibility in the marketplace.

Organisations supporting this process can play a crucial role in guiding the group through the legal registration requirements based on the chosen business model as discussed under selection of governance model.

Facilitating the legal registration process may involve:

- Preparing and submitting the necessary documents to relevant government agencies, including articles of incorporation, bylaws, and membership agreements.
- Obtaining required permits and licenses to ensure compliance with business regulations.
- Setting up governance structures to define leadership roles, decision-making processes, and accountability mechanisms.

By ensuring proper legal registration, the enterprise secures a solid foundation for long-term sustainability and growth while protecting the interests of its members.



## b. Business Plan Development

Following legal registration, the next step is to finalize and refine the business plan. A well-structured business plan is essential for guiding the enterprise's operations, attracting investment, and ensuring long-term sustainability. If a draft business plan was developed during the Planning Phase, this is the point at which it should be reviewed, updated, and expanded to incorporate detailed strategies for implementation.

### A strong business plan should include:

- A detailed description of the enterprise, including its products, services, and market positioning.
- An operational strategy outlining the production processes, supply chain logistics, and service delivery mechanisms.
- A financial plan covering start-up costs, revenue projections, budgeting, and cash flow management.
- A marketing and sales strategy detailing how the enterprise will attract and retain customers.



**A well-structured business plan is essential for guiding the enterprise's operations, attracting investment, and ensuring long-term sustainability.**

- A risk management framework, identifying potential challenges and outlining strategies for mitigating them.

Organizations can support this process by providing technical assistance in business development, connecting the enterprise to industry experts, and facilitating strategy sessions to refine the plan. Additionally, ensuring that all members understand and contribute to the business plan fosters a sense of ownership and commitment to the enterprise's success.

## c. Training and Capacity Building

Successful group-owned enterprises require more than just a solid business plan—they also need a team equipped with the right skills and knowledge to manage and grow the business. Capacity building is a crucial component of the Execution Phase, as it ensures that all members are adequately prepared to carry out their roles effectively. Organisations can facilitate targeted training programs to strengthen key competencies, such as:

- Entrepreneurship and business management, covering topics like strategic planning, leadership, and decision-making.
- Financial literacy, including bookkeeping, budgeting, and profit management.
- Marketing and customer engagement, helping members develop branding, sales, and digital marketing skills.

Successful group-owned enterprises require more than just a solid business plan—they also need a team equipped with the right skills and knowledge to manage and grow the business.



- Productivity and operational efficiency, teaching best practices in supply chain management, quality control, and service delivery.
- Governance and cooperative management, ensuring that members understand how to uphold democratic decision-making and accountability.

Training can be delivered through structured workshops, mentorship programs, peer learning sessions, or digital learning platforms. Ongoing capacity building helps ensure that members continue to improve their skills as the enterprise evolves, increasing its chances of long-term success.





#### d. Operational Setup and Governance Strengthening

Group-owned businesses must establish strong operational structures and governance frameworks to ensure efficiency, accountability, and long-term sustainability. This involves setting up business workflows, assigning clear roles and responsibilities, and putting in place the necessary infrastructure to support daily operations. Organisations can play a crucial role in strengthening the operational and governance structures of group-owned businesses by providing:

- Technical expertise to guide the development of efficient business processes and governance frameworks.
- Training and capacity-building programs to equip business members with financial, managerial, and operational skills.
- Assistance in setting up financial management systems, including record-keeping and compliance with financial regulations.
- Support in developing policies and governance structures

By establishing strong operational foundations and governance frameworks, group-owned businesses can enhance their efficiency, build trust with stakeholders, and position themselves for sustainable growth.

to enhance transparency, accountability, and business efficiency.

- Facilitation of risk management and contingency planning to help businesses navigate challenges and ensure long-term resilience.
- Advocacy for flexible regulatory requirements that accommodate the unique needs of group-owned businesses.

By establishing strong operational foundations and governance frameworks, group-owned businesses can enhance their efficiency, build trust with stakeholders, and position themselves for sustainable growth. With the right support from organizations, these businesses can become key drivers of economic development and social impact in their communities.

## e. Funding and Resource Allocation

To ensure the financial sustainability of group-owned enterprises, it is essential to implement a multi-faceted financial framework that integrates both innovative financing solutions and non-financial support.



