Pathways to sustainable scale

Exploring how mission-driven organisations across Africa leverage hybrid business models to build financial resilience and grow impact.

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Enabel

Research and authorship

This research was led by Brink's research team in close collaboration with Enabel.

About Brink

Brink is a Behavioural Innovation practice that designs and delivers programmes to solve complex challenges. Through methodologies including Open Innovation, Innovation Carve-outs and Innovation Missions, Brink works with partners to address the human factors that often prevent change from taking hold.

About Enabel

Enabel is the Belgian agency for international cooperation. With our partners, we develop ideas and implement projects addressing urgent global challenges, such as climate change, social and economic inequalities, demographic trends, peace and security.

Funding

This research has been co-financed by Belgium, under the Wehubit programme, and the European Union, under the Data Governance in Africa Initiative (DGA), the Digital and Green Innovation Action (DGI), and the Regional Teachers' Initiative for Africa (RTIA).

Belgium
partner in development

FOREWORD

At Enabel, we work alongside partners across Africa who are developing innovative solutions to complex and persistant social and economic challenges. Many of these organisations succeed at the pilot stage, proving that an idea works and that communities value it, but then struggle to move from pilot to impact at real scale. Time and again, we see such impact-driven organisations navigate the same fundamental tension: how to design and implement innovative solutions that remain accessible to the people who need them most, while building the financial resilience to make them last and grow.

This research, ‘Pathways to Sustainable Scale’, was commissioned by Enabel to better understand that tension, not theoretically, but through the concrete experiences of 18 organisations working across Africa in health, education, and climate. We wanted to move beyond generic prescriptions about “diversifying revenue” and instead surface the real trade-offs, behavioral shifts, and structural choices that hybrid financing demands in practice.

What emerges is a set of honest, practitioner-grounded insights. Hybridity is an ongoing, often difficult, negotiation between mission and money. How it plays out depends on leadership, context, and the realities of the systems in which these organisations operate. The Hybrid Archetypes Model presented in this report gives shape to that journey without oversimplifying it.

We hope this report will prove useful well beyond Enabel: to the organisations navigating their own hybridisation pathways, to funders rethinking what truly enabling support looks like, and to policymakers shaping the regulatory environments in which these models must succeed or fail. We are grateful to every organisation that generously shared its story, and to Brink for the rigour and care brought to this report.

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INTRODUCTION

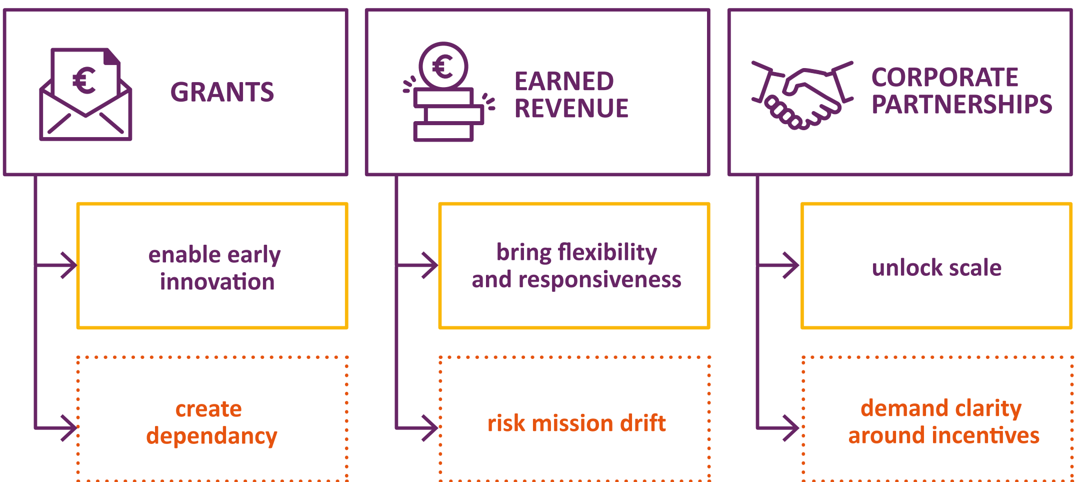
Across Africa, organisations working to improve social and economic outcomes are navigating a funding landscape that is transforming beneath their feet. Funding sources are changing and models are shifting, expectations around evidence and accountability are rising, and the work itself is becoming more complex. Many organisations now face a dual challenge: how to remain accessible and mission-led in contexts where users often cannot pay the full cost of services, while also building financial models that are resilient enough to survive and scale.

Financial sustainability is not simply a technical problem. It is a behavioural one. The incentives embedded in grants, the conditions attached to funding, the rhythms of funding cycles, and the expectations placed on organisations shape not only what gets funded, but how organisations behave, adapt, and make decisions.

This report sits inside that reality. It explores how organisations working in dynamic systems and with real constraints are evolving their business models over time. It also explores what pressures shape those shifts, what capabilities matter, and which strategies help organisations strengthen both financial sustainability and grow impact.

Strengthen sustainability and grow impact

Our explicit focus, which shaped our outreach, interviews, and analysis, has been on hybrid organisations: organisations that blend grants, earned income, philanthropic support, government contracts, commercial partnerships, or climate-linked revenue to remain accessible and impactful while strengthening financial resilience.



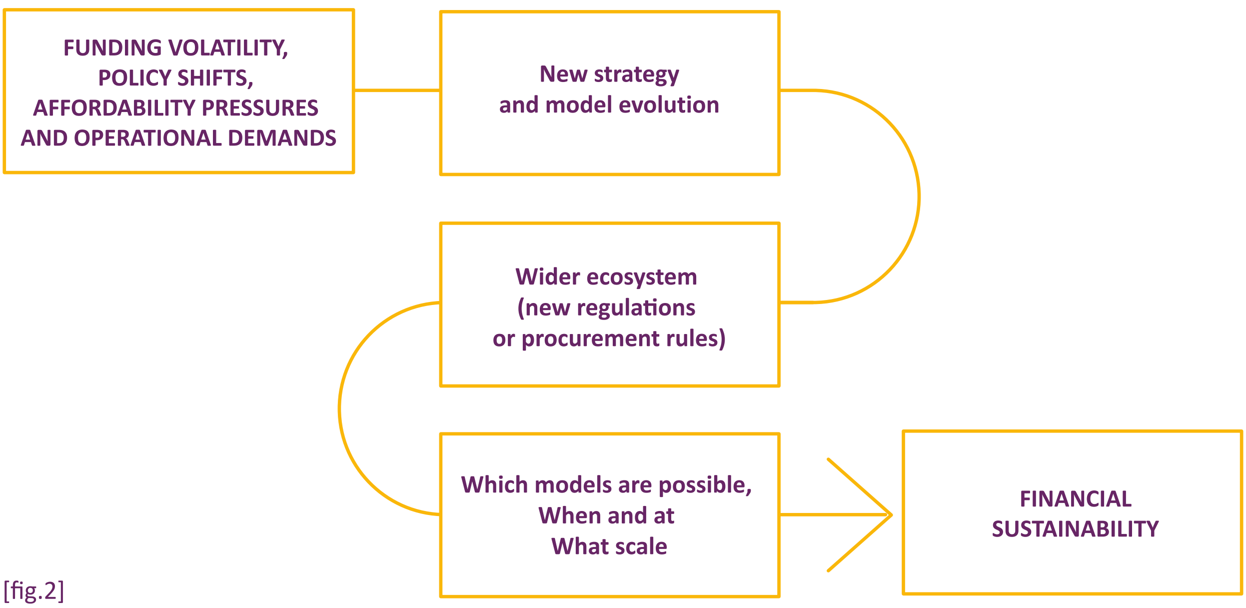
[fig.1]

Our rapid literature scan reinforced this: hybrid financial models are emerging not simply because organisations deliberately set out to be hybrid, but because single revenue streams are either insufficient or deemed to be unreliable for the challenges that organisations are trying to address or the communities they serve.

Single revenue streams are either insufficient or deemed to be unreliable

In this study, hybridity refers to organisations that combine nonprofit and commercial logic in order to deliver impact. Hybridity is dynamic. Models shift as conditions change; pragmatic decisions reflect affordability, regulation, and operational realities, and mission-anchored financial choices are made in service of purpose. Hybridity is also shaped by behaviour: grants can enable early innovation, but also create dependency; earned revenue can bring flexibility and responsiveness, but also risk mission drift; and corporate partnerships can unlock scale, but demand clarity around incentives [fig.1].

Organisations rarely travel a linear path toward financial sustainability. They navigate a series of model evolutions driven by funding volatility, policy shifts, affordability pressures, and operational demands. Shocks, such as losing a grant or absorbing increased costs, often prompt model evolution more than strategy alone. Wider ecosystem or enabling environment conditions, including responding to new regulations or procurement rules, shape which models are possible, when, and at what scale [fig.2].



[fig.2]

Overview of methods

We draw on qualitative interviews with 18 impact-focused organisations operating across Africa. Organisations were purposely selected on the basis of their social mission, engagement with diversified revenue models combining grants and earned income, geographic spread across Anglophone and Francophone Africa, and activity within either the Health, Climate, and Education sectors. Brief summaries of the interviewed organisations are available from Enabel upon request. The sectors were selected in part to generate insights about hybrid models in sectors where non-profit or government scaling strategies may be considered the norm. We therefore surface challenges from organisations who are innovating alternative strategies against ecosystemic defaults and hurdles and that are, as a result, we hope more readily transferable to other sectors where such system-defaults may not be as dominant.

Data were collected through one-hour, semi-structured interviews conducted online in November and December 2025. Interviews used narrative techniques to explore organisational journeys over time, with particular attention to shifts in business models, funding strategies, and mission alignment. Interviews were recorded, transcribed, and, where necessary, translated into English, with transcripts reviewed for accuracy.

Analysis followed a manual qualitative coding process, through which recurring themes and subthemes were identified across interviews. Themes were retained where they appeared across multiple organisations, enabling the identification of shared patterns while remaining attentive to contextual variation.

Findings are intended to be illustrative and practice-oriented, offering insight into common challenges and strategies rather than statistically generalisable conclusions.

How the report is structured

This report begins with a rapid scan of literature. This scan enabled us to establish a baseline understanding of how hybrid business models function in African contexts and to identify tensions and enablers that shape financial sustainability journeys. The scan also supported the design of our primary-research questions ahead of the interviews with our cohort of organisations.

We then introduce the Hybrid Archetype Model, which offers a lens for understanding how mission-driven organisations build financial resilience over time by combining different sources of income. The Hybrid Archetype Model outlines three hybrid archetypes - Anchored, Balancing, and Compounding - that describe common patterns in organisational hybridity and financial diversification. Crucially, organisations and their pathways are not necessarily so neatly categorised in practice - levels of financial diversification are fluid, and so too are the models that enable them.

We then bring together insights derived through interviews across nine themes that set out how organisations are pursuing financial sustainability in practice, the strategies they use, the constraints they face, and the behaviours that shape how their models evolve. Each theme includes subthemes, and each subtheme is evidenced through multiple organisation-level insights, and brought to life with a quote from interviewees. The themes are not presented in any particular order regarding their relative importance or relevance to the wider study.

The analysis draws on interviews with organisations operating across different geographies, models, and stages of maturity, supported by a rapid scan of existing literature and practice. The thematic analysis begins with how organisations structure and diversify their revenue. Diversification is not the whole story, but it is often the earliest and most visible adaptation organisations make as funding shifts and affordability pressures rise. Starting here provides a clear entry point into the wider patterns surfaced across all nine themes.

How to read the report

Readers can move **straight through the themes (Themes 1–9)** to understand the full range of strategies, constraints, and trade-offs that organisations navigate as they pursue sustainability and scale through hybridisation. Each theme is broken into subthemes, grounded in organisation-level insights, and illustrated with direct quotes.

Within each subtheme, the text in the blue box provides a short summary of the key insights. These summaries are designed to help readers quickly scan the report, capture the headline learning, and navigate directly to the sections most relevant to their interests.

Alternatively, readers can navigate with the **Hybrid Archetypes Model** (which is introduced page 14), which offers a simple sensemaking lens for interpreting common patterns, challenges, and strategies across different levels or stages of hybridisation.

Hybrid Archetypes Model offers a simple sensemaking lens for interpreting common patterns, challenges, and strategies

The model is not intended as a diagnostic tool, rather as a lens to help readers notice how different challenges and strategic priorities tend to surface at different points in an organisation’s evolution or at different levels of financial diversification. There are hyperlinks in the table which will take you to related sections of the report (note that these are non-exhaustive and not all sub-themes are navigable via the hyperlinks in the table).

SETTING THE SCENE: OUR RAPID SCAN

This rapid scan serves three purposes: first, to establish a baseline understanding of how hybrid business models function in African contexts; second, to identify key tensions and enablers that shape financial sustainability journeys; and third, to inform the design of qualitative research exploring how organisations navigate these dynamics in practice. The scan is deliberately selective rather than exhaustive, focusing on literature and evidence directly relevant to understanding hybridisation pathways for mission-driven organisations. It prioritises practitioner-oriented insights over theoretical completeness, and African contexts over global generalisations where possible.

Approach

Upwards of 35 sources (academic and other) have been used to support and inform this rapid scan. Across that data, authors highlight how hybridity - namely the blending of social and commercial logics - can enable ventures to generate diversified income while maintaining social missions. The evidence considers crucial tensions too as ventures hybridise, including around mission drift, governance, and legitimacy. Legal and policy environments also play a significant role in shaping the feasibility and sustainability of hybrid models (L 'Envol & SSE actors, 2024).

Collectively, the compilation of evidence suggests that viable hybrid business models depend on balancing entrepreneurial mindsets, commercial efficiency, and social mission. It also suggests that venture embeddedness within local ecosystems and embracing flexible and context-specific approaches to scaling underpin successfulpathways, reinforcing the importance of local adaptation, community engagement, and the mobilisation of diverse resources (ActionAid Senegal, 2024; Siemens Stiftung, 2024; Sawadogo, 2024).

The challenge: balancing mission and money

For ventures transitioning from purely non-profit models to financial diversification and, ideally, sustainability, holding fiscal goals in balance with an original social mission is often difficult (Ghatak, 2021). Social missions can be overshadowed by financial realities or priorities (Jenkins and Fries, 2012), and tensions may arise when revenue-generating customers or clients differ from product or service users (Battilana et al., 2012). This challenge is particularly acute in African contexts, where NGOs and social enterprises often face chronic funding scarcity and must adapt their strategies to align with available resources, sometimes at the expense of their core mission (Giraud & Olivier de Sardan, 2018; Shava et al., 2020). In Francophone West Africa, for example, ventures are increasingly compelled to explore revenue-generating activities and microfinance models to reduce donor dependency and achieve greater financial autonomy (WaidiWélé, 2011; Miller Center for Global Impact, 2022).

As ventures journey along varied pathways towards hoped-for scale and sustainability - whether the end goal is government adoption, a social enterprise model, or various forms of non- and for-profit hybridisation - ventures may also need to juggle the perhaps competing needs and expectations of investors and grant funders. This process is further complicated by the need to navigate local policy environments, decentralisation reforms, and the expectations of community stakeholders, which can vary significantly across regions (Moussa Sall, 2019; L'Envol & SSE actors, 2024).

Navigating structural constraints

As an additional challenge - and one that changes over time and with context - ventures may discover that establishing legal structures that can satisfy non-profit and profit generating models is not straightforward (Battilana et al., 2012). Advocacy for enabling legal frameworks, such as the push for formal recognition of the Social and Solidarity Economy in Benin, highlights the importance of supportive policy environments for hybrid models (L 'Envol & SSE actors, 2024). In addition, ventures with social missions typically operate under more challenging conditions than their commercial counterparts (Gupta et al 2015), experiencing a broad definition of resource scarcity (Doherty et al., 2014) and institutional voids (e.g. effective legal systems) (Mair and Marti, 2009). This is evident in both Anglophone and Francophone Africa, where NGOs must contend with funding volatility, human resource instability, and administrative burdens that can limit their ability to scale or sustain impact (Giraud & Olivier de Sardan, 2018; Shava et al., 2020).

Pathways through hybridisation

Our rapid scan finds that as nonprofit ventures evolve over time, they must navigate the complexities of changing or hybridising their business models, blending (or moving away from) grant-based funding with or towards new revenue streams. Evidence from across Africa shows that this transition often involves the adoption of commercial activities, microfinance, and strategic partnerships to supplement or replace traditional donor funding (WaidiWélé, 2011; Miller Center for Global Impact, 2022; Bacq et al., 2023). This evolution - from non-profit models towards goals of financial sustainability through different forms of income diversification - can be imagined as a kind of spectrum. This spectrum - what we call the "Hybrid Archetypes Model" - maps potential pathways away from higher-financial dependency and towards high-financial diversification, with a goal of increasing organisational resilience and sustainability.

Sectoral examples, such as agroecological initiatives in Senegal and job-creating social enterprises in Ivory Coast and Benin, further illustrate how local context, policy environment, and resource mobilisation strategies shape the journey along this spectrum (ActionAid Senegal, 2024; Siemens Stiftung, 2024). The Hybrid Archetype Model takes into account how that journey can be shaped by both sector and context, and illustrates typical organisational logic and challenges along the pathway. Importantly, though the Model delineates clear categories of hybridisation (i.e. Anchored, Balancing…), the categories are not considered rigid (i.e. in the real world, ventures are likely to experience less logical or linear pathways that resist neat or absolute categorisation. This is reflected in the literature, which emphasises the need for flexibility, adaptation, and context specific approaches to scaling and sustainability (Shava et al., 2020; Bacq et al., 2023).

Key themes from the evidence

To maximise utility, the evidence from the scan is collated and summarised thematically in the table below. It is hoped that such a presentation will enable comprehension of key insights to inform decision making for those interested in applying (rather than further theorising) the evidence. An annotated bibliography is available from Enabel upon request for those who wish to explore the evidence in greater depth. It includes summaries of the evidence used, explanations of its relevance in this context, key quotations, and full citations.

