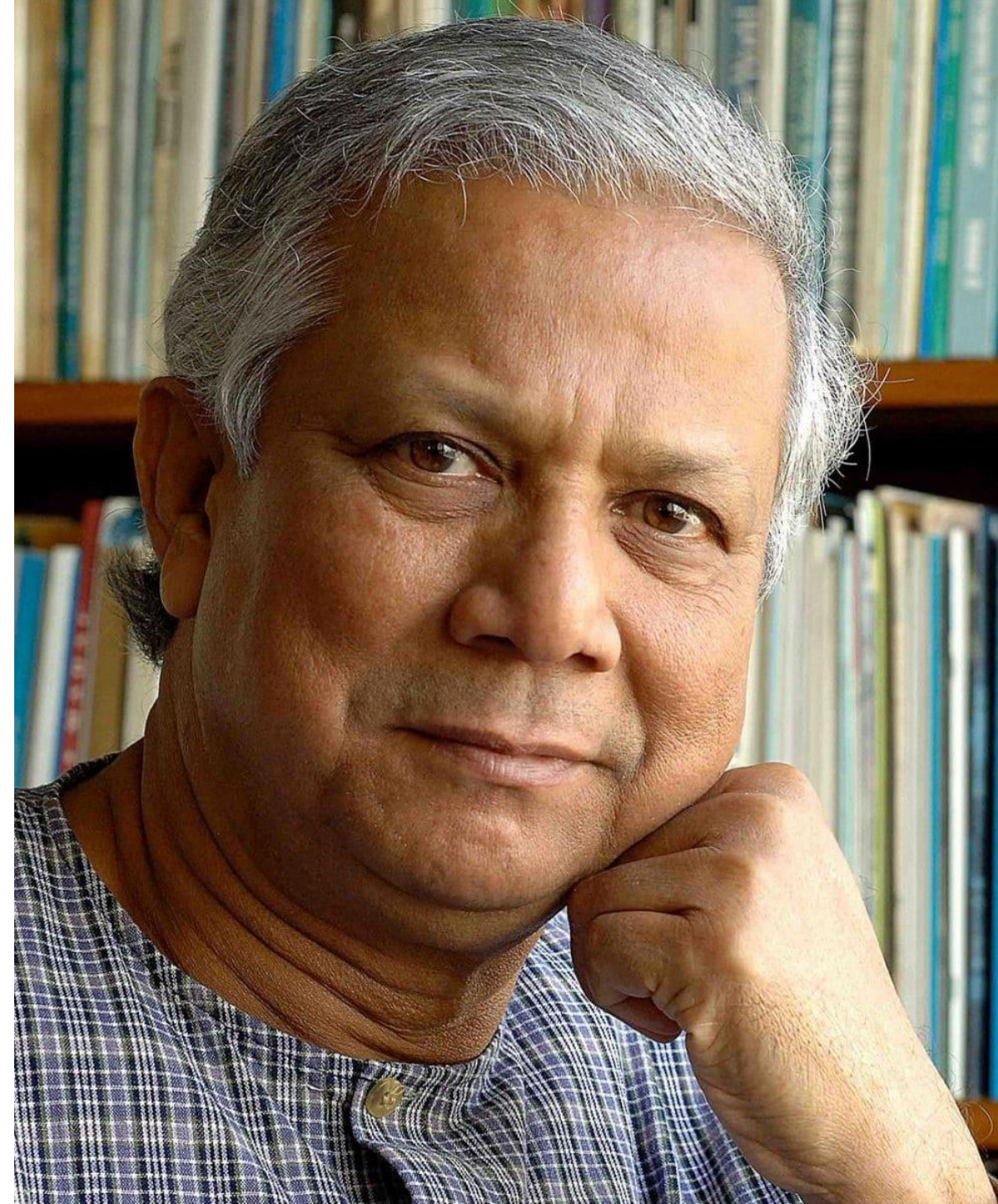


Prof. Muhammad
Yunus
– Grameen Bank,
Bangladesh



How he started

- In 1976, during visits to the poorest households in the village of Jobra near Chittagong University, Yunus discovered that very small loans could make a disproportionate difference to a poor person. Village women who made bamboo furniture had to take usurious loans to buy bamboo, and repay their profits to the lenders. Traditional banks did not want to make tiny loans at reasonable interest to the poor due to high risk of default. But Yunus believed that, given the chance, the poor will repay the money and hence microcredit was a viable business model. Yunus lent US\$27 of his money to 42 women in the village, who made a profit of BDT 0.50 (US\$0.02) each on the loan. Thus, Yunus is credited with the idea of microcredit.
- In December 1976, Yunus finally secured a loan from the government Janata Bank to lend to the poor in Jobra. The institution continued to operate, securing loans from other banks for its projects. By 1982, it had 28,000 members. On 1 October 1983, the pilot project began operation as a full-fledged bank for poor Bangladeshis and was renamed Grameen Bank ("Village Bank"). By July 2007, Grameen had issued US\$6.38 billion to 7.4 million borrowers. To ensure repayment, the bank uses a system of "solidarity groups". These small informal groups apply together for loans and its members act as co-guarantors of repayment and support one another's efforts at economic self-advancement.
- The success of the Grameen microfinance model inspired similar efforts in about 100 developing countries and even in developed countries including the United States. Many microcredit projects retain Grameen's emphasis of lending to women. More than 94% of Grameen loans have gone to women, who suffer disproportionately from poverty and who are more likely than men to devote their earnings to their families.
