

Impact India

SPRING 2017

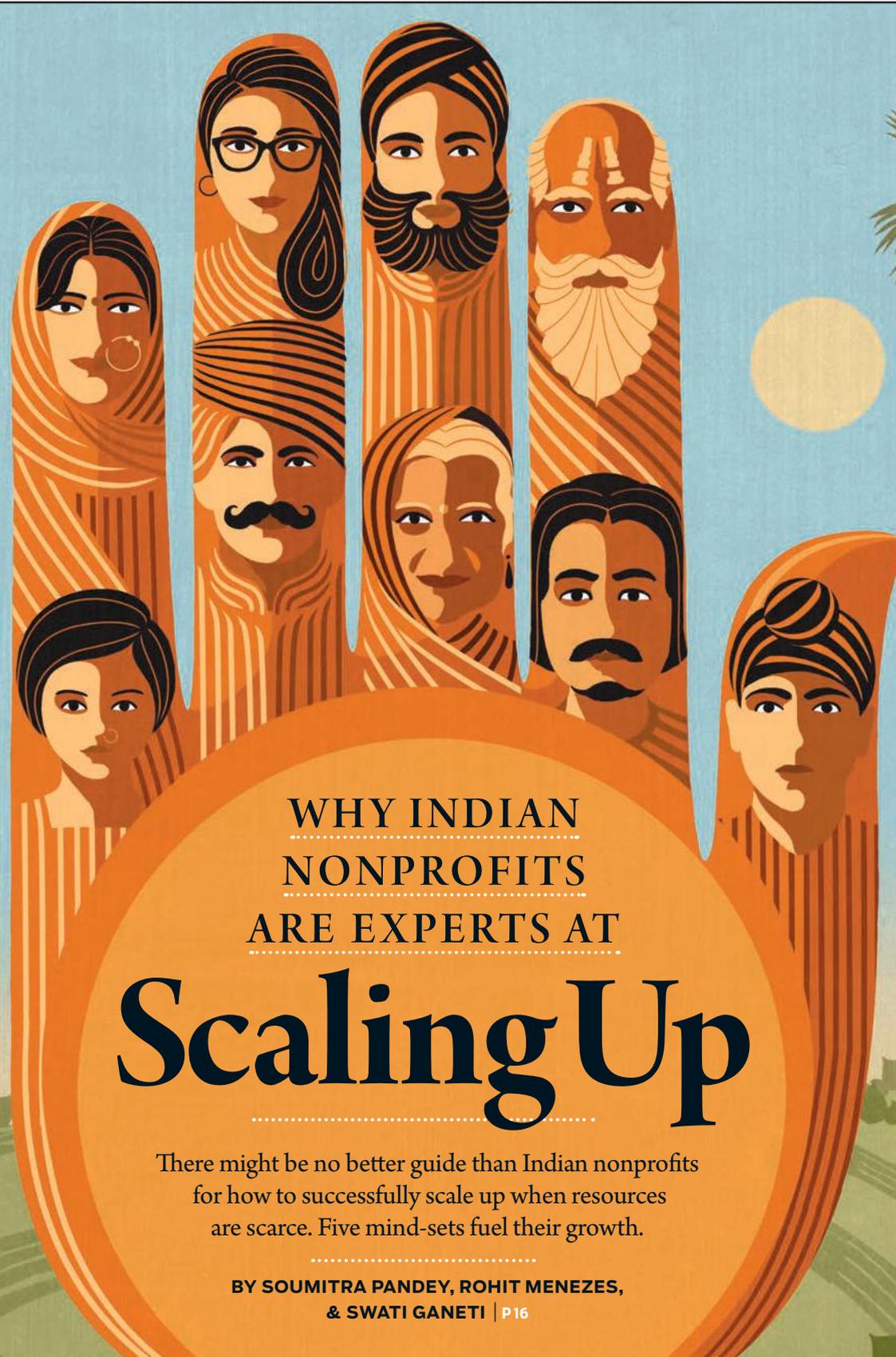
Spotlight on Sanitation | P3

Q&A with Rohini Nilekani | P8

Case Study on Arghyam | P10

Cutting Costs to Increase Impact | P34

Why Indian Nonprofits Are Experts at Scaling Up / Water is Power / Cutting Costs to Increase Impact / A New Approach to Gender-Lens Grantmaking / Photo Essay: The Many Faces of Learning



WHY INDIAN
 NONPROFITS
 ARE EXPERTS AT
Scaling Up

There might be no better guide than Indian nonprofits for how to successfully scale up when resources are scarce. Five mind-sets fuel their growth.

BY SOUMITRA PANDEY, ROHIT MENEZES,
 & SWATI GANETI | P16



❁
*A young boy eagerly
studying Odia, the
principal language in
the state of Odisha in
eastern India.*



FEATURES

- | | | |
|---|--|---|
| 16 Why Indian Nonprofits Are Experts at Scaling Up | There might be no better laboratory than India for studying the challenges that nonprofits face in trying to scale up when resources are scarce. And there might be no better guide than Indian nonprofits for how to overcome those challenges and become effective agents of social change. | <i>By Soumitra Pandey, Rohit Menezes, & Swati Ganeti</i> |
| 24 Water Is Power | When is a water and sanitation program more than just a water and sanitation program? A project undertaken by Gram Vikas shows how efforts to solve a particular social problem can have a far-reaching impact on an entire social system. Indeed, it can open new ways to reduce deeply entrenched forms of inequality. | <i>By Johanna Mair & Christian Seelos</i> |
| 30 PHOTO ESSAY: The Many Faces of Learning | One of India's biggest assets is its youth. It boasts the largest population of young people in the world. But along with that comes the challenge of educating a population that is not just large, but also diverse. | |
| 34 Cutting Costs to Increase Impact | Focusing on reducing costs can be the key to unlocking results at greater scale. Nonprofits in India and the US provide important lessons for NGOs around the world on just how to do that. | <i>By Leslie MacKrell, Andrew Belton, Mark Gottfredson, & Jake Fisher</i> |
| 40 A New Approach to Gender-Lens Grantmaking | India provides particularly fertile ground for the gender-lens movement, which is beginning to fund culturally tailored efforts to transform underlying beliefs that systematically disempower females. | <i>By Emily Nielsen Jones, Musimbi Kanyoro, & Neera Nundy</i> |

2 EDITORS' NOTE

SPOTLIGHT ON SANITATION

- 3 Fixing India's Sewage Problem** | Sewage treatment systems are being built that are simpler and less expensive.
By Anurag Chaturvedi
- 4 Engaging Citizens to Improve Sanitation** | The Aga Khan Development Network is empowering communities.
By Esha Chhabra
- 5 Fostering Sustainable Sanitation** | Gramalaya combines community mobilization with education and microfinance.
By Pakzan Dastoor
- 6 The Power of Women's Collectives** | MHT helped launch a community-driven initiative to improve sanitation.
By Vishal Kapoor

Q & A

- 8 Rohini Nilekani** | Two decades of giving have taught philanthropist Rohini Nilekani the value of pursuing unconventional approaches to tackling social problems.
- 12 Ratan Tata** | Since becoming chairman of Tata Trusts, Ratan Tata has shifted the Trusts' focus from charitable work to programs that seek to transform lives.

CASE STUDY

- 10 Arghyam** | Arghyam, a grantmaking foundation, takes a data-driven approach to helping transform India's water and sanitation systems.
By Esha Chhabra
- 14 Saathi** | Hindi for "friend," the Saathi Internet program enables women in rural India to help other women improve their lives and livelihoods.
By Esha Chhabra

VIEWPOINT

- 45 Creating a Social Business** | How Jaipur Living developed a global rug business, one weaver at a time, and lifted thousands out of poverty.
By N. K. Chaudhary
- 47 From the Ground Up** | Top-down development doesn't work. What's needed is a "pull model" created by locals, funders, and government agencies working together as equals.
By Preeti Mann & Amit Chandra
- 49 Scaling With Evidence** | When monitoring and evaluation are in an organization's DNA, as they are at SNEHA, it's much easier to create partnerships with government agencies and NGOs.
By Dr. Armida Fernandez & Vanessa D'Souza
- 51 Deploying Technology** | Technology alone is not the innovation. Rather, the innovation lies in how technology is deployed.
By Dr. Aparna Hegde



India's social sector works in an environment where the magnitude of need and scarcity of resources create a crucible of innovation that can produce insights for the world. In light of this, our second issue of *Impact India* looks at how successful Indian nonprofits have mastered scaling up their programs and offerings. In our cover story, "Why Indian Nonprofits Are Experts at Scaling Up," authors Soumitra Pandey, Rohit Menezes, and Swati Ganeti aptly note: "There might be no better lab than India for studying the challenges that nonprofits face in trying to grow while stretched for resources."

The article describes how leaders manage the tension between scale and scarcity by studying 20 fast-growing, broad-reaching Indian nonprofits, and highlights five distinct ways that their leaders think and act—five mind-sets—to reach hundreds of thousands, even millions, of people in need. Not surprisingly, those same mind-sets echoed throughout the articles in this issue. Some examples:

In an interview, Ratan Tata, one of India's most prominent business and philanthropic leaders, embraces the "collaborative mind-set." In particular, he speaks approvingly of nonprofit partnerships with government to extend the reach and impact of social programs supported by the Tata Trusts. Nonprofits like The Society for Nutrition, Education & Health Action (SNEHA), in Mumbai, also pursue collaboration with government. Dr. Armida Fernandez, SNEHA's founder, writes in "Scaling with Evidence" that the organization partners with government health agencies to advocate for service improvements in programs that already have massive reach. By contrast, in the West, such partnerships may be viewed with suspicion, leading many social innovators to avoid or disrupt status quo institutions like government.

"Radical frugality" is another mind-set shared by many successful Indian nonprofits. It's the topic of the article "Cutting Costs to Increase Impact," in which authors Leslie MacKrell, Andrew Belton, Mark Gottfredson, and Jake Fisher draw on both Indian and US examples to explain how nonprofits need to design—or redesign—programs to achieve low cost per outcome if they aspire to reach massive scale.

The "dignity mind-set" prioritizes the needs of individual beneficiaries and helps to create sustainable, locally driven programs. "From the Ground Up," by Preeti Mann and Amit Chandra, describes why a beneficiary-centric perspective is the antidote for the widespread failure of top-down development programs. This mind-set also fuels the gender-justice movement in India, whose precepts and successes are captured in "A New Approach to Gender-Lens Grantmaking," by Emily Nielsen Jones, Musimbi Kanyoro, and Neera Nundy. It also motivates the Odisha-based NGO Gram Vikas, whose innovative approaches are captured in Johanna Mair and Christian Seelos's article "Water Is Power." Likewise, Jaipur Living founder N. K. Chaudhary explains in "Creating a Social Business" how his commitment to the Gandhian philosophy of nurturing cottage industries rooted in Indian villages and staying sensitive to workers' needs has powered his company's international success.

In a reprise of last year's *Impact India*, three organizations collaborated to develop and support this publication: The Bridgespan Group, an advisor to philanthropies and nonprofits; Dasra, a strategic philanthropy foundation focused on scale and impact in India; and *Stanford Social Innovation Review*, a media organization serving leaders of social change around the world. We thank Omidyar Network for funding the research for the cover story.

We hope you find the articles both informative and inspiring.

Sincerely,

Eric Nee, *STANFORD SOCIAL INNOVATION REVIEW*

Roger Thompson, Katie Smith Milway, & Bill Breen, *THE BRIDGESPAN GROUP*

Neera Nundy & Vishal Kapoor, *DASRA*

Impact India

EDITORIAL STAFF

Managing Editor

Eric Nee

Consulting Editors

Bill Breen

Vishal Kapoor

Katie Smith Milway

Neera Nundy

Roger Thompson

Copy Editors

Regina Maruca

Elissa Rabellino

Art Direction & Design

David Herbick Design

PUBLISHERS

THE BRIDGESPAN GROUP

2 Copley Place

7th Floor, Suite 3700B

Boston, Mass. 02116

617-572-2833

www.bridgespan.org

Mumbai office: 91 22 6628 9639

contactmumbai@bridgespan.org

DASRA

P/28

M.R. Society

Relief Road

Santa Cruz (West)

Mumbai, India 400054

91 22 6120 0400

www.dasra.org

STANFORD SOCIAL

INNOVATION REVIEW

559 Nathan Abbott Way

Stanford, Calif. 94305

650-724-3309

www.ssir.org

FUNDER

OMIDYAR NETWORK

1991 Broadway St., Suite 200

Redwood City, Calif. 94063

650-482-2500

www.omidyar.com

DIGITAL VERSION

A digital version of *Impact India*

can be found at *Stanford Social*

Innovation Review's website.



Fixing India's Sewage Problem

SEWAGE TREATMENT SYSTEMS ARE BEING BUILT THAT ARE SIMPLER AND LESS EXPENSIVE.

By Anurag Chaturvedi

News headlines such as “Half of homes have phones but no toilets,” and the diligent efforts of the government of India and non-profits to provide toilets to the 48 percent of Indians who don't have one, suggest that enough toilets will solve India's sanitation woes. In reality, while toilets are a necessary part of the solution, an arguably bigger yet often overlooked issue is how to contain and treat India's sewage. Currently, 93 percent of sewage finds its way to ponds, lakes, and rivers without treatment.¹

Untreated sewage is the leading polluter of water sources in India, causing a host of diseases including diarrhea (which kills 350,000 Indian children annually²), agricultural contamination, and environmental degradation. The urban poor often live alongside dirty drains and canals in which mosquitoes and germs breed.

India's largest cities have centralized sewage systems, complete with underground pipes, pumping stations, and treatment plants. However, these systems are expensive to build and to operate, requiring uninterrupted power, skilled operators, and extensive maintenance. As a result, according to India's Central Pollution Control

Board, fewer than half of them work effectively.³ What's more, India's smaller towns cannot afford to build such systems.

The good news is that a handful of organizations are developing sewage systems that are less expensive and more



effective. Prominent among them is the Consortium for Decentralized Wastewater Treatment System Dissemination Society (CDD), a nonprofit organization that has been developing and promoting technologies for decentralized wastewater management since 2002.

CDD's Decentralized Wastewater Treatment System (DEWATS), developed with support from the Bremen Overseas Research and Development Association, has adapted multiple technologies to conditions where electricity is not reliably available, skilled manpower is hard to come by, and mechanical parts that break may never be repaired.

The system is designed to encourage the development of smaller, more affordable systems to treat wastewater closer to the point of generation, enabling more effective water reuse for toilet flushing and gardening. Using natural bacteria, plants, and gravity instead of electricity

CDD has more than 150 clients in 13 Indian states. It also has 25 clients in Nepal and Afghanistan. And the organization is poised to do much more. For example, to meet the varied needs and constraints of clients, CDD's partner, Auroville Centre for Scientific Research, has developed a “vortex” system that reduces land requirement by 90 percent. CDD is also developing modules that can be mixed and matched to suit the needs of communities and their budgets. “Most of the DEWATS can be built

A team of CDD engineers takes a sample of treated wastewater at a factory in Bangalore.

and chemicals, DEWATS can be up to 80 percent less expensive to operate than conventional technologies. DEWATS can also help tackle water shortages, because it can reduce the use of freshwater by up to 50 percent for domestic uses locally, like washing, flushing, and gardening.

underground, and the land above can be used as a garden or parking space,” says Sasanka Velidandla, CEO of CDD.

Consider: In November 2015, CDD commissioned a fecal sludge treatment plant in Devanahalli, a town of 31,000 near Bangalore. Built using



a simple and low-operating-cost approach, the plant has so far prevented about half a million liters of fecal sludge from polluting the environment. What's more, CDD distributes the treated sludge to local farmers, who use it as an organic soil conditioner. With CDD's support, the local town council has passed resolutions to introduce comprehensive fecal sludge management processes.

The CDD team is encouraged by the results it is seeing, but with nearly 37 billion liters of untreated sewage generated by India's cities every day,⁴ the organization has its sights on the future. "Sewage management is finally a priority," says Velidandla. "Large-scale investments are being planned, and we want to ensure that all options are properly evaluated so that sustainable infrastructure is developed."

But CDD, even with its current partners, can't realize its vision alone. "We keep asking ourselves, how do we multiply our impact?" says Velidandla. "We innovate, and pilot, and test continuously because it's important to get it right—but the time to act is now. We plan to be working in five states to design and implement comprehensive solutions, and to do that we need all the partners and support we can find." ■

Anurag Chaturvedi co-leads Dasra's work on urban sanitation, fostering collaborations and building a community of practice among more than 60 partners.

NOTES

- 1 Census 2011 analysis by CDD.
- 2 <http://www.washinstitute.org/pdf/FSM-STUDY-REPORT-April-2015.pdf>
- 3 http://cpcb.nic.in/upload/NewItems/NewItem_210_Inventorization_of_Sewage-Treatment_Plant.pdf
- 4 [http://cpcb.nic.in/Uttarakhand_swg_18\(1\)\(b\)_2015.pdf](http://cpcb.nic.in/Uttarakhand_swg_18(1)(b)_2015.pdf)

Engaging Citizens to Improve Sanitation

THE AGA KHAN DEVELOPMENT NETWORK IS EMPOWERING COMMUNITIES.

By Esha Chhabra

Two years ago, India's prime minister, Narendra Modi, made a bold statement: India, he said, would eliminate open defecation by October 2019. To accomplish this enormous goal, the Indian government aspires to build 120 million toilets in rural India. The budget for the massive public project, which is referred to as Swachh Bharat Abhiyan (Clean India Mission), is INR 200,000 crores (\$29 billion).

The solution, though, is not as simple as just handing out free toilets. The people of India need to be compelled to change long-entrenched habits as well. As the Aga Khan Development Network (AKDN) argues, it will take a three-pronged solution—a combination of funds, raw materials, and human capital—with India's citizens fully engaged on each front, to yield a successful rollout of toilets across India.

To that end, several agencies of AKDN have been working with India's government to develop more community-driven approaches to building toilets in villages. Specifically, between 2015 and 2019 the Aga Khan Foundation, the Aga Khan Rural Support Programme, Aga Khan Health Services, and the Aga Khan

Agency for Habitat are facilitating access to sanitation for 100,000 families as well as improving water, sanitation, and hygiene in 538 schools. AKDN is working in the states of Bihar, Gujarat, Madhya Pradesh, and Uttar Pradesh, and plans to expand to Hyderabad and Maharashtra.

Asad Umar is the senior program officer for health at the Aga Khan Foundation and responsible for this extensive project. He has seen charitable organizations dole out toilets in the past. As he says, "Clearly, building toilets works only when people use them, and usage is

A mason trained by AKDN builds a toilet for a family in Muzaffarpur district in Bihar state.



only possible when communities are involved in the planning, construction, and maintenance of toilet facilities."

