

Nonprofit Fundraising Essentials

Case Study: From Lean Origins, Buzz Women Seeks a Funding Model for Scale



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CASE STUDY**FROM LEAN ORIGINS, BUZZ WOMEN SEEKS A
FUNDING MODEL FOR SCALE**

As a young woman in Bangalore, Uthara Narayanan was immersed in finance through her banker father and encouraged to earn a degree in accounting. She knew that most women in India had a much different reality.

“In India, poverty is not difficult to find,” said Uthara. “Just step out to your doorstep and you’ll find poverty.”

She was driven to find the answer to one question: How do people come out of poverty?

With her background in accounting, she suspected that financial management could hold the key to more opportunities and confidence for women in remote villages. She spent six months interviewing women, many of whom were trapped in a cycle of debt.

“When I first spoke with the women, they said a lack of money was their greatest challenge,” Uthara said. “But as I asked them more questions, a lot of them realized it was their financial decisions, their relationship with money, and problem solving that caused them to struggle.”

Two of her connections had been wrestling with similar questions. Suresh Krishna led a microfinance institution and wanted to explore how credit could be better used for enhancing livelihoods. Dave Jongeneelen provided leadership training for

corporates and social enterprises and wondered how those skills could be shared with an underserved audience.

Together, they decided to take a leap of faith and founded the nonprofit Buzz Women in Bangalore in 2012.

Today, Buzz Women has delivered financial skills training to more than 200,000 women in India and recently began operations in Gambia. Now, the nonprofit is laying the groundwork to attain their ambitious goal of reaching 10 million women before 2030.

A LEAN OPERATION

Buzz Women got its start from friends who believed in its model of financial management and leadership workshops to help women earn income, build their savings, and avoid the exploitation of private money lenders.

“Our co-founder, Dave Jongeneelen, is a Dutch national,” Uthara explained. “He approached his network and said, ‘We want to give this a try.’ Our first year was entirely funded by friends of Dave who contributed 5,000 euros each.”

As the team tested their concept in the field, Uthara

held fast to her values of frugality and efficiency.

“We had a very lean operation,” she said. “In the first year, I would travel in my own car to the villages. There was no overhead. It was only me for six or seven months before we hired our first trainer.”

Uthara was intent on proving that Buzz Women’s model worked before she sought additional funding.

“Before we started fundraising or public relations, we had to have clarity,” she said. “We needed to know the impact. Even if it was a small sample size, we needed to know we were making a difference.”

When the team felt confident in their approach, they applied for a grant from Citibank. They decided to incubate Buzz Women as a project under an existing nonprofit, also founded by Suresh. “As a fresh NGO, we couldn’t have applied for the grant alone,” Uthara explained.

As a provider of financial skills training, Uthara knew how to speak to the priorities of Citibank.

“The novelty of reaching the last mile caught their attention,” she said. “We were teaching basic concepts: How do you manage money? What is your income? What are your profits? At that time, seven or eight years back, not everyone had a bank account in India.”

Soon, the work spoke for itself. Buzz Women received

its second grant when the Aditya Birla Group, a global company based in Mumbai, saw the workshops on the ground and reached out directly to lend their support.

THE IMPORTANCE OF FIELD VISITS AND A LESSON FROM “DISASTER”

Uthara invites potential donors to visit the trainings and meet the women who have benefited from Buzz Women’s programs.

“I always say they can pick any day for a visit,” Uthara said. “We don’t arrange a workshop because a visitor is coming — instead, the trainings are already scheduled and the visitor is an observer in the process.”

Before the trip, Buzz Women briefs the donors on the nonprofit’s mission and activities. Then the day begins at a training session, where donors observe the mobile training academies as they deliver lessons on financial planning, entrepreneurship, and personal growth to women in villages and informal settlements.

After the training, the donors meet with women who share stories about how Buzz Women has changed their lives — for example, helping them emerge from debt to a moneylender or found a sewing business to regain financial independence after a husband’s death.

“We don’t like to disturb the training or intervention,”

Uthara said. “Donors can observe and talk at the beginning or end, but we don’t pull the stakeholders out of their session. People respect us for setting those guidelines because they understand the women are the center of the mission, not the funder.”

However, there was one occasion when a funder’s experience at a training resulted in the loss of a relationship for Buzz Women.

Uthara had received a last-minute request from a prospective funder that had reached the agreement stage. The company was experiencing a leadership transition and wanted the new team member to visit the field.

With a booked schedule and the grant seemingly already won, Uthara felt comfortable trusting the visit with a junior staff member, a young woman with one month of experience at Buzz Women.

“It was a disaster,” Uthara said.

A senior executive unexpectedly joined the visit. Unfamiliar with Buzz Women and the social sector, he peppered the junior staff member with questions. With every question she could not answer, the funder grew more frustrated and the staff member became more intimidated and flustered.

Eventually, he pulled two women from the training to ask them about their experience in an earlier session. Without

Uthara present to explain the questions, the women described an intervention from a different nonprofit.

At the end of the day, the funder departed with the belief that the program had not achieved impact and had insulted him by sending a junior staffer.

For Uthara, the disappointing visit was a reminder to return to the basics: Know your prospective donor. Brief them on your nonprofit ahead of time. Finally, always have an experienced member of Buzz Women in attendance, no matter the stage of relationship with the donor.

BUILDING A FUNDING MODEL FOR SCALE

Buzz Women has reached more than 200,000 women since 2012. For most of that time, 90% of the nonprofit's funding has come from corporations.

