



Investment Brief

# NESsT Venture Fund

A philanthropic investment fund for social enterprise development

Investment Brief: Romania

## ADV - Alaturi de Voi

[www.alaturidevoi.ro](http://www.alaturidevoi.ro)

Location: Iasi, Romania

Sector: HIV/AIDS, healthcare, education, policy advocacy

Stage: Second year, later-stage portfolio



### Organizational Information

**Date Founded:** 2002

**Annual Budget:** US\$ 1.226.994

**Employees:** 32 full-time, 39 part-time

**Mission:** Ensure that people living with HIV/AIDS in Romania have access to key services and support they need to improve their quality of life.

**Social challenge:** Today, more than 9,000 of the roughly 15,000 people living with HIV/AIDS in Romania are youth ages 17 to 21, according to Human Rights Watch. They are often denied access to public education and employment, deprived of health services, and even exiled from their own communities, due to the stigma of the disease.

### Social Enterprise Overview

**Description:** ADV employs youth infected with HIV/AIDS in Util Deco, a sheltered workshop that provides business support services, such as photocopying and binding, and creates and sells quality hand-made products, such as textiles, paintings, glassworks, postcards, agendas, and calendars to meet local market demand.

**Social impact goal:** ADV's social enterprise has a "triple bottom line" – first, the enterprise provides employment to young Romanians infected with HIV/AIDS, empowering them to lead independent lives and be economically self-sufficient. Secondly, the enterprise generates income that can

be used to financially sustain ADV's programs providing health and economic support to over eight hundred other people living with HIV/AIDS in the community. Finally, the enterprise helps to overcome the stereotypes and stigma that exist against people with HIV/AIDS by demonstrating that, given the opportunity, they can lead healthy, independent lives as active, productive members of the community.

**Financial goal:** Secure an independent source of income and generate 20% of total organizational revenues. This unrestricted income will allow ADV to expand and adapt its psychological and social services for youth with HIV/AIDS, expand its prevention and advocacy program in Romania and serve as a model for less developed organizations in Moldova and Ukraine.

### Goals for 2010

**Financial Support Needed**  
US\$ 8,000

NESsT will provide the following capacity-building assistance to ADV:

1. Develop goals and indicators for the 2010 performance management tool.
2. Refine the business plan and update financial projections.
3. Implement improvements in financial and accounting systems and performance; cash flow management, especially in relation to the three cost centers in Iasi, Constanta, and Targu Mures.

4. Develop and expand organizational capacity and human resources plan, including training and performance evaluations.
5. Identify, develop, and implement a customer relationship management system.
6. Develop a three-year financing plan for the social enterprise.

In addition to workshop participation, NESsT will meet periodically with ADV management one-on-one to review performance and determine how to strengthen the enterprise and facilitate direct consulting and financial support from BAN members and other experts.

*Flagship Indicators - Year 1: 2009*

Total N° of beneficiaries	900
Total annual SE income	US\$ 157,474
Annual growth rate of social enterprise income	496%
Projections	exceeding
Annual budget	US\$ 1,226,995
Percentage of SE income in budget	12.8%

**% of Budget from Social Enterprise**

■ Social enterprise revenues ■ Other revenues

*Employment generated:* **15**

*Beneficiaries reached through SE:* **27**

### Key Impact to Date

**Enterprise Performance:** Higher sales than projected; investments in technology & equipment.

**Social Impact:** ADV has employed 15 youth living with HIV; one as supervisor.

**Organizational Development:** Developed systems to assess production capacity; increased visibility and communications through social enterprise; UtilDeco used as advocacy tool.

**Financial Sustainability:** Almost 500-fold growth in SE revenues enables ADV to reinvest and continue to expand.



"In the workshops, we really appreciated the examples, the interaction, the case studies, the fact that NESsT helps us put theory into practice."

- Veronica Vilcu, ADV

### NESsT Investment to date

#### Overall Support to Date

Financial: US\$ 8,300

Capacity-building: US\$ 17,880

NESsT evaluated the business plan for ADV's social enterprise and has provided the following capacity-building assistance as part of the later-stage process:

1. Defined the target market and identifying competitors serving this market.
2. Determined the appropriate product/service mix and pricing for each market segment.

3. Explored the corporate market and developed a promotional strategy, including an online retail store.

4. Assessed the production capacity considering the specific needs of the employees.

NESsT representatives met one-on-one with ADV management three times last year to review performance and determine how to strengthen the social enterprise. NESsT also facilitated the provision of consulting services and financial support from members of the NESsT Business Advisory Network (BAN). ADV staff members attended portfolio workshops on marketing & sales, PR, communication, where they also had the opportunity to interact with NESsT BAN members directly.