

GIM Social Impact Syllabus

Winter 2016

January 23/24

&

February 27/28

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Office hours: January 23 and February 27 from 6-7pm; or 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 region: Eastern Africa. Students will work as a team on a research project analyzing one business sector in depth and developing a social impact business proposal for launch in either Tanzania or Kenya. Students will travel to Arusha, Tanzania, and Nairobi, Kenya, during spring break in March to conduct field research and interviews and meet leading social impact organizations.

East Africa is emerging as a global hub for innovation around social impact and impact investing. The region has been of interest to both conventional and socially-motivated investors because of the comparatively stable business environment it offers, with democratically elected governments, low inflation and steady growth. Almost \$10 billion has been invested in the region, half of which has gone into Kenya, where Nairobi has become the physical hub for impact investing in the region. Yet Kenya is also one of the most unequal countries in the region, with 42% of its population living below the poverty line, and has faced serious challenges with food insecurity due to drought and a growing population of refugees from Somalia and South Sudan. Tanzania is an “up and comer” as the third largest market for impact capital in the region, with over \$1 billion invested, and is expected to grow as Kenya becomes more crowded and competitive.

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.

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, Debbie Kraus, Director of Global Study Programs at Kellogg. The in-country advisor is responsible for the planning, 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 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

Thurow, Roger. *The Last Hunger Season: A Year in an African Farm Community on the Brink of Change*.

Course case and reading packet.

Course Schedule and Assignments

Webinar #1	January 10, 2016 (6-7pm central)
<i>Topics:</i>	Class kick-off Class project & project group formation
<i>Assignment:</i>	Review syllabus Complete pre-course survey

Class #1	January 23, 2016 (1-6pm central)
<i>Topics:</i>	Introductions and class overview Spectrum of social impact and key issues Spark Ventures case History and evolution of microfinance Class project discussion
<i>Speaker:</i>	F.K. Day, founder of World Bicycle Relief and Buffalo Bikes (TBC)
<i>Assignments:</i>	View video of TBLI plenary: Keynote by Ernesto Sirolli Overview Reading: <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 • The Hidden Pitfalls of Inclusive Innovation (course packet) Microfinance Reading: <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 Case: Spark Ventures

Class #2	January 24, 2016 (8:30-11:45am central)
<i>Topics:</i>	Measurement and scalability Systems approach to impact investing Evaluating impact investments
<i>Speaker:</i>	Amy Klement, Partner, Omidyar Network (via Skype, TBC)
<i>Assignments:</i>	<p>Measurement and Scalability Reading:</p> <ul style="list-style-type: none"> • Mulago Foundation: Rigorous Yet Realistic Measurement • SSIR: 10 Years of Performance Measurement • SSIR: Social Good = Scale x Impact • SSIR: When Less Impact Per Client = Greater Impact • The Big Push Back • Go Big or Go Home: Investing in Scalable Solutions • SSIR: Ensuring that Scaling What Works Actually Works • Challenges in Marketing Socially Useful Goods to the Poor (course packet) <p>Impact Investing 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 • Frontier Capital: Early Stage Investing for Financial Returns and Social Impact in Emerging Markets • The Trouble With Impact Investing, Part 1 • The Trouble With Impact Investing, Part 2 • The Trouble With Impact Investing, Part 3

Class #3	February 27, 2016 (1:00-6:00pm central)
<i>Topics:</i>	One Acre Fund case Doing business in East Africa World Economic Forum impact investing simulation
<i>Speaker:</i>	Lisa Thomas, Co-founder and Chief Investment Officer at VestedWorld; former Director of Investments at Equator Capital (TBC)
<i>Assignments:</i>	<p>View video: Putting Smallholder Farmers First in the Fight to End Hunger</p> <p>Thurow, Roger. <i>The Last Hunger Season: A Year in an African Farm Community on the Brink of Change</i>.</p> <p>Case: One Acre Fund business model canvas & household budgets</p> <p>One Acre Fund reading:</p> <ul style="list-style-type: none"> • Scale innovations (course packet) • Driving financial sustainability (course packet) • Failure white papers (course packet) • One Acre Fund 2014 Annual Report <p>East Africa reading:</p> <ul style="list-style-type: none"> • Doing Business in Kenya • Landscape for Impact Investing in Africa: Kenya • Doing Business in Tanzania • Landscape for Impact Investing in Africa: Tanzania

Class #4	February 28, 2016 (8:30-11:45am central)
<i>Topics:</i>	Student sector presentations Gates Foundation sustainable sanitation strategy
<i>Speaker:</i>	Dipika Ailani, Program Officer in Sanitation, Gates Foundation (TBC)
<i>Assignments:</i>	Audio: WBEZ 'Cecil the Lion' and conservation Reading: <ul style="list-style-type: none"> • Read Overview (pages 4-9) of Millenium Development Goals Report 2015 • Sustainable Development Goals • Gates Foundation 2015 Annual Letter: Our Big Bet For The Future • NYT: From the Gates Foundation, Direct Investment, Not Just Grants

Webinar #2	March 6, 2016 (6:00-7:00pm central)
<i>Topics:</i>	Trip preparation
<i>Assignments:</i>	Submit in-country plan

In-Country Field Research - March 16th – March 24th
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Webinar #3	April 10, 2016 (6:00-8:00pm central)
<i>Topics:</i>	Trip debrief Student project presentations
<i>Assignments:</i>	Submit final projects by 6:00 pm central

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

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 Kenya. 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 on their industry sector.
- **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.