Theme	Key insight
1. **Hybridity as organisational strategy**	Hybridity blends social and commercial logics, allowing ventures to access a wider range of resources, but also creating internal contradictions and risks of mission drift. Increasingly viewed not as a structural compromise, but as a dynamic capability for innovation and adaptation. NGOs and social enterprises are increasingly adopting hybrid models to reduce donor dependency and achieve financial sustainability, sometimes as a strategic response to local resource constraints and policy environments. African definitions of social enterprise often reflect this pragmatic blending.
2. **Pathways to financial sustainability**	Ventures are moving from aid dependency to self-sustaining models by developing diversified revenue streams such as sales, contracts, microfinance, and commercial partnerships. Achieving financial sustainability depends on generating income from multiple sources, securing unrestricted capital and flexible funding, and engaging strategically with government and private sector partners. Combining grant funding with other forms of revenue can strengthen financial resilience and support scaling.
3. **Local embeddedness and community co-creation**	Successful social ventures establish legitimacy and trust by embedding themselves within the communities they serve. This involves prioritising participatory design, co-creation, and ongoing dialogue with local stakeholders to ensure that products and services are relevant and responsive to community needs. Building strong grassroots networks, investing in local capacity, and focusing on job creation, particularly for marginalised groups, are essential strategies for fostering acceptance and long-term adoption. Early-stage market creation can depend on behaviour change and awareness-building, laying the foundation for sustainable impact.
4. **Leadership, governance, and mission integrity**	Leadership is crucial in managing tensions between financial and social objectives. "Mission integrity" problems emerge when decision-making is decentralised or profit motives dominate. Transformational and pro-social leadership styles foster alignment. Effective leadership also requires strong organisational learning, adaptability, and the ability to build legitimacy within local communities. Human resource instability and the challenges of volunteerism highlight the need for leaders who can motivate, retain, and align teams.

Citations	Implications for practice
Doherty et al. (2014); Logue et al. (2025); Claeyé (2016); Grassl (2012) ; Miller Center for Global Impact (2022); Waidi-Wélé (2011); ActionAid Senegal (2024); Bacq et al. (2023); Littlewood & Holt (2018, 2015)	○ Treat hybridity as an evolving process, not a fixed structure. ○ Build internal cultures and governance mechanisms that legitimise and navigate tensions between profit and purpose. ○ Recognise that hybridisation is often a pragmatic response to resource scarcity or donor volatility that requires context-specific understanding and adaptation.
Gupta et al. (2015); Spring Impact (2024); Bridgespan (2024); Huffstetler et al.(2022); One Acre Fund (2020); Miller Center for Global Impact (2022); WaidiWélé (2011); ActionAid Senegal (2024); Shava et al. (2020)	○ Develop multiple revenue-generating streams. Seek ‘patient capital’ and unrestricted grants to invest in capacity, learning, and systems. ○ Engage governments early to embed models in public structures. Build strong partnerships with private investors and other ventures to diversify funding sources and look to extend the duration of financial support. ○ Prioritise effective resource mobilisation.
Gupta et al. (2015); Derdabi & Dvouletý (2024); Esau & Tengeh (2022); Open AIR (2024); Bacq et al. (2023); ActionAid Senegal (2024); Siemens Stiftung (2024)	○ Prioritise participatory design and local partnership. ○ Strengthen grassroots networks and capacity to ensure adoption and legitimacy. ○ Focus on local job creation (particularly for marginalised groups). ○ Invest in ongoing community education and awareness-building.
Ghatak (2021); Erdiaw-Kwasie & Abunyewah (2023); Logue et al. (2025); Bacq et al. (2023); Giraud & Olivier de Sardan (2018)	○ Recruit and empower leaders who embody pro-social motivations. ○ Establish mission-anchored incentive structures and transparent governance to prevent drift. ○ Focus on local job creation (particularly for marginalised groups). ○ Invest in organisational learning and adaptability, and develop strategies to motivate, retain,and align staff and volunteers with the organisation’s social mission

Theme	Key insight
5. **Scaling strategies and systemic integration**	Effective scaling typically requires moving beyond individual relationships to integrate solutions within broader systems, markets, or policies. Scaling is rarely linear; it involves adapting models for new geographies, expanding services, and embedding innovations within institutional frameworks such as government programmes or market ecosystems. Successful scaling strategies can focus on contextual fit, collaboration with governments and ecosystem actors, and the mobilisation of local resources.
6. **Structural and contextual barriers**	African social ventures operate amid weak policy environments, limited local funding, and donor volatility. Bureaucratic hurdles, administrative burdens of hybrid registration, and lack of local investment constrain scale. Ongoing advocacy for legal recognition and enabling frameworks is crucial for sector growth. Youth entrepreneurs face additional barriers due to risk aversion and lack of social safety nets.
7. **Youth entrepreneur-ship and aspirations**	Youth entrepreneurship in Africa is shaped by a complex interplay of financial motivation, desire for autonomy, and risk aversion. Young founders often face significant barriers, including high unemployment, limited access to capital, and the absence of social safety nets, which can make entrepreneurial activity appear risky and less attractive.
8. **Project duration and resource mobilisation**	Short project cycles and limited resource mobilisation often disrupt continuity and hinder the ability to scale impact. Ventures that rely on time-bound or unpredictable funding may struggle to maintain capacity, retain staff, and sustain community engagement. Securing longer-term support and building relationships with funders who prioritise sustained engagement are essential for organisational resilience. Embedding activities within public structures or local institutions, and developing partnerships that extend beyond individual projects, can help

Sources were identified through targeted searches of academic databases focusing on social entrepreneurship, hybrid organisations, and African development; grey literature from major development organisations and social enterprise networks; and practitioner reports from organisations working directly with African ventures.

Selection prioritised recent publications (2010-2025); evidence from or about African contexts; materials addressing financial sustainability and business model evolution; and sources combining conceptual frameworks with practical insights.

Citations	Implications for practice
One Acre Fund (2020); Open AIR (2024); Esau & Tengeh (2022); LEAP Africa (2024); Maluka et al (2018); Rao et al (2018); ActionAid Senegal (2024); Siemens Stiftung (2024)	○ Focus scaling strategies on contextual fit and system integration rather than replication. ○ Work with governments and ecosystem actors to institutionalise impact. ○ Prioritise building strong community partnerships. ○ Invest in job creation and capacity-building within target communities.
Claeyé (2016); Littlewood & Holt (2018); LEAP Africa (2024); L 'Envol & SSE actors (2024); Sawadogo (2024); MakeSense (2020)	○ Advocate for enabling policy frameworks and local investment ecosystems. ○ Build resilience through networks, flexible operations, and continuous adaptation. ○ Address human resource instability by investing in staff development and retention. ○ For youth founders in particular, seek mentorship and peer support.
Sawadogo (2024); MakeSense (2020)	○ Foster entrepreneurial spirit and build relevant skills among young team members. ○ Create supportive environments that encourage innovation and resilience. ○ Seek out mentorship, peer networks, and risk-sharing mechanisms. ○ Advocate for policies and programmes that improve access to capital and provide greater security for young entrepreneurs.
ActionAid Senegal (2024); Giraud & Olivier de Sardan (2018); Spring Impact (2024); Bridgespan (2024); Huffstetler et al. (2022); One Acre Fund (2020); Maluka et al. (2018); Rao et al. (2018)	○ Prioritise securing longer-term funding and building relationships with funders who support sustained engagement. ○ As part of that, engage governments and local institutions as a possible scaling partner. ○ Invest in capacity-building and community partnerships that can endure, and communicate the value of long-term impact to potential supporters.

Limitations

The evidence base is stronger for Anglophone contexts than Francophone; health and agriculture sectors are better represented than education or climate; and most literature focuses on East and Southern Africa rather than West or Central Africa. Though this is a limitation in terms of specificity, there is a degree of transferability to the findings across sectors and/or contexts in so far as they relate to shared challenges and strategies of mission-driven organisations as a category of organisations. These gaps informed the geographic and sectoral targeting for the subsequent qualitative research.

HYBRID ARCHETYPES MODEL

Based on our rapid literature scan and the insights yielded in conversation with our cohort of organisations, we have identified three archetypes for hybrid mission-driven organisations.
The Hybrid Archetypes Model is offered as a sensemaking lens. It is designed to help readers interpret the challenges and strategies in Themes 1–9 without binding organisations to rigid characterisations or assuming a linear progression from 'dependency to diversification' (or vice versa).

Taken in isolation, the archetypes characterise different stages or levels of financial diversification and the relative proportionality of grants vs earned income. The archetypes also categorise the typical strategic priorities for organisations within or across the archetypes. Taken together, these archetypes help to plot key inflection points on an imagined pathway; a journey from grant dependency or financial concentration and towards financial diversification [fig.3]. The Hybrid Archetypes Model does not explicitly sort organisations based on their size or the scale of their impact - it is possible that a largely grant-reliant organisation is run by a large team but with limited mission impact, or that a highly diversified organisation is run by a small team that delivers outsized mission impact. That said, when we map the organisations in our cohort onto the Hybrid Archetypes Model we do see, when read from left to right, that organisations tend to scale in terms of team size, countries of operation, overall revenue, and relatedly, the overall extent of their mission impact.

Crucially, these archetypes offer a way of interpreting and framing broad patterns across the themes and subthemes. Where diversification is pursued (which for some mission-driven organisations it may not be for various reasons), organisations don't jump from archetype to archetype; **journeying is more likely as organisations learn and adapt over time** as realities change, constraints appear and disappear, and opportunities present themselves.

Pathways are not so neatly categorised in practice - levels of financial diversification are fluid, and so too are the models that enable them. There is also no suggestion that one archetype is always better or more suited to mission impact than another, nor that organisations should, by default, seek to venture along this pathway - merely that these are the broadly defined archetypes we have seen across our cohort, and that scaled resilience and scaled impact are correlated in general terms with more hybridised models.

The three archetypes are called Anchored, Balancing, and Compounding. Here we are describing the extent to which business models and revenues have hybridised or diversified, not the nature of the organisations themselves. For example, Anchored does not describe the scale or maturity of an organisation itself, but rather, the nature of its dominant grant-led hybrid business model and low financial diversification efforts. The "typical strategic priorities' rows consolidate some of the crucial inflection moments or pain points for organisations of that archetype(s) if or when financial hybridisation is sought after or realised. For example, for Anchored organisations in particular, seeking out unrestricted funding sources should be a key strategic priority. We have assigned some the "typical strategic priorities" to just one archetype, others to two, and some to all three - this is our assessment of where that strategic priority best fits, but we expect that in practice they are less neatly or absolutely restrained by this categorisation (e.g. seeking out unrestricted funding can be strategically valuable for organisations outside of the Anchored archetype too).

The table is non-exhaustive, and not all of the challenges, strategies, or key inflection points for organisations in our cohort are captured in this table. Whilst useful for navigating the report to a certain extent, they are intended mainly to bring the Hybrid Archetypes Model to life by giving some indication of the challenges faced and strategies used across the Anchored, Balancing, and Compounding archetypes.

[fig.3]

<table>
<tr><th></th><th>Anchored</th><th>Balancing</th><th>Compounding</th></tr>
<tr><td>Model Overview</td><td>Grant-led, with emerging earned income
Organisations that are primarily grant supported, but that are actively testing or building revenue-generating activities through either market or partnership based approaches.</td><td>Grant funding and earned revenues in relative balance
Organisations that operate with both grant funding and earned revenue in relative proportionality, and where mission and commercial logics are balanced. Some revenue-generating models are increasingly mature, others may be more nascent. Grant funding remains crucial.</td><td>Earned income led, with limited but strategic grant funding
Organisations that continue to deliver against their social mission, through a model that is diversified, mature, and more reliant proportionally on earned revenue than on grant funding. Grant funding is still used, but typically for specific activities that cannot be funded elsewhere.</td></tr>
<tr><td rowspan="4">Typical Strategic Priorities:
Archetype Specific and Shared</td><td>Seeking out unrestricted funding
Accessing corporate revenue
Being flexible and responsive underpressure</td><td></td><td>Navigating shifting government requirements through partnerships</td></tr>
<tr><td colspan="2">Balancing affordability and viability
Resourcing low-odds grant applications</td><td></td></tr>
<tr><td></td><td colspan="2">Responding to increasing governance and regulatory complexity
Navigating market-based competition
Expanding into new territories and markets</td></tr>
<tr><td colspan="3">Innovating new products and services to create growth
Maintaining mission alignment
Generating evidence about impact and value
Building trust through community engagement</td></tr>
</table>

Theme One

STRATEGIES FOR FINANCIAL DIVERSIFICATION

01

STRATEGIES FOR FINANCIAL DIVERSIFICATION

Across the continent, organisations are recognising the importance of diversifying their revenue as a practical response to changing funding conditions, affordability constraints, and ambitions to sustain and scale impact. In the **Hybrid Archetype Model**, revenue diversification is often one of the first visible shifts organisations make as they move from reliance on a single dominant funding source towards a more resilient mix of income streams. Regardless of where organisations sit along the Hybrid Archetype Model, revenue diversification variously functions as a way to reduce risk, build resilience, and as a key lever for extending reach and operating at greater scale. Rather than following a predefined plan, financial diversification can also be dynamic, with trial and error strategies for testing different revenue-generating models a typical approach.

Revenue diversification variously functions as a way to reduce risk, build resilience, and as a key lever for extending reach and operating at greater scale

Importantly, diversification does not only happen on the revenue side. Several organisations also strengthen sustainability by reducing or redistributing costs, for example, shifting specific expenses to community-based mechanisms, or designing models that lower unit costs over time. In practice, financial diversification combines new income streams, smarter cost structures, and different ways of sharing financial responsibility between organisations, communities, and partners.

Financial diversification combines new income streams, smarter cost structures, and different ways of sharing financial responsibility between organisations, communities, and partners.

Across the interviews, diversification emerged not as a single decision, but as an ongoing behavioural response to constraint rather than a fixed end state. Choices about revenue are shaped by who can pay, which funding is available, and what systems organisations must operate within. Many organisations described diversifying in moments of shock, such as losing a major donor, as well as in more gradual transitions, where existing models could no longer absorb rising costs or reach the scale required.

When examined more closely, these diversification choices tend to cluster around four interrelated areas: Diversifying revenue sources and types; Underlying motives or incentives for diversification; the role of corporate funding; and access to critical but limited unrestricted funding. This theme explores how these strategies show up differently depending on an organisation's current mix of grant and earned income, and the operational realities that come with each.

Innovation-related strategies cluster around four interrelated areas: Diversifying revenue sources and types; Underlying motives or incentives for diversification; the role of corporate funding; and access to critical but limited unrestricted funding

1.1 Diversifying income sources and types

Across our interviewees, diversified revenue mixes include combinations of grants, philanthropic donations, direct sales, carbon credits, impact investments, commercial partnerships, and more. Most organisations operate multiple revenue streams in parallel rather than relying on a single dominant income source, and several note that diversification was initially triggered by funding shocks or gaps that forced them to explore new options. This pattern reflects a common early step along the Hybrid Pathway, where diversification begins as a response to volatility before it becomes a deliberate or mature strategy. Early-stage organisations also consistently referenced reliance on founders' personal networks and contributions before formal revenue models emerged.

Green Farmlands (an agricultural and community-based organisation in Cameroon supporting food security, farmer livelihoods and market access): Green Farmlands relied on the founders personal finances, donations from family, friends, and wellwishers, and then initial small grants. A more substantial grant from an Echoing Green fellowship followed, enabling the scaling of non-profit operations as well as the testing of new emerging commercial activities, illustrating how grant capital can act as transition support, underwriting experimentation while earned income pathways develop. "Green Basket" is an e-commerce platform for small holder farmers, with a marginal mark up for Green Farmlands, and the Black Soldier Fly Unit produces and sells food and fertiliser inputs to farmers - both are in the relatively early stages of testing, but are proving to be revenue-generating and profit-making.

Grant capital can act as transition support, underwriting experimentation while earned income pathways develop.

"We got a donation of $1,000 from the Pollination Project. That was the first grant we ever got. It's mostly been like friends, family, personal investment, and then small grants. It was only in 2023 that I got this huge grant from becoming an Echoing Green fellow that we've been able to have a fully functioning team."

Educlynk (a Cameroonian education organisation founded in 2017 connecting learners to tutors and building digital learning support products): Similarly to GreenFarmlands, Educlynk has started its journey leveraging "love money" from family and friends before tapping into grants and philanthropic capital. Both types of funding could not allow for quick growth and higher reach of the solution. They therefore started to implement revenue generating activities where individuals or corporations paid for training services. The income from that activity was able to sustain the activities of the organisation to date but they are still limited in their growth. They are currently considering accessing commercial capital; which they would not have had access to before they started generating revenue.

"We have been trying to build this solution basically out of our own savings but it started running dry. It's when we turned to family and friends and after that again we look at other funding."

Talk To Your Midwife (a Ghanaian organisation, founded in 2024, transforming maternal and reproductive health services to reach underserved populations): The Hanga SRH programme was Talk To Your Midwife's first grant, which helped scale the solution from an idea to a viable model. Initially, Talk To Your Midwife operated on a solely B2C model basis, but soon realised that their target users - pregnant women in the marketplace receiving antenatal services - could not afford to pay the full cost of providing the service. They sought partnerships with the Ministry of Health and the Ghana Health Service to cut down operational costs, agreements with the health insurance sector so that services could be free at the point of service for women who had insurance, and they continue to apply for and leverage grant funding to subsidise costs for women without insurance.

"Mothers pay $2 for consultation, but if they have insurance, it's free for them. And we provide ultrasound scans for $5, approximately. All these funds that we take from these mothers is subsidised - it's quite a lot higher in other institutions. We generate revenue to be able to maintain what we are doing, and grant funding helps us to subsidise the prices."

"We generate revenue to be able to maintain what we are doing, and grant funding helps us to subsidise the prices."

Aflatoun (an education organisation operating globally to empower children and young people through social and financial education): After securing a small grant from Skoll to fund a successful pilot, the founder realised they did not want Aflatoun to become dependent on Western donors. Following major funding challenges after losing two of its three main donors, Aflatoun diversified to six main revenue streams: Asking partners to make a small financial contribution to the network, with rates based on their capacity to pay; charging for bespoke trainings to richer Western-donor-funded NGOs within the network; unearmarked funding, such as an annual grant from the Dutch national postcode lottery; specific funding for in-country projects from donors like Dubai Cares; winning RFPs as a contractor for services, such as curriculum development for organisations like UNICEF; and Aflatoun Ventures, a side entity for commercial activities like developing educational videos for organisations such as Visa, with profits returning to the NGO.

After losing two of its three main donors, Aflatoun diversified to six main revenue streams including a side entity for commercial activities like developing educational videos

"I joined in 2015. At the time, we only had three donors, the Mastercard Foundation, the Lidl supermarket chain in Germany, and the Dutch postcode lottery. The week I arrived, the Mastercard Foundation project ended, Lidl said 'you're our favorite partner, but our board has decided to only fund Germans, so you're out.' So, we only basically had one funding stream, which is of course completely unreliable and unsustainable."

However, financial diversification is achieved not only through adding new revenue streams but also through strategic cost transfer, monetising technical capacity, adapting institutional positioning, and fundamentally altering how products are packaged and sold for long-term financial durability. For example:

Strategic cost transfer

BAMA Foundation, a Ugandan organisation founded in 2004 to improve access to timely care and emergency support for mothers and babies, works with community-based savings and loan groups to cover specific, recurring costs such as emergency transport, reducing the share of these expenses that must be funded through grants or core organisational budgets.

