

Shwas: Breathing life into or just breathing?

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On 22nd September 2022, the authors of this case met with Kinjal Shah, the co-founder of Shwas, a non-governmental organization (NGO) that works for the development of underprivileged children in Ahmedabad. During a meeting over a cup of cold coffee, Kinjal discussed the functioning of NGOs and their ecosystem in Ahmedabad, highlighting the importance of staying afloat to ensure the organization's daily activities and growth.

Kinjal was aware that relying solely on contributions from regular donors, who typically provided lump sums, was becoming increasingly difficult. The higher rents for their premises had been a problem for some time, and now the retention of teachers was also becoming an issue. When potential donors were asked about their interest in organizations operating in Ahmedabad, they showed a preference for well-known NGOs such as Andhjan Mandal, Manav Sadhana, and Sewa PETA. Shwas, which was still known as a smaller NGO, struggled to gain recognition. The main interest of potential donors was the social media fame associated with such organizations. The lure of "15-minute fame" was one of the reasons for being associated with larger NGOs.

Kinjal was personally involved with overseeing all the education that was taking place at all the centers along with her other co-founders. Therefore, she recognized the importance of fundraising activities to support Shwas's operations, but she was wary of compromising her values in the process. She understood that collaborating with larger organizations could provide a boost in donations and help Shwas reach for bigger donations. Furthermore, it would also solve the issues of retention of employees which had turned out to be one of the majoring issues she faced at Shwas. But she was also concerned that such partnerships may result in a loss of control over the organization's operations which would impact the development of children. She also believed that bigger organizations valued politics over children's development and filled their own pockets with the donation money received. Although collaborating with larger organizations could provide a boost in donations and help Shwas reach more people, Kinjal was concerned about compromising the organization's values in the process.

Launching Shwas.in

Kinjal Shah co-founded Shwas in 2009 while she was studying at the L.D. College of Engineering in Ahmedabad. Shwas aimed to create a safe and healthy environment for underprivileged children to openly discuss their problems, circumstances, and aspirations. The organization's vision was to create a world where every child had access to education and a bright future, and its mission was to provide quality education to underprivileged children, empowering them with knowledge and skills to break the cycle of poverty and create a brighter future for themselves and their communities.

Shwas' process began by identifying the community and educating parents about the importance of educating their children. The second step was to create rental infrastructure in nearby homes for providing education, followed by hiring full-time teachers at a ratio of one teacher to five or six students. Shwas operated in several areas of Ahmedabad and Vadodara, renting premises from organizations or individuals with a common focus on the communities involved.

Kinjal believed that the purpose of media attention should be to raise awareness about the organization's work and its impact on the community, rather than to seek personal recognition or attract more donors. She had seen other NGOs become sidetracked by personal glory and lose sight of their core mission, which was to help those in need. For Kinjal, the focus must remain on the deliverance of meaningful change to the underprivileged children of Ahmedabad. While media attention could be helpful in drawing attention to the organization's work and its needs, it should always be in service of the organization's larger goals, rather than personal gain.

Currently, Shwas worked with over 650 children and 23 full-time teachers throughout Gujarat, with children spending about 2-3 hours every day at Shwas' centers. The organization focused on strengthening academic foundations, hygiene and nutrition awareness, skill development, and vocational training to provide underprivileged children with the tools they needed to succeed.

Career at Shwas

Many people choose to work for NGOs because they want to make a positive contribution to society. Although payment is often in the form of a salary, job satisfaction is a key motivating factor for those who seek to give back to society in a non-monetary way. They believe that this is one of the most humanitarian acts that can make a difference in the growth and development of communities.

At Shwas, full-time teachers worked an average of 4 hours a day. While the salary was generally comparable to industry averages during good times, it could sometimes be lower. Unfortunately, the organization struggled to retain teachers due to a lack of adequate donations. Recently, two teachers resigned from their positions due to concerns over salary increases, which were difficult to provide following their performance reviews. However, they also cited slow career progression and a lack of recognition and advancement opportunities at larger organizations as reasons for their departures.

