

Innovative business models for life on Earth

The issue

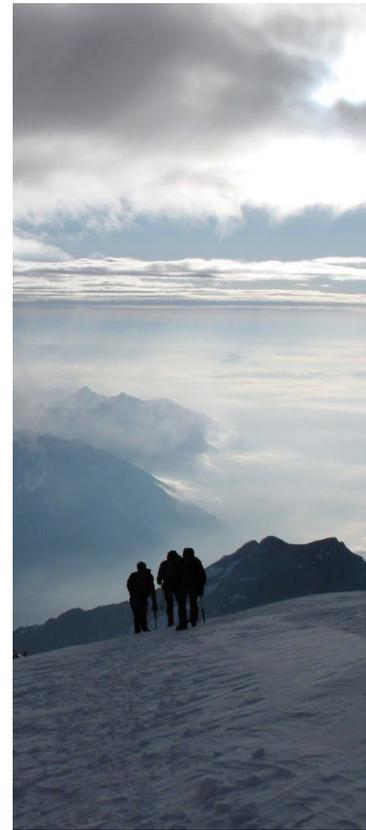
Non-profit organisations – from local charities to big international NGOs – face the growing challenge of how to secure sustainable funding for their activities. There are, in parallel, an increasing number of impact-driven for-profit enterprises that in some cases compete with traditional non-profits. One result is that the fundraising landscape for non-profits has become more competitive, with growing pressure from donors and the public for these organisations to become more business-like and prove their impact, notably through developing effective business models.

A business model simply describes the way an organisation plans to create, deliver and capture value, whether this is economic, social, environmental or cultural. In general, every organisation – be it a corporate venture, public sector body or non-profit entity – faces similar operational needs and challenges including long-term financial viability. A key challenge for non-profits then, as well as for impact-driven enterprises, is to decide and deliver on measurable impact that is not merely financial, and adequately report this to donors and investors. This challenge is compounded by the fact that many non-profits lack the relevant expertise or awareness of the opportunities that exist.

The response

With the lines blurring between business and the non-profit sector, many new approaches are emerging in the areas of sustainable financing – including social enterprise and impact investing. The Luc Hoffmann Institute is working with partners to explore new kinds of business models that can allow non-profits and impact-driven enterprises to deliver sustained impact.

A first step was to convene, in November 2018, a diverse group of representatives from national and international NGOs, the banking and finance sectors, business, think-tanks, philanthropic organisations and UN agencies to share experiences and ideas.



Drawing from a new network that grew out of the November 2018 convening, the institute has begun incubating a number of initiatives that aim to provide innovative solutions for life on Earth. The Luc Hoffmann Institute, however, is always scouting for bright ideas. Through its incubation process, the institute works with innovators, for example from non-profits or impact-driven enterprises, to transform ideas into concrete solutions for nature and people.

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