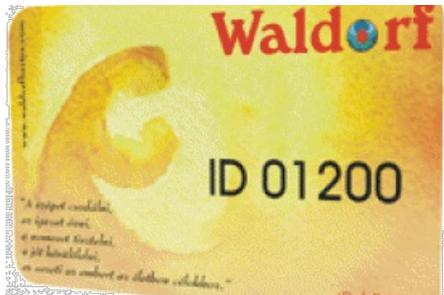


CSR 2.0: The Waldorf Card System

Hungary

Zoltan Szabo



Organization type:

for profit

Budget:

\$10,000 - \$50,000

Website:

<http://www.waldorfkartya.com>



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- [Education](#)
- [Social enterprise](#)

Project Summary

Elevator Pitch

Concise Summary: Help us pitch this solution! Provide an explanation within 3-4 short sentences.

WELLDORF Cooperative is a social enterprise with the mission of providing financial resources for survival and for the quality assurance of the Waldorf schools.

It operates the Waldorf Card System - a new approach to CSR - which enables the Waldorf parents (as customers) to donate schools without making extra effort by determining corporate donation decisions through their daily purchases.

About You

Organization:

WELLDORF Cooperative

[Visit website](#)

Section 1: About You

First Name

Zoltan

Last Name

Szabo

Website

<http://www.waldorfkartya.com>

Country

, BU

Section 2: About Your Organization**Is your initiative connected to an established organization?**

Yes

Organization Name

WELLDORF Cooperative

Organization Phone

+36 30 9160276

Organization Address

Jozsef u. 10/F, Budapest H-1161

Organization Country

, BU

How long has this organization been operating?

Less than a year

Your idea**Country your work focuses on**

, BU

Innovation**What makes your innovation unique?**

Waldorf schools in Hungary are striving to subsistence and lot of their resources have to be used for fundraising instead of fulfilling their original mission.

Waldorf parents are committed to maximize their support to the schools. However most of them are in lack of money and time to fulfil this sufficiently. On the other hand, instead of just meeting trendy CSR expectations, Hungarian companies are getting more active in seeking appropriate support targets - which to select is a great challenge.

The Waldorf Card System issues cards, which are distributed to the Waldorf parents, who aim to arrange daily purchases at vendors where Waldorf Cards are accepted. Based on these purchases the vendors make donations to the Waldorf school appointed by the card holder.

This enables the Waldorf parents to donate their schools through their daily purchases without making extra effort.

Professional operation is enabled by a specifically developed administrative online IT system supervised by the Enterprise.

Waldorf Card System is an innovative approach to CSR:

Conventional Corporate Social Responsibility gives place to innovative market driven new structures, where the decision on the beneficiaries is not unilaterally in the hands of the companies, but an opportunity is created for the customers to actively take part in the decision.

In the future customers' habits will be highly driven by the commitment to sustainability, and the positive and transparent CSR policy of the companies.

Companies participating in the Waldorf Card System are pioneers of the future's CSR system.

The System

- motivates conscious shopping and prefers the interest of the community instead of the individual.

- unburdens companies from evaluating potential beneficiaries.

- positively affects the entire society by showing a working example of finding a solution for efficient cooperation between companies and NGOs.

Do you have a patent for this idea?**Impact****Tell us about the social impact of your innovation. Please include both numbers and stories as evidence of this impact**

We believe that it is very important today to find unity in the differences and join forces to tackle challenges. We also believe in the need for creative and socially responsible children to strengthen Europe's roll in the near future. We also believe that by taking care of Waldorf schools we are responsibly contributing to these tasks.

In Hungary there are 27 Waldorf Schools and 53 Waldorf Kindergartens. The number of involved families exceeds 5000.

Introduction to the Waldorf philosophy:

The Waldorf movement recognizes that schools should be truly comprehensive; open to girls and boys aged 6-18 of normal capability; with a curriculum for all pupils, which is as broad as time will allow; and with a healthy balance of artistic and practical, alongside with academic

activities. Waldorf schools, each in its own way, set out to meet these objectives.

One of the most notable ways in which the Waldorf approach to education differs from others is in the response of the curriculum to the various phases in child development. The Waldorf education is very much tuned to the needs of today, in spite of not being a new development. At the heart of the enduring vitality is the insight that although external conditions in our time are changing as never before, the essential spiritual and biological nature of humanity remains.

Teachers in these schools are dedicated to generating a genuine inner enthusiasm for learning within every child. They achieve this in a variety of ways. Even a seemingly dry academic subject will receive a pictorial or dynamic presentation. This method removes the pressure for competitive testing, placing and reward; motivation can arise from within.

Waldorf schools are part of an international movement, though not part of a system. They are united by the teacher's dedication to the Waldorf curriculum, and their conviction that this schooling can help children to become freethinking, creative, socially responsible and strongwilled adults. Each school, however, is quite independently managed, with its own distinct characteristics.

The Waldorf movement is concerned that the education should be available to all committed parents without any financial barriers.

Problem: Describe the primary problem(s) that your innovation is addressing

Problem No1: Financially unstable Waldorf Schools

Waldorf Schools in Hungary are financed by government subsidies and parental contributions. Waldorf Schools are disadvantaged by receiving only half of the subsidies than public schools.

