

GIM Social Impact Syllabus

Winter 2015 - B – Spring 2015 - A

Monday, 6:30 – 9:30 PM

Professor Tasha Seitz

tasha.seitz@kellogg.northwestern.edu

Phone: 1-312-953-2842

Office hours: Jacobs Center, room 5234, Mondays 5-6pm, by appointment

Course Description and Objectives

Global Initiatives in Management (GIM) Social Impact is a course designed to provide students with a broad introduction to the unique opportunities and challenges of designing business models – either for-profit or not-for-profit – that create positive societal or environmental impact. During the course, students will gain broad exposure to a variety of organizations around the world that have deliberately designed their organization for social impact and will analyze how and where financial return is compatible with social return.

In addition, students will have the opportunity to look in-depth at the social challenges and market opportunities in one country: Nicaragua. Students will work as a team on a consulting project with a EOS International, a nonprofit organization selling a portfolio of products intended to create positive social impact. Students will travel to Nicaragua during spring break in March to conduct field research and interviews and meet leading social impact organizations.

Nicaragua is the largest country in Central America and the second poorest country in the Western hemisphere after Haiti. In the last fifty years, it has experienced dictatorship, revolution, civil war, and natural disaster. Despite being one of the poorest countries in Latin America, Nicaragua has improved its access to potable water and sanitation and has ameliorated its life expectancy, infant and child mortality, and immunization rates. However, income distribution is very uneven, and the poor, agriculturalists, and indigenous people continue to have less access to healthcare services. Nicaragua's total fertility rate has fallen from around 6 children per woman in 1980 to just above replacement level today, but the high birth rate among adolescents perpetuates a cycle of poverty and low educational attainment.¹ In recent years, Nicaragua has become an increasingly popular tourist destination, with wildlife-rich rainforests, volcanoes, beaches and colonial-era architecture. Several organizations, including a handful with ties to the Chicago area, have launched innovative businesses driving social impact in Nicaragua.

GIM Program Objectives

The GIM Program enables Kellogg students to:

- Gain an understanding of the economic, political, social, and culture characteristics of a country or region outside the United States.
- Learn about key business trends, industries, and sectors in a country or region outside the United States.
- Conduct international business research on a sector of interest.
- Further develop teamwork and leadership skills.

¹ Central Intelligence Agency, *The World Factbook*

Attendance Policy

Due to the nature of the GIM program, attendance for all GIM classes is mandatory, as is participation in the two-week field trip. Attendance on the first day of class is also mandatory. If a student misses more than one class throughout the term, one letter grade will be deducted from his or her final grade. Exceptions may be made by the faculty member in cases of extreme circumstances.

Role of the In-Country Advisor

Throughout your GIM trip, you will be accompanied by an in-country advisor, Arlene Johnson, the director of Executive Education at Kellogg. The in-country advisor is responsible for the integrity and quality of the in-country experience. Among other logistical roles during the trip, he or she will be assessing each student’s level of participation during the plenary meetings and will be assigning 15% of the students’ overall grade.

Kellogg Honor Code

The students of the Kellogg School of Management regard honesty and integrity as qualities essential to the practice and profession of management. The purpose of the Kellogg Honor Code is to promote these qualities so that each student can fully develop his or her individual potential. Upon admission, each student makes an agreement with his or her fellow students to abide by the Kellogg Honor Code. Students who violate the Kellogg Honor Code violate this agreement and must accept the sanction(s) imposed by the Kellogg community.

The Kellogg Honor Code is administered by students and is based on the concept of self-government. The efficacy of such a student-administered honor code is dependent upon a high degree of dedication to the ideals of honesty, integrity and equal opportunity reflected by the code. The Kellogg Honor Code requires that each student act with integrity in all Kellogg activities and that each student hold his or her peers to the same standard. In agreeing to abide by the code, the Kellogg students also agree to report suspected violations. By not tolerating lapses in honesty and integrity, the Kellogg community affirms the importance of these values.

Course Materials

Thurrow, Roger. <i>The Last Hunger Season: A Year in an African Farm Community on the Brink of Change</i> .
Course case and reading packet.

Course Schedule and Assignments

Week 1	February 9, 2015
<i>Topics:</i>	<p>Introductions and class overview Spectrum of social impact and key issues Class project discussion</p>
<i>Speaker:</i>	Jeff Teare, Chairman of EOS International
<i>Assignments:</i>	<p>View video of TBLI plenary: Keynote by Ernesto Sirolli</p> <p><u>Reading:</u></p> <ul style="list-style-type: none"> • Charity and Investment Should Work Together • A Decade of Outcome-Oriented Philanthropy • The Fortune at the Bottom of the Pyramid • The Social Enterprise Spectrum • Exec Summary (pp. 3-7): Emerging Markets, Emerging Models <p>Case: Vietnam Handicraft Initiative</p>

Week 2	February 16, 2015
<i>Topics:</i>	<p>History and evolution of microfinance Role of economic development in poverty alleviation</p>
<i>Speaker:</i>	Geralyn Sheehan, Director of Global Innovation, Opportunity International
<i>Assignments:</i>	<p><u>Reading:</u></p> <ul style="list-style-type: none"> • How Microfinance Really Works • Money Is Never Enough • The Next Stage of Financial Inclusion (course packet) • The Face of Poverty
<i>Additional:</i>	Team meeting with faculty to discuss project plan

