

# The Triple Bottom Line

The three pillars of business sustainability today are Profits, People, and Planet. Rama Chakaki, CEO of Baraka Ventures, is helping organizations to deliver the maximum positive impact across the board.

By Nina Glinski



For Rama Chakaki, CEO of Baraka Ventures, success is measured by social impact.

“ Bill Gates spent the first half of his career building and now the second half giving. Why not do it simultaneously? Live and give at the same time,” demands Rama Chakaki. As the captivating Chief Executive Officer of Baraka Ventures, an umbrella organization with a portfolio of businesses and initiatives that focus on social enterprise, Chakaki is living the legacy championed by Gates—a prominent business executive turned force of social change. But unlike Gates, she didn’t wait to be famously rich to answer the calling. With Baraka, she is enabling under-supported social enterprises to thrive and is driving the corporate social responsibility (CSR) discourse within the MENA region.

For Chakaki, measuring success is not only about turning a profit, though that is a necessary part of sustainability. “We really have to start shifting our units of measurement to match the demands of today’s world,” says the Syrian-born, Saudi-raised executive. “Even if you are making billions, if there are the levels of poverty and environmental degradation, then we’ve failed as a species. We need to completely reevaluate that,” she asserts.

Chakaki has driven this reevaluation since 2006, when she relinquished her executive seat running data centers for EastNets, a 200-employee financial services company that was turning an annual profit of \$40 million. Compelled

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by the weak social enterprise support system she witnessed in the region, the ambitious businesswoman set about creating Baraka, or 'blessing'. She had only previously dabbled in social ventures, but braved the new territory with a sense of purpose. "I really jumped into it head first," she enthuses.

Indeed, this inspirational woman is not averse to challenge. Despite relying on a battery operated heart since the age of 25, Chakaki is an avid cyclist and qualified diving instructor—a top-level qualification that she earned for the sake of Tawasul, a place-based environmental education project that Baraka got involved with. With enviable optimism drawn from the fact that she is lucky to still be alive, not to mention the skill set that she brings to the table, the CEO is leading this company to a new definition of success.

Today, the region's largest NGOs seek Chakaki's counsel as an expert in building communication strategies. "While we haven't made \$1 million in profit, I'm on the board of a charity that I've helped to achieve a \$6 million endowment in a three-year period," she cites, clarifying how the bottom line goes well beyond the balance sheet. The aforementioned endowment managed to raise \$1 million online in one year, something unheard of in the region, and owes thanks to her team's digital prowess.

Baraka's business approach is necessarily diversified among tech ventures, social enterprise consulting, social advocacy and advisory services. The movement among pioneering social advocates has been towards a paradigm of "patient capital", a long-term market-based approach to philanthropy, which Chakaki subscribes to wholeheartedly. Jacqueline Novogratz, Founder and CEO of the Acumen Fund championed the concept, which focuses on empowerment

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of the population, "People really don't want handouts, they want to make their own decisions; they want to solve their own problems."

Patient capital requires making a long-term, low return investment in a social enterprise that can solve problems rather than just alleviate them, with emphasis on social return as a measure of impact. The challenge in adopting such a discipline however, is longevity; having the corporate strength to ride out the early stages of a project in order to fully realize success in these investments is a touchstone of patient capital—a process of fundamental change that can take a decade or more depending on the scale of the problem.

While she believes that "social enterprises must be non-profits," and that all earnings need to be reinvested, Chakaki is also conscious of the fact that any viable business model needs its bread and butter to survive. "We struggled to see how we could drive revenue in the early years," she confesses. But Baraka eventually did find a way by leveraging Chakaki's tech experience and straddling the line between non-profit and for-profit.

On the for-profit side, Baraka's revenue comes from investments in digital technology and consulting work for social enterprises. The tech space has proven such a strong point for the company that the employee base has dwindled from 10 to

three following the spinoff of Zeedna, a modular social media publishing platform, which took key company talent with it—a loss that would have proven debilitating for many small organizations. But Chakaki is unflustered; while the team formerly in place was very talented, Baraka has consistently relied on a collaborative work environment alongside NGOs, entrepreneurs and consultants. "Small is beautiful. It's a different economic framework but it works well because your overheads are so low," she says, adding, "We can draw on resources internationally. It keeps us agile and flexible."

By staying small and working collaboratively, Baraka has created fruitful relationships with the region's movers and shakers, and Chakaki has emerged as an influencer in the realm of social responsibility. "You can be a very healthy corporation and you can give some dividends, but you should also adopt causes and do things in a way that benefit your community," says the CEO, who advises corporates on how they can do just that.

When she hears the term CSR, Chakaki recoils, a seeming contradiction from the quintessential social responsibility advocate. For her, doing good is an inherent duty for individuals and corporates alike; too many companies use CSR efforts as part of a marketing strategy rather than part of their corporate makeup. "The aim is for companies not to have to label it, that it just becomes part of their DNA," she remarks.

Chakaki's view is shared by Leena Al Olaimy, Co-Founder and Managing Director Triple Bottom Line (3BL) Associates—Bahrain's first social impact and sustainability consultancy. "Whatever terms you choose to label it...social responsibility is not something you do; it is something you are. It is not what an organization does



Rama Chakaki leading a round table discussion in Palestine at the Welfare Association's 30th Anniversary Campaign Planning Event.

with its profits, but rather how it makes them,” she writes in the organization’s 2012 Bahrain Responsible Business Survey.

Amongst its critics, the term CSR has become synonymous with marketing, an exploitive ploy used by corporations seeking to improve image or drive profits under the guise of doing good. After the global financial crisis, multinational companies experienced raging pressure to offer more transparency and responsibility for a society whose trust was broken. Today, corporations are coming under fire for basically missing the point. According to the Harvard Business Review, “the prevailing approaches to CSR are so disconnected from business as to obscure many of the greatest opportunities for companies to benefit society.”

Though Chakaki shares these frustrations, she expresses that her unifying message for social entrepreneurs in the region is still intelligent optimism. “We can’t develop if we’re always beating ourselves with a stick...We have to take stock of all the success stories—and there

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are plenty of them in our history,” says the driven executive, who is no stranger to adversity. Despite her own personal circumstances and perhaps even because of them, Chakaki demonstrates that there is no excuse for social antipathy.

Moving from the success of the past to the promise of her company’s future, the CEO expects that technology investments will generate progressively stronger revenue, and that the consultancy will take off, but she is intent on maintaining an distinctly non-profit advisory

practice and keeping Baraka local. “We’ve taken our time in deciding which niches we want to focus on,” she says, adding that a local approach is necessary in a region with such a “complicated social fabric.”

As the social venture company broadens its reputation among the region’s largest NGOs and non-profit institutions, it will prove an invaluable resource. Sponsoring thought leadership events like TEDx conferences in Dubai, Bahrain, and Ramallah has helped to generate hype around the company and driven new business; so have its various partnerships and collaborations with the World Bank and other renowned organizations.

Baraka Ventures has helped to carve a narrow avenue for social enterprises to drive their initiatives forward with the promise of sustainability. With patience, the region’s problems will be addressed with well-advised and increasingly better funded entrepreneurial programs in a way that benefits people, the planet, and profitability, thanks to the infrastructure created by the company founder’s vision. 