




**Innovation
at BRAC**



“The idea was not to prove they [BRAC] had all the answers before they started, but to find out what worked and apply the lessons.”

Ian Smillie, Freedom from Want

BRAC: Empowerment Through Innovation

Since 1972, the Bangladeshi organisation BRAC has challenged conventional wisdom in development through a dedication to alleviating poverty and empowering the poor. Today, BRAC continues to bring services to the doorsteps of the impoverished and mobilise women to become local change makers in their communities.

From its humble beginnings as a collaboration of a few individuals providing emergency assistance to Bangladesh's refugees from war, BRAC has evolved a holistic, long-term approach to combating the fundamental causes of poverty and social injustice. BRAC has grown to become the largest international development NGO in the world, reaching 138 million people worldwide.

As organisations grow in size, they often ossify as priorities shift from creation to standardization, compliance, or cost control. Even the largest and most successful NGOs can lose their innovative edge,

ceasing to experiment and evolve. But BRAC defies this conventional wisdom with its ongoing capacity to devise and scale new solutions that draw on frugal innovation.

Today, BRAC's work spans human rights and social empowerment, education and health, economic empowerment and enterprise development, livelihood training, and disaster preparedness. We work directly in 11 countries within Asia and Africa; our innovations have been replicated in countless others.

How is BRAC able to consistently break new ground in so many diverse areas of development? This booklet addresses this question by looking at BRAC's internal culture, development philosophy, and operational principles—in other words, the ways in which innovation is fundamental to what we do, and essential to who we are.





Facing seemingly impossible obstacles, BRAC quickly established a reputation as one of the world's most effective and innovative NGOs.

But many aren't aware of the decades of continuous dedication to learning and innovation that has made BRAC what it is today.

Many of these practices have become part of who we are, built into the BRAC culture.

Following are some of the cultural ingredients that make BRAC a uniquely innovative organisation.

Empowered Employees

BRAC's work is premised on helping the impoverished and marginalised achieve their potential. So too is BRAC's internal culture devoted to developing the skills and talents of every staff member. In fact, many of the frontline workers are recruited directly from the communities that BRAC serves. As a result, BRAC nurtures a sense of permanence in its staff. For many, a job at BRAC is their first... and their last.

BRAC's commitment to continuous skills development and its belief in the transferability of experience allow employees to grow in a variety of roles. Staff often begin with front-line fieldwork, whether in a rural village BRAC branch office, school, or health centre. Many graduate to programme management or administrative work, or choose to travel to other countries in which BRAC operates

to continue the work they've done in Bangladesh.

Empowerment also extends to the organisation's bottom-up management culture, which mirrors BRAC's belief that true change happens in the community, and those interacting directly with the poor often have the deepest insights on what's not working. Staff at all levels contribute agenda to with senior leadership, and an open door policy is traditional among BRAC executives. The Social Innovation Lab hosts a variety of internal forums that innovative ideas are captured and shared across organisation.





