



Global Enterprise Experience 2015 Team 108

Education as a Community: Bestowing Independence, Transforming Lives (Puranakot Community School)

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Contents

Executive Summary.....	1
The Problem.....	2
Target Region.....	2
Business model.....	3
Building the school.....	3
Students and Teachers.....	3
Education.....	4
School Income.....	4
Enlightening Puranakot Project.....	4
SWOT Analysis.....	5
Value Proposition.....	5
Marketing.....	6
Financials.....	7
Future Goals.....	7
References.....	8

Executive Summary

This plan has been created with the purpose to improve the educational development in rural Nepal. The quality and accessibility of education for children in Puranakot Village Development Committee (VDC) of Lamjung district in western Nepal highlights the need for change. Our business idea is to create a community run school at the heart of this village that will not only benefit the children but also enhance the economic growth within the community and promote social independence.

The estimated start up cost of building this school is \$18803 (USD). This will be borrowed from Grameen Nepal Cooperative and paid back over a 5 year period. The main source of income will be generated from the sale of local agricultural products in the school farm. We will not be profitable in the first 2 years of operating; however given the forecasted growth of the school, we expect to start making a profit by the third year. These profits will be used to cover everyday expenditure of school costs and any additional money left over will be utilised on additional community projects. This concept is focused on bringing the community together by collaboration and promoting a sustainable change in the local educational system.

The Problem

In an attempt to achieve the millennium development goal of universal primary education, the Nepal government has invested thousands of dollars in the educational sector. The result is visible in terms of statistics; achieving the Net Enrolment Rate of 98 percent for grade 1. The scholarship schemes and free lunch program have played a significant role in this achievement.



The statistics deviate within a year at school. A report from UNESCO reveals an alarming finding, only seven out of ten Nepali children enrolled in grade 1 reach grade 5, and more than half of them quit school before reaching the lower secondary level. The report also points out that among the grade 1 students, 21.3 percent repeat the same grade while 7.9 percent drop out of the school education system altogether.

There are government schools in rural Nepal, but the teachers are not fully qualified. Even if they are, they do not show their presence in the schools. These teachers are paid a salary by the government regardless of their teaching abilities, so they are least bothered about educating children and helping them develop. The result of this system is that teachers often go on leave or complete self-proclaimed training in urban areas and only reach the rural schools during the end of the month to receive their salary.

In the rural areas of Nepal, the literacy rate for males is about 30 percent while the figure drops down to a negligible number for females. The national average of about two thirds of individuals being engaged in agriculture ascends higher in rural Nepal. The practise of subsistence farming using traditional methods means that all family members are expected to toil hard on the fields throughout the year, just to produce enough to feed their own families. Children as young as five years old are seen assisting their family members in the fields. The parents of these school goers will usually exit them out of school completely so that they can help on the fields and contribute towards providing for the family. The illiterate parents, despite understanding the value of education and wanting their children to excel in the academic front are forced to discontinue the progress of their kids in the schooling system.

Target Region

The location would be ideal for about 900 households from Puranakot and Gaunshashar VDCs. The residents in this area belong to the marginalized groups of *Tamu*, *Ghale*, *Magar* and *Dura*. Males head their household and are primarily engaged in agriculture and making handicrafts from agricultural goods. Some of them act as porters to the tourists and trekkers visiting the Annapurna region. Females are bound to the household activities, limiting them to domestic household tasks and parenting children. Trading locally produced agricultural products and porter charges are the only sources of monetary income to the people in this region.

Business Model

In order to facilitate the underprivileged children in Puranakot VDC with the educational care they deserve, we propose the idea of building a community owned school. Adopting the concept of participatory development, most of the activities of the project will be conducted by the local community themselves. The students will not be charged any fees and will receive education in return for the voluntary work provided by their parents for the school. Children, parents, teachers, and volunteers are united in the knowledge co-creation process at the school.



Building the school

The Puranakot VDC consists of numerous community owned sections of land. These lands are used for community purposes such as: building schools, temples, shelters for hikers. As the school will be community owned and built to provide service to the children of the community, we will have no problems acquiring a section of land. A total of 5,476 sq. ft. of land will be obtained with approval from the community, VDC, and the local government for the construction of the school.

The school building will be one storey with seven rooms, five for classes and two for administrative purposes. There will be separate latrines for boys and girls which will be made alongside the school. These buildings will be made out of bamboo, stones, cement and earthbags. The earthbags are filled with small gravel and, sifted and excavated dirt in order to be used in the walls. They flex during an earthquake unlike brittle materials such as: brick and cement block, making the building safer. This is particularly useful for earthquake prone villages in the high hills of Nepal. Construction materials other than cement and tin sheets for the roof are readily available at their natural source in the village. A combination of paid and volunteer labour will be used for the construction process.

