



STANFORD
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STANFORD SOCIAL INNOVATION *review*

What's Next

Banking on Change

By Suzie Boss

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EDUCATION

Putting More Fun into Play

► Turn kids loose with sand, water, and simple stuff they can move around—and then get out of their way. In no time, they'll create their own world of castles, fanciful creatures, and vehicles powered by sheer imagination.

Such childish fun may seem out-of-date to today's heavily scheduled kids and their well-meaning parents. But free play is about to get a big boost. Imagination Playground, designed pro bono by architect David Rockwell in collaboration with the New York City Department of Parks & Recreation, is under construction in lower Manhattan.

When the playground opens next year, it will showcase a multilevel environment designed to let kids act like kids. Four years in the planning, the playground will come with trained “play associates.” Their charge: encourage youthful creativity while reminding parents and nannies to take a giant step back.

Now, a new partnership between the Rockwell Group and KaBOOM!, a nonprofit that helps communities build playgrounds, is preparing to take the essential ingredients of the Imagination Playground to a much bigger scale.

The two organizations have formed a for-profit venture that will handle distribution and marketing of Imagination Playground in a Box. The basic product is a container on wheels, not unlike a magi-



Children in the Brownsville neighborhood of Brooklyn, N.Y., enjoying KaBOOM!'s new Imagination Playground in a Box.

cian's box, that comes stocked with kid-friendly building materials. These gears, blocks, and giant noodles are made of weatherproof, environmentally friendly foam.

“We want to make these ideas mobile and portable,” explains Darell Hammond, KaBOOM! founder and CEO. He envisions kits going into back yards, community centers, housing projects, schools, or any other space big enough for kids to congregate. The idea isn't to replace traditional playgrounds but to complement them. “We want to create better play experiences,” Hammond says, by encouraging “creativity and unstructured, child-directed play.”

“Our idea of Imagination Playground was never as a one-site project,” Rockwell adds, but

rather the launch of a larger play initiative. “When KaBOOM! approached us because of their interest in this innovative and transformative perspective on play, it seemed like a really natural and perfect partnership.”

KaBOOM! has managed to change the game when it comes to how playgrounds get built. Since the organization was founded 14 years ago, the percentage of playgrounds built by community volunteers has mushroomed from 1 percent to 40 percent. KaBOOM! is the nation's leading purchaser of playground equipment, which gives it a voice about what gets built. The group is also adept at recruiting business partners to help fund and construct the playgrounds.

Initially, KaBOOM! planned to seek foundation support to fund the rollout of Imagination Playground in a Box. When the economy took a dive and grant funding evaporated, Hammond says, setting up a for-profit company “seemed to be the fastest way to bring the product to market while letting us control quality and keep the price down.” ■



ECONOMIC DEVELOPMENT

Banking on Change

► On a study trip to Oaxaca, Mexico, with a group of fellow philanthropists, Tricia McKay visited a low-income credit union where she saw customers routinely making deposits and taking out small loans. Back in Seattle where she heads the Medina Foundation, McKay couldn't help but notice a lack of similar services for the working poor of Washington state. She became acutely aware of “payday lenders and check-cashing services on every corner of low-income neighborhoods. We have a market failure,” she concluded, when it comes to serving “the unbanked, underbanked, and want-to-be-banked.”

That gap narrowed a bit in May when a five-year effort spearheaded by the Medina Foundation resulted in the grand opening of Express Credit Union. Actually, it's a reopening of a 75-year-old institution that originally served transportation workers. The old Express was losing members and lacked capital to modernize its systems.

The makeover brings in a new board of directors and CEO, a new business plan, and a sister nonprofit called Express Advantage to provide financial literacy education and other support. An infusion of capital includes \$1.4 million from the Medina Foundation plus smaller grants from other philanthropists.

Through an unusual partnership, Washington's largest credit union, BECU, is helping incubate this new enterprise by pro-

viding Express with in-kind infrastructure and back-office support. Under the new plan, Express remains a freestanding entity with a mission to serve low-income people. After five years of in-kind support, BECU will start earning a percentage of net revenues. "This is not a charity case," McKay emphasizes. "Low-income people deserve good business solutions. And businesses have a right to earn in this space—appropriately."

The estimated 100 million underbanked Americans need a different slate of financial products from more affluent consumers, notes Bobbie Britting, research director in the consumer lending service at TowerGroup. "They often need an advance on their next paycheck and can't afford to have a bank hold their check for four days," she says. Bill paying tends to happen "at the very last minute." Credit history may be thin or sketchy for those who live in a cash-only economy. Avoiding financial meltdown would be easier with access to affordable credit, but short-term, unsecured loans "are products that banks have walked away from," Britting says.

Express offers products that meet clients' urgent needs while also helping them establish better habits. Instead of rolling over two-week payday loans at annual interest rates that can top 300 percent, Express offers a 90-day loan at 15 percent interest. With successful repayment, a third of that fee converts to a savings deposit. Low-cost international remittances enable customers to send cash to distant relatives without a steep charge for wire transfers. Rather than handing out wads of cash, Express gives borrowers a loaded debit card.