- In the book Grameen Social Business Model, its author Rashidul Bari said that Grameen's social business model (GSBM) has gone from being theory to an inspiring practice adopted by leading universities (e.g., Glasgow), entrepreneurs (e.g., Franck Riboud) and corporations (e.g., Danone) across the globe. Through Grameen Bank, Rashidul Bari claims that Yunus demonstrated how Grameen Social Business Model can harness the entrepreneurial spirit to empower poor women and alleviate their poverty. One conclusion Bari suggested to draw from Yunus' concepts is that the poor are like a "bonsai tree", and they can do big things if they get access to the social business that holds potential to empower them to become self-sufficient.

- The Grameen Bank project started in 1976 as an action research pilot project in "Jobra" village in Chattogram district of Bangladesh. In 1983, the pilot project was transformed into a bank with the aim of alleviating poverty and empowering the marginalized poor in Bangladesh through micro-credit.
- Grameen Bank now operates in **40 Zonal offices, 40 Zonal Audit offices, 240 Area Offices, and 2568 Branch offices**, and the number of employees as of December 2022 stood at 20992. Grameen Bank is currently present in **81678 (94%) villages in the country and provides services to nearly 45 million people (including family members) through 10.27 million borrower members.** Grameen Bank's microcredit program is being implemented as a successful model in alleviating poverty in many countries of the world. Grameen Bank was awarded the Nobel Peace Prize in 2006 in appreciation of its efforts to create economic and social development from the bottom of the society through microcredit. Grameen Bank is working not just to alleviate the poverty of its borrower members, but also to ensure that their future generations are not left behind. It offers education loans, new entrepreneurship loans, and scholarships to borrower members' children. Grameen Bank's most humanitarian and exceptional program is the Struggle (Beggar) Members Program.



How they assess themselves – 12 poverty Alleviation indicators

The annual impact monitoring is done by all field workers of Grameen Bank. It is such a practice that blames the bank itself rather than others for not achieving its goals. Grameen Bank evaluates the programs through twelve indicators to check whether the members are moving out of poverty. Housing, food, health, children's education, entrepreneurial ability, vegetable cultivation, and other qualities of life are evaluated.

