

## **GIM Social Impact: South Africa**

Winter 2020

**Thursdays, 6:30 – 9:30 PM**

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## **GIM Program Purpose and Objectives**

### **GIM Purpose:**

- For students to develop a foundation of knowledge about global sectors and economies through classroom learning and in-country immersion.

### **GIM Objectives:**

- To gain a foundational understanding of the macroeconomic trends, politics, history and culture of a country or region outside the United States.
- To experience firsthand through meetings with government officials and company representatives the economic ecosystems, business practices, market dynamics, and future opportunities and challenges of a particular country or region.
- To develop the skills necessary to collaborate with peers on a project that analyzes and proposes solutions to a particular problem within a sector of industry, including the skills required to set up and conduct independent business meetings abroad.

## **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 and analyzing 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 that have deliberately designed their organization for social impact and will analyze how and where financial return is compatible with social impact.

In addition, students will have the opportunity to look in-depth at the social challenges and market opportunities in one country: South Africa. South Africa's economy has grown rapidly since the end of apartheid almost 25 years ago and is now the second largest economy on the African continent. Despite the rising middle class, however, South Africa remains one of the most unequal countries in the world. Unemployment rates are high at 25%, which is twice the regional average and four times the global average. All state-owned enterprises and private businesses with revenues over 10 million South African rand (approximately \$720K in US dollars) are subject to the Broad-Based Black Economic Empowerment Act, a government initiative aimed at increasing the economic participation of black South Africans. Students will work in teams on research projects that analyze one business sector in depth. The class will travel to Johannesburg and Cape Town, South Africa, during spring break in March to conduct field research and interviews and meet leading social impact organizations.

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## **Course objectives:**

- In order to achieve a robust understanding of organizations operating in the sector, students will be exposed to a broad range of companies and NGOs applying business models to driving social impact
- Students will learn frameworks for analyzing an organization's potential for creating social impact and apply those frameworks to companies in class and during the in-country experience as a means to better understand and compare across companies and organizations
- Students will develop a deeper understanding of the cultural and business context in South Africa
- Students will exercise their skills in navigating and extending their personal and professional networks to establish meaningful in-country connections and meetings
- Students will reflect upon the reading, class discussions and guest speakers, and in-country meetings to extract key insights and apply these insights to their final projects and their personal and/or professional experiences moving forward

## **Attendance Policy**

Due to the nature of the GIM program, attendance for all GIM classes is mandatory, as is participation in the 10--day 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, Minya Nance, Director of Strategic Study Experience 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, 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

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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.

## Accommodations

Kellogg Academic Advisors and the Student Life Office work with students with disabilities to ensure that they receive the resources and assistance that they need. These offices contact the faculty member for each class in which a student is enrolled to make sure that the student receives the required accommodations. Please contact your Academic Advisor or the Student Life Office with any questions and to discuss how accommodations can best be implemented throughout the course.

## Course Materials

Background Note: Introduction to Investing for Impact (HBS 9-218-072) (course packet)
Financial Inclusion @ Omidyar Network (HBS 9-318-004) (course packet)
Background Note: Managing and Measuring Impact. (HBS 9-218-115) (course packet)
Acumen: Managing Towards Impact (HBS 9-218-086) (course packet)

## Course Schedule and Assignments

<b>Week 1</b>	<b>1/9</b>
<i>Topics:</i>	Class Kick-off Class project discussion & project group formation
<i>Speaker:</i>	
<i>Assignments:</i>	<ul style="list-style-type: none"> <li>• The Fortune at the Bottom of the Pyramid. Prahalad, Coimbatore Krishna Rao; Hart, Stuart L.</li> <li>• Measuring the Impact in Impact Investing. Executive Summary pp. 5-10. So, Ivy and Staskevicius, Alina.</li> <li>• Making Sense of the Many Kinds of Impact Investing. Trelstad, Brian in Harvard Business Review.</li> <li>• Sustainable Development Goals. pp. 1-21. United Nations Development Programme.</li> </ul>

