



Investment Brief

# NESsT Venture Fund

A philanthropic investment fund for social enterprise development

Investment Brief: Hungary

## Vöröskereszt Budapest - Hungarian Red Cross Budapest

[www.voroskeresztbp.hu](http://www.voroskeresztbp.hu)

**Location:** Budapest, Hungary  
**Sector:** Health and social welfare  
**Stage:** First year, later-stage portfolio



### Organizational Information

**Date Founded:** 1882  
**Annual Budget:** 6 million USD  
**Employees:** 229 full time and part time

**Mission:** Vöröskereszt works to improve health conditions and social welfare of low income and homeless individuals by providing social and health services; and by organizing fundraising campaigns and blood donations in all districts of Budapest.

**Social Challenge:** In Hungary, there are about 30,000-50,000 homeless people who mainly live in shelters, in doorways, abandoned building sites, or railway stations. Roughly half of them have regular contact with social workers, but many mistrust this service and turn down help. Overcrowding and the difficulty of adapting to shared accommodation,

### Social Enterprise Overview

**Description:** Vöröskereszt established its "Service House" in 2008 to provide training and employment opportunities to homeless people in the fields of carpentry, cleaning and maintenance services.

the labor market. In 2010, Vöröskereszt plans to launch a new accredited training program and extend its service reach

**Social Impact Goal:** To integrate homeless people into society by helping them develop skills and competencies necessary to re-enter

**Financial Goal:** To strengthen and make the Service House a financially sustainable social enterprise. Vöröskereszt plans to increase revenues from self-financing activities from 18% to 30% of the total budget.

### NESsT Investment

**Overall Support to Date:**  
Capacity-building: US\$ 7,750

**Support Needed from NESsT:**  
Capacity-Building: US\$ 7,500

In 2010, NESsT is providing Vöröskereszt Budapest with capacity-building support to:

1. Implement and refine its business plan, with special regard to developing the customer base.
2. Assess and improve its financial systems and performance.

3. Assist in developing a strategic plan for the social enterprise.
4. Assist in improving human resource management and work-flow management.
5. Assist in refining the structure of the social enterprise within the organization.
6. Measure and monitor social impact and financial return on investment.

NESsT will provide training through workshops and meet periodically with Vöröskereszt management to review performance and determine how to strengthen the enterprise. NESsT will also facilitate direct consulting and financial support from BAN members and other experts.