FINDING THE MONEY
AKDN's approach is aligned with the implementation strategy of the Indian government; that success rests in part on compelling communities to help build their own toilets. And with that approach in mind, the government's Swachh Bharat campaign has set up a INR 12,000 (\$175) subsidy for each household to buy construction materials for a toilet. Unfortunately, those funds are released only after the toilet is constructed, a practice that Umar says can be problematic. "One of the biggest challenges the poor and the marginalized face in constructing toilets is lack of money."

To help people get the initial capital they need to construct a toilet, AKDN has established a revolving fund in Madhya Pradesh through local village institutions. Families in tribal communities can tap into the fund for an interest-free loan



to buy raw materials and pay masons. Once the toilet is complete, they pay back the loan by depositing their entire government subsidy into the fund. So far, only families who qualify for the government subsidy are eligible to participate. But even this limited effort has made a notable difference. In six months, the fund has enabled approximately 620 households in 11 villages to have toilets.

Now, given the success of the model, AKDN is encouraging more communities to find sustainable and community-based ways to finance the construction of toilets. The key, Umar explains, is to make sure the community does not fall into debt while financing the construction of toilets. “They do not want to take a loan from local moneylenders who charge high interest rates.”

HUMAN CAPITAL AND RAW MATERIALS

Even with funding, AKDN has noticed that locals needed better supplies and more help to construct toilets that meet government guidelines. While the government already runs a number of shops that sell construction materials and toilets (Rural Sanitary Markets, or RSMs), these outlets are often low on stock. “That’s because demand is low,” Umar says. “RSMs have been unsuccessful in making toilet construction easier and have not been economically viable for the local entrepreneurs managing them.”

To drum up more interest in building toilets, AKDN held a series of community meetings and street plays around one of the RSMs in the state of Bihar.

The network also facilitated wall paintings in the area that illustrate messages pertaining to sanitation. The results were positive. “We saw an increase in demand for toilet construction,” says Umar. What’s more, the RSMs are now linked to a network of masons; customers are more likely to shop there these days because they get access to masons as well as raw materials. As of this writing, in the seven locations where AKDN is promoting RSMs, more than 4,000 units have been constructed.

The third prong of AKDN’s sanitation efforts involves training more masons in order to build a larger network of skilled people who can build toilets according to government guidelines. To date, the network has trained 601 masons in four states using three-day-long courses that go over the details of installing toilets and also stress the importance of the job. “With large-scale toilet construction activities, trained masons are more in demand,” Umar notes, and now district officials in Uttar Pradesh and Madhya Pradesh are asking AKDN for help in training new masons.

While it may be tempting to simply install toilets throughout India, Umar says, the answer to India’s sanitation problem rests on citizen engagement: “The proposed sanitation initiative will be successful only if communities understand the health, educational, and economic benefits of improved sanitation and adopt it themselves.”

Esha Chhabra is a freelance journalist who writes on social impact, development, and mission-driven brands. Her work has been featured in *The New York Times*, *Forbes*, *The Guardian*, and *The Economist*.

Fostering Sustainable Sanitation

GRAMALAYA COMBINES COMMUNITY MOBILIZATION WITH EDUCATION AND MICROFINANCE.

By Pakzan Dastoor

Thirty years ago, more than 98 percent of villages in the Tiruchirappalli district of Tamil Nadu lacked household toilets. As a result, residents were compelled to defecate in the open. Diseases such as cholera and typhoid were rampant, as were instances of stunted growth and cognitive impairment in children.¹

Fast-forward to 2016, and toilet statistics have reversed. Thanks to Gramalaya, an Indian NGO that was founded in 1987, 90 percent of those villages now have access to functioning toilets in every home. In fact, a majority of the villages in which Gramalaya works have eliminated open defecation. Compare that with the rest of rural India, where three out of five people continue to defecate in the open.²

Gramalaya’s success in supporting the installation of more than 150,000 toilets in five states can be attributed to its approach, which combines community mobilization with access to financing so that families can afford to build high-quality toilets. The model gives community members ownership in the initiative, which also fosters better, and sustainable, hygiene habits. As Sue Coates from UNICEF explains, “Just building toilets is not going to

solve the problem, because open defecation is a practice acquired from the time you learn how to walk. When you grow up in an environment where everyone does it, even if you later have access to proper sanitation, you will revert back to it.”³

HOW GRAMALAYA WORKS

Gramalaya begins its work in a given area by conducting a survey, which identifies villages that have the lowest toilet coverage (the percentage of people with access to functioning toilet facilities). A team then visits those villages, meets with local leaders, and goes door-to-door to collect more detailed information about sanitation habits and behaviors. In this triggering exercise, Gramalaya members bring villagers to an open defecation site, which is then used as a backdrop to talk to the community about safe sanitation and how toilets can help.

Next, Gramalaya encourages community members to form and join Association for Water, Sanitation and Hygiene (AWASH) committees. These committees will become sanitation champions and technical implementers, responsible for coordinating the order in which households will receive toilets,



managing subsidies and loan disbursements, and constructing toilets.

Smart loans then come into play. These loans are the lifeblood of Gramalaya’s model. At first, the organization relied on government subsidies to finance the construction of sanitation infrastructure, but that approach proved inadequate. So, in 2007 Gramalaya helped create Guardian Microfinance, the only microfinance company in India with a loan portfolio focused exclusively on water and sanitation. Guardian’s support allowed families to take out small loans to build or upgrade toilets, and to install household water connections and septic tanks with cost-effective leach pits, freeing them from an over-reliance on subsidies. Guardian works through women’s self-help groups to disburse loans, which range from INR 5,000 to 20,000 (\$75 to \$300) and have a repayment period of 18 months.

Banumathi Rengar, from the village of Keelakottamedu, is one loan recipient. Rengar and her husband work as daily wage laborers and formerly practiced open defecation in nearby fields. With three

The launching of the Fecal Sludge Management program in Tiruchirappalli, Tamil Nadu state.

teenage daughters, fears about their safety prompted Rengar to approach Guardian. As she explains, “I decided that no matter what, we had to build a toilet.”

OTHER SANITATION WORK

Beyond toilets, Gramalaya recognizes that disease-causing fecal matter will eventually filter into water bodies if left untreated—and so it has partnered with the Consortium for Decentralized Wastewater Treatment System Dissemination Society (CDD) since 2015 on fecal sludge management initiatives to ensure the safe disposal of waste. (See “Fixing India’s Sewage Problem” on page 3.) Ten months ago, Gramalaya joined a fecal sludge management pilot program in two cities in Tamil Nadu. The project, launched in 2015 by the government of Tamil Nadu with support from the Bill & Melinda Gates Foundation, will build, maintain, and scale fecal sludge treatment programs there.

Gramalaya is now a national resource center for the Indian

government in four southern states, and it regularly provides training and capacity-building support on sanitation interventions to government officials, other NGOs, and international research bodies. The number of lives it has improved is significant; in Tamil Nadu alone, Gramalaya’s efforts have provided access to toilets for 350,000 people.

Despite these successes, the organization continues to look for ways to expand its reach. Last year, Gramalaya launched an ambitious Big Clean Up India campaign to install 10 million toilets in 10 states by 2019 by allying with similar organizations across the country.

Founder S. Damodaran recognizes that the goal is ambitious, but he is also optimistic. As he says, “Prime Minister Modi wants to make India open-defecation free by 2019. We have had great success with our model and hope to help India reach that goal.”

Pakzan Dastoor leads Advisory Research and Due Diligence at Dasra.

NOTES

- 1 <http://opendefecation.org/#slide3>
- 2 <http://www.worldbank.org/en/news/feature/2015/12/15/ending-open-defecation-achieving-clean-and-healthy-rural-india>
- 3 <http://www.bbc.com/news/world-asia-india-27775327>

The Power of Women’s Collectives

MHT HELPED LAUNCH A COMMUNITY-DRIVEN INITIATIVE TO IMPROVE SANITATION.

By Vishal Kapoor

Imagine living in a slum in India without a toilet in your home. Every time you have to relieve yourself, you must walk 15 minutes to the community toilet, a run-down set of stalls that lack a water connection, electricity, and hand-washing facilities. Of the dozen or so toilets there, perhaps three still work, although the stalls’

windows and door latches are missing. In the mornings and evenings, when many people want to use the toilets, you have to wait a long time for your turn, and people often cut the line, jostling their way to the front. To avoid this chaos, you often find a gutter, a dumping ground, or a secluded place along the railway tracks to do your business.



That is, if you're a man. If you're a woman, relieving yourself in the open during the day makes you a target for harassment and even assault. So you drink very little water and hold your bladder for up to 15 hours a day. It doesn't matter if you are menstruating or pregnant, you relieve yourself in the open only before dawn and after dusk, under the cover of nightfall. The practice increases your risk of urinary- and reproductive-tract infections, as does the act of defecating in the open itself. But there is no alternative.

Fifteen years ago, this was the reality that women living in the slums of Ahmedabad, Gujarat's largest city, which has a population of more than seven million, said Bijal Brahmhatt, director of Gujarat Mahila Housing SEWA Trust (MHT). It's what compelled MHT to use the power of women's collectives to transform the sanitary conditions in Ahmedabad, marking one of the biggest challenges that the organization had ever faced. Today, those same women are building on success and setting their sights on other goals that will help their communities thrive.

GRASSROOTS EFFORTS

To tackle the sanitation challenge, MHT initially helped establish a community-driven sanitation movement called Parivartan (Change). The organization sought out women who seemed to be the informal leaders in the affected communities, and those women, in turn, helped MHT organize small groups of women into Community Based Organizations (CBOs). CBO members

were trained to plan sanitation solutions and to demand entitlements such as household toilets and water connections under various government programs. CBOs also made sure that the movement would sustain its momentum by monitoring the upkeep of facilities once they were built. MHT also tapped government programs to help fund the toilets.

Ultimately, community members have paid for one-third of the project costs, in installments—with the government paying the rest. And in the 15 years since its inception, the Parivartan approach has reached communities in seven Indian states. Additionally, MHT has overseen the establishment of 746 CBOs in 895 slums, helped train more than 13,000 CBO leaders, and provided toilets to nearly 90,000 households.

BROADENING ASPIRATIONS

Successfully gaining sanitation entitlements from the government has proved to be a transformational experience for CBO members. As an additional benefit, the initiative prompted many women to open bank accounts for the first time, giving them a financial identity that would hold them in good stead in the future. And once women had the skills to effectively advocate for their communities, they turned their attention to other pressing needs.

For example, one woman leader approached a private company to get electricity for her slum. At first, the company was wary. Fresh connections cost INR 6,000 (\$90)—could slum dwellers afford this, and would they ever be a profitable market? With MHT's backing, however, the company agreed to pilot a program that turned out to be a resounding success. At the end of the pilot, it rolled out a program for the urban poor that did away with the connection fee, folding it into their monthly bills instead. This practice led to the installation of more than 180,000 new

Ahmedabad, where they advise on government programs affecting the city.

As CBO member Meena Soni says, "When I heard of MHT and became a part of the CBO, I never thought we'd form a city-level federation. Working with the local government was unthinkable, but things worked out with time. Similarly, devising small solutions and preparing ourselves and the community for the future is not a faraway goal."

MHT's next goal is to extend coverage to even the most isolated women and their families. "The last 20 percent is always



MHT members showcase a new community water tank in Ahmedabad, India's sixth-largest city.

electricity connections, serving nearly one million people.

What's more, many of the original CBOs have since organized into larger, citywide federations and now help guide city planning. CBO leaders are members of the City Sanitation Task Force and Zero Waste Management Committee in

the hardest, because it involves changing the behaviors of people who have been the most marginalized," says Brahmhatt. "No one yet knows how to achieve that last stretch—but then no one knew how women from Ahmedabad's slums could get household toilets or join urban planning bodies, either." ■

Vishal Kapoor leads Dasra's US operations. He previously co-led Portfolio Services at Dasra.



Rohini Nilekani

TWO DECADES OF GIVING HAVE TAUGHT PHILANTHROPIST ROHINI NILEKANI THE VALUE OF PURSUING UNCONVENTIONAL APPROACHES TO TACKLING SOCIAL PROBLEMS.

Author and former journalist by choice, and shareholder of IT giant Infosys by chance, Rohini Nilekani entered philanthropy two decades ago when she began providing financial support for young girls. Today, her philanthropy is at work across Indian society, through the Akshara Foundation, which makes education accessible in government-run primary schools; Arghyam, which supports organizations in groundwater and sanitation; and other initiatives in governance, independent media, and the arts. She believes that one of the important things that a complex country like India needs is an intellectual infrastructure of ideas; of brave pilot programs of soaring ambition; and of think tanks battling poverty, class, and disease. In the following conversation with Neera Nundy, Dasra co-founder, and Pakzan Dastoor, manager of advisory research and due diligence at Dasra, Nilekani speaks about her evolution as a philanthropist, the critical role of women in giving, and why Indian philanthropy needs to be more audacious.

Neera Nundy and Pakzan Dastoor:
When did you first become engaged in philanthropy?

Rohini Nilekani: My giving started a long time ago when I didn't have that much to give in terms of money. I began by supporting young girls with scholarships. It wasn't until around 2004 when we [Rohini and her husband, Nandan Nilekani] came into serious wealth that I could begin to call what we do philanthropy, rather than traditional charity. I then had to find a way to be more strategic in my giving, so in 2005 I decided that Arghyam [a foundation she started in 2001] would focus entirely on the water sector in India. That's when my personal strategic philanthropy started. It was a steep learning curve because like many others who do philanthropy, we were not familiar with the sector we decided to invest in—water. We had to spend a lot of time getting familiar with the sector and figuring out the best way to leverage our resources so that we would have a disproportionately beneficial social impact. (See "Case Study: Arghyam" on page 10.)

● *You have been very forthcoming about your philanthropy, something that not many philanthropists in India are.*

Why is it important to talk about your philanthropy?

The philanthropy sector in India is just a few decades old. So it's not a conversation that people have with each other. In the West, the rich do talk about their philanthropy, both in their own circles and publicly. That needs to happen in India as well. People need to use their circles of influence to talk about how wealth in India should be used. We live in a country where there are 600 million people waiting to be in the same room as us, so the responsibility of the wealthy in India is very different from other countries in the West. People need to talk a lot more about how they are using their wealth for the public good, and make that an intellectually and socially interesting way of being wealthy.

● *What are some of the biggest barriers to giving in India today?*

There are of course personal reasons why people don't give, but there are also things

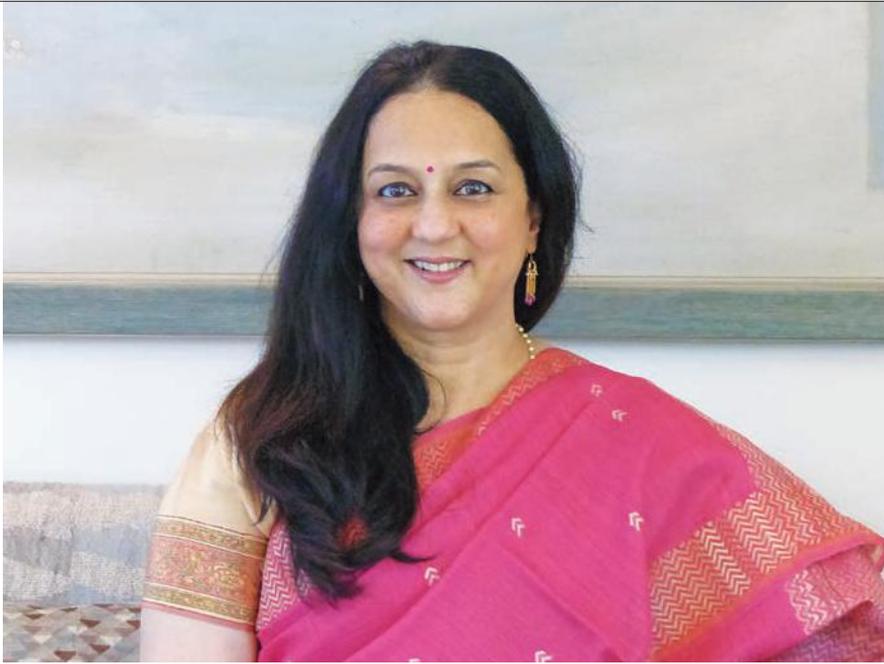
that can be done in the ecosystem and through policy that will open up the philanthropic sector in India. If you look at policy, other countries do things like have an inheritance tax, which certainly causes the purse strings to open up rapidly. But I am not sure if India is ready for that now.

Other things can be done to make it easier to set up nonprofit institutions and reduce the regulatory cholesterol around them. Today we are seeing a crackdown on nonprofits by making it difficult for nonprofits to do political work. That is a mistake. After all, if you want to change things in society, a lot of the work is going to be political, not in the traditional sense of political parties, but political grassroots work. Whichever government is in power needs to feel secure enough to allow nonprofits to do human rights-based political work. We also need ecosystem players to come in, who can build the capacity of the nonprofit sector and draw more professionals into it.

● *How do you go about choosing the causes you give to?*

I believe in supporting people with high commitment, with very good ideas and good integrity, in areas where I can see a possibility of real change happening. At whatever scale the people are working in, if I see real commitment, if I can see the power of those people and their ideas, and I can see they are building good institutions, I feel very tempted to go into that sector. I often need to hold myself back. The areas I have funded, apart from education and water, are the environment, access to justice, independent media, cultural arts—because that is a huge area that is underfunded in India—and a few other exciting spaces, like policy advocacy and think tanks.

I believe India needs to build out its intellectual infrastructure. It is the most complex country in the world to manage. Governments can't do things alone. They need ideas. They need pilots that are executed outside government. They need evidence to make better policy and



better law. Philanthropic capital—especially domestic philanthropic capital—is best suited to help build out a whole new range of institutions, like think tanks and evidence-making institutions, that do research and advocacy that can feed into effective policy.

● **Could you talk about your experiences working with the government?**

Many of the societal problems that philanthropic capital aims to play a role in solving often have to do with public services, whether it is water, health, sanitation, or education. These services are often either provided by the state or regulated by the state. So when philanthropists come in and work in any of these areas, at some point they will encounter the state in one form or another. Look at Arghyam, for example. You cannot work in water, which is a kind of public service that we mostly depend on the state to provide, and stay away from negotiating with the state. If you're serious in your work, you will inevitably encounter some policy areas that you want to have an influence on. It is very important for philanthropists to start thinking about this from the get-go. So when you design your philanthropy, think about the role that the state plays in that particular sector.

Having said that, it is not easy to work with the government. It is much easier, for example, to identify five students that you want to help with scholarships and not have to worry about education policy. But if you want to do anything at scale, if you want to have real impact beyond your own resources and your own philanthropy, then you have to creatively and patiently engage with the state.

