

GIM Social Impact:

Peru and Chile

Winter 2022

Thursday, 6:30 – 9:30 PM CT

GIM Social Impact

Professor Dean Karlan
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Office hours:
Monday 10am – 12pm
Wednesday 8am – 10am
as needed (email to schedule)

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Program Purpose and Objectives

GIM Social Impact Purpose:

- For students to develop a foundation of knowledge about social impact frameworks of both for-profit and non-profit enterprises, and to produce research employing this knowledge on a specific sector or set of enterprises.

GIM Social Impact Objectives:

- To experience firsthand through meetings with government officials, investors, and company representatives the economic ecosystems, business practices, market dynamics, and future opportunities and challenges of a particular country or region, with a focus on enterprises aiming for social impact alongside profits
- To learn about social impact frameworks, both in theory and with respect to measurement, to gauge viability of and potential importance of different enterprises, both for-profit or non-profit
- To develop the skills necessary to collaborate with peers on a project that analyzes and proposes solutions to a particular problem that social enterprises encounter
- To develop 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. 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 challenges and market opportunities in Peru and Chile. Student teams will work on projects that start by analyzing a sector but then focus on particular enterprise(s), whether for-profit or non-profit.

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 aiming to create 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 virtual meetings and plenaries as a means to better understand and compare across companies and organizations.

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- Students will develop a deeper understanding of the cultural and business context in Peru and Chile.
- Students will exercise their skills in navigating and extending their personal and professional networks to establish meaningful connections and meetings.
- Students will reflect upon the readings, class discussions and guest speakers, and virtual meetings and plenaries to extract key insights and apply these insights to their final projects and their personal and/or professional experiences moving forward.

Attendance Policy

Attendance is mandatory in all GIM classes as well as in in-country plenary meetings. The only excused absences are unanticipated illness/quarantine or family emergencies. Because GIM classes only meet for 21 credit hours, if a student misses more than one Thursday class with an unexcused absence, they will be missing over 20% of the class (the threshold for being dropped from a Kellogg course) and be dropped from the class as well as from the GIM trip.

Sickness or Quarantine: If a student needs to miss class due to illness or quarantine only, they should request approval using the form linked in Canvas. Once a student's absence is excused, they may access Zoom in Canvas keeping in mind that accessing the link without an approved excuse is an Honor Code violation.

Recruiting: Students are expected to conduct their recruitment interviews around their course schedules. If you have an interview scheduled at the same time as this class, please work with the company to reschedule your interview for another time. If you need help on how to have that conversation or make that request, please reach out to the Career Management Center (CMC) for support.

Electronics in class: Students are expected to remove all distractions and be fully present physically and mentally during class time. Please turn off notifications and put cellphones away. Exceptions granted for assistive technologies with appropriate accommodation notification (see below re AccessibleNU).

Kellogg Honor Code

Kellogg School of Management students 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 each student act with integrity in all Kellogg activities and each student hold his or her peers to the same

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standard. In agreeing to abide by the code, 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 or to discuss how accommodations can best be implemented throughout the course.

COVID-19 Information

Hopefully special rules regarding COVID-19 will be behind us but of course we will adhere to whatever policy is in place as the course, and travel, proceed.

Course Materials

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| Course packet <i>Goldilocks Challenge</i> (Ch. 2, 3 & 4) |
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Course Schedule and Assignments

| Week 1 | January 6 th , 2022 |
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| <i>Topics:</i> | Class introductions Introduce Independent Project Groups (IPG's) goal; meetings; sector discussions and selection Review syllabus Setting goals. Why "impact"? Market failures |
| <i>Guest Speaker:</i> | Daniel Lansberg-Rodriguez, Director for Latin America region at Greenmantle, LLC |
| <i>Readings:</i> | Readings: <ol style="list-style-type: none">1. Sachs (2006), Easterly (2006) and Singer (1997) short articles2. Nobel Prize in Economics Awarded for Work on Poverty (WSJ)3. Responding to Market Failures (Dees)4. <i>Goldilocks Challenge</i> Ch 3 (& Chapter 1, optional) |

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| Week 2 | January 13 th , 2022 |
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| <i>Topics:</i> | <p>Resources for IPG projects</p> <p>Philanthropy vs investment discussion</p> <p>Financial inclusion sector</p> |
| <i>Guest Speakers:</i> | <ol style="list-style-type: none"> 1. Matthew Temple – Using LinkedIn for Networking (time TBD) Kellogg - Director of Alumni Career Services 2. Jennifer Tescher, Financial Health Network 3. Alexia Latortue (date tentative), Assistant Secretary of Treasury, International Markets (nominated), currently Deputy CEO of MCC, and previously Managing Director, Corporate Strategy, European Bank for Reconstruction and Development |
| <i>Readings:</i> | <p>Readings:</p> <ol style="list-style-type: none"> 1. Making Sense of the Many Kinds of Impact Investing (Telstad, HBR) 2. The Trouble with Impact Investing, Parts 1-3 (Hattendorf & Starr) |
| <i>IPG Deliverables:</i> | <p><u>Organization Overview (5%)</u>: Submit one to two-page overview of your sector of interest, and a few enterprises that you think may work for further focus. Brief presentation in class.</p> <p>Due by Friday, Jan 14</p> |