Traditional financing methods are often unsuitable for small businesses due to barriers such as high interest rates, stringent collateral requirements, and the absence of formal financial history. As a result, these businesses frequently depend on informal funding sources, including group contributions and personal networks.

To ensure the financial sustainability of group-owned enterprises, it is essential to implement a multi-faceted financial framework that integrates both innovative financing solutions and non-financial support. Financial sustainability is one of the most critical elements of a successful group-owned enterprise. Without adequate funding and proper resource management, even the most well-planned business may struggle to survive. Organisations involved

in the establishment of group-owned enterprises should provide support in accessing capital and ensuring financial sustainability.

Funding for the enterprise may come from multiple sources, including:

- Members' contributions, where each member invests a set amount of capital into the business.
- Grants and donor funding may be available for social enterprises and cooperatives.
- Loans and microfinance, where the enterprise secures credit from financial institutions to support growth.
- Crowdfunding and community investment, engaging local supporters and stakeholders to contribute to the business.



- Revenue reinvestment, ensuring that profits are wisely allocated to sustain and expand operations.

Beyond securing funds, organizations can guide financial planning and resource allocation by:

- Helping the enterprise create budgets and cash flow projections to track income and expenses.
- Providing financial literacy training to ensure members can manage the business's finances responsibly.
- Connecting the enterprise to potential investors and financial partners who can provide capital and technical support.
- Advising on cost-cutting and revenue-generating strategies to improve financial efficiency and profitability.

**Proper financial planning ensures that the enterprise remains stable, avoids debt traps, and can invest in future growth opportunities.**

Proper financial planning ensures that the enterprise remains stable, avoids debt traps, and can invest in future growth opportunities. A tiered approach to financing is recommended.

### **A Proposed Group-Owned Financing Framework**

A tiered approach is proposed to cater to businesses at different business stages and levels of growth:

- **Level 1: Nano Businesses:**
  - Informal operations with annual revenues under N3 million.
  - Financing options include micro-credits, grants, and crowdfunding.
  - **Providers:** Community-based lending groups, microfinance institutions, and government schemes.



- **Level 2: Micro Businesses:**
  - Slightly larger operations with revenues between N3–N25 million.
  - Financing options include cooperative finance, low-interest loans, and blended finance.
  - Providers: Commercial banks, angel investors, and government programs.
- **Level 3: Small and Medium-Sized Enterprises (SMEs):**
  - More established businesses with revenues between N25–N99 million.
  - Financing options include equity funding, development finance, and strategic partnerships.
  - **Providers:** Commercial banks, venture capitalists, and accelerators

Establishing a trust fund will require setting up a trust which will serve as a solid foundation for the oversight, funds management and transparency for this sort of financing model.

### Alternative Financial Models

- **Group-Owned Trust Fund:** There may be a need to establish a dedicated fund with a strong governance structure for financing the group-owned businesses like OKOBI. Establishing a trust fund will require setting up a trust which will serve as a solid foundation for the oversight, funds management and transparency for this sort of financing model.
- **Mobile Banking and Agent Networks:** Establish mobile banking platforms, agent banking networks and digital training initiatives to overcome geographical barriers and build financial histories for group-owned businesses.

Organizations can use the above framework to help group-owned business access finance.



## f. Preparing for the Official Launch



Once all necessary structures are in place, the final step in the Execution Phase is to officially launch the enterprise.



Once all necessary structures are in place, the final step in the Execution Phase is to officially launch the enterprise. This step serves both as a symbolic milestone and a strategic opportunity to generate visibility, attract customers, and gain community support.

The launch process may include:

- An official inauguration event, bringing together members, stakeholders, and potential customers.
- A public awareness campaign leveraging social media, community meetings, and traditional media to promote the business.
- Early-stage customer engagement, including promotions, partnerships, and outreach activities.
- Stakeholder engagement and networking, introducing the enterprise to key industry players, investors, and potential collaborators.

Organisations can help facilitate media coverage, organise promotional events, and ensure that the business is positioned for a successful market entry.

## g. Handholding and Ongoing Support

Continuous hand-holding support is essential to ensure the enterprise's long-term success. This involves structured mentorship, regular performance reviews, technical assistance, access to financial and market linkages, and capacity building to help the business grow and remain sustainable.