● **What is the role of women in family giving in India today?**

Sometimes women who have not been working outside the home, because they have been homemakers and doing the other important things to build a family, wonder if it is okay to be philanthropic with the family wealth because it isn't their personal wealth. I believe that women should not hesitate to be philanthropic with the family wealth. Once there is a consensus within the family to engage in philanthropy, women should be bold: They should use their passion, they should use their heart, they should use their time, and they should use their imagination. Giving forward sets as much of a tone for the family, for the children, and for the future as any other thing that you would do together. In fact, it's more important. So I think that we

should get over this now. After all, everybody contributes to the accumulation of wealth in a family, and women should not hesitate to give. Besides, it is really so much fun—intellectually, spiritually, mentally—there is just so much joy in giving that it can't but be good for the family to get engaged.

● **If there was one thing you would like to see Indian philanthropists do differently, what would that be?**

I worry sometimes that Indian philanthropy is not edgy enough. Not taking enough risks. Not grappling with the bigger problems. Let's take a really big problem like climate change. In 10 years, if some of these climate predictions come true, can you imagine what will be happening in North India? If the monsoon patterns change, can you imagine how that will impact the lives of millions of people in this country? Wouldn't it be great if Indian philanthropy looked out 10 years and asked: What are the big and audacious things that we can start tackling now? I worry that Indian philanthropy will get stuck tinkering on the sidelines, a little bit of incremental work in education, a little bit of incremental work in health, and not tackle the really big problems that we face.

I believe that we do know how to tackle big problems. If all the people who were so creative as to build these huge business empires, applied a little bit of that attention to the big problems that are facing this country, I am sure it would yield much more innovative philanthropy. We don't have to copy the West. Today we have problems in India that the West never faced. We have to build an indigenous model of innovative philanthropy taking bigger risks, taking the risk of collaboration, being more audacious, and giving more. That's what will make this country go forward in a way that is different from the bad predictions of what will happen in the future. We have a huge responsibility on our shoulders, and we should enjoy taking it on! ■

ARGHYAM, A GRANTMAKING FOUNDATION, TAKES A DATA-DRIVEN APPROACH TO HELPING TRANSFORM INDIA'S WATER AND SANITATION SYSTEMS.

■ BY ESHA CHHABRA

India is in desperate need of more and better water systems capable of meeting the needs of its people. The Indian government estimates that 330 million Indians were affected by drought conditions throughout the country in 2016. To say that the country's water problems are persistent and considerable would be an understatement.

But according to Rohini Nilekani, founder of Arghyam, a grant-making foundation focused on water and sanitation in India, the country cannot build water systems like those in the West. Rather, it has to find alternative solutions based on the resources and capacity available in India. "I think we've realized that India cannot rely only on surface water," says Nilekani. "It's just not ecologically or economically possible. We have to look at groundwater management and reimagine our water infrastructure with that in mind."

A longtime philanthropist and former journalist, Nilekani began homing in on water projects in 2005. Married to Nandan Nilekani, one of India's most notable tech entrepreneurs, Rohini has taken a data-driven approach to water and sanitation. She started Arghyam with her own personal endowment in 2001, and since then, the foundation (whose name means "offering" in Sanskrit) has deployed more than INR 120 crores (\$18 million) supporting projects and programs in 22 Indian states.

Arghyam has two flagship programs: the India Water Portal (IWP) and the Participatory Groundwater Management program (PGWM). The former serves as a knowledge database for all things pertaining to water. The latter focuses on supporting small communities to manage depleting water resources.

INFORMING INDIA ON ITS WATER CRISIS

Established in 2007, the IWP has attracted a significant following: Available in multiple languages, it receives more than 6,500 visitors on its English-language website and more than 10,700 visitors on its Hindi site each day. The website provides access to working papers, reports, data, articles, news, events, and discussions on water. A team of 20 people spread across India identify local water stories and solutions for

ESHA CHHABRA is a freelance journalist who writes on social impact, development, and mission-driven brands. Her work has been featured in *The New York Times*, *Forbes*, *Guardian*, and *The Economist*.

the website. Each person focuses on a particular region of the country, producing stories and doing outreach with local press, journalists, and changemakers.

Mala Subramaniam, Arghyam's CEO, says that the portal has been catalytic in bringing forward stories that otherwise don't get attention in the media. Consider one IWP report that covered the activities of Ultratech Cement, a mining company in Chhattisgarh that had promised a village jobs, health care,

and water. The company didn't keep its promise; instead, increased mining for limestone has depleted freshwater, leaving villagers to rely on polluted water to irrigate their fields and raise livestock. As Lakhanlal Dhritlahare, a resident of Chhattisgarh, told IWP, "In the 1990s, there were more than 2,500 cattle in our village, but within two decades, their population was reduced by 60 percent due to contaminated water and cattle fodder due to mining activities."

After IWP published its story about the pollution, print journalists took notice and visited the village to investigate further. The increased media scrutiny compelled Ultratech executives to hold a town hall meeting with the villagers to discuss mitigating measures. Ultimately, the government withdrew Ultratech's license to operate in the area.

Tushaar Shah, a senior fellow at the International Water Management Institute, says that the portal is "energetic, resourceful, and has a wide usership." Shah, who has been researching water systems in South Asia for 35 years, is an active user of IWP, referring to it for case studies, literature, and data, and also sharing his own research through the portal.

LOCAL SOLUTIONS FOR GROUNDWATER MANAGEMENT

The World Resources Institute estimates that more than half of India's groundwater wells are decreasing. That's leading to more high-risk zones of water in the country where water-related stress is dangerously high. In fact, the national supply of groundwater is predicted to drop 50 percent below demand by 2030. What's more, as people increasingly move to the city, the need for water systems will become even more acute.

This is why, in recent years, Nilekani has become quite vocal about India's need to manage its groundwater. Groundwater has been exploited because it's invisible, pumped from below India's growing towns and vast agricultural fields, Nilekani explains. "[It's] a common pool resource. If one uses too much, it affects everyone in the community. But its management doesn't reflect those common pool principles."



Nilekani believes that the solution to the groundwater problem lies in simpler, back-to-basics tactics, driven by local resources and populations. “Our hypothesis is that when the right knowledge, or the science of hydrogeology, is provided at the right local level, communities will rally around to build ownership and manage the resource sustainably and equitably,” says Subramaniam.

To that end, Arghyam’s PGWM program is operating in 500 locations around the country. Consider, for example, its work in the village of Randullabad, in Maharashtra. Randullabad sits in a drought-prone region, and three years ago, its drinking water sources were rapidly depleting. Then Arghyam lent its support to a project by the Advanced Center for Water Resource Development and Management, a PGWM partner. The program focused on recharging regional aquifers, geological mapping, testing water quality, and developing usage protocols for drinking and irrigation. It also discouraged farmers from drilling private borewells, which affect water levels in local aquifers and take away from the idea of treating water as a community resource. As a result of the program’s efforts, farmers agreed to use 90 percent of the wells in the communities on a sharing basis. PGWM helped the village go from being on the verge of crisis to self-sufficiency.

The experience of five villages in the northern hilly state of Himachal Pradesh provides another example. While some communities are dealing with water scarcity, these villages were facing a crisis brought on by water contamination. (According to WaterAid, 80 percent of India’s surface water is contaminated, much of it corrupted by untreated sewage.)

It turned out that the five villages, which sit in opposite sides of the valley, shared a common aquifer. Locals from each village didn’t know that they were accessing the same water source as the others; they also didn’t realize that their individual waste practices were infecting the source they all shared. The situation began to improve when PSI, an Arghyam partner, helped put together a cross-valley committee, sharing knowledge about the reasons for the contamination and giving villagers the responsibility of cleaning up their water quality and improving sanitation in the area as a whole.

The participatory nature of these programs means that locals take ownership. They decide how to solve their water problems, and they follow through. Arghyam’s partners are enablers, educating local people on the issues and advising them on best practices.

CHALLENGES AHEAD

Creating water programs that work is important, but just as critical is scaling up those programs. To that end, Arghyam tries to get donors and the government to scale up proven practices. The

foundation targets the government because 90 percent of funding for development comes from the government, says Subramaniam. Arghyam’s PGWM program has been recognized at the highest levels of government. In 2012, India’s 12th Planning Commission Report (issued every five years by the government) recommended PGWM practices. The Central Groundwater Board has also included PGWM principles in its National Aquifer Mapping Program.

Despite those notable successes, Arghyam still faces significant hurdles when it comes to engaging with the government. “Since the core of our work is about knowledge transfer and building community processes, it has been particularly difficult because government does not know how to manage and monitor the funding for this type of work,” says Subramaniam.

For his part, Shah worries that Arghyam’s groundwater program



Residents of Kanmer in Gujarat state use a community well built with Arghyam’s support.

is “too idealist and unrealistic.” He argues that educating farmers on aquifers and local water systems is not likely to create radical change. Rather, he wants to see Arghyam “work towards practical solutions rather than changing the mind-set of farmers.” That means funding innovative solutions. For example, he says there is renewed interest among farmers and governments to convert irrigation tanks into groundwater recharge tanks. “As a foundation, Arghyam can play around with this idea and explore a range of options to improve the tank-groundwater agro-ecology.”

Nilekani, however, believes that Arghyam’s participatory approach has proven that it has great potential, and that small, localized actions can help address India’s water shortage. In fact, she notes, in most of the locations where the PGWM principles have been implemented, the communities have become more “resilient.” ■



Ratan Tata

SINCE BECOMING CHAIRMAN OF TATA TRUSTS, RATAN TATA HAS SHIFTED THE TRUSTS' FOCUS FROM CHARITABLE WORK TO PROGRAMS THAT SEEK TO TRANSFORM LIVES.

Ratan Tata is one of India's most prominent business and philanthropic leaders. He headed the Tata Group, a Mumbai-based global conglomerate with family roots extending to the 19th century, from 1991 to 2012, when he stepped down to become chairman of Tata Trusts. The Tata founders bequeathed most of their personal wealth to the many trusts they created for the greater good of India and its people. Today, the Tata Trusts control 66 percent of the shares of Tata Sons, the Tata holding company. Ratan Tata earned a bachelor of architecture degree from Cornell University in 1962 and began his career with the Tata Group on the shop floor of Telco (now Tata Motors, which owns Jaguar and Land Rover) and Tata Steel, where he shoveled limestone and was a team member in the blast furnaces. In the following conversation, Ratan Tata talks about his approach to philanthropy with Rohit Menezes and Soumitra Pandey, partners at The Bridgespan Group.

Rohit Menezes and Soumitra

Pandey: *What were some of the experiences that have informed your approach to philanthropy?*

Ratan Tata: Working on the shop floor as a young man, I saw close up the misery and hardship of the less fortunate and thought about how one makes a difference to improve lives. As I moved up through departments and divisions, I continued to see hardship and had more opportunity to do something about it. Now I'm trying to take the Tata Trusts to a different level of relevance in the 21st century to maximize the benefits the trusts seek to bring to disadvantaged communities.

● *Do you have a philosophy of philanthropy?*

If I put it into one sentence, I think you really want to be doing things that make a difference. If you cannot make a difference, it's just water trickling through a tap or leaking through a drainage system; it's wasteful. Dr. [Jonas] Salk must have had a tremendous feeling of satisfaction when he developed the polio vaccine. Similarly, I think going after causes where you make a

difference, rather than scratch the surface, is very much in keeping with the trend in new philanthropic endeavors.

● *What changes have you made in the trusts' operations, and what do you aspire for them to become?*

A fair amount of our early philanthropy was in the form of charity to alleviate individual hardships—helping people with money for dialysis or for surgery, for example. And we worked with a lot of NGOs, supporting them with grants. We'll continue to help alleviate individual hardships and support NGOs, but we also want to be more involved and to manage projects ourselves. We want to enhance our impact and ensure that interventions are sustainable. The question is: Can we fund a research project that aims to eliminate or control a certain disease and, therefore, has the potential to benefit a larger number of people, or should we stick with helping individuals suffering from that disease? We believe we can make a greater difference through large projects that serve mankind.

● *Can you give us some examples?*

One of the big changes has been in how we are combating malnutrition. We lose so many children in India at infancy or within the first two years because of malnutrition. This led us to embark on a program of providing nutrients to infants. But it took only a few weeks of research to realize that we couldn't do that without involving the mother, who was also malnourished. We also found out very fast that we couldn't accomplish our goals unless we addressed hygiene and sanitation. Education also got included in our program.

We focused our efforts at the village level, and our approach became holistic, which attracted other philanthropic organizations. We've also received tremendous support from the state governments where we were working. This is an example of the kind of transformation to direct involvement we are trying to achieve in our work for agriculture reforms, water conservation, water purification, and education.

The Saathi Internet program is an example of the trusts teaming up with a corporation. (See "Case Study: Saathi" on page 14.) We're working with Google to help rural women understand the Internet and give them a means of securing a livelihood. It's a new model of philanthropy for the trusts and not the kind of project we would have gotten into earlier. And we are working with the Bill & Melinda Gates Foundation to tackle diarrhea. This is a first for the Gates Foundation, which had previously always executed such programs by itself.

● *So the trusts have shifted emphasis from charity to projects with sustainable impact?*

I have been emphasizing that the trusts must be concerned about the sustainability of the communities where they work. Until recently, we would support an NGO for 8 or 10 years, and then want to move those funds to another community. We would assume that this community was now self-sustaining, but it wasn't. So when we withdrew our funds,



the NGO collapsed, the village programs collapsed, and we became the most hated organization in the village. So, sustainability is a new calling for the trusts.

● ***Do you consider program costs when evaluating grants?***

Yes, at all times. The greatest challenge one has in working with NGOs is finding those that are well organized and not just a well-intentioned entity run by a bunch of society people. Those sorts of people often run something badly, have little or no financial discipline, and think they are doing a great thing when they are actually wasting resources.

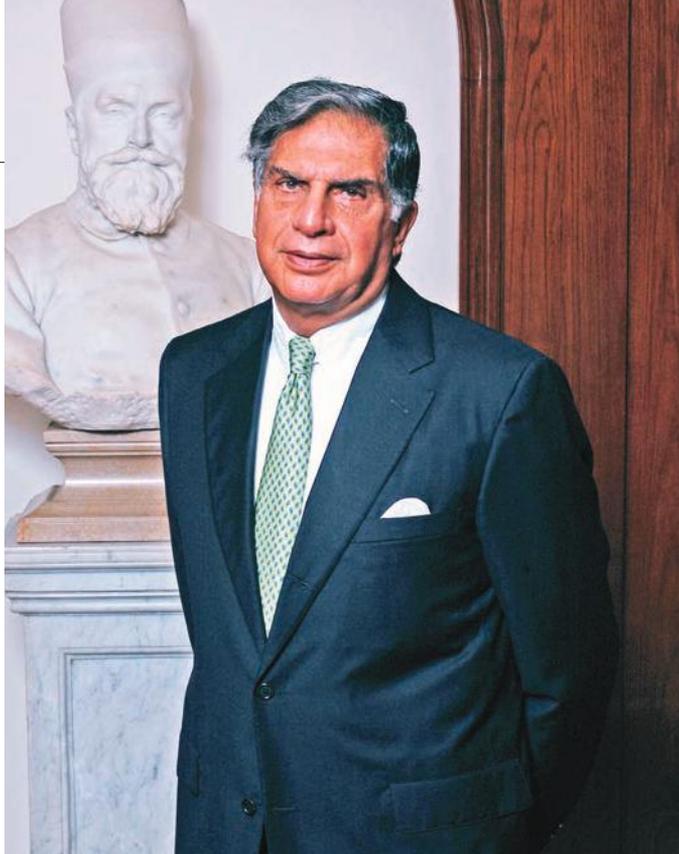
In recent years, we have asked for grants back when NGOs haven't performed as they promised. This has added to our cost because it involves a fair amount of auditing and visiting and evaluating progress. It has also given us a great feel for which NGOs can be turned around by assisting them and those that can't. In which case, they get their funds from somewhere else, not from us.

● ***What advice would you offer to other philanthropists who seek to blend charity with strategic philanthropy?***

My advice is to do thorough research before deciding where to get involved. A lot of money is less effectively used than it could be because an organization has not done enough research. Today, a large amount of philanthropy in India is deployed in traditional forms like building a temple or a hospital. India has to move into a more sophisticated form of philanthropy that is designed to make a difference rather than just building edifices.

● ***Do you encourage your grantees to partner with government agencies?***

There is a tremendous need for NGOs



and philanthropic organizations to consider partnering with government agencies. Unfortunately, there has been a view that the government shuns collaborating with NGOs or philanthropic groups because officials consider the so-called welfare of the people to be their business. But our own experience in working with state governments has been very positive. We have terrific cooperation, and without the infrastructure that government agencies have built, we could never have achieved the impact we have today.

● ***Is it difficult for you to find NGOs ready to take on strategic partnerships?***

Very often an NGO ignores or forgets the traditional outlooks of the community they are working in, and because of that, what they are trying to do, however well intentioned, doesn't work. Also, corruption and collusion can divert resources to personal use. For example, about five years ago we were funding 10 schools through an NGO in Bihar. On one of our site visits, we found that the principals and teachers were coming to school and signing in, then leaving the children unattended. The children played all day, and their parents didn't even know. The students never got an education. But the principals and

teachers got paid. To make matters worse, the government was paying for midday meals, but the kids never got fed. The money was divided between the principals and the teachers. So we stopped giving grants to those 10 schools. Who suffered? The kids suffered, and we were the nasty people who stopped the grant. But what could we do? A lot of that goes on.

And now with the requirement that large companies in India devote 2 percent of profits to CSR [corporate social responsibility], a whole bunch of NGOs have lined up to receive these

funds. What we will need to do is to see how much of this is well spent and how much just gets short-circuited.

● ***Are you worried that much of the CSR money will not be used well?***

There could be a fair amount of abuse of these funds, and the government will have to do some regulation to make sure that the money is used effectively. It would not be a bad thing if the government designated a number of causes to which companies could give these funds. Even large public works projects could be funded this way. The government may have to define what the projects are and be ready to ensure oversight.

● ***Are Indian companies prepared to implement the CSR mandate in a way that will make a difference?***

I think many CEOs would say that they are doing it because it is required. But if we can get even a small number committed to make a difference, I think we will get projects that will be showcases of what one can do with such funds. CSR could become an avenue for innovative thinking of how you can improve the quality of life of the people of India, or it could be wasted. ■

HINDI FOR “FRIEND,” THE SAATHI INTERNET PROGRAM ENABLES WOMEN IN RURAL INDIA TO HELP OTHER WOMEN IMPROVE THEIR LIVES AND LIVELIHOODS.

