

METHODOLOGY OF NOBIN PROGRAM (NEW ENTREPRENEURS)

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“WE ARE NOT JOB SEEKERS, WE ARE JOB GIVERS”



1. NOBIN (NEW ENTREPRENEURS), PROGRAM

- Unemployment is a global problem.
- To achieve zero unemployment through turning unemployment into Entrepreneurship, NP has been designed for and dedicated to the identification, incubation and promotion of new Entrepreneurs.

2. Criteria of NE

- Children of GB members (Focus on second generation of GB members).
- Children of current GB members who have been with GB for 3 years.
- Children of former GB members who had been with GB at least for 7 years.
- The age bar of NE is 18 to 35 Years.
- Age bar may be relaxed if the NE is a female.
- Has a dream and will force to materialize his/her dream
- Has a Business License/Trade License



3. Process to implement NP

• Development Stage:

Preparatory activities:

- ❖ Recruitment and training of the field level staff
- ❖ Posting to the field office(Unit office)
- ❖ Area Selection
- ❖ Set up field office(Unit office)
- ❖ Communicate to local potential NEs

3. Process to implement NP

• Selection Stage:

- ❖ Screening Camp
- ❖ Receive application through prescribed forms
- ❖ Screening the applications
- ❖ Visit the selected project/business
- ❖ Asses the business
- ❖ Collect the documents
 - National ID Card
 - Verify documents to justify GB membership
 - Trade License
 - Other (Drug license, Insecticide certificate, Dealership license, Training etc.)
- ❖ Visit the house of NE, discuss with parents.

Financial information analysis for Design Lab

- **Present Investment Breakdown (NU's Equity)**
 - Present Stock
- **Proposed Investment Breakdown**
 - Will Purchase with Investor's Equity
- **Daily/Monthly Sale (both present and after investment effect)**
- **Gross Profit Margin (both present and after investment effect)**
- **Operating Costs**
 - Salary
 - Employee Salary
 - Bills (Electricity, Generator, Night Guard, mobile bill, Conveyance)
 - Depreciation
- **Net Profit**
- **Agreed Payback years and Grace Period to Calculate Investor's equity Payback**
- **Cash flow Statement**
 - **Cash Inflow**
 - ✓ Investor's Equity
 - ✓ Net profit
 - ✓ Opening Balance of Cash Surplus
 - **Cash Outflow**
 - ✓ Purchase of Product with Investor's equity
 - ✓ Payback



3. Process to implement NP

• Implementation Stage:

- ❖ Finalize the list of potential NE
- ❖ Prepare Business Plan
- ❖ Business Plan sent to Head Office
- ❖ Social Business Design Lab (Open Design Lab, Internal Design Lab & Regional Design Lab)
- ❖ Presentation of Business Plan at Design Lab
- ❖ Approval of Business Plan by Approval Committee





4. NP Designed As a Partnership Model

- NP has been developed as a partnership model between the investor and the NE
- In the partnership, the investor invests the fund in the business jointly with the NE
- It is a social business for investor but for NE, it is a traditional business
- As a partner, investor will not take any profit, NE will pay principal amount and ownership transfer fees only from its profit
- The aim of the investors is to develop the NE as an entrepreneur and for that the investors not only invest the money but also monitor, mentor and guide the NE and his business
- The NE has an option to pay the fund back generally within three years according to mutually agreed flexible repayment schedule

5. Equity Funding: Key to promoting Entrepreneurship

- According to Professor Muhammad Yunus , all human beings are entrepreneurs with no exceptions men or women, rural or urban, rich or poor, educated or non educated.
- Create social business funds.
- Equity financing to approved proposals
- Funding US dollar 650 to 6,500(Depending on Business Plan)
- Duration up to 3 years.
- Disbursement and collection through bank account/mobile banking.



6. Pay Back

- The investors do not take any profit for their investment, however they get their investment money back.
- NE will pay invested money and the share transfer fee which equals 20 percent of the total investment to cover the operating costs.
- Pay through quarterly, half yearly or yearly installments as per Business Plan.
- 2-3 months should be grace period.

7. FUNDING

- **Sectors of investment :**
 - Start up new business
 - Expansion of existing business
 - Agriculture and technology based activities
 - Must be an environment friendly business



8. Equity funds utilization checking, monitoring and evaluation

- Periodically project checking by the field staff.
- Visit by Head Office staff regularly.
- Introduction of technology based monitoring system.
- An experimental software is introduced to do accounts and other works.

9. IMPACT

- NP has already demonstrated that given the proper care and support, the young can grow and set example for others and turn unemployment into entrepreneurship.
- Create employment opportunity for others.



10.Nobin Program(NP) Replication

- NP is now a reality.
- The lesson that has been learnt from the operations in Bangladesh can be implemented to other countries.
- GT has replicated it in its Kosovo Grameen Program.
- Up to October 2017, 27 NEs have got funding support from Kosovo Grameen Mission Arcobaleno Microcredit fund(KGMAMF)



Thanks



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