Monetising technical capacity

Muso Health, founded in 2005, delivers proactive, community-based care and health-system strengthening support across Mali, Côte d'Ivoire, Zambia, Senegal and Sudan. It generates revenue by contracting its expertise, providing technical assistance, supervision support, and digitisation know-how to other NGOs (such as partners in Senegal and Sudan) and institutions funded by multilaterals. This allows Muso to earn income from its proven model and capabilities, separate from direct grants or government contracts.

Repackaging commercial offerings

AirQo, founded in 2015 in Uganda, is an African air-quality organisation that uses sensors and digital tools to generate hyperlocal pollution data. It shifted away from selling individual sensors, which proved financially unsustainable, toward bundled "packaged solutions" that combine sensors, data platforms, and engagement, generating sufficient revenue to operate city-wide networks.

Across organisations, diversification commonly reflects a broader move along the Hybrid Archetype Model away from reliance on a single funding source or mechanism, even though the specific mix and sequencing of revenue streams varies widely by context and maturity. While diversification generally improves resilience, managing multiple income streams and cost arrangements increases internal complexity, often requiring stronger financial management, coordination, and reporting systems as hybrid models become more embedded.

1.2 Underlying motives or incentives for diversification differ

Though diversification itself is common, the underlying motives for it vary across institutions. Some of our stakeholders are driven by a desire to reduce or even eliminate donor dependency, while others view new revenue streams as a pathway to unlocking scale. Additionally, some institutions seek alternative income sources to address user affordability needs through cross-subsidisation strategies. Clear differences by maturity stage emerged: early-stage organisations diversify for survival and to escape donor dependence; mid-stage organisations diversify to address affordability gaps; and more mature organisations diversify to expand their impact footprint and operate at scale. Several organisations additionally framed diversification as a response to donor volatility and unpredictable funding cycles. In other instances, sudden funding withdrawals, such as the loss of major US-based support in early 2025, acted as a direct trigger for rethinking and restructuring financial models.

Reduce or even eliminate donor dependency, while others view new revenue streams as a pathway to unlocking scale

Sanergy (an urban sanitation organisation, founded in 2011, that operates in Ghana, Nigeria, Kenya and Tanzania, using a circular approach to deliver safe waste management and turn waste into useful products): Early in its journey, Sanergy realised that a purely self-sustaining toilet model would limit its reach relative to the scale of the challenge, making diversified revenue streams essential for expanding access to safe sanitation at city scale or beyond. The company has now introduced organic fertilizer, insect-based animal feed and also renewable energy through waste-based briquettes. For Sanergy, diversification enables cross-subsidisation sanitation, keeping services affordable for their typically low-income clients.

“We thought the toilets could be run profitably, so that operators, entrepreneurs, or landlords would invest in the toilets and they would be able to cover the cost of the toilet and the ongoing services for that. While that was definitely true for some, it was the minority. We were suddenly at this moment where we have 500 toilets that are being run in a self-sustaining manner, but we’ve capped out on all the people who can actually afford to to cover all of the cost to deliver this...500 toilets serves about 50,000 people approximately, and that’sgood, but that doesn’t move the needle significantly or permanently”

One Acre Fund (an organisation founded in 2006, that supplies smallholder farmers in East Africa with asset-based financing and agriculture training services): One Acre Fund’s core model provides farm inputs and training on credit, which enables the organisation to recover a substantial share of its field operating costs. Revenue diversification, achieved through rural retail, market access services, insurance, donor support, and emerging areas like carbon credits, is driven less by the need to strengthen organisational resilience, and more by a motivation to expand impact beyond the core loan product (e.g. for afforestation activities which are entirely non-profit), and also to keep services affordable for farmers through cross-subsidisation.

“We were not thinking about like a general NGO, but really like okay but let’s make this driven by the farmers themselves. So they own this process, are empowered, and also have more skin in the game. So we made it a loan. We don’t give this for free...we provide high quality inputs to farmers on credit [and] on top of that, we add a service charge which is then used for the training that we put in place. So we will work with the field officer that guides this farmer throughout the season and helps them apply the latest techniques.”

Save the Children Global Ventures (a Save the Children entity, founded in 2022, which invests in innovative projects and companies making a transformative impact for children globally): Global Ventures was born from the experience of the CEO of Save the Children Australia, where dramatic aid budget cuts forced him to explore alternative funding through impact investment, social enterprise partnerships, and climate finance mechanisms. The broader Save the Children movement recognised the need for institutional transformation to face the changes in the funding landscape. Leadership concluded that navigating this new reality required capabilities to access capital pools traditionally unavailable to NGOs and the ability to operate beyond conventional humanitarian models.

“The objective is to ensure the sustainability of interventions beyond the organisation’s mere presence and grant funding,”

PharmAccess (founded in 2001, a large health organisation operating in Ghana, Kenya, Nigeria and Tanzania that improves access to quality healthcare through financing, digital tools and partnerships): For PharmAccess, diversification is not motivated by scale or expansion alone, but by a need for model resilience, service continuity, and the ability to operate credibly within public systems. A stable core of government funding enables the organisation to absorb uncertainty and operate at a basic level whilst also bridging gaps between smaller project-based grants without jeopardising delivery.

"So mostly we are funded by Dutch government like 70% of our funding, but also we receive funding from different donors and partners to support the mission…this 70% funding is there to assure the basic funding, to keep things moving, it's mostly covering the salaries, other out of pocket costs, and some projects which maybe you need some small initial funding while you are looking for another donor."

Across organisations, diversification reflects differences in organisational maturity, mission priorities, and exposure to funding volatility rather than a single shared objective. Several organisations emphasised that diversification decisions were highly time-sensitive: the same revenue strategy could be enabling in one phase of the Hybrid Archetype Model and destabilising if pursued too early, before operational systems are in place, or too late, once financial pressures have already accumulated.

1.3 Corporate funding is an often untapped, missed opportunity

Across our research target group, corporate and private-sector funding emerges as a meaningful but underutilised complement to donor and earned revenue. Some organisations are turning to the private sector as commercial customers who purchase products and services outright. Engaging the private sector can open new pathways to financial resilience for institutions, support subsidised access for low-income users, and provide catalytic funding for innovation.

Organisations also highlighted gaps in commercial capability and internal capacity required to pursue corporate opportunities at scale, noting that successful collaborations tend to occur where there is strong mission alignment rather than conventional Corporate Social Responsibility (CSR). Several organisations noted that corporate revenue often plays two roles: generating higher-margin income that can cross-subsidise, and increasing visibility or market access through partnership platforms.

That corporate revenue often plays two roles: generating higher-margin income that can cross-subsidise, and increasing visibility or market access through partnership platforms

Aflatoun, Minza, and Wonderbag illustrate different approaches to corporate engagement, from service contracts and sponsorships to large-scale commercial partnerships and platform-based visibility.

Aflatoun: For Aflatoun, private-sector funding remains an emerging but generally underexploited opportunity. They have some commercial collaborations (e.g developing financial education videos for Visa), but they also speak of challenges in fully realising these types of opportunities at scale - efforts to work with private schools for profit, for example, remain largely unrealised. In addition, organisations in Aflatoun's partner network are themselves focused on identifying revenue diversification opportunities due to shrinking donor funds, and Aflatoun is developing an income diversification toolkit to support members to explore new income streams.

"We have set up AflaVentures to do more commercial activities. Like for example, last year VISA wanted to have 20 videos for their website, educating audiences with financial education. They hired us to develop the scripts and make the videos in different languages, and we basically charge them commercial rates and the profit of that will then go back into the NGO"

"We basically charge them commercial rates and the profit of that will then go back into the NGO"

Minza Academy (an education organisation, founded in 2016, offers innovative training programmes to improve employability across Burkina Faso and Morocco): Minza's commercial revenue stream comes from contracts with companies who pay premium rates for staff training in English, leadership, digital skills, and change management. These private-sector contracts are priced higher than student tuition, allowing Minza to cross-subsidise access for unemployed and low-income learners. In addition, Minza's annual forum is supported by Corporate sponsorships and paid participation.

"We're working on a contract with a local bank that wants to train its staff..these are really defined market opportunities for businesses [and] we're kind of setting aside the social enterprise aspect here, but we need this to support our mission…a third source of income will be the forum. For SMEs that already have a stable income, we will ask for participation fees, but for startups and companies that are just starting out, it will be free"

Wonderbag (founded in 2008, Wonderbag operates globally to promote low-energy cooking through its insulated cooking bag): Wonderbag's private-sector collaborations have come from corporations whose missions or commercial interests align with its social and environmental impact. Unilever partnered with Wonderbag through large-scale bulk purchasing and co-marketing initiatives, using the Wonderbag's popularity to drive product uptake in target regions while advancing sustainability goals. Pfizer Vaccines collaborated with Wonderbag on community "Wonderfeasts," leveraging the Wonderbag's convening power to promote vaccine uptake and share health information. Amazon featured Wonderbag on its homepage for multiple weeks with stated PR gains, whilst driving substantial retail sales and revenue for Wonderbag.

"And again, a lucky chance, I met Bezos, cooked him the hottest curry I possibly could, said to him, 'I don't know what online shopping is. I don't know what you do. I don't know anything about you, but listen to my story'… six weeks later, we launched on Amazon, on their homepage for nine weeks, and they put a PR team around meand we sold thousands and thousands of Wonderbags."

Save the Children Global Ventures: Global Ventures treats corporate partners as market participants rather than passive funders, particularly through its climate finance model. By selling voluntary high integrity carbon credits directly to corporate partners, the organisation captures more value within the system and reinvests proceeds into programming. This direct relationship is also a way to ensure they are able to vet corporate partners and their climate commitments

"Save the Children Global Ventures submits high integrity carbon credits based on our programming… we don't use carbon funds or third parties to market the credits: we market them directly to our partners, which allows us to vet corporate partners and their climate commitments and preserves the margin to reinvest in the projects."

Across organisations, corporate funding appears most viable when structured as a commercial relationship that supports cross-subsidisation and market access, rather than as philanthropic support. Access to corporate funding was also shaped by power asymmetries, with larger or more established organisations typically better positioned to absorb commercial risk, meet procurement requirements, and negotiate partnerships on favourable terms, highlighting how hybridisation often increases both opportunity and exposure as organisations move towards more earned-income models.

1.4 Unrestricted funding is crucial, but demand outstrips supply

Across the stakeholders, unrestricted funding is described as essential for flexibility, enabling organisations to allocate resources where they are most needed, respond to unexpected challenges, and pursue innovation without being constrained by rigid donor requirements. Despite its importance, particularly for early-stage organisations and for activities like piloting and experimentation, research and development (R&D) and covering core costs, such funding remains scarce. In Hybrid Archetype Model terms, unrestricted funding often functions as the fuel for model evolution, supporting the internal systems and learning that make diversification emergent.

In Hybrid Archetype Model terms, unrestricted funding often functions as the fuel for model evolution

Unrestricted funding is especially vital for entities engaged in ongoing experimentation or model iteration, and that restricted grants can create misaligned incentives or pressure organisations into premature scaling. Several organisations also emphasised that unrestricted capital is key to building internal systems and talent, and that hybrid structures in particular require flexible funding because they often test multiple business lines concurrently.

BAMA, myAgro, and Talk To Your Midwife illustrate how unrestricted capital supports adaptation, internal system-building, and iterative model development in contexts of uncertainty.

BAMA: For BAMA, unrestricted funding is fundamental to running a responsive maternal health organisation operating in unpredictable, resource-constrained settings. Unrestricted funds allow BAMA to cover essential operational costs, shift resources when emergencies arise, and invest in gaps that donors overlook. Their unrestricted funding has previously primarily come from family foundations through their US based entity BAMA USA.

“Unrestricted types of grants are the ones that I would consider better because they give you the bandwidth to decide what you can do, and without so much restriction, we can just do what we said we’ll do without others dictating certain benchmarks.”

In parallel, BAMA has also reduced its reliance on external grants by working with community-based financial structures, such as savings groups, to co-finance specific elements of care (for example, emergency transport costs).

In these cases, unrestricted funding and community contributions work together: flexible capital covers core systems and gaps, while community mechanisms take on recurring, locally manageable costs.

myAgro (an organisation founded in 2011, operating in West Africa, provides a mobile layaway savings model that enables farmers to invest their own funds in high-quality seeds, fertilisers, tools and training): myAgro’s model relies on experimentation and innovation, from testing new farmer engagement approaches to refining technology and distribution, and so restricted grants with pre-set deliverables can stifle the flexibility required to test, fail, and problem-solve. Unrestricted capital enables myAgro to invest where learning is needed most and respond to unexpected challenges, and suggest that when funders provide lists of requirements and deliverables, organisations deliver against those requirements rather than seeking wider solutions.

“I think unrestricted [funding] is a way to scale, but especially also to innovate. Because the world is always changing, right now one of these challenges is like how can we get the cost per farmer down, [and] this requires innovation…we don’t know what we don’t know, and so we need unrestricted funding to solve for what we don’t know, and if you’re coming up with a list of requirements and deliverables we’re just going to steer towards those those requirements [and] we’re not going to steer towards finding a real solution.”

Talk To Your Midwife: Talk to Your Midwife illustrates how rigid, restricted grants can misalign incentives and push young organisations into premature scaling or activities they lack capacity for. Sarah explains that early-stage maternal health innovators need room to test and learn, adapt their model, and build systems gradually. Without unrestricted support, organisations like hers face pressure to deliver outputs designed by donors rather than those truly needed by pregnant women and midwives on the ground.

Rigid, restricted grants can misalign incentives and push young organisations into premature scaling or activities they lack capacity for

"With the restricted funding, sometimes the organization is forced to do certain things that they are not ready to do, especially if they are young startups...sometimes these young startups are confused, they don't even know what the organisation needs at the moment, but because it's a program and it has to end in a particular time frame, they are forced to do certain things... I feel sometimes they should give entrepreneurs the flexibility to explore...I sincerely believe that, especially early stage startups, should be given the flexibility to test and learn."

"I sincerely believe that, especially early stage startups, should be given the flexibility to test and learn"

Across organisations, unrestricted funding enables experimentation and internal capacity-building, acting as critical transition support for hybrid models managing multiple revenue streams and evolving business lines. Without it, organisations often struggle to invest in the systems and capabilities needed to make diversification sustainable over time.

Theme Two

INNOVATING NEW PRODUCTS AND SERVICES

02

INNOVATING NEW PRODUCTS AND SERVICES

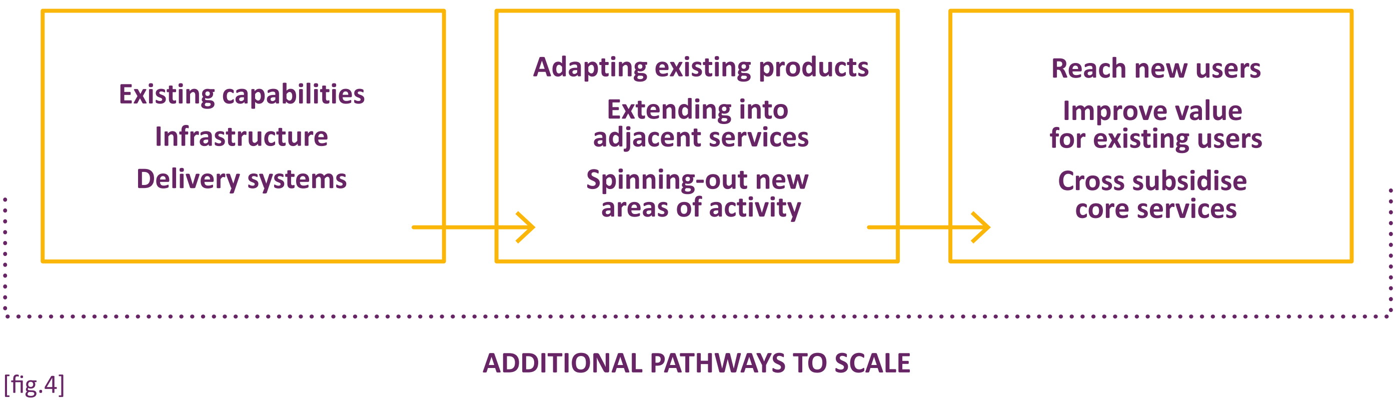
Regardless of where organisations are on the Hybrid Archetype Model, the use of product and service innovation as a means of strengthening financial sustainability and impact is a common strategy. In the Hybrid Archetype Model, this kind of innovation is often one of the ways organisations translate mission strengths into more resilient and diversified income over time without needing to abandon their core delivery model. Across the organisations in this study, innovation is rarely pursued as a standalone growth ambition; instead, it typically emerges as a pragmatic response to financial constraints, affordability limits, or operational challenges within existing models.

Developing new offerings, whether by adapting existing products, extending into adjacent services, or spinning-out new areas of activity - most often builds on existing capabilities, infrastructure, or delivery systems [fig.4]. Rather than starting from scratch, organisations repurpose what they already do well, enabling organisations to diversify revenue while deepening or extending their mission. Innovation therefore operates as both a commercial strategy and an impact lever: it allows entities to reach new users, improve value for existing users, cross-subsidise core services, and open up additional pathways to scale without undermining accessibility or mission focus. Innovation is most often grounded in what organisations already have, existing infrastructure, capabilities, relationships, or delivery systems. New products and services are developed to make current models work better, last longer, or reach further, rather than to pursue growth for its own sake. In this way, innovation functions simultaneously as a financial adaptation strategy and an impact extension mechanism.

Rather than following a linear or planned innovation pathway, organisations describe iterative experimentation - testing, adapting, and layering new offerings as conditions change. Innovation is therefore embedded in day-to-day problem-solving, shaped by real constraints and trade-offs, and closely tied to how organisations evolve over time. For hybrid organisations in particular, this often means managing multiple revenue streams and evolving business lines in parallel, rather than replacing one model with another.

Innovation-related strategies cluster around three interrelated areas: organisations expanding their product or service portfolios to diversify revenue; organisations using innovation as a mechanism to extend or amplify their social mission, and organisations innovating how products, services, and expertise are packaged, priced, and delivered to ensure long-term financial viability

When examined more closely, innovation-related strategies cluster around three interrelated areas: organisations expanding their product or service portfolios to diversify revenue; organisations using innovation as a mechanism to extend or amplify their social mission, and organisations innovating how products, services, and expertise are packaged, priced, and delivered to ensure long-term financial viability.



[fig.4]

2.1 Organisations expanding their product or service portfolios to diversify revenue

Across the interviewees, organisations develop new products or extend their service offerings as a strategy to broaden their revenue base. Whether by adapting existing capabilities for new customer groups, creating adjacent services, or entering entirely new markets, these companies use product and service diversification to stabilise income, reduce reliance on single revenue sources, and open pathways to scale. This kind of layering is common as organisations journey along the Hybrid Archetype Model: rather than replacing one model with another, they build parallel income-generating arms.