Table 1: No. of teachers associated with Shwas

Financial Year	No. of teachers at the beginning of the year	No. of teachers retained at the end of the year
2018-2019	20	15
2019-20	20	11
2020-21	10	6
2021-22	25	17
2022-23	23	-

Source: Kinjal Shah¹

Kinjal recognized that career growth was crucial aspect for teachers and understood the need to retain teachers. She had explored various options, such as teachers who prioritized community service over financial gain. Moreover, Kinjal considered creating a Memorandum of Understanding and Agreement (MOUA) with an international NGO that can provide training to teachers, enabling them to gain certification while also focusing on personal development. To acknowledge and motivate teachers, Kinjal has contemplated implementing appreciation initiatives that recognize and reward teachers when their students achieve success. However, these ideas are still in the planning phase, and further discussions and planning may be necessary to execute them effectively.

She further realizes that conducting expert sessions with students can have a dual benefit of increasing recognition and awareness while promoting learning for all stakeholders. This approach could help secure donors and establish partnerships with educational institutions. By utilizing student volunteers to supplement some of the teachers' responsibilities, it can increase awareness and exposure without placing financial constraints on the organization or adding to teachers' burden. Kinjal suggests sharing teacher appreciation on social media without placing too much emphasis on individual teachers.

In addition to seeking new donations, Kinjal had to carefully consider priorities regarding imparting education and meeting teachers' expectations in terms of financial growth. The funds received were also required for day-to-day operations, adding complexity to the decision-making process.

Day-to-day operations

¹ (Kinjal Shah, interview, June 29, 2022)

The daily operations of Shwas during the time period being discussed were centered around a rented room at Shivranjini Junction that was open from 3:00 pm to 7:00 pm IST. The room was equipped with a seating area for students, a blackboard for teachers, and necessary amenities such as fans and fluorescent lights. The main academic challenges faced by the students were related to mathematics and logical understanding at the elementary school level. Additionally, it was important for students at the secondary and upper secondary levels to gain technology-related skills such as computer proficiency and language proficiency in order to succeed in the current scenario. However, due to minimal contributions from parents, the cost of attending computer courses for such students was heavily dependent on Shwas.

Most of the well-known NGOs in the country are typically funded by foreign resources. Larger organizations typically mobilize both public and government funds to assist grassroots organizations in achieving their goals (Rajasekhar, 2000). However, Shwas was not supported by the government and instead relied solely on regular donations from individuals and organizations. During an interview, Kinjal asked the author, "What can you pay for with 650/-? A one-time dinner? A toy for your child? A movie and popcorn?" The writers looked at each other in amazement before Kinjal continued, "At Shwas, it costs that much to teach a child for a whole month."

Contributions to Shwas were made by both business organizations and individuals, and were divided in a three-to-two ratio. Donations made over a three-year period were allocated as follows:

Table 2: Contributions received (in Rs.)

Financial Year	Amount received
2019-20	29,98,164
2020-21	29,23,262
2021-22	48,61,443

Source: Kinjal Shah²

Table 3: Break-up of the contributions received (in Rs.)

Financial Year	Organization contributions (60%)	Individual contributions (40%)	Amount received (Total)
2019-20	18,98,898	11,99,266	29,98,164
2020-21	17,53,957	11,69,305	29,23,262
2021-22	29,16,866	19,44,577	48,61,443

Source: Kinjal Shah³

Table 4: Expenses distribution at each centre

Sr. No	Particulars	Expenditure percentage from the donations
1	Staff salaries	12%
2	Rent and utilities (furniture)	20%
3	Equipment and supplies (misc. expenses)	13%
4	Travel and transportation	3%
5	Marketing and communication expenses	22%
6	Legal and accounting fees	13%
7	IT expenses	17%

Source: Kinjal Shah⁴

² (Kinjal Shah, interview, June 29, 2022)

³ (Kinjal Shah, interview, June 29, 2022)