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| Week 3 | January, 20th 2022 |
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| <i>Topic</i> | Ex-ante vs ex-post “impact evaluations” Themes of the day: Theory, rigor and extrapolation |
| <i>Speaker</i> | Greg Fischer (Partner – Impact Investing group, Boston Consulting Group) Stephen Peel (private equity investor, former TPG partner) |
| <i>Readings:</i> | <ol style="list-style-type: none"> 1. “Somebody’s Gotta Get Rich.” Kevin Starr, SSIR, 2018. 2. “Three Buckets of Money.” Kevin Starr, SSIR, 2016. 3. Evidence-based Impact - Y Analytics Impact Learnings Series - Jun 2020_2 |
| <i>IPG Deliverables:</i> | <p>Meet with Professor to discuss progress. Signup for specific meeting times on Google sheet.</p> <p>Progress recommendations:</p> <ul style="list-style-type: none"> • Define focus of projects • Potential interviews for background research on sectors • Potential interviews in Peru & Chile <p>Due by Friday, Jan 21</p> |

| Week 4 | January 27th, 2022 |
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| <i>Topics:</i> | Measurement in practice |
| <i>Speakers:</i> | Jessica Kiessel, Omidyar Network, Director of Learning & Impact Yuri Soares, Unit Chief at Inter-American Development Bank (IDB) Innovation Lab |
| <i>Readings:</i> | Calculating the Value of Impact Investing Omidyar Network Financial Inclusion case study |
| <i>IPG Deliverables:</i> | <p><u>Sector Overview Presentation and PowerPoint (10%):</u> In-class presentation on early IPG plans</p> <p>Due by Monday, Jan 31 (in class)</p> |

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| Week 5 | February 3rd, 2022 |
| <i>Topics:</i> | Group meetings |
| <i>IPG Deliverables:</i> | There are no deliverables this week but it is recommended to start filling in an "IPG Meeting Plan" (a google doc is recommended, so that it is a living document) |

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| Week 6 | February 10th, 2022 |
| <i>Topics:</i> | Group meetings |
| <i>IPG Deliverables:</i> | <u>IPG Meeting Plan (10%)</u> : Use google doc please and share with us. Due by Friday, Feb 11th |

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| Week 7 | February 17th, 2022 |
| <i>Topics:</i> | Ex-ante Impact Evaluation in Practice for Enterprises |
| <i>Guest speaker:</i> | TBD |

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| Week 8 | February 24th, 2022 |
| <i>Topics:</i> | Group meetings |

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| Week 9 | March 3rd, 2022 |
| <i>Topics:</i> | Group meetings |

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| Week 10 | March 10th, 2022 |
| <i>Topics:</i> | Informal ungraded presentations: Debrief and discuss IPG status and plans |
| <i>IPG Deliverables:</i> | Ungraded presentation during class |

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| Post Spring Break | Date TBD (~ 1 week after returning) |
| <i>Topics:</i> | Debriefing on lessons from trip, updated presentations of IPG |
| <i>IPG Deliverables:</i> | Due by [TBD, shortly after the class session is set] <ol style="list-style-type: none"> 1. Presentation on Final Investment Papers (10%) 2. Final Investment Papers (25%): 10-15 pages 3. Peer Evaluations & IPG Database Google Sheet (10%) |

Assessment

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| IPG | 70% |
| Organization Overview (presentation and write-up) | 5% |
| Sector Overview Presentation and PowerPoint | 10% |
| IPG Meeting Plan | 10% |
| Presentation on Final Investment Papers | 10% |
| Final Investment Papers | 25% |
| Peer Evaluation & IPG Database Google Sheet | 10% |
| Participation | 30% |
| Participation (attendance, discussion, engagement both in class and during meetings) | 30% |

GIM Independent Project Groups (“IPG”)

The core of the GIM Social Impact class is the IPG. The students begin by researching their topics, incorporating perspectives from the class readings and speakers. In meetings throughout the quarter, students will spend considerable time speaking with resident experts and potential customers, gathering local data from the field.

Group Project Deliverables (70% of grade)

- **Organization overview (5%)** – Three-minute presentation on organization from target list to interview (one presenter, no slides). Team should also submit a one-page write-up.
- **Sector overview presentation and PowerPoint (10%)** – In preparation for their international meetings, the team must research their topic of interest and prepare a 10-minute presentation to the class with PowerPoint slides.

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- **Meeting plan (10%)** – This is a detailed matrix of five or more investigative research meetings arranged over Zoom. The best plans will include name/description of organization; name/title/bio of interviewee; agenda and interview guide for each meeting. Groups should also submit notes from the 3-5 interviews that were already conducted in preparation for Sector Overview Presentation and Powerpoint (a paragraph per interview is sufficient).
- **Presentation on final investment papers (10%)** – Should be 10 minutes in length and include PowerPoint slides
- **Final investment paper (25%)**. Aim for 10-15 pages long (prior to appendices) and should include:
 - Key trends, opportunities and challenges in subsector of interest
 - A mapping of the organizations group met with along the 2x2 (financial returns and social impact)
 - An overview of the organization group chose to fund and analysis of its potential along the dimensions of impact, sustainability/profitability, and scale
 - An impact logic model of chosen organization and proposed impact metrics
 - A viewpoint on where the funding could be best applied to drive impact, sustainability, and/or scale
- **Peer evaluation (10%)** – 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.