Students and Teachers

The school will provide a primary level of education (grade 1 to 5) for the children of Puranakot VDC. Each class may contain up to 30 students. No student fees will be charged, in order to increase their participation in the school. The school will have 5 grade teachers and the number of temporary teachers will vary. The grade teachers will preferably be from new university graduates who are willing to work for at least 2 years at the school. They will be paid a competitive salary for their commitment to the school. Considering the minimal work opportunities in the Nepali market for graduates without experience, this will be the ideal job for them to explore the professional realm before furthering their career.

Courses in various universities of Nepal and around the world require completion of community service during the summer and winter breaks. The appropriate students from these Universities will

be brought in as temporary/voluntary staff during their breaks. The school will make necessary arrangements for these volunteers to reside with locals as paid guests during this period.

Education

Education yields its maximum value if it is tailored to fit in the conditions of the particular area. Children in rural areas need to develop agricultural skills from a very young age. By engaging in activities within the school farm, they will gain firsthand experience in the realm of agriculture. Gaining knowledge in English and Mathematics will help them prosper in the global world. Grade teachers will bring in their fresh learning experiences to empower the children with verbal and numerical aptitude. Foreign volunteers contribute to the school culture by bringing their diverse perspectives to the local community. In return, they will gain an invaluable experience by living the traditional way in the rural community. This school provides the chance for the children, parents, teachers, and volunteers to learn from one another and fulfil the objective of knowledge co-creation.

School Income

The main income source for the school is from the sale of products in the school farm.

Seasonal agricultural products, medicinal herbs and local artefacts will also be sold in the markets of Beshishahar, Pokhara, and Kathmandu. The produce that suits the climate of Puranakot includes: Bananas, Oranges, Strawberries, Avocado, and most types of vegetables. They will be grown in the community owned farms alongside the school premises. The commercial farming of *Swertia chirayita* (Chiraito), a high value medicinal herb will be done in the school farm. Hand carved wood artifacts from Puranakot, which are highly sought by local and foreign tourists, will also be used as a source of revenue.

Each household from the community will provide one volunteer for three-four days a month to work on these income generating activities for the school. The types of tasks assigned will be based on the expertise of the person. All the revenue generated from these activities will be put back into the school funding. Any money left after paying necessary expenditures for the school will be utilised for community projects such as: water tap construction, latrines in public places, health initiatives.

Enlightening Puranakot Project

The Enlightening Puranakot Project is an integral social initiative of our business for the promotion of education amongst the aged individuals of the region. Acknowledging the extremely low literacy rate among elders in the village, the school will also operate a learning class during the evenings and the weekends for parents. Arrangements are made if the elders want the chance to be a part of the educational system.

The school will also invite guest lecturers, from the field of agriculture, to acquaint the community to modernise agricultural practices. This gives the opportunity for the locals to raise any issues they have from their agriculture fields and seek scientific solution from the specialist. The fusion of

scientific knowledge with their conventional system of agriculture is expected to increase the productivity of the village, which could raise the living standards of the community.

SWOT Analysis

<p>Strengths</p> <ul style="list-style-type: none"> - Quality Education: The students will have access to quality education for free in their own community. - Strong Management: Community ownership gives the locals an extra responsibility to take care of the matters concerning the school. - Integration: Children, adults, farmers, everyone is integrated in the knowledge co-creation process at the school. 	<p>Weaknesses</p> <ul style="list-style-type: none"> - Financial Stability: Dependence on external source, i.e. agriculture for financing the activities of school. - Rural Access: The access to Puranakot may be tricky; a logical plan will need to be developed to overcome this obstacle.
<p>Opportunities</p> <ul style="list-style-type: none"> - Existence of immense potential for development of education system in rural areas. Extension of similar community based school project is possible in several other areas of the country. - Encouragement from the government for the community based services in rural areas in the form of tax holiday, free school lunch program, donation for school building etc. 	<p>Threats</p> <ul style="list-style-type: none"> - Migration of villagers to nearby towns for work opportunities or better education for children could create a ripple effect, which could make the concept of rural schools impractical. - The frequently occurring natural calamities could sharply increase the works in agriculture fields, making the parents reluctant to send their children to the school.

