

Initiation of Partnership with BPI Foundation for Capacity Development on Financial Management and SROI

The Social Enterprise Capacity Development on Financial Management and SROI, a joint project between Bank of the Philippine Islands Foundation and the Institute for Social Entrepreneurship in Asia (ISEA), aims to democratize trainings on financial management and Social Return of Investment (SROI) for social enterprise managers and practitioners. It aimed to accomplish such by designing a module, developing learning materials, pilot testing its delivery and capacitating a pool of trainers on the aforementioned topics. It also aimed to undertake training needs assessment (TNA) among a sample of potential trainees and trainers as input to the design and delivery of the module. The TNA process was also envisioned to identify a long list of potential participants to the training.

The project outputs were:

- Training Needs Assessment among a sample of potential trainers and trainees
- Lecture Slides, an Illustrative Case and Teaching Notes for each of the following topics:
 - ✓ Interpreting Financial Statements
 - ✓ Managing Costs and Profits
 - ✓ Financial Planning and Budgeting
 - ✓ Making Investment Decisions
 - ✓ SROI as Tool for Investment Decisions and Evaluating Impact

The project was envisioned to be a preparatory phase to the conduct of a pilot training involving a mix of 30 participants from Luzon, Visayas and Mindanao.

By end 2011, the Training Needs Assessment instrument had been developed and the Learning Materials Development on the five themes commenced. The following Project Team was organized by ISEA to undertake implementation:

- Team Leader and SROI Lead Consultant: Marie Lisa Dacanay
- Consultant, Learning Materials Development on Financial Management: Prof. Maurino Bolante
- Case Writer on SROI: Meldy Pelejo
- Project/Research Assistants: Kaisa Sol Cruz; Jacquelyn Hansen
- Administrative and Financial Assistant: Dolores Marcial
- Partner Network for TNA Pilot Testing and Coordination: Philippine Social Enterprise Network

The TNA process was substantively completed by March 15, 2012. A report was finalized as input to the training design process by March 28, 2012. The TNA Report indicated the following trends and have the following implications in terms of training design:

- That in terms of knowledge and skills on financial management and SROI, potential trainers and trainees considered various aspects as either a relative weakness or a definite weakness, validating the importance of the capacity development project.

- Both potential trainers and trainees considered the use of the SROI methodology as a definite weakness, validating the need to give the sub-module greater attention and time (1 day vs 1/2 day for the other topics).
- Potential trainers assessed their working knowledge and skills in various areas of financial management as a weakness relative to their application in a social enterprise context. This validates the importance of utilizing social enterprise cases as take-off point for the exercises and discussions. This also shows the need for the faculty to consciously draw from the potential trainers' experiences during discussions to make their segments' learning process more meaningful.
- Potential trainees' weaknesses in their working knowledge and skills in various areas of financial management do not only pertain to their application in a social enterprise context but have to do with their basic knowledge and skills on these topics specially in terms of financial analysis and making investment decisions. This indicates a differentiated start-up condition between potential trainers and trainees. Such needs to be effectively managed during the learning process. Mixed workshop groups of potential trainers and trainees may be optimal to allow potential trainers to assist the learning process of the potential trainees.
- TNA respondents from Visayas and Mindanao generally rated themselves lower than their counterparts in Luzon, which may indicate a perceived greater need for such training in these regions. Affirmative action is needed in the allocation of slots specially for qualified potential trainers from Visayas and Mindanao.

The TNA process generated a total of 44 respondents – 23 potential trainees and 21 potential trainers. ISEA deems this adequate for a pilot training with 30 participants (down from the original 90 participants in 3 batches for which 100 respondents was targeted). Consultations with partner networks indicated that coming up with 30 participants each from Luzon, Visayas and Mindanao is still feasible and desired, if resources are available for 3 batches during the pilot implementation stage.

A Training Handbook that put together the learning materials for the 5 topics, together with a disc containing the powerpoint presentations has been completed. A pilot training should be held on September 3-7, 2012.