

The Working World – Argentine

Argentine

Brendan Martin

Type d'organisation:

le secteur de la société civile

Budget:

\$50,000 - \$100,000

Website:<http://www.theworkingworld.org>

- [Employment](#)
- [Economic development](#)
- [Financial services and markets](#)
- [Income generation](#)
- [Poverty alleviation](#)
- [Microfinance](#)
- [Social enterprise](#)

Sommaire du Projet

Lancement Important

Bref récapitulatif : Aidez-nous à présenter cette solution ! Fournissez une explication en seulement 3 ou 4 phrases.

Grâce aux expériences du microcrédit et du capital-risque, nous avons créé un nouveau modèle de financement qui ne se contente pas seulement de prêter de l'argent, mais qui permet aussi aux plus démunis de générer une véritable productivité. Nous avons travaillé avec les populations pauvres pour amener les entreprises coopératives de taille moyenne à la rentabilité, sans toutefois les endetter. Les participants possèdent désormais leurs propres restaurants, leurs parcs de taxis, voire même leurs usines. Pour éradiquer la pauvreté, il faut que les plus démunis construisent leurs richesses. La révolution a maintenant atteint le monde de la finance.

About Project

Problème : Quel problème ce projet essaie-t-il d'adresser ?

We engage low-income communities that range from indigent poverty to working class, and suffer from an endemic lack of opportunities. Specifically, our main demographic consists of people who have little or no access to market-based credit and have no option other than loan sharks. We also target groups that are excluded within their community. For example, within a poor neighborhood, instead of targeting a store owner, we would favor a group with little or no current capacity for wealth creation. Right now we are particularly focusing on engaging isolated and excluded first generation immigrants. Often, these people do not speak the country's first language, may have been victims of trafficking or suffer debt bondage, and consequently suffer among the poorest employment conditions. Often, the populations we work with have sought help from various community groups, and we work actively with such organizations to find organized and motivated people in need of our help. We give them the tools to build sustainable businesses and work their way out of poverty.

Solution: Quelle est la solution proposée? S.v.p soyez précis!

The Working World is a dramatic departure from finance as we know it. We have reinvented investment to foster wealth creation from the bottom up. Investment is the soul of economic growth, and yet it is hit or miss. 80% of microcredit is used for consumption, and the poor are burdened with spiraling interest on frequently ineffectual loans. The net impact is often not greater wealth but greater debt. It is time we invent something better. At The Working World, we believe we have. We don't just loan: we make what we call micro-investments. This means that we don't get paid back if a project fails, shifting the risk off the impoverished and forcing us to be active investors. We act, in effect, as venture capitalists to the poor. Investment is tricky, especially when recipients lack experience. Taking this into account, we have invented "just-in-time-credit." We try to find the most incisive sustainable investment and give exactly the capital needed for it to work. This greatly increases our probability of success and yields projects that all involved can grasp. Our 95% success rate -- which comes entirely from matured investments and not just repayments -- shows how well these innovations work. Perhaps most excitingly, rather than working with individuals in the cottage industry, we give investments to mid-sized companies run as democratic cooperatives. We harness the largest source of jobs, mid-sized enterprise, and a cooperative structure that allows many more to participate in wealth creation, greatly expanding our circle of impact.

Impact: How does it Work

Exemple : Faites nous découvrir comment cette solution fait la différence en utilisant un ou plusieurs exemples concrets ; en incluant aussi ses activités principales.

The Working World is a social investment and capacity-building organization. We work on a project-by-project basis to improve the bottom lines of cooperatively run businesses in low-income communities. This involves identifying potential or existing businesses with good ideas but without the means to carry them out. We then work closely together with these enterprises to improve their particular business plan and ensure it has the best

chance to succeed, before making the necessary investment to make that project a reality. Our investment, however, does not represent the end of the project, but rather the beginning of a broader relationship to help guide the business to long-term sustainability. We follow the investment closely, in constant dialogue with the business's members, to ensure it is advancing as planned and, if not, that we are able to address problems in a proactive fashion. Our innovative development approach of treating these projects as active social investments instead of passive loans ensures that we are thoroughly engaged in the entire project from beginning to end, maximizing our ability to affect positive change in underserved communities. Investment returns are also determined on a case-by-case basis and are directly tied to the revenue the project generates, ensuring our efforts do not create unforeseen hardship for the groups they are intended to help. Once returned, the investment principal plus our modest return goes back to the fund to be used again and again, maximizing the number of people we can serve and consistently scaling up our model through our successes.

