

Case: Sougha, Khalifa Fund for Enterprise Development - Empowering Women and Preserving Emirati Traditional Handicrafts

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Ayesha Al Yousif, General Manager of Sougha was appointed to restructure Sougha's strategy with the aim of achieving sustainability. Sougha has evolved from an idea developed by Leila Ben Gacem in 2009, which was to preserve and encourage the dying cultural heritage of the United Arab Emirates. By 2016, Sougha sourced Emirati handicrafts from over 172 artisans in 13 areas across the following Emirates: Abu Dhabi, Fujairah, Ajman, Umm Al Quwain and Ras Al Khaimah (RAK). Their corporate clients included companies such as Etihad Airways, Mubadala, Masdar, Abu Dhabi National Oil Company, Dubai Tourism, and Executive Affairs Authority. The fact that most of the artisans were women who lived in remote areas added value to the concept of creating sustainable income for micro-businesses. However, there was still a dependency on Sougha where many of the artisans expected the organization to buy all their products.

In 2015, at the World Government Summit, The Khalifa Fund for Enterprise Development said it would start an incubator program to help Emirati innovators get the support they need to develop their ideas. The United Arab Emirates (UAE) has been striving to bolster support for SMEs, which represent almost 92 per cent of the total number of private companies and provide more than 86 per cent of jobs in the private sector. One of the key goals of H.H. Sheikh Khalifa bin Zayed Al Nahyan, president of the UAE's legislation, was to help raise the contribution of SMEs to the country's economic output. H.E Sultan Al Mansouri, Minister of Economy, has said that he expects the contribution of SMEs to the UAE's economic output to rise to 70 per cent by 2020 from about 60 per cent at present. How could Sougha help the artisans become independent entrepreneurs in their own right?

This case study was written by Sheikha Shamma bint Sultan bin Khalifa Al Nahyan and Melodena Stephens Balakrishnan, using company information and interviews, and its intention was to provide material for class discussion through publication. The author does not intend to illustrate either effective or ineffective handling of a managerial situation. The author may have disguised certain names and other identifying information to protect confidentiality. This case study and publication is made possible thanks to a UAE National Research Foundation Grant.

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14.1: United Arab Emirates (UAE)¹

The UAE has experienced rapid growth and development in a short period of time, which has greatly affected the lives of the locals. There is a large generational gap due to the exponential economic growth. The country has used its oil rents to transition from an economy solely reliant on oil to one that is continuing to diversify and move towards a knowledge-based economy. This development, as well as a transient multinational labor force, has had a diluting effect on the culture and traditions of the local population.

The country has a rich heritage. It can trace its civilization as far back as 5500 BC². It was on a caravan trade route linking Syria and Iraq and a sea route to India. The life was nomadic and conditions for survival were harsh. All through the late 18th and early 19th centuries, many European powers, such as the Portuguese, Dutch and British, competed for supremacy (of land and sea routes) around that area. Dominating the region was the powerful local seafaring tribe called “Al Qawasim”³. The British wanted control of the sea trade routes between India and the Gulf, and in 1820 they overcame the Qawasim, forming “The Trucial States”.

In 1968, after close to 150 years, the British agreed to withdraw their troops from this area. On the 10th of July 1971, the rulers of six different Emirates agreed to form a union. The UAE was founded on 2nd of December 1971. The seventh Emirate, Ras Al Khaimah, joined the UAE on the 10th of February 1972, following Iran's annexation of the RAK-owned Tunbs islands. This union was actively championed by the late Sheikh Zayed bin Sultan Al Nahyan, the much-revered ruler of Abu Dhabi and Al Ain and first President of the nation. Each of the seven Emirates: Abu Dhabi, Dubai, Sharjah, Ajman, Umm Al Quwain, Ras Al Khaimah, and Fujairah have a ruler and are monarchies. Of the 9.4 million population,⁴ over 65% live in the Emirates of Abu Dhabi and Dubai, with only around 20% being Emirati Nationals.¹

In the late eighteenth century, before the discovery of oil, Abu Dhabi was an important pearling center. The political leader of the Bani Yas group, the Sheikh of the Al Bu Falah (Al Nahyan family) resettled his tribe by the shore of the Liwa Oasis, which constituted 50 kilometers of land on the edge of the Rub Al-Khali (Empty Quarter) desert, one of the largest in the world^{1,5}. Traditionally, summer was a time for pearling and winters, when it occasionally rained, the semi-nomadic tribes would migrate to their date farms. Abu Dhabi city is now the seat of the federal government and the nation's capital. Around 80% of the land mass of the UAE belongs to the Emirate of Abu Dhabi.

Abu Dhabi and the UAE government are on an intensive economic diversification path with an official objective to reduce dependency on oil. Hydrocarbons currently contribute 30% of the GDP of the country.⁶ More information can be found on the nation's objectives through the UAE's strategic plan Vision 2021¹³, and Vision 2030. In February 2015, Sheikh Mohammad bin Zayed Al Nahyan,

¹ Significant portions of this section are taken from Balakrishnan, M.S. (2010). Introduction: “United Arab Emirates”, In Balakrishnan, M.S., Payyazhi, J. and Michael, I., eds. *Actions and Insights: Business Cases from UAE*, pp. xvii-xxviii, Emerald Group Publishing: UK.