GreenFarmlands: To sustain core food-security activities, Green Farmlands is building two income-generating innovations: the Green Basket e-commerce platform, which connects smallholder farmers to urban consumers with a 10% margin, and the Black Soldier Fly unit, where larvae are produced and sold as organic fertiliser and animal feed. Both emerged from identifying local needs, and both are designed to generate revenue to cross-subsidise the Adopt-a-Garden and Farm School initiatives.

"Currently, we have four main projects. We have the farm school, we have the adopt a garden, we have Green Basket, and then we have the Black Soldier Fly unit as well...the adopt a garden and some aspects of the farm school, we run them as charity. Then our e-commerce and black soldier fly unit, we run as income generating arms to be able to support the charity part of the organisation."

Sanergy: Sanergy, through its for-profit arm Regen Organic, has diversified beyond its original container-based sanitation offering through a strategy of continuous product diversification. As they expanded their waste-collection infrastructure, they developed a portfolio of new products - including biochar, briquettes, fertilizer, and animal feed - and a for-profit retail model to distribute and sell those products commercially.

"With those waste streams, we can convert them into different products. Organic fertilizer is still what we very much lead with. It's kind of our signature product. But we also do things like insect protein, biochar which is a charcoal like substance and also a soil conditioner, we have the capacity to make briquettes too…these are all different ways of managing waste and converting it into agricultural or energy inputs."

Across organisations, portfolio expansion tends to build on existing assets, infrastructure, or operational strengths rather than requiring entirely new capabilities from scratch. However, several organisations also noted that expanding product and service portfolios increases operational complexity, particularly as organisations move along the Hybrid Archetype Model and begin layering new offerings onto existing delivery models, often requiring new skills, systems, and partnerships to manage multiple offerings in parallel.

2.2 Innovation is used both as a mission lever and a commercial strategy

Across the study group, some are developing new products and services not only to diversify their revenues and models but also to deepen and extend their social impact. By innovating products and services for different customer segments or adding complementary services around a core product or service, entities grow or strengthen their impact and create new or grow existing revenue streams.

By innovating products and services for different customer segments or adding complementary services around a core product or service, entities grow or strengthen their impact and create new or grow existing revenue streams

Safe Motherhood Alliance (founded in 2017, a Zambian health organisation operating that improves maternal and newborn outcomes through birthing kits, training and community engagement): Safe Motherhood Alliance's core baby delivery kit, containing the essential items mothers in Zambia are required to bring for childbirth, is sold directly for $10, a price made possible through bulk purchasing and in-house manufacturing. Building on this model, SMA has introduced customisable, higher-priced kits for mothers who can afford to pay more. This tiered offering strengthens revenue generation while enabling SMA to continue providing affordable, lifesaving kits to vulnerable women who might otherwise go without.

"So we have the $10 basic kit, but we have all these women who keep on asking us 'I want my kit to have xyz, could you add this, could you add that', so now we have our custom kit and we put it at $15 that's kind of like subsidizing the basic kit"

World Bicycle Relief (an international organisation founded in 2011, distributing purpose built bicycle programmes focussing on education, economic development and health care): World Bicycle Relief extends its core Bicycle product with after-market services - a growing retail presence, a mechanic networks, and a full spare-parts ecosystem. These service- and product-based model innovations ensure that bicycles remain functional for users over the long term, directly advancing its mission of improving mobility and the broad spectrum of positive impacts this has, whilst also creating follow-on revenue streams after the initial purchase.

"The value proposition is that we build the bicycle ecosystem. So if you're a customer and you buy a bicycle, whoever that customer is, we'll guarantee your ability to access after sales service and spare parts because as a social enterprise, it's in our interests to offer those after sales services because it's a revenue stream…we're busy building our retail presence and establishing a mechanic network."

Rising Academies (founded in 2014 in Sierra Leone, an education organisation operating across East and West Africa that combines curriculum materials, personalised learning experiences and teacher coaching to improve learning): Rising Academies treats innovation as inseparable from mission delivery, investing in curriculum design, teacher coaching, and AI-enhanced digital tools to improve learning outcomes and reach new users. This innovation makes Rising a credible partner for non-state schools, where delivery of quality services is still required but at different price points.

"We have a few partnerships with low cost private school groups and intermediaries to see to what extent is there an opportunity to bring benefit across the non-state sector with the content and tools that we've been developing…that's a whole other area of our work and it's much earlier stage… the non-state space is large and growing but also super fragmented…So how you reach those schools, how do you support them, are big questions."

Across organisations, innovation often serves a dual function: improving outcomes for end users while creating more durable or diversified income streams. Several organisations also emphasised that mission-aligned innovation requires careful balancing, particularly in hybrid models where commercial and grant-based logics sit side by side, and where revenue-generating extensions must reinforce rather than distract from core impact objectives.

2.3 Innovating commercial structure, packaging, and expertise

Beyond adding new products or services, several organisations innovate by reconfiguring how their offerings or expertise are packaged, priced, and sold. These innovations respond directly to sustainability challenges encountered as models mature. Hybrid Archetype Model transitions are not only about adding new products, but also about making an organisation's capabilities legible and sellable to different payers in the system.

Transitions are not only about adding new products, but also about making an organisation's capabilities legible and sellable to different payers in the system

Muso Health: Muso Health has transformed its community health delivery expertise into a paid service offering. By providing technical assistance, including training, supervision, and digitisation support, to NGOs and institutions contracted by the World Bank, Muso generates revenue independent of direct service delivery grants. This approach allows Muso to monetise proven institutional capacity while reinforcing, rather than diluting, its mission.

"Because we have developed an expertise in the field and are able to support entities smaller or larger on community health strengthening and implementation, we also now have many donors who give us undirected funds, and we ourselves direct them to the various activities. So part goes towards technical assistance, and another part goes towards our direct care. We offered an additional service through TA that they were willing to fund"

Aflatoun: Aflatoun established AflaVentures as a dedicated commercial arm to monetise its expertise in social and financial education. Activities include developing educational content and videos for corporate partners such as Visa, with profits returning to support the NGO's mission. This structural innovation separates commercial activity from core programming while enabling earned income generation.

"We have set up an AflaVentures next to Aflatoun to also do more commercial activities. Like for example, last year a client wanted to have 20 videos for their website on educating audiences on financial education. And they hired us to develop scripts and videos in different languages."

AirQo: AirQo shifted away from selling individual air-quality sensors, a model that proved financially unsustainable and insufficient for driving city-level action. Instead, it reframed its offering as a bundled solution combining sensor networks, data platforms, and community engagement. This packaging innovation ensures sufficient, sustained revenue to operate monitoring networks while strengthening policy relevance and impact. AirQo has also expanded paid services to private-sector clients, such as industrial facilities, that require bespoke monitoring solutions.

It shifted away from selling individual sensors and reframed its offering as a bundled solution

"We set up sensor networks and then we're building into solutions and then we made it available. We're now able to move from like no data to data and to having council discussion and resolutions. We keep adapting our solutions. Custom sensors because of the context we work in, we found that it was challenging to install some sensors written from elsewhere. So we actually build and manufacture the hardware that we then install to collect the data."

Educlynk: Educlynk is developing complementary digital platforms, including a Learning Hub and a planned AI-enabled exam assistant. While currently mission-driven, these innovations are designed to build scale, brand recognition, and future monetisation pathways through advertising and institutional partnerships, rather than direct user fees. Innovation here focuses on building a long-term asset base rather than immediate revenue extraction.

These innovations are designed to build scale, brand recognition, and future monetisation pathways through advertising and institutional partnerships

"Cameroon has both the English and French system and there's a disconnect between the region to prepare for exams. What we are also trying to do in the short to long term is first of all come up with an AI assistant."

LightEd (a clean energy organisation founded in 2020, that operates in Nigeria, Rwanda, Tanzania and Zimbabwe to transform plastic waste into affordable renewable energy solutions): LightEd is fundamentally restructuring the organisation. LightEd will pivot from being a for-profit direct revenue-based model to a non-profit grant and partnership-based organisation. This shift will enable two things: LightEd to refine its scope and focus away from market-driven product innovation and towards the distribution of already proven high-impact products to users that need them; and the leadership to create and run a new, separate, and for-profit holding entity focused on developing new technologies that non-profits - including LightEd - will be able to roll out. This shift is as much about maintaining mission integrity as it is about building a new and separate model that will better be able to sustain and finance tech innovation.

"We started this organisation because we wanted to build, and we tried to run a double model where we did for-profit installations for banks, companies, organisations. It was not sustainable because we're not making a lot of profit in that and it took more and more time away from the nonprofit work than it should. We decided to switch to a full nonprofit."

Together, these examples highlight that innovation extends beyond portfolio diversification. It also encompasses commercial strategy, service contracts, expertise monetisation, and platform development, all of which play a critical role in enabling organisations to sustain impact under persistent financial constraints, particularly as hybrid models become more embedded and organisations rely on a mix of earned and non-earned income to remain resilient.

Theme Three

NAVIGATING OPERATIONAL AND CAPACITY CHALLENGES

03

NAVIGATING OPERATIONAL AND CAPACITY CHALLENGES

As organisations work to strengthen both their impact and financial models, many encounter operational and capacity challenges that constrain their ability to scale. In this theme, capacity is understood at the level of organisational systems and structures: how work is organised, how costs are managed, how innovation is absorbed, and whether internal processes can keep pace with increasingly complex hybrid models. In the Hybrid Archetype Model, this is a common inflection point: as organisations diversify income and layer new business lines onto existing delivery, the operational load often increases faster than internal systems can adapt. Both smaller and larger organisations experience diverse challenges in this regard, and deploy strategies to overcome them.

The operational load often increases faster than internal systems can adapt

Across the study group, these challenges are not simply a function of ambition or growth rate. Rather, they reflect moments of misalignment between the pace at which business models evolve and the organisation's ability to build the operational infrastructure required to support that evolution. Pressure points commonly arise during transition moments, such as moving from founder-led delivery to more formalised operations, layering new revenue models onto existing programmes, or attempting to scale innovation alongside core delivery without dedicated systems or resources.

When examined more closely, these operational and capacity challenges cluster around three interrelated areas: Organisations being caught in capacity limbo; fundraising itself becoming a significant capacity constraint across organisations of all sizes; and the need to formalise and structure innovation, technical capacity, and cost management as organisations mature.

Operational and capacity challenges cluster around three interrelated areas: Organisations being caught in capacity limbo; fundraising itself becoming a significant capacity constraint across organisations of all sizes; and the need to formalise and structure innovation, technical capacity, and cost management as organisations mature

3.1 Organisations are often caught in a capacity limbo

Many of our interlocutors , particularly those that are small fast-growing, or operating hybrid models, describe being caught in a capacity limbo: they have more demand, opportunity, and ambition than their teams and systems can deliver - a common inflection point as hybrid models become more complex. With limited resources to hire, or invest in internal systems, institutions often stretch small teams across multiple functions, delay activities, or rotate priorities. This limbo is often temporary but destabilising, occurring at moments where organisations are transitioning between informal, founder-led models and more structured operations. It is particularly pronounced where organisations attempt to scale innovation or technical delivery alongside core programmes without dedicated capacity.

With limited resources to hire, or invest in internal systems, institutions often stretch small teams across multiple functions, delay activities, or rotate priorities

Green Farmlands: Green Farmlands mission is expanding faster than the organisation's internal capacity. With a small core team, staff are required to take on multiple roles which forces trade-offs; they cannot resource all of their activities simultaneously, and so have to either prioritise non-profit or revenue-generating activities on a month-by-month basis.

"Our current team doesn't even have the capacity to be able to handle all of the projects…And then there is also the fact that we don't have a lot of funds to hire more staff….for now, we have to make sure that the people who are already in the organization can double up as many roles as possible."

Wonderbag: Wonderbag maintains a relatively lean core team, while relying on a broader network of community-based producers and entrepreneurs for surge capacity during busy times. This network approach allows Wonderbag to operate at increased scale during high-demand periods. According to Wonderbag, this is less about mitigating the potential risk of employing producers full time, and more about supporting and catalysing a network of entrepreneurs.

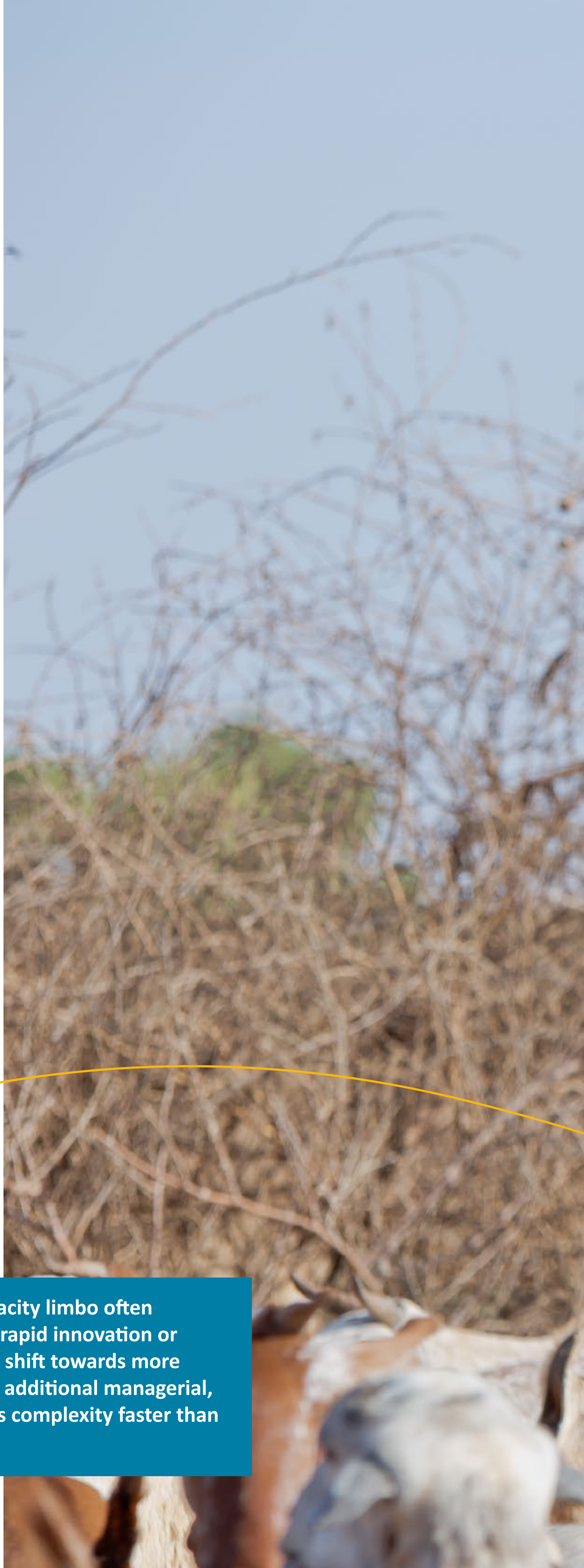
"We have between 100 and 150 staff. But when we are manufacturing we've up to two 2,000 people manufacturing, and beyond. That's all done through entrepreneurs…our Wonderbag factory is a center of excellence. We train people in our factory so that they can go out, and we put quality control people in. [Some of them] have been with us for 15 years and those people go out and work in their communities."

myAgro: As myAgro's model scaled, they lacked the resources to build both senior leadership and operational systems needed at pace with their expansion. Staff roles shifted every few months, knowledge sat informally "in people's heads", and the absence of documented processes made it difficult to bring in new talent.

At the same time, innovation remained largely founder-driven, creating pressure on core delivery teams. These capacity gaps created a period where myAgro had the demand and momentum to grow, but not the internal structure or staffing to support that growth.

"In the beginning, innovation was very much founder driven. There were no resources to have a really big senior leadership team sitting in a single role for long That changed over time I guess…There's a moment where you really need to have someone who completely takes over and cement what you were doing, and that can be very challenging in the begining…"

"There's a moment where you really need to have someone who completely takes over and cement what you were doing, and that can be very challenging in the begining…"



Across organisations, capacity limbo often coincides with periods of rapid innovation or diversification, where the shift towards more hybrid models introduces additional managerial, coordination, and systems complexity faster than teams can absorb.

3.2 For organisations of all sizes, fundraising can be a capacity challenge

Early-stage and smaller organisations spend a significant share of time and energy on fundraising because they lack the resources to hire staff dedicated to revenue generation. As organisations grow, they may develop fundraising or business development teams, yet this shift brings its own challenges, including the additional coordination, integration, and system demands required to support new revenue models. This reflects a wider Hybrid Archetype Model trade-off: as organisations diversify income, the work of managing revenue itself becomes an operational function that must be resourced. In several cases, reliance on restricted funding also shapes internal priorities, steering organisations towards funder-defined outputs rather than core learning or system-building needs.

As organisations diversify income, the work of managing revenue itself becomes an operational function that must be resourced

Aflatoun: As Aflatoun built AflaVentures, the profit-making arm designed to generate earned income, they struggled to find existing team members with the right business, sales, and commercial backgrounds. The challenge is not only about finding appropriately qualified people in general, but specifically about attracting and absorbing new commercial functions into an organisation whose systems, incentives, and culture were shaped by non-profit delivery.

"AflaVentures has mixed success I think, partly because as an NGO we sometimes experience challenges because you really need to have commercial people to be successful in that, and finding a person who is interested in doing commercial activities for a nonprofit isn't easy...at the moment we are not doing fantastic in that area but it's purely a staffing issue more than anything else."

"Finding a person who is interested in doing commercial activities for a nonprofit isn't easy..."

BAMA: In BAMAs earlier years, much of its revenue came through donations from personal networks, notably those of the senior leadership team via BAMA USA. This model risked becoming unsustainable due to donor fatigue. The wider BAMA team ultimately built its grant-writing skills, gradually shifting away from relationship-based fundraising to more formalised grant applications.

"Five years back, most of our grants were from BAMA USA, because of [our Executive Director] Mark - through his friends and the board...we realised over time that that's not sustainable because you can't keep picking money from your friends, they will get tired. They get donor fatigue. So then we started to improve our own skills in grant writing and I think over the last few years we see we're getting better at the grants that we write."

Green Farmlands: For Green Farmlands, fundraising has become a time-consuming and often uncertain task that the small team must shoulder alongside programme delivery. With no dedicated fundraising staff, the responsibility falls heavily on the founder, who spends substantial time each week searching and applying for grants—often facing silence or rejection.

"It's taking a lot of time...every week that's actually my task at the moment. I'm applying for grants, looking for grant opportunities, and now the rejection letters keep coming in. And some never respond, so you don't even know what it is that I'm not doing? And then some would tell you, 'oh your application is so good, but we had a lot of applications, and so we had to go with others."

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Several organisations noted that fundraising demands do not only consume time, but also shape strategic focus, pulling leadership attention towards short-term survival and away from system-building, learning, or innovation. Across organisations, fundraising capacity constraints often reinforce reliance on founders or senior leaders, limit long-term planning, and slow experimentation or model evolution, particularly where hybrid models are still anchored or balancing and income remains uncertain.