■ BY ESHA CHHABRA

Mani ben Roz, a 38-year-old mother and farmer who lives in the western Indian state of Gujarat, raises cattle. Although she’s been doing it for more than a decade, she had no idea that for most of that time, she had been taking care of her cattle improperly. Then she was introduced to a Saathi (Hindi for “friend”)—a woman helping Google to bring Internet capabilities to India’s rural areas. “Earlier I used to put feeding straw near the cattle without noticing the dung and hygiene of the place,” Roz says. “During an interaction with the Saathi, we saw videos of how to rear cattle and searched the proper way of feeding.”

Now Roz is feeding her cattle the right amount of straw, cutting it up for easy consumption and keeping it far from their dung. “This has been a learning to me, and I look forward to getting more information regarding daily routine,” she says. Though illiterate, Roz is part of a growing group of women who, through the Saathi program (formally called Helping Women Get Online, or HWGO), are learning how to use the Internet for the first time in their lives.

A CLEAR AND GREAT NEED

According to the Pew Research Center, just 22 percent of Indian adults have access to the Internet; compare that with China’s 65 percent Internet penetration level and Brazil’s 60 percent. And for Indian women, the numbers are even worse: Just 17 percent of Indian women are online. Neha Barjatya, who runs Digital Initiatives at Google India, says that rural women, in particular, are excluded; only 1 in 10 Internet users in rural India is a woman. Women in India, she says, are held back from using the Internet for a host of cultural reasons. For example, in India the Internet is seen as men’s domain, a tool primarily for work. In addition, many Indian women don’t feel that it is relevant to their day-to-day lives. And many women in India are illiterate, making it difficult for them to use the Internet.

That’s why in 2013, Google launched HWGO, an effort to make women throughout India more

Internet-savvy. HWGO created a website where women could find relevant content in four major languages, Hindi, Marathi, Tamil, and English. It also created a toll-free phone number providing technical help to women logging on to the Web. That initial campaign saw notable success, reaching more than 1.5 million women in five states.

In urban India, HWGO thrived—in large part through cyber cafés that offered a welcoming environment where women could go online. But reaching women in rural India was a challenge, says Barjatya. So Google launched a pilot in Bhilwara, Rajasthan. It was based around a simple concept: mobile Internet carts. These kiosks-on-wheels were operated by a trained local resident, male or female, equipped with a tablet or smartphone who would perform search and answer queries for women.

BICYCLES GO FARTHER THAN CARTS

With the mobile carts, women could queue up to use the Internet, and they did. With the support of corporations—including Intel, Unilever, and Samsung—the program grew, soon reaching 500,000 women. But the program still had some limitations. Even though the carts were mobile, they couldn’t reach all of the places they needed to. So in 2015 Google rolled out a bicycle-based approach: a trained, Internet-savvy woman bicycles to nearby villages with a tablet and smartphone. She teaches other women how to use the technology and also goes online to find answers to their immediate questions: when to immunize a child, how to get a loan for education. They search for the answers together on the Android smartphone and tablet, provided by Google. Since this program involved local women in the villages helping each other to get online, its adopted name soon became Internet Saathi.

To reach India’s interior, Google partnered with Tata Trusts, the charitable arm of the Tata Group, which has been working on community-level development projects for the last 30 years. Google provided the Android hardware and paid for data packages to access the Internet. Tata Trusts organized the bicycles and individual trainers. “It’s 60 percent Google and 40 percent Tata Trusts,” says Ganesh Neelam, head of Internet Saathi for Tata Trusts.

The bicycle, Neelam says, has been the ideal vehicle. Bicycles are easier for one person to navigate and can make their way through narrow alleys in rural areas. Plus, the Saathis can keep the bicycles at home and use them at their convenience. Compared with the carts, bicycles are also less expensive and easier to maintain.

ESHA CHHABRA is a freelance journalist who writes on social impact, development, and mission-driven brands. Her work has been featured in *The New York Times*, *Forbes*, *Guardian*, and *The Economist*.



The bicycle-based program has grown through 2016, reaching women in nine states across India: Rajasthan, Gujarat, Jharkhand, Andhra Pradesh, Madhya Pradesh, West Bengal, Uttar Pradesh, Bihar, and Assam. To date, Saathis have worked in 18,500 villages, reaching more than 300,000 women. The goal is to hit 105,000 villages by March 2017.

CHALLENGES TO GROWTH

Despite the growing number of beneficiaries that attest to Internet Saathi's success, Neelam says, Google has had to confront two major hurdles in growing the program: First, in many locations, Saathis have faced resistance from their families. Wanting to keep their women at home, or at least nearby, parents and husbands have been hesitant to let them cycle to neighboring villages and take on

women must work more closely with a Saathi who is literate to get the answers to their questions, that interaction builds camaraderie and strengthens the program: "There's a sense of community sharing with literate women helping the illiterate ones."

Even with the cultural issues addressed, some technical challenges remain. For one, there's a lack of high-speed connectivity across rural India. Couple that with high data costs throughout the country; even with a free smartphone, the cost of running the program and the cost for rural women to use data is high.

In addition, Barjayta worries that as the program grows, ensuring that it works effectively will become more difficult. "As we scale, ground implementation will get more challenging in terms of execution and managing the Saathis across thousands of villages, including in remote areas," she says.



A Saathi prepares to provide Internet access to villagers in the Deoghar district in Jharkhand state.

this leadership role. (A very small number of Saathis are men, who do not face this problem.) Second, there is the problem of literacy: varying levels of literacy in communities have made it hard for Saathis to roll out one-size-fits-all approaches to training their clients.

To address the first hurdle, Tata Trusts has worked with local self-help groups to help families understand the work of a Saathi. "Some families were able to realize this on their own, and are now highly supportive of their daughters, or wives, to work as an Internet Saathi," says Neelam.

The second hurdle, low literacy levels, is being resolved through technology. Voice searches on the smartphones are enabling women to ask questions in their local language. In fact, Barjayta says, when

SCALING UP

Neha Kumar, a professor at the Georgia Institute of Technology's School of International Affairs, welcomes Google's efforts. She spoke with Google as it was formulating the HWGO program, and she says that their research was exhaustive and well done. But Kumar is also wary of a few of the program's details. She notes that Google has focused on a curated selection of articles for women, mostly pertaining to housekeeping, personal health, and cooking. This content, says Kumar, is "reinforcing prevalent gender stereotypes."

Responding to those concerns, Barjayta notes that village women are actively using the Internet to find information and services to help improve their lives. This content spans across education, health, farming, job opportunities, and new skills. For example, Raja Beti, a 22-year-old housewife in Dholpur, searched for new recipes online and found a YouTube video on how to cook noodles. She opened a chow mein

stand and is now earning an income.

Kumar has also raised the question of sustainability. Though the program may reach hundreds of thousands if not millions of women, she wonders whether it can be sustained if data costs are high and if smartphones and computers continue to be difficult to acquire in rural India. Neelam says that Tata Trusts and Google are looking at ways to help the Saathis become entrepreneurs, by providing Internet-based services to the community in a way that generates revenue. For example, they could charge a nominal fee to help people who are illiterate to access and understand existing government services designed to provide help with health care, access to food, and even financing. ■



Why Indian Nonprofits Are Experts at Scaling Up

THERE MIGHT BE NO BETTER LABORATORY THAN INDIA FOR STUDYING THE CHALLENGES THAT NONPROFITS FACE IN TRYING TO SCALE UP WHEN RESOURCES ARE SCARCE. AND THERE MIGHT BE NO BETTER GUIDE THAN INDIAN NONPROFITS FOR HOW TO OVERCOME THOSE CHALLENGES AND BECOME EFFECTIVE AGENTS OF SOCIAL CHANGE.

✿ BY SOUMITRA PANDEY, ROHIT MENEZES, & SWATI GANETI

Pitched between a forested ridge and the boundless sprawl of Mumbai, the village of Kokanipada is home to 2,000 people, most of whom work as day laborers in India's financial capital. Their children attend the Thane Municipal School No. 50, a cement building consisting of a dozen classrooms. Many of the primary schoolers appear to be undernourished, but on a steamy July day they lifted their voices with joy as a 20-something man named Kartik led them through a *balgeet*—a children's song about a wedding attended by a lizard, a horse, and a cow.

Kartik is one of the Kaivalya Education Foundation's Gandhi Fellows, recruited from India's top universities to spend two years working with the principals of five government schools to help them become more effective leaders and, as a result, improve each school's all-around performance. Many principals have

minimal job-specific training and administrative experience before starting their positions. The Gandhi Fellowship program seeks to fill that gap. Last year, fellows such as Kartik worked with the principals at more than 1,200 schools, potentially impacting the lives of 250,000 children.

It's an impressive number. But in the next five years, Kaivalya, the brainchild of Aditya Natraj, a former finance consultant for KPMG, wants to reach 10,000 schools serving approximately two million children. To do so, its fellowship program will have to get far bigger, while working with far fewer resources than many of its counterparts in the United States and Europe.

In this respect, Kaivalya is like most Indian nonprofits seeking to extend their reach. Every Indian organization that seeks to grow beyond its immediate community must grapple with the twin challenges of scale and scarcity.

More than 250 million of India's 1.3 billion people live on a daily income of less than \$2. For any nonprofit to make a dent in lifting people out

SOUMITRA PANDEY is a partner in The Bridgespan Group's Mumbai office. **ROHIT MENEZES** is a partner in the same office. **SWATI GANETI**, who externed at Bridgespan Mumbai during the first half of 2016, is a consultant at Bain & Company's New Delhi office.

The authors thank Bridgespan Ideas Editor Bill Breen for his support in drafting this article and independent consultant Salone Mithal Ghosh.



of poverty, it needs to reach many millions of people in need. At the same time, the Indian government spends just 1.4 percent of the nation's GDP on health care, less than half of what China (3.1 percent) and Brazil (3.8 percent) spend. Government spending on schools similarly trails spending rates in other fast-emerging economies. Add to that mix India's swirling diversity of 150 languages, more than 2,000 ethnic groups, and every major religion, all of which multiply the challenges of reaching marginalized people. There might be no better lab than India for studying the challenges that nonprofits face in trying to grow while stretched for resources.

The good news is that Kaivalya's track record, current practices, and approach to growth suggest that it is poised to succeed. What's more, its experiences hold lessons for other nonprofits in India and beyond. Over the past year, The Bridgespan Group has studied 20 Indian nonprofit organizations, including Kaivalya, that have deftly managed the tension between scale and scarcity and delivered their services to hundreds of thousands and even millions of people. (See "Twenty Nonprofits, Millions Served" on page 21 for more details on each organization.) Our research surfaced five recurring mind-sets for reaching many more people in need:¹

The Denominator Mind-Set. Stay focused on the size of the need, while remaining flexible in confronting it.

The Dignity Mind-Set. To serve many, elevate the humanity of each participant.

The Radical Frugality Mind-Set. When scarcity abounds, reduce costs while stretching impact.

The Innovative Hiring Mind-Set. Tap hidden talent from unexpected sources.

The Collaborative Mind-Set. Make government a partner, not an adversary.

We'll examine them in order and highlight imperatives for success.

THE DENOMINATOR MIND-SET

If you think of a social change effort as a fraction, the denominator would represent the size of the need, and the numerator would represent what the organization is currently accomplishing. India's social innovators put much of their focus on the size of the need. In a country where, for example, more than 25 million children suffer from acute malnutrition and 750 million people lack access to "improved" sanitation facilities, denominator thinkers believe that untangling even one more part of a large, knotty problem creates a lot more value than perfecting a solution that serves relatively few. And if a growth strategy has run its course, they are quick to let it go and search for one that will better suit their needs.

One such denominator thinker is Ramji Raghavan, founder and chairman of Agastya International Foundation, an organization that delivers demonstration- and activity-based science programs to more than 1.5 million rural schoolchildren each

year. Thirty-some years ago, while on a promising career track at Citibank, Raghavan was held up at gunpoint. The experience afforded him a "deathbed view of life." In other words, he began to imagine himself on the verge of death, looking back. What would he remember? He certainly wouldn't revel in memories of his corporate life. He came to believe that his life's last moments would surface a secret dream: to build a rural school that would produce curious, driven students who had the skills and creativity to confront India's most vexing challenges.

Soon thereafter, Raghavan vowed to build his dream school. Never mind that he lacked teaching experience. In 1998, he walked away from his banking career. He got to work and worried later about where the work might take him. And in doing so, he bypassed some of the steps one might associate with the successful founding of a nonprofit: He jumped into the nonprofit sector with no strategic plan and no dedicated donors. He was not an outlier in this regard. Out of the 20 nonprofits that we studied, two-thirds of the founders said they started without full-blown plans and funding commitments. Driven to solve a chronic social problem at scale, denominator thinkers are biased toward action.

Acting before fully planning has worked for Raghavan in times when others might have folded up shop. Consider: With funding support in their sights in late 1999, Raghavan and his team procured a site for their school—170 acres of "wasteland" near the town of Kuppam in the southeastern state of Andhra Pradesh. But soon after that, the dot-com bubble burst. Public companies lost \$5 trillion of market value over the next two years, and any chance of raising private capital turned to vapor. "It was a crushing defeat," recalls Raghavan. "But there was no question of going back to my job."

Instead, after many rounds of brainstorming, Raghavan and his team flipped their model: Rather than attract rural kids to a Taj Mahal-like campus, Agastya would bring the campus to the kids. They outfitted a borrowed van with scientific models and instruments—a science lab on wheels—and drove it to rural government schools in villages surrounding Kuppam. Concepts like gravity, solar and lunar eclipses, and planetary orbits were brought to life from the back of the van. This low-cost, high-reach strategy turned out to be strikingly replicable. In the 17 years since Agastya began its life with one mobile lab, the organization has expanded its fleet to 175 mobile labs operating in 18 states.

Denominator thinkers are so driven that few obstacles deter them. So in addition to having a bias for action, they are also restless, serial innovators. Even as Agastya's lab-on-wheels innovation was reaching thousands of schools, the organization was coming up with Lab-in-a-Box, a science kit that equips government teachers to develop their own approaches to hands-on learning. Next came Lab-on-a-Bike, which cuts costs and extends Agastya's reach to remote schools via a fleet of instructors on motorcycles. Raghavan has also fulfilled his original vision: Agastya's Creativity Lab campus, a center for teaching and learning that includes



13 laboratories, a planetarium, an art and culture facility, and a media lab, spreads across the now-reforested land he bought years ago. The campus takes in 600 visiting schoolchildren every day.

As Agastya's example demonstrates, being a restless, serial innovator also means that India's denominator thinkers are not wedded to a single growth model. When one model hits a wall, India's denominator thinkers are quick to throw it over and devise a strategy that's a better fit for the future. Agastya's Raghavan says he's glad that he failed to win sufficient funding for his original plan. Had he embarked on building an Indian version of England's Eton, he never would have been compelled to discover a far more novel approach to learning: science on wheels, either in its initial form or in today's still-evolving approaches.

Denominator thinkers, of course, can't completely disregard the numerator. Raghavan could never have risen through the management ranks at Citibank if he didn't understand the benefits of careful analysis and thorough planning. He is acutely aware that if an organization doesn't track quarterly outcomes and continually reset the balance between a bias for action and prudent planning, it risks diluting its impact. Other denominator thinkers understand this as well. And so they are careful to set realistic expectations, lest they overextend their capabilities. They

The downside of maintaining a dignity mind-set is that it can slip into do-goodism—that is, a naïve desire to take on every humanitarian crisis, an approach that can lead nonprofit organizations to spread themselves too thin.



also pressure-test audacious ideas. They know that if they go too far with a half-baked plan, they are at great risk of letting down the people they seek to support.

THE DIGNITY MIND-SET

When confronted with the daily challenge of serving the masses, it's easy to reduce and compartmentalize the human experience into numbers on a spreadsheet. Organizations such as Aravind Eye Care System, Akshaya Patra, BAIF, Goonj, and NM Sadguru Water and Development Foundation counteract this threat by thinking and acting "small." That is, they organize around a unit of one: the individual participant. They exhibit a "people over program" philosophy by prioritizing each individual's dignity.

For example, Aravind Eye Care System, which annually performs more than 300,000 cataract and other eye surgeries, maintains its nonpaying patients' dignity by viewing each patient as a customer with a choice—those who cannot afford to pay can choose a price point of zero.

Similar is Goonj, which undertakes disaster relief and community building by annually delivering more than 3,000 tons of

secondhand clothes and other used household materials to hundreds of thousands of India's poorest citizens. From its base in New Delhi, Goonj has expanded to 22 states, where it partners with more than 250 grassroots organizations.

Two principles help Goonj and other like-minded nonprofits maintain a real-world connection with the people they serve: First, they imagine the hundreds of thousands of participants as one person. Nearly two decades ago, Goonj's founder, Anshu Gupta, journeyed to the earthquake-devastated village of Jamak in the state of Uttarakhand. He noticed an elderly woman whose home had been flattened. She and some neighbors were boiling water over an open fire when Gupta walked by. Recognizing a stranger who'd come to help, the woman offered him a cup of tea. The implicit message: I have lost everything, but I still have my humanity. When Gupta launched Goonj in 1998, he vowed to treat every participant with the same dignity.

Second, Goonj's staff members, volunteers, and other stakeholders act on the firm, shared belief that people in need don't want charity, they want respect. Gupta remembers that in Jamak, when a truck from an aid agency brought a load of used clothing from India's cities, the relief workers tossed the bales off the back. He was struck by the workers' lack of empathy. And he determined then that instead of

debasement of the material by giving it away, he would infuse it with real value. He realized that he could accomplish his goal if he treated urban discards as a form of currency.

Goonj's Cloth for Work program goes into rural villages,

asks people to identify the community's own "pain points," organizes work projects like repairing roads and digging wells, and pays villagers for their labor with used clothing and other much-needed secondhand wares. In this way, villagers earn a valuable commodity, and they also directly improve their day-to-day lives. Case in point: In the Sukhasan village of Bihar, tragedy struck when the Sursar River, swollen by monsoon rains, took the lives of 13 children when they tried to swim to their school on the other side. Soon after that horrific event, Goonj gathered 50 villagers, who in six days built a bamboo bridge that now connects eight villages and hundreds of people.

The downside of maintaining a dignity mind-set is that it can slip into do-goodism—that is, a naïve desire to take on every humanitarian crisis, an approach that can lead nonprofit organizations to spread themselves too thin. Goonj's response is to never stray beyond its core mission, whose logic can be found in what Gupta calls his "theory of meager resources." When bottom-of-the-pyramid people earn clothing or other materials for their hard work, they free up scant income for food, health, or other expenses. "We're in the business of collecting and distributing



clothes so we can build a trash-based, parallel economy,” he says. “In doing that, we replenish people’s resources.”

