Sustainability - 2

Virtual Mentorship

Highlights:

Licensing and shared spectrum framework:

1. The CA of Kenya recognizes the impact that CNs are making in the unserved or underserved communities.

1. The CA recognizes that there is a declining rate of new connectivities.

1. The CA recognizes that new approaches need to be designed and supported to make connectivity more affordable and accessible to unserved or underserved communities.

1. The CA also recognizes policymakers and regulators need to make considerations for Community Networks so that they [CNs] can grow, thrive, and be able to transition to a revenue-based model beyond seed funding.

Highlights:

1. Additionally, the CA recognizes some of the most pressing blockers that limit CNs to thrive as follows:
   a. inability to navigate the complex legal requirements for registration,
   b. licensing,
   c. permitting and/or are
   d. The inability for CNs to cover their associated costs
   e. challenges faced by CNs are related to the technical, economic, and human capacity aspects, particularly towards ensuring the sustainability of community networks.

Filling a need in the community

The Authority [CA] is committed to discharging its mandate to ensure that the ICT sector contributes to the socio-economic growth of Kenya, in line with its vision of 'a digitally transformed nation'.

CA demonstrates its commitment to addressing barriers facing communities in underserved areas and radiofrequency spectrum efficiency challenges through innovation and provision of an enabling regulatory environment, which allows optimal use of spectrum for universal access to ICT services.

The two commitments above are an assurance that what the CNs are doing is important. The CNs now can think how best they can be able to push forward their ideas and identify ways these ideas can be used to generate an income.

Current reality: Majority of the CNs in Kenya

When we look at the nature of most of the CNs in Kenya (based on the baseline survey we did with the CNs), we see a pattern of them [CNs] operating largely as charities in the sense that they are donor-funded.

The majority of the CNs struggle to earn revenue to cover their own internal and core costs when funding lapses. The law does not limit CNs from earning money as we have seen in the CA brief above.

Therefore, CNs need to map their combined strength, identify revenue streams, and clearly map their cost structures. This will help CNs to develop a sustainable business model for CNs to operate as social enterprises [the shift].

Understanding Our Orgs Better (SBMC)

Let us explore our Social Business Models a little.

We will engage in an activity that will help us understand our CNs and the business models that we use.

An SBMC is a tool for helping us to map and structure our ideas in a way where we can easily tell our social value propositions, distribution channels, financials (cost structure & revenue streams), and core actors & activities of our business.
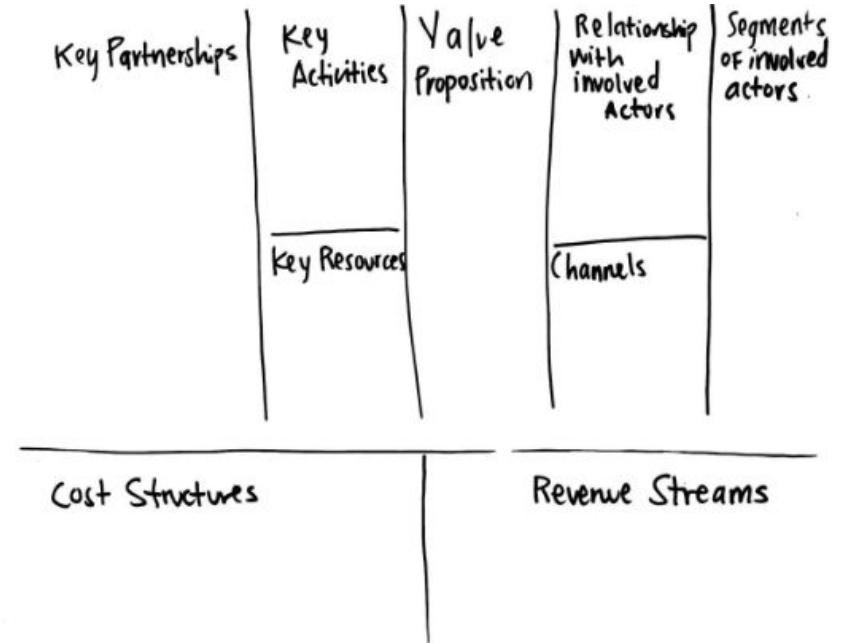
Value Proposition

Value proposition is the value we are creating. A value proposition encompasses more than a relationship with the "client". It is *a reason to be*, and a *reason to create*, based on the needs and context of the community.

Value proposition should be thought as the essence of the project, the *reason to be*. Value proposition takes into account, the use, needs and monetary values. An important element: a **scale of values that reflects the needs of the community.**

How to think about it (the question you should ask yourself)

What do you offer, that stands out from everything else?

What is the ultimate final purpose of the project (its essence)?

