



Unjani Clinic Network: an innovative and scalable hybrid enterprise model that achieves social impact through entrepreneurship

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High performing and sustainable enterprise models, be they social, commercial or, as in Unjani's case, hybrid, are those that successfully address at least two critical questions (Koch 2010). First, is there an actual or potential gap in the market that the enterprise can uniquely fill and, second, is there an actual or potential market in the gap that's meaningful and large enough to meet the enterprise's social, commercial or hybrid term objectives? On both counts Unjani appears to be on track. The "gap in the market" that Unjani fills is the lack of access to high-quality and affordable preventative primary healthcare (versus more expensive curative healthcare delivered by the inefficient and often uncaring public healthcare system) at the point of need by South Africans. This gap falls in the category of fundamental human needs that must be addressed by every society that seeks to provide its citizens a productive, safe and healthy standard of life, a goal that has become imperative since the advent of Covid. The immediately available "market in the gap" is the 10 million plus South Africans who are employed but uninsured. Equally important, perhaps, are the broader gaps that Unjani helps to address in the social system at large. These include alleviating the burden on the public healthcare system, including mitigating the shortage of doctors, promoting inclusivity and gender equity, recycling scarce assets (used shipping containers as clinics is a wonderful example), increasing direct employment, promoting the role of the private sector in healthcare, creating social entrepreneurs as leaders and role models who give back to their communities, and potentially disseminating a much-needed service and entrepreneurial culture in South Africa highlighted by Unjani's "nurse-preneurs." A noteworthy effect of these forward developments is a rise in the level of "trust and hope" in traditionally low trust communities that could potentially

set up a virtuous cycle of social capital powered development (Fukuyama 1996).

Indeed Unjani exemplifies the sculptor Brancusi's incisive statement that "simplicity is complexity resolved." Having recognized the potential "star power" of the Unjani model we can now examine the challenges that the model is likely to face as it aims to scale and reach its goal of 1000 clinics by 2030.¹ As stated earlier, the hybrid "social franchise" model in primary healthcare that Unjani has pioneered is an example of a mission that achieves multiple individual, organization and social objectives. One of the main challenges that a hybrid model such as Unjani's faces is balancing its social service culture with its commercial objectives. In addition, Unjani's decentralized organizational network of nurse-preneurs presents unique challenges and opportunities in terms of management, coordination, networking and motivation of teams of non-employee member entrepreneurs. Unjani aims to scale from 81 clinics and 301 staff providing 47,189 consultations per month in 2020 to a target of 1000 clinics and 3700 staff (an estimate, of which 1000 are nurse-preneurs) providing well over 500,000 consultations per month (estimate) by 2030 at a compound annual growth rate of nearly 30% for clinics. While such rapid and sustained growth might not be exceptional for many start-up and other businesses, it is likely to result in significant strains, stresses and centrifugal pulls that could challenge the integrity and impact of Unjani's unique hybrid model. These pressures and their consequences might include, among others:

- A much greater diversity of participants—nurse-preneurs, support staff, communities, patients and funders—with a potentially wide spectrum of sometimes divergent personal and group views and objectives, which may or may not be consistent with the organization's mission, goals and standards, causing the familiar "mission-drift"

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¹ Estimates for number of staff and consultations by 2030 are based on extrapolation of current ratios.

common to many social enterprises. Stakeholders are motivated by their own compulsions and sometimes do not fully grasp or understand an organization's mission. Funders of social enterprises, who tend to command a power premium, when pressured by their shareholders or managements to demonstrate quantifiable value created by their funding, can push the recipients of their money towards projects that may be peripheral or unrelated to the organization's core mission. As Unjani grows, it will very likely encounter such pulls and pressures from stakeholders and will need to build its resolve and skill in managing potentially diverging interests to stay true to its mission.