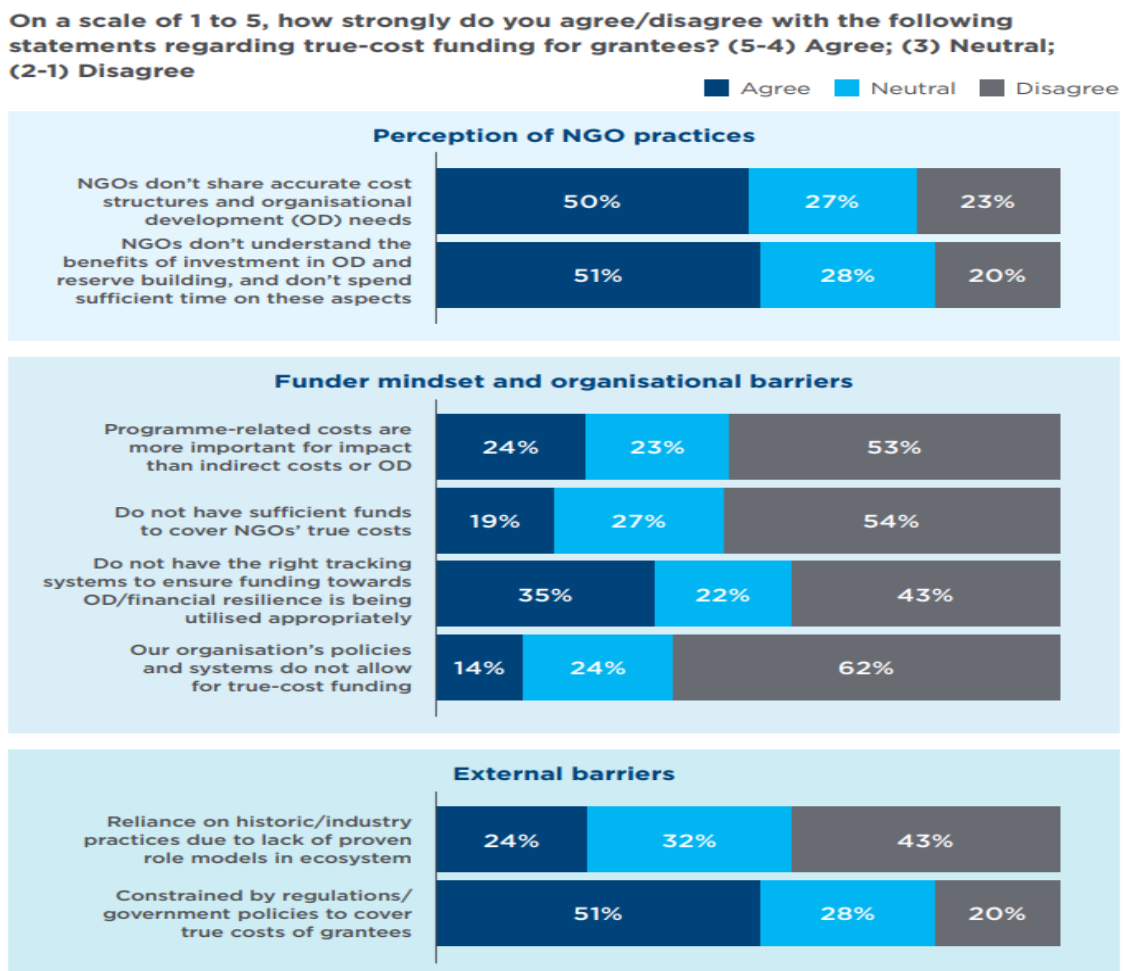
⁴ (Kinjal Shah, interview, June 29, 2022)

Non-governmental Organizations (NGO): The unorganized third sector in India

The non-governmental sector has been considered a group of institutions that operate in the private sector but serve the public good (Das, et al., 2021). NGOs have carried out an enormously diverse range of activities, and their involvement in implementing grassroots sustainable development, promoting human rights and social justice, empowering women, the vulnerable and marginalized, protecting against environmental degradation, protecting the poor from the debt crisis, literacy and education, and pursuing many other goals previously ignored by government agencies has been impressive (Dhal, 2021).

The rise of non-profit organizations in any country is often influenced by the external environment in the form of development agencies and/or government support. This brings us to the problem of non-profit organizations, such as donors, who encourage companies to support non-profit organizations. This factor has a significant impact on the financial vulnerability of non-profit organizations (Mazanec & Bartosova, 2021). Discrepancies identified between donors and NGOs include the adequacy of support for indirect costs, the adequacy of support for organizational development (OD), the low priority of funding NGO financial reserves for most donors, and NGO practices and compliance as one of the barriers to true-cost funding (Venkatachalam, et al., 2022). The following diagram provides details on one of the barriers mentioned above.