Once the enterprise is up and running, the role of the supporting organisation does not end. Continuous hand-holding support is essential to ensure the enterprise's long-term success. This involves structured mentorship, regular performance reviews, technical assistance, access to financial and market linkages, and capacity building to help the business grow and remain sustainable. The organisation should implement a comprehensive post-establishment support system that focuses on monitoring progress, addressing challenges, and scaling opportunities.



### The following are ways in which the organisation can provide hand-holding Support

#### 1. Regular Performance Reviews and Monitoring

- Conduct periodic assessments using Key Performance Indicators (KPIs) to track business growth, financial health, and operational efficiency.
- Implement a structured monitoring and evaluation plan with scheduled check-ins to assess the enterprise's challenges and achievements.
- Use data-driven insights to identify gaps and recommend corrective actions to improve business outcomes.



## 2. Mentorship and Advisory Services

- Assign business mentors or industry experts who can provide practical advice, problem-solving strategies, and market insights tailored to the enterprise's needs.
- Organise one-on-one mentorship sessions and group coaching workshops to strengthen leadership, decision-making, and strategic thinking among enterprise members.

## 3. Technical Assistance and Process Optimisation

- Provide on-the-ground support in business operations, inventory management, quality control, and technology adoption to improve efficiency.
- Offer training in financial management, bookkeeping, and business analytics, ensuring the enterprise can manage its finances responsibly.
- Assist in setting up and improving standard operating procedures (SOPs) to enhance consistency, quality assurance, and productivity.

## 4. Capacity Building and Continuous Learning

- Organise refresher courses and advanced training in business development, digital skills, financial literacy, marketing, and leadership.
- Introduce e-learning platforms and digital tools that allow members to access training remotely and at their convenience.
- Facilitate exposure visits and industry networking opportunities, allowing members to learn from established enterprises and benchmark best practices.

## 5. Access to Financial Support and Investment Opportunities

- Help enterprises connect with banks, microfinance institutions, and grant providers for additional funding when needed.
- Support in preparing investment pitches, business proposals, and loan applications to attract investors and secure financial backing.
- Provide guidance on profit reinvestment strategies, ensuring that revenues are effectively utilized to sustain and grow the business.



Establishing an early warning system can detect financial distress, operational inefficiencies, or external threats affecting business sustainability.

#### 6. Market Linkages and Business Expansion Support

- Assist in identifying and securing market opportunities, including partnerships with retailers, wholesalers, and corporate buyers.
- Help enterprises develop branding, marketing strategies, and online sales channels to increase visibility and customer reach.
- Support business diversification efforts, identifying new product lines, revenue streams, and expansion opportunities.

#### 7. Crisis Management and Risk Mitigation

- Establish an early warning system to detect financial distress, operational inefficiencies, or external threats affecting business sustainability.
- Provide guidance on disaster recovery planning, risk assessment, and insurance options to protect the enterprise from unexpected setbacks.
- Assist in developing legal compliance strategies to ensure the business adheres to tax laws, employment regulations, and industry standards.





## 8. Technology and Innovation Support

- Encourage digital transformation by helping enterprises integrate digital payment systems, e-commerce platforms, and data-driven decision-making tools.
- Provide support in leveraging automation, supply chain innovations, and business intelligence tools to improve efficiency.
- Facilitate partnerships with technology providers and research institutions to adopt new solutions that enhance competitiveness.

By maintaining a structured hand-holding support system, organizations can help group-owned enterprises remain competitive, adapt to changing market conditions, and achieve long-term sustainability. This ongoing guidance ensures that the enterprises not only survive but also thrive, making a lasting impact on the communities they serve.

Technology has the potential to enhance business growth and operational efficiency. However, in rural settings, challenges such as limited digital literacy, inadequate access to technology, and unreliable infrastructure often hinder the adoption of digital tools.