- Increased levels of bureaucracy and reporting resulting from coping with the task of ensuring process integrity, auditing service quality and coordinating continuously expanding teams and groups spread across a large number of communities. Unchecked, this could demotivate the nurse-preneurs who come to Unjani with a mindset to make a difference through entrepreneurship. As their entrepreneurial skills and mindset evolves, they are likely to place even higher premiums on freedom and autonomy and react negatively to bureaucratic controls or interference. (My organization, Agastya,² a large education not-for-profit, has found a judicious mix of offsite and real-time, on-the-job training led by roving master trainers to be highly effective in eliminating bureaucracy and raising the quality of service provided by nearly 1000 front-line educators to over 1 million underprivileged children every year in 21 states in India).
- Less efficient and effective internal and external communications resulting in mission forgetfulness. As organizations grow in complexity, their mission statements get more diffuse, long winded and sometimes confusing. To offset this, a simple and memorable message (a meaningful motto or tag line) that encapsulates Unjani's mission can be effective in communicating Unjani's mission and objectives to its members and the outside world.
- Loss of critical camaraderie as the initial group grows in size and scope. What keeps groups glued, coherent and highly motivated in the formative years of a social enterprise is the pioneering sense of mission and purpose. Loss of such identification can irreversibly set back a social service organization and diminish people's energy, enthusiasm and motivation. As discussed in this paper, Unjani will need to constantly focus on keeping the flame of its mission potent and alive.
- Politicization, both from within and from outside. Politicization from within can result from newly formed cliques and groups with competing or opposing ideas and demands. Politicization from the outside could be a direct consequence of Unjani's perceived success. As nurse-preneurs become widely recognized as role models in their communities, and nurse-preneurship is seen as being commercially rewarding, Unjani's managers might be pressured to recruit (sub-par) candidates recommended by politicians and other vested interest groups.
- Greater complexity as a result of an expanding spectrum of services, products and people. The price of a clinic's success could translate into increased demand from its customers to upgrade and expand the scope of its services, thus adding to complexity. When the attempt to meet increased customer demands exceeds the skill and competence of the nurse-preneur and her staff, it could lead to deterioration in service quality.
- Loss of direct communication between the CEO, her team and the nurse-preneurs. This would be a critical loss, as it is the basis on which Unjani currently achieves unique organizational balance, between authority and autonomy on the one hand, and between social and commercial objectives on the other. Towards that end, periodic surveys of nurse-preneurs and their served communities would be invaluable in understanding their needs, challenges and aspirations as they evolve through scaling, and in strengthening the bonds between the Unjani Clinics Team and the nurse-preneurs.
- Lower levels of innovation. As Unjani scales, the speed and readiness with which it anticipates or responds to potential opportunities might go down. As people who know their patients best, nurses can be excellent sources of front-line service, process and product innovation. It is not clear if Unjani's current array of services reflect nurse-led innovations. If not, raising the level of innovation across the network and embedding an innovative spirit into Unjani's organizational fabric should be an important priority for the Unjani Clinics Team.
- Inability of the CEO and leadership (the Unjani Clinics Team consists of nine members as per the 2020 Annual Report) to grow and cope with the challenges of managing scale (this point cannot be overstressed, because very often, the passion, purpose and discovery-led skills of the founders of an innovative social enterprise are not matched by the essential delivery-led skills needed for scaling). The Unjani Clinics Team must, therefore, be willing to self-critically evaluate itself to determine if it has the desired ambition, capacity and skills to scale and manage a fast growing network. If required, the right people with a "scaling mindset," which includes qualities such as flexibility, adaptability and resilience must be recruited.
- Inability of NPC to attract high caliber management talent. Social enterprises arguably face as much, if not greater levels of complexity than commercial businesses

² www.agastya.org.

for several reasons including, among others, the relative absence of quantifiable metrics to gauge their performance and the sheer diversity of stakeholder groups they serve. Add to this the lower levels of compensation they typically pay, as compared to commercial enterprises, and attracting management talent can become a huge challenge—a challenge made more formidable when the requirement typically is for incoming talent to be motivated by social-psychic as opposed to monetary rewards.