3.3 Formalising and separating innovation, technical capacity, and cost structures

As organisations scale and hybridise, capacity constraints increasingly shift from headcount alone to questions of structure: where innovation sits, how specialised technical work is resourced, and how core costs are managed. Organisations also highlight that timing matters: continuing to innovate before existing models are stabilised and scaled can stretch systems too far, diluting focus and undermining delivery.

myAgro: As myAgro grew, the team found that attempting to innovate "on the spot" within core delivery teams created significant distraction and strain. The hardest lesson was not only the need to separate innovation capacity from core operations, but to recognise when to pause innovation in order to consolidate what was already working. Creating a "safe space to innovate, to test and learn" helped protect delivery, but the organisation also learned that delaying further innovation was sometimes necessary to allow systems, processes, and teams to catch up.

Continuing to innovate before existing models are stabilised and scaled can stretch systems too far

"We need a safe space to innovate and to test and learn. The flip side and that's where it's always a little bit difficult to balance is when you do separate it but there is a moment where you're going to have to introduce that innovation in the business. And if things happened in a sandbox and in a black box on the side, it's very difficult for the team to get brought in to implement and there's a lot of resistance, right? it's very overwhelming for people or confusing."

"We need a safe space to innovate and to test and learn. The flip side is when you do separate it but there is a moment where you're going to have to introduce that innovation in the business"

Aflatoun: Aflatoun's decision to decentralise staff was not only about proximity to partners, but also a deliberate capacity and cost strategy. By moving programme coordinators out of a high-cost environment like Amsterdam and into regions such as Zimbabwe and Nigeria, Aflatoun reduced salary costs while broadening its talent pool.

"I mean hiring and paying somebody based in Zimbabwe is a very different cost than hiring somebody in the Netherlands. So I can get more senior people for a lower cost than I would pay for in the Netherlands."

Across organisations, these experiences highlight that operational capacity is not only about "more people" or "more funding", but about structural design. Decisions about how to separate innovation from core delivery, embed specialised technical skills, and actively manage fixed costs directly shape organisations' ability to sustain hybrid models as they mature, and to respond to complexity over time.


BLOCK

Theme Four

BALANCING MISSIONS AND MONEY

04

BALANCING MISSION AND MONEY

As entities adopt hybrid business models, balancing mission and money emerges as one of the most persistent and emotionally charged challenges. Many face tension between achieving financial sustainability and staying true to their founding mission. In the **Hybrid Archetype Model**, this tension is not a sign that a model is failing and flawed; it is a predictable feature of hybridity itself, as organisations combine grant-based and commercial logics within the same mission-driven system. While financial diversification and commercial partnerships can unlock pathways to scale and resilience, they also introduce new pressures that can pull organisations away from their founding purpose, particularly when funding becomes scarce or operational demands intensify.

It is a predictable feature of hybridity itself, as organisations combine grant-based and commercial logics within the same mission-driven system

Across the study group, this balance is not treated as a single strategic decision, but as an ongoing practice. Leaders describe the continual effort required to hold mission at the centre, weighing affordability, impact integrity, and financial viability, often making difficult trade-offs in contexts where users cannot pay full cost and funding comes with conditions. While the mission–money tension is present across the cohort, interviewees suggest it often shifts with organisational maturity.

More established organisations may have greater flexibility to decline misaligned funding or prioritise mission without immediate financial risk, while less established organisations can face sharper trade-offs as they work to stabilise revenue. At the same time, maturity does not eliminate ethical risk: even well-established organisations can encounter reputational or values-based tensions when commercial partnerships conflict with mission expectations. How organisations navigate this tension is shaped by leadership judgement, organisational values, legal and structural choices, and the realities of the communities they serve. While some maintain mission centrality through strong founder leadership or formal structures, others experience moments where impact delivery is slowed, constrained, or temporarily stalled under financial or capacity pressure.

When examined more closely, these tensions cluster around four interrelated areas: awareness of mission-slippage risks; the importance of visionary leadership in safeguarding purpose; the need to address user affordability constraints; and moments when mission delivery is slowed, constrained, or temporarily compromised under pressure.

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4.1 Awareness of mission-slippage risks when pursuing commercial activities

Across the cohort, institutions commonly express concern that pursuing commercial revenue or private-sector partners could pull them away from their core purpose. Many describe explicit guardrails - ethical boundaries, internal decision rules, or shared values that help ensure financial strategies reinforce rather than undermine impact. In some cases, these guardrails are behavioural; in others, they are formalised through legal or structural separation. This kind of structural choice is a common way organisations manage hybridity: enabling earned income while protecting mission integrity and reputation.

Explicit guardrails - ethical boundaries, internal decision rules, or shared values that help ensure financial strategies reinforce rather than undermine impact

Sanergy: As Sanergy expands its private-sector partnerships, including collaborations with large agricultural input companies, it remains conscious of the reputational and mission-alignment risks associated with working with actors perceived as environmentally misaligned.

“We’ve started to do partnerships with agrochemical companies, which in some people’s minds would be working with a very not-good actor. But at the end of the day, we’re blending their product to reduce how much chemical fertilizer is being used...”

Minza: For Minza, protecting mission alignment has meant actively declining revenue and partnership opportunities that could compromise their values or long-term direction.

“We got an investment offer but it really was a traditional investment. It wasn’t a social investment... He said he can put $25,000 against 10% of Minza. But in the end we didn’t accept that because the vision was for him to be a businessman and turn Minza into a full business, and that’s normal, that’s business practice. But we don’t only consider that, we’ll only do business.”

Safe Motherhood Alliance: SMA is acutely aware that pursuing new funding streams can come with pressure to compromise on mission or values. As they scale their partnerships and revenue activities, the organisation has established clear ethical boundaries to ensure that financial need never overrides its commitment to maternal and newborn health.

“We won’t work with tobacco companies. We won’t work with alcohol companies. We stay away from that money, which counters the work we do and the sector we work in...there is money we say no to.”

BAMA: Mission protection is formalised structurally. BAMA is legally registered as a non-profit and cannot extract profit from its programmes; any surplus must be reinvested. Although it previously worked alongside a for-profit construction entity to ensure quality delivery, ownership and financial flows were deliberately kept separate to avoid mission compromise.

Across organisations, mission awareness does not eliminate tension, but it shapes how trade-offs are surfaced, debated, and managed, particularly as revenue sources diversify and hybrid models become more embedded. In many cases, mission guardrails become clearer only after encountering misaligned opportunities, rather than being fully articulated upfront.

4.2 Leadership and structure play a central role in safeguarding mission

As organisations grow and diversify, the role of founders or original visionaries often becomes central in embedding and championing the mission. Leadership presence emerges as a key mechanism for maintaining purpose through periods of change, particularly where formal governance systems are still evolving.

Talk To Your Midwife: For Talk To Your Midwife, pressure to prioritise revenue or shift target audiences is a regular struggle. The founder ensures mission centrality by regularly reminding herself of Talk To Your Midwife's purpose: serving underserved women.

"We are transitioning from a company to an NGO so that we can still maintain the impact bits of the work that we are doing... We were always thinking of how to make revenue, who is paying, they are not paying enough, that we should change our target audience, but then it means that I am losing touch or losing the the core of why I started...In my heart of hearts, the reason I started talk to your midwife was for the underserved women.."

Wonderbag: Even as it scales, including through large private-sector collaborations, Wonderbag's mission remains powerfully anchored in the personal vision of its founder, Sarah Collins, whose motivations, centred on empowering women and girls, continue to guide organisational decisions.

"I spent a lot of time working with big aid organisations like the Red Cross and World Food Program. My goal was for them to understand, and it's a very controversial subject in these big aid organisations, that aid disempowers people. If you look at development aid and what it's done in Africa, a million dollars per household has been spent in Africa on aid since 1964. Where's that money? So I was trying to get them to understand, and I said I wouldn't work with them unless we did it my way."

Muso Health: Muso's mission protection is reinforced through founder continuity and cultural embedding. Founding members, from Mali and the USA, remain actively involved as part of the current management and provide strategic direction helping ensure the organisation doesn't get derailed from its initial mission and stays aligned as it grows.

"We still have founding members on our team who have been here since the beginning, and I think Muso's overall vision has been gradually instilled so that even I, who is relatively new to the company, can implement it. Muso's vision is simple, and they make sure we remember it."

Sanergy: Mission centrality is reinforced not only through what leadership pursues, but by what it deliberately chooses not to pursue. Despite suggestions that the organisation could generate revenue by deploying toilets for private events or weddings for example, Sanergy's leadership has intentionally declined such directions because they do not advance the organisation's social mission.

Mission centrality is reinforced not only through what leadership pursues, but by what it deliberately chooses not to pursue.

"We do get people occasionally asking us why don't you set up your toilets and weddings and private events, and make money off that? And you know, that is a choice, I guess, but that's just one that we as leadership have never been that interested in as it's not core to our mission."

LightEd: LightEd are on a journey to fundamentally restructure LightEd towards being a leaner impact-driven non-profit whilst creating a new for-profit tech innovation firm. This shift reflects both the leaders' aptitude and appetite for product innovation and a recognition that tech and product innovation is better supported through a separate for-profit entity. To support this, leadership changes are necessary, and the current leader will step down as CEO of LightEd and into a new advisory role, whilst stepping up to run the new tech firm.

"Within the next year I'll step out of LightEd as the CEO...and create an advisory board for LightEd...Then I will focus on and be the full-time CEO of the new entity...I'm a builder. I don't think I'm a CEO type person. I can build something to a certain point where we start making money or start raising funding, but I would not be able to build it to a point where we can scale it drastically...I'm not really as passionate about the scale of things as I am about the tech or the cool ideas."

Across organisations, leadership judgement, rather than formal metrics, often acts as the primary safeguard of mission, particularly during transition moments in hybrid models navigating rapid change.

4.3 User affordability fundamentally shapes mission–money trade-offs

Many institutions explicitly recognise that their core users cannot pay full commercial prices, making affordability a central design constraint. This drives blended pricing approaches , cross-subsidisation, philanthropic support, and partnership-based delivery models.

Safe Motherhood Alliance: Safe Motherhood Alliance prioritizes radical affordability, even when this means foregoing potential revenue. A commitment to affordability is central to their mission, and informs their tiered-pricing strategy.

"So it costs $50 for the women to be able to have all these products and we're only selling them at $10. People may ask, are you leaving $40 on the table? No, because the women can't afford it..."

One Acre Fund: One Acre Fund explicitly recognises that some interventions cannot be delivered through farmer payments alone. Their tree-planting and reforestation work demonstrated that even very low pricing created barriers, as farmers typically prioritise short-term needs over long-term investment in assets like trees.

"We're planting 330 million trees. We want to plant one billion by 2030. That is mainly philanthropy funded. So we're not charging farmers for trees. We tried that. So that was a lesson learned. It did not work. Trees take years before the full potential gets materialized, and farmers have short-term needs...we are looking at ways to create revenue from it... we're looking at carbon credits."

Wonderbag: In contrast, Wonderbag learned that charging something, even a nominal exchange, was essential to ensuring use, dignity, and mission success. Free distribution resulted in low uptake, while requiring an exchange increased usage dramatically.

"This got me into huge debates and arguments with people... who basically said I didn't know what I was talking about because I said people have dignity...people still exchange, and so we started to look at what the right price point was. It sits between $1 and $5 basically...the data showed that free bags had a 50% chance of being used, if there was an exchange, it went up to 93%."

Rising Academies: Though Rising Academies mainly operates through public schools where parents do not need to pay, affordability constraints do place a ceiling on Rising Academies private-school model in light of their mission. A fee-based model, even when designed to be as low-cost as possible, unavoidably excludes some parents and children. It also creates an opportunity for the organisation to realise additional impact and value for those who can pay.

"Our fees are about $180 to $200 per student per year, and we provide no-fee scholarships. So we're trying to be as affordable as we can. We've always been very clear that as soon as you're a fee-paying school that is a cost that some parents will not be able to afford. But, we have facilities that are purpose-built. There's a playground. We recruit and manage our own teachers. A big part of what parents look for is that a school is organized. They want a school that's well monitored. They want to know that their child is safe."

Across organisations, affordability is not treated as a fixed pricing decision but as an ongoing negotiation, shaped by mission alignment, learning, user behaviour, and failed approaches. These dynamics fundamentally shape which revenue strategies are viable, which require cross-subsidy, and which must be supported through non-commercial means, especially in hybrid models where impact depends on keeping services accessible.

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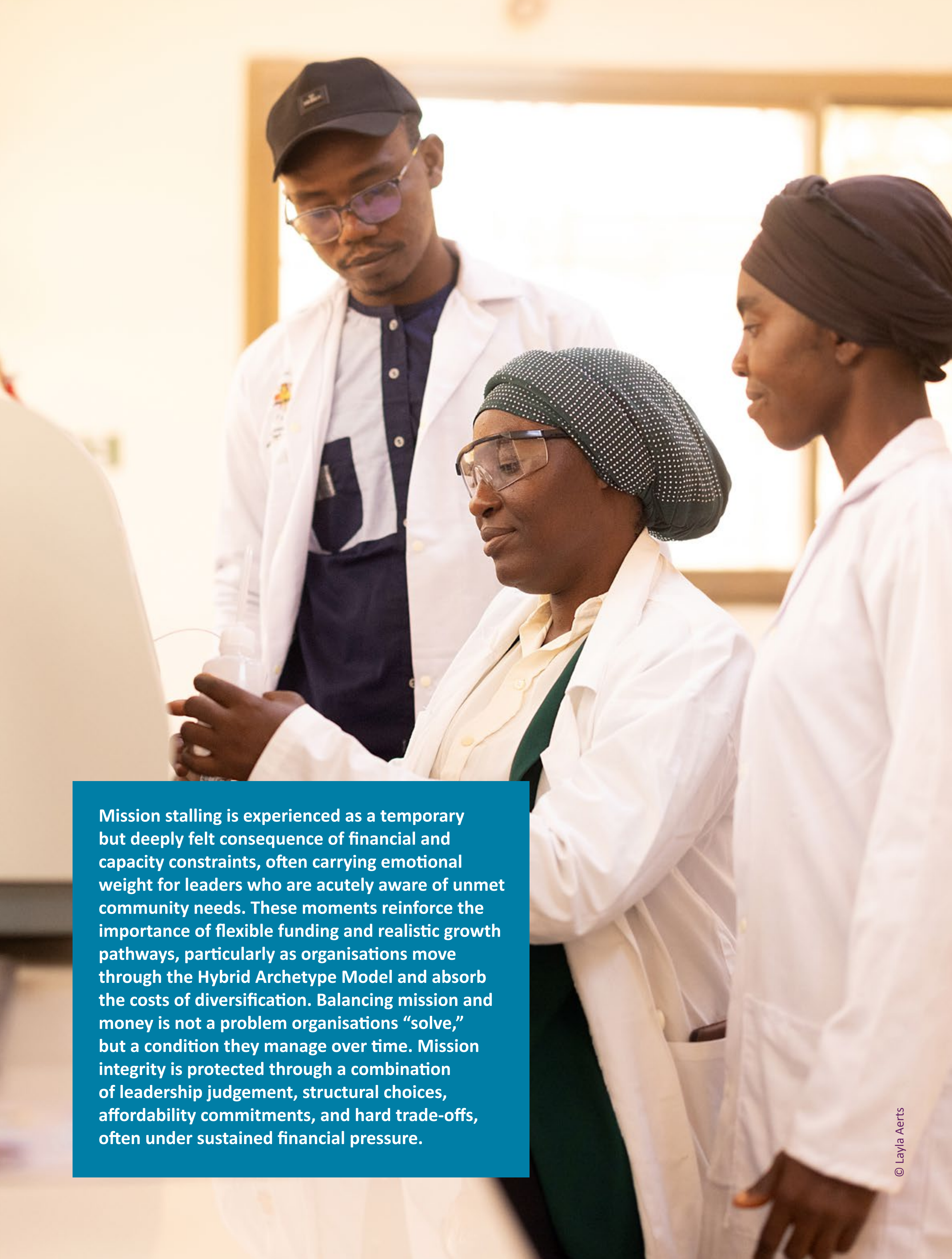
4.4 Mission delivery can stall or regress under pressure

In some cases, particularly for smaller or resource-constrained organisations, mission delivery can be slowed, paused, or partially compromised. These moments are typically linked to funding gaps, staffing limitations, or competing operational priorities rather than deliberate mission abandonment.

GreenFarmlands: For Green Farmlands, funding shortages and limited team capacity mean the organisation is unable to run all of its mission-driven programmes at the same time. Instead, they are forced to rotate or pause initiatives, such as their farm school or Adopt-a-Garden programme, depending on the resources available at a given moment.

"We can't run all the projects concurrently. So we have to choose which ones to run at a particular time, depending on the funding available and the capacity of the team. So, for example, sometimes we run the farm school and then we pause the Adopt a Garden, and when we have resources, we resume the adopt a garden, and then we pause another project."



Mission stalling is experienced as a temporary but deeply felt consequence of financial and capacity constraints, often carrying emotional weight for leaders who are acutely aware of unmet community needs. These moments reinforce the importance of flexible funding and realistic growth pathways, particularly as organisations move through the Hybrid Archetype Model and absorb the costs of diversification. Balancing mission and money is not a problem organisations "solve," but a condition they manage over time. Mission integrity is protected through a combination of leadership judgement, structural choices, affordability commitments, and hard trade-offs, often under sustained financial pressure.

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Theme Five

WORKING WITH SYSTEMS AND REGULATION

05

WORKING WITH SYSTEMS AND REGULATION

As organisations scale and diversify, working with systems and regulation emerges as a decisive, and often underestimated, factor shaping what is possible. Across the cohort, organisations describe how regulatory and public-sector systems act as powerful enablers or binding constraints that shape their operating environments. In the **Hybrid Archetype Model**, system conditions are not peripheral; they often determine whether hybrid approaches can take root, because the viability of blended revenue models depends on what regulation permits, what government can fund, and how public systems interact with private or non-profit delivery. Whether navigating restrictive legal frameworks, aligning with government priorities, or adapting to new national regulations when entering additional markets, organisations consistently encounter system-level factors as enablers or constraints on growth that are as influential as internal capabilities or financing.

> **Regulatory and public-sector systems act as powerful enablers or binding contraints**

Among our interviewees, system navigation is not a one-off compliance exercise, but an ongoing process of interpretation, negotiation, and adaptation. Organisations describe learning how to operate "within" systems while also working to influence or reshape them over time. Where regulatory environments are rigid or poorly aligned with hybrid models, organisations often absorb additional cost, complexity, or delay, sometimes slowing impact delivery despite strong demand or viable models.

Working with systems and regulation cuts across all other themes in this report. Regulatory rigidity shapes financial diversification choices; public-sector dynamics influence operational capacity; policy volatility affects innovation incentives; and affordability strategies are often constrained or enabled by government action. For many organisations, navigating systems becomes a core strategic function in its own right - including advocacy, institutional embedding, and regulatory workarounds, one that directly affects resilience, scale, and impact over time.

