



Outsiders to Integrated Enterprise

A Community Enterprise Case Study

Client: An Unnamed Municipality on Island of Bohol, The Philippines

Project: Municipality-wide Enterprise Planning and Community Resolution

Instigation

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The Situation:

The transportation development policy of the Philippines under the “New-medium term development plan (2004-2010) initiated under the Estrada Administration years before in to boost socioeconomic development by providing a safe and reliable transportation service promoting of utilisation of the private sector to:

Improve access to domestic and international markets to ease poverty in local and remote areas.

Enhance peace and security in areas of conflict through efficient traffic and commerce. Enhance national solidarity, family bonds and sightseeing by ensuring swift, economical and safe forms of transfer for people.

Develop traffic infrastructure at a minimum budget and debts.

A prominent sub-project, Bohol Circumferential Road Project aimed to connect coastal provinces to the produce producing and tourist drawing interior. Although a reputable business man held the sub-contract, distrust and accusations ran high amongst the provincial Barangays (governing towns). After several delays, the project began only to stall again due to an entrenched militant communist community which inhabited and controlled the passage to the interior. All efforts of negotiation, surveying or construction led to altercations or sabotage. As the completion deadline drew closer and resources depleted, local provincial government sought intervention.

The Solution:

Instigation’s co-creative and development methodology including: design thinking for innovation, quantum learning, contextual assessments, inclusive hosting practices, dynamic partnership identification, stakeholder recommendations and robust and sustainable business modelling to facilitate social-economical solutions emerged from the careful integration and mobilisation of local People, Resources and Business Enterprises.

The Success:

Full adoption of the prescribed platform was quickly realised and implemented resulting road completion ahead of the deadline, a thriving and scalable community endorsed business model, greater community cohesion, unforeseen partnerships, life-skills imparted and cultural integration. The systematic implementation of Instigation’s recommendations received immediate praise amongst stakeholders, from the Mayor of the municipality to members of the general public and communist Rebel community.

Behind the Scenes:

This particular province had a nominal economy based upon the financial strength and network of one prominent family that had influence in the political, entrepreneurial and religious sectors. This highly respected family’s work supported the majority of poor living but when the Municipality failed to consult or involve this family with the construction process, it set off alarms within the general public. The Municipality selected a Contractor who was at odds with the communists Rebels that controlled the passage to the interior due to past altercations and entrenched prejudice. The communist Rebel community, was viewed with distrust by the majority of the public and Municipality

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officials; the community of the Municipality, a population of approximately 18,000, feared the Rebels and often campaigned for their immediate removal. The Rebel community of 500 young men and women survived off the land, served as guides and viewed the new roadway as a threat to their survival.

From Silos to Symphonies:

Several disjointed efforts by the mayor and other authorities to relocate the Rebel group were fruitless. Force and violence were the likely next step, but that would threaten the safety of the Municipality. As their materials were stolen and machinery sabotaged, the Contractor grew impatient with the Municipality's "inability to deal with the problem" and threatened to withdraw. The inhabitants of the Municipality did not want the Rebels to disrupt their lives and viewed integration efforts of the Rebels as competition and an encroachment on their livelihood. The Rebels did not recognise the current government and held onto their territory as an oasis to practice their community beliefs, but were socially and financially isolated. Their encampment was all they had and nothing short of a miracle would entice them to share or relinquish it.

As a critical piece of this major undertaking, Instigation conducted a series of contextual assessments with project members (National Department of Public Works and Highways, Municipal Mayor and key officials, and the local contractor) but also drew upon the input of randomly selected people within the municipality, the local police department and Rebel community. These assessments revealed excluded interested parties (key community leaders and activists amongst the residents of the Barangays in close proximity to the Rebels, influential small business-owners, volunteers, etc.). These untapped participants proved to be crucial for designing a sustainable solution. Instigation served as a intermediary between diverse worlds of different dialects, backgrounds and cultures, assessed the openness of each stakeholders, employed trust enhancing dialogues centred on shared values and facilitated co-created strategy for enterprising success.

With a successful track record of effectively moving communities and stakeholders through the often-daunting waters of change, Instigation used several development and facilitation skills from our tool chest. With a customised process to foster an innovative solution, Instigation mobilised key bridge-builders; identifying collective skills, talents and resources that could be combined and exchanged; formulated collective goals of economic empowerment, community growth, family security (livelihood) and personal autonomy; leveraged ideas that met deficits and needs of those involved.

The Solution:

In less than two weeks from the initial consultation, Instigation's process yielded an holistic solution that was elegantly simple and highly impacting. The participants created a community-based business run by the prominently respected and trusted family, which employed the communist Rebels to build the new roadway and homes for the relocated interior community. The hired Contractor sub-contracted the new community enterprise with an agreement to equally share any early or on-time bonuses with each employee.

This development was only the beginning; the local business owners of several Barangays decided to offer weekly life-skills classes for their "interior neighbours" and local poor; several Barangays took collections in their local churches to cover the costs and resources to build homes for their new neighbours; local businesses supplied materials for the construction; and a local pastor who had a good relationship with the "interior neighbours" taught local policemen how to interact and communicate with the Rebel community.

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The Evaluation:

Concerning the two largest industries, namely agriculture and sightseeing, improvement in the indicators was seen after the road construction. Regarding the aforementioned Municipality, the connections from Instigation's process naturally spilled over into deep partnerships and friendships which increased household incomes by 10% in the first year; enabled the road construction to finish two-weeks early and a 400% increase in number of cars travelling to the interior due to the ease of passage. The community-based company formed in the Municipality worked on two other sections of roadway for the Bohol Circumferential Road Project, using the same business model. Later the company continued with other construction contracts, often completed projects ahead of schedule.

In 2010 Philippines hired IC Net Limited to conduct an independent 20-year impact study. In two areas of Bohol and Southern Leyte, the preliminary results of the Bohol Circumferential Road Project (Phase IV) conducted (on residents and passengers) shows:

- direct benefits such as reduced travel time, increased shipping volume of goods (mainly crops), improved forms of access;
- Over 70% of them (267 people) use the project road daily.
- Increase in shipping volume of goods (mainly crops)
- 70% increase in the distribution of goods to and 50% increase from further
- 15 minute reduction in travel time for 90 % of travellers polled travellers.

All pertinent names are withheld due to confidentiality agreement.