² UAE yearbook (2010). *UAE Interact*. Available: <http://yearbook.uaeinteract.com/> [Accessed 20 May, 2016]

³ Wilson, G. (2006) Rashid's Legacy, Media Prima, UAE. p. 24-26

⁴ World Population Review (2016). Available: <http://worldpopulationreview.com/countries/united-arab-emirates-population/> [Accessed 20 May, 2016].

⁵ Hellyer, P. and Fairservice, I. (2008), Abu Dhabi : Garden City of the Gulf, Motivate Publishing, Dubai

⁶ Shuey, S. (2016). Ministerial retreat to focus on an economy beyond oil. Gulf News, dated 16 January. Available: <http://gulfnews.com/business/economy/ministerial-retreat-to-focus-on-an-economy-beyond-oil-1.1654767> [Accessed 21 may, 2016].

Crown Prince of Abu Dhabi and Deputy Supreme Commander of the UAE Armed Forces said:

*“In this period, while we have the resources and wealth, we must invest in education. If we do so correctly now, in 50 years, when we ship off the last barrel of petrol, we will not be sad. I promise you, my brothers and sisters, we will be celebrating.”*⁷

The UAE Vision 2021 which will coincide with the nation’s 50th anniversary has as its first item on the seven-point national agenda “Cohesive Society and Preserved identity”. It states,

*“The UAE Vision 2021 National Agenda strives to preserve a cohesive society proud of its identity and sense of belonging
Thus, it promotes an inclusive environment that integrates all segments of society while preserving the UAE’s unique culture, heritage and traditions and reinforces social and family cohesion.”*⁸

14.1.1: Abu Dhabi: The Western Region

Abu Dhabi has committed to preserving its cultural heritage and environmental sustainability as seen in its Abu Dhabi 2030 vision plan⁹. It has globally recognized projects like Masdar (an aspiring carbon neutral city), Saadiyat island, which will be home to internationally renowned museums such as the Louvre and the Guggenheim, Yas island known for its Formula 1 circuit, Sir Bani Yas Island with its nature reserve, and Bu Tinah, a breeding and conservation area for the endangered marine mammal, the dugong.

The Western Region (Al Gharbia) is an area located in the west of the emirate of Abu Dhabi and consists of seven cities, with Madinat Zayed, also known as Bida Zayed, as the capital. Six of the seven cities are located on the coast of the Arabian Gulf (*see Exhibit 14.1*). Al Gharbia makes up over two thirds of Abu Dhabi¹⁰.

Exhibit 14.1: Map of the Western Region (aka Al Gharbia)



Source: Sougha

⁷ *Ibid.*

⁸ UAE Vision 2021. Available: <https://www.vision2021.ae/en/national-priority-areas/cohesive-society-and-preserved-identity> [Accessed 21 May, 2016].

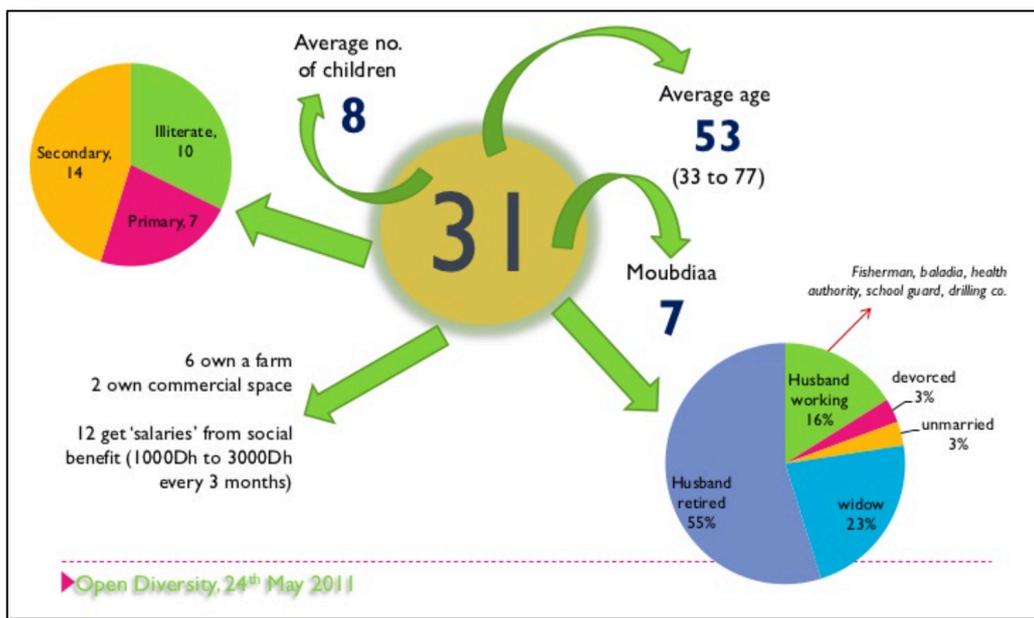
⁹ Executive Council (2008). *The Abu Dhabi Economic Vision 2030*. Available: <https://www.ecouncil.ae/PublicationsEn/economic-vision-2030-full-versionEn.pdf> [Accessed 20 May, 2016].