A member is considered to have been moved out of poverty if her family fulfills the following criteria:

- Each borrower member possesses at least a tin-roof house to live in a dignified way with family members. It is built on his/her own land and worth at least BDT 80,000 (Eighty Thousand).
- Family members have the arrangement to sleep on the stool or the bed.
- Family members drink pure water and use pure water in their household chores.
- All children of the family of members aged six years and older, who are physically and mentally healthy, are either school-going or have completed primary education.
- The members pay the installment of BDT 500 (Five Hundred) weekly / at least BDT 2000 (Two Thousand) or more on monthly basis.
- Family members use a sanitary latrine.
- Family members have adequate clothing for everyday use. They have warm clothing for winter, such as shawls, sweaters, blankets, etc., and mosquito nets to protect themselves from mosquitoes.
- For the betterment of the family members, the family has sources of additional income, such as the cultivation of vegetables in the backyard, plantation of trees, etc., so that, they can pay installments from their additional income.
- The members maintain an average annual balance of at least BDT 10,000 (ten thousand) in their savings accounts.
- The family has no food shortage and the family members can afford nutritious food.
- The family members are aware of public health and they can afford medical expenses.
- The family members can observe religious festivals and social ceremonies.

Understanding Yourself

Class 4,5
Social
Entrepreneurship

Session and Workshop by


Jyoti Sharma

Visiting Faculty, IIITD

President, FORCE Non-Profit



www.force.org.in



Assess your
entrepreneurial
orientation

Characteristics of Social Entrepreneurs

- Ability to spot gaps
- Mission Driven
- Passion and self driven
- Resourcefulness
- Pragmatism
- Adaptability
- Openness to Collaboration
- Persistence
- Leadership Ability
- Empathy
- Networking skills
- Situational sensitivity
- Fearlessness



Assess your Emotional
Intelligence?

Take this test

First, let's talk about Emotional Intelligence

the capacity to be aware of, control, and express one's emotions, and to handle interpersonal relationships judiciously and empathetically.

"emotional intelligence is the key to both personal and professional success"

5 Components of Emotional Intelligence

	Definition	Hallmarks
Self-Awareness	The ability to recognize and understand your moods, emotions, and drives, as well as their effect on others	Self-confidence Realistic self-assessment Self-deprecating sense of humor
Self-Regulation	The ability to control or redirect disruptive impulses and moods. The propensity to suspend judgment - to think before acting	Trustworthiness and integrity Comfort with ambiguity Openness to change
Motivation	A passion to work for the reasons that go beyond money or status A propensity to pursue goals with energy or persistence	Strong drive to achieve Optimism, even in the face of failure Organizational commitment
Empathy	The ability to understand the emotional makeup of other people Skill in treating people according to their emotional reactions	Expertise in building and retaining talent Cross-cultural sensitivity Service to clients and customers
Social Skill	Proficiency in managing relationships and building networks An ability to find common ground and build rapport	Effectiveness in leading change Persuasiveness Expertise in building and leading teams.



Nature or nurture?



- Both
- Emotional intelligence is born largely in the neurotransmitters of the brain's limbic system, which governs feelings, impulses, and drives. Research indicates that the limbic system learns best through motivation, extended practice, and feedback. Compare this with the kind of learning that goes on in the **neocortex**, which governs analytical and technical ability. The neocortex grasps concepts and logic. It is the part of the brain that figures out how to use a computer. When we take a purely neocortical approach to enhance Emotional Intelligence, it can even have a *negative* impact on levels.
- To enhance emotional intelligence people need to break old behavioral habits and establish new ones. It takes time and the path is very individualized.



A Social Entrepreneur needs
to have high Emotional
Intelligence

A SE also needs to be a 'Leader'

Behaviors that Work For and Against Leadership Selection

Contributing Behaviors	Interfering Behaviors
<ul style="list-style-type: none">• high participation and talking• comfort and fluency in delivering information• forceful and energetic in presentation• does not express strong opinions early in group (can later)• initiates conversation• introduces new themes and topics• seeks comments from others (Gatekeeper role)• sits at head of table• in a position of receiving, dispensing, or coordinating information• avoids obviously persuading other to a point of view• interacts flexibly with others; changes style as needed but not seen as chameleon• promotes identity of group ("we, us, our", etc.)• listens accurately to other's contributions• demonstrates achievement, goal orientation and task structure	<ul style="list-style-type: none">• low level of participation, involvement or contribution• uninformed contribution• overly directive comments• offensive language (including sexist and profanity)• stilted, overly formal language• dominates conversation• absent from meetings• volunteers as secretary or recorder of meetings• takes role of joker• shows contempt for leadership• willing to do as told• presents self too strongly early in group discussion