Diagram 1: Funders identified NGO practices and regulatory compliance as the greatest barriers to true-cost funding



Source: Bridgespan Group survey of 77 funders, with 74 valid responses for this analysis, in India, October 2021–February 2022.

Back to the challenges

Kinjal has observed that the involvement of big corporate houses in NGO funding often leads to an increase in paperwork, which can further strain already limited resources. Furthermore, it's not uncommon for corporate partners to attempt to exert their influence on the decision-making processes of NGOs. Unfortunately, these attempts may not always align with the objectives or principles of the NGO. This further leads to NGOs facing a significant challenge when receiving funding from corporations as the latter may expect to exert some control over the use of the funds. This results in a loss of independence in decision-making for the NGO which has been the biggest concern for Kinjal. She has observed that large companies sometimes make substantial donations as a part of their corporate social responsibility (CSR) programs, which are more focused on enhancing their public image and obtaining tax benefits, rather than creating a genuine impact with the donation on the development of the children.

Taking these concerns into consideration, Kinjal is worried that the capacity of Shwas to achieve its goals and create a positive impact on the communities they serve would be hindered. Another major concern that she has been grappling with is the retention of teachers at Shwas' various centers, despite receiving sizable donations in the past (as per Table 1). She realizes that by promoting Shwas through eye-catching advertisements and collaborations, they could address the concern of retaining teachers, but the fear of compromising their independence keeps her up at night.

Finding a balance between financial support and maintaining the independence of the NGO's decision-making processes is crucial for ensuring optimal utilization of resources and creating a sustainable impact on the ground. These concerns are constantly on Kinjal's mind, and she is striving to come up with effective solutions to overcome these challenges.

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Exhibits:

Exhibit 1: Functional areas in Ahmedabad

8, Gangotri Society, beside passport office, University road, Ahmedabad



Source: <http://shwas.in/about/>

Rainbasera, Behind AB Jewels complex, Shivranjani cross roads, Ahmedabad



Source: <http://shwas.in/about/>

Exhibit 2: Media coverage on various social platforms

Shwas Retweeted

eChai Ventures
@eChaiVentures

Ep 5 of eChai's Gujarati Podcast Series - સ્ટાર્ટઅપ ની વાતો w/ Kinjal Shah, Co-Founder, Shwas.

Shwas is an effort started by a group of volunteers to educate the underprivileged kids of Gulbai Tekra, Ahmedabad since year 2009.

Podcast @ bit.ly/StartupTalksGu...