The existence of Waldorf Schools are in high risk, because the already low subsidies are still decreasing, and the parental contribution capability strongly influenced by the financial crisis shows a forecasted short-term scenario of termination of some of the schools.

Problem No2: Confidence lost in ordinary CSR actions

Conventional CSR is not driven by the market. Neither the beneficiaries, nor the customers are able to exercise influence on corporate donation decisions.

Most current CSR activities are in lack of transparency.

Personnel in charge for CSR face the constant problem of selecting the appropriate donees to achieve maximum customer satisfaction.

Actions: Describe the steps that you are taking to make your innovation a success. Include a description of the business model. What might prevent that success?

The established enterprise form was carefully chosen as a cooperative. This company form bears all features that we find important when thinking of an enterprise in a new way of economic, social and legal aspect.

- Legal equality: voting right is regardless of investment.
- Freedom of the community to change founding board of directors and incorporate new ideas of all times, and to have a voice in major decisions.
- Brotherhood in members' contribution: each school decides on the number of shares to underwrite according to its current financial state.

The only way out of the crisis we believe is by realizing the self-sustainability of our community instead of leaning on decreasing governmental subsidies and ad hoc donations.

To achieve this the Waldorf schools of Hungary have formed a confederation by founding WELLDORF Cooperative.

Waldorf parents in Hungary are very much committed to join our System. As their number is over 5000, it gives a critical mass for long term success.

Due to insufficient funding only volunteers are employed. This bears a risk of lengthening the time of further developments, which could postpone the positive impact. Some of the schools are in such a bad financial condition, that they can not wait that long.

Results: Describe the expected results of these actions over the next three years. Please address each year separately, if possible

Assuming having raised the necessary capital, which guarantees stable operation our projection for the next three years is the following:

End of 1st year:

Number of vendors: 300
Number of card holders: 3500
Approximate donation: 135000 USD

End of 2nd year:

Number of vendors: 700
Number of card holders: 5000
Approximate donation: 204000 USD

End of 3rd year:

Number of vendors: 1500
Number of card holders: 6000
Approximate donation: 350000 USD

How many people will your project serve annually?

1001-10,000

What is the average monthly household income in your target community, in US Dollars?

\$100 - 1000

Does your innovation seek to have an impact on public policy?

No

If your innovation seeks to impact public policy, how?

Approximately 150 words left (1200 characters).

Sustainability

What stage is your Social Enterprise in?

Operating for less than a year

Does your organization have a board of directors or an advisory board?

Yes

Does your organization have a non monetary partnerships with NGOs?

Yes

Does your organization have a non monetary partnerships with businesses?

Yes

Does your organization have a non monetary partnerships with government?

No

Please tell us more about how partnerships could be critical to the success of your Social Enterprise

Involving national chains (petrol stations, supermarkets, etc) as Waldorf Card vendors can boost our growth significantly. In order to succeed in this, we need to find and finance the right powerful people with the right contacts in charge.

We have to maintain a continuous good relation and permanent communication with the Waldorf Schools, to keep the enthusiasm of the parents.

We would like to learn more about how your initiative is financially supported. Please explain your business plan/revenue model

The starting capital of the Enterprise was funded partly by the Waldorf schools, by individual Waldorf parents and from other sources: e.g.: competitions.

To further develop and operate the Waldorf Card System till brake-even and maintain sustainability, we still need approximately 30000 USD, which we plan to raise by competitions and/or corporate loan.

According to our business plan this amount is to cover the following costs:

- professional personnel
- IT background
- production of cards
- travel costs
- marketing costs
- administrative costs

Following the use of a Waldorf Card, the vendor transfers a pre-agreed percentage of the purchase amount to WELLDORF Cooperative, out of which 10% stays in the Cooperative, and the rest is transferred to the Waldorf School chosen by the card holder.

The projected approx. yearly revenue for the next 3 years:

End of 1st year: 13500 USD

End of 2nd year: 20400 USD

End of 3rd year: 35000 USD

The Story

What was the defining moment that led you to this innovation?

After realizing that the school of our children is facing a constant threat of financial bankruptcy, a group of parents have decided to do their best and find a way out of this situation. After getting started, we soon realized, that it is not only our Waldorf school which is in the same boat. It became clear, that whatever we make up has to be a solution for all Hungarian Waldorf Schools.

On workshops held in the school we brainstormed all upcoming ideas and sorted, prioritized and selected the seemingly vital ones. The idea of the Waldorf Card System was way best among the others. Soon we established a volunteer team responsible for developing the system.

Tell us about the person—the social innovator—behind this idea.

I was the main initiator of the idea, therefore I became the person in charge of our development team.

I was born in 1976. I have 15 years experience in trade, marketing, finance and corporate management. In my business past I have always been looking for new innovative ideas and solutions.

I have two daughters, they both attend a Waldorf School.

Now I am the official CEO of WELLDORF Cooperative.

How did you first hear about Changemakers?

Through another organization or company

If through another source, please provide the information

NESsT (www.nesst.org)

Source URL: <https://www.changemakers.com/socialbusiness/entries/csr-20-waldorf-card-system#comment-0>