A propos de vous

Organisation:

The Working World

A propos de vous

Prénom

Brendan

Nom

Martin

Twitter

Profil sur Facebook

A propos de votre organisation

Nom

The Working World

Pays

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Pays dans lesquels ce projet crée un impact social

, B

Depuis combien de temps votre organisation opère-t-elle ?

Plus 5 années

Le projet soumis est-il lié à cette organisation ?

Oui

Les informations que vous fournissez ici seront utilisées pour combler toutes les parties de votre profil qui ont été laissées en blanc, comme les intérêts, les informations sur l'organisation, et le site Web. Aucune information de contact sera rendu publique. S'il vous plaît décochez ici si vous ne voulez pas que cela se produise..

Innovation

A quel étape votre projet en est-il ?

En place depuis plus de 5 ans

Racontez l'histoire du fondateur et ce qui l'a inspiré à démarrer ce projet

Brendan Martin was born and raised in the United States. His father was the son of poor Irish immigrants who rose up to run a multi-billion dollar business. This story sparked Brendan's interest in the ingredients of economic achievement. While a teenager, his father moved to Hong Kong, and Brendan travelled in Asia and was for the first time exposed to the depth and scale of world poverty, an experience that developed his interest in understanding inequality.

In 2004, now a partner at a thriving Wall Street information firm, Brendan felt he could no longer suppress an urge to do something about the poverty that had troubled him since youth. He sold his shares in the firm, moved to Argentina, which had recently suffered a grave economic crisis, and used the money to open The Working World's first social investment fund.

In 2007, Brendan met Ethan Earle, with whom he is now launching The Working World's third branch in New York City. Having previously worked on other development projects that created more work for the wealthy NGOs than for the low-income communities they served, Ethan immediately felt a strong connection to Brendan's project, which was doing so much good with so few resources. He volunteered for The Working World for almost a year before becoming salaried, even spending a few months sleeping at Brendan's office and home. Now, the two are together in New York, again pouring in sweat equity and investing all money raised in this newest project.

Impact social

Décrivez les résultats positifs obtenus par votre projet ainsi que la façon dont ils sont mesurés.

In our branches in Argentina and Nicaragua, we have progressively grown the number of investments we realize each year from just a few in 2005 to almost 200 with dozens of businesses in 2010; work for which Brendan received an Ashoka Fellowship. During this time, we have invested

around two million dollars with a Fund that has grown from just a few thousand dollars to around \$300,000 at last count. This means that each dollar has been successfully invested many times over in the projects we support, vastly expanding our impact per dollar. Throughout this time, we have consistently maintained a rate of return exceeding 95%. Because of our social investment technique, this does not merely add up to money returned, but rather improved bottom lines of the businesses we support. And each year of our existence, we have bettered our own internal efficiency, reducing our annual budget per dollar invested down to a stingy nine cents in 2011.

Also this year, we received savings from two cooperative federations in Argentina to invest in other similar businesses in the greater community. We consider this to be a great indicator of our success, demonstrating the legitimacy we have developed in the community as the most trustworthy, efficient non-profit investment maker. It also confirms a long-range goal to scale up our model using the cooperatives themselves as participatory funding members in the broader process of spreading wealth to low-income communities.

Combien de personnes ont été touchées par votre projet ?

Entre 1 001 et 10 000

Combien de personnes pourraient être touchées par votre projet au cours des trois prochaines années ?

