

## **Azalaï Foundation: A Vision of an African Entrepreneur**

“I am in the business of giving back because I am fully aware that naked, we come into life and naked, we go out of life.”

Mossadeck Bally, Founder, Azalaï Hotel Group

### **Introduction**

This case study is built on strategically selected methods of data collection and analysis and is evidence-based and evidence-generating -- both to Azalaï Foundation and to the field of philanthropic development as a whole. This research is based on textual analysis of archival and online documents, artifacts, and social media along with interviews and focus groups with key members of the family philanthropy. The primary purpose is to generate in-depth insights and contextualized understandings of Azalaï Foundation and its most impactful strategies in ways that can inform mission, policy, program development, professional practice, and community action within and beyond Azalaï Foundation -- as a pioneering frontier market philanthropy.

This case study is situated as a direct and substantive response to the urgent need for in-depth, high-quality case studies with rigorous cross-case analysis of private philanthropy work in frontier markets (Harvard, 2018). Family philanthropies, like Azalaï Foundation, that are leading in this realm need access to solid, descriptive, vertically contextualized case studies that rigorously attend to context, and that critically look beyond context for generative solutions that can be applied in contextualized ways across global philanthropy efforts (Vavrus & Bartlett, 2017). Leaders and givers alike need substantive insight into these often invisible, inaccessible, or opaque-to-the-outside philanthropic projects like Azalaï to be able to understand their strategic development in context, and to learn from their intentional growth processes. This is necessary in order to replicate their most effective strategies and best practices in terms of program development and implementation as well as monitoring and evaluation.

The United Nations Development Program's 2019 report on family philanthropies makes the persuasive argument that the role of frontier philanthropies is far too robust and pivotal to be ignored, under-theorized, or under-supported as it currently is, stating that,

The world is at a pivotal moment for global development cooperation. While many stakeholders are brought increasingly into international development processes, philanthropy stands apart, despite the scale, ambition, and potential of philanthropy's contributions to international development ... . Crucially, philanthropy brings a complementary and beneficial set of new actors, approaches, and types of funding. Most philanthropy is directed to supporting individual and collective human initiative and ingenuity, an expression of belief that the answers to societies' toughest challenges lie not in one institution or set of actors, but in the vast array of individuals and institutions who make up those societies, who represent different beliefs and perspectives, and approach the same problems with different solutions. The value of a philanthropic portfolio is that it enables one institution, even with modest resources, to simultaneously, and over time, test and support disparate organizations and interventions. This is an essential contribution to the immense undertaking of development.

As ERFIPs work and vision for the sector has evinced, the time has come to create an active, data-based, responsive local-national development framework that can guide frontier market philanthropy writ large but in ways that offer bespoke, participatory frameworks for development, enactment, and evaluation (Ravitch & Kumar, 2018). Grounded in the leading-edge work of Azalai Foundation and Empower Families for Innovative Philanthropy (ERFIP), which is founded by the Edmond de Rothschild Foundations, this case study offers a critical examination of how this game-changing foundation began in context, how it has changed over time in response to local need and resource, how it enacts participatory mechanisms to respond to local needs and resources in real time, strategically, so that Azalai work can be sustainable in those settings.

ERFIP's intensive work with family philanthropies in frontier markets of the Global South has generated cutting-edge, invaluable case examples of locally driven development practice that pushes the envelope on what sustainable local development can mean and look like both in situ

and at scale. The Azalai Foundation is a central development actor in Mali, and, more specifically, a critical development gap filler in the areas of improving vocational education and career development of youth. As such it is vital to understand how the Foundation has positioned itself to be optimally impactful as an agent of enduring change. Azalai Foundation is actively moving the dial on development in Mali, which provides a unique terrain for envisaging innovative approaches to local and national development as well as new methods for building and evaluating sustainable bottom-up strategic partnerships and collaborations that are based in and responsive to the ways that family foundations work with and in the service of local communities' perspectives, concerns, resources, and ideas (Chilisa, 2020).

Importantly, there is a dearth of data-based literature broadly and case studies specifically, on private philanthropies in non-Western and emerging markets, and specifically in frontier philanthropy (Harvard, 2018). Relatedly, there is limited information available on giving practices, creative models, donor motivations, and impact among other areas of family philanthropic giving. One of ERFIP's primary objectives is to gather and disseminate generative data on family philanthropies from non-Western and emerging markets. Sharing and disseminating philanthropy strategies and approaches from non-Western markets is a critical complement to what remains globally a Western outlook on economic development, philanthropy, and sustainable development. ERFIP encourages exchange and cooperation among philanthropists from emerging and non-Western markets to help catalyze a more cogent voice and make a tangible impact both on the ground and in international policy-making. By fomenting and supporting an innovative stance on what philanthropy is, who does what, and what social change means in different contexts, ERFIP helps to shape a future in which families, businesses, and institutions can cross-fertilize their vision and expertise.