THE RADICAL FRUGALITY MIND-SET

Given the country’s scant resources, most Indian nonprofits put a lot of focus not just on reducing costs but also on using frugality as a way to scale up. By innovating internal systems and processes, they optimize operational expenses. At the same time, they rein in capital expenditures by utilizing existing infrastructure: Education nonprofits such as Kaivalya partner with government schools; health-care nonprofits such as Karuna Trust ally with Primary Health Centers, India’s state-owned, rural health-care facilities.

Akshaya Patra provides another example. Every school day, Akshaya Patra prepares and delivers hot, fresh lunches to 1.6 million children, at a cost of 13 cents per meal. The Indian government pays 60 percent of that cost. By 2020, Akshaya Patra aims to serve 5 million children, while dramatically reducing or even eliminating its share of the cost. “Here’s my end game,” says Shridhar Venkat, Akshaya Patra’s CEO. “Can we run this program with just the government subsidy, so we can feed as many children as we want? It’s very, very difficult. But we love impossible challenges.”

Venkat is a former vice president of sales at Cisco’s WebEx

In India, one of the biggest impediments to growth is the scarcity of people who have the right skills to fill certain types of jobs. Some nonprofits have responded by searching for people in overlooked but promising corners of the talent pool.

Communications, and his management team cumulatively has more than a century’s worth of experience working for multinational corporations. Like his peers, he incites his organization to use frugality in productive ways. Specifically, Akshaya Patra seeks to do three things very well:

Optimize capital expenditures. In 2000, Akshaya Patra began its work with one centralized kitchen in Bengaluru, providing midday meals to 1,500 children in five schools. Staff members prepared the meals, then packed them in stainless steel containers and trucked them to schools within a 50-kilometer radius. Today, by standardizing design and using smart technologies, Venkat’s team has increased a single centralized kitchen’s output to 100,000 meals. But it costs \$3 million to build one of those mechanized marvels.

For Akshaya Patra to even approach its near-term goal of reaching five million children, Venkat needed to cut costs while producing more food faster. He believes he’s found a way: treat the centralized kitchen as a “mother hub” and surround it with four “spoke kitchens.” The hub processes the food, and the smaller satellites do the final preparation, packaging, and delivery. The

model has doubled the capacity of a centralized kitchen while reducing the average capital cost that’s deployed per child by about 30 percent. Rather than spend \$6 million to build two centralized kitchens and double the output, Venkat can achieve the same results while spending just \$4.2 million to build a hub-and-spoke.

Improve, relentlessly, using tangible goals. All Akshaya Patra employees know the critical number: one cent. If they can knock a penny off of the unit cost of producing meals, they can feed an additional 300,000 children per year. By organizing everyone from front-line workers to C-level executives around that simple metric, Akshaya Patra sets a tangible goal for continuous improvement. One recent example: Each month, one centralized kitchen consumes approximately 2,500 kilograms of potatoes. Since the price of potatoes can soar by more than 50 percent in a fortnight due to blight or speculators, Akshaya Patra has begun buying massive numbers of them when prices are low and keeping them in cold storage units to use as needed. The result: reduced costs of nearly 15 percent. That’s another 10,000 children fed.

Invest to build capabilities and stretch resources. Most of the organizations in our study understand that frugal doesn’t mean free. They have learned how to navigate around radical frugality’s chief liability: the tendency to cut back on the wrong things. They

keep their focus on reducing unit costs. And they avoid—at all costs—any cut that might starve innovation and thereby dilute their overall impact.

For example, in addition to recruiting blue-chip executive talent from the for-profit world, Akshaya Patra has invested

aggressively in techniques, such as Kaizen and Six Sigma, that squeeze out waste and defects, as well as software systems for managing inventory and other logistical activities. The total return on these (and other) investments is clear: In August 2016, the organization delivered its two *billionth* school meal.

THE INNOVATIVE HIRING MIND-SET

In India, one of the biggest impediments to growth is the scarcity of people who have the right skills to fill certain types of jobs. Some nonprofits have responded by searching for people in overlooked but promising corners of the talent pool. To make this approach work, these organizations create win-win value propositions.

For example, Aravind recruits most of its female nurses, also known as mid-level ophthalmic personnel (MLOP), from rural communities, where many would otherwise work as day laborers, and trains them. Aravind thus brings the women into the formal economy with all of its benefits, not least of which is a fixed salary. The MLOP, who do everything in the hospitals except diagnose and operate, are a key reason why Aravind has become an unparalleled provider of eye care.



Twenty Nonprofits, Millions Served

NONPROFIT ORGANIZATION	MISSION	FIELD SERVED	TARGET PARTICIPANTS	POPULATION SERVED ANNUALLY	MIND-SETS FOR EXTENDING REACH				
					Denominator	Dignity	Radical Frugality	Innovative Hiring	Collaborative
Agastya International Foundation	Create hands-on education programs delivered through mobile labs	Education	Disadvantaged children and their teachers	1.5 million children and 200,000 teachers	●	●		●	●
Akshaya Patra Foundation	Provide midday meals through government and government-assisted primary schools	Health and nutrition	Children	1.6 million children in 10 states	●	●	●		●
Aravind Eye Care System	Offer ophthalmic surgeries through its chain of 11 hospitals	Eye care	Everyone in need of eye care	3.7 million outpatient visits and 400,000 surgeries and laser procedures	●	●	●	●	
BAIF Development Research Foundation	Foster climate-resilient agriculture, management of natural resources, livestock and watershed development, and agri-horti-forestry	Livelihood	Rural poor	24 million people in 100,000 villages		●		●	●
Child In Need Institute	Provide health, nutrition, education, and protection through service providers	Health care	Children and pregnant or lactating women	60,000 children and pregnant or lactating mothers		●		●	●
Educate Girls	Improve quality of education, increase enrollment, and improve school infrastructure	Education	Girls	12,000 schools in 8,000 villages	●			●	●
Foundation for Ecological Security	Foster ecological restoration, strengthening communities' capacity to self-govern and secure livelihoods based on natural resources	Natural resources and rural livelihood	Rural poor	4.6 million people in 9,000 villages	●			●	●
Goonj	Collect and transform discarded clothing and household items as a development resource	Poverty alleviation and disaster relief	Rural poor and indigenous tribal people	1,500 development activities in 21 states	●	●	●	●	
Gram Vikas	Mobilize, educate, and train communities in water and sanitation, livelihood, health, education, and renewable energy	Water and sanitation, renewable energy	Rural poor and indigenous tribal people	60,000 people in 1,200 villages in 25 districts in Odisha	●	●			●
Kaivalya Education Foundation	Provide leadership training for school principals through workshops and ongoing support	Education	School principals	250,000 students in 1,200 schools	●			●	●
Karuna Trust	Manage primary health-care centers in partnership with the government	Health care	Rural poor	1.5 million people in 82 primary health-care centers	●	●	●		●
Lend-A-Hand India	Work with state government to provide vocational education in all of the state's schools	Education	Government schools	250,000 students in 2,000 schools	●		●		●
Magic Bus India	Teach children life skills through an activity-based curriculum that uses sports to change attitudes and behaviors	Education, gender, and livelihood	Children	400,000 children in 22 states	●			●	
MAMTA Health Institute for Mother and Child	Mobilize community, strengthen health systems and networks, and conduct policy-level advocacy	Maternal and child health care	Rural poor	3.5 million people	●	●			●
NM Sadguru Water and Development Foundation	Improve the living conditions of rural and tribal people by developing environmentally sound land and water resource programs	Livelihood	Rural and indigenous tribal people	3 million people in 1,500 villages		●		●	●
Professional Assistance for Development Action	Enhance the livelihood of the rural poor by promoting self-help groups and developing locally sustainable economic activities	Livelihood	Rural poor	1.8 million people in 5,800 villages		●		●	●
Pratham	Address gaps in the education system	Education	Youth	7.7 million children in 21 states	●	●	●		●
Self Employed Women's Association	Organize women workers from the informal economy to improve their livelihood	Livelihood, financial services, and social security	Women	1.9 million women in 14 states		●		●	
Swami Vivekananda Youth Movement	Develop community-driven solutions in health, education, and community development	Health, education, and community development	Indigenous tribal people, rural and urban poor	1.5 million people		●		●	●
World Health Partners	Connect health care professionals and local entrepreneurs to provide health care in rural and under-served communities	Health care	Rural poor	180,000 people	●		●	●	●

Most of the nonprofit organizations displayed many of these mind-sets, but we have highlighted only those mind-sets that played a key role in extending the organization's reach. In cases where nonprofit organizations have used innovative hiring to manage both a robust pipeline of talent and also costs, we put a tick only against innovative hiring.



The Self Employed Women's Association (SEWA), a trade union of more than 1.5 million women workers, has dug even deeper to find the right people. When it launched its own financial institution, SEWA sourced the bank's talent from its members—women who labor in India's informal economy. SEWA believes that some of its most promising job candidates can be found among its customers.

Executives at Aravind, SEWA, and other like-minded organizations know that at the outset of their hunt for talent, they won't often find people with the proper credentials. So they look for other, more durable attributes, such as attitude and aptitude. Aravind hires MLOP largely on their character and demeanor—that is, their ability to empathize with patients and their joy in serving others. Similarly, SEWA employees lack any sort of formal training in their future fields. These leaders know that with good coaching, people who possess the values and mind-sets that best fit the organization's culture can excel.

SEWA's approach echoes that of other innovative hirers in its conviction that engaging customers and community members is a critical element of successful growth. In 1974, when SEWA sought to open a bank, its leaders asked potential members—women who typically hawk food, roll *bidis* (cheap cigarettes), pick garbage, and ply construction sites as “head loaders”—to put up a day's wages (INR 10 back then) in capital to get the bank going. Though they were underpaid, roughly 4,000 members responded. To staff the bank, SEWA's leaders determined to tap the same pool, even though many union members to this day are illiterate.

Today, the Shri Mahila Sewa Sahakari Bank Ltd. is a full-service financial institution, regulated by the Reserve Bank of India and the Cooperative Department, with more than half a million accounts and INR 2.5 billion in deposits. Both the bank and SEWA's headquarters include a sprinkling of professional women with corporate experience, including the union's Harvard University-educated director of social security, Mirai Chatterjee. But the majority are poor women, says Chatterjee. “We often say that SEWA is a laboratory for democracy, because the women themselves run the show.”

For SEWA, one of the advantages in recruiting talent from its membership is that it breeds trust. Women laborers, frequently cheated by unscrupulous employers and moneylenders, are far more likely to put their life's savings in the hands of women who have experienced the same. But making the commitment to source talent from customers and other nontraditional talent pools raises a basic question: How do you know you're hiring the best people for the job? Short answer: SEWA takes the measure of how the candidate behaves and what she values.

SEWA is inspired by the Gandhian principles of *satya* (truth), *ahimsa* (nonviolence), *sarva dharma samabhava* (religious equality), and *khadi* (self-reliance). In other words, the union believes that who its employees are matters more than what they know. In that spirit, SEWA's grassroots leaders often recommend women who they believe best reflect those values in their day-to-day lives

as potential students at the SEWA Academy, which was founded in 1991. The academy offers classes in leadership, computer literacy, and communication. From there, students go on to work for SEWA's bank or its insurance program, or they return to their villages to work, say, as barefoot doctors or to take on leadership roles in their local cooperatives.

When an organization hires based on values, it summons a sense of common cause throughout its workforce. SEWA seeks to promote women as leaders in a patriarchal society that often keeps them in the shadows. Because its members and employees share a mission and even a fate, the organization captures not only their diligence but also their initiative and passion.

The challenge in prioritizing soft skills such as values and mind-set is that other staffers must have sharply honed skill sets to oversee the work while new hires get up to speed. It's vital to get an optimal mix of people who have the right attitude (but require training) along with those who have deep subject-matter expertise. SEWA's ratio is 80:20—80 percent of the bank's board of directors, for example, are women who labor in the informal economy while 20 percent are professionals. The 20 percent help support the 80 percent.

There's one other pitfall: It takes time to train new hires and get them into a position where they can help build out the organization. Although SEWA now has cooperatives in 14 states, it's taken 45 years to register the organization's 1.5 million members. But that's okay with Chatterjee. “Our symbol is the banyan tree, which sends out aerial roots that form autonomous trees,” she says. “The roots spread slowly. But the trunk of the tree is very strong.”

THE COLLABORATIVE MIND-SET

In Western countries, would-be innovators are exhorted to “disrupt the system” and “think outside the box.” Many of India's larger nonprofits, however, seek to innovate within it. Almost every organization in our study has made the system a vital ally. In their view, the government is the most powerful lever they can pull to extend their reach. The government can provide critical funding, as well as the infrastructure and the heft needed to overcome even the biggest obstacles to growth.

Rajesh Singh, chief operating officer of the MAMTA Health Institute for Mother and Child, which seeks to protect the reproductive health of marginalized adolescent girls and women in 19 Indian states (as well as Nepal, Bangladesh, and Burundi), maintains that with every new project, it's “in our DNA to involve the government, right from the inception.” That said, every nonprofit organization must coldly calculate the trade-offs of partnering: Is government clout worth the glacial pace of decision making, the tangled layers of bureaucratic guidelines and policies, and the constant threat of graft? For organizations that take the plunge, working effectively with the government requires its own unique set of strategies.

For example, these organizations work with policymakers



while their programs are still in their formative stage. In 2005, when the Indian government decided to launch a sweeping program to address the health needs of the country's 253 million adolescents, MAMTA seized an opportunity to develop a training module that educates teenage girls on sexually transmitted diseases. MAMTA's evidence-based, field-tested module went on to become an integral part of India's National Adolescent Health Programme, which seeks to break the country's intergenerational cycle of poor health. The module's success earned MAMTA the opportunity to build on the effort, by conducting a master training module for senior medical officers from their respective states.

Getting in on the ground floor of a new policy initiative increases the likelihood of holding on to the government's support as the program scales. But to make the strategy work, non-

to never, ever submit to it. "We decided that we will not pay even a single penny as a bribe," says one founder of a nonprofit that relies on a fleet of trucks to deliver its products. "We suffered for that. Many times, we had trucks that were stuck for 20 days. But the next time our truck went on the same route, nobody stopped it. They knew we wouldn't pay, so they left us alone. Before an organization decides what it's going to do, it first has to choose what it's not going to do," he says. "Paying even a single bribe was one of our non-negotiables."

SHOOTING FOR THE STARS

If the world can learn from how India's nonprofits extend their reach to millions, Indian nonprofits can learn from other parts of the world how to better define what success looks like and

If the world can learn from how India's nonprofits extend their reach to millions, Indian nonprofits can learn from other parts of the world how to better define what success looks like and measure whether it has been achieved.

measure whether it has been achieved. Although each of the nonprofit organizations in our study tracked the number of people it has served, we would all benefit if they could achieve a more robust measurement of their total impact. That said, the denominator thinkers' ability

profits should remain politically neutral, even as they align with policymakers.

More often than not, the leaders of nonprofit organizations that work closely with government institutions also ensure that their organizations' roles and functions map closely to the government's roles and functions. Their logic: The more they mirror the government's organizational structure, the easier it will be to build productive and collaborative partnerships with the government.

When Safeena Husain, a London School of Economics graduate, launched a nonprofit to raise the quality of girls' education by increasing enrollment and improving outcomes, she specifically sought out the worst-performing school districts by asking the government to identify those with the greatest gender disparities. More than a few were in the northwestern state of Rajasthan, where more than 350,000 girls are out of school and roughly 50 percent are married before the legal age of 18. Having aligned with the government on where the need was greatest, Husain then designed her organization, Educate Girls, so that it had a partner for every government office, from the state level down to coordinators in Rajasthan's individual villages.

"We can't have transactional conversations with the government, where we're communicating at just one point and leaving everything else alone," says Husain. "Nothing moves. We have to work at every level, where everyone has a counterpart. Government relations work best when the conversations are continuous."

The big hazard in partnering with any government, in any country, is that all too often, corruption is part of the bargain. Several nonprofit leaders say the most effective way to deal with graft is

to refresh and renew is inspiring, and their approach to growth is worth others' consideration.

Which brings us back to the Kaivalya Education Foundation. Recall that over the past eight years, Kaivalya has reached some 1,000 schools. To reach 10 times that number over the next five years, Natraj is moving his lens up the org chart, from school principals to district administrators. His theory is that since efforts to bolster leadership skills at the school level have been well received, helping district administrators become more effective will help make a difference, on a larger scale.

It's far from certain whether Natraj's theory will lead to on-the-ground change. As of this writing, the foundation is running pilot programs in three school districts to test this new model; it won't have a good handle on the results for two or three more years.

But here's what is certain: Just as every rocket follows an arc as it hurtles skyward and then begins its descent, Kaivalya and the other 19 organizations will follow the same pattern. When gravity pulls one high-flying growth model past its peak, they won't hesitate to fire up a different rocket and aim for the stars once again.

"I am sick and tired of nonprofit leaders getting turned on by the fact that they are growing by 45 percent, when all that means is they've extended their reach from 22 schools to 32 schools," says Natraj. "Compared to the need, 32 schools is irrelevant. Even 10,000 schools is ultimately irrelevant. What's relevant is all 600,000 schools." ❦

NOTE

1 "Research Methodology: Scaling India's NPOs," on www.ssir.org

Water Is Power

WHEN IS A WATER AND SANITATION PROGRAM MORE THAN JUST A WATER AND SANITATION PROGRAM?

A PROJECT UNDERTAKEN BY GRAM VIKAS SHOWS HOW EFFORTS TO SOLVE A PARTICULAR SOCIAL PROBLEM CAN HAVE A FAR-REACHING IMPACT ON AN ENTIRE SOCIAL SYSTEM. INDEED, IT CAN OPEN NEW WAYS TO REDUCE DEEPLY ENTRENCHED FORMS OF INEQUALITY.

■ By JOHANNA MAIR & CHRISTIAN SEELOS





An Indian girl living in the Ganjam district in Odisha state gets clean water from a new tap built with help from Gram Vikas.



In India, the installation of toilets comes with no guarantee that people will use them. Again and again, government agencies and non-profit organizations have brought clean sanitation facilities to rural villages, only to find that villagers continue the endemic practice of open defecation. Researchers have established that eliminating open defecation is not just a logistical or financial problem, but also (indeed, mainly) a cultural and political problem. Because of social norms that have deep roots in religious practice, certain groups of people—particularly women, members of lower castes, and members of indigenous tribes—come to believe that they cannot or should not use toilets or other forms of contained sanitation.