Value Proposition

- The intended positive effect would be to see the children going to school. Access to education that suits the needs of rural areas would prolong their progress in the schooling system. The number of school dropouts in Puranakot is expected to decrease by at least half within one year.
- Community ownership gives the locals a key opportunity to take care of the matters concerning the school. They will be the direct stakeholders of the education system of their village. If a problem occurs during the school's operation, the community will be expected to come together and find ways to solve it rather than finding ways to escape from the education system altogether.



- The adult literacy and modernising agriculture lectures of Enlightening Puranakot Project is expected to increase the competency of the villagers in the agriculture field and their general everyday living.

Marketing

There are two main tasks for any organization in the marketing aspect, to acquire resources for the organization and to provide value to its stakeholders (Coita, 2008). It is completely wrong to consider education as a commodity traded to the interaction of many suppliers and the many buyers at a variable price; however it is a concept that respects the benefits of social and economic capital (Maringe and Gibbs, 2009). To attract people and potential funding elements it is important create a good reputation and have positive references from the media and local authorities. The project is fully supported on the idea that education is the answer for progress, the basics of reading and writing. This is the base that every person needs in order to have the chance to be considered for a good paying job that will contribute to the country's GDP.

We will use the following ways to gain support and stimulate awareness for the Puranakot School.

- Utilise the local village youth clubs, women's groups (Aama Samuha), community gatherings as an opportunity to present information about the school, and how it can benefit local families and children.
- Collaborate with a local aid agency to increase help with advertising and sourcing suitable teachers.
- Promote the school through social media and Universities to attract local and foreign student volunteers.

These are low cost techniques that provide a fast and efficient way of marketing to an immense amount of people, within a sustained timeframe.

Financials

The institutions such as Grameen Nepal Cooperatives offer financial services to ventures in the rural community. They do this without any collateral, but do charge a higher interest rate of about 15%. We intend to approach Grameen Nepal Cooperative with our business concept proposal and borrow \$18,803 (USD) to cover our start-up costs and repay that loan over 5 years with interest.

As mentioned, most of the construction materials are locally available at their natural source. The community members will volunteer to complete the construction, which highly minimises the costs. School repair work is planned for the fourth year. The seeds and saplings of agricultural plants are available in the village itself. The seeds of Chiraito are to be purchased from Pokhara. The school teachers will be paid 15,000 Nepali Rupee per month; this is a competitive salary for new graduates. A 25% increase in salary is planned for the fourth year. Monetary and non-monetary benefits will be given for part time and over time services.

Medicinal herb farming can reap the benefits straight away but fruits and vegetables may only be produced in large quantities from the second year. The scale of farming will be increased every year in order to yield maximum income for the school. The community run educational institutions are tax-exempt by the Nepal Government, which reduces our liabilities during the profitable years.

Expenses	Year 1	Year 2	Year 3	Year 4	Year 5
School Construction					
Cement	300	50	50	200	50
Tins	200	20	20	200	20
Tools	100	N/A	N/A	N/A	10
Transportation (to villages)	300	10	10	200	10
Others	400	50	50	200	50
Classroom					
Furniture making tools	100	20	20	20	20
Others	300	20	20	100	20
Agriculture Field					
Seeds	400	200	500	750	750
Tools	1250	N/A	500	200	N/A
Others	2000	300	400	500	500
Operation					
Salary	9000	9000	9000	12000	12000
Miscellaneous	1000	500	500	1000	1500
Part/Overtime Benefits	1000	1000	1000	1450	1450
Loan Repayment	3760.5	3760.5	3760.5	3760.5	3760.5
TOTAL EXPENSE	20110.5	14930.5	15830.5	20580.5	20140.5
Income					
Fruits and Vegetables	1500	3750	5500	7500	8850
Medicinal Herb	3500	5500	8000	9750	11250
Handicrafts	1500	2750	4450	5750	5750
TOTAL INCOME	6500	12000	17950	23000	25850
NET INCOME	-13610.5	-2930.5	2119.5	2419.5	5709.5

* All figures are in USD

Future goals

The progress of the school largely depends on the advancement from the income generating activities. As the locals gain expertise in farming *Chiraito*, more of these high value medicinal plants will be farmed in the fields in future years. The profits will be invested in extending the education services of the school, to secondary and ultimately higher secondary level.

Medicine graduates who've completed their studies under a government scholarship must work in rural Nepal for at least 2 years after graduation. Similar provisions for graduates in the field of Arts could help the rural schools gain competent teachers. We will collaborate with the Government to help successfully achieve these initiatives. This could attract better teachers in the rural schools to assist in the development of the overall education system.

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