This case study of Azalai Foundation was designed for maximum validity with a methodological focus on rigor and a data-based fidelity to the lived complexities of the members of each philanthropy as described below. This approach evinces a textured portrait of Azalai Foundation's philanthropic work in the Malian development arena. This case tells a contextualized story to diverse audiences (e.g., philanthropies, policymakers, practitioners, thought leaders, public intellectuals, academics). Further, the case focuses on donor motivations, the ecosystemic origins of their motivations, as well as the evolutions in motivation, priorities, and emerging strategy set. The case also highlights thematic aspects of innovative philanthropy and key take-aways within the milieu (e.g., culture, power, impact, norms around giving). The case is structured as an in-depth exploration of the trajectory of growth, change, and development that highlights practical approaches to their philanthropic activities.

### **Case Study Methodology**

The research team, supervised by the University of Pennsylvania, employed a triangulated case study research design for maximum data reliability and case validity (Ravitch & Carl, 2020). While some organizational cases rely on just one data source (usually the interview method), to contextualize the work, it is vital to validity to identify and analyze a differentiated data set by employing sequential data collection and analysis methods. Strategically collecting and analyzing multiple data sources in an iterative and critical dialogic fashion with institutional leadership at Azalai Foundation enables the validity measure of triangulation, wherein data sources converge to corroborate and validate the findings that emerge from other data sources, generating critical contextualized information and insights within the data set that otherwise might be missed or misunderstood (Ravitch & Carl, 2020).

The theoretical and methodological framework that informs how the case study researchers approached this case study is drawn from theories of decolonizing methodology (Smith, 2012) critical rhetoric (Mckerrow , 1989), intersectional post-colonial theory (Crenshaw, 1992, Loomba, 2005)[1], and affective economies (Ahmed, 2004). ERFIP's<sup>[2]</sup> mission is to re/assess the context of global development and more actively engage private philanthropy and family business across Frontier Economies and the Global South in ways that are data-based and generative. The platform is rooted in the notion that development through innovation, cross-sector collaboration and private-public partnership should not begin and end in the offices of international development agencies. Rather, it requires building closer financial and technical cooperation with local philanthropy, well positioned to advise on and implement sustainable solutions (Ladak, Interview, 2014). The cases were supervised by international methodological expert, Dr. Sharon Ravitch, Professor at the University of Pennsylvania, Fulbright Specialist, and GIAN Scholar of the Government of India. Dr. Ravitch's applied methods work emphasizes intersectional multilateral strategic partnerships for sustainable development and a diffusion of innovations (Rogers, 2013).

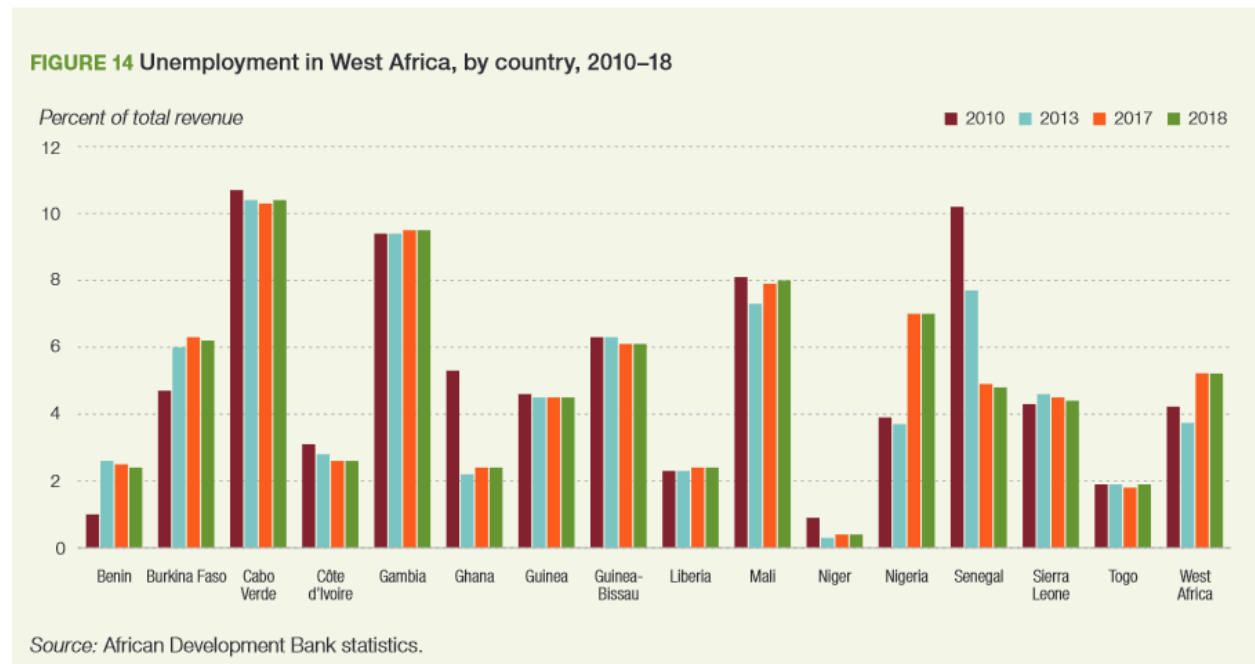
In critical case study design, a tradition that situates case studies to effect social transformation, the primary goal is to examine audio and visual texts as concrete philanthropic activity and practice that is anchored in its own contextual and institutional specificity (e.g., religious, cultural, values-based) and not as adjacent objects to the milieu of Western development initiatives in which they exist (Chilisa, 2020). This case includes first-person accounts of Song Saa's leaders, who leverage their intimate contextual knowledge of realities on the ground to address social challenges and implement sustainable solutions. In addition—because of the material-discursive intersections of this project — the theoretical and methodological tools we