## Digital Inclusion and Technology Considerations

Technology has the potential to enhance business growth and operational efficiency. However, in rural settings, challenges such as limited digital literacy, inadequate access to technology, and unreliable infrastructure often hinder the adoption of digital tools. To address these challenges, organizations must take a thoughtful, context-aware approach to ensure that group-owned businesses, particularly in rural areas, can benefit from digital inclusion. For organizations focused on digital inclusion and innovation, and looking to strengthen group-owned businesses through technology, here are key advisory considerations:

### 1. Digital Literacy and Skills Training for Group-Owned Businesses

Organizations can bridge the digital skills gap for members of group-owned businesses by providing needs-based and tailored digital literacy training. For groups with low digital literacy, it is important to start with basic skills such as



**Training should be practical, easy to understand, and delivered in local languages or dialects, where necessary, ensuring that the content resonates with all participants, regardless of their literacy levels.**


smartphone usage, sending emails, using simple apps like WhatsApp and Facebook for business and accessing digital financial services. More advanced topics, such as e-commerce platforms, inventory management, and digital marketing, can be introduced to those with higher literacy levels.

Additionally, training should be delivered through multiple channels to ensure accessibility. Depending on the available infrastructure, in-person workshops, mobile-based learning, SMS-based solutions, and community radio can be used to reach a wider audience and ensure continuous engagement. For those with higher literacy levels, organizations can introduce them to e-commerce platforms and more advanced digital concepts such as online marketing, social media strategies, and customer engagement platforms. This gradual introduction ensures that participants with varying levels of literacy can be supported according to their skills.

Training should be practical, easy to understand, and delivered in local languages or dialects, where necessary, ensuring that the content resonates with all participants, regardless of their literacy levels. By progressively building digital skills, organizations can help group-owned businesses improve their internal operations, better manage finances, and connect with a wider customer base.

## **2. Providing Appropriate Technology Tools for Group-Owned Businesses**

To ensure the growth and operational efficiency of group-owned businesses, organizations can provide low-cost, user-friendly digital tools that are specifically designed for these businesses. These tools can include mobile-based financial apps, digital payment solutions, simple cloud-based accounting software, and inventory management systems, all of which can streamline operations, reduce overhead costs, and make businesses more efficient.



**Additionally, organizations can partner with digital service providers and fintech companies to offer discounted or subsidized rates for these tools, making them more accessible to group-owned businesses.**

---

Additionally, organizations can partner with digital service providers and fintech companies to offer discounted or subsidized rates for these tools, making them more accessible to group-owned businesses. These tools can enable businesses to better manage their finances, expand their market reach, and increase profitability.

### **3. Supporting Reliable and Affordable Internet Access**

Reliable internet access is crucial for group-owned businesses to succeed in the digital economy. Without stable connectivity, businesses are unable to fully utilize digital tools or participate in e-commerce. With the growing cost of internet service, organizations can collaborate with local telecom providers to negotiate affordable internet data plans or set up community Wi-Fi hubs that offer reliable internet access to group-owned businesses.



### **4. E-Commerce and Digital Marketing Support for Group-Owned Businesses**

In the digital age, Group-owned businesses need to build an online presence to tap into the growing digital market. Organizations can support businesses by equipping them with the skills and tools to establish profiles on popular social media platforms like Facebook, Instagram, Google My Business and WhatsApp Business. These platforms allow businesses to reach broader audiences, engage with customers, and process sales online. In addition, businesses can be helped to set up simple websites or online stores on e-commerce platforms, allowing them to showcase their products and services to a global audience.

### **5. Offering Ongoing Technical Support and Mentorship**

In addition to technical support, organizations can foster peer-to-peer learning networks, allowing business owners to exchange experiences, discuss challenges, and collaborate on solutions. Mentorship programs can also be set up to connect



To maximize the effectiveness of digital inclusion programs, organizations should engage closely with the communities they serve.



experienced entrepreneurs with newer group-owned businesses, providing ongoing guidance to help them scale, innovate, and stay competitive in the digital economy.

#### 6. Engaging with Local Communities and Leveraging Cultural Strengths

To maximize the effectiveness of digital inclusion programs, organizations should engage closely with the communities they serve. Understanding the local context, including the role of traditional leadership and community structures, is crucial for ensuring the relevance and impact of initiatives.

Training materials and digital tools should be adapted to reflect the cultural and linguistic preferences of the community. By building strong relationships with community leaders, women's groups, and other influential local figures, organizations can foster trust and encourage participation in digital literacy programs, thereby driving engagement with the initiative.

