

A Case Study on Grameen Bank's Dynamic Business Model and Operation Performance

Abstract

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Social enterprise's main objective is to solve social problems, provide social service, form social mission in order to create high social service value. In a fast changing market where resource volatility is also high, social enterprise has to respond quickly and adjust to the fast changing environment. This study's objective is to build the dynamic business model for Grameen Bank, looking into the change of the business model during different organization life cycle.

The aspects of Grameen Bank's dynamic business model include: value proposition, core competency, resource deployment, and operation process. Organizational life cycle is divided by stages of beginning, growing, maturing and dismissing. The method of the study is case study, focusing on analysis of the business model change throughout the organization life cycle in Grameen Bank. The value proposition of the enterprise is focused on helping the poor and women to enhance their life quality. By which, core competency focuses on business strength and differential strategy; resource deployment focuses on unique service delivery, good social network relations, and charisma of the organization leader. The operation process focuses on creating and providing products and service, delivering value for the customers in order to meet the mission of the enterprise.

This study brings about four aspects for the dynamic business model of different organization life cycles for Grameen Bank. Different keys of the business model at different organization life cycle for Grameen Bank are discussed in this study along with analysis of the social performance and economic performance that followed. This study finds that Grameen Bank formed its own network of value through the form of social enterprise, which accumulated dynamic power of the organization to help the minorities' problem in the society, reaching its corporate social responsibility.

Key Word :

Social enterprise dynamic business model organization life cycle