draw on are interdisciplinary and cross-contextual so as to do justice to the complexities of Son Saa's embedded ideological frames (Chilisa, 2020; Foucault, 1995).

Global philanthropy has a focus on solving the macroscopic issues of a target region through the funding of activities and programs – whether it be for health, education, food, stability. In the 2015 Foundation Center report on Funding for Africa, it was calculated that U.S.-based foundations alone contributed \$1.5 billion USD to multinational institutions that have programs in place throughout Africa.[1] Foreign foundations are essential for the development of Africa, as the funds collected are directed towards research that benefits the institutional capacity of the nation to handle adverse issues that impact its people. However, foreign foundations follow a formal process that is disconnected from the necessities of African regions throughout the continent. The majority of global foundations direct their funding of African relief towards international development (29%) and health (22%).[2] Furthermore, the majority of international philanthropies only donate to a handful of countries in Africa, namely Kenya, Nigeria, Ethiopia, and the Republic of South Africa.[3] This is in stark contrast to the countries that are consistently ranked to be the poorest and in most need of assistance: Zimbabwe, Central African Republic, Democratic Republic of Congo, Burundi, Liberia, and Niger.[4]

Rather than disregard international assistance or force an ideological shift at a global scale, there are citizens in Africa who have taken both individually and collectively an active role in philanthropy. Supplementing the general international aid with local, tailored strategy has proven effective to promote the development of African nations and their people. The beneficiaries experience more impactful change, as the leaders of the philanthropies were raised in the local communities and understand the adaptive issues that must be engaged and challenged. For

example, the West African region: unemployment rates are at 5.2% as of 2018, an increase from 2015's 3.7%.[5] Poverty rates are similarly high at 39.6%.[6]



These issues cannot be solved through international intervention – local leadership and philanthropy can and must directly tackle these obstacles with bespoke, contextualized processes and solutions that match the contexts and issues of their communities. A microscopic approach to individual regions can allow for strategic plans of action to be generated that can maximize impact. In fact, the foundation for starting positive change within the West African community has been laid down by Mossadeck Bally, founder of Azalaï Hotel Group, as he states:

I felt compelled to contribute back to Mali and Africa through enabling economic and social impact. Assessing the resources and opportunities in the region, I observed that the tourism and hospitality sectors possess strong potentials to generate jobs and drive local growth.[7]

## Background and Context of the Azalaï Foundation

Mossadeck Bally was born on August 27, 1961 in Niger to Malian parents. Despite being born in a country that has many economic challenges, Bally was fortunate enough to be born into a family that operated a successful trading company in Bamako. The family assets allowed Bally to grow up and receive his primary education in Niger and Mali and attend his final years of secondary education in France. Bally pursued his master's degree in management and finance from the University of San Francisco. With his university education completed, Bally returned to Mali with the intention of taking up a role in the family business alongside his siblings. Bally helped run the trading company for 10 years following his return from the United States. During this time, Bally developed a feeling of a greater purpose than running his family business – he desired to bring significant change to his community. Bally witnessed the stark contrast of quality of life in West Africa compared to France and the United States.

