



Maintaining service quality as you scale up: The case of Ashoka-Lemelson Fellow Rebeca Villalobos

An interesting challenge that social businesses face when they reach a certain scale, is how to maintain a product or service quality as they are distributed at a more massive scale. This is why this was one of the themes discussed in September 2009 at Sao Paulo Ashoka Fellow gathering.

Some questions that emerged included: Which are the strategies that work to reach scale? What mechanisms should be put in place to insure that the product or service continue having the same quality - and have the same positive social impact - as its distribution is scaled? Are periodical control and monitoring required? How do the new production units interact and create synergies with one another? What is the role of training? What are the biggest and most important challenges in this expansion process?

The discussion kicked-off by [Rebeca Villalobos](#), founder of [ASEMBIS](#) (above far right), who began by explaining that the social enterprise was launched with \$700 and today, it has a 6 million dollar budget. "We're a wonderful team of 180 people, who I represent here". Since its origins, it was planned as a business. Eventhough it was formally structured as an NGO, one of the objectives was to be profitable, since they did not want to depend on donations.

ASEMBIS has 8 clinics in different regions of Costa Rica - offering nationwide coverage -, and provides a wide spectrum of medical services, from basic health to sophisticated surgeries, imaging diagnostics, and covering almost all specialties including -ophthalmology, otorrinolaringology, cardiology, gynecology, among others. Rebeca states that one of ASEMBIS primary assets is its name, and so she goes to great lengths to maintain its brand equity, especially as the enterprise continues to grow. How does she do it?:

-Each new clinic is thought of it as an independent business unit. This means that for each new clinic Rebeca conducts a feasibility study, as well as a business plan, and a break-even calculation. The seed capital required is brought in from the excess revenues that ASEMBIS generates. Self-financing allows Rebeca complete operational independence and autonomy.

-Youth are trained as the future leadership team. As the model expanded into more clinics, the challenge was to find managers whose profiles combined the commercial and social aspects. As a solution, Rebeca identifies youth with leadership qualities, they work for a few years at ASEMBIS's and are later trained to manage the clinics. This way the organizational values, the vision, the mission is transferred "we train people to have the vision in their hearts".

-Continuous training processes for team members help to create uniformity in service delivery. One staff member is in charge of standardizing processes and creates procedure manuals based on ASEMBIS's ample trajectory. These are updated as time goes on, and relying on them enables the work of all teams, it also makes training new doctors and technical personnel easier, and it also ensures quality and the values in each of its posts.

-Constant monitoring of service quality. Rebeca has installed a system of weekly audits and constant supervision for the 8 clinics. Additionally, beneficiaries are leveraged to guide the social enterprise's operations by periodically conducting satisfaction surveys, to ensure that service delivery is adequate and effective.

-The enterprise's annual planning is conducted by everyone, all team members contribute from their perspective and experience. These spaces are key for organic growth as expansion occurs, and to reinforce the mission and values to all the team members.

-Supply and equipment purchases for all clinics are centralized, as well as their administration. In addition to generate scale economies, this is another strategy that help maintain quality in service delivery.

ASEMBIS's Challenges

Rebeca has already proved that the ASEMBIS model works. Two of the strongest indicators are that competitors had to lower their prices to remain competitive, and that the waiting lines for public hospitals reduced dramatically thanks to ASEMBIS.

Now she wants to implement this model in other countries, and she knows that one of the biggest obstacles have to do with the different contexts "in Costa Rica people are used to pay for health services, but not in other countries, this means that the viability of our model needs to be studied in these cultures".

Another challenge that Rebeca is now facing is that ASEMBIS works as a social enterprise, but legally it is a civil society organization, and so it has its limitations. For instance, if she wants to sell the lenses that are produced abroad she cannot. An alternative is that to surpass this challenge is to partner or merge with a business from the private sector. Generar algún tipo de fusión o alianza con empresas privadas. However, the risk would be to lose the ASEMBIS vision, or to prioritize profitability over the social mission.

Undoubtedly, social businesses that are able to scale up have a two-fold challenge to face. Just as a business, they have to be able to continue being profitable after they expand. And just as a social organization, it has to install the necessary mechanisms so that the growth does not affect the positive social change that it has as a mission.

You can [learn more about the ASEMBIS model by clicking here](#) (in Spanish).

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