¹⁰ Visit Abu Dhabi (2016). Explore Al Gharbia. Available: <http://visitabudhabi.ae/en/travel/around.the.emirate/tours.and.tour.operators/explore.al.gharbia.aspx> [Accessed 20 May, 2016].

Preservation of Emirati handicrafts in the Western region of Abu Dhabi where there was a large concentration of palm tree basket weavers was started through Emirati Women's Union about 40 years ago, when palm baskets woven by the women were bought for a salary.¹¹ The project stopped 20 years later as it did not have quality control, market access, marketing competencies, product development and trading ability.¹² The Abu Dhabi Culture and Heritage Authority was initiated in 2006 and sourced some handicrafts from artisans for sale to tourists but it was not their primary focus¹³, and later it folded into Abu Dhabi Tourism and Culture Authority in 2012. Sougha was started in 2009. The findings from detailed interviews of hundreds of women in isolated small towns in the western region before the launch of Sougha found that,

“It was clear that the perception of a government project always implied some sort of distribution of wealth. Some even expected to get paid for attending an informative workshop about the project idea. It was challenging to make the women artisans understand the importance of self-development to become self-employed.”¹⁴

Exhibit 14.2: Sougha artisans 2010



Source: Sougha

A majority of the Bedouin living in the western area were living comfortably due to the generosity of government housing and stipends. Their men, who were the breadwinners in the families, were often working in government jobs. Free schooling was provided for the children¹⁵. However, as national competitiveness in the country

¹¹ Ben-Gacem, L. (2010). The Weavers' Exploration In Abu-Dhabi's Western Region. UNESCO Observatory, Faculty Of Architecture, Building And Planning, The University Of Melbourne Refereed E-Journal, 1(5). Available: http://education.unimelb.edu.au/_data/assets/pdf_file/0007/1105891/khalifa-paper.pdf [Accessed 21 May, 2016].

¹² Ibid.

¹³ Ibid.

¹⁴ Ibid.

¹⁵ Ibid.

began steadily increasing, and with the influx of expatriate talent, unemployment in this region began to grow to high levels.¹⁶

The Bedouin often live in the rural areas of the Emirates and there are not as many employment opportunities for women, because of their remote geographical location. Recently, the Higher Colleges of Technology, a governmental university has opened its doors in the western region to encourage individuals to continue their studies. Until five years ago, there were not many people with university degrees in this region (*see Exhibit 14.2 above for socio-economic status of Sougha artisans*).¹⁷

14.2: Khalifa Fund for Enterprise Development (KFED)

The Khalifa Fund for Enterprise Development was developed by Presidential decree in 2005 (Law 14, 2005). It is an Abu Dhabi government initiative to create an independent, non-profit, socio-economic development agency to support the SME ecosystem and instill in UAE nationals a pro-investing culture to support the economy. The fund manages an asset portfolio of AED 2 billion. Launched in 2007 in Abu Dhabi and Al Ain, the fund started with a total capital of AED 300 million. In 2011, 3 branches in the Northern Emirates opened their doors to Emiratis wanting support to create their own SME.

The main objectives of the fund are to create awareness of entrepreneurship and give UAE Nationals the tools to develop their own enterprise. Other than funding enterprises, services such as counseling, training and development, and support services facilitating the process of setting up a business are offered. They have set up four social programs to encourage enterprise development to marginalized members of the community:

- **Al Radda** is a program that reintegrates former prison inmates back into society through a business training program, business development and funding.
- **Ishraq** similar to Al Raada, this program was designed to reintegrate recovering addicts into society through a business training program, business development and funding.
- **Amal** is an initiative that aims to enlighten Emiratis about the employability of individuals with social needs. The initiative provides guidance about suitable jobs and provides both pastoral and financial support.
- **Sougha** is a program that supports women in rural areas and preserves local handicrafts.

14.3: Sougha

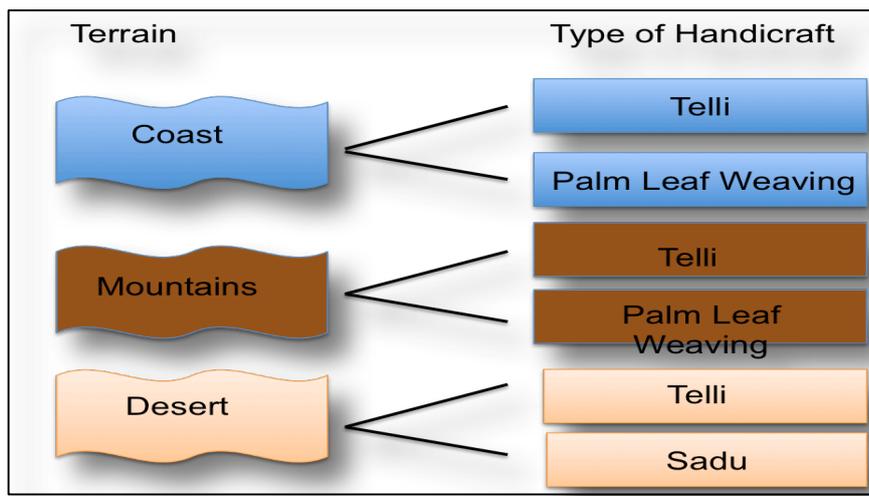
Sougha in the Emirati dialect means the “*the gift a traveler brings home from travels, such as a local souvenir*”. Sougha was an initiative that began in 2009 with a team of two people. The objective was the preservation of Emirati heritage. Much of the traditional way of life was disappearing with rapid development and modernization before adequate documentation. The United Nations Educational, Scientific and Cultural Organization had listed the traditional way of life as “*in need of safeguarding*”. The concept idea was initiated by a business consultant at The Khalifa Fund - Laila Bin Gacem, who was joined by Qumasha Mehri, an artisan. Leila was the business development manager and Qumasha became the field expert.