Bally's experience running the trading company had many advantages. He gained experience with managing an operation and communicating with different stakeholders that had varying needs. Additionally, it gave Bally the information that he needed to develop a successful strategy for making positive change in his community. He narrowed down his ideas to the industry sector, as he believed that it provided added value and jobs to the community. After discussions with his rice and sugar suppliers, Bally realized that Bamako had a market for tourism, specifically hotels.[8] The West African region had been showing signs of developing into a business and commercial destination for both domestic and international travelers, despite political instability throughout the area. Mossadeck understood that by capitalizing on a growing sector, he could generate jobs for the local community and stimulate the economic development of the countries that he calls home.



I always thought I would spend my whole career doing what my father did (import-export). But after a while, I realized that I wanted to have a greater impact on the society. I wanted to create more jobs and be more impactful in the region. Today with Azalaï Hotels Group and Azalaï foundation we are creating positive change for thousands of Africans.[9]

The political clashes in Mali slowed down by 1994. Bally took advantage of this opportunity and created the Société Malienne de Promotion Hôtelière (SMPH) to begin his venture into the hospitality sector in West Africa. The SMPH's first acquisition was the Grand Hotel in Bamako, a state-owned hotel.[10] His intention with this acquisition was to attract business travelers and foreign investors to Mali, who could serve as promoters of positive growth and development in a country recovering from conflict. The purchase of the Grand Hotel also demonstrated Bally's strategy for cooperating with international stakeholders that have a local vision. Purchasing the Grand Hotel by himself would have been impossible – the property was listed at \$1 million USD. To go through with the transaction, Bally cooperated with the International Finance Corporation, where he received two loans. One loan for \$1 million USD to complete the privatization sale supervised by the International Monetary Fund, and another loan of \$1.68m USD in 2003 to complete expansions and renovations.[11] This was followed by the acquisition of another hotel in Burkina Faso in 2004.

In 2005, Bally made a strategic decision. Given his passion was for the local community, he decided to rename his company to something more closely related to his cultural background and pride. The renaming also had the added benefit of consolidating his assets under a single, recognizable name.[12] Thinking back to his childhood, Mossadeck remembered the Azalaï:

The name Azalaï, a Tuareg name, refers to the great caravan of camels, carried out twice a year, by nomadic tribes (Tuaregs, Moors) who practice the salt trade across the Sahara's desert for nearly 1,000 km, selling it in Timbuktu and other markets in the Sahel. And in my childhood memories, when the Azalaï arrived in Timbuktu, it was a great celebration and an immense joy shared by everyone. The caravaneers were known for their travel

culture, their adventurous spirit and their great hospitality, hence the idea of naming the hotel chain that I run, Azalai group.[13]

The growth of the Azalai Hotel Group (AHG) had the concept of economic development integrated within its daily operations. The AHG had the objective of generating thousands of jobs, cultivating local talent, and supporting local communities via the hospitality and tourism sectors. The dedication to the community included local employment and sourcing of products used in the AHG hotels. In 2015, Bally and the AHG decided that the next step towards supporting the economic development of West Africa was to exclusively dedicate initiatives towards this cause. Therefore, Bally created the Azalai Foundation – a separate entity that is focused on social impact within the region. Today, the mission of the Foundation is to invest in individuals, ideas, and institutions to promote sustainable development for local communities in each of the six countries in which the Azalai Hotels are located.

### **Sustainability in Context: Cross-Referencing the SDGs**

The Azalai Foundation's mission is heavily directed towards promoting the growth of West African economy through vocational education and career development. Despite not explicitly associating the Foundation with the Sustainable Development Goals (SDGs), the Azalai Foundation's initiatives closely aligns with Sustainable Development Goal #8: Decent Work and Economic Growth:

We will seek to build strong economic foundations for all our countries. Sustained, inclusive and sustainable economic growth is essential for prosperity. This will only be possible if wealth is shared and income inequality is addressed. We will work to build dynamic, sustainable, innovative and people-centered economies, promoting youth employment and women's economic empowerment, in particular, and decent work for all... All countries stand to benefit from having a healthy and well-educated workforce with the knowledge and skills needed for productive and fulfilling work and full participation in society. We will strengthen the productive capacities of least-developed countries in all sectors, including through structural transformation.[14]

The desire to achieve sustainable growth for employment and economic development requires a multi-stakeholder approach. In the case of Azalaï, the cooperation between international NGOs, the Foundation, and the recipients – being the community, allow for the improvement of the areas served. The sustainable impact of career development in West Africa is needed, as unemployment and poverty rates run high. The combined work of all stakeholders in Azalaï's approach allows for a constant stream of change, whether it be via empowering women, locally sourcing products, or training the new workforce for hospitality. This multi-tiered collaboration meets the SDGs definition of sustainable development. Importantly, the SDGs are also proponents of including political stakeholders to bring about sustainable change:

We recognize that sustainable urban development and management are crucial to the quality of life of our people. We will work with local authorities and communities to renew and plan our cities and human settlements so as to foster community cohesion and personal security and to stimulate innovation and employment.[15]

The Foundation actively practices – and arguably promotes – the separation of politics from local initiatives in the West Africa region. As Bally states: “We never cross the red line which we set up at the very beginning: we will never undertake political activities per say while managing our Group.”[16]. The decision not to align the Foundation with political stakeholders, aside from administrative aspects, is strategic at its core. The West African subregion is considered to be the most politically risky area of Africa.[17] The political instability is a result of the Algerian civil war's reach into Mali, which drained its resources and led to destabilization, corruption, and the proliferation of illegal business operations.

Furthermore, government's inability to control Islamist groups had led to spreading turbulence and delegitimized authority – further exacerbating the opportunity for questionable non-state actors to influence government stakeholders.[18] Azalaï Foundation understands that

consequences of involving themselves with any political actor can be serious. Such consequences include lack of real, sustainable and feasible change for the community. Azalaï mitigates risk by adopting a non-engagement policy. This means it works with local authorities and communities to revitalize cities, foster community cohesion to stimulate innovation and employment without necessarily getting involved in active politics.

In addition, partnering with Foreign Direct Investment (FDIs) in the place of government entities allows for the Azalaï Foundation to uphold good governance and internationally acceptable standards of transparency and accountability. The International Finance Corporation (IFC) and the Promotion et Participation pour la Coopération Économique (PROPARCO) – a subsidiary of the French Development Agency - have assisted the Azalaï Foundation with the creation of corporate governance programs. These programs allow for the Foundation to monitor its activities and ensure that it remains ethical and sustainable. For example, people who have any political activities or political links are not allowed to sit on Azalaï's boards or committees. Azalaï's collaboration with international NGOs, FDIs, and the local community in place of the government works towards achieving the positive impact outlined by the SDGs.

### **Azalaï Foundation Strategy**

The Azalaï Foundation strives to assist and develop the local West African communities in which it operates. In order to achieve this goal, it created a long-term roadmap to address the operational issues that it may encounter. Political instability and lack of funding for West Africa makes it harder for programs to be developed and thus philanthropy within this sub-region of Africa becomes an essential tool for human development. High unemployment and poverty rates, and a general lack of education generate a feedback loop that exacerbates societal issues within the region including terrorism. By addressing some of these factors at the local level, the quality

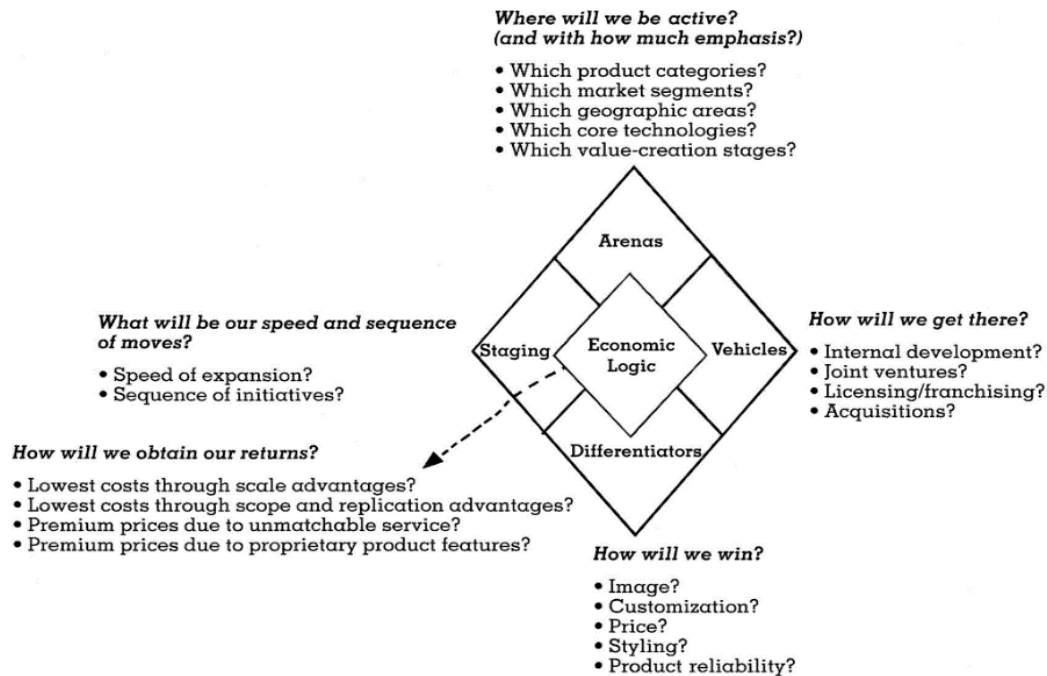
of life in West Africa can be improved and sustainable business enterprises can be established and secured.

