

## Global South Initiative: 2016 and Beyond

### Original Mandate

To empower 7000 Global South Missionaries to reach 500 communities by 2025 through:

- Financial Sustainability
- Leadership Development
- OM Structural and Cultural Change

Since 2014 GSI has:

- Granted \$1.6m
- Funded and supported 38 projects
- Impacted 60 OM fields

Each field had the responsibility to come up with a sustainability idea which would bring in profit to the ministry and provide additional resources to support individual missionaries.

However, our broad approach to-date has been successful up to a point, but has run into some key issues.

### NEW Mandate

Future GSI projects will focus exclusively on **financial** sustainability projects and develop expertise and tools to support these at both field and individual missionary level.

The GSI team will be developing a selection of pre-approved, pre-tested business ideas for fields to implement and missionaries to use to support themselves at an individual level.

Leadership development and OM structural and cultural change will continue to be championed at a global leadership level.

### What Does GSI 2.0 Look Like?

#### FIELD LEVEL

In practice, a field-led project will run a 'turn-key' business; a 'business-in-a-box'. These are business ideas which have been:

- Pre-tested
- Pre-assembled
- Enable a field to more easily start a business

Some of the ideas we are exploring include: raising chickens, agricultural processing, aquaponics, electronics repair, preschool education, language schools, sports/fitness and arts academies.

A business coach would work alongside a field to guide and support them through the start-up and launch phases and continue to assist by monitoring financial results, ongoing coaching and prayer.

The **GOAL** is to enable 40 GS fields to fund 75% of their overhead expenses through business activities, by 2025.

### 2016 is the year of transition

**There will be two cycles of applications: 31 May and 31 October 2016 .**

**All sustainability proposals will be evaluated based on GSI 2.0 criteria.**

We will continue to accept Leadership Development applications in 2016 (up until the limit of our LD budget). We will also continue to allocate a small portion of our funds for LD and sustainability consulting projects this year.

### Key Issues

- The GSI has limited resources and we face the challenge of doing a good job trying to meet all three outcomes. In addition, leadership development and organisational change really fit better within a global mandate
- High start-up costs or the requirement for specialised knowledge leading to limited profitability
- Businesses based on the suggestions of local experts but without consideration to the OM skill sets or opportunities that would strengthen OM ministry
- Lack of submissions from smaller fields due to lack of time and expertise to identify business ideas and write business plans

In addition, it has become clear that the projects could benefit from additional monitoring, training, support and ongoing coaching.

#### INDIVIDUAL LEVEL

Developing individual missionary turn-key businesses would greatly enhance a missionary's sustainability in hard to reach places. Business models would differ from a field-led model but the guiding principles remain the same. There is much opportunity for synergy between field-level and individual projects; seeing both benefit from business.

An example would be an integrated poultry model – the field operates the hatchery and processing plant; the individual missionary operates small-scale chicken farms to support themselves.

Our focus will be on launching more bi-vocational church planters in the global south.

The **GOAL** is to equip 20 fields with vocational training in order to enable 400 global south missionaries to launch turn-key individual businesses by 2025.

## GSI 2.0 - Frequently Asked Questions

### Why the focus now on financial sustainability alone?

The financial sustainability issue was what initially kick-started the GSI and we are just barely scratching the surface with our efforts. We feel that if we are serious about tackling this issue, it commands our full attention. In GSI 2.0, besides continuing to encourage ground-up innovations from fields, the GSI team will proactively research, pilot, and develop good sustainability plans that can be adopted by global south fields.

### Is it just about making money?

Well, no. While a key outcome of the GSI business projects is to help generate income to sustain our ministries, we believe that the missional outcomes are equally important. Missional businesses give missionaries an entry into less-reached communities and a real identity in them. Missional businesses can truly bring value and bless local communities; provide many opportunities for interaction with people and building relationships, and model whole-life Jesus-following.

### What exactly is a “turn-key” business?

A “turn-key” business is a pre-packaged business, with a great deal of work already done (e.g., business evaluation tools, financial model templates, start-up planning tools, standard operating procedures), so that you only have to “turn the key” so to speak to start up the business. In reality, businesses still need to be customised or adjusted for different contexts. However, the idea is that the work that needs to be done by the field or missionary to launch the turn-key business is minimised, so that their chances of success are maximised.