¹⁶ Ibid.

¹⁷ Ben-Gacem, L. (2010). *Op. cit.*

The three geographical environments of the UAE, desert, coast and mountain areas, have had an influence on the handicrafts and the materials used by the artisans (see Exhibit 14.3). Amongst some of the handicrafts created by Bedouin women is the weaving of Al Sadu, a material that is made from camel, sheep and goat hair and woven into beautiful geometric designs and environmental elements from the surroundings. This craft today is listed on the UNESCO's Urgent Safeguarding List of Cultural Intangible Heritage of Humanity. It is considered a rare skill and the Al Manaseer tribe is one that continues to keep this important tradition going. Many of the artisans affiliated to Sougha are from this tribe.

Exhibit 14.3: Type of handicraft specific to geographical terrain



Source: Source: Created by Author through an interview with Sougha staff

Initially the duo focused on the Western region of Abu Dhabi, which is remote and has sparse settlements. Many of the inhabitants are second or third generation Bedouin, which means that they were nomadic and would move from place to place in search of food and water. In the early days, Laila and Qumasha had to knock on the doors of houses to mobilize the initiative. This was not easy as you need to build trust within the communities. They chose 20 artisans from 4 towns. They were all over 60 years of age. The selection process was critical as there was no financial reward, and participants had to attend awareness workshops and training sessions. They were given specific production delivery deadlines, had to manufacture to very specific quality standards, adhere to specific designs, and the team at Sougha were not sure if the experience would take a negative toll on the participants. Only 14 continued with the program.

It was not unusual for Qumasha to spend a week in the islands or in locations situated far away from her home and children with the targeted women trying to encourage them to participate in the Sougha initiative. She began her quest by approaching the grandmothers because, if they approved, the other women would then join in. She spent hours teaching them traditional handicrafts, to the point of creating paper designs for cutting. Traditional looms are heavy (see Exhibit 14.4) so the individual would have to be comfortable with the equipment. Individuals in the communities treated her like a daughter.

Exhibit 14.4: Traditional Looms



Source: Sougha (http://www.slideshare.net/samira_12/sougha-8396325)

Leila said,

“Traditionally, the outside of the Bedouin tent was woven in very simple patterns.’ This was the first example, which she referred to as the Sadu. The more intricate pattern she called Sha’ra, which traditionally decorated the inside of the tent. More specifically, it was used on those big, woven, panels that divided up the space to create separate room-like sections in the tent. ‘Sha’ra comes from the local dialect’s word for tree – ‘shajarah’... ‘because it branches out. Each pattern has a story, which is usually the story of the tent. And most tribes will have a logo, which they would weave onto their tents. And they use the same logo to stamp their animals.’¹⁸ (see Exhibit 14.5ab)

Exhibit 14.5a: Sadu and Sha’ra

¹⁸ Ali, E. (2012). Emirati Weaving. Time Out Dubai, dated 4 January . Available: <http://www.timeoutabudhabi.com/art/features/29207-emirati-weaving> [Accessed 20 May, 2016].



Source: Sougha

The women would use sheep and camel hair as yarn, palm tree fronds as mats and baskets, or create '*talli*' a traditional embroidery used to embellish the cuffs and collars of their *jalabiyas*. '*Hannagah*' is a strip of colorful braided threads, used to decorate camels and sheep, but also used to identify to whom the herd belongs. It was now used to make bracelets. Part of the preservation was not just the traditional way of stitching or cutting but also preservation of the designs, which were an intricate part of the storytelling of the Bedouin culture. A woman who was known for skill in making '*zarabil*', the thick, rough wool socks worn by Bedouins to protect the feet from the heat of the sand, used to do lovely needle crochet and was asked to make a handbag with the design. She was initially reluctant as she thought it was not possible, but was able to deliver in two days – much to her own amazement.¹⁹

Exhibit 14.5b: Sadu and Sha'ra



Source: Sougha

Once the average household income increased, there was buy-in from the communities. Sougha provides the funding for raw materials and the training for the traditional equipment used to create its handicrafts. Sougha also provides some R&D, concept design ideas, brands and markets the traditional crafts. R&D involves

¹⁹ *Ibid.*

understanding durability of traditional material, the mixing of materials like leather and yarn or palm leaves and even understanding how much you can modernize these materials. For example, could lining use conventional sewing machines, could fasteners use normal buttons and magnets, and could utility be extended for modern items like mobiles and computer tablets? Sougha is currently looking into teaming up with an international social enterprise to provide training for their artisans to create new fashionable product line based on the local materials and handicrafts.