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<b>Week 2</b>	<b>TBD</b>
<i>Topics:</i>	Introductions and Spectrum of Social Impact Impact, Sustainability & Scale Mapping Impact and Financial Return
<i>Speaker:</i>	
<i>Assignments:</i>	<ul style="list-style-type: none"> <li>• Social Enterprise Spectrum: Philanthropy to Commerce. Dees, J. Gregory. (course packet)</li> <li>• The Fortune at the Bottom of the Pyramid. Prahalad, Coimbatore Krishna Rao; Hart, Stuart L.</li> <li>• Measuring the Impact in Impact Investing. Executive Summary pp. 5-10. So, Ivy and Staskevicius, Alina.</li> <li>• Making Sense of the Many Kinds of Impact Investing. Trelstad, Brian in Harvard Business Review.</li> <li>• Sustainable Development Goals. pp. 1-21. United Nations Development Programme.</li> </ul>
<i>Additional:</i>	Project Proposals due

<b>Week 3</b>	<b>TBD</b>
<i>Topics:</i>	Evaluating and Measuring Social Impact History of South Africa Impact Investing
<i>Speaker:</i>	
<i>Assignments:</i>	<p>Readings:</p> <ul style="list-style-type: none"> <li>• The Best Available Charitable Option. Acumen Fund Metrics Team, January 2007.</li> <li>• Measuring the Impact in Impact Investing. Theory of Change and Logic Models, pp. 23-31. So, Ivy and Staskevicius, Alina.</li> <li>• The Landscape for Impact Investing in Southern Africa. pp. 3-9, 23-34. The Global Impact Investing Network and Open Capital Advisors, February 25, 2016.</li> <li>• NY Times: "South Africa Vows to End Corruption. Are Its New Leaders Part of the Problem?" Aug 4, 2018.</li> </ul>

<b>Week 4</b>	<b>TBD</b>
<i>Topics:</i>	
<i>Speaker:</i>	
<i>Assignments:</i>	Homework: case write up on Omidyar Network due at start of class Sector overview presentation due February 16 at midnight

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	<p>Impact Investing:</p> <ul style="list-style-type: none"> <li>• Background Note: Introduction to Investing for Impact (HBS 9-218-072) (course packet)</li> <li>• Financial Inclusion @ Omidyar Network (HBS 9-318-004) (course packet)</li> <li>• "The Trouble with Impact Investing: Part 1, Part 2 and Part 3." Starr, Kevin</li> </ul>
<i>Additional:</i>	Background Research Review due

<b>Week 5</b>	<b>TBD</b>
<i>Topics:</i>	
<i>Speaker:</i>	
<i>Assignments:</i>	<p>Scaling Impact:</p> <ul style="list-style-type: none"> <li>• Go Big or Go Home. Starr, Kevin.</li> <li>• Innovation and Scaling for Impact: How Effective Social Enterprises Do It. Seelos, Christian and Mair, Johanna.</li> </ul> <p>One Acre Fund</p> <ul style="list-style-type: none"> <li>• Video: Putting Smallholder Farmers First in the Fight to End Hunger</li> <li>• One Acre at a Time. Binns, Corey.</li> <li>• One Acre Fund 2017 Annual Report. pp. i-ii, 1-9.</li> </ul>

<b>Week 6</b>	<b>TBD</b>
<i>Topics:</i>	
<i>Speaker:</i>	
<i>Assignments:</i>	<p>Impact Measurement &amp; Management:</p> <ul style="list-style-type: none"> <li>• Background Note: Managing and Measuring Impact. (HBS 9-218-115) (course packet)</li> <li>• Acumen: Managing Towards Impact (HBS 9-218-086) (course packet)</li> </ul>
<i>Additional:</i>	In-Country Research Plan

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## In-Country Field Research - March 18<sup>th</sup>– March 26<sup>th</sup>

<b>Week 7</b>	<b>[tentative date 4/8/19 9:30-12:30]</b>
<i>Topics:</i>	Debrief of In-Country Experience; IPG presentations
<i>Speaker:</i>	
<i>Assignments:</i>	Final project presentations; written report, peer evaluations, and IPG database google sheet information due at 9 AM