Plus de 10,000

Quelle va être l'évolution de votre projet lors des trois prochaines années ?

Our goals in the next three years are to further extend and improve on our successes.

We will grow horizontally, bringing innovative bottom-up development to New York City's advanced economy. Success here will be instrumental in allowing us to offer a global solution.

We will grow vertically by increasing our Fund to work with more people and larger businesses. This will test our extensibility. If we can create growth in primary activities like manufacturing, it will greatly increase our ability to foster job and wealth creation.

Lastly, with the investment returns from this larger Fund, we aim to be self-sustaining within three years. This sustainability is key to ensuring we remain efficient and can continue to scale up our impact.

Viabilité

Quels sont les obstacles qui pourraient entraver la réussite de votre projet et comment comptez-vous les surmonter ?

The biggest barriers to our success will be:

- 1) proving our model can work in an advanced economy,
- and
- 2) securing the finances necessary to grow to sustainability

While we have proven very successful in Argentina and Nicaragua, working in the US presents difficult and exciting challenges. The access to resources, competitive climate, and sophistication of the small business sector is extremely different from where we have worked to this point. Moreover, the capital needed to create a successful business is far greater than in Latin America. However, we believe that our unique brand of bottom up wealth creation will be extremely productive in the US, where quality jobs at the low end of the market have been hard to create in recent decades. We are convinced that with hard work and the same empirical approach we have taken in years past, our tools will function here as well.

The second barrier is to grow our Fund enough to reach more people, financing businesses in the US, and generating enough investment returns for all of our Funds to become self-sustaining. There are many ways we are seeking to overcome this problem, partly by improving the communication of our project to potential funders, but also by talking to a number of people and institutions in the social finance world who are willing to invest in our Fund at attractive rates. This will be key to creating a fund that is large enough to perform our work at a scale where we can earn sufficient investment returns to pay for our work and achieve internal sustainability.

Quels sont vos différents partenariats ?

A few of our most important partners, without whose help we would not have gotten to where we are, include: Ashoka; the Argentine's Ministry of Social Development and its most recent microcredit initiative; a network we formed to apply for said initiative, including a traditional microcredit organization and a capacity-building group; the Mayor's office in Leon, Nicaragua, the Instituto Nacional de Tecnologia Industrial; the Movimientos Nacionales de Fabricas y Empresas Recuperadas; the University of Buenos Aires and its "Open Faculty"; Help Argentina; FECOOTRA and Red Grafica, two federations of worker cooperatives investing in our Fund; the New School and NYU, with whom we have collaborated on study abroad exchange programs.

In our time in New York, we have already been working together with:

the Center for Family Life, investing in cooperatives they have incubated and as colleagues on future cooperative training workshops; The Door, to open an enterprise run and owned by formerly trafficked Chinese immigrant youth; Art for Change, to re-open a formerly successful "Peña" run by Spanish Harlem-based immigrants; The Green Worker Cooperatives, in talks with members of the Green Worker Roundtable regarding coop incubation; The New York Asian Women's Center; the U.S. Federation of Worker Cooperatives; Tonic Fund for impact investment; the Graduate Center for Worker Education at Brooklyn College; the District Three Community Board.

Finally, we enjoy strong partnerships with a network of consultants, interns, and volunteers, who provide translation, marketing and messaging, legal aid, and grant writing support.

Expliquez vos choix.

Over the years, our projects have been supported in a variety of fashions by all of the above selections. This speaks to our belief in a collaborative development model. We have received donations, grants and -- more recently -- investments from friends, family, individuals, foundations, NGOs, businesses (some from the same communities we support!), the Argentine government, and customers, through a fair trade platform we run on behalf of some of our clients. We have also received training and technical and informational support from foundations (including Ashoka), NGOs, the Argentine government, and several major universities. We have benefitted from consulting services and volunteer help from friends, family, individuals, and also through intern exchange programs we have carried out with the University of Buenos Aires, NYU and The New School.