Week 3	February 23, 2015
<i>Topics:</i>	Systems approach to impact investing Evaluating impact investments
<i>Speaker:</i>	Amy Klement, Partner, Omidyar Network
<i>Assignments:</i>	<p>Reading:</p> <ul style="list-style-type: none"> • Social Impact Investing Will Be the New Venture Capital • Learning from Silicon Valley • Priming the Pump: The Case for a Sector-Based Approach to Impact Investing <p>Case: <u>Omidyar Network: Pioneering Impact Investment</u></p>

Week 4	March 2, 2015
<i>Topics:</i>	Measurement and scalability
<i>Speaker:</i>	Laura Hattendorf, Portfolio Director, The Mulago Foundation
<i>Assignments:</i>	<p>Reading:</p> <ul style="list-style-type: none"> • A Brief Guide to High Impact Philanthropy • Mulago Foundation I: Rigorous Yet Realistic Measurement • Mulago Foundation II: Building More Than Just a Product or Service • Investing in Scalable Solutions • The Trouble With Impact Investing, Part 1 • The Trouble With Impact Investing, Part 2 • The Trouble With Impact Investing, Part 3 • Challenges in Marketing Socially Useful Goods to the Poor (course packet)

Week 5	March 9, 2015
<i>Topics:</i>	Preparing for trip to Nicaragua
<i>Speaker:</i>	Daniel Lansberg-Rodriguez, GIM Latin America Rich Johnson, Spark Ventures
<i>Assignments:</i>	Reading: <ul style="list-style-type: none"> The Hidden Pitfalls of Inclusive Innovation (course packet) Case: Spark Ventures (materials to be provided in class)
<i>Additional:</i>	Discuss of in-country plan

In-Country Field Research - March 16th – March 28th

In-Country Academics

Students are reminded that GIM is first and foremost an academic program. 15% of your overall grade will be based on your participation in the plenary meetings and engagement in other activities as assessed by the in-country advisor. In order to achieve a high grade, students are expected to not only attend all plenary meetings, but to be actively engaged during the meetings and other learning opportunities in country.

Week 6	March 30, 2015
<i>Topics:</i>	Trip Debrief and Reflections One Acre Fund discussion: Lessons for EOS International
<i>Speaker:</i>	TBD
<i>Assignments:</i>	Thurow, Roger. <i>The Last Hunger Season: A Year in an African Farm Community on the Brink of Change.</i> One Acre Fund business model canvas

Week 7	April 6, 2015
<i>Topics:</i>	Income and sustainable livelihoods
<i>Speaker:</i>	Kathleen Wright, Founder and CEO, Piece & Co
<i>Assignments:</i>	<p>Reading:</p> <ul style="list-style-type: none"> • Making Better Investments at the Base of the Pyramid (course packet) <p>Case: NOVICA: The Arts and Crafts of Social Venturing</p>

Week 8	April 13, 2015
<i>Topics:</i>	Water & health
<i>Speaker:</i>	George Page, Founder and CEO, Portapure
<i>Assignments:</i>	<p>Reading:</p> <ul style="list-style-type: none"> • Water Thinking • The Quest for Scale • Spring Water Improves Health (course packet) <p>Case: P&G Children's Safe Drinking Water A & B Case: PSI Social Marketing Clean Water</p>
<i>Additional:</i>	Project check in

Week 9	April 20, 2015
<i>Topics:</i>	Energy
<i>Speaker:</i>	Brian Trelstad, Partner, Bridges Ventures
<i>Assignments:</i>	<p>Reading:</p> <ul style="list-style-type: none"> • Squaring Global Poverty With Climate Change • Get Rid of the Grid (course packet) <p>Case: d.light Design</p>

Week 10	April 27, 2015
<i>Topics:</i>	Final Presentation Discussion: Next Steps
<i>Speaker:</i>	Jessica Droste Yagan, CEO of Impact Engine
<i>Assignments:</i>	Final project presentations; written report and peer evaluations due to faculty at 6:00 PM

Assessment

Research Projects	70%
Background Research	10%
In-Country Research Plan	10%
In-Class Presentation	10%
Written Business Proposal Report	25%
Peer Evaluation	15%
Participation	30%
In-Class Participation (attendance, discussion, engagement)	15%
In-Country Participation (plenary meetings; determined by GIM advisor)	15%

GIM Research Projects

The core of the GIM Social Impact class is an independent research project. The students begin secondary research on their topic during the winter quarter, incorporating perspectives from the class readings and speakers. While in-country, students will spend considerable time speaking with resident experts and potential customers, gathering local data from the field. *Students must conduct interviews for their projects in every city that they visit throughout the trip.*

Project Deliverables

- **Background Research Review and Presentation (10%)** – Before departing for the in-country portion of the class, the team must submit a review examining secondary information relevant to the project in Nicaragua. This review may serve as a first draft of the background section of the final project report.
- **In-Country Plan (10%)** – This is a detailed matrix of five or more investigative research meetings arranged in country. The best plans will include day/time/location of meeting; name/description of organization; name/title/bio of interviewee; agenda and interview guide for each meeting.
- **In-Class Presentation (10%)** – During the final class, the project group will make a presentation in class summarizing their findings and recommendations.
- **Written Report (25%)** – The final report should be a detailed, written memo that provides a recommendation to EOS International on the team's assessment of how they can best reach financial sustainability. The memo should be approximately 20-25 pages long before exhibits and appendices. In addition to turning in their papers to their professors, students should submit an electronic copy to the Global Programs Office on the agreed upon date.
- **Peer Evaluation (15%)** – Each member within the project group will assess every other member's contributions to the project, including their own, with a confidential peer review form that takes into account each member's intellectual contribution, initiative and organization, workload contribution and overall contribution. Additionally the class will assess the contributions of each team to their overall learning and experience of the course.