### 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.

### Assessment

<b>Research Project</b>	<b>70%</b>
Background Research	10%
In-Country Research Plan	10%
In-Class Presentation	10%
Written Report	25%
Peer Evaluation	12%
IPG Database Google Sheet	3%
<b>Participation</b>	<b>30%</b>
In-Class Participation (attendance, discussion, engagement)	15%
In-Country Participation (plenary meeting participation, student role, overall participation; determined by GIM advisor)	15%

### GIM Research Project

The core of the GIM class is an independent research project. Groups of 4 to 6 students will select an international business, economic or management issue on which to study in depth and present. The students begin secondary research at the start of the course, incorporating perspectives from the class readings and speakers. They will also spend considerable time in-country speaking with resident experts,

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gathering local data, and testing their hypotheses and recommendations in the field. In general, the project should be based on original research that contributes to an intellectual body of work but also strives to have practical applications for the market.

*(Students must schedule **five to seven** IPG meetings throughout their trip with **at least** one meeting in every city that class visits on a business day. Students are not obligated to schedule meetings in cities that the class visits only for the weekend.)*

## **Research Topics**

Before the term begins, the faculty will send out a google sheet with a list of broad topics or industries wherein students can then rank their preferences. The faculty will then assign students to groups based on topic interest which the students will then refine throughout the term with the help and advice of their faculty member. Good GIM projects are generally built around interesting, clear, and relatively narrow research topics. Some titles from successful projects from recent years have included “How Uniqlo’s Brand Positioning and Marketing Strategy Allow the Company to Thrive in China’s Fast Fashion Market” and “Expanding Wine Sales to Middle-Class Brazilians: A Proposal to Concha Y Toro.” Weak GIM projects often have excessively broad or unfocused topics such as “An Overview of the Brazilian Beverage Industry.”

## **Project Report Structure**

Final reports should be at least fifteen pages in length, excluding exhibits. Groups may choose from the following report formats:

- Traditional analytical research paper – A research question is described; competing answers to the question are discussed; evidence collected on the trip is used to argue for or against the alternative answers.
- Industry analysis – A particular industry is surveyed in order to examine a narrowly focused, well-defined topic pertaining to the competitive dynamics of the industry. An example would be an analysis of a market entry opportunity presented to a foreign multinational.
- Business recommendation report – A consulting report recommending specific strategic, operational and organizational actions to solving a clearly defined business issue (e.g.: strategies for overcoming cold-chain logistics and distribution challenges in India.).
- Business or industry case study – A case for eventual classroom use developed with a clear underlying business question in mind. Teams pursuing this option are encouraged to work with Case Publishing before and after the trip to ensure a high quality product that may eventually be used in the classroom.



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## *Project Deliverables*

- **Research Project Proposal** – Each project group will submit a 2-page description of their proposed research topic, including:
  - A description of the specific and narrowly-focused research question(s) to be addressed
  - Description of the topic's importance, timeliness, economic, or social significance
  - Identification of possible in-country visits with companies, governmental agencies, NGOs, etc.
- **Background Research Review** – Each project team will submit a review examining secondary information relevant to its research topic. This review may serve as a first draft of the background section of the final project report.
- **In-Country Plan** – 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** – During the final class, each project group will make a presentation in class summarizing their research findings. The purpose of this deliverable is to allow faculty members and students to learn about and provide feedback on the project groups' final findings. It is suggested that each team be given 15 minutes to present and 5 minutes for audience questions and suggestions.
- **Written Report** – The final report, generally 10-15 pages long before exhibits and appendices, prepared according to one of the formats discussed above.
- **Peer Evaluation** – 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.
- **IPG Database Google Sheet** – Maintained by the Global Programs' Office, the IPG Database Google Sheet serves as a repository for IPG contact information shared amongst multiple years of GIM students. About a week before final reports are due, the GPO will be sending out a link to the sheet for each IPG group to fill out with information about their contacts.

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Please note that the requirement for filling out the google sheet is due at the same time as the written report.