#### 7. Facilitating Access to Financial Services and Business Networks

Rural group-owned businesses often face barriers to accessing financial services like loans, credit, and savings accounts. Organizations can work with local banks, microfinance institutions, and fintech companies to provide affordable financial services, such as digital payment options, microloans, and savings plans, which are crucial for business growth and sustainability.

In addition to facilitating access to financial services, organizations can help group-owned businesses connect with local and global business networks. By creating opportunities for participation in online marketplaces, trade fairs, and business forums, organizations can help these businesses find new suppliers, customers, and partners, opening up new revenue streams and growth prospects.



## 4 Phase 4: Closing

At this point, the sponsoring organisation ensures the completion of key activities, proper documentation, and the transition of ownership to the relevant community or business stakeholders. In this phase, the organisation should focus on the following key elements:

1. **Establishment of Group-Owned Enterprises:** The organisation should ensure that the group-owned enterprise(s) is fully operational. This involves completing the legal and administrative steps required for establishing these businesses, such as registering them, obtaining any necessary licenses, and ensuring that all business operations are compliant with local regulations.
2. **Completion of Documentation:** All necessary documents related to the establishment of the enterprise(s) should be completed and handed over to the community/business owners. This includes ownership records, financial records, contracts, business plans, and any other paperwork relevant to the smooth operation of the enterprise.
3. **Capturing Lessons Learned:** It is essential for the organisation to capture key lessons learned during the project. These include documenting what worked well, what challenges were encountered, and any innovative approaches that could be replicated in future initiatives. These lessons should be recorded and shared internally and externally to inform the design of future projects and improve overall organizational practices.



## 5 Phase 5: Impact Assessment

This phase is focused on evaluating the success and sustainability of the established group-owned enterprise(s) with an emphasis on tracking the economic, social, and environmental impacts of the project. The process of assessing impact involves the following key steps:

1. **Tracking Key Performance Indicators (KPIs):** The organisation, in collaboration with community stakeholders, should track specific KPIs that measure the success of the enterprise. These may include economic indicators like revenue growth, job creation, and community empowerment, as well as performance indicators related to business operations. It is important to align these KPIs with the original goals outlined in the monitoring and evaluation framework.
2. **Identifying Strengths and Areas for Improvement:** The impact assessment should be designed to identify the strengths of the project and the areas where improvement is needed. This allows the organization to address any challenges or gaps in the project implementation promptly, ensuring that corrective actions are taken where necessary.
3. **Validating the Effectiveness of the CSR Initiative:** This is done by assessing whether the project achieved the desired outcomes and whether it made a positive contribution to the community. The findings should be communicated transparently to all stakeholders.



The insights gained from the impact assessment should not only validate the success of the project but also inform improvements for future initiatives.

4. **Continuous Improvement:** The insights gained from the impact assessment should not only validate the success of the project but also inform improvements for future initiatives. By identifying areas for growth, the organisation can refine its processes, strategies, and goals for upcoming projects.
5. **Measuring Positive and Negative Impacts:** Impact measurement includes assessing both the intended and unintended consequences of the intervention. It is important to consider both positive and negative outcomes in all aspects (economic, social, and environmental) and understand how these impacts affect different stakeholders.
  - **Intended Impacts:** These are the specific impacts that were originally set out to be achieved through the project. For example, an increase in incomes for participants, improved infrastructure, or better community services.
  - **Unintended Impacts:** These are outcomes that were not planned for but may arise due to the project. Unintended impacts can be positive (e.g., job creation in related sectors, empowerment of marginalized groups) or negative (e.g., displacement of other businesses, environmental degradation, or increased living costs).

6. **Comprehensive Data Collection:** The impact assessment should utilise both qualitative and quantitative data. Qualitative data can be gathered through interviews, focus group discussions, and open-ended questions, while quantitative data can be obtained through surveys, financial records, and other measurable indicators. Combining both types of data ensures a comprehensive understanding of the project's impacts.
7. **Assessing the Theory of Change:** In cases where direct impact measurement is not feasible, validating the assumptions and linkages in the theory of change is essential. This provides a reliable estimate of the project's impact by tracing how the intervention is expected to lead to desired outcomes. A thorough analysis of these assumptions can help refine future interventions and strategies.

#### Reporting:

Upon completion of the project, organizations should document a report of their activities in line with their internal reporting framework.

