

## **Executive Summary**

After conducting in-depth research on Russian poverty, one of the most striking characteristics of the poor is that children have higher poverty rates than the national average. Other characteristics of those in poverty include unemployment, lack of education, and substance abuse. Love's Bridge's mission is to empower street youth in Perm, Russia to overcome their addictions, to resume studies, and to become self-reliant. By encouraging education and independence, Love's Bridge instills good values, morals, and habits in children, who can pass them onto future generations to break the vicious cycle of poverty.

### **Love's Bridge has a unique strategy in helping the street children of Perm**

Love's Bridge has a highly organized and successful strategy to help children leave Perm's streets and become self-sufficient. Based on the understanding of the children's background and environment, Love's Bridge avoids the shortcomings of orphanages by letting the youth have free choice to accept or refuse assistance. If a child accepts assistance, the NGO offers several programs to address their various needs. In particular, Love's Bridge provides children with food, shelter, medical care and education.

### **Love's Bridge has a flexible approach, communication, and financials**

Love's Bridge's first competitive advantage is its flexible approach. Volunteers actually go into the sewers, the place where most of the street kids reside, and establish a relationship of trust with the children. Furthermore, the organization targets children of varying ages and depths of problems, promising them a long-term commitment.

Secondly, Love's Bridge creates a ripple effect through its honest and upfront communication. Through honest progress reports, it attracts the attention of media, establishing credibility and awareness of the problem. Lastly, Love's Bridge is financially efficient with only 2.8% of its funds spent on administrative costs. From these three points, Love's Bridge differentiates itself over other non-profit organizations working to relieve poverty in Russia.

### **Love's Bridge's business model has potential to be more sustainable**

Love's Bridge currently uses a philanthropic non-profit model. The company receives donations and grants and uses the money to fund activities for the children. The biggest advantage of this model is that it is easy to replicate. Also, Love's Bridge has a grassroots and personable feel. These combined advantages allow the current model to expand to other areas in need and improve the lives of children elsewhere. Love's Bridge's ultimate impact, however, may be its ability to bring awareness to Russian societal problems.

While Love's Bridge is currently effective, there is still room for improvement in its business model. Leveraging the relationships the organization has with its local business donors, Love's Bridge could implement a program that helps its graduating teenagers find work. As a result, local businesses provide an employment opportunity to graduates while receiving a source of labor in return.