The Azalai Foundation does not operate in a stable location with aligned stakeholders and a growing economy. The purpose of Azalai Foundation is to spark that positive and incremental change. To do so, Bally and the Foundation must operate in a strategic manner that is more reminiscent of traditional business frameworks rather than of a pure charity. In fact, the success of the Foundation lies within its rooted principles of approaching strategy like a for-profit business.

We made it through patience and resilience. You just have to be rigorous, determined, and above all, driven by a long-term vision. Developing the industry requires high investment in terms of time, energy, and capital. We had to define a vision over ten to fifteen years (and not just a few years).[19]

The strategic processes that Bally adopted while establishing the Azalai Foundation are similar to the structure of Hambrick and Fredrickson's *Strategy Diamond*. This business framework measures the competitiveness and ability for a business to succeed through 5 categories. Each category is distinct, but the overall success of a business is dependent on its ability to implement each section into its operations. This framework is versatile, as it allows for a holistic interpretation of what allows a business to succeed and can be successfully adapted to reflect the strategy of a philanthropic foundation.

Traditionally, the strategy diamond revolves around the concept of maximizing revenue and competitiveness, but in the case of the Azalai Foundation, the measure of the framework will lie squarely with the impact and survivability of the organization.



**Source: Are you sure you have a strategy? – Hambrick and Frederickson**

The goal of this case study is to understand the Azalaï Foundation’s operations in terms of the Strategy Diamond framework. To adapt the framework for a philanthropic organization, this analysis will focus on specific components – namely, Arenas, Staging, and Vehicles. The decision to exclude Differentiators and Economic Logic from this case study is not in an effort to discount these segments of the framework – rather, the nature of the Azalaï Foundation does not allow for an exhaustive analysis of the components. Further, the Azalaï Foundation is not made to profit off of its customers and maximize returns, therefore discussion of those two segments are not necessary. This embedded analysis of the Azalaï Foundation should present enough information to demonstrate the value and sustainability of the organization in West Africa, and beyond.

The Azalaï Foundation’s principles are based on the advancement of community development in the areas where the Azalaï Hotel Group is established. To accomplish this, Bally

developed a long-term business strategy with social impact at its center to complement the for-profit hotel industry that he established. At its core, the concept of assisting the development of the community in which the hotels are based will appreciate the value and attractiveness of West Africa to Bally's target audience – business travelers and foreign investors. More traffic by these groups in West Africa increases the potential for investments into the region's infrastructure, which in turn further develops the economy and community. This conceptualization and approach are vital to Bally as a businessman and philanthropist. West Africa has experienced an opposite trend to the rest of the Continent and has seen a recent decrease in foreign direct investment by an average of 15% in 2019.[20]

Bally's operational understanding of business in West Africa makes him uniquely suited to establish a local philanthropic organization to assist building a better community. His decision to create the Azalai Foundation required 10-15 years of planning, stakeholder negotiations, utilizing his expansive resources. However, the resources that he had available did not make him immune to external factors – but his business strategy helped mitigate the risks.

### **Understanding the Problem**

Azalai Foundation's creation in 2015 was made with the purpose of dedicating a separate entity to improve lives and livelihoods throughout the West African region. To achieve this end, Bally assigned staff and directed resources solely to the economic development of this community. He created a long-term strategy, 10 years prior to the Foundation's inception, to best decide what measures the Azalai Foundation should adopt. The business strategy outlined the factors in the community that the Azalai Hotel Group – and eventually the Foundation – would tackle:

- Local businesses were being stifled by large companies.

- Female-operated businesses were not succeeding due to sex-based biases.
- Children did not have the proper funding needed to have a high quality of life.
- Members of the community were poorly educated and inexperienced.

With the target audience and region decided, the Azalaï Foundation went ahead with its strategy. As a first step, Bally decided the Foundation's focus on vocational education and training could solve a critical issue while minimizing the overall costs required to solve such challenges.

By adopting a primary objective, the Azalaï Foundation's value-creation process can be streamlined and efficiently executed. Secondary objectives such as female empowerment, child welfare funding, health education, and social enterprise support can be achieved by the returns gained through successful completion of the Azalaï Foundation's mission and the performance of the Azalaï Hotel Group.