> **Regulatory rigidity shapes financial diversification choices; public-sector dynamics influence operational capacity; policy volatility affects innovation incentives; and affordability strategies are often constrained or enabled by government action**

When examined more closely, these dynamics cluster around two interrelated areas: the need for more supportive regulatory frameworks; and the complexity of navigating new regulatory environments when expanding across borders.

> **Dynamics cluster around two interrelated areas: the need for more supportive regulatory frameworks; and the complexity of navigating new regulatory environments when expanding across borders**

5.1 Widespread need for more supportive regulatory frameworks

Organisations highlight regulatory environments that are not yet designed to accommodate hybrid or innovative business models. Legal frameworks often require a strict choice between operating as a non-profit or a commercial company, leaving little room for blended structures that combine social purpose with earned revenue.

Minza: In Burkina Faso, organisations must choose between registering as an association (non-profit) or a commercial company, with no legal status that allows both social-purpose and revenue-generating activities to coexist within a single entity. This rigidity constrains Minza's ability to innovate commercially while maintaining its social mission.

Legal frameworks often require a strict choice between operating as a non-profit or a commercial company

"I'd try to create a social enterprise category...that will encourage people to move in this direction because what we see now are associations everywhere that don't have a business model and that rely solely on NGO funding to operate, and that's not really sustainable. So let's create a specific category. I don't know about all countries. I know some people do it. For example, England has a category for that, and you can do it there. They say, "Okay, here's a Social Enterprise."

Talk To Your Midwife: Talk To Your Midwife faces a regulatory environment in Ghana that does not recognise social enterprises, forcing organisations to choose between registering as a company or as an NGO. This binary system creates structural constraints for entities seeking to combine revenue-generating activities with social impact. Registering as a company brings tax burdens and compliance obligations that are difficult for a mission-driven, early-stage organisation to absorb. Yet becoming an NGO restricts the organisation's ability to operate commercially or explore more flexible, hybrid revenue models.

"We do not have a social enterprise policy in Ghana. So, you are either registered as a company or you are registered as an NGO. So, for us, it's either we go company or we go NGO and when you go company, the taxes and all that comes with it is a bit of a challenge. And when you go NGO, there are some constraints that come with it as well."

Sanergy: Sanergy's model depends on selling fertiliser through existing agri-input markets, but government policy decisions can destabilise those channels. For example, when the Kenyan government introduced a heavily subsidised chemical fertiliser programme, it unintentionally disrupted private retail markets that Sanergy and its distribution network relied upon. The subsidy undercut retailers, collapsed distribution pathways, and wiped out demand for Sanergy's organic fertiliser.

"Two years ago, the Kenyan government introduced this fertilizer subsidy on chemical fertilizer, and it had so many unintended consequences. Most pronounced for us was that the government was selling through its own distributors, which disrupted the value chain. Kenya has tens of thousands if not hundreds of thousands of mom and pop shops that are selling agricultural inputs like fertilizer, and fertilizer is their lifeblood, a high margin product. They had to sell it at $50 but the government was selling at $25... We had a lot of them selling our fertilizer... So suddenly that sales channel just dried up."

BAMA: In other cases, organisations work within existing regulatory structures to reduce recurring costs. BAMA's model initially depended on a dedicated USSD code licence – a regulatory requirement that cost approximately €14,000 per year. By shifting to a different aggregator and using a shared USSD code, BAMA stayed compliant while eliminating a major annual expense, folding costs into existing mobile messaging services used by patients.

Across organisations, regulatory rigidity does not prevent hybrid activity outright, but it often pushes organisations pursuing hybrid pathways into informal workarounds, parallel entities, or slower experimentation, increasing operational complexity and risk. Where change is not yet possible, creative navigation of existing rules becomes a core part of financial and operational strategy.

5.2 Expanding into new territories often means navigating new regulatory environments

To expand across borders, Organisations encounter distinct regulatory systems, administrative requirements, and bureaucratic norms that differ significantly by country. While geographic expansion is a common strategy for scaling revenue and impact, organisations consistently note that success in one context does not translate automatically into another; instead, organisations must continually adapt their models, documentation, processes, and partnerships to meet diverse legal and operational realities.

Organisations must continually adapt their models, documentation, processes, and partnerships to meet diverse legal and operational realities

LightEd: For LightEd - which tackles energy poverty by transforming plastic waste into renewable energy solutions for underserved communities - expanding operations into Ghana revealed how even simple administrative prerequisites, such as securing a physical address before registration, can become barriers for early-stage organisations. Unlike in their home context, Ghanaian registration processes require proof of premises, which in turn demands capital the organisation had not yet raised.

"In Ghana, one of the challenges that I'm facing is getting the right registration done. This is because you need a physical address for the organization to get a registration done and to get a physical address you need to pay money to get that....I need to figure that out this month."

One Acre Fund: One Acre Fund's scaling journey requires navigating the specific regulatory and administrative realities of each country they expand into. Core elements of their model, from loan repayment structures to input distribution, are shaped by national-level government policies and restrictions. As a result, One Acre Fund has developed a government relations and policy team to work with ministries, engage in advocacy, and help shape their enabling environment:

"It's all contextualised. In some countries we're not allowed to charge any service fee on the loans. In other countries, it's a big problem getting fertilizer in or even selling. Every country has their unique challenges and we have to navigate through that. We have a large government relations team, looking at global advocacy and policy influencing, that's key to do to create that enabling environment"

"Every country has their unique challenges and we have to navigate through that. We have a large government relations team, looking at global advocacy and policy influencing, that's key to do to create that enabling environment"

AirQo: For AirQo, scaling across African cities requires deep engagement with local governments responsible for environmental monitoring and regulation. But this work requires time and can be complicated with political turnover and inconsistent institutional readiness. From the moment of entering a city, AirQo takes a comprehensive approach, engaging both technical and political leadership. The technical engagement ensures policy and regulation changes are pushed through over time while politics ensures citizen engagement is accounted for. After over 5+ years working in cities across Uganda, AirQo has been able to successfully advocate for a national regulation for air quality which is now providing a national framework to regulate air quality across the country.

"For each city, our motto is very simple - we actually have to engage with the leadership of the city, both technical and also political."

Rising Academies: As Rising has expanded into Liberia, Ghana, Rwanda, and begun exploring Kenya and Nigeria, it has repeatedly encountered the complexity of working across very different government systems, financing capacities, and implementation norms. Scaling is framed less as replication and more as long-term system navigation, requiring adaptation to each institutional context.

"One of the things we're really thinking through and mindful of across Rising's portfolio of partnerships in different places, is that who is paying for it is just going to be different. Every government we partner with has a different ability to pay."

PharmAccess: Expansion across Zanzibar, mainland Tanzania, Nigeria, Ghana, and Kenya exposed PharmAccess to highly variable political contexts, regulatory readiness, and donor confidence. Scaling for PharmAccess has been shaped as much by political timing and donor trust as by technical readiness, requiring careful sequencing and adaptation rather than more straightforward model replication.

Careful sequencing and adaptation rather than more straightforward model replication

"Zanzibar was just coming out of the ban from the international community to get funding, so no one wanted to support projects in Zanzibar then...the new president just getting in at the end of 2020. Still most of the donors we're looking at whether they should put money in or not."

Save the Children Global Ventures: Geographic scaling and expansion is shaped less by ambition alone and more by regulatory feasibility. For Save the Children Global Ventures, country expansion selection is partly based on their analysis of the (dis)enabling environment on a country-by-country basis, ultimately related to an assessment of the ease of doing business in one place over another:

"There can always be issues with accreditation, capital movements, FX transactions, and so on. These are important things to consider. We conducted the necessary due diligence, and as I mentioned, we also selected a number of target countries based on prior analysis of the ease of doing business and the capacity to operate."

Across organisations, cross-border expansion increases regulatory and administrative load, often requiring specialised policy capacity and slowing rollout timelines, even when demand and operational readiness are strong. Scaling geographically is therefore as much a regulatory and institutional project as it is a commercial or programmatic one, particularly for hybrid models that rely on different revenue mechanisms and partnerships in each context.

Theme Six

DEVELOPING TALENT AND LEADERSHIP

06

DEVELOPING TALENT AND LEADERSHIP

As organisations evolve, diversify, and adopt more complex or hybrid business models, the demands placed on people and leadership evolve alongside operational complexity. In the Hybrid Archetype Model, the transition towards more resilient hybrid structures is rarely limited by ambition alone; it is often limited by whether organisations can build and retain the leadership and skills needed to manage multiple priorities, revenue streams, and delivery expectations at once. Across the target of this study, founders consistently linked staff structures, leadership pathways, and hiring strategies to their ability to sustain operational models, growth, and protect mission integrity. This theme focuses specifically on human capital and leadership as strategic assets: how organisations attract, develop, deploy, and retain the talent required to operate increasingly sophisticated and geographically distributed models.

> **Founders consistently linked staff structures, leadership pathways, and hiring strategies to their ability to sustain operational models, growth, and protect mission integrity**

Whether through promoting from within, recruiting specialist skills, building local teams, or embedding staff closer to end users, organisations link decisions about who they hire, how they organise work, and where capacity sits to their ability to sustain delivery, manage complexity, and navigate the tensions introduced by hybridisation. Talent is therefore not treated as a downstream operational concern, but as a core strategic lever, and, at times, a binding constraint.

As models mature, leadership capacity increasingly determines whether diversification strengthens resilience or overwhelms the organisation. Choices about internal progression, external recruitment, decentralisation, and structural separation of roles actively shape how organisations absorb growth, respond to new opportunities, and protect delivery quality over time.

When examined more closely, talent and leadership strategies cluster around five interrelated areas: Developing leadership from within; source external and specialist talent; finding and retaining local talent; and distributing personnel closer to end users; and structuring innovation and knowledge transfer in ways that protect core delivery as complexity increases.

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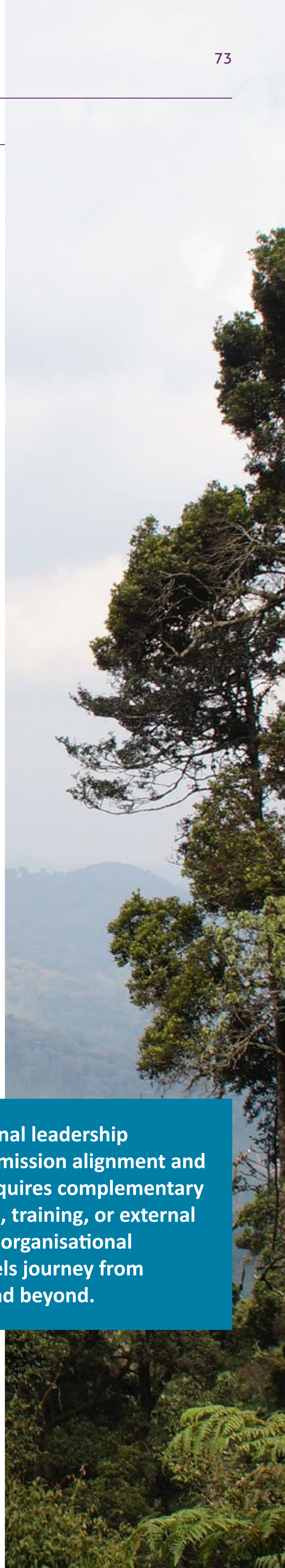


6.1 Developing leadership from within strengthens continuity

Some organisations emphasise the intentional development of internal talent as a core part of their growth strategy. Leaders describe promoting early staff into senior roles, investing in long-term skill-development, and designing leadership pathways that reflect organisational values and mission commitments. This approach supports institutional memory, trust, and cultural continuity, particularly in organisations with strong community-facing models.

However, several leaders also acknowledge that internal promotion can introduce new risks during periods of rapid growth or hybridisation. Staff moving into senior roles often face steep learning curves as responsibilities expand to include people management, commercial decision-making, or cross-sector engagement.

One Acre Fund: One Acre Fund has institutionalised its philosophy of growing leaders from within. Its senior team today includes individuals who began as field officers, illustrating commitment to internal progression.

"We do have a big policy as well to really nurture talent within. So we see a lot of people who climb up the ranks...So like our current CEO was one of the first field officers in Rwanda."

Across organisations, internal leadership development strengthens mission alignment and continuity, but typically requires complementary investments in mentorship, training, or external support to keep pace with organisational complexity as hybrid models journey from emerging to embedding and beyond.

6.2 Hybridisation often creates new demand for external and specialist talent

As organisations diversify revenue streams, expand product lines, or adopt hybrid business models, they frequently encounter the limits of existing internal skillsets. Founders describe these moments as key inflection points in their hybridisation journeys, where sustaining growth, innovation, or diversification demands specialist knowledge.

Hybridisation widens talent requirements, creating demand for staff who can operate across commercial, technical, and mission-driven domains, profiles that are often scarce or expensive, or difficult to retain [fig.5].

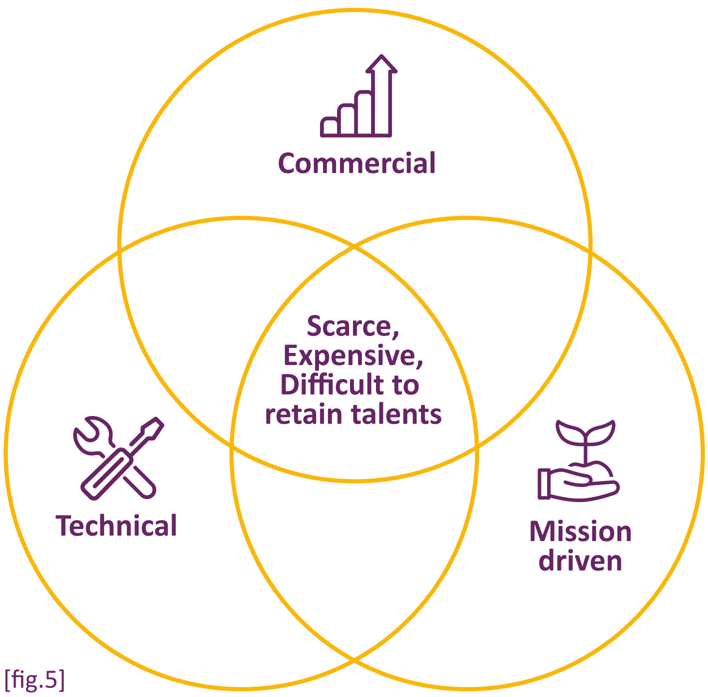
Aflatoun: For Aflatoun, expansion into more commercially oriented activities via AflaVentures created a need for managers who understood both for-profit or commercial market mechanisms and mindsets and mission-driven non-profit programming. Revenue diversification effectively widened the organisation's talent requirements beyond what was readily available internally.

"Once you start diversifying your income streams and you start building businesses around it, it becomes more complex. And you need people who understand both the social mission and the business side, and that's not easy to find."

"You need people who understand both the social mission and the business side, and that's not easy to find"

Safe Motherhood Alliance: When diversifying from their core essential baby delivery kit and building Safe Pay - a mobile app that mothers can use to access services and support, and that collects valuable data for Safe Motherhood Alliance - the team needed to find and recruit external talent to perform functions new to the organisation.

"Safe Pay is the digital backbone of Safe Motherhood Alliance. This is how we collect our data...it's like Uber for pregnant women... So when we were looking at building Safe Pay...how did we ensure that we hired the right talent? We've got an organization in Zambia, BongoHive. They help train software developers."



[fig.5]

Across organisations, leaders describe a persistent talent mismatch: commercially skilled candidates without mission alignment, or deeply mission-aligned staff without the technical or business skills required as hybrid models evolve. Managing this tension is one of the most difficult aspects of organisational evolution along the Hybrid Archetype Model.

6.3 Finding and retaining local talent is a constraint and a strategic opportunity

The institutions highlighted in this study describe the search for locally grounded talent as both a persistent constraint and a strategic opportunity. While locally embedded teams are critical for relevance, trust, and long term sustainability, leaders highlight shortages of specialist skills, affordability challenges, and competition for qualified staff. For some organisations, talent-building becomes a core part of the model itself, requiring ongoing investment in training, mentorship, and internal capacity development.

Talent-building becomes a core part of the model itself

Minza: Operating as a training center which provides - among other things - language education, Minza experiences a specific, and ironic, employment challenge. Operating in Burkina Faso, they struggle to find suitably qualified candidates with the language proficiency required to support current and future operations - the very deficits it was created to address. Additionally, operating a multi-sector incubation program (agriculture, technology, microfinance) requires deep understanding of each sector's value chains to effectively support entrepreneurs. Building this expertise is resource-intensive and challenging for a small team but there's no alternative.

"There's also, how should I put this? Finding the right profiles, the right talents... That was a difficulty, but it didn't surprise me...we had to take people, for example, who don't necessarily speak English well, whereas the nature of our business at some point might involve partnerships with foreign organisations that require English"

Safe Motherhood Alliance: The challenge of finding local talent, especially with the right mix of technical expertise and mission alignment, has been a challenge for Safe Motherhood Alliance. In addition to the higher costs and competition associated with recruiting skilled professionals, Safe Mother Alliance has worked hard to build a suitable talented team that shares their values.

"I will say it's expensive, right? Because the more talented they are, you need to pay more for them…When you're doing your interviews you kind of like try and figure out where's this person journey taking, why did they apply - is it something to do with you know them as a person or are they just looking to quickly make money or make a name for themselves…I found the ones that stay on or stick are the ones who understand the mission and why you're doing it."

Across organisations, local talent constraints directly shape growth speed, service quality, and the feasibility of decentralised or distributed models.

6.4 Distributing personnel closer to end users supports scale, but increases coordination demands

As organisations scale, many adopt distributed staffing models to remain close to communities, build trust, and ensure relevance. For Balancing and Compounding models in particular, field-based staff, local coordinators, and decentralised networks are frequently embedded into core delivery models.

While this approach strengthens impact and user relationships, it also introduces coordination, quality assurance, and training challenges that require stronger systems and management capacity. As hybrid models scale geographically and organisational structures decentralise, coordination and quality control often become critical.

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Aflatoun: Aflatoun has decentralised its operations to be closer to its key stakeholders and end users. By working through locally based managers and coordinators across their operating contexts, Aflatoun can better collaborate with local partners, understand regional challenges, and recruit from a broader talent pool.

"What we have done in the last years is we have really decentralised the organisation. We used to have like 40 people in Amsterdam and now we have programme coordinators and regional managers based in Africa, Asia, Latin America. We push them back into the regions so they can work with the partners there and we also have a much bigger talent pool to recruit from."

This shift also reduced cost structures associated with high-cost headquarter locations, illustrating how talent distribution can simultaneously improve relevance and financial sustainability.