Instead of opening branches, Express reaches customers by setting up tellers—known as

community member service representatives—inside partnering nonprofit organizations that already serve this population in their home neighborhoods. Community teller Maricel Valdez understands her customers' challenges. "I've been in their shoes," she says. A single parent who recently bought her first home, Valdez taught herself about personal finance to gain more stable financial footing. "I tell our customers I've come this far and so can you." ■

SOCIAL ENTREPRENEURSHIP

Embracing Practical Solutions

► Every hour, 450 low-birth-weight babies die in the developing world. Despite mother love and warm blankets, their tiny bodies don't have enough fat to regulate temperature and protect fragile organs. Outcomes would improve with better access to incubators, but the \$20,000 per unit cost, not to mention the need for electricity, makes this an impractical solution for rural villages.

A low-tech alternative incubated on the Stanford University campus is now getting ready to roll out in India, which has an unfortunate corner on the world market of low-birth-weight babies. Embrace, a fledgling nonprofit, will soon begin distributing a baby warmer that looks like a miniature sleeping bag. It features a special insert containing a waxy compound. When heated by hot water, this phase-changing material maintains a constant temperature of 98.6 degrees Fahrenheit for up to four hours. At a unit price of about \$25, the baby warmer is a low-cost but potentially high-impact innovation.



Midwives in Delhi using Embrace's baby warmer to keep low-birth-weight babies at a comfortable and constant 98.6 degrees Fahrenheit.

Embrace CEO Jane Chen was part of the product development team, which included engineering and business students in a class called Entrepreneurial Design for Extreme Affordability. By the end of spring term 2007, they had reviewed medical research, dispatched a team member to Nepal for fieldwork, and come up with a basic prototype for the sleeping bag.

"We knew we were sitting on a great idea," Chen says. They had other matters to attend to—such as finishing graduate school—before incorporating as a nonprofit in early 2008. That same year, Chen and cofounder Rahul Panicker were named Echoing Green fellows. Prizes and additional foundation support brought their 2009 budget to \$400,000. A high-powered team of advisors includes Stanford President John Hennessy.

To gather more grassroots feedback, Chen traveled to India to share the prototype with the "midwives and moms" who will be the intended audience. "There was great receptiveness. This was something that people just understood immediately," she says. Focus groups added critical feedback. Indians recommended against using white, for instance, because that's the color associ-



ated with death and mourning. Design iterations have resulted in a product that's waterproof, reusable, easily repaired, and made to fit snugly against a mother's chest to ensure newborn bonding.

Embrace expects to start distributing in 2010 through a network of health professionals, midwives, and NGOs. To build its grassroots network, Embrace moved operations to India in early summer. In Hubli, located about 250 miles north of Bangalore, Embrace is the newest player in a regional "sandbox" funded by the Deshpande Foundation, a family foundation based in Stoneham, Mass.

"We're trying to create an ecosystem for innovation and entrepreneurship in this region of India," explains Nishith Acharya, the foundation's executive director. Foundation support brings logistical help, including transportation and office space for the Embrace team and interns. It also means introductions to the 70 other NGOs at work in the sandbox, along with others whose buy-in will be critical to ramping up distribution and marketing efforts. ■

In Their Own Words

► Lorena Carrillo is a Mexican immigrant who supports her family as a domestic worker in San Francisco. Domésticas like Carrillo can feel invisible in the well-to-do neighborhoods where they work. That's changing, however, thanks to a high-profile advertising and social media campaign that plasters domestic workers' faces on billboards, buses, and blogs as if they were fashion models. The goal is greater awareness of everything from workers' rights to nontoxic cleaning products that reduce health risks for domestic workers and employers alike.

This creative campaign is one of eight to emerge from a national, three-year initiative called New Routes to Commu-

nity Health. Funded by the Robert Wood Johnson Foundation and the Benton Foundation, New Routes aims to improve the health of vulnerable and often isolated populations by enabling immigrants to use media to tell their own stories.

User-created content focuses on a range of topics and employs an assortment of digital tools. In Boston, Haitian immigrants are producing a series of radio soap operas, or telenovelas, to raise awareness of depression and anxiety within their community. In Chicago, young Latinos are writing and staging theatrical productions that break down cultural taboos about sexuality and other sensitive topics.

Although they differ in details, the eight projects "all deal with mental health issues in some way," says Beth Mastin, New Routes' program director. "It's all about the disempower-

ment and dislocation that come with trying to make a new home in a foreign country." New Routes' Web site amplifies the conversation by posting content from all eight projects, creating a media-rich clearinghouse on immigrant health topics.

To ensure collaboration, proposals had to include three partners to qualify for a three-year, \$225,000 grant. Each project includes a managing partner, media partner, and immigrant partner. "The immigrant partner is first among equals," Mastin adds. Managing partners, mostly universities, provide grant management along with academic expertise. Media partners, such as station WHYI in Philadelphia, handle technical training so that immigrants can use digital tools successfully.

That leaves immigrant organizations to focus on developing content that matters most to

the populations they serve, whether it's Latina victims of domestic violence in Oakland, Calif., or Somali refugee families coping with mental illness in Minneapolis. Projects build local leadership capacity, Mastin adds, "so that immigrants literally find their voice and are able to articulate their concerns."

Ba Nguyen, an elderly Vietnamese immigrant living in Philadelphia, is a good example. At a digital storytelling workshop in the WHYI studios, she was a quick study when it came to using video gear. Before long, she was teaching other elders from Philadelphia's Southeast Asian community how to conduct on-camera interviews. Their digital stories will help fellow immigrants overcome language and cultural barriers so they can better communicate with doctors about hypertension and other health concerns. ■

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