In the UAE there is a concept of the “*majlis*” which is an area used for social gatherings. It usually has a separate entrance and is segregated from the main part of the house to ensure privacy. Women would join together in a *majlis* and make traditional products. Many of them are related – mother, daughter, aunts and sisters. Soon there was a feeling of dignity (being chosen for the project) and pride in the old way of things – their heritage. Such things had not been done in decades and slowly word spread around the village. The artisans with the skills are used as trainers to pass on their wisdom of the traditional handicraft that they have mastered to beginners (*see Exhibit 14.6*).

Exhibit 14.6: A training session



Source: Sougha

Sougha, through the Khalifa Fund for Enterprise Development, tried to get the younger generation involved by creating a competition with vocational schools called ‘*Bring the past to the Future*’. The contest was for young Emiratis. The objective was to present a commercial product inspired from local Emirati heritage using traditional production and natural raw materials. It resulted in huge interest from the younger generation, especially in studying design and reviving the old traditional handicraft techniques.

Sometimes foreign delegations are taken on visits to Sougha artisan sites and the groups are paid as tour guides for taking the visitors through the process of traditional handicraft manufacturing (*see Exhibit 14.7 for a product*). Moreover, artisans could be invited to events and can charge up to AED 2000 per day. Traditionally artisans found they needed “*wasta*” to attend events such as exhibitions, but Sougha allowed them to bypass this impediment.

Exhibit 14.7: A basket made by an artisan using palm fronds



Source: Sougha

By 2012, Sougha launched programs for artisans in 5 towns; Dibba, Khor Fakkan, Fujairah, Ras Al Khaimah and Ajman. In 2012, Sougha spun off part of the marketing and finance so they could react to needs of the markets more quickly. When the product is sold, 100% of the profits are given back to the artisan and in some cases they are allowed to set the price. This may need to be standardized, but since the products are creative this becomes hard to do as Sougha wants to encourage this creativity. With the new restructuring and management, a new benchmark for pricing is being created to encourage the sale of the products.

Every artisan associated with Sougha is classified on a 4 point scale within two metrics - 1) membership and 2) level of skill. By 2015, Sougha grew to have more than 200 artisans on its roll, but the team that managed this was still small - about 9 people. As of mid-2016, there are 172 artisans who are skilled and ready to receive orders, although only about 70 of them are very active. Their youngest artisan was 13 years old and the oldest was 78 years old.

14.4: Creating Self-Sufficient Micro-Entrepreneurs

Sougha conducted a Social Return on Investment (SROI) analysis of the project for the years 2009-2013.²⁰ The study looked at the initial investment into seven artisans over a period of four years. Total social investment for that period was AED 1.2 million and the total social return was AED 6.1 million (meaning that for every 1 million AED invested in the initial 7 artisans there was a net social benefit of 4.8 million AED). The SROI is 4.8:1. This considers non-financial factors such as creating a presence, communication, creating a reputation for self, opening up opportunity for employability and increased happiness. The artisans were earning an average salary of AED 5000 per month. Sougha's ROI was considered high, as think-tanks had baseline figures for SROI like the transfer of money from a donor to a beneficiary, which would produce an SROI of 0.9:1; while SROI of large-scale government human service programs is less than 2:1.²¹

When Sougha began, many of their artisans had never had a bank account. The majority of the women had also never "worked" before. Prior to joining Sougha,

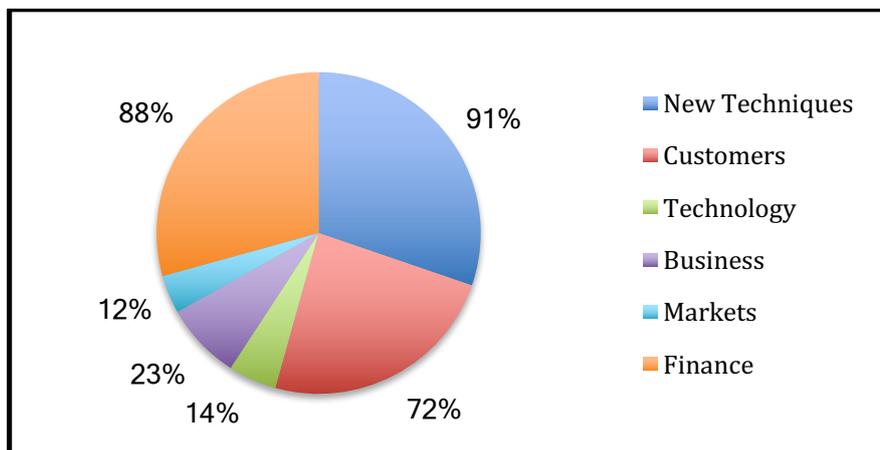
²⁰ Sustainable Square (2013). The Social Value of Preservation of Emirati Heritage Through Activation of Artisan Entrepreneurs.

²¹ Ibid.

the majority of the artisans' incomes came from their husbands, whilst some were gaining an income through social affairs or their pensions, depending on their circumstances. They are now financially literate and demand more soft skills training (see Exhibit 14.8). Women now are less financially reliant on men as they are empowered by Sougħa and have their own income. Their roles changed in society from merely being a grandmother, mother, wife, aunt, sister or daughter to a business owner (they were still reluctant to call themselves financial provider).

The majority of the 70 artisans researched in 2016, joined in 2011 and heard about the company from family. It was not unusual for Sougħa to get a call from relatives of artisans in remote areas of the UAE to ask when they would be approached too. Women who worked for Sougħa found their status in the family and community would increase.