In 2014, India introduced the Corporate Social Responsibility Policy, which requires all corporations to spend at least 2% of their average net profit on CSR activities.

The policy has resulted in “truckloads of money right now for the sector,” Uthara said, if you can make a clear connection between your work and the corporation's objectives.

“If a donor wants to fund financial literacy, that's how we present our work,” she explained. “I won't talk about

leadership or psychological empowerment. It doesn't mean we don't carry out those activities, of course. We just frame the language in a way that connects to their needs."

However, there are downsides to a reliance on corporate funding. The funding raised from corporates is "restricted," which means it is tied to specific projects and cannot be used for emergency expenses or experimenting with new approaches.

As Buzz Women seeks to train more women and "catapult to another orbit," Uthara has started to develop a more intentional fundraising strategy. Eventually, she hopes to raise a greater percentage of unrestricted funding from individuals.

"We searched for all the organizations and foundations that fund women's empowerment, financial inclusion, and anything else related to our work," Uthara said. "We read the policies on their websites. We learned which organizations they were supporting."

"Then a group of our advisors, board members, and I looked at our LinkedIn accounts to see if we had connections at any of these organizations," she said. "We sent them messages and proposals."

One year into this active outreach, Uthara is slowly starting to see conversions.

"It's not always the people we had contacted directly," she said. "I think we put our energy out there and now we're starting to raise more and more money."

ADVICE FOR OTHER NONPROFITS

After nearly eight years with Buzz Women, Uthara has advice for other nonprofits that hope to strengthen their own fundraising capabilities.

Fundraise Without Shame

“I come from a community where asking for money is a bad thing,” Uthara said. “You wouldn’t believe how many years I would end a meeting without asking for money at all!”

Many nonprofit founders feel shame or embarrassment about asking for money, Uthara said. Then one day, she attended a coaching session that shifted her entire mindset.

“Remember, when you ask for money, you’re not asking for yourself,” Uthara said. “Keep a photo of the woman you’re raising money to support. There is an abundance of money in the world, and I’m not using it for personal enjoyment — I’m using it to empower women! I’m performing a service by spending it on the right causes.”

Stay True to Your Mission

“We never take on projects just because funding is available,” Uthara said. “Some NGOs are too quick to change their path and theory of change.”

“I respect that you have to pay salaries,” she continued. “At the same time, I believe that it makes funders think they

can tell you what to do.”

“So I resist and I push back,” she said. “I tell them, I have a theory of change. I have a decade of experience. I believe in this approach.”

On one occasion, Buzz Women returned funding — although with a lot of heartache — when the funder changed the rules of the partnership.

“Finally, I always invite the funders to come and see the work,” she said. “I believe that’s what has worked for us. Every time we meet the women, talk to them, and attend a training, our conversion rate is much higher.”

Practice Your Storytelling and Communication Skills

“I work hard on my storytelling,” Uthara said. “But I believe clarity of thought should come first. I constantly ask myself these questions: What are we doing? Why are we doing this? What is the cause and effect?”

“I’ve been told by our funders and other people in the sector that my authenticity and passion come across clearly,” she said. “I’m also honest to admit that I don’t have all the answers. I’m an experimenter. There might be occasions where we are missing something and I am open to listening.”

“Finally, we focus on the women,” she said. “It’s about their lives. It’s about their inner strength.”

Buzz Women shares interviews with the women on their website, from high-quality videos produced by a professional to short clips that are recorded by the team with a phone. At every stage of growth, the nonprofit has taken a lean approach, making the most of their resources.

“I created our first website on WordPress,” Uthara said. “I designed our first brochure on PowerPoint and printed it myself. Then slowly, people started volunteering to help. It has been a constant work in progress.”

Find Creative Ways to Fund Overhead

Many institutions are reluctant to fund “non-programmatic costs,” such as salaries, office expenses, and initiatives outside of the grant agreement.

Most of Buzz Women’s income comes from “restricted” funding, which could stifle the nonprofit’s ability to grow and innovate.

“Frugality is one of my values and our overheads are low,” Uthara said. “Of our 70 staff employees, 65 are on the ground. However, this is not a great thing as you scale. I’m struggling right now because I have ended up doing everything.”

“You have to push back to funders with questions like this: Do you see your CEO as an overhead for your business? Make them realize that without a phone, this

field visit couldn't happen. Without a computer, I can't send you a report."

"You also have to make sure you're billing as much as possible to the program," she added. "Finally, it's important to be transparent in your budget. Share this information openly with the donor, rather than having them ask you questions and feel you're hiding something."

Invite Your Beneficiaries to Become Evangelists

In a [video](#) produced for Buzz Women's website and social media, Uthara described the most meaningful contribution she had raised. The nonprofit had challenged the program's graduates to save one rupee a day to cover the costs of another woman's training.

"The proudest moment I had recently was when Devamma came to us with some money. She arrived at our office with a small plastic bottle filled with 365 rupees [\$5]. I think this is the most precious money I have ever fundraised, because it comes from somebody who has gone through the program and believes that what we give is worth giving to others."

Many graduates of Buzz Women's training programs volunteer to become "Buzz Gelathi," who encourage their neighbors to overcome their financial challenges and give back to the community. Some volunteers welcome visitors into their homes to speak about the impact of the program. Others have even joined the nonprofit full time.

“For me, it is clear empowerment and progress when a woman who was the so-called ‘beneficiary’ can become a member of the team that is delivering the program,” Uthara said.