However, the most significant source of potential income is from our clients. Thus far, in our pilot stage in New York, we have been dependent on

donations to get off the ground. But as our Fund grows and our investment returns from customers grow with it, we aim for investment returns from clients to become the most significant source of income on a road to self-sustainability.

Comment pensez-vous pouvoir consolider votre projet au cours des trois prochaines années ?

Our three principal goals for the next years are all intended to strengthen our project.

The horizontal growth we seek is very important to prove the efficacy of our methods in different environments. By figuring out how to work not only in the developing world but also in NYC's advanced economy, we can prove the flexibility of our model and facilitate its expansion.

Vertical growth to increase our Fund is equally important in terms of potential impact. With a larger Fund, we can attempt to both extend our reach to a greater number of people and also invest in larger businesses and reach into industries at the heart of an economy.

But the most important way that we plan to strengthen our project over the next three years is to attain self-sustainability. Though we are just beginning in NY, with a chance to prove our methods to the impact investment community, we have a very strong chance to grow our fund enough to where the returns on our investments to clients will become a very significant source of income and eventually pay for all our costs. Self-sustainability is the key to ensuring we remain efficient and primarily benefit our target groups, and growing our fund to this level is our most central goal in ensuring the longevity of our impact.

Enjeux

Quels problèmes liés à l'emploi votre projet tente-t-il de résoudre ?

Veillez sélectionner trois réponses par ordre d'importance

PRIMAIRE

Sous-emploi

SECONDAIRE

Manque de visibilité et de financements

TERTIAIRE

Normes culturelles limitatives

Veillez décrire la façon dont votre projet s'attaque spécifiquement aux problèmes cités ci-dessus.

The two primary barriers to employment we address, as has been outlined in previous responses, really go hand in hand. Our innovative system addresses underemployment in low-income and underserved neighborhoods by providing groups within these communities with smart, timely investments. Quite simply, we create high quality jobs rooted in local communities and, through our investment system, equip businesses with the tools to create their own jobs further down the road.

We also address restrictive cultural norms by supporting businesses run and owned by marginalized people stereotypically assumed not to be "right" for mid-sized business management. Our work challenges assumptions of who can or cannot truly insert themselves into the business world.

De quelle façon comptez-vous accroître l'impact de votre organisation ou de votre projet ? Veillez sélectionner trois moyens potentiels par ordre d'importance

Croissance géographique: dans plusieurs pays

SECONDAIRE

Renforcement de l'impact existant grâce à la mise en place de services complémentaires

TERTIAIRE

Influence sur d'autres organisations et institutions grâce à la diffusion de meilleures pratiques

Veillez indiquer les activités actuellement en place ou devant être mises en place dans un futur proche pour stimuler votre croissance.

We are currently growing into a new country, the United States, which has challenged us to enhance our existing impact through the act of primarily creating, as opposed to just fostering the growth, of cooperative businesses. Success in NYC will be key in enabling us to offer our solution on a truly global scale. Additionally, working to create larger businesses will give us access to investment returns that will be key in scaling us up to internal sustainability. Finally, these growth activities will also facilitate our ability to influence other organizations to turn to a more sustainable, market-based development approach, as our work in the center stage of world finance enhances the visibility of our success and pushes other forms of micro finance to follow suit.

Êtes-vous en collaboration avec : (plusieurs réponses possibles)

Organisme gouvernemental , un fournisseur de technologie, une ONG/organisation à but non lucratif, une entreprise à but lucratif, une université.

Si oui, dans quelle mesure ces partenariats ont-ils contribué à la réussite de votre projet ?

We are strong proponents of the collaborative model of development. As such, all of our collaborations over the years, outlined in greater detail in the question regarding our partnerships, have aided us in some capacity and contributed to our success. As good as any one idea might be, no project is an island, and sustainable development solutions require a constellation of like-minded actors. Our groundbreaking financial products and services have been aided by all of these groups through the sharing of knowledge about target communities, demographic breakdowns, capacity building, particularities of business sectors, business strategy, and broader advice regarding the strategic direction of our work.