Exhibit 14.8: Knowledge acquired by Artisans through Sougħa (2015)



Source: Research conducted by Author

Sougħa artisans are able to reinvest into product research and are enjoying more social inclusion, as their economic stature has grown in the community. Maytha from Ghayathi learnt to use the internet for the first time to source ideas to complement her traditional designs. Sougħa observed that the younger generation was quick to embed social media into the process. They would share their designs and products on Instagram and some have managed to find their own buyers, which is something that Sougħa wants to encourage. Many of the girls in the western region stay at home after graduation, and so the additional income is welcome. Sougħa is developing a new e-commerce website, which will serve as a platform that will allow artisans to sell their work. Encouraging business growth, bulk orders could be placed allowing artisans to have their own mini-enterprise and creating more job opportunities.

Sougħa has been able to impact the younger generations. Research conducted in 2016 by the authors on 70 participants found that they had an average of 7 children. Older women would consult with the younger generation about business. The younger

generation regarded them with pride and they, in turn, received more respect from their elders after joining Sougħa. Fatima is the daughter of an original artisan who comes from Ghayathi from Al Sila'a and joined Sougħa. Not only does she earn but now competes with her mother on quality and style and is able to donate to charity regularly. When Sougħa first started, the artisans were in their 60s and 70s, but the average age has come down to the 30s and 40s by 2016. A husband of an artisan said:

“I am very happy because my daughters are gaining the knowledge of national heritage and handicrafts that is being passed on from their mother.”

According to an artisan from Ghayathi, her life changed when joining Sougħa because she learnt how to merge modern and traditional designs. She opened her own personal bank account and learnt about the market and how to sell her products. *See Exhibit 14.9 for more artisan testimonials.*

The vision of Sougħa is to foster micro-entrepreneurship for the sustainability of the project and increase the number of workshops and training in the areas of finance and business acumen needed by artisans to run their own businesses.

Exhibit 14.9: Sougħa Artisan Story

Fatma

Fatma lives in Sila, with her family. She is a Sadou artisan. Fatma learned how to weave at a very young age, when her family lived a Bedouin life and roamed around the western region looking for water and grass for their animals.

In the 70s the port of Dhannah, offered the first jobs in the western region, that's when her father got a job as a transporter and then truck driver. At the same time, schools were built, and she used to walk long distances with her brothers to go to school at Bou-Rahma (now Bid Mtaawa). Later on, the government built homes, and Fatma moved with her family back to Sila and settled down for the first time. Fatma stopped going to school after the 4th grade. She went back to finish her high school once her ten children started going to school themselves and graduated from high school soon after.

Fatma had stopped weaving for 15 years before Sougħa visited her while they were looking for local artisans. She then attended 4 skills development workshops in Sila, received a sewing machine, taught her younger sister Maitha how to weave and is continuously producing high quality products that ensures a monthly economic income for her and her family.

Fatma's products are now on sale on-board of Etihad Airways.

Saif Al Dahmani

After serving his country in the military, instead of simply retiring, Saif Al Dahmani decided to devote his energy towards preserving his Emirati heritage and culture. In Fujairah, Saif currently has a workshop where he produces traditional Emirati goods, a showroom to sell them, and is working to recreate a traditional Emirati village.

Saif explained the drastic social change he lived through in the UAE as one involving a shift from a society with an emphasis on community to one emphasizing the individual. For example, when a family builds a house, neighbors no longer come to help as they did in the past, and instead of feeling happiness for a neighbor when he buys a nice new car, there is a sense of competition amongst neighbors for who has the nicest car.

Saif believes there will be a greater incorporation of Emirati tradition in modern society by educating youth about their history and traditions. To educate the youth, Saif is constructing a model of a traditional Emirati village in Fujairah. The hope is that the youth will visit to learn about their past. Walking through the now-abandoned village with an aflaj system, Saif recalled the times of the past

when the aflaj system was full of water and flowed naturally. Saif learned how to swim as a child and remarked proudly that “I’m a Bedouin – I’m from the desert, but can swim better than those from the sea.” The aflaj system is now close to empty and an electric pump is used to transport water instead. Stories that capture the lifestyle and ways of the past, such as the community coming together to build a house or the aflaj system of a village, are the stories Saif wants to pass on to youth so they are not forgotten. They are important because they capture the tradition, values and societal structure in the Emirates.

14.5 Sougha: Moving forwards

Sougha is aware there are several areas that need to be measured²² – for example financial inclusion of women, artists’ perception of themselves, government perceptions (more than financial support), entrepreneurship in the community, awareness and knowledge of Emirati handicrafts.

One issue with the rapid growth of Sougha is that at the heart, it is not a commercial enterprise but a social initiative with a clear mission. One of the challenges is sustainability. Currently, the model is dependent on the relationship Sougha representatives have with the artisans, but this prevents growth.

The current funding would have great social return but not financial return if it was its own independent enterprise with no support from the Khalifa Fund for Enterprise Development. The Khalifa Fund continues to be an incubator providing free rent and manpower, but they need to find a business model quickly to ensure its sustainability. The government needs a clear exit strategy.