- Lack of funding to achieve Unjani’s scaling ambitions, including money for innovation and R&D. An entrepreneurial approach to fundraising, involving not only institutional but also retail and possibly arms-length government funding (the government healthcare system after all is a major beneficiary of Unjani’s model), may need to be explored. This might help to diversify and stabilize funding.
- Scaling implies serving an expanding diversity of patients and communities. This can result in differences in the content and quality of the service delivered by different clinics. Unjani’s service standards will need to keep pace with such scale-induced changes. Whether Unjani should follow a “Catholic model” of rigid rulebooks to enforce its service standards or a “Buddhist approach” by allowing nursepreneurs the flexibility to experiment within acceptable parameters will depend on the specific context of the clinic and Unjani’s preferred culture (Sutton and Rao 2014).

The foregoing factors would apply in greater or lesser measure to most organizations set on the path to scaling their model. It assumes increased significance with Unjani, which is finely balanced between the two, potentially opposing, objectives of social service and profit that lie at the core of its hybrid social enterprise model. (Having founded and grown an innovative education charity to scale in India, I can attest to the dilemma we continually face when we ask the question “how might we monetize our innovations in education?” We inevitably, and perhaps wrongly, conclude that a hybrid system might not work, because it would destroy the “service culture” of the organization. An assumption we have so far not had the courage to test!)

Notwithstanding the aforementioned risks inherent in its ambitious scaling, Unjani can take important mitigating actions to offset them and increase its innovation, impact and organizational resilience by:

- Having a robust recruitment process that gives special importance to the most desired attitudes and cultural traits consistent with Unjani’s hybrid mission. If not already a practice at Unjani, experienced and well-acclimated nursepreneurs can be co-opted to refer or screen new recruits.
- Constantly reinforcing the mission, purpose and culture of the collective enterprise, if needed by appointing experienced nursepreneurs as internal culture missionaries or ambassadors.
- Ensuring that growth does not dilute the nursepreneur’s intimate relationship with her community, which is currently the most vital part of the program. A sense of caring appreciated and felt deeply by a customer provides valuable glue for a lasting relationship. I can vouch for this in the Agastya context, where children often remark that what makes their experience with Agastya special is the feeling that the Agastya teacher “is a friend.” Importantly, such feelings foster trust between the provider and the customer, often the recipient of sub-par services, which fuels further service improvements leading to more consumers and potentially a positive cycle of development. This can expand to benefit other organizations embarked on similar missions.
- Promoting teamwork and loyalty through a strong peer-to-peer learning and behavioral network that is consultative and supportive.
- Highlighting the successes of nursepreneurs, their contributions to their communities and success in managing their operations.
- Increasing loyalty to the Unjani network by constantly demonstrating the value the Unjani name and reputation provides individual nursepreneurs and their colleagues. This might require creating a nationwide brand identity for Unjani to improve the perception of nurses as socially conscious healthcare leaders and changemakers in South Africa. It might also discourage nursepreneurs from leaving the Unjani network to focus on services that provide them with the highest margins.
- Helping in upskilling the nursepreneurs who are solution-minded and natural problem-solvers through training, both in their technical field and in managerial and entrepreneurial skills. These might include creative thinking, strategy, innovation, design thinking, people and relationship management and networking.
- Considering creating a centralized innovation cell that supports experimenting, discovery, application and transfer of new ideas rapidly within the growing network of clinics. A cell that acts as a clearinghouse for nursepreneur-generated ideas can be a strongly motivating factor, which incentivizes nursepreneurs and their staff to constantly improve the quality of service. Nursepreneurs can be asked to contribute ideas on scaling, for example, asking the question “how might you double your reach without doubling your expenses?” might provoke answers that open new doors and opportunities for scaling (one answer might be “by creating sub-franchisees”).