One Acre Fund: One Acre Fund has scaled both its operations and impact by making the embedding of field officers directly in rural farming communities part of its core model. These distributed members of the team are crucial for fostering trust-based relationships with end users.

"We add a service charge which is for the training that we put in place. So we will work with our field officers that guide the farmer throughout the season and help them basically apply the latest techniques…making sure that they have the inputs they need and know how to apply them properly, because you can do one and not do the other."

World Bicycle Relief: By operating through a distributed network of mechanics, World Bicycle Relief are able to maintain services in otherwise hard to reach places. By developing localised talent in high-need areas, they ensure that products, services, and impact are scaled whilst also supporting their hybrid revenue model. World Bicycle Relief trains one mechanic for every 50-100 bicycles distributed, and in so doing creates an entrepreneurial network of brand ambassadors that also helps inform World Bicycle Relief about regional needs whilst supporting routine maintenance and repairs.

By developing localised talent in high-need areas, they ensure that products, services, and impact are scaled whilst also supporting their hybrid revenue model

"In healthcare, the workers get the bike, and the good thing is that they come to a healthcare center at least once a month for ongoing training or for data submission for vaccinations… So you have efficiency for maintenance and for incentivizing our mechanics in that area. There's a business-driven approach to mechanic networks"

Across organisations, distributed staffing increases reach and resilience but requires deliberate investment in coordination systems, training, and quality control to function effectively at scale.

Theme Seven

LEVERAGING PARTNERSHIPS AND COLLABORATION

07

LEVERAGING PARTNERSHIPS AND COLLABORATION

Across the cohort, organisations consistently describe partnerships and collaboration as central to how they survive, scale, and sustain impact. From early stages through to growth, aligning with the right partners often enables organisations to do what they cannot do alone, whether reaching users at scale, reducing operational costs, building legitimacy, or navigating complex systems. In the Hybrid Archetype Model, partnerships are often one of the most practical mechanisms for making hybrid approaches workable, bridging gaps in financing, distribution, credibility, and delivery that organisations cannot fill independently.

For organisations operating hybrid models, partnerships are rarely an add-on. Instead, they are woven into delivery, financing, and scaling strategies, often compensating for limited internal capacity, capital, or authority. In practice, partnerships function less as a growth "bonus" and more as a way to make models viable in constrained environments. Across the cohort, the ability to form, sustain, and selectively manage partnerships emerges as a core strategic capability, one that directly influences resilience, reach, and long-term impact.

Importantly, organisations describe partnership-building as selective and intentional. Leaders emphasise alignment, trust, and long-term fit, and are often cautious about partnerships that could dilute mission, create dependency, or slow execution. As a result, collaboration emerges not as a one-off transaction, but as an ongoing strategic practice shaped by mission priorities, system constraints, and the realities of operating at scale.

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When examined more closely, partnership strategies cluster around three interrelated functions: partnerships that enable scaling and system embedding, mission-aligned partnerships that support affordability and sustainability; and the role of social capital in unlocking and sustaining collaboration.

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7.1 Developing working partnerships for scale and system embedding

Across the cohort, engagement with public-sector actors, private-sector players, and ecosystem intermediaries is essential for organisations seeking to scale their models. Rather than scaling independently, many organisations described identifying “ultimate scaling partners” whose systems, authority, or reach could enable impact at a magnitude they could not achieve alone. In Hybrid Archetype Model terms, these partnerships are like infrastructure for hybridisation, determining whether diversification is feasible at scale, for example by unlocking procurement routes or institutional legitimacy. Importantly, scaling through partnerships is not always preferred - there is some consideration for the risks involved in handing over control of certain aspects of service delivery and what this might mean for quality control and end-user experience. Organisations described tensions between wanting the speed and legitimacy that partnerships can provide with the risks of uneven implementation.

Identifying “ultimate scaling partners” whose systems, authority, or reach could enable impact at a magnitude they could not achieve alone

Aflatoun: Aflatoun works closely with ministries of education, central banks, and teachers’ unions to embed financial education into national curricula. These partnerships are not peripheral, but central to their scaling strategy, allowing their content to become part of formal education systems rather than remaining a standalone programme. Aflatoun scales through a social franchising model, equipping and supporting a network of local partner organisations to adapt, deliver, and monitor the programme in their own contexts while maintaining shared quality standards.

“We work with ministries of education, central banks, and teachers’ unions because we want our content to be embedded in the national education system. So if a ministry of education says this is important and we are going to integrate it into the curriculum, then it becomes part of the system and it can reach many more children than we could ever reach by ourselves.”

Talk To Your Midwife: While partnerships with government actors are essential for legitimacy and reach, Talk To Your Midwife is cautious about how far operational control is shared. The organisation seeks collaboration without relinquishing execution or impact quality.

“I wouldn’t want it to be a project that the government takes over, because maybe they might not execute it as much as I want to execute it and there’s a particular impact I’m looking to make in the community.”

World Bicycle Relief: World Bicycle Relief differentiates between scaling pathways depending on impact goals, identifying the government as the ultimate scaling partner in education and health, and markets as the scaling mechanism for economic opportunity.

“We’re also beginning to get more scientific about defining who are our ultimate scaling partners...in education and health care, public sector, your ultimate scaling partner is the government…when it’s enabling economic opportunities, actually your ultimate scaling partner is the market”

PharmAccess: For PharmAccess, an important part of government partnership for scale means successfully designing innovations that fill foundational system gaps in ways governments can realistically adopt and sustain. By addressing a core infrastructural absence, in this case population-level identification for widespread use across health services, PharmAccess positioned the government not as a downstream funder, but as the long-term owner and operator.

“You might be surprised because this is a common thing in Europe, having the national ID…but here in most African countries, you rarely have identification which has more than 50% of the population…so we established this unique identification number…As of now everything which we started has been adopted by the government…the government is paying for everything related to that.”

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Across organisations, scaling partnerships are not uniform. They are deliberately chosen based on where authority, reach, or market access already exist, and where partnership can embed impact within existing systems rather than build parallel structures.

7.2 Mission-aligned partnerships support affordability and sustainability

Beyond scale and system access, many organisations emphasise collaborating with partners whose missions align closely with their own. These collaborations often help reduce delivery costs, maintain affordability for end users, or strengthen legitimacy in sensitive sectors without compromising core values.

Talk To Your Midwife: Mission-aligned partnerships with the Ghana Health Service help reduce operational costs and improve service delivery, enabling the organisation to reach pregnant women who would otherwise be excluded.

"We mapped out partners whose mission aligns with what we do... We have partnership with the East Regional Ghana Health Service who help us with logistics. So it cuts down costs for operations to help us to be able to render these services to the women"

Aflatoun: Aflatoun operates primarily through a large network of partner organisations who deliver programmes locally. This model allows for contextual adaptation while maintaining mission coherence across diverse geographies. In addition, Aflatoun sometimes contracts with multilateral agencies (for example, through curriculum development or training assignments) and charges wealthier NGOs within its network for bespoke support. These mission-adjacent contracts generate revenue that can support its broader educational mission.

"We really work as much as possible through our local partners. So it's uh when we work with governments where whenever our partner has a good relationship with the government we do it through the local partner."

Minza: Minza leverages partnerships with private companies who pay for higher-value training (such as staff English and leadership development). These corporate contracts are intentionally priced to generate surplus that can cross-subsidise Minza's work with unemployed and lower-income learners, aligning revenue generation with the organisation's core educational mission.

"When it comes to education, for example, capacity building for young people and women in general, it's important that everyone, regardless of their background, benefits. We rely on our development partners and other NGOs to provide better services."

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Across the cohort, mission alignment functions as a filter: organisations are often willing to grow more slowly or forgo revenue opportunities rather than compromise core values or user trust. Mission-aligned partnerships become a way to share costs, generate revenue, and extend reach without eroding the purpose of the organisation.

7.3 Social capital plays a critical role in enabling partnerships

Several organisations highlight the role of social capital - reputation, networks, personal relationships, in unlocking partnerships, funding, and influence. While not sufficient on its own, social capital often creates access that formal processes cannot, particularly where introductions, credibility, or informal endorsement matter.

Wonderbag: Wonderbag's founder describes actively leveraging networks to secure high-level introductions that opened doors to new revenue and partnership opportunities.

"I said to her, you know, I need a meeting with JP Morgan because they had a very interesting carbon desk... I don't care what you do, but I need to get in front of them."

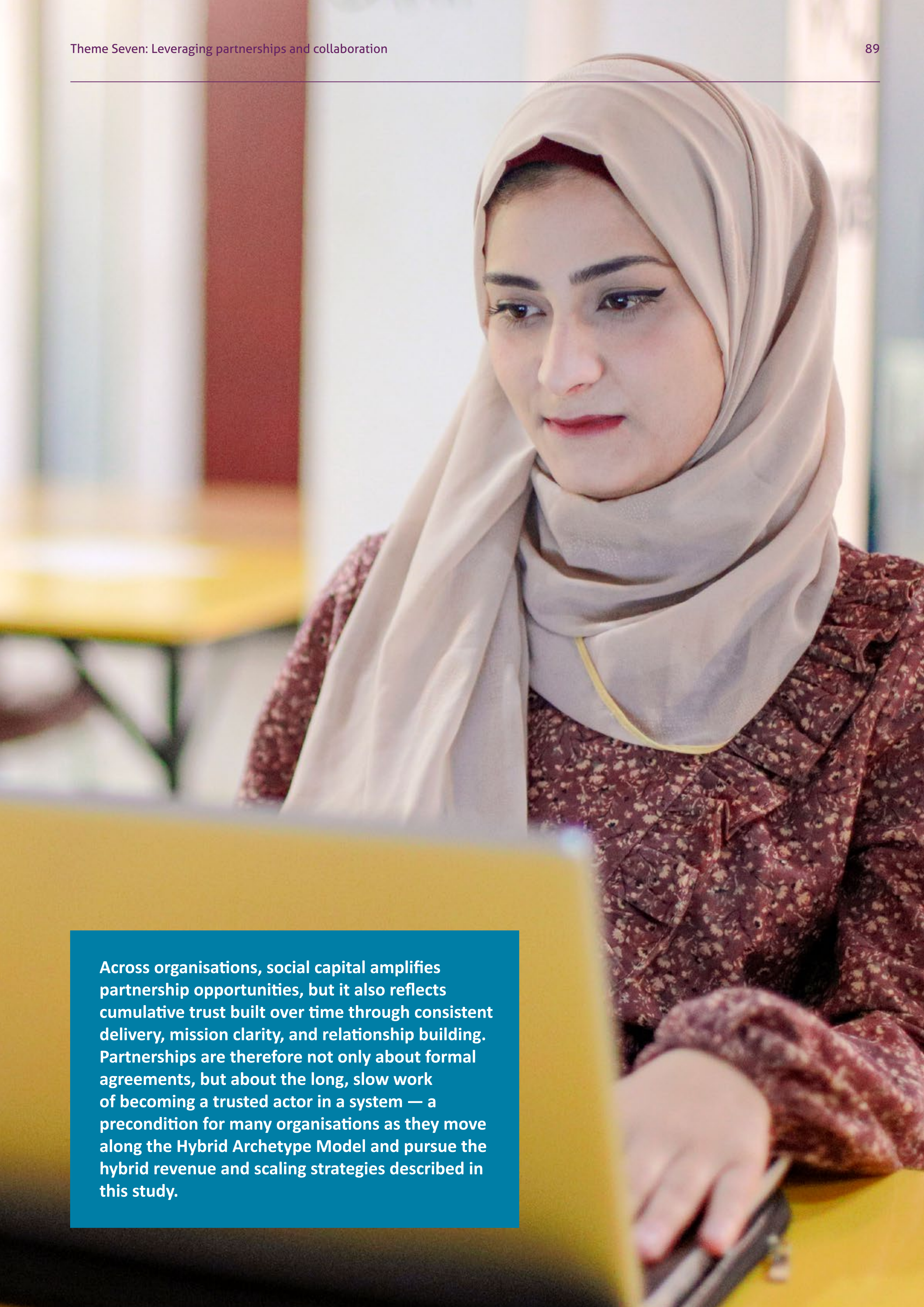
AirQo: AirQo's affiliation with Makerere University acts as a powerful social and institutional credential, making it easier to secure meetings with governors, city officials, and technical teams in new geographies. This credibility, built over time, underpins both political access and fundraising efforts.

"I think (our expansion) in Uganda was a little bit easier because we have an affiliation with Makerere University. You know, if you go to any place and say ' we're from AirQo based in Makerere University', people already recognize the brand"

Rising Academies: Rising's growth has been strongly shaped by social capital built through long-term presence and relationships, credibility, and a track-record of results with governments, funders, and peer organisations. Trust built over time has enabled entry into public–private partnerships, joint funding arrangements, and preferred-partner status within education systems.

Trust built over time has enabled entry into public–private partnerships, joint funding arrangements, and preferred-partner status

"One of the things that I have really valued about running our own schools is that it is a very tight accountability mechanism...our customers are fee-paying parents and they make the choice to come to our schools or not. We have to run schools that they actually want and are willing to pay for...it takes time to establish that reputation and you're constantly aware of how the school is meeting parents expectations."



Across organisations, social capital amplifies partnership opportunities, but it also reflects cumulative trust built over time through consistent delivery, mission clarity, and relationship building. Partnerships are therefore not only about formal agreements, but about the long, slow work of becoming a trusted actor in a system — a precondition for many organisations as they move along the Hybrid Archetype Model and pursue the hybrid revenue and scaling strategies described in this study.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Theme Eight

ENGAGING AND BUILDING COMMUNITY

08

ENGAGING AND BUILDING COMMUNITY

Across the cohort, organisations describe community engagement as central to how their models function in practice, not only for legitimacy, but for growth, behaviour change, and financial resilience. Communities are not treated solely as beneficiaries or end users, but as active participants in shaping demand, validating products, and sustaining delivery over time. In the Hybrid Archetype Model, community engagement often acts as a key enabling mechanism, especially where formal markets and public systems cannot fully support delivery, helping organisations build demand, share costs, and strengthen sustainability in ways that external funding alone cannot.

Key enabling mechanism, especially where formal markets and public systems cannot fully support delivery

For many hybrid organisations, engaging and building community is a core strategic response to operating in low-resource, high-trust environments. Where formal markets, distribution channels, or public systems are weak or fragmented, communities become the primary site through which products are tested, adopted, financed, and scaled. Community presence helps organisations build legitimacy, generate organic demand, reduce operational costs, and ensure that services align with local norms and values.

Importantly, community engagement is not framed as a "soft" or a secondary activity. Instead, it functions as a structural component of hybrid financial models. Across the cohort, communities act as market-makers, sources of behavioural reinforcement, contributors to cost-sharing and self-financing, and providers of distributed operational capacity. In this way, community engagement directly shapes financial sustainability, not just social acceptance.

Community engagement directly shapes financial sustainability, not just social acceptance

When examined more closely, organisational approaches to engaging and building community cluster around three interrelated dynamics: building trust and organic growth through local presence; grounding behaviour change and dignity in culturally relevant and transactional practices; and leveraging community structures to support fundraising, cost reduction, and operational delivery.

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8.1 Fostering closer relationships with local communities is a route to trust and organic growth

Community integration helps organisations gain recognition and trust, and enables organisations to understand needs and drive change over time. In many cases, the community itself becomes the main channel through which products and services are validated and demand spreads.

Sanergy: Sanergy emphasises that effective operation in dense urban and peri-urban settlements depends on learning how to "work with cities" in the broadest sense. This means adapting to, and building relationships with, a spectrum of local actors, from community elders to public health officials to youth groups, to secure permission to operate, maintain trust, and respond to local dynamics over time.

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"You learn how to work with cities. You adapt to dealing with everything from community elders to public health officials to youth groups to be able to operate."

One Acre Fund: For One Acre Fund, the success of their model is highly visible in the community and this visibility itself drives recruitment and growth. Neighbouring farmers see changes in yields and want to participate, turning local proof into the primary marketing channel.

"The beauty of the model is that it kind of advertises itself. Because neighboring farms can see the height of the maize and they're wondering what's going on over here, what are you guys doing with One Acre Fund, can we also join? "

AirQo: AirQo uses a "citizen-facing" engagement model that places air quality information directly in the hands of communities, for example, through schools or local institutions. This approach enables community members to understand air pollution levels, adjust their own behaviour, and crucially, engage with their leaders. In this way, community engagement becomes a leverage point for influencing city authorities and driving system-level change.

"People, once they access to the information, they can minimize their exposure to air pollution. But they can also engage their leaders to start acting…we've had cases where schools use this data to actually inform the city authority that [they] have consistent high levels of pollution…And then the authority came in and took some action."

Across organisations, close and sustained engagement with local communities functions as a primary mechanism for trust-building, demand generation, and legitimacy, rather than as an auxiliary engagement activity. Community presence allows organisations to test assumptions, adapt delivery in real time, and build reputational credibility that formal marketing or top-down channels cannot replicate. In contexts where markets and public systems are fragmented or slow-moving, communities often become the main conduit through which services spread, via peer visibility, social proof, and collective advocacy, supporting organic growth and, in some cases, enabling organisations to influence public authorities by amplifying citizen voice.

8.2 Community engagement is particularly impactful where behaviour change and dignity matter

Understanding local context is crucial for influencing practices and services. Designing with communities, rather than for them, leads to a stronger strategy for uptake, especially where behaviour change is central. Several organisations emphasise that dignity and cultural relevance are as important as technical efficacy.

Dignity and cultural relevance are as important as technical efficacy

Wonderbag: Wonderbag's work illustrates how behaviour change is impossible without deep cultural alignment. After witnessing failed cookstove projects across the continent, with unused stoves "littered all over", the founder intentionally designed the product and its introduction strategy around existing cooking practices and cultural norms.

"I saw across Africa just so many failed cook stove projects with cook stoves littered all over, where they'd been sent over by Amsterdam University or MIT or whatever, and it wasn't culturally relevant. For behaviour change to be successful, one has to work with the cultural relevance of Africa."

Over time, Wonderbag also learned that how the product is offered shapes both dignity and usage. Giving bags away for free resulted in low adoption, whereas requiring some form of exchange, a small payment, or even goats or chickens, dramatically increased use. For the founder, adoption and dignity were non-negotiable; asking for an exchange was part of ensuring the product was valued and used, not discarded.

Minza: For Minza, which provides some services for free and others on a paid basis, community engagement is essential to managing perceptions of fairness. Maintaining open relationships and communication with those receiving free services helps ensure they are not discouraged or confused by the presence of "paid-for" offers, protecting trust while sustaining a blended model.

Across organisations, community engagement plays a critical role in enabling behaviour change by anchoring services in local norms, perceptions of fairness, and lived realities. Where adoption depends on changes in practice rather than one-off transactions, designing with communities helps ensure relevance, dignity, and sustained use.