#eChaiPodcasts

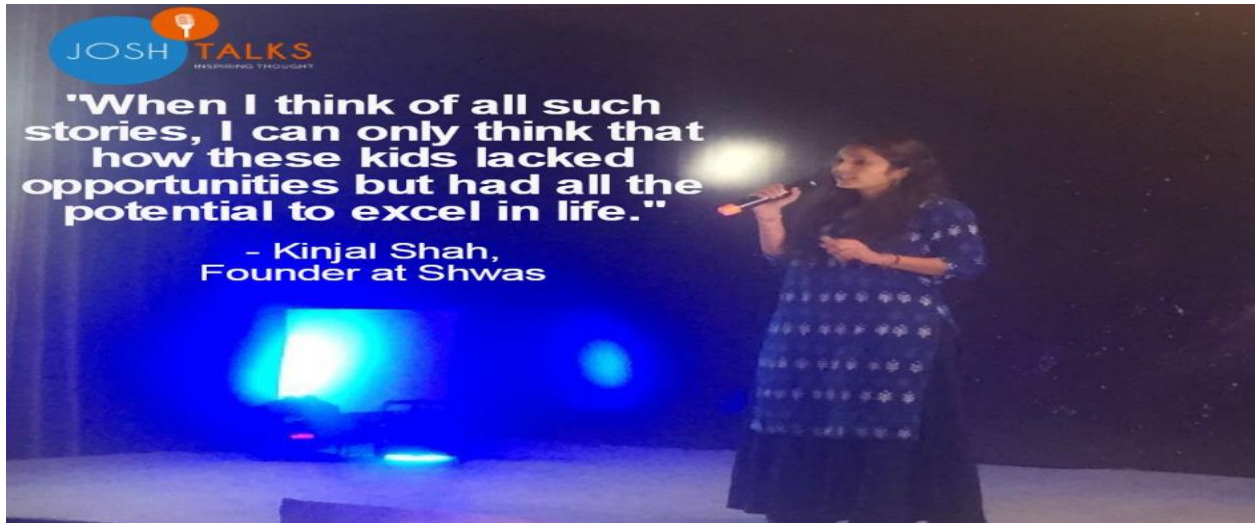
#StartupNiVaato

Yash Shah and 3 others

9:41 PM · Oct 3, 2018

5 Retweets 5 Likes

Source: <https://twitter.com/eChaiVentures/status/1047519476751597568?ext=HHwWgICoscDaxIkdAAAA>



Source: <https://twitter.com/JoshTalksLive/status/741581007091011585/photo/1>

Exhibit 3: Major donors of the past



Source: <http://shwas.in/stories/>

Teaching Notes

Shwas: Breathing life into or just breathing?

Synopsis

Kinjal Shah founded Shwas in 2008 to give children from economically disadvantaged backgrounds an opportunity. These children enrolled in a nearby community or foundation school, need support for their academic education. Shwas seeks to bridge the gap between the less privileged children and their ambitions or anything that holds them back because of their background. Kinjal Shah Shwas was facing two major dilemmas: securing regular funding from potential donors and retaining teachers. In addition to these challenges, day-to-day operational issues were also posing a threat. It's not wrong to say that finding potential donors, creating a pitch deck, having the first meeting, soliciting donations, writing grant proposals, reviewing budgets, reporting to donors, and/or organizing a crowdfunding campaign have certainly caused all fundraisers sleepless nights. Fundraising is one of the biggest challenges most non-profits face. Recognizing and rewarding good performance to motivate and retain instructors seemed lucrative but was difficult to attain in an NGO setup. Ensuring that resources are allocated appropriately and used effectively on a day-to-day basis was also very challenging.

The case highlights her struggle towards achieving her dream of creating a safe and healthy environment for underprivileged children where they could talk openly about their problems their circumstances and their dreams and aspirations journey which started from a room as a give-back to society thing to Shwas having almost 15 branches, with over 650 kids and 23 full-time teachers across Gujarat.

