

Emerging Approaches for Livelihood Resource Centre Support Services.....

Vrutti Livelihoods Resource Centre

27th July'07

Emerging Scenario in Livelihood Promotion.....

- ❑ Increase in number of micro Finance Institutions – transformation of NGOs or new mFIs
- ❑ NGOs getting into marketing of produce of Low Income Producers/Collectors
- ❑ Initiation of Enterprise focused Community Based Organizations
- ❑ Corporate Organizations outsourcing their marketing efforts through NGOs, CBOs, SHGs, mFIs

Reasons for this trend is manifold BUT it also means

- Increasing recognition of livelihood promotion efforts by development players
- Market/Business orientation to livelihood promotion efforts
- Need for Long term interventions in livelihood promotion
- Sustainable Livelihoods is important than just Livelihoods
- ***Overall move from Grant Orientation to Revenue/Profit/Cost recovery Orientation***

This also demands multi faceted Professional expertise.....

Which is difficult for a field NGO to....

- ❑ Meet Cost....Unsure of revenue, also costly
- ❑ Guide & monitor....Demands Skill on part of Leader
- ❑ Retain professionals even if cost is available; as opportunities are more for Livelihood Professionals (links to market organizations)

Also need for collective thinking of group of professionals than input from one professional



Hence.....

Need

for a

Livelihood Resource Centre like Vrutti



However Challenges for Livelihood Resource Centers are also many as....

Affiliate Organizations

- ❑ Are Unable to pay in the beginning – as Revenue Stream is less BUT input required is more
- ❑ Do not have access to grant; unless they demonstrate...which takes time;
- ❑ Access to Grant is limited due to perception that activities are sustainable
- ❑ Do not have access to untied grants or grant; that would enable them to hire Consultants
- ❑ Donors do not appreciate need for Professional Inputs – overall, particularly in the beginning

However, both side realizes....

- Need for continuous professional Inputs
- Need for Low Cost Professional Services – possible through a Resource Centre where cost is shared

*There is also a perception that;
Consultants are good at advising BUT
not useful when it comes to demonstrating..*

New approaches can be thought of ...

That brings in.....

- ❑ Commitment
- ❑ Accountability
- ❑ Long term Perspective
- ❑ Consistent Support
- ❑ Sustainability to the Initiative
- ❑ Continuous Learning
- ❑ Ever Challenging & Mutually Assuring Partnerships
between affiliate organization & Resource Centre

Livelihood Resource Centers can ...

- Provide Long Term support through Revenue Sharing Mechanism
- Provide Case to Case support on Assignment basis
- *Possible through a combination of Grant & Revenue Stream AND EVEN*

Only Revenue Stream;

As there is no livelihood activity/service which do not generate business

Potential ways for meeting cost of Livelihood Resource Centre....

- ❑ Percentage of Loan Outstanding at end of Year – for mFIs
- ❑ Percentage of Sales Turnover in the Year – for Business Organizations/CBOs engaged in business
- ❑ Percentage of Grants mobilized during the Year – for NGOs

This is only for continuous support. Besides this, there can be case to case Assignments with cost coming from Grant or Profit/Revenue

It is only matter of time....

For a Livelihood Resource Centre....

- ❑ What is not possible in a One year time frame...is possible in a 10 Years time frame....
- ❑ It is only Portfolio Management – different affiliate organizations would be at different stages at a given time
- ❑ Reassuring to demonstrate some thing in field
- ❑ Would enable to predict a revenue stream
- ❑ Help in retaining professionals – A Professional can consistently provide support to a number of Partner Organizations over a long term time frame.

It is only matter of time

For an Affiliate Organization....

- ❑ To get an accountable Competent & Resource Centre
- ❑ To have access to continuous support
- ❑ To be updated on latest happenings
- ❑ To have access to many professionals – collective/higher level inputs
- ❑ Also to jointly raise resources for expansion of activities and programs

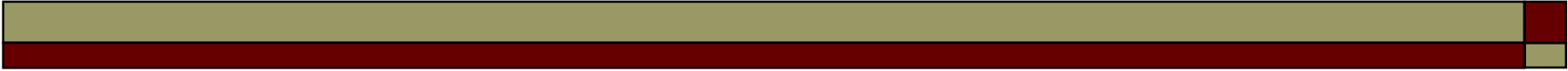


We all know like....

Development is Process NOT an Event

So also...

Partnership is a Process NOT an Event



We can make a beginning....