

# Global Case Writing Competition 2012

## Social Entrepreneurship Track

### Runner-Up

#### Nuru Energy

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# Case Abstract

Nuru Energy is a social venture that was created in 2008 by an MBA graduate with five years experience in the development sector. The entrepreneur starts from nothing, bootstrapping a social venture with the ambitious goal of providing affordable and effective lighting solutions to 800 million poor people without access to the electric grid in sub-Saharan Africa and India. The case describes the challenges of growing social enterprises that have dual roles of profit and social impact. It focuses in particular on financing challenges and provides a context to discuss different financing sources and their implications.

The case is written in the first person, based on extensive interviews, and is illustrated with pictures of the products developed and the customers using them. It describes the evolution of Nuru from the motivation to start a venture, to the discovery of the problem to address, the definition of the vision and mission of the organization, and then the bottom-up design strategy that led to a very innovative and award winning product design. The case then focuses on the challenges of developing a sustainable business model, discussing different market-based and donor-based alternatives and how these can be financed. The central theme to the case is to assess the merits and drawback of different funding alternatives that were open to Nuru Energy in November 2010. These ranged from social angel investors, to venture philanthropy and corporate social investors.

In terms of learning goals, the case discussion allows for:

- understanding the emerging and diverse field of social investments (from donors to impact investors)
- realizing the importance of a sustainable business model and how it can be developed
- discussing the role of the social entrepreneur, how to achieve focus and avoid burn-out

MBA and EMBA audiences have enjoyed this case as it shows in a lively and inspiring way the achievements and challenges of one of their peers who became a social entrepreneur and has the goal of changing the world. Audiences of social entrepreneurs particularly like the case because it speaks to issues that are critical of finding a strategic focus and aligning it with the right financing model while avoiding personal burn-out in the process. Case B is a short update as of February 2011, explaining the financing choices made and its implications. It also sets the stage for a discussion of the important trade-offs in the geographical expansion of social ventures.