# Summary

## Steps for setting-up group-owned community-based enterprises

Phases	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
1: Initiation	Problem Identification	Solution Evaluation	Decisions and Internal Approvals			
2: Planning	Stakeholder Engagement	Economic Needs Assessment	Feasibility Studies	Selection of Governance Model	Confirmation of Passion and Capacity	Grouping of People for Enterprise Formation
3: Execution	Business Registration	Business Plan Creation	Training and Capacity Building	Operations and Governance Strengthening	Funding and Resource Allocation	Launch and Handholding
4: Closing	Finalisation	Documentation	Lessons			
5: Impact Assessment	KPI Tracking	Identification of Improvement	Validation against Theory of Change	Continuous Improvement	Reporting (documentation)	Dissemination

# Conclusion

Africa's unemployment crisis is a pressing challenge that requires bold, systemic, and community-driven solutions.

Africa's unemployment crisis is a pressing challenge that requires bold, systemic, and community-driven solutions. Traditional CSR efforts, often rooted in short-term philanthropy, have largely failed to drive transformative change. However, group-owned businesses offer a powerful alternative—one that fosters economic resilience, creates sustainable livelihoods, and empowers communities to take control of their economic futures.

The OKOBI model serves as a blueprint for how businesses, governments, and communities can work together to drive meaningful and lasting economic change. By shifting from transactional CSR to participatory, co-owned business models, corporations can create deeper social impact while ensuring long-term value for all stakeholders.

This handbook provides a practical framework for organizations seeking to adopt this approach, equipping them with the tools and strategies needed to integrate group entrepreneurship into their corporate community engagement initiatives. The opportunity is clear: businesses that embed inclusive and sustainable economic practices into their core strategies will not only strengthen their social license to operate but also drive scalable, systemic change—contributing to a more just, equitable, and prosperous future for all.

References Guide Links:

**How to Create a Theory of Change How to Create an M and E Framework**



# The OKOBI Model: economic development through shared entrepreneurship in Africa

Kenneth Amaeshi | **Africapitalism**: Shared Entrepreneurship for Economic Development

## Africa's Challenges

Africa faces a pressing unemployment crisis, which is worsened by rapid population growth. The rising unemployment threatens regional security and increasing migration pressures. Traditional job creation strategies have fallen short, necessitating innovative, homegrown, context-sensitive solutions.

## Solution

The One Kindred One Business Initiative (OKOBI) model, grounded in the principles of Africapitalism, offers a transformative approach to tackling unemployment and its adverse effects in Africa. Africapitalism advocates for (1) inclusive development, (2) parity, and (3) community empowerment as pillars for reimagining capitalism within African contexts. OKOBI, as a practical application of Africapitalism is an attempt to harness existing communal social ties which are deployed to other non-economic activities to unlock shared prosperity. It leverages these ideals by promoting **collective entrepreneurship**, thereby addressing key challenges of individual-based entrepreneurship such as limited access to capital and high risk of failure, to a more

collaborative model that builds on indigenous traditions of **shared ownership**, **collective action**, and **mutual support amongst kindreds**.

This innovative framework has already been adopted by over 300 businesses in Imo State, Nigeria, creating over 5,000 jobs and attracting the interest of major corporations. OKOBI is redefining corporate community engagement by replacing traditional philanthropy with a sustainable, community-driven business approach. The initiative is not only formalizing business structures and empowering marginalized communities, but also providing a scalable blueprint for economic empowerment in Africa and beyond.

## Call to Action

OKOBI represents a culturally embedded, scalable solution to Africa's economic challenges. This is in line with the German government's Policy Guidelines for Africa. By embracing this innovative model, German institutions can support sustainable development in Africa and help unlock the region's vast potential. This is an invitation to explore partnerships with OKOBI to promote **sustainable entrepreneurship** and **inclusive**

**economic growth** in African regions. To leverage OKOBI's potential, we invite you to:

- Assess its strategic fit with existing programs,
- Fund research and pilot projects/businesses to test the rigour of this model,
- Foster dialogue with African partners in this regard,
- Develop capacity-building initiatives to support the implementation of the model,
- Support in establishing impact measurement frameworks.