- Increasing “ownership” and commitment towards the Unjani network by recruiting a future CEO or senior manager for NPC from among the nurse-preneurs.
- Establishing measures, including relevant and specific metrics, to track and monitor service quality. Selected measures might include a combination of preemptive actions (e.g., creating training and quality assurance teams and cadres of motivated managers) and actions that need to be taken to respond rapidly to dips in service quality as they occur. I recall the intense discussions we had in Agastya more than a decade ago when we faced the choice of expanding our presence rapidly in remote regions of India, possibly involving declines in service quality, versus following a safer, more incremental and controlled growth path. We decided to embrace the path of rapid scaling, because we believed it met a strategic social imperative: underprivileged children were ripe and hungry for stimulating education, which if not delivered in a timely manner during their critical learning years, could lead to permanent learning losses along with declines in motivation, confidence and creativity, and add to the growing pool of unproductive and unemployable youth. Rapid scaling also helped to attract donors and partners who were looking to invest in scalable programs. Following the path of rapid scaling motivated Agastya’s management to invest in teams of master trainers and quality assurance personnel who were armed with well-defined evaluation metrics. Such timely investments ensured that Agastya’s service quality did not decline but actually improved as it scaled.
- Building alternative funding sources by offering the Unjani social-franchise model on a consultative basis to other countries. This could have a positive byproduct effect in terms of raising the pride and accomplishment felt by Unjani’s nurse-preneurs in seeing their model transcend national boundaries.

As a mission-oriented organization with a transformative purpose, Unjani’s example highlights (1) the successful reconciliation of social and commercial objectives under a single umbrella and (2) an effective combination of centralized direction and autonomous nurse-preneurs. Unjani’s growing legion of distributed and motivated nurse-preneurs provides it with inherent organizational energy and resilience, which can be strengthened to achieve its goals. Its example could be usefully studied and adapted by healthcare providers and systems in countries faced with similar challenges of providing quality and affordable preventative healthcare, capacity and entrepreneurship. Equally, both socially and commercially driven organizations and entrepreneurs in areas as diverse as education and climate change, which urgently require new and impactful methods of message and service delivery can learn from Unjani’s hybrid social-service

model. Unjani’s example also has value for organizations that are trying to remodel themselves from traditionally hierarchical to more flat and networked structures, from bureaucratically managed to self-managed entrepreneurial modes of product and service delivery, and from employee-based to resource-based models of execution.

As communicated compellingly through the voices of several nurse-preneurs in Unjani’s annual reports,³ Unjani is on track to implement, fully or partially, many of the recommended steps and suggestions for effective scaling. For example,

Sister Cathy (<https://nursing.jnj.com/nursing-news-events/nurses-leading-innovation/unjani-clinic-nurses-transforming-healthcare-in-south-africa>): “I have been empowered as a business woman and I am fulfilling my purpose in life by serving my community.”

Sister Lebo Mollo (2020 AR): “We need to give our patients the kind of care that they cannot get anywhere else. Their thanks and appreciation are our reward.”

Sister Philisiwe Modise (2020 AR): “I’m serving the community and through personal growth and hard work, I’ve become financially independent. I can’t do this alone and am, therefore, grateful for access to my peers through the Unjani Clinic Network.”

Sister Virginia Ndimande (2019 AR): “I plan to continue in the Unjani Clinics Network. The reason for this is that support from Head Office is always there when needed.”

Sister Nomsa Zazayokwe (2019 AR): “...why I wish to remain is the wonderful relationship I have with the community...I feel they have adopted me and trust me.”

Sister Mabelane Mahlatse (2019 AR): “Through the Unjani career development I am empowered with knowledge and skills.

“Sister Patricia Chauke (2019 AR):” I’m learning financial skills, and learning how to run a business and how to strategise and diversify my business.”

As it looks beyond the horizon to achieve its ambitious goal of 1000 clinics by 2030, Unjani will need to adapt, intensify, strengthen and build on the uniquely excellent and inspirational hybrid social enterprise model that it has created to serve the underserved in South Africa through truly innovative and caring ways.

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³ 2020 AR: <http://www.unjanclinic.co.za/doc/Unjani-Clinics-NPC-Annual-Report-2020.pdf>, 2019 AR: <http://www.unjanclinic.co.za/doc/Unjani-Clinics-NPC-Annual-Report-2019.PDF>.

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