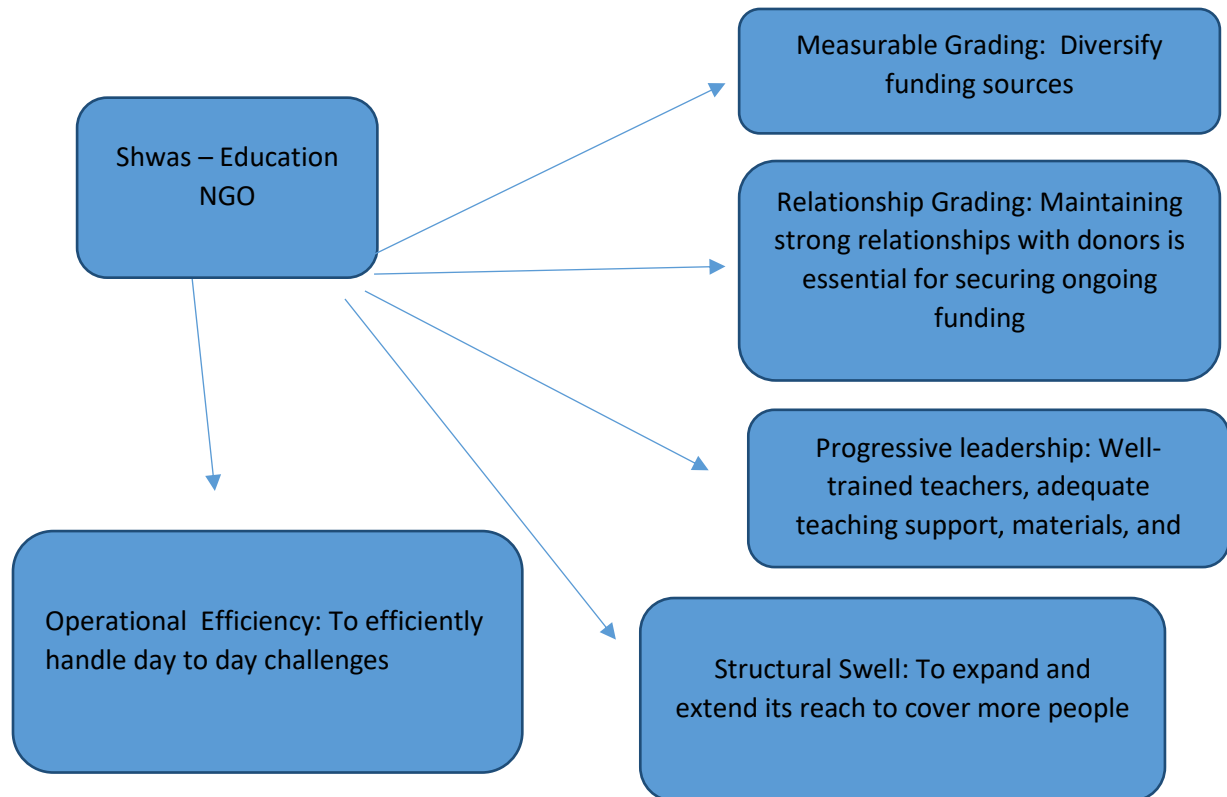
Synopsis

This case was developed majorly from primary sources with little input from secondary sources. The secondary sources include industry reports, NGO websites, social media sites, and published research in this area. Primary sources include a personal physical interview with Shwas founder Kinjal Shah and a couple of visits to their center.

Target Audience

This case was written for use in the undergraduate third-year and MBA-level second-year strategic management courses. The focus of the case is to discuss the smooth operation of an NGO dealing with children and the challenges it faces. The case has also shed light on the challenges faced by the trainers of the children's NGO to stay motivated and continue teaching.

Theoretical Framework



**Potential Theoretical Framework for Shwas NGO*

Teaching objectives

This case highlights the challenges faced by an NGO when it comes to funding the institution, looking out for regular potential donors, and ensuring a smooth long run. Upon completion of the case study discussion, students should be able to:

- Identify the key issues and challenges faced by the NGO in the case. This may include financial constraints, retaining instructors, and day-to-day operating issues
- Should be able to suggest actions to NGOs to address these challenges. This could include advocacy efforts, fundraising campaigns, partnerships with other organizations, aggressive promotions, making themselves heard, etc.
- Students should be able to summarize the key takeaways from the case and suggest any recommendations for future action.

Assignment Questions:

- List effective strategies to ensure the smooth operations of an educational NGO.
- Identify the key issues and challenges faced by Shwas in the case.
- How to ensure that the instructors at Shwas are motivated to continue working there?

Teaching Plan timings:

The timing for a 90-minute class session is as follows:	
Introduction	10 minutes
Analysis of the structure and background of the case	20 minutes
Dwelling into the current scenario and finding possible solutions	20 minutes
Discussion of assignment questions and probable answers	20 minutes

Probable Potential answers to the case questions:

List effective strategies to ensure the smooth operations of an educational NGO.

- Diversify funding sources: Over-reliance on one donor or funding stream can make an NGO vulnerable to sudden changes or disruptions in funding. Diversifying funding sources can help an NGO to mitigate this risk and ensure ongoing financial stability.
- Build strong donor relationships: Maintaining strong relationships with donors is essential for securing ongoing funding. NGOs should prioritize donor engagement and communication to build trust and demonstrate the impact of their work.
- Measure and report impact: Donors want to see measurable results and impact from the NGOs they support. NGOs should prioritize measuring their impact and reporting on it regularly to show donors the value of their investment.
- Be creative and innovative: NGOs should be willing to explore new funding models and approaches to diversify their funding sources. For example, they can consider social enterprise models, crowdfunding, or partnerships with the private sector.
- Collaborate with other organizations: Partnerships and collaborations with other organizations can help NGOs to leverage their resources and networks to secure funding. NGOs can consider partnering with other NGOs, academic institutions, or corporations to pool resources and expertise.
- Maintain a mission-driven approach: While securing funding is important, NGOs should not compromise their mission and values in the pursuit of funding. NGOs should remain true to their mission and values and use funding to advance their impact.
- Shwas should invest in social media marketing as it can be a valuable tool for educational NGOs to reach out to their target audience, raise awareness about their cause, and engage with their supporters. From fundraising to recruiting volunteers social media can also be used to educate the public about important issues related to their cause. This can include sharing articles, videos, and infographics that help people understand the impact of their work.
- Shwas should rope in/ collaborate/partner with higher educational institutions for better outreach. College students can play a valuable role in promoting educational NGOs as brand ambassadors or volunteers. By leveraging their social networks, organizing events, volunteering their time, networking, and starting student clubs, they can help raise awareness and support for the NGO's cause.
- Shwas can tie up with foreign NGOs to receive certification and support for staff development. By researching potential partners, identifying common goals, and developing a partnership agreement, educational NGOs like Shwas can establish strong partnerships that help them achieve their goals and make a bigger impact on the world.
- Shwas can promote its success story videos to attract funding by creating an emotional connection with potential donors, providing social proof of their effectiveness, increasing visibility, building brand recognition, and including a call to action.