Based on the Foundation's decision to focus on vocational training, it decided to create an accessible *École Hoteliere* or a school that trained staff for the hospitality industry. This skill was much needed as tourism and hospitality industries were growing in West Africa. Additionally, high unemployment and poverty rates, an education exclusion rate averaging 34% after primary school, led Bally to solidify his idea. The hotel school would not only solve, in his opinion, a critical issue of unemployment in the West African region, but it would also capitalize on a growing industry and benefit his business as well.

### **Education for Enterprise**

Despite the business experience of Bally and the Azalaï Hotel Group – creating a hotel school proved to be challenging. The Azalaï Foundation understood that running a hotel chain and training individuals are two separate concepts, and that they would be better suited seeking out aid



from more experienced stakeholders to develop a curriculum. Successfully launching a hotel school requires interaction between multiple stakeholders, which includes developing partnerships and acquiring additional funding to support the students that attend the schools.

In 2015, the Azalai Foundation partnered Bernard Creff – former Accor Hotels executive, and Nicolas Huet – a former Campus France executive.[21] With the combined business acumen of Bally, Creff, and Huet, the first hotel school – *Ecole Hoteliere Chiaka Sidibe* (ECHS) – had opened its doors within 5 months on September 2015 Bamako. The ECHS positioned itself as a unique institution in Mali, offering a blended experience where half the time is spent in the classroom and the other half working in the field. The hands-on curriculum gave students a practical and liberal education, where the skills they learned can be applied to any industry they see fit. The rapid launch and initial success of the first hotel school piqued the interest of international groups, who wanted to assist Bally in achieving his dream of educating and developing the local communities he calls home.

PROPARCO reached out to the Azalai Foundation offering a joint partnership. This alliance would assist the French economic development agency in entering the West African market after a 15-year absence, and in turn offering funding and technical expertise to assist Bally in the continued success of his schools. PROPARCO gave Bally a 16.4-million-euro loan to further renovate his hotel in Bamako and the ECHS. Furthermore, the organization provided a three-year technical assistance program to further improve the curriculum of the ECHS and increase its impact on the community.[22] The additional resources and international backing of Bally's hoteling school put it above the competition and guaranteed its positioning as a powerful agent in the development of Mali's rising professionals.

The increased capital that Bally received allowed him to work towards revising his business strategy to better suit the target audience that he was assisting. Originally, tuition pricing for the ECHS had been set at 250,000 West African CFA francs.[23] As Bally states:

When we invested in our first vocational training school five years ago to support the financial sustainability of our hotel schools, our initial strategy was to subsidize a large portion of the training fees while charging students a minimum amount to increase their commitment and their perception of how they value the program.[24]

In practice, however, Bally found that many applicants had difficulty affording the minimum tuition fee, therefore they could not attend the school. Rather than ignoring this section of the applicant pool, Bally redefined the Foundation's strategy. He placed greater emphasis on providing grants that could guarantee that talented and hardworking individuals could attend the school, regardless of their financial hardships. Additionally, Bally cooperated with international stakeholders to increase accessibility to the hotel schools.

The Azalaï Foundation partnered with the government of Monaco to develop a program that operates from 2019-2021. SOS Children's Village Mali has 56 scholarships offered annually so that they can attend ECHS and enter the workforce.[25] Further, the Foundation applied the principle of aid to their other areas of operations, including assisting cooperatives and orphanages. By removing the barrier to entry to the educational programming and other services offered by the Foundation, Bally opened the doors for additional development and training, which directly benefits the AHG and his community.

### **Expanding Azalaï's Vision**

Bally's plans for the Azalaï Foundation are not limited to a single hotel school in Mali. His objective is to establish vocational training programs at all locations throughout the region where Azalaï Hotels are present. Creating multiple schools ensures that local talent can be rapidly trained

and deployed into the industry. The Azalaï Hotel Group also benefits from more locations, as the hotel chain directly hires 30% of graduates from the program.[26] With this vision in mind, it comes as no surprise that with the success of ECHS, Bally set out to expand to another location.

In 2018, the Azalaï Foundation partnered with The Red Cross Foundation to develop a second hotel school in Burkina Faso.[27] This 3.2 billion CFA franc project followed a similar format to the establishment of the ECHS in Mali – rapid development and a hands-on curriculum so they can start training and employing individuals as soon as possible. Partnering with the Red Cross Foundation provided the Azalaï Foundation with land to build the *Centre de formation Hotelier de Loumbila*, co-financing of construction, identification of local stakeholders and beneficiaries, and a tailored curriculum to the Burkina Faso area.[28] The Burkina Faso based hotel school opened in 2019 to a similar success of the ECHS. Bally's strategic decision to cooperate with an NGO in Burkina Faso is similar to his choice of working with PROPARCO in Mali. The NGO is not bound by government restrictions and not guided by an agenda. Additionally, the Red Cross branch is local to the area and understands in contextualized ways how Bally can achieve the greatest impact in the community.