Value Proposition

Examples:

Provide internet connectivity to schools, health facilities, and social organizations

To use art and cinema as a mechanism of reconciliation and peace

Build a community library where people can access knowledge

Parts of value proposition:

What you provide	For who?	For what reason (essence?

Actors

Actors are the target groups that our value proposition serves or hopes to serve. Involved actors are the heart of the value. Without them, the value can not be sustained. In community networks it is the community itself, but which actors are part of the community?

Important question to think about when developing a value proposition:

1. For whom are we creating value and what kind of value are we creating for them?
2. How can they relate themselves to our value (see themselves reflected in the value)?

A question: You all know the famous Akili Kids TV channel, right? Who is the target group for the majority of Akili Kids programs?

Group Exercise:

Can we identify who is the target audience for community network services?

Service	Consumer	
Training in digital literacy	Feminists and activists in Kibera	
Internet service	Institutional: schools, health facilities, social groups	
Education: Training, mentoring, nurturing, and empowering	3-9yo	

Key Resources

Key resources

Key resources are the assets, tangible and intangible, that make the project work.

Questions to ask yourself as you develop your organization goals:

1. What physical, intellectual, human and economic resources are needed for the project?

2. Can we get all of the resources from the community or do we have to locate them through partnerships?

Examples of Key Resources

Category	Examples	What other can we think of?
Economic/physical	1. Physical office 2. Masts 3. Office furniture	
Intellectual	1. Service level agreement 2. Brand (website, social media accounts, etc) 3. Billing software 4. Internal structures: policies, registration, etc 5. Postal address	
Human resources	1. Staffing 2. Capacity building 3. Compliance	

Key Activities

A list of things that have to be done in order to accomplish our value proposition. These are very easy to get, as normally we already have them in mind.

Examples related to the Community Networks:

Examples	What other can we think of?
Register with the Communications Authority of Kenya license	
Install a backhaul connection	
Manage relationships	
Resource management	

Channel of Service/Product Distribution

Channels of distribution are the ways of reaching the actors. Channels of distribution map ways of getting the value proposition to the involved actors.

Brainstorm of program services:

What programs are there in your organization?

What is the value proposition for every program? How does each reach the target group?

Key Partnership

This is a network of allies, supporters and co-creators that support the value proposition.

Identify how each of the partnership relate to your organization. If partnership involves exchange of money, it may not qualify to be a partnership.
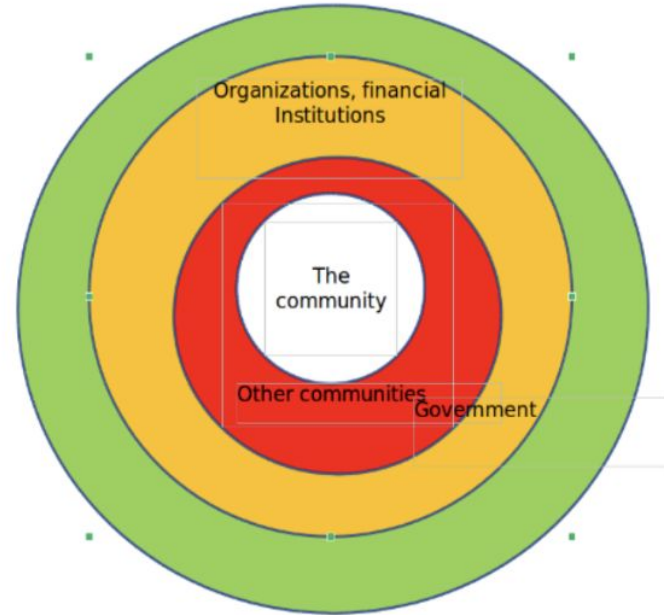
Group Activity

Examples	Examples of actors	Benefits
The community		
Other communities		
Government/agencies		Funding, lega / compliance
Organizations/ Financial institutions		

Cost Structure

This refers to the costs of operation and structure (capital expenses and operational expenses: cost of equipment, cost of inventory, cost of staff.

Revenue Streams

Revenue streams are the ways how the business generates an income (economic sustainability). However, we have evidence that sometimes, there is no economic revenue and the community network functions thanks to donations or volunteer work.

Sustainability matrix

Map different actors and how they support us to meet sustainability.

Actors	Giving (what we give)	Receiving (what we receive)
The community	Content, information, education, culture, participation, transmission of heritage	Food, volunteer work, donations; often the community pays for power, rent, etc.
Other communities in the surroundings	Content, information education, culture, participation, transmission of heritage	More content, space, exchange of experiences
Key partnerships	Knowledge, experience, other	Advisory accompaniment, solutions, advocacy, money
Government	If applicable	
Enterprises	If applicable	