We see turn-key business operating at two levels – larger businesses run by global south fields, which can support the field’s mobilization efforts as well as operational costs. And small businesses for individual global south missionaries to support themselves and their families. Some turn-key ideas which we are exploring are chicken rearing, agricultural processing, aquaponics, electronics repair, preschool education, language schools, sports/fitness and arts academies.

In 2016, GSI will work with fields to pilot at least three field-level turn-key businesses. We are actively looking for ideas that show great promise of being replicated in different global south context.

### What will this transition year of 2016 look like? What if a field has already been planning a sustainability project or a leadership development programme?

In 2016, we will continue to invite fields to apply for funding, while the GSI team is developing and piloting turn-key business ideas. There will be two application cycles – **May 2016** and **October 2016**.

For sustainability projects, please contact **Seang-Pin Saw** ([seangpin.saw@om.org](mailto:seangpin.saw@om.org)) with your project concept. She will be able to help you assess if it qualifies for GSI funding. These are the types of projects you can request funding for:

1. Income-generating projects
2. Training programs that will lead to financial sustainability. E.g., business management training for Global South workers, or a field running a vocational training school
3. Business planning consultancy projects

Leadership development initiatives will continue to be eligible for GSI funding in 2016 up to the limit of our budget for this outcome. Please contact Reinhold Titus ([reinhold.titus@om.org](mailto:reinhold.titus@om.org)) if you are interested. GSI funding of leadership development initiatives will be discontinued from 2017.

### Will the approval criteria for financial sustainability projects change under the new mandate?

The GSI vision of seeing more highly effective and financially sustainable missionaries remains unchanged. The approval criteria remain largely the same although we intend to evaluate more thoroughly the financial impact component.

### Grant Qualification Criteria:

To qualify for a GSI grant, projects must fulfil the following:

- *Financial benefits used to support training or sending of global south missionaries, mobilization and field operational costs*
- *Projects must be approved by local and regional leadership*
- *Businesses must be majority owned and operated by OMers, and global south workers must be involved in the project*
- *Projects must have a Kingdom/outreach component*

**These are our evaluation guidelines for funding:**

- *Ideally a proven business model i.e. this has already been piloted successfully versus an untested model*
- *Business model shows reasonable profitability*
- *Recouping back of startup capital in 5 or fewer years*
- *Portable- business model shows potential to be implemented in four or more fields*
- *Scalable- business can be expanded in size and scope to make an increasing impact*
- *Many touch points for evangelizing the target people group*
- *Useful for training and launching bi-vocational church planters*
- *Management team track record*
- *Projects do not require specialised or unique skill sets that are extremely difficult to replace*

**Our funding policy:**

- *GSI almost never funds projects at 100%. We look to fields and individuals to raise at least part of the start-up costs*
- *GSI does not fund personal support costs items*
- *We may choose to release funds in stages as the project progresses and achieves important milestones*
- *We will likely grant a portion of the funding by way of an interest-free loan*

**If I already have a GSI-supported project, how am I affected?**

If you already have a GSI-supported project, not much will change. You will report to us as agreed, i.e. at six-monthly intervals for two years from the start of the project. In addition, we will continue to check in with you to see how your project is doing even after the two-year reporting period. We are particularly interested in existing projects that have the potential to become a turn-key concept.

**Will the GSI grant and monitoring processes also change?**

At minimum, all projects will report six-monthly for two years. However, depending on the nature of the project we may ask for more frequent reports (e.g., quarterly during start-up), or a longer reporting period (e.g., for businesses that take a long time to start-up, or that rely on annual seasons), and perhaps require more or less detail at different stages. Our intention is that these fine-tuned processes will help projects, not hinder them; sharpening the project team's focus, and involving the GSI Team more closely with tracking and coaching.

**What if I'm with a global north field? Is the Global South Initiative irrelevant to me?**

Not at all. We believe that some of the financial sustainability solutions that we apply in the global south may be applied in the global north as well. Successful ideas will be made available to all OM fields. The difference is that funding from GSI will only apply to GS fields.

Also, GSI is looking to partner with global north fields that can help raise funding and expert knowledge, as well as recruit business coaches who can help us facilitate our turn-key businesses and also provide on-site coaching and training for fields.