Since 1991, the Indian NGO Gram Vikas has conducted a program that embeds the provision of water and sanitation facilities within a broader effort to transform the patterns of social interaction that make open defecation such an intractable problem. Originally known as the Rural Health and Environment Program, or RHEP, this effort is now part of an initiative called MANTRA—the Movement and Network for the Transformation of Rural Areas. The purpose of MANTRA is to provide every household in a given village with piped drinking water and with its own toilet and bathing facilities. As of January 2015, Gram Vikas had implemented the program in 1,140 villages across 28 districts in the state of Odisha. (The organization has also brought a variation of this program to several other Indian states and to certain African countries.)

In Odisha, as elsewhere in India, the practice of open defecation and the use of polluted water sources cause waterborne diseases to spread widely. Odisha (formally called Orissa) is one of India's poorest states: Nearly half (47 percent) of its population lives below the official poverty line. It's also a state where patterns of social exclusion are prevalent. Gram

Vikas, founded in 1979, focused in its early years on tackling challenges related to education, housing, and other areas of concern to people in the villages of rural Odisha. Over time, its leaders turned their attention to health issues, and they identified the installation of water and sanitation facilities as a goal that would appeal to villagers in all social categories.

Through MANTRA, Gram Vikas has found a way to confront the problem of sanitation by confronting the problem of inequality, and in doing so it has achieved discernible improvements in health outcomes. A study of 100 villages that have implemented this program shows that the availability of clean water and adequate sanitation reduces the incidence of waterborne diseases by up to 50 percent.¹

MANTRA has four distinguishing features that contribute to its success. First, the program has a 100 percent inclusion rule that requires villagers to work together across religious, social, and economic divisions to construct water and sanitation facilities. The program begins only after each household in a village has agreed to this rule.

Second, a multilayered governance structure formalizes equal representation for all social groups. This structure includes a Village Executive Committee that takes responsibility for implementing the program and for maintaining and monitoring the use of newly built water and sanitation infrastructure.

Third, the Village Executive Committee administers a “corpus fund,” which ensures that financial resources will be available to build water and sanitation infrastructure for families that enter the village after completion of the initial program. Each household must contribute to the fund according to its ability to pay.

Fourth, the construction of water and sanitation infrastructure is a collective effort. Each household must contribute labor and material resources to the program, and Gram Vikas supplements household contributions by providing material support and technical know-how.

JOHANNA MAIR is a professor of organization, strategy, and leadership at the Hertie School of Governance in Berlin and a distinguished fellow at the Stanford Center on Philanthropy and Civil Society. She also serves as academic editor of *Stanford Social Innovation Review*.

CHRISTIAN SEELOS is a visiting scholar at the Stanford Center on Philanthropy and Civil Society. He is also the Leo Tindemans Chair for Business Model Innovation at KU Leuven (Belgium).

This article draws on material in the article “Scaffolding: A Process of Transforming Patterns of Inequality in Small-Scale Societies,” by Johanna Mair, Miriam Wolf, and Christian Seelos (Academy of Management Journal).



Underlying all of these features is a model of social change whose applicability extends well beyond this one program. The manifest goal of MANTRA is to bring water and sanitation to people in rural villages. Yet the leaders and staff members of Gram Vikas also have a deeper goal in mind: They seek nothing less than to transform patterns of inequality within those villages. MANTRA, in their words, is an “entry-point program.” It enables the organization to reach every household in a village—regardless of its place in the local social hierarchy—by providing direct benefits in the form of improved health. Then, by reaching such households in this way, Gram Vikas is able to pursue change at a more systemic level.

The two of us spent a decade following Gram Vikas and studying the effects that MANTRA has had on life in villages where Gram Vikas has implemented it.² In our research, we treated the program as a window through which we could investigate the kinds of processes that can alter patterns of inequality. Overall, we found, MANTRA has had a remarkable impact on such patterns. Along with giving all members of a village access to a much-needed service, the program has the indirect effect of empowering villagers who belong to traditionally excluded social groups. In working to understand this transformative effect, we came to focus on a process known as “scaffolding.” That process can enable an organization not only to address discrete social problems but also to alter complex social systems.

THE STUDY OF INEQUALITY

In studying Gram Vikas, we sought to analyze how purposive organizational activity can tackle inequality. This work builds on a stream of research that addresses the nature and persistence of inequality in small-scale societies. Stability in such communities derives largely from local norms and rules—from shared perceptions of what is proper and improper. Those conditions determine who is eligible to participate in political decision making, in market-based activities, and even in recreational pursuits.

Grand designs to create more-equal societies tend to focus on reducing inequality among individuals. But in small-scale societies—in the villages of rural India, for example—inequality among social groups is arguably a more pressing concern. Rural India, in fact, provides a textbook example of an unequal society. The most striking feature of inequality in that country is its visibility: The social categories of caste, class, and gender mark lines of inclusion and exclusion that are evident in how people live and in how they dress, behave, and interact with others.

The caste system, based on kinship and religion, defines the patterns of social interaction that take place within and between groups. People in that system acquire their caste at birth, and their religion fosters the belief that caste is changeable only through reincarnation. Castes exist in a hierarchical order, with Brahmins at the top and members of Scheduled Castes (also known as “untouchables” or Dalits) at the bottom. Together with Scheduled Tribes, Scheduled Castes are among the poorest groups in the country.

Class designations reflect the ownership of property, including land and the means of production. Caste and class are similar in some aspects, but they differ in others. Caste mobility is never downward, for instance, whereas class mobility may be downward. Gender, meanwhile, continues to be an important category that prescribes the exclusion of women from many aspects of social, economic, and political life.

The Indian constitution prohibits discrimination on the basis of these social categories. Yet, particularly in rural areas, those categories continue to shape local realities. There is little mobility between social groups, and the boundaries that separate one caste or class from another can seem impossible to cross. The deeply nested nature of inequality in India poses substantial challenges for purposive organizational activity. Such activity often suffers from a lack of legitimacy among both excluding and excluded groups, because people in all social groups perceive existing patterns of inequality as “normal.” Yet our study of MANTRA suggests that it is possible to transform deep patterns of inequality by means of a single development program.

THE IMPACT OF MANTRA

We found that in villages where Gram Vikas has worked with residents to implement the MANTRA program, the provision of economic, political, and social assets no longer depends exclusively on membership in a social group. Although the categories of caste, class, and gender are still in place, they have become less salient in determining patterns of interaction between social groups.

Access to economic assets | *Before* the program, higher-caste groups and other local elites largely controlled access to water and sanitation infrastructure. A low-caste woman in one village describes how higher castes restricted access to water sources: “We are Dalits. That’s why [members of higher castes] denied us water. If we went to get water, there would be a fight. They would tell us we are untouchable.” Lack of clean water and safe sanitation was a major cause of illness, and families had to take out loans to pay for treatment. Such borrowing had the effect of exacerbating economic inequality.

After the program, every household in the village—not just members of privileged groups—gained access to improved water and sanitation services. According to one study, moreover, implementation of MANTRA has resulted in a significant drop in the incidence of illness-related debt problems.³

Before the program, it was common for members of Scheduled Castes and Scheduled Tribes to mortgage pieces of land and other property to local elites in order to pay for medicine, funerals, or wedding dowries. Another common social practice—inherited from one generation to the next and perpetuating relations of dependence—was bonded labor. Women, for their part, had little or no ability to engage in economic life outside their homes.

After the program, forms of dependency such as mortgaging and bonded labor diminished in many villages. Through various



forms of enterprise, women started to generate income for their households. One woman attributes her improved financial position to the availability of running water: “We can finish our chores quickly and have more time to earn extra income.”

Before the program, a minority of boys from Scheduled Castes attended school, and very few girls from that social group were literate.

After the program, most children gained access to education, regardless of their caste or gender. Increased education in turn gave members of lower castes both a measure of independence and skills that allowed them to take advantage of economic opportunities.

Distribution of power | *Before* the program, positions of power were available only to men who belonged to a certain caste or class. A senior staff member of Gram Vikas explains how local leaders came into office: “By birth, such fellows became the leaders. And once that fellow dies, his son used to become the leader.” Despite government programs and international development schemes that aimed to bring women and members of lower castes into public office, achieving that goal proved to be extremely difficult.

After the program, the ability to take part in decision making was no longer solely a function of kinship or of gender. In a 2002 Gram Vikas report, one woman described a shift in the interaction between genders: “We never thought we could sit on the same mat as the men. But things have changed now. We no longer draw the veil over our faces, and we can talk with men as equals.”

Attribution of status | *Before* the program, those in elite groups and those in disadvantaged groups both took for granted the stigma that attached to members of lower castes. People devoted a great deal of effort to safeguarding boundaries between social groups in order to protect the “purity” of the higher castes and to confine “pollution” to members of Scheduled Castes or Scheduled Tribes. Both groups perceived this arrangement as a God-given fate. A member of the Gram Vikas founding team evokes this attitude by speaking in the voice of someone from a Scheduled Caste: “What can I do? I am born Dalit, so in this birth, I will be excluded. In this birth, this will be my fate. Maybe next birth, I’ll be different.”

After the program, patterns of status attribution shifted. One man, asked if anyone from a Scheduled Caste or a Scheduled Tribe was working with him on a construction project, replies, “I don’t know. We don’t discuss these matters anymore.” Similarly, during our fieldwork, we observed members of different castes sharing meals, working together, talking with each other at village meetings.

THE THEORY OF SCAFFOLDING

Most efforts to reduce inequality fall into one of two categories. In a program that follows a *social engineering* logic, leaders seek to achieve a predefined set of outcomes. In a program that follows a *participatory* logic, by contrast, leaders empower beneficiaries to define and pursue their own goals.

The logic of social engineering leads to programs that rely on expert knowledge to define goals, to design solutions, and to assess impact. Critics of such programs note that they typically focus on

a single dimension of inequality and pay little or no attention to the deep social patterns that reinforce unequal conditions.

The logic of participation leads to programs that call on beneficiaries to formulate program goals and to design actual programs. Evidence of whether these programs genuinely alter patterns of exclusion is mixed at best. In fact, research by development anthropologists has shown that local elites typically end up dominating such programs. In a review of water projects, for instance, a team of researchers found that community leaders had largely appropriated the benefits that accrued from those projects.⁴

MANTRA combines elements of a social engineering program (it delivers tangible assets in the form of water and sanitation facilities) with elements of a participatory program (it empowers people in rural villages to solve their own problems). Yet MANTRA differs from both of those program types. We identified “scaffolding” as the element that sets this program apart from others of its kind.

For the purposes of this article, we define “scaffolding” as a process that enables and organizes the institutionalization of a new social order through the transformation of social structures rather than their replacement. Significantly, this process relies on the deployment of temporary support structures—on the creation of scaffolding layers that participants can later remove. This use of the scaffolding metaphor for social research is not new. Cognitive scientists have applied this idea to the study of transformation processes that occur within individuals, for example, and evolutionary biologists have applied it to the study of complex adaptive systems.⁵

We identified three mechanisms that make up the scaffolding process as it applies to the transformation of social systems.

Mobilizing involves creating, unlocking, and repurposing resources that are available either to an organization or to program beneficiaries. Through this mechanism, people tap into institutional resources (social rules, norms, and beliefs), social-organizational resources (formal and informal governance structures), and economic resources (such as labor, property, and other assets).

Stabilizing involves developing new patterns of interaction that reflect an alternative social order. This mechanism also includes formal and informal enforcement practices that emerge to protect a new, shared goal. Stabilizing is critically important to any transformation project that seeks not to replace a social order, but rather to revise it from within.

And *concealing* involves hiding program objectives that some groups will neither anticipate nor desire. Concealing requires an organization to highlight an uncontested manifest goal rather than the covert goal of revising a given social order. This mechanism helps generate consensus among social groups, enables collective action, and blocks efforts by elite groups to coopt or hinder a program.

THE PHASES OF MANTRA

In our research on Gram Vikas, we observed how the MANTRA program enables fundamentally new patterns of interaction to emerge within villages marked by high levels of social division and



inequality. Broadly speaking, that process unfolds in three phases. The mechanisms of scaffolding—mobilization and stabilization, in particular—come into play throughout this process.

Creating new patterns | In the first phase, Gram Vikas takes steps to gain elite support for the program and to achieve consensus among all villagers. The organization insists that all social groups in a village actively participate in MANTRA. Even if just one household declines to commit, Gram Vikas will not launch the program. “We do not take a ‘no’ from anyone. We do not accept positions like ‘We do not want them included’ or ‘We do not want to be included,’” says a senior staff member.

When Gram Vikas approaches a village about joining MANTRA, it first establishes contact with village leaders. Initially, members of higher-caste groups resist the idea of involving Scheduled Castes and Scheduled Tribes in the program. In their view, using the same water source as lower-caste people would place their purity—and hence their superior status—at risk. A senior staff member at Gram Vikas, speaking in the voice of a higher-caste woman, explains this way of thinking: “We [will] get water by the turn of the tap, and the Scheduled Caste women also by the turn of the tap will get water. That means there is no difference between [higher- and lower-caste groups], and we are supposed to be higher, and they’re supposed to be lower.”

According to Madiath, Gram Vikas staff members present a blunt appeal to village leaders: “You want to drink Dalit shit? Now you are drinking everybody’s shit, so by not [including lower-caste people in the program], you are only drinking their waste.” Staff members go on to argue that involving 100 percent of village households will help to maintain higher-caste purity: “Even if 99 percent is there, but one family shits all over the place, that family can pollute the water [and] everything of the village.” To reinforce that message, staff members sometimes organize tours in which they visit open defecation spots alongside local leaders and demonstrate how feces flow into the water that all villagers use for drinking and washing.

Over time, this argument sways village leaders, and they agree to include all social groups in MANTRA. They then use their power to influence other villagers to join the program. Once a village-wide consensus takes shape, Gram Vikas requires the village to enter a formal contract that obligates each household to follow a set of rules requiring that the funding and construction of water and sanitation infrastructure must be a collective effort. This contract serves as a stabilizing force for the program.

In sum, Gram Vikas co-opts institutional resources (including local power structures, along with norms and beliefs about purity and pollution) to turn MANTRA into a way to alter patterns of interaction. Members of higher-caste groups come to view the 100 percent participation rule as a necessary means of protecting their own purity, and members of lower-caste groups join the program partly in response to pressure from local elites. Established hierarchies, in other words, end up working in favor of program implementation—and in favor of revising the local social order.

Formalizing new patterns | In the second phase, Gram Vikas works with people in a village to establish governance structures that meet the terms of the MANTRA contract. The need to include all social groups in those structures poses challenges for the program. In most rural villages, for example, the exclusion of women from public meetings is a deeply rooted norm. A member of the Gram Vikas founding team quotes one woman as saying: “All the centuries, our men decided everything, so why should we decide anything?” In our fieldwork, we saw that even when women do join a meeting, they often adhere to traditional forms of interaction: Men and women, for instance, typically will not sit together in such settings.

To facilitate a long-term change in gender relations, Gram Vikas follows a strategy that starts with adhering to local norms and hierarchies. First, staff members approach women within the confines of their homes and invite them to discuss gender-appropriate topics, such as maternal and child health. Then, as women gain confidence in that sphere, Gram Vikas encourages them to meet publicly in Self-Help Groups. These groups offer a space where women can discuss contested issues, such as alcoholism and domestic violence. Next, Gram Vikas works with women to create a Village Body, a committee that gives them an official platform to discuss village-wide issues. This body includes the female heads of all households in a village, regardless of their caste or class.

In parallel with the women’s Village Body, Gram Vikas forms a Village Body that includes the male heads of all households. This committee focuses on implementing the water and sanitation project. Gram Vikas actively moderates the meetings of this body, nudging members of lower castes to voice their concerns and prompting higher-caste men to listen to those concerns. Men on the committee, inspired by the prospect of obtaining access to water and sanitation facilities, willingly comply with this requirement.

Once the two gender-segregated committees have developed routines for meeting and decision making, Gram Vikas requires these groups to merge into a single committee called the Village General Body. That body then elects a Village Executive Committee, a group that includes four women and four men. This committee (which Gram Vikas registers as a legal entity under the Indian Societies Registration Act) assumes decision-making power over all matters related to water and sanitation, and it takes responsibility for enforcing MANTRA program rules. The Village Executive Committee also interacts with government agencies and other outside organizations.

Together, these structures allow villagers to build practices that foster interaction between members of different castes, classes, and genders. Patterns of behavior start to change, and ways of navigating inter-group boundaries begin to change as well. Before the program, for instance, each time a higher-caste woman interacted with a Scheduled Caste member, she would need to undergo a purification ritual that involved bathing. After program implementation, making a simple apparel choice was enough to prevent pollution from contact with people from lower castes.



To enforce program rules and to help stabilize the emerging social order, villagers rely on both formal and informal mechanisms. In many cases, the Village Executive Committee establishes sanctions that lie outside the formal program contract, such as public shaming or denial of access to water. Women, in fact, assume a central role in policing the implementation of MANTRA. In one village that we visited, the tendency of some men to spend money on alcohol had exhausted the resources of their families and was hindering efforts to raise funds for the program. The women in this village decided to take action: They expelled a liquor vendor from the village and called a meeting to declare a prohibition on the sale and consumption of alcohol.

Building on new patterns | In the third phase, Gram Vikas collaborates with villagers to construct new water and sanitation infrastructure. As new patterns of interaction between social groups begin to take hold, the organization initiates the mobilization of resources to build a system of piped water and in-home sanitation facilities.

The Village Executive Committee organizes a corpus fund that every household must contribute to. (In addition, Gram Vikas helps the Village Executive Committee to access other resources, such as subsidies that are available through state-level development programs.) Members of higher-caste groups are particularly eager to gain access to the new infrastructure in order to avoid pollution from lower-caste people. To prevent delays, therefore, elite families frequently offer to cover the corpus fund contributions of poor families.

The mobilization of resources is a collaborative effort between village households and Gram Vikas. Households raise the corpus fund; Gram Vikas then provides top-up funding. Gram Vikas delivers masonry training; households provide labor to build brickwork for the new infrastructure. And so on. In each village, the MANTRA program officially ends with the completion of water and sanitation infrastructure that serves all households. It culminates in the construction of a water tank. The tank is visible from all parts of the village, and it symbolizes the villagers' collective effort.

Various mechanisms enable the new social order to persist after Gram Vikas winds down its direct engagement with a village. The interest earned from the corpus fund replaces the subsidies provided by Gram Vikas and ensures the long-term sustainability of the water and sanitation infrastructure. Governance structures created under MANTRA remain in place, and as a result villages continue to follow the 100 percent inclusion rule even after they achieve the goal of access to water and sanitation. Newly formed households and families that move to a village automatically join the local Village General Body. Although new households must build their own water and sanitation infrastructure, they can draw on the corpus fund to help finance that effort.

MANTRA also leaves villagers with an increased capacity for pursuing economic opportunity. Through the program, they develop skills and resources that empower them to engage in entrepreneurship. In many cases, the Village Executive Committee

is able to access government funding to build local infrastructure projects, ranging from schools to fishponds.

