

Triumphs build brand

BY NABELAH FREDERICKS

HIS customer's willingness to buy his product is what social entrepreneur and part-time television news anchor Pat Pillai believes helped him sell his social enterprise's developmental programmes to 62 national institutions.

Pillai is the founder and chief executive of LifeCo UnLtd SA, a social enterprise with R110 million in assets which develops, supports and funds social and environmental entrepreneurs.

His enterprise also develops programmes and course material run through various institutions that allow students to gain, "real knowledge for the real world. We don't offer qualifications. We bring the practical, hands-on learning experiences that get people doing more, thinking critically, failing early, learning from failure and leading themselves. Our academic partners offer the qualifications."

"We support entrepreneurs by giving them something a qualification does not offer. Be it in the form of skills or financial support by giving someone with entrepreneurial abilities a R500, or in the case of a more established entrepreneur up to R175 000, to go out and do something for their businesses. We're not prescriptive. We back people first," explains Pillai.

His enterprise was born out of a dream that started in 1987



Pat Pillai is the founder and chief executive of social enterprise LifeCo UnLtd SA.

when Pillai, fresh out of university with a teaching degree, wanted to start an organisation focussed on changing the mindset of young people and help them to break the "dependency mentality". But, like many other entrepreneurs, his first attempt at starting a business failed.

"I was so naive. I ran the business for about a year and

then the following year the business went limp and eventually died," says Pillai, a part-time E-news anchor.

He believes the business failed because of his lack of business skills and his own dependency mentality.

"It was heartbreaking. I have never felt so intensely about failure ever. I was all passion and

no skill," recalls Pillai.

He spent the next 10 years upskilling himself and serving as an executive director in the media industry as well as working as a television news anchor.

Pillai then relaunched his business in 1997 having learnt "three distinct lessons".

"I now knew that I was not the solution to the business. I



Join the online discussion

SOCIAL entrepreneurs have a new platform to learn about successful social enterprises.

This follows the launch of Talking Social Enterprise, an online "talk network", hosted at 7.30pm on a Wednesday evening of each month.

It aims to stimulate debate amongst social enterprise entrepreneurs and is hosted on the Google Hangouts platform.

- To listen to the show, sign-up by registering via www.TalkingSocialEnterprise.net.

needed other people. Secondly, we needed to find a way to generate our own income and not be donor dependent. Lastly, we had to offer a world-class product," he says.

That same year LifeCo UnLtd was registered as a non-profit organisation that would trade for change - not fund-raise for change. A rate card was sent out to families who could afford to spend some money on their children's real world knowledge.

Pillai managed to rent premises in Johannesburg and began by offering his programmes directly from the organisation's offices.

"Don't be donor dependent"
- Pat Pillai

By 2007, his organisation had assisted over 5 000 people and Pillai used these figures to clinch a R3-million deal with a university that would run a programme for students using LifeCo UnLtd's course material.

"We developed and licensed our content so that it could be replicated for institutions such as schools and universities to use," says Pillai. To date, the organisation has supported 56 000 people of which 4 000 are micro entrepreneurs and 35 established entrepreneurs. LCU, the not-for-profit company, has created a trust which owns 100% of a limited investment company.

So, does he have any wise words for other social entrepreneurs?

"Develop a product that people are willing to pay for and build an asset-based business. Don't be donor dependent."

Market your social successes

BY MARCUS COETZEE

SOCIAL enterprises market their successes more than the problems they are trying to fix. This is the sixth principle of our Think Like a Social Enterprise series - something that both non-profit organisations and businesses should learn.

I remember how easy it was for non-profit organisations (NPOs) to attract funding when I joined the sector in 1996. They just had to provide evidence of the terrible problems that they were trying to fix, and demonstrate that they were the right tool for the job.

In my first job with U-Managing Conflict (Umac), I helped former Umkhonto we Sizwe members to find training and employment. These former soldiers were frustrated with the new government. Many were turning to crime to survive and local gangs were trying to recruit them. Although the organisation I was with was very successful at this work, it spent very little time celebrating or sharing its successes.

The foundations we dealt



Marcus Coetzee

with were also more interested in fixing social problems than building their own brands or images. And, since there was a large pool of post-apartheid funding and a limited number of suppliers, it was much easier to get large chunks of funding.

My friends did not know what a NPO was. Neither did they understand the magnitude of social problems facing South Africa. I remember thinking how naive most people were.

However, the world has changed considerably over the

past 20 years. We are all sick and tired of hearing about the social problems facing South Africa and the rest of the world.

It has become depressing.

When we watch TV, read the newspaper, or check social media we are confronted by images of poverty or environmental devastation. People are developing mental defence mechanisms to protect them from an overload of this depressing information.

Youth have become much more informed about the state of the world and the need to do something.

However, they are more focused on solutions and successes instead of on the problems themselves. This helps them to feel a sense of progress and feel inspired about their work.

Both philanthropic foundations and corporate social investment departments have changed the way they behave. Many are working hard to develop their brands and stand out in the marketplace.

No brand wants to be associated with problems - it is

just brand suicide.

People and organisations are attracted to success.

They want to hear and see how your organisation has been able to fix a social or environmental problem.

They want to experience your success across all media channels (such as in your brochures and on a website and social media).

They want you to provide solid evidence, and not just tell anecdotal stories.

Unfortunately, too many organisations still think it's the 1990s - their communication focuses more on the social problem they are fighting, and less on the successes they have had in fixing it.

Sharing success will act as a powerful magnet. It will attract partners, volunteers, funders and investors to your cause. It will help overcome the firewall of receptionists and bureaucracy. It will attract decision-makers and allies to your enterprise. Winning brands want to be associated with winning organisations.

- Marcus Coetzee is a strategist specialising in social enterprises.