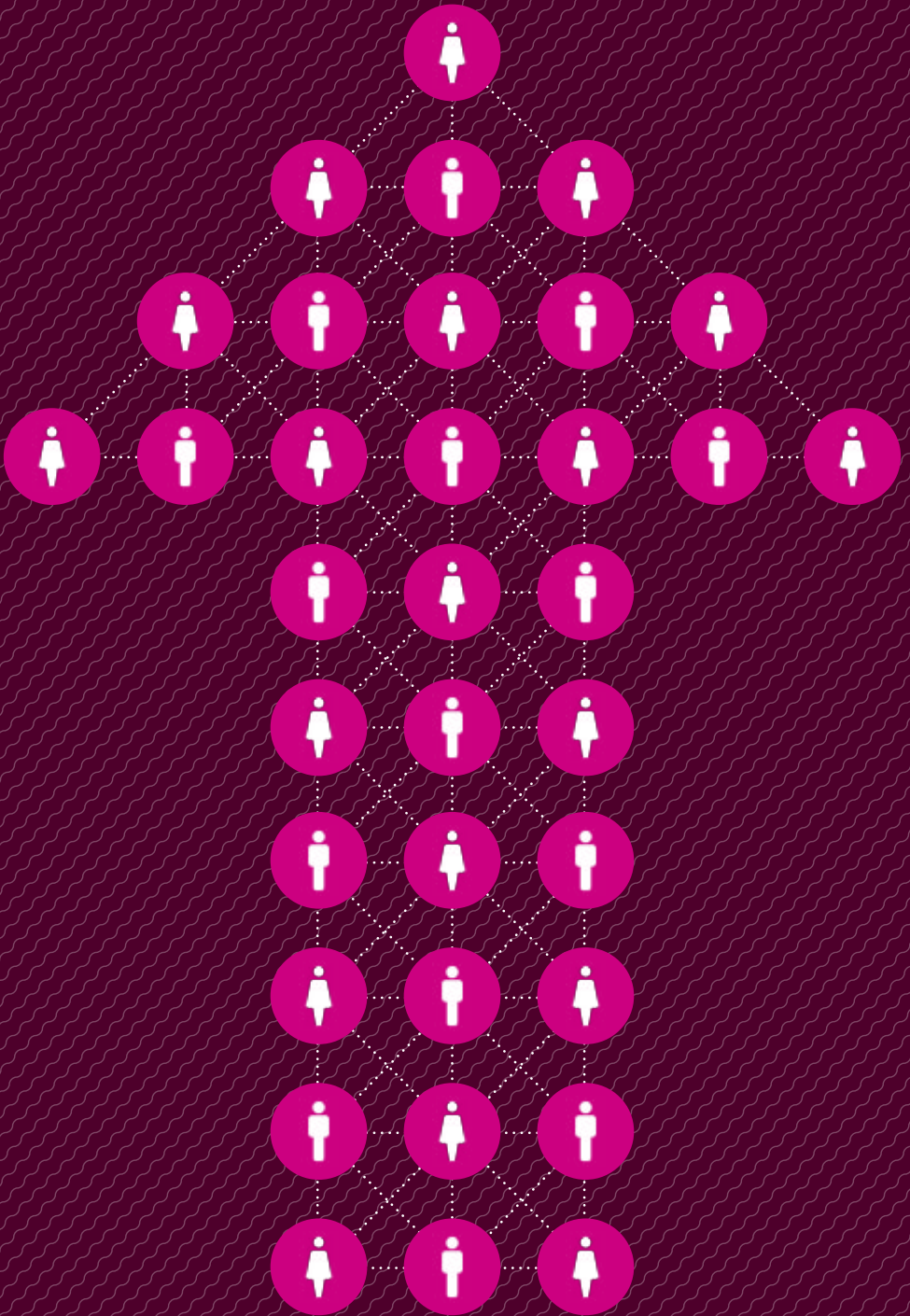
Shared Sense of Purpose

Individual empowerment opens the door to a collaborative environment. At BRAC, there is constant discussion between programmes, whether at learning sessions or informally in the lunchroom or over a cup of tea. In part, this represents a storytelling culture that is central to how knowledge is transmitted at BRAC. Not just our accomplishments, but also the experience, values, and insight gleaned from decades of work and refinement become part of a collective folklore—‘parables,’ if you will. This is possible because of the continuity and longevity of BRACs staff—starting at the top with our founder, who has headed the organisation for its entire history. Though not a formal part of orientation, many staff feel that these parables were part of their induction into BRAC and a guide for their own profes-

sional journey. Tapping into the collective wisdom gives staff a new tool, better enabling them to solve unexpected daily challenges.

Our storytelling culture reflects another important cultural dimension of BRAC: A holistic sense of everyone’s participation in BRAC’s work. Every employee is, in some sense, a development worker, no matter their role. No single programme is the answer to eliminating poverty so we all know we’re part of one greater story.





A Learning Organisation

Since its inception, BRAC has focused on learning: from its successes and failures alike, from other NGOs, from clients and practitioners in the field. Even today, BRAC still gathers ideas at the grass-roots level, through its network of community health workers, teachers, and field staff.

The primary tenet of innovation at BRAC is a willingness to learn while doing. Planning, study, and programme design can only go so far in addressing complex problems of social justice and poverty. There are solutions you can't develop fully without first doing what can be done with the tools you have, and learning from the results—successful or otherwise. So that's where we begin: Listening to our clients discuss the challenges in their daily lives, whether at community meetings, field visits, or cultural events hosted at BRAC's headquarters, or through SMS polls and web-based idea challenges. Information is always flowing throughout the BRAC organisation, as well.

In 1975, the Research and Evaluation Division (RED) was founded to undertake the first comprehensive study of the problem of rural poverty in Bangladesh. Since then, it has evolved into an independent multi-disciplinary unit, both as one of BRAC's monitoring arms (assessing outcomes and long-term impact, analysing strategies, and documenting achievements), and as a research organisation.

RED ensures that BRAC's development work rests on a strong analytical and evidence-based foundation.