THE (HIDDEN) BENEFITS OF SCAFFOLDING

In our work on scaffolding, we draw inspiration from earlier studies that focus on revealing the hidden forces within a social system.⁶ The scholars who undertook those studies emphasized the adverse effects that such forces often bring to otherwise worthy efforts. This tendency is common in social and economic development programs that target specific dimensions of inequality. Such programs seek to decrease the number of households below the poverty line by fostering entrepreneurship, or increase the number of children who attend school by building new schools. In many cases, these efforts do enable marginalized groups to access new opportunities. Too often, however, the impact is temporary or reversible. Members of elite groups, for instance, might simply refuse to respect new rules or to support newly created institutions. Or, as research on microfinance initiatives has shown, husbands might appropriate the assets that women gain from taking part in a program.⁷

The process of scaffolding reverses that dynamic: Through a well-designed program, an organization can marshal hidden social forces to achieve a positive effect. Scaffolding allows the organizations to pursue a manifest goal (such as access to clean water) and concurrently to pursue a concealed goal (such as the transformation of entrenched patterns of inequality). In the absence of scaffolding, members of certain groups would resist and potentially compromise the emergence of an alternative social order. In the case of MANTRA, Gram Vikas is able to obscure the fact that its goals involve not just new water and sanitation infrastructure, but also new structures of power.

Scaffolding, in short, has the potential to transform the conditions of social, political, and economic life in an enduring way. Unlike efforts that directly challenge or replace an existing social order, scaffolding supports a gradual and largely covert process of shifting the patterns of interaction that undergird that social order. ■

NOTES

- 1 Esther Duflo, Michael Greenstone, Raymond Guiteras, and Thomas Clasen, "Toilets Can Work: Short and Medium Run Health Impacts of Addressing Complementaries and Externalities in Water and Sanitation," NBER (National Bureau of Economic Research) Working Paper 21521.
- 2 Johanna Mair, Miriam Wolf, and Christian Seelos, "Scaffolding: A Process of Transforming Patterns of Inequality in Small-Scale Societies," *Academy of Management Journal*, 59, pp. 2021-2044.
- 3 Duflo et al., "Toilets Can Work."
- 4 Travis Katz and Jennifer J. Sara, "Making Rural Water Supply Sustainable: Recommendations From a Global Study," World Bank, 1997.
- 5 Lev Semenovich Vygotsky, *Thought and Language*, Cambridge, MA: MIT Press, 1962; and Eric H. Davidson and Douglas H. Erwin, "Gene Regulatory Networks and the Evolution of Animal Body Plans," *Science*, February 2006, pp. 796-800.
- 6 Philip Selznick, *TVA and the Grass Roots: A Study in the Sociology of Formal Organization*, Berkeley, CA: University of California Press, 1949; and Alvin W. Gouldner, *Patterns of Industrial Bureaucracy*, New York: Free Press, 1954.
- 7 Anne Marie Goetz and Rina Sen Gupta, "Who Takes the Credit? Gender, Power, and Control Over Loan Use in Rural Credit Programmes in Bangladesh," *World Development*, January 1996, pp. 45-63.



The Many Faces of Learning

One of India's biggest assets is its young people. According to the United Nations, India has the most youth of any country, boasting an estimated 356 million people between the ages of 10 and 24. China is a distant second with 269 million. But one of India's biggest (and most important)

challenges is educating all of those young people. One of the reasons is India's incredible religious, ethnic, class, and social diversity. In the pages that follow are photographs of schools for Muslims, Dalits, Buddhists, refugees, and others, showing just how diverse India's educational institutions are.



✿
In Delhi, children of Dalit (India's lowest caste) quarry workers attend school outside by lantern light.

Boys study Islam at an orphanage in the village of Napa, in the western state of Gujarat.

✿

✿
Students wait for their parents at a Kolkata high school run by the Methodist Church in India.



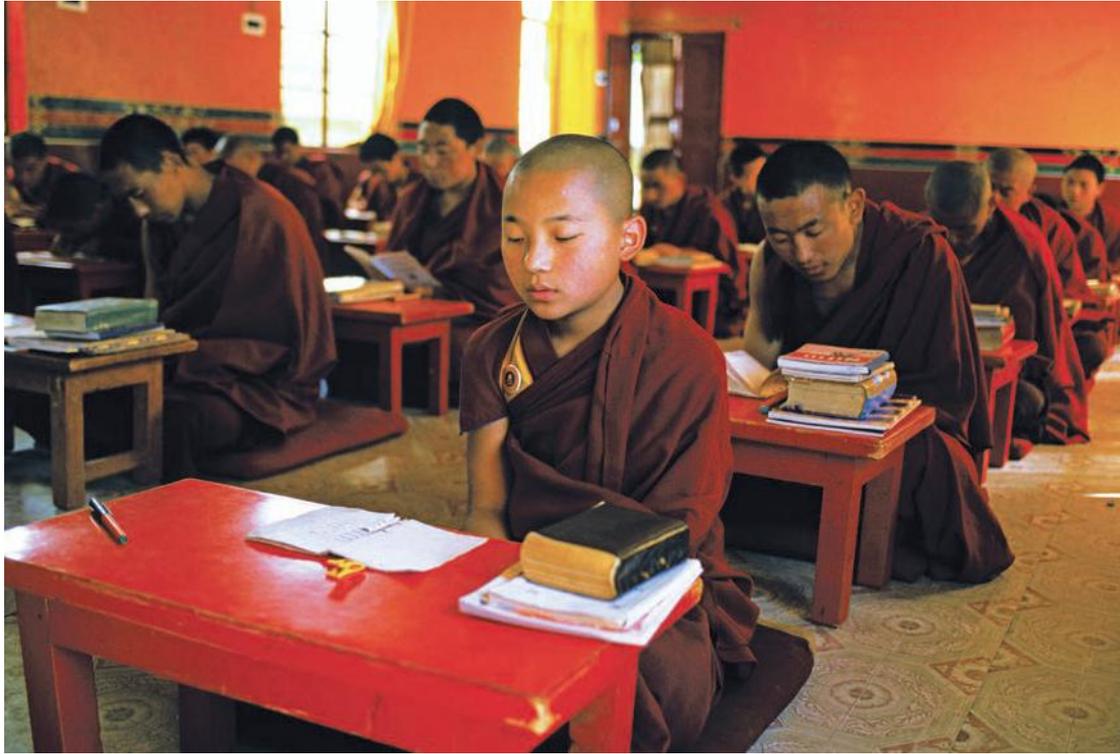


Tibetan refugee children play outside school in Dharmsala, a city in the Himalayan foothills.



A young boy from Jaipur, the capital of Rajasthan state, studies atop a wooden cart.





Tibetan Buddhist monks study at Kirti Monastery in Dharmsala, home to the Dalai Lama.



Young women study at one of the Loreto schools operated by the Roman Catholic Church in Kolkata.



Photographs by Alison Wright/National Geographic Creative (top), Steve Raymer/National Geographic Creative (bottom)

Cutting Costs to Increase Impact

FOCUSING ON REDUCING COSTS CAN BE THE KEY TO UNLOCKING RESULTS AT GREATER SCALE. NONPROFITS IN INDIA AND THE UNITED STATES PROVIDE IMPORTANT LESSONS FOR NGOS AROUND THE WORLD ON JUST HOW TO DO THAT.

✿ BY LESLIE MACKRELL, ANDREW BELTON, MARK GOTTFREDSON, & JAKE FISHER

Akshaya Patra and College Summit, nonprofits operating on different continents half a world apart, at first glance appear to have almost nothing in common. Akshaya Patra is an India-based organization that provides lunchtime meals for 1.6 million students, while College Summit is a US-based organization that helps thousands of low-income high school students prepare for college and a career. One operates a massive network of kitchens and delivery trucks; the other uses peer influence and organizing techniques supported by trained educators and coaches.

Despite their radically different contexts and missions, Akshaya Patra and College Summit share an essential trait: Both put cost at the center of their plans to achieve impact at a large scale.

For Akshaya Patra, a focus from the start on designing a low-cost model means that each additional meal it serves costs only pennies, even as it prepares higher-quality meals than those its peers can offer. In College Summit's case, a recent product redesign achieved dramatically lower costs per school served, meaning that College Summit can work with 600 percent more schools in the coming years for only a 60 percent increase in the organization's budget. For both organizations, cost is a lever rather than a barrier because having lower costs per unit presents the opportunity for greater scale.

The link between cost and scale isn't news to the private sector. For decades, leading

businesses have validated the advantages of being a low-cost player and reducing costs over time. Bain & Company research on more than 70 industries, both product- and service-related, has found that costs decline reliably by 20 to 30 percent each time an industry's accumulated experience at delivering that product or service doubles.¹ In light of this predictable cost curve, it's no surprise that in a 2012 survey of industry-leading companies, more than 40 percent said their key competitive advantage was their ability to keep costs low.²

It makes sense to find strategic advantages by being lower cost in a competitive market, but can similar benefits accrue to social sector organizations? We believe the answer is "Yes." Akshaya Patra and College Summit are not anomalies. We have seen other organizations:

- Access new revenue:** The Diabetes Prevention Program (DPP), developed by the US National Institutes of Health, demonstrated for the first time that lifestyle changes can outperform medications in preventing type 2 diabetes. The problem was that the DPP's one-on-one clinical model was too expensive for widespread use. Then the YMCA of the USA adapted the program so that trained Y employees could deliver it to groups, cutting the DPP's cost to serve by 75 percent and simultaneously making it easier for DPP content to reach many more people. Evidence that this adaptation worked persuaded insurers to reimburse the cost of the program, opening the door for widespread use.³

ANDREW BELTON is a partner and head of The Bridgespan Group's New York City office, where **LESLIE MACKRELL** is a manager and **JAKE FISHER** is a consultant. **MARK GOTTFREDSON** is partner in the Dallas office of Bain & Company, where he leads Bain's Complexity Management and Performance Improvement Diagnostic areas.

The authors would like to thank The Bridgespan Group's editorial director, Roger Thompson, and senior adviser, Nan Stone, for their editorial support of this article.



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA

केन्द्रीय सरकार द्वारा प्रत्याभूत
GUARANTEED BY THE CENTRAL GOVERNMENT

500

पाँच सौ रुपये

मैं वादा करे
पीछ हरी रुपये
भरत करने पर
बचत देता हूँ।

I PROMISE TO
PAY THE BEARER
THE SUM OF FIVE
HUNDRED RUPEES

5 जुलाई 2014

GOVERNOR

5FV 19



● **Expand their service footprint dramatically:** The Financial Clinic builds the financial security of working poor families by enabling social service providers (staff at domestic violence shelters, for example) to deliver financial coaching to their clients. However, over time, The Financial Clinic could not meet a growing demand because of the time and expense of training providers. To address that challenge, it developed the Change Machine, an online training platform. As a result, the number of practitioners prepared to coach clients has increased fivefold over an equivalent prior period when The Financial Clinic was still training its practitioners face-to-face, and growth continues to accelerate.

● **Reduce resource hurdles to growth:** India's Educate Girls uses a community-powered approach to enroll and support girls in school. Basing its operating model on trained volunteers means that startup costs in a new location are lower than would be the case with a fully paid-staff model. An added benefit is that this local expertise increases the model's local relevance.

Despite these advantages, thinking about cost as a lever for scaling impact is not yet standard in the social sector. In The Bridgespan Group's 2015 Nonprofit Management Tools and Trends Report, cost analysis tools ranked 14th of 25. And, at a recent gathering of nonprofit leaders on this topic, when asked about the cost of their organization's key initiatives, most reported that costs had gone up rather than gone down or stayed the same. It appears that the landscape hasn't changed much since 2012 when Matt Bannick and Eric Hallstein from the Omidyar Network noted in *Stanford Social Innovation Review*: "In general, we find that despite its potential value for driving financially sustainable growth, few nonprofits focus on reducing cost-to-serve."⁴

If our impact goal as a sector is to broaden beyond "what works" to "what works and is scalable," then we must develop solutions that achieve outcomes *and* have innovative low-cost structures. We believe the time is right for social sector leaders who aspire to scale to consider cost as a critical lever. To that end, we propose a simple framework for spotting and testing opportunities across the service design and delivery chain to reduce cost, as well as examples of organizations that have done so. We hope to encourage readers to consider what opportunities for scaling their own work might be unlocked through a focus on designing for low cost or lowering current costs.

COST AS A LEVER: WHAT IT IS, AND ISN'T

"Cost" may be a cringe-worthy term for some in the social sector, conjuring visions of squeezing already tight budgets and struggling with starved overhead. For organizations with razor-thin operating margins, we understand what it feels like to wish to grow but not see where the resources will come from. Although it may seem that the only way to grow is to stretch staff even further or skim

dollars from current programs, these are not the cost reduction measures we are talking about.

We are proposing that cost be looked at not as something *done to* an organization but rather as a lever *within the control of* a provider. Cost can be designed and managed through decisions about the target problem and expected outcome, target scale, service design, and delivery method. It means significant adjustments to the service design that fundamentally make it less expensive to deliver, and therefore enable expansion in a sustainable way.

Because cost reduction should be in service of increasing impact, we recommend thinking about cost on a per-unit-served or, ideally, a per-outcome basis. In other words, nonprofits should aim to minimize the cost of achieving each additional unit of impact. This approach makes it more feasible to fund more units of impact through the same or new revenue streams.

Some organizations, such as Akshaya Patra and Educate Girls, launch in environments where there is little philanthropic infrastructure and limited government contributions to fund promising interventions. In these settings, any intervention must be intentionally and dramatically low cost right from the start if it is to be successful and sustainable—high-cost models simply won't get off the ground.

Far more typical in the United States, however, are organizations such as College Summit. It, like many nonprofits, operates in a context where a more developed social infrastructure and robust philanthropic sector can encourage what Desh Deshpande—entrepreneur, social innovator, and major supporter of Akshaya Patra—calls "gold polished" social programs. "You may need to bring change to 14 million children, and then you come up with an after-school program for 1,000 to 2,000 kids, and you feel very good about it," explains Deshpande. "The fact is: you're serving 2,000 children, but your solution is so expensive and so involved that you have no chance of actually expanding it to 14 million children." For these organizations, the challenge is to manage a dramatic reengineering to the cost structure of a service or product in order to make it more affordable and scalable.

TAKING THE FIRST STEP: CLARIFYING THE MOST IMPORTANT OUTCOME

The first step to reducing cost in a way that increases your organization's ability to achieve its mission is to get very clear answers to three questions: What is the specific outcome your service or product exists to deliver? To whom? And how do you know when you have been successful?

For many organizations, answering these questions is difficult because their offerings over time have become diverse and complex, motivated by genuine beneficiary need, funder encouragement, or a desire to expand. However, it's worth engaging in this exercise because the data show that complexity is costly in myriad obvious and hidden ways throughout an organization. Research on the impact of simplification found that the least complex private sector companies



grew on average 30 to 50 percent faster than peers.⁵ Prioritizing your most important outcome guards against features, services, or mission creep that can add cost without significantly improving impact and ultimately add up to an intervention that is too costly to scale.

How can you determine your most important outcome? One way is by reviewing data (internal and external). Another is by asking your customers or beneficiaries. Both of these approaches will help you take a fresh look at the challenge you are in business to address and the specific contribution you're best positioned to make.

Reviewing data | According to internal data, what outcome is your organization currently achieving? If you have multiple outcomes, what do you achieve most, and most reliably? What

True cost innovation is about achieving impact at a cost low enough to expand in a sustainable way. How low must costs go? There's no magic dollar amount, nor should there be, given wide variation in program design, intensity, and context.

outcomes do external data indicate are most predictive of sustainable change in your field?

Asking customers and beneficiaries | Why do people use your service or product? When you ask them what tangible or reliable value they have received from your efforts, what do they say? If there are fees or payments involved, what are people willing to pay for? College Summit's leaders were motivated to refine its outcomes and service model by the realization that "business as usual" was never going to achieve its ambition to close the gap between the percentage of low-income students in the United States who aspire to attend college and the percentage that actually enroll and persist. Product-feature proliferation and high customization on the ground had, over time, increased the cost of the organization's school-based product and made its programs challenging to manage consistently. In addition, since College Summit's launch 20 years earlier, the college-access landscape had changed significantly so that elements of its work were no longer unique.

To break through the scale barrier, College Summit leaders began by reviewing the organization's prior evaluations and academic research, and commissioned a national survey of school administrators. They also established a small pilot program to test what it believed to be its most essential outcomes and the most important programmatic drivers of those outcomes. They sought to elevate the subset of outcomes most strongly correlated to student success and linked to College Summit's demonstrated competencies, the strongest and most unique of which was the ability to develop and direct peer influence.

Three discrete student milestones fit the bill as College Summit's most important outcomes: early submission of federal student aid forms, applications to multiple colleges, and completion of a

career plan that specifically links desired profession to educational and other experiences required. As a result, College Summit is now laser-focused on achieving these measures via peer influence and is no longer focusing on other areas, such as measuring how effectively optional College Summit curricula are being used.

ESTIMATE LIKELY FUNDING AVAILABLE AT SCALE

True cost innovation is about achieving impact at a cost low enough to expand in a sustainable way. How low must costs go? There's no magic dollar amount, nor should there be, given wide variation in program design, intensity, and context. What you seek is not necessarily an extremely low cost, but rather a context-appropriate cost that explicitly links an impact model to a funding model. This means getting unit costs in the ballpark of what would be reasonable to expect likely funding sources to cover at your target scale.

In Akshaya Patra's case, the government provided \$15 annually per student to fund school lunches. Akshaya Patra didn't believe that quality, nutritious, hot meals could be delivered for this amount. But it wanted to stay close to the \$15 government contribution to limit the need for philanthropic subsidy and minimize cost as a barrier to scale. It settled on \$30 per year per student after determining that it was feasible to raise \$15 per student from philanthropy.

College Summit also considered "funding available at target scale" when it aspired to develop a product that could reach at least 1,000 high schools, a meaningful percentage of high-need schools in the United States. That meant holding the line on its philanthropy fund-raising and figuring out what schools could afford. Through market research, College Summit learned that few schools could afford more than \$15,000 a year. So College Summit set out to build a product it could deliver at the desired cost given this blend of revenue sources.

FIT COST PER OUTCOME TO TARGET SCALE

Given the urgency of scalable solutions in every corner of the social sector, it seems reasonable to start the process of developing a program or service by establishing a target outcome and a target cost per unit of outcome. But then comes the challenge of developing an intervention that balances cost with successful outcomes. There's no cookie-cutter approach. But experience in the private sector and by social innovators shows that cost-innovation opportunities can be found in one or more of four key stages of bringing a product or service to market: design, sourcing, production, and delivery.