Mechanisms such as exchange, co-payment, or transparent differentiation between free and paid services are not only behavioural tools but also financial ones, reinforcing value, trust, and accountability. In this way, attention to dignity and cultural alignment directly strengthens both uptake and the long-term viability of hybrid models.

8.3 Leveraging a strong community presence can support fundraising

Where donations are part of the revenue mix, close community ties support local fundraising and donations from individuals and firms - perhaps especially in Anchored hybrid models. Beyond fundraising, however, community structures and networks can also be used to reduce core operating costs and provide critical delivery capacity.

Community structures and networks can also be used to reduce core operating costs and provide critical delivery capacity

Green Farmlands: For Green Farmlands, community relationships underpin both service delivery and resource mobilisation. Trust built through ongoing work with local farmers, orphanages, and schools enables the organisation to raise support through appeal letters and informal networks.

"We've been doing appeal letters, especially within the community, to the communities that we already have relationships with, and also our networks, friends, relatives, well-wishers, to be able to provide support for the orphanages."

BAMA: BAMA's experience shows how community mechanisms can directly address financial sustainability by shifting costs. Transport reimbursements for emergency care were a major expense; by working with Village Savings and Loans Associations (VSLAs), BAMA enabled communities to save for transport themselves. This model reduced BAMA's operational expenditure while preserving access for patients, making community structures a core part of the financial architecture rather than an add-on.

"We know that transport costs the equivalent of about 25-30 euros. So we're saying if people put their heart to it, maybe they can save at least half of the money....Savings groups are pretty much in every village, and sometimes even at workplaces...so we started teaching them and sensitizing them initially about the value of preparing for delivery, having money for transport and several other things that they need in the health facility."

Wonderbag: Wonderbag has deliberately structured its operations around a distributed network of community-based entrepreneurs, sometimes described as a "sunflower model." Thousands of local entrepreneurs are involved in manufacturing, activation, and data capture, while a relatively lean core team handles central functions. This approach allows Wonderbag to embed itself deeply in communities, respond to demand, and manage surge capacity, without the cost and rigidity of a large central payroll.

"The women of Africa own this. It's not me. We are a community of women of Africa...everybody thinks oh the solutions come out of Silicon Valley or whatever, but the greatest innovation comes out of communities."

"The greatest innovation comes out of communities"

Taken together, these examples show that community engagement is not only about proximity or goodwill. For many organisations, communities are central to market formation, structural cost reduction, and day-to-day delivery, making community strategies a core component of hybrid financial models, particularly as organisations move along the Hybrid Archetype Model and seek to sustain impact under persistent resource constraints.

Theme Nine

MAKING EVIDENCE AND DATA WORK

09

MAKING EVIDENCE AND DATA WORK

Across the study group, organisations consistently describe data and evidence as central to financial sustainability, scaling, and legitimacy. Evidence is not treated as a compliance exercise alone, but as a strategic asset that shapes access to funding, partnership opportunities, product design, and long-term viability. In the Hybrid Archetype Model, the role of evidence often becomes more central as organisations diversify, because credibility, renewal, and long-term sustainability depend on being able to demonstrate value to multiple stakeholders. For many hybrid organisations, the ability to generate, interpret, and deploy data meaningfully becomes a defining capability as models mature.

Credibility, renewal, and long-term sustainability depend on being able to demonstrate value to multiple stakeholders

At the same time, leaders describe data as a source of tension and constraint. Evidence can be costly to generate, difficult to access, and complex to manage, particularly in low-resource or highly regulated environments. In some cases, data introduces direct trade-offs between mission and revenue, especially for digitally enabled organisations committed to open access.

Taken together, this theme shows that data functions simultaneously as an enabler of scale and sustainability, a constraint on innovation, and a site of strategic tension. How organisations use, frame, and govern evidence directly shapes their funding options, operational efficiency, and ability to remain mission-aligned as they grow.

When examined more closely, organisational approaches to evidence and data cluster around three interrelated functions: using data to unlock new funding mechanisms; using evidence to persuade partners and justify scale; and using data to guide design, efficiency, and adaptation, while managing the strategic tensions data can introduce.

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9.1 Data is used to unlock new funding types

For certain funding mechanisms, reliable data is not optional but foundational. Organisations describe how the ability to measure and verify impact outcomes is essential, as it enables access to funding streams that would otherwise be closed, particularly performance-linked or market-based finance.

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For some funding types, including carbon credits, the ability to reliably demonstrate impact through verified data is a prerequisite for participation. This can shape who can progress along the Hybrid Archetype Model and when, because organisations with stronger evidence infrastructure are better positioned to access performance-linked financing, for example.

Wonderbag: For Wonderbag, rigorous data on firewood savings and emissions reductions was essential to unlocking carbon finance. This process required long-term investment in measurement, verification, and validation, often over multiple years, before revenue could be realised.

"I collected data over six months and what we saw was the savings of firewood - you know you brought your beans to the boil, you took it off, you put it in the bag and it continued to cook - and the firewood reduced dramatically."

World Bicycle Relief: For World Bicycle Relief, economic modelling enables conversations with governments and institutional buyers about who should pay for bicycles, reframing them not as donations, but as cost-effective investments in health, education, and productivity.

"When you start to do the the economic modeling around some of this, I think we can begin to unlock the buyer or the payer"

Across organisations, data increasingly shapes access to certain types of funding rather than functioning solely as a reporting requirement. In several cases, participation in performance-linked, market-based, or outcome-contingent financing depended on an organisation's ability to generate credible and verifiable evidence over time. This often introduced upfront costs and long lead times before revenue could be realised, favouring organisations with patient capital, technical capacity, or strong delivery partners. As a result, data requirements not only influence which funding mechanisms are accessible, but also affect how organisations sequence investment, growth, and risk as they move along the Hybrid Archetype Model.

9.2 Data is used to persuade partners and justify scale

Evidence is also critical in persuading partners, particularly governments, multilaterals, and large institutions, to adopt, fund, or scale a model. Organisations emphasise the importance of positioning themselves within a peer set and demonstrating relative value for money. Understanding where they sit relative to comparable organisations enables organisations to advocate more effectively to scaling partners. As organisations move beyond grant funding alone, they increasingly need to use evidence and data to meet the decision-making logic of multiple payers.

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Sanergy: By projecting unit economics over time, Sanergy is able to make a case for long-term affordability and scalability, particularly in comparison to alternative sanitation solutions. Being able to prove to the Government that the solution is and will remain cheaper provides them with more incentive to invest in it and support scaling it across the country.

"We project that in the next three years we should be at a point where it costs less than $10 per person per year."

World Bicycle Relief: For World Bicycle Relief, quantifying lifetime impact and economic return transforms the bicycle from a charitable good into a public-sector investment, strengthening the case for government adoption and budget allocation.

"we've done these randomised control trials to really start to quantify impact and we're just wrapping up some cost effectiveness uh statistics"

"The return on investment of a bicycle is 14.7 times in the economic space and…I think they say 17 extra days of school, and how over the life of a bicycle a healthcare worker will reach an additional 5,884 households"

Several organisations also note that evidence must be actively translated and reframed. As donor and partner priorities shift, data must be narrated differently to remain relevant. Muso Health, for instance, cannot rely solely on health outcomes; it must increasingly integrate climate, gender, or digital transformation narratives into its funding case. While the underlying data may remain stable, the story told with that data evolves to match changing institutional priorities.

As donor and partner priorities shift, data must be narrated differently to remain relevant

Across organisations, evidence plays a critical role in positioning models as scalable, investable, and institutionally credible. Data is used not only to demonstrate impact, but to compare relative cost-effectiveness, justify public expenditure, and align with the decision-making logic of governments and large institutions. However, organisations emphasise that evidence rarely speaks for itself. Data must be actively translated, reframed, and narrated to remain relevant as partner priorities shift, requiring ongoing interpretive capacity rather than one-off measurement. In this way, evidence becomes both a technical asset and a strategic communication tool.

9.3 Data supports design, efficiency, and adaption - but it also creates strategic tensions

Beyond funding and persuasion, data plays a critical role in shaping product and service design, operational efficiency, and long-term survival. Organisations describe using evidence to refine offerings, adapt to new contexts, and make hard trade-offs about cost and scale. For both products and services, user and market research are essential to achieving product-market fit in diverse contexts.

Green Farmlands: Here, community-level data directly informed service design. By engaging early with the ultimate users of their services in the community, Green Farmlands were able to design with them in mind, ensuring relevance and supporting better uptake.

"We started with a need-based assessment in the community to understand what exactly the community members needed... after conducting that survey in the community, we discovered knowledge gaps and that capacity building was one thing that the community members wanted."

myAgro: For myAgro, data becomes a defining survival metric. They frame their long-term viability around reducing 'cost per farmer, ' using this measure to guide innovation decisions and prioritise lower-cost inputs, such as choosing a one-dollar tree over a five-dollar alternative. Leaders describe this cost discipline as existential: organisations unable to reduce unit costs sufficiently and maximise the limited funding globally available "will not exist anymore."

"We're going to have to do it with less money. That seems pretty obvious to me…I focus on what is the cost per farmer? How can we still do those things but much much cheaper than we are doing it today…thast's what we will need to do in order to actually still continue to exist"

Educlynk: For Educlynk, we see how some organisations highlight the limits and risks associated with data. In digital and data-driven models, access to foundational datasets can itself be a binding constraint. Educlynk's ambition to develop AI-enabled learning tools depends on securing historical examination questions from ministries or private institutions. Without access to these datasets, or the resources to purchase them, innovation is constrained regardless of technical capability.

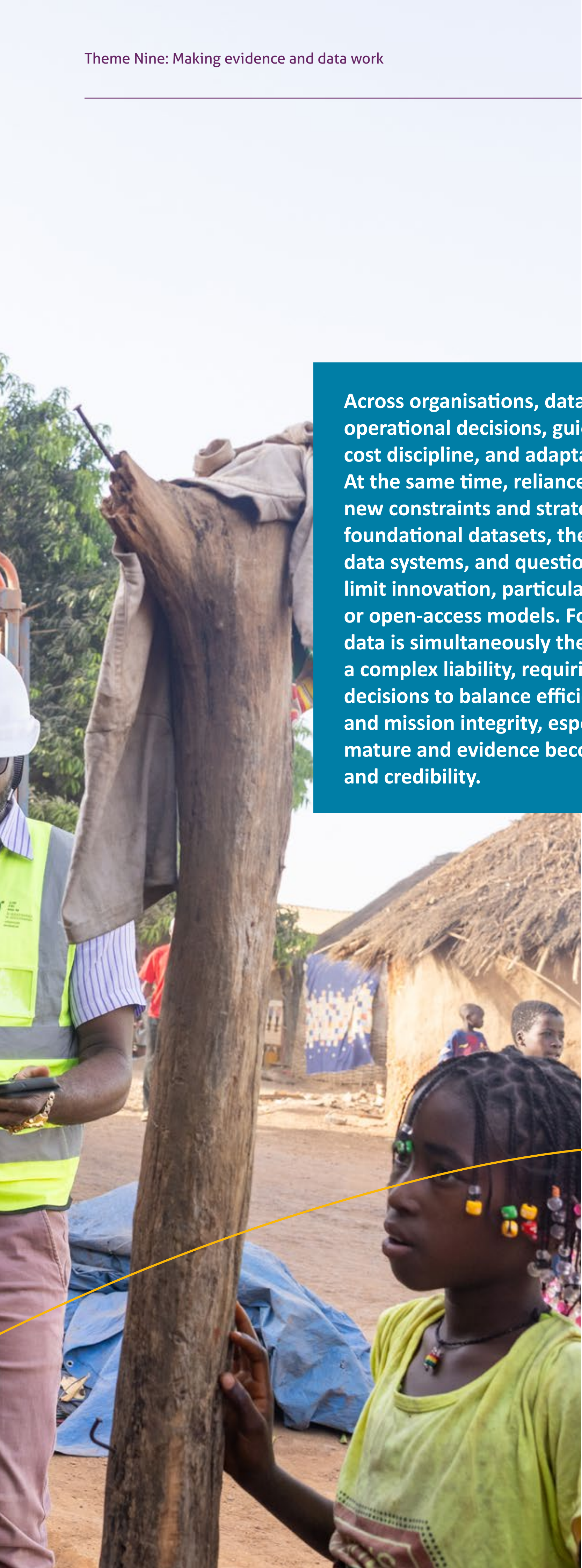
"Nobody wants to give it for free. We either need to be given access or we need to buy these questions…most times it's from the Ministry of Education or private institutions…So if we cannot get it from the ministries, we need to pay to get it from the private institutions."

AirQo: AirQo describes unresolved tensions around data ownership and their core mission. Their mission is built on providing open-access air-quality data for public good, enabling citizens, researchers, and policymakers to improve health outcomes. Yet financial sustainability advice often pushes toward monetising that data. This creates an ongoing dilemma: revenue generation may undermine the principle of free access, even as data remains the organisation's most valuable asset.

Ongoing dilemma: revenue generation may undermine the principle of free access, even as data remains the organisation's most valuable asset

"On one hand, we are strongly committed to Open Access data. We want researchers and students and so on to access our data and use it. But on the other hand, we met some advisors who tell us no, you should monetize your data. So we had a clash."


WEST



Across organisations, data shapes day-to-day operational decisions, guiding design choices, cost discipline, and adaptation across contexts. At the same time, reliance on data introduces new constraints and strategic tensions. Access to foundational datasets, the cost of maintaining data systems, and questions of data ownership can limit innovation, particularly for digitally enabled or open-access models. For several organisations, data is simultaneously their most valuable asset and a complex liability, requiring ongoing governance decisions to balance efficiency, revenue potential, and mission integrity, especially as hybrid models mature and evidence becomes tied to both funding and credibility.

CONCLUSIONS

This study set out to explore a central question: how do non-profits scaling innovations make the transition into financially sustainable models? Across diverse sectors, geographies, and organisational forms, the insights do not point to a single pathway or end state. Instead, they reveal a pattern of adaptive change, shaped by constraint, learning, and ongoing trade-offs rather than by linear progression or clean model shifts.

Financial sustainability emerges through adaptation, not replacement

Across the cohort, financial sustainability does not involve a straightforward transition, for example from "grant-funded" to "market-funded" models. Organisations rarely replace one funding source with another. Instead, they layer, reconfigure, and rebalance revenue sources over time in response to affordability limits, funding volatility, regulatory conditions, operational realities, and emergent opportunities.

Hybridisation emerges both as a deliberate and strategic ambition and as a pragmatic response to challenges and constraints. Diversification is often the first visible shift, particularly following funding shocks or donor withdrawal, but it rarely resolves financial pressure on its own. In several cases, diversification introduced new forms of complexity, including multiple revenue streams, parallel delivery models, increased reporting burdens, and leadership strain, highlighting that financial diversification may support sustainability and resilience, but also brings with it new challenges.
Seen in this light, sustainability is not a destination organisations "reach," but a condition they continuously manage, often under uncertainty.

Government adoption and partnerships can enable scale, but on specific terms

Government adoption or partnership emerges across the cohort as a powerful, though not universal, mechanism for achieving scale and durability. Where partnerships or adoption occur, it can carry innovations beyond pilot projects into population-level reach, institutional legitimacy, and long-term financing. Across the organisations who took partin the study, we have seen examples where the government is the ultimate scaling partner and payer, or where the government is a key beneficiary but ultimately not a payer.

However, the cases also show that government adoption is conditional and negotiated, not automatic. It depends on demonstrable affordability, alignment with public budgets, political and technical buy-in, and sustained engagement over time. In some contexts, government action introduces new risks, including policy shifts that disrupt existing models or implementation challenges that affect quality. As a result, and although not typical, we have also heard more critical reflections on why government partnership and adoption is not sought after by some of the organisations in this study.

Organisations often elect to remain implementers or technical partners rather than fully handing over delivery, citing concerns about execution quality and mission fidelity. Many organisations followed non-sequenced pathways: testing models in smaller or private contexts, building evidence and credibility, and only later pursuing public adoption. Government engagement, where successful, reflects years of adaptation and sometimes advocacy rather than a single strategic decision.

When users cannot pay, viability depends on shared responsibility

A consistent challenge across the cohort is that intended users often cannot afford the full cost of products or services. In these contexts, financial viability depends less on direct user revenue and more on reconfiguring who pays, how costs are reduced, and where responsibility sits.

Organisations respond through a range of practical mechanisms: cross-subsidisation via commercial activities, monetising technical expertise, partnering to reduce operational costs, spreading costs over time through low-interest loans, or embedding recurring costs within institutional structures. These approaches do not eliminate dependency, but they redistribute it, often strengthening ownership and reducing pressure on core organisational budgets.
Importantly, several organisations highlight that requiring some form of contribution, whether financial, in-kind, or institutional, can support dignity, uptake, and long-term use, even where services remain heavily subsidised.

Signals associated with greater durability

Rather than a fixed outcome, durability appears as a set of signals that accumulate over time. Across the cohort, organisations that appear more resilient tend to show some combination of: diversified and defensible revenue mixes; disciplined attention to unit costs and affordability; integration into public or community systems; and visible demand or ownership from users and partners.

These signals do not guarantee sustainability, nor do they emerge in a predictable order. Many organisations exhibit some signals while remaining vulnerable in other areas. Durability, like sustainability, is partial and uneven, shaped by external conditions as much as internal capability.

Support shapes behaviour as much as outcomes

Across the cohort, incentives shift most effectively when support changes how organisations make decisions under uncertainty, rather than simply financing activities. Flexible, learning-oriented support enables adaptation and long-term viability, while rigid, output-driven funding often reinforces short-term compliance behaviour.

Three forms of support consistently rewired incentives

- **Flexible and unrestricted funding**. Unrestricted funding enables organisations to prioritise learning, innovation, and core capacity over deliverables.
- **Support centred on learning and outcomes, not only compliance.** Support was most effective when funders acted as learning partners rather than compliance monitors.
- **Models that encourage shared ownership and cost responsibility**. Incentives were further rewired when financial responsibility was deliberately redistributed, sharing who pays for which costs across users, partners, and systems.

Implications for the ecosystem

Taken together, these findings suggest several implications

- **For innovators:** Financial sustainability is unlikely to come from a single model or funding source. Building resilience requires ongoing adaptation, attention to cost structures, and the capacity to manage complexity as models hybridise.
- **For funders:** The form of support matters as much as the amount. Flexible capital, longer time horizons, and learning-oriented engagement can enable organisations to build durable models rather than optimise for short-term compliance.
- **For public systems and policymakers:** Government adoption can be a powerful scaling mechanism, but it depends on affordability, evidence, and institutional fit. Supporting pathways to adoption may require patience, co-design, and openness to non-traditional delivery models.

This study does not prescribe a single route to financial sustainability. Instead, it offers a grounded view of how organisations navigate real constraints in practice. Financial sustainability, as observed here, is less about achieving independence from grants and more about developing the capacity to adapt, negotiate trade-offs, and remain viable over time while staying anchored to mission.

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