In 2001, we established a new BRAC institution dedicated to learning: a university. While BRAC University's graduate programs in public health, governance, and development studies are directly relevant to BRAC's mission, the school as a whole is a liberal arts institution devoted to excellence in higher learning, offering degrees in engineering, mathematics, business, public health, computer science, the humanities, educational development, and law.



When it Comes to Innovation, We Believe:

Nothing is impossible—except perfection. Dedication and simple ideas can solve any problem, given enough time and the willingness to refine, adapt, and improve.

Don't expect to solve problems with programme design and planning. Get in the field, do what can be done; figure it out as you go. The first attempt—successful or not— will at least help you see what's possible.

Sometimes you have to think really big. Sustainable self-reliance is not always possible for those without opportunity or social capital. Be prepared to change the environment, creating markets for the skills you teach and the goods you equip clients to make.

If the community isn't leading the way, change won't last. Poverty has many dimensions beyond economics, such as self-worth and behaviour. At the heart of any new intervention is facilitating a new mind set or behaviour. Getting people to drive change can take time, but it's half the battle. Get this right or you're wasting your time.

Innovation is continuous. In our work, no solution is ever complete. It can always be further refined, better understood, or reproduced in other contexts. Not only is the world constantly changing, but every problem you solve opens the door to new challenges.

Most of what you need is already out there. Mobilise and build on local resources, rather than reinventing the wheel. Focus on building capacity through teaching or training, to best use the raw materials and potential at hand.

Change must be inspired, not imposed. You can't address poverty and social justice by imposing upon clients a 'right' way of thinking. Long-term change may mean adjusting your programme to best suit existing power dynamics, cultural norms, and social practices you encounter.

Innovation doesn't end when scaling begins. It's not simply a matter of copying a clever idea onto a larger canvas; you have to re-examine, assess, and refine at every step. Seemingly small changes in size, geography, environment, or language may require you to come up with solutions as creative as your original idea. Don't get complacent!

If it were easy, somebody would have done it already. Solving difficult problems may necessitate bold steps. As they grow, organisations can lose the willingness to take risks on new ideas. You may miss opportunities to solve new problems—or do a better job with the old ones.

**Innovation Applied:
Tackling the challenge of
safe delivery in urban slums**





Case Study: Manoshi

Overview

Cost-effective project to create safe urban birthing environment, improve maternal and neonatal health, and improve access to critical healthcare services.

Launch: 2007

Geography: Urban Bangladesh

Target: Approximately 7.1 million poor people in urban slums

Results

- Deliveries urban slums supported by BRAC: 123,000
- National maternal mortality ratio reduced from 318 per 100,000 to 170 per 100,000*
- National neonatal mortality reduced from 58 per 1,000 to 38 per 1,000*

** Bangladesh MDG Progress Report 2015; baseline statistics from 1990.*



The Manoshi project is an excellent example of BRAC working with available community resources and creating connections where it was thought impossible.

Leveraging lessons learned from improving infant mortality in rural areas, BRAC took a new and innovative approach to the problem in an urban setting. First and foremost, Manoshi provides accessible birthing centres to millions of women whose living conditions make home delivery unsafe. These centres are staffed by traditional birthing attendants, who receive supplemental training from BRAC and are equipped to recognize complications that require quick referral to a hospital. Thanks to the strong linkages it's built with public facilities, BRAC can quickly refer a patient to a hospital, arranging transportation, and even accompanying them as an advocate. Community health

workers conduct home visits before and after birth, monitoring health and providing continuous social support for healthy mothers and babies.

Innovation Principles

The community must lead for lasting change

Training and empowering local champions is one of BRAC's most important innovations, making community-led development possible. Beginning in 1975 with the shasthyo shebika, local women given specialised training by BRAC in healthcare, this model has been replicated by BRAC in agriculture, family planning, legal aid, and many other areas. Elevating key members of the village through this model promotes community ownership in development. These frontline workers are also well positioned to teach and to inspire behavioural change that for



cultural or social reasons cannot be ‘parachuted in’ by outsiders. In Manoshi, we also chose to work with traditional birth attendants who were already in place and active in the community. These attendants could be supported in applying safer birthing practices in their own work.

Innovation doesn’t happen in the office

BRAC has always engaged the problem of poverty by working directly with and through the impoverished themselves. We always begin by meeting with clients and field staff, both formally and informally, to understand the problem from their perspective. Manoshi began with an extensive social mapping phase, where BRAC staff and locally trained surveyors catalogued households, community structures, and healthcare providers with ongoing input from residents.