Sougha is experimenting with corporate CSR funding to preserve the artisan skills and buy back products. They have begun outsourcing sales but they also need the artisans to be involved in sales – currently it remains Sougha’s responsibility. In some cases, sons may come to represent mothers, but not always. The website may help but that is a new skill which will have to be taught.

Sougha wants to build brand visibility that is the best source for hand-made Emirati products, from local artisans all over the UAE and abroad. They want to highlight the fact that they are not only preserving the Emirati heritage, but are improving the socio-economic status of self-employed artisans in opportunity-deprived locations with the vision of fostering micro-entrepreneurs. Could they create a national 'label' or 'stamp', which would help identify a 100% hand-made Emirati product made from natural raw material, inspired from local heritage and of a good quality?

How does Sougha move forward?

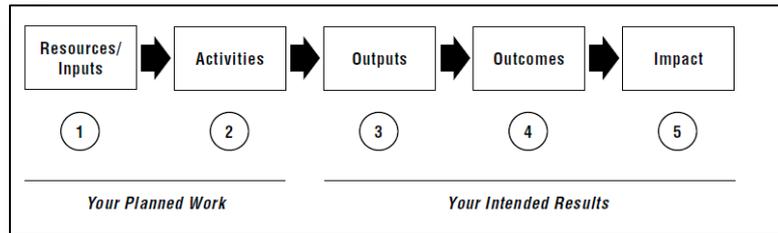
Thought Provoking Questions

Question 1

When you are a social entrepreneur you need to understand the change impact you are trying to deliver. This is known as the Theory of Change - how the organization takes in resources (inputs) to do its work (activities), which leads to direct results (outputs) and longer-term or more significant results (outcomes), focusing on outcomes the organization can take credit for (impacts). One method to map this process would be to create a logic model (see Exhibit 14A). Apply this to Sougha.

²² Al Nasri, M. O. (2016). Available: <http://www.slideshare.net/Microcredit/mouza-obaaid-al-nasri-sougha-establishment-uae-empowering-women-through-financial-inclusion-measuring-our-impact> [Accessed 21 May, 2016].

Exhibit 14A: Logic Model

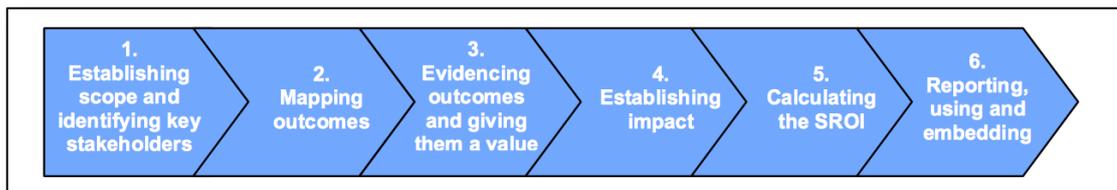


Source: Sept, Naylor and Weston (2011)²³

Question 2

There are six stages for calculating Social Return of Investment (SROI) (look at Exhibit 14B). What other areas of impact can you measure for Sougha?

Exhibit 14B: Six Stage of SROI



Source: http://www.thinknpc.org/wp-content/uploads/2012/09/SROI_for-funders.pdf

Question 3

According to New Philanthropy Capital²⁴, one of the challenges of SROI evaluation is putting a financial number on the social returns. It is guided by seven principles: (1) identify and involve stakeholders; (2) understand what changes have taken place by mapping them; (3) value the things that matter; (4) only include what is material due to your intervention; (5) do not over-claim; (6) be transparent; and (7) verify the result. They recommend you look at cost-benefit analysis; cost-effectiveness analysis and break-even analysis. Some SROI benchmarks are given on the following site: <http://www.successmarkets.org/sroi-benchmarks-and-comparisons>. The report, "Social Guide to Investment"²⁵ also recommends that you calculate:

(1) deadweight (the normal rate of change that would have taken place without you): for example, is the change in economic status was 10% and market grew at 5% - was your contribution really 5%?

²³ Sept, L., Naylor, S., and Weston, R. (2011). *Measuring the Impact of Social Programs: A Review of Best Practices*. Stanford Global Supply Chain Management Forum, Available: <https://www.gsb.stanford.edu/faculty-research/publications/measuring-impact-social-programs-review-best-practices> [Accessed 22 May, 2016].

²⁴ New Philanthropy Capital (2010). SROI for Funders. Available: http://www.thinknpc.org/wp-content/uploads/2012/09/SROI_for-funders.pdf [Accessed 22 May, 2016].

²⁵ Social Value UK (nd): Chapter 4: A Guide to Social Return. Available: https://www.google.de/search?client=safari&rls=en&q=SROI+benchmarks&ie=UTF-8&oe=UTF-8&gfe_rd=cr&ei=_V1BV-LNBcLb8AF-vr2QCQ# {accessed 22 May, 2016}

(2) displacement (how your intervention had spillovers in other areas (which could be negative): you increased women empowerment but, because the men in the family were upset with loss of status, the woman faces more physical abuse.