Identify the key issues and challenges faced by Shwas in the case.

The main challenges identified in the case are the need for regular funding, retaining instructors, and day-to-day operating issues.

- Shwas can face intense competition and **challenges** for funding from other NGOs, for-profit businesses, and government agencies. This can make it difficult for them to stand out and secure the resources they need. Donors may become tired of hearing about various causes and may start to ignore fundraising campaigns altogether, especially if they are inundated with donation requests from multiple NGOs. NGOs often have limited resources, which can make it challenging to invest in fundraising efforts such as marketing, events, and donor engagement. Building trust with donors is essential, but it can be challenging for NGOs that operate in areas with high levels of corruption or where NGOs have been found to misuse funds. Donations may fluctuate based on seasonal trends, such as increased giving during the holidays or decreased giving during

economic downturns. NGOs must comply with various legal and regulatory requirements, which can be complex and time-consuming, making it difficult to focus on fundraising efforts.

- Recognizing and rewarding good performance can also be **challenging** but can help to motivate and retain instructors. Consider implementing an incentive program, such as bonuses or other rewards, to recognize exceptional work and encourage continued excellence. Instructors may be more likely to stay at Shwas if they feel that their work is making a difference.
- Retaining staff is a crucial **challenge** for the success of an educational NGO. By providing opportunities for growth and development, fostering a positive work culture, offering competitive compensation and benefits, communicating regularly with staff, providing meaningful work, and building a sense of community, educational NGOs can retain their staff and ensure the continuity and stability of their programs and operations.
- Day-to-day operational issues might be endless and **challenging** but could be taken care of with little planning. Managing teaching resources, human resources, financial resources, and material resources can be challenging. Ensuring that resources are allocated appropriately and used effectively is important for the success of an education-imparting NGO like Shwas. NGOs are subject to various regulations and compliance requirements, and compliance with these regulations can be time-consuming and challenging. Managing volunteers can be challenging, including recruiting, training, and supervising volunteers.
- Increasing brand awareness is **challenging** but a critical step for educational NGOs to attract more support and achieve their mission. By developing a strong brand identity, creating a website, using social media, building relationships with the media, collaborating with other organizations, and participating in events, educational NGOs can increase their visibility and reach a wider audience.
- The absence of government support can be a significant **challenge** for educational NGOs. However, these organizations can overcome this challenge by diversifying their funding sources, building strong partnerships with other stakeholders, and developing innovative strategies to reach more beneficiaries and sustain their operations over the long term.

How to ensure that the instructors at Shwas are motivated to continue working there?

Working at an NGO doesn't ensure a great pay package but gives immense satisfaction. Providing competitive pay might not be feasible but sufficient motivation needs to be imparted to attract and retain high-quality teaching instructors. Professional development opportunities can help instructors to improve their skills, increase their job satisfaction, and feel more invested in the organization. Consider offering training programs, and attending conferences to name a few. A positive work environment can improve morale, reduce stress, and increase job satisfaction. Encourage open communication, provide opportunities for feedback, and recognize and reward [even though small] good performance. Instructors may be more likely to stay at Shwas if they feel that their work is making a difference. Provide opportunities for instructors to engage with the community, participate in service projects, or develop a curriculum that aligns with Shwas' mission.

Additional Reading Materials

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