Change must be inspired, not imposed

BRAC strives to build institutions that encourage change, rather than force it. We integrate educational and behavioural components that help clients understand the value of the change we’re proposing. We enlist the aid of change makers in the community, to advocate for the solution. Long-term change is more likely when people feel that they should participate in our programmes, rather than that they have to. Behavioural change was a key challenge in Manoshi. Both birth attendants and mothers-to-be look to traditional methods passed down from their own mothers and grandmothers. BRAC knew simply dictating safer methods was not enough, so we recruited birth attendants directly, to lead the change in concert with community health workers teaching mothers in their homes.

Innovation Applied: Building pathways out of extreme poverty





Case Study: Ultra-poor Programme

Overview

A holistic approach to poverty alleviation, providing a two-year pathway out of poverty for the ultra-poor population.

Launch: 2002

Geography: Directly implemented in Bangladesh, Afghanistan, Pakistan and South Sudan. Replicated in 27 countries worldwide.

Target:

Bangladesh: Approximately 26 million people living in ultra poverty

Results

Bangladesh

- 1.6 million households graduated
- 95 per cent graduate from ultra-poverty in two years
- 37 per cent increase in household income*
- 1,000 percent gain in savings*

* Source: CGAP-Ford Foundation



Of all the interventions for tackling extreme poverty, BRAC's Ultra-Poor Programme arguably has some of the strongest evidence for success anywhere in the world.

The approach represents a radical re-thinking of the conventional approach to poverty alleviation based on micro-finance, which was itself pioneered by BRAC in the 1970s. Predicated on self-reliance through market-based interventions, the microfinance revolution has contributed to significant decreases in poverty throughout the world.

However, it was clear by the early 2000s that microfinance bypassed those living in such extreme poverty that they could not meet their basic needs. According to government estimates, roughly 26 million people are classified as ultra-poor, earning less than half of the commonly accepted extreme poverty standard of US\$1.90 per day.

BRAC has developed a 2-year 'graduation' model that combines a short-term safety net with long-term assistance that

equips the ultra-poor to transition into sustainable livelihoods. Graduation is not intended as a replacement for core social protection programmes, such as safety nets, but rather serves as a bridge to allow the most economically disadvantaged populations access to mainstream support appropriate for the moderately poor. Economic resilience is not the programme's sole goal. Increased social standing and self worth, more stable and positive family structures, and greater physical health are all widely reported outcomes. When the programme ends, many households graduate into mainstream programmes, where they stay in contact with BRAC through microfinance, health, and other services. Longitudinal studies show that graduates usually continue to see increases in their income even years after the programme ends.

BRAC has worked with several organizations to replicate its ultra-poor programme in many other countries, often with rigorous evaluations attached. International results show significant impact and potential for further application. In reference to the model, MIT's Esther

Duflo recently said, “In my view we are way past the proof of concept stage. This is a formula...what it does, it does well in several countries with several types of people and therefore we can be reasonably confident that this particular formula can be replicated.”

Innovation Principles

Think bigger than the household

“The poor are poor because they are powerless,” BRAC’s founder, Sir Fazle Hasan Abed, has said. “They lack social assets—they are excluded, either by choice or by force, from local community networks and have little social standing.” Conventional development has often focused on material assets or skills training to directly address observed scarcity. But for the world’s poorest people, the lack of social capital limits the success of such interventions.

The Ultra-Poor Programme focuses much of its work on social integration and engagement. Also BRAC works directly with the wider community to encourage inclusion, and even participation in the graduation process.

Simple ideas...complex solutions

We’ve learned that no single intervention is sufficient. Sustainable, large-scale change requires a holistic approach. So BRAC’s work relies on layered solutions that tackle social problems across multiple dimensions.

We combine innovations that have proven effective and scalable on their own, beginning with simple ideas at the smallest scale, then layering them in individually and gauging their effectiveness in combination. The Ultra-Poor Programme is an example of what this looks like in practice: the sum of a range of activities and proven interventions is a comprehensive and effective model.

