

# Judging Criterion – Enactus Competition



## What is the judging criterion?

“Which Enactus team most effectively used entrepreneurial action to empower people to improve their livelihoods in an economically, socially and environmentally sustainable way?”

## What is “entrepreneurial action”?

Enactus defines “entrepreneurial action” as taking the opportunity to use sustainable business and sound economic practices to develop innovative business models based on risk, commitment and a willingness to follow through.

Entrepreneurial action speaks to the manner in which projects are developed and delivered, not necessarily a call to create entrepreneurial ventures. Entrepreneurial action should result in the demonstration of creativity, innovation and an entrepreneurial culture through the team’s efforts.

Examples of entrepreneurial action are (but not limited to): thinking creatively, pioneering new approaches and designs, using innovative solutions, engaging in a process of constant adaptation and learning, developing new opportunities, establishing new projects and/or partnerships and constantly striving to enhance substantially the existing projects, utilizing industry experts, and much more.

Teams should apply a business mindset to the project process, content and delivery. Economic and business concepts are essential to help individuals and businesses become more successful. Economic and business concepts include (but are not limited to): the fundamentals of the market economy, trade, supply and demand, competition, price elasticity, tax, finance, investment, insurance, management, marketing, human resources, and accounting.

## How are people “empowered”?

Teams directly empower individuals when the project beneficiaries take the skills and/or knowledge they learn during the initial stages of the project and implement those skills and or/knowledge in their lives. This direct empowerment requires communication, understanding and challenging long-standing assumptions about what outcomes people need. A collaborative approach is key when working with the target audiences. People learn the most when they are engaged, which is why it is important that project beneficiaries are an active part of all the stages of project design and execution.

Teams should always consider incorporating solutions for long-term empowerment in their project design. It is important to think ahead about what will happen to the project when the team leaves. Is the project able to continue without the team? Is the target audience able to apply the skills/knowledge that they gained throughout the project and share it with others?

## What are livelihoods?

A livelihood is the means and activities involved in sustaining an individual’s life. Livelihoods are fueled by what are known as livelihood assets. These assets are the financial, social, natural, physical and human capital used in obtaining desired outcomes. There are five categories of livelihood assets:

- Financial assets: Financial resources available to an individual
- Social assets: Networks, groups and relationships
- Natural assets: Natural resources available to an individual (e.g. air, water, land, etc.)
- Physical assets: Basic infrastructure and goods (e.g. shelter, transportation, water supply, sanitation, energy, etc.)
- Human assets: Skills, knowledge and ability to work and pursue livelihood strategies

Livelihood strategies are the methods and processes used to transform livelihood assets into outcomes, for example: turning a natural asset such as palm trees into a financial asset through the strategy of selling products created from the palm tree. Successful Enactus projects investigate the current livelihood strategies employed and work with the people to support those strategies or develop new sustainable strategies instead.

Livelihood outcomes are the benefits or changes for individuals during or after participating in Enactus projects. They are the better lives people seek, the better lives that Enactus projects empower people to live. Outcomes are influenced by the project's outputs. Livelihood outcomes may relate to behavior, skills, knowledge, attitudes, values, conditions, status or other attributes livelihood assets. Livelihood outcomes are not always income-based; instead it is important to understand the motivations of the people and their desired outcomes. For some it might be gaining access to college education, or fulfilling a life-long dream of becoming an entrepreneur. Other positive livelihood outcomes may be better health, less vulnerability, environmentally sustainable use of natural resources or food security.

### **Will teams need to do an individual project to address every livelihood asset category? Or do teams need to make sure each project addresses all livelihood categories?**

Not every Enactus project will develop or address every category of livelihood assets; instead projects should focus on the needs the people identify in collaboration with the team. Likewise teams do not need to do separate projects to address each individual livelihood asset. Teams should consider livelihood assets during the project development and needs assessment stages and when reporting outcomes. If an asset category is not relevant to the project, it does not need to be included. It is important to remember, however, that improving or developing one asset will affect other assets as well.

### **What makes an Enactus project “economically, socially and environmentally sustainable”?**

These three factors broadly encompass the idea of sustainable business practices; taking into account not only profit, but also people and the planet.

**Economic sustainability (Profit):** This is in reference to whether or not a project is economically viable.

Economic factors in an Enactus project may include (but are not exclusive or limited to): empowering others to increase the profitability of their business, empowering others to improve an existing business, developing new entrepreneurial ventures which help increase revenue and profit for others, illustrating that project participants have increased their personal wealth and or financial management capacity, and much more.

**Social sustainability (People):** This refers to anything tied to the well-being of the project participants. Examples of social factors in Enactus projects may include (but are not exclusive or limited to): poverty, equal opportunity for health care, fair and equal treatment and pay of employees, employee development, developing people's success skills, business ethics and reinvesting profit or gains into the surrounding community through sponsorships of other social initiatives.

**Environmental sustainability (Planet):** This refers to the environmental impact of a project. Enactus teams should aim to minimize the negative impact on the environment. From the planning stage until the execution of the project, Enactus teams should make the necessary arrangements to ensure that their projects do not harm the environment. Examples of considering environmental factors in Enactus projects may include (but are not exclusive or limited to); conducting an environmental audit, profitability of environmentally friendly solutions/materials/products, choosing sustainable materials for new products and processes, working with bio degradable products and sustainable energy sources and much more.