With the establishment of a second hotel school, the Azalaï Foundation's capacity towards training has multiplied. A similar strategy to Mali was established in Burkina Faso to minimize costs and increase accessibility. With two successful hotels schools established, the Azalaï Foundation has redirected their attention to increasing total capacity per-center. Each hotel school's graduating class has increased from 40 to 130 per session. This increase in students allows for the hospitality industry to continue its sustainable growth, and for the Azalaï Hotel Group to achieve a net positive return by hiring trained human capital – a scarcity in West Africa.

## **Azalaï's Future**

The great success of the Azalaï Foundation on one front has not distracted Bally's primary vision for the organization. Rather than diversify the Foundation's services, he believes that he should continue playing to his strengths, as it benefits the foundation, community, and the AHG,

Moreover, the number one concern for the African Continent is education and therefore we do not intend to diversify the foundation's activities. We will invest all our efforts and financial means in training young Africans so they can rapidly get a job and stay on the Continent.[29]

The staging process of steadily increasing the influence of the Azalaï Foundation while maintaining a narrow scope frames the Organization's current growth strategy:

In the medium term we aim to set up a Pan-African group present in the 8 countries of the West African Economic and Monetary Union, the UEMOA and to rapidly deploy in Central Africa to further increase our impact on the continent scale.[30]

In the long-term, Bally hopes to open vocational schools at all locations in West Africa. He aims to expand the Azalaï Foundation's initiatives to Central Africa, since the region is of interest to the Hotel Group, and the community shares similar needs. With this strategy, Bally shows his critical and strategic understanding of the importance of integrating a business framework that recognizes the overall importance of establishing beneficial stakeholder relationships, rapid launching, and impact to his business and the community. The stakeholders that Bally considers for the future are:

- Multilateral institutions which could engage with us through providing additional funds but also through extending their connections and network to create more positive changes.
- International vocational training schools who could help us with further strengthening the academic curriculum through exchange of best practices.

With a strong understanding of Azalaï's future and how to implement the growth plans that Bally has proposed, the Foundation will continue to promote the community and economic development of the West African region, and beyond.

### **Scenario: COVID-19 Global Pandemic**

The continued expansion of the Azalaï Hotel Group and Foundation has been impacted by an unprecedented event: COVID-19. The global pandemic has disrupted the hospitality industry worldwide, and the Azalaï Hotel Group is no exception. With the sudden closure of hotels, reduced tourism, and financial hardships, uncertainty has become prevalent amongst business owners worldwide. However, Mossadeck Bally's expertise in risk management ensures the survival and growth of the Azalaï Group, even during the global pandemic.

Bally's strategy for adapting his business and Foundation to overcome the current crisis involves a targeted shift from foreign travelers to domestic demand. Domestic travel is the first segment of the hospitality industry that is being restored, and Azalaï Hotel Group will capitalize on this to continue operating the hotels – this in turn will retain employees and continue funding for the Azalaï Foundation. International demand for travel will slowly recover, and the Azalaï Group will adjust their target audience accordingly. Furthermore, an increased commitment to stay connected with their previous and prospective guests has taken form via increased marketing efforts. Aggressive revenue management strategies include increased promotions and offers which will encourage guests to stay at Azalaï.[31]

When facing a challenge as unprecedented as COVID-19, some business owners may feel pressure to redistribute funding from non-essential services to the revenue bearing departments. In the case of Azalaï, some may have considered that the Foundation could be reduced in size during the midst of the pandemic. However, Bally and the leadership team did not even consider the

notion of reducing their support to the Azalaï Foundation. In his eyes, the welfare and growth of the people that he serves in the community overshadow the concept of increasing profits via the hotels. In fact, Bally placed an emphasis on financially supporting the Foundation and its students during the pandemic lockdowns. Fortunately, the hoteling schools were able to open relatively quickly, as the regulations for school operations were not as strict as those for the hospitality industry. Despite this, while some of the Azalaï Foundation's schools remain closed, the rest of their vocational training continue operations and empowering its students. In the eyes of Mossadeck Bally, the Azalaï Hotel Group, and the Azalaï Foundation, the existence and success of the schools serve as the pathway to better African enterprise, amidst and beyond the current pandemic.

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