### PROGRAMME CHAIR



Prof. Kenneth Amaeshi is a leading global expert in sustainable finance and governance, currently a Professor at the European University Institute and on long-term leave from the University of Edinburgh. With extensive academic experience and deep connections across Africa, he has a strong focus on the intersection of business and society, particularly

through his work with national governments. In addition to his academic roles, he serves as a Member of the European Commission's High-Level Expert Group on Sustainable Finance and the Chief Economic Adviser to the Imo State Government in Nigeria.



## AFRICAPITALISM FELLOWS AT THE NEW INSTITUTE

### **Camille Meyer**

Camille is an Associate Professor in Social Innovation and Entrepreneurship and Executive MBA Director at UCT Graduate School of Business. His interdisciplinary research explores ethical, financial, and entrepreneurial approaches to social innovation and natural resource management, with experience across Europe, Brazil, Canada, South Africa and the ILO.

### **Christian Iaione**

Christian is a Professor of Administrative and Public Law at Luiss University in Rome, specialising on law and governance of innovation and sustainable development. He leads EU-funded projects on just sustainable innovation and community-led urban regeneration. Christian advises national and local governments, investors and companies on EU policies relevant for sustainable investments on infrastructure and territorial development.

### **Cima Sholotan**

Cima is a sustainability professional with 17+ years' experience in sub-Saharan Africa, advising banking, finance, and telecom sectors. She helped develop key Nigerian sustainability guidelines and has been recognised with multiple awards for her impactful leadership in sustainable development.

### **Donald Amaeshi**

Donald is a governance, risk and compliance professional. He translates hard-to-find information into actionable intelligence, enabling organisations to navigate and excel in the dynamic socio-political and operational landscapes. Currently, he is focused on empowering SMEs and Not-for-profits to strengthen operational integrity, ensure governance alignment, and build sustainable, ethical value chains.

### **Imade Bibowei-Osuobeni**

Imade is an Executive Director at Tech Herfrica and COO of Her Local Market, with 15+ years' experience in policy, strategy, and governance. She empowers rural women through digital inclusion, leading award-winning initiatives like EquipHer4Growth to boost literacy, finance, and income.

### **Jude Chukwunyerre Iwuoha**

Jude teaches Entrepreneurship Studies at the University of Agriculture and Environmental Sciences, Imo State and with research interests in fiscal policy, economic stability, and sustainable development. His expertise spans across business development, operations, and development economics.

### **Maria Etemore Glover**

Maria is a development expert with a background in banking, philanthropy, and NGO management. She designs sustainability training, prepares MSMEs for investment, and leads capacity-building for women and youth. Passionate about impact, she volunteers to empower girls and women in Nigeria.

### **Naomi Nwokolo**

Naomi is a dual-licensed USA and Nigerian attorney specialising in international development law. As Executive Director of UN Global Compact Nigeria, she leads sustainability efforts, serves on boards, and has received multiple recognitions for her environmental and development leadership.

### **Onya Idoko**

Onya is a Lecturer and Co-Programme Leader at UCL's Institute for Global Prosperity, researching creativity, innovation, and entrepreneurship. She is currently studying new forms of organising with a focus on employee-owned businesses. She is also Co-Investigator of an AHRC-ESRC funded project, studying how regenerative innovations emerge.

### **Scott Walker**

Scott Walker is the CEO of Systemic Innovation, a global practice specialising in systems change, innovation strategy, and public affairs. He works with governments, donors, and research institutions to tackle complex development challenges across Africa and globally. His work bridges policy, data, and design to enable more effective and inclusive systems of change.

# ÓKÓBÌ

A VALUE CHAIN PERSPECTIVE

● **Buyer Firms**  
(Value Chain Drivers)



● **Tertiary Entrepreneurs**  
(Processors)



● **Secondary Entrepreneurs**  
(Aggregators)



● **Primary Entrepreneurs**  
(Producers)



**OKOBI - One Kindred One Business Initiative**



# APPRECIATION

We acknowledge the support of the collaborating organisations - THE NEW INSTITUTE, Hamburg, Germany, the School of Transnational Governance, European University Institute, Italy, Africa Business Affairs, LabGov-LABoratory for the GOVernance of the Commons and the Luiss University Research Center LIFE-Law and Investment on Future and Earth - and the Imo State Government, Nigeria, under the leadership of Senator Hope Uzodimma, for giving the world the **One Kindred One Business Initiative (OKOBI)** model for grassroots economic empowerment and development.