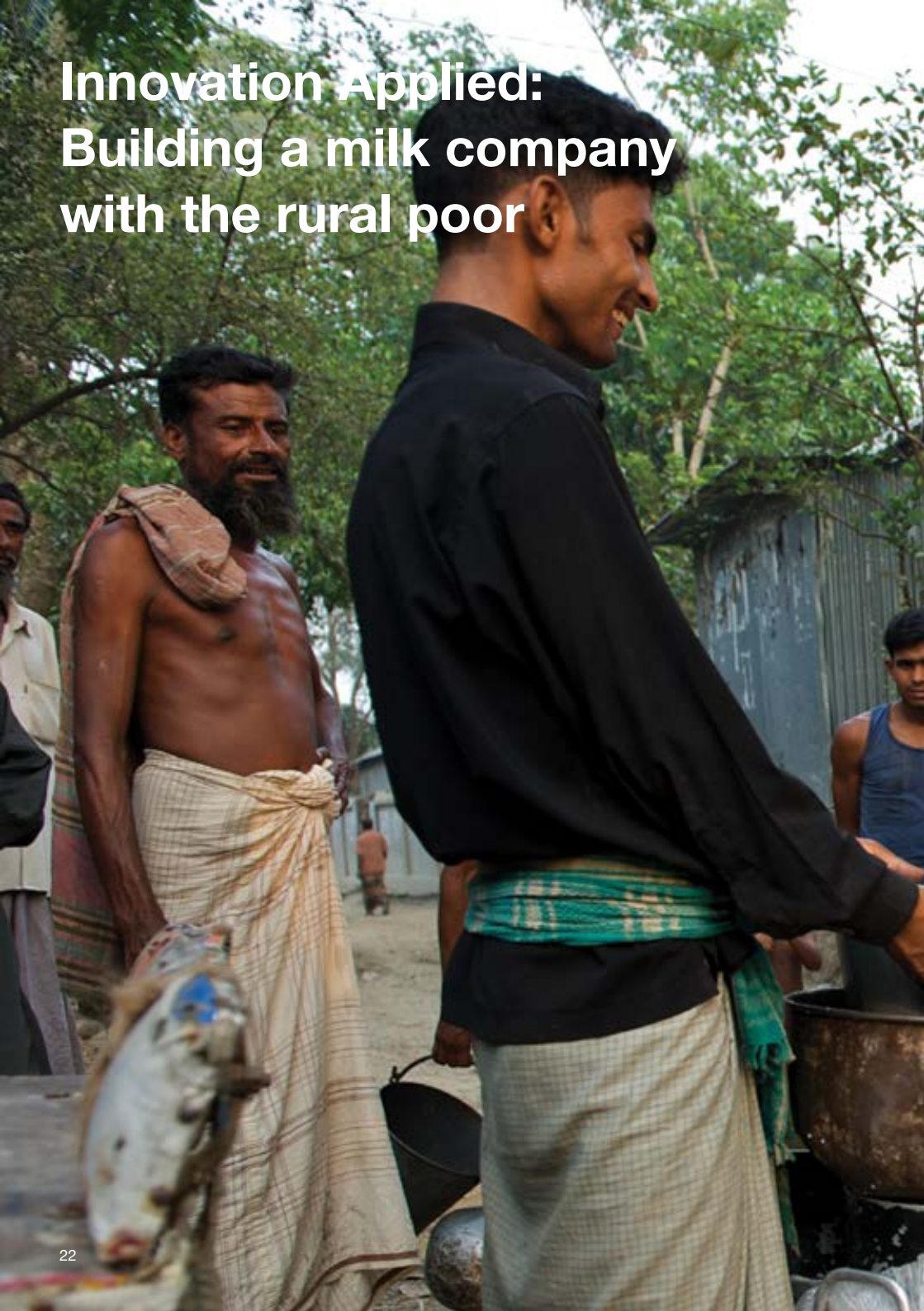
Engage everyone

Obviously, inclusion, in the sense of opportunity for poor and disadvantaged people, is an essential goal in our work. But we strive for inclusion in a greater sense: that our initiatives engage all classes of society, and all social groups.

When you’re attempting to change cultural norms or the underlying power dynamics of the broader society, you can’t afford to ignore anyone, whether or not they’re the target group for your programme. When you set out to empower the powerless, you run the risk of disempowering those with power; sometimes it’s unavoidable, but often simply by approaching social problems in an inclusive way, you can show all parties the benefits of change.

The Ultra-Poor Programme advocates directly with local community stakeholders, to raise awareness of the plight of their ultra-poor neighbours. Village Poverty Reduction Committees directly enlist the help of village leaders in protecting the assets of the ultra-poor, provide advice, and help them access government and social resources.

Innovation Applied: Building a milk company with the rural poor





Case Study: Dairy

Overview

Social enterprise that increases market access for dairy farmers, and provides high-quality milk products throughout Bangladesh.