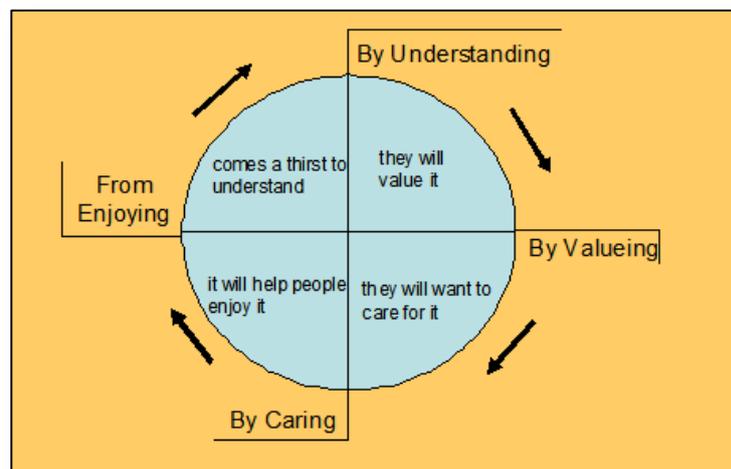
(3) attribution (how much of the outcome is due to the contribution of other organizations): this is important especially when you are dependent on PPP.

What could be some challenges in mapping impact for Sougha? Brainstorm ideas.

Question 4

Culture is a combination of many things. Cultural Heritage is explained as the ways of living developed by a community and passed on from generation to generation, including customs, practices, places, objects, artistic expressions and values and it can be intangible or tangible.²⁶ See Thurley (2005)²⁷ Heritage Cycle (see Exhibit 14C) to Sougha. Where is Sougha making a difference and where can they create a larger impact?

Exhibit 14C: Heritage Cycle



Source: Thurley (2005)

Question 6

Understanding the meaning of women's empowerment is critical to the work Sougha does. UN Women states "Empowering women to participate fully in economic life across all sectors is essential to build stronger economies, achieve internationally agreed goals for development and sustainability, and improve the quality of life for women, men, families and communities."²⁸ In brief, it is built around seven principles:

- 1 Establish high-level corporate leadership for gender equality
- 2 Treat all women and men fairly at work—respect and support human rights and non-discrimination

²⁶ Culture in Development (nd). Cultural heritage. Available: http://www.cultureindevelopment.nl/Cultural_Heritage [Accessed 22 May, 2016].

²⁷ Thurley, S. (2005). Into the future: Our strategy for 2005-2010. *Conservation Bulletin* [English Heritage], 49: 26-27.

²⁸ UN Women (2016). Women's Empowerment Principles. Available: <http://www.unwomen.org/en/partnerships/businesses-and-foundations/womens-empowerment-principles#sthash.Vp8Zo7vM.dpuf> [Accessed 22 May, 2016].

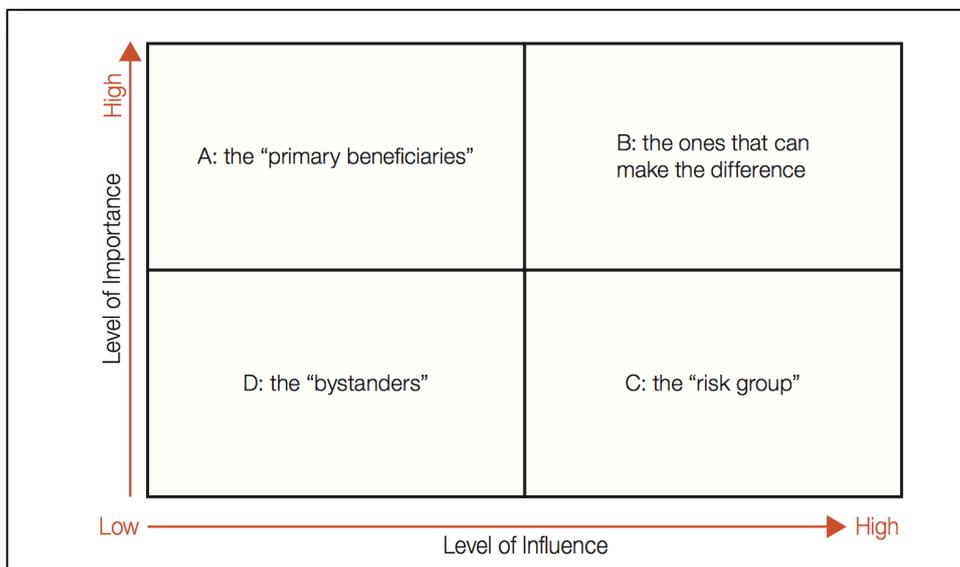
- 3 Ensure the health, safety and well-being of all workers, both women and men
- 4 Promote education, training and professional development for women
- 5 Implement enterprise development, supply chain and marketing practices that empower women
- 6 Promote equality through community initiatives and advocacy
- 7 Measure and publicly report on progress to achieve gender equality

How does Sougħa empower women?

Question 7

Stakeholders can play an important role in helping or hindering an organization’s objectives in the community. Look at the “*Social Return On Investment: A Practical Guide For The Development Cooperation Sector*”²⁹ matrix of the importance and influence of other stakeholders as shown in Exhibit 14D. Apply to Sougħa with respect to the objective of preserving Emirati culture and heritage.

Exhibit 14D: Importance and Influence Matrix.



Source: Brouwers, J., Prins, E., and Salverda, M. (2010)

²⁹ Brouwers, J., Prins, E., and Salverda, M. (2010), *Social Return On Investment: A practical guide for the development cooperation sector*. ISBN: 978-90-77526-06-4.