Launch: 1998

Geography: Bangladesh

Target:

Sales: Bangladeshi population relying on formal milk market

Results

- Third-largest dairy in Bangladesh
- Processing 140,000 litres/day
- Daily business for 30,000 rural farmers
- 22% market share



The Dairy and Food Project is an outstanding example of BRAC's social enterprise model, a unique integration of commercial business, development programmes and investments.

While many were originally conceived to support other development programmes, they are now significantly profitable commercial ventures in their own right. Revenue from social enterprises and microfinance fund roughly 70 per cent of BRAC's overall expenditure in Bangladesh.

For all its enterprises, BRAC has established a triple bottom line to be considered a successful and sustainable business: It must serve the needs of poor people, be environmentally friendly, and generate a surplus that contributes to financial sustainability for BRAC's development work.

Dairy began in the late 1990s, as a response to an emerging problem. While BRAC had not only succeeded in meeting significant demand for these loans (which accounted for about 20 per cent of micro-

finance loans at the time), the livestock and paravet projects launched in the previous decade had succeeded in delivering a healthier, longer-living and better yielding breed of dairy cow, which in turn produced a surplus above the owning family's daily needs. Unfortunately, there was little actual market for this surplus. Local demand in remote villages wasn't enough, and even if infrastructure existed to safely transport and process milk for sale, long-standing agricultural subsidies in Europe meant that imported powdered milk was cheaper than fresh milk produced in Bangladesh. BRAC's solution was an ambitious one: re-make the entire value chain, providing essential services and connections to enable individual dairy farmers to market fresh milk in other regions of Bangladesh, at a competitive price. Starting from the rearing and feeding of dairy cattle, and extending to farmers' organisations, collection and chilling infrastructure, transportation, processing, and commercial distribution, BRAC built a supply chain that engages thousands of self-employed farmers and dealers.

Innovation Principles

Innovate beyond the deliverable

BRAC's most successful social development innovations haven't necessarily involved revolutionary end products. In many cases, the revolutionary aspect has been in the delivery mechanism, support system, or behavioural change that have driven adoption. BRAC initiatives always consider how to get a solution in the hands of the most clients as quickly and inexpensively as possible—but not before understanding how best to encourage people to use it. BRAC Dairy was launched with the intention of building a complete system. Simply paying farmers for producing milk would not be enough; commercial and logistical innovation was necessary at every step, including mobilising a support system of dealers and commercial distributors.

With a daily processing capacity of 140,000 litres per day, BRAC Dairy is Bangladesh's third-largest dairy company, and sources its milk entirely from small-scale farmers who usually own just a cow or two.

Build or impact the entire value chain

Poverty does not occur in a vacuum. Simply addressing basic economic needs through benefits, finance, and asset transfers is only temporary if there is a dearth of long-term economic opportunity. Training labourers in new skills or increasing farmers' yields won't make

any difference if there's no market for this increased productivity. BRAC's answer has been to invest in improved value chains. Interventions include establishing alternative distribution networks, improving infrastructure, researching better crop and livestock strains, introducing new products to producers, and creating market access for small producers. BRAC's social enterprises have made the organisation largely self-reliant; several enterprises are market leaders in Bangladesh and have led the way in areas that the private sector has been unprepared to go. BRAC Dairy has created a profitable, large-scale commercial venture, based on a value chain that didn't exist when they started, in a country that at the time imported 85 per cent of its milk.

Innovation is continuous

Our work is never complete. You can always further refine your solution or reproduce it in other contexts. In an ever-changing world, what you knew when you started your programme a year ago may no longer be true. And, in many cases, success in social development opens the door to new problems. BRAC Dairy addressed a problem you could argue was 'created' by microfinance in helping farmers afford dairy cows to provide milk for their families and build their asset base. Innovation in cattle insemination led to adoption of better breeds, which in turn created more saleable milk surplus seeking a market.

The BRAC story is far from finished. The drivers of poverty remain complex; frugal and scaleable innovations are a critical part of the solutions. These lessons on innovation have served us well for many decades, and we hope others can benefit from them. If you share our vision for a better world, we hope to learn and work alongside you.

innovation.brac.net

Keep up to date with BRAC's Social Innovation Lab, and learn what new initiatives are brewing at BRAC.

blog.brac.net

Engage in dialogue with BRAC's development experts.

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Learn more about BRAC's innovative work in alleviating poverty and empowering the poor.



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114,000+

Total employees

138 Million

People Reached

1 Largest NGO in the world



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