Design | Starting with design is often the most powerful approach because simplifying or dramatically re-envisioning the core



design of what you produce or deliver can reduce cost throughout the chain in one swift action.

Designing a cost-conscious product or service is about evaluating a unit of output (e.g., the service or product provided to one client or customer) and stripping that product or service down to the most streamlined, least-customized version of itself that still achieves your most important outcome. Examples of such simplification could include reducing the complexity and variability of a service; shortening an intervention's timeline or intensity; and eliminating bells, whistles, and nice-to-haves.

Simplification requires making decisions about the scope of the service that an organization intends to offer, decisions that are informed by ambition and values in addition to cost. For College Summit, shedding multiple product features that were less essential to achieving its newly prioritized outcomes (including an online student tracking database, printed classroom curricula, and in-classroom supports) meant having some hard conversations with staff, the board, and long-term customers to home in on the necessary trade-offs.

Cost innovation can also take place at the design stage if organizations dramatically re-envision the service model. It took The Financial Clinic four years to convert the knowledge and best practices it had previously captured in a static, three-ring training binder into the Change Machine online platform. But the subscription-based service now equips front-line practitioners with all they need to deliver high-quality financial coaching to their clients, and it has removed the barriers to scale while bringing the incremental cost of training new practitioners nearly to zero.

Sourcing | The opportunity at this stage is to reduce the cost of sourcing inputs such as labor and materials, and infrastructure such as rent. Doing so may mean renegotiating vendor contracts (or switching vendors), adjusting material specifications, and taking advantage of partner resources and underutilized assets.

The experience of Year Up, a US-based nonprofit that helps low-income young adults escape poverty and pursue a professional career, provides a good example. In pursuit of lower costs and greater scale, the organization piloted a new version of its model that takes advantage of partnerships with large community colleges to access space and faculty expertise to train students in various fields. In doing so, Year Up has been able to reduce the cost of space and staff while still maintaining full control over the pieces of the model where Year Up's distinctive value manifests itself: the coordination of professional development for young people who are out of school and unemployed, and the ability to build demand among companies to train and hire them.

Aravind Eye Care System also cut the cost of resources, to great effect. Aravind is an Indian network of hospitals, clinics,

and supporting facilities that collectively perform more than 300,000 eye surgeries annually to combat preventable blindness.⁶ As the organization expanded in the early 1980s, the high cost of intraocular lenses that restored cataract patients' vision jeopardized its mission of providing free care for the poor. At the time, lenses cost \$100 each, and manufacturers balked at dropping the prices below \$70. So Aravind opted to go into the manufacturing business, swapping its "buy" strategy of purchasing lenses to a "make" strategy of producing its own. In 1992, it set up Aurolab, which now makes lenses for \$2 apiece. Today, Aurolab is a major global supplier of lenses and has driven down the price across the market.⁷

Production | A third opportunity along the value chain is to pursue production efficiencies. These can be thought of as anything related to the creation of outputs from inputs. Decisions here

Increasingly, nonprofits, NGOs, and their funders are looking to build not just programs that work, but programs that work and scale. Focusing on redesigns for lower cost per outcome may hold the key to unlocking these scaling opportunities.



should complement an organization's design and sourcing efforts to hold costs in check, and are often focused on opportunities to save time and reduce waste.

When College Summit restructured its product, it also introduced new specialization into the staffing model in order to achieve operational efficiencies. Splitting the previously combined functions of program execution (production) and delivery (sales) allows each staff member to optimize for a more coherent set of objectives, ensure that neither function is de-prioritized or delayed, and enable expertise and efficiencies to be developed through repetition.

Akshaya Patra's low-cost model relies on its production approach, which translates best-in-class supply chain management to the social sector. It uses centralized, high-efficiency kitchens that uniformly produce higher-quality meals than those cooked at the multiple smaller kitchens that were formerly the field standard.

Delivery | Last but not least: How does your service identify and reach beneficiaries? Cost innovations focused on delivery sometimes include forging a formal partnership with an organization or a platform that (at least in part) shares your target constituency. Bridgespan has written about the potential of networked organizations such as the YMCA of the USA or the Boys & Girls Clubs as delivery mechanisms.⁸ Similarly, the online platform developed by The Financial Clinic is now being used by other organizations to share relevant content with practitioners on the platform.

Akshaya Patra is currently exploring partnerships with other providers that could adopt its methodology to deliver high-quality, cost-effective meals. If successful, the organization could



use its technical expertise in efficient production and delivery to raise the quality and lower the cost of meals provided by others, accelerating the spread of its most important outcome—a quality, hot midday meal.

TEST, REFINE, AND PERSEVERE

After identifying and executing adjustments to lower cost, it is a good idea to closely monitor early implementation to ensure that the assumptions you have made about impact and cost hold true. Are the elements you prioritized in fact producing the expected results (or at least leading indicators of results)? Does implementation confirm the assumptions you've made about cost? And, importantly, is the full model, when accounting for overhead and other costs, on track to hit the total cost target that your expected funding model will cover?

You may find that the decisions you have made at one or more of the above stages either are not achieving the expected results or are still too expensive to scale. If so, continue to explore alternatives until you have reached a model that is delivering valuable results and also is scalable from a cost perspective.

CONSIDERATIONS FOR NGOS AND FUNDERS

For both social sector providers and funders, the promise of impact at greater scale is exciting. However, significant redesigns to lower cost require thoughtfulness and flexibility from both parties.

For nonprofit providers, a general lack of quality cost benchmark data and sector-wide performance metrics means that determining appropriate cost targets takes legwork. Differences in desired performance outcomes, which could vary greatly depending on the type of nonprofit, also make benchmarking less directly relevant than historical internal experience and prototyping.

And even if a nonprofit is able to establish a cost target baseline, it may not have the necessary, flexible capital to invest in innovations. In the Nonprofit Finance Fund's 2015 survey, 53 percent of nonprofits reported that they had three months or less of cash on hand, and only 6 percent of respondents said that they could "have an open dialogue with funders about flexible capital for organization change/growth."⁹ Funding difficulties aside, nonprofits may not have the internal expertise valuable in leading a cost reengineering process.

From the funder's side, otherwise-innocuous practices may unwittingly discourage grantee cost innovation and low-cost discipline. Consider:

- An emphasis on supporting proven programs (e.g., funding what works and evidence-based clearinghouses) may cause nonprofits to shy away from options for reducing cost that involve service adaptation.
- Funding that consistently favors comprehensive services may discourage prioritizing select outcomes and simplifying service design.

- Funders that consistently seek new, exciting program elements or opportunities may limit an organization's ability to be disciplined enough to maintain low-cost designs and to accumulate process efficiencies.

It's understandable that cost per outcome has not been a widely used criterion for receiving support from philanthropy; funders naturally must assess philanthropic investments on multiple criteria, only some of which may be scalability driven. Other important criteria include mission fit, relationships, outcome quality, and geographic focus. Additionally, introducing an evaluative measure such as cost per outcome is not straightforward, because of the variation in definition of outcome among NGOs. Nonetheless, because funding is not explicitly tied to lowering unit costs, there is limited financial incentive to do so.

How can funders help grantees move past "If it ain't broke, don't fix it"? They can express openness to conversations about cost innovation and signal understanding that achieving greater scale of impact via lower costs will likely require programmatic changes and tough decisions.

Funders can also underwrite cost-conscious redesign processes and transitions so that a nonprofit can do the following: allocate internal expertise to developing and testing lower-cost adaptations while the historical model is still being delivered; enlist technical or other assistance for model redesign; make specific investments, such as technology upgrades, needed for the transition; and show confidence by providing current levels of funding for a period of years to ensure a strong foundation through the transition.

The social sector in recent years has focused on effectiveness to ensure that programs and services are working as intended and achieving the highest possible impact for beneficiaries. Increasingly, nonprofits, NGOs, and their funders are looking to build not just programs that work, but programs that work *and* scale. For leaders eager to move in this direction, focusing on redesigns for lower cost per outcome may hold the key to unlocking these scaling opportunities. There's never been a better time for cost redesign to figure in conversations about opportunities for scale. ■

NOTES

- 1 Mark Gottfredson and Steve Schaubert, *The Breakthrough Imperative: How the Best Managers Get Outstanding Results*, New York: HarperCollins, 2008.
- 2 Peter Guarraia and Hernan Saenz, "Delivering Savings That Stick," *The Wall Street Journal*, May 3, 2012.
- 3 Taz Hussein and Michaela Kerrissey, "Using National Networks to Tackle Chronic Disease," *Stanford Social Innovation Review*, Winter 2013.
- 4 Matt Bannick and Eric Hallstein, "Learning from Silicon Valley," *Stanford Social Innovation Review*, Summer 2012.
- 5 Gottfredson and Schaubert, *The Breakthrough Imperative*.
- 6 Christian Seelos and Johanna Mair, "Innovation Is Not the Holy Grail," *Stanford Social Innovation Review*, Fall 2012.
- 7 Tina Rosenberg, "A Hospital Network with a Vision," *The New York Times*, January 16, 2013.
- 8 Hussein and Kerrissey, "Using National Networks to Tackle Chronic Disease."
- 9 Nonprofit Finance Fund, 2015 State of the Nonprofit Sector Survey.

A New Approach to Gender-Lens Grantmaking

INDIA PROVIDES PARTICULARLY FERTILE GROUND FOR THE GENDER-LENS MOVEMENT, WHICH IS BEGINNING TO FUND CULTURALLY TAILORED EFFORTS TO TRANSFORM UNDERLYING BELIEFS THAT SYSTEMATICALLY DISEMPOWER FEMALES.

✿ *By Emily Nielsen Jones, Musimbi Kanyoro, & Neera Nundy*

Philanthropists and for-profit investors are increasingly using a gender lens to screen opportunities for funding social change as awareness of the need continues to grow. Funders now take it for granted that empowering women is a linchpin of global advancement. Yet report cards marking the 20th anniversary of the passage of the landmark Beijing Declaration and Platform for Action in 1995—a blueprint created by 189 governments for advancing women’s rights in 12 areas—show that progress toward gender equality has been painfully slow.

The most shocking indicator revealed that global rates of gender-based violence—which the World Health Organization estimates affects about one in three women—have remained unchanged over the past 20 years despite billions of dollars in private and public investment to combat it. Gender-based violence is just one indicator, but it is both a proxy for stalled progress on multiple fronts and testimony to one of the most stubborn obstacles to bettering women’s lives: the persistence of both conscious and subconscious beliefs and norms that sanction an imbalance of power between men and women and foster conditions that inflame violence.

It is harder to change what happens behind the closed doors of huts and homes than it is to help a woman open a savings account or apply for a microfinance loan. This suggests that funders must begin looking beyond efforts at redress, mitigation, or even women’s empowerment—though these are still sorely needed—to more directly fund efforts to reexamine and transform the underlying norms and beliefs that disempower females.

NORMS AND BELIEFS—THE ELEPHANT IN THE ROOM
Despite variety across cultures, social norms and beliefs that justify the subjugation of women and girls are remarkably similar across

the globe. A 2001-2007 UNICEF survey of household attitudes toward domestic violence in 67 countries found that roughly half of female respondents believed that violence is justified to enforce a husband’s “authority” in the household. In India, 47 percent of the women surveyed expressed such a belief. Among boys and men in India, 42 percent consider a husband to be justified in hitting or beating his wife for, among other things, burning the food, arguing with him, or going out without telling him.¹

How can empowerment programs help someone whose culture and religion deny her the right or even the basic human capacity to participate equally in her family, her community, and other aspects of society? This is the “elephant in the room” that philanthropists must address to improve the world’s truly dismal record on gender-based violence, discrimination, and disempowerment.

Taking on the elephant in the room does not simply mean providing the same programs and opportunities for women and men—gender neutrality. Rather, gender equity is about creating transformative opportunities targeted at the specific, and sometimes different, needs of men and women. This approach requires changing norms and beliefs by supporting grassroots change agents working toward equity from within their own cultural and religious contexts.

EMILY NIELSEN JONES is cofounder and president of the Imago Dei Fund, which promotes human equality, justice, and peace around the world. She is also a member of Women Moving Millions, the Women’s Donor Network, Big Bang Philanthropy, and the New England International Donors.

MUSIMBI KANYORO is president and CEO of the Global Fund for Women, a publicly supported grantmaking foundation that advances human rights by investing in women-led organizations.

NEERA NUNDY is a co-founder of Dasra, a strategic philanthropy foundation in India. As co-founder and partner at Dasra, Nundy leads collaborative action for adolescent girls, urban sanitation, and democracy and governance. She is also an Aspen Fellow and has an MBA from Harvard Business School.





BRINGING MEN INTO THE GENDER LENS

As difficult as this task is, more and more philanthropists and NGOs are trying to find culturally appropriate, transformative ways to address the gender-based beliefs and social norms that are undermining humanitarian progress. Some global development organizations, like Tostan, Beyond Borders, and World Vision International, are finding paths to change these harmful gender norms. Importantly, their work includes reaching out to men as well as women to identify and foster solutions.

World Vision's Channels of Hope for Gender program, for example, explores gender identities, norms, and values from a faith perspective in countries around the globe. The program challenges faith leaders to acknowledge and act upon gender injustices in their communities. One man newly participating in Channels of Hope asked: "But if I love my wife and my children, isn't it my role to discipline them?" He was participating in an open-minded conversation that constitutes the first step of the program, designed to create a safe space for men and women to open their minds and hearts to how they treat each other.

Meanwhile, a participant in Beyond Borders' Rethinking Power program in Haiti says that as a result of community-based dialogue around gender roles and norms, he no longer sees men publicly hitting their wives in his community, and that people have started to intervene when they hear things that sound like domestic violence behind closed doors.

As these examples show, applying a gender lens to grantmaking means taking the needs of women and men into account. Think of a gender lens as putting on spectacles. Out of one lens you see the participation, needs, and realities of women. Out of the other lens, you see the participation, needs, and realities of men. Your vision is optimum only when it combines the two. "If we don't start to work with men, we might still be here in another 25 years," says Will Muir, cofounder and director of the India-based Equal Community Foundation.

A recent white paper on gender equality in India, *Ladies and Gentle Men*, concurs, noting that if gender norms are at the root of unequal treatment of women, then men—who in most traditional societies are the gatekeepers of these norms—must be enlisted as role models of change and advocates of gender equality.² This means that men (and boys) must be approached as partners rather than as perpetrators, an approach that has the advantage not only of being strategically smart but also of recognizing the ways in which men as well as women are prevented from realizing their full human and social potential by the strictures of patriarchal cultures.

TAKING ON THE NORMS

How exactly can funders go about addressing the norms and beliefs that are the root causes of gender-based violence, discrimination, and oppression in so many places in the world? The first step is to be clear about what a strategy that aims to change norms and beliefs actually entails.

Consider a hypothetical example described in *Insight: Why Grant-Making in India Needs a Gender Lens*, a paper published by Dasra, an Indian strategic philanthropy foundation.³ A funder decides to pay for the renovation of a secondary school building in India to help restart a defunct coeducation program in a region where student attendance is low. The renovation transforms what had been a typically dreary and uninviting government school building into a well-built and colorful structure with a playground and well-lit classrooms filled with pictures, maps, and books. As a result, overall student attendance increases. Yet the attendance data show that far fewer girls than boys are attending. A gender-lens analysis of school attendance reveals several reasons for this disparity:

- A majority of the girls in the target region perform household chores in the morning, which makes the school hours of 8 a.m. to 1 p.m. unsuitable for them.
- The absence of a separate toilet for girls (with access to sanitary materials) in the school building makes it challenging for menstruating girls to manage their periods, forcing them to remain absent for some part of each month.
- Lack of a safe mode of transportation to and from the school makes families hesitant to send girls there.

While the gender bias inherent in the renovation program is obvious, what may not be so clear is how the situation should be remedied. Here it is useful to consider the Gender Continuum framework developed by the Interagency Gender Working Group, for use in applying a gender lens to development projects. The continuum of possible responses revealed by a gender aware framing ranges from actively reinforcing gender imbalances ("exploitative") to merely accommodating them ("accommodating") to attempting to transform them ("transformative"). The difference between the accommodating and the transformative approaches is that the first accepts and works around gender inequalities, while the second seeks to examine and change the norms and beliefs underlying them.

To return to our example of the school renovation, an accommodating approach to improving attendance among girls might mean changing the school's hours from morning to afternoon to work around the expectation that girls stay home to help with household chores earlier in the day. While this might help get girls to school, it would not challenge the norm by which girls, but not boys, bear responsibility for household chores. The transformative solution lies in changing the norms and beliefs that demean and disempower girls and women in the first place.

It is not our place as outsiders to come in and try to change someone else's cultural beliefs. But if that's the case, what role could philanthropists play in freeing women and girls (and men and boys) from oppressive gender norms and beliefs? Grantmakers certainly need to tread lightly onto the culturally and religiously sensitive terrain of changing social norms. Yet it is also possible to respect the sovereignty of other cultures and religions while finding



ways to fund and empower grassroots change agents working from within their own cultural and religious contexts to transform gender beliefs and norms. As difficult as this balance is, more and more philanthropists and NGOs are trying to find culturally appropriate, transformative ways to address the beliefs and social norms that are undermining humanitarian progress.

FUNDING INDIGENOUS GENDER-NORM ENTREPRENEURS

Macro-change happens within the microcosm of myriad individual hearts and minds. There is no way to artificially speed up this slow, very human process of change. That’s why it can be extremely challenging to fund this type of social transformation. Nonetheless, our work, and our observations of the experiences of NGOs that are engaging in this work, suggest three clear ways in which grantmakers can support like-minded organizations.

Fund “bellringers,” the grassroots women’s rights organizations that are today’s pioneers. Every social movement has its “bellringers” who wake people up to the existence of a problem. Think of 19th-century American reformers such as Sojourner Truth, who campaigned for the abolition of slavery and equality for women, or

Susan B. Anthony, who fought for women’s suffrage. Even in the most patriarchal societies, there are grassroots women’s organizations leading their own women’s movements. Many are fledgling entities run by passionate and brave women who put their own lives on the line to advocate for equality and safety for girls and women.

One such organization in India is Jagori, which means “Awaken, women!” in Hindi. Jagori is a women’s training and resource center whose mission is “to deepen feminist consciousness with diverse partners at local and national levels.” The organization offers a variety of services, including training programs that provide young women and young men with analytical tools and hands-on support for working to end violence against women. Jagori’s other activities include violence intervention programs; a Safe Cities Initiative to make Indian urban areas safer for women and more gender inclusive; support for women’s leadership in local communities; and work with men and adolescent boys to redefine “dominant masculinities” and support ending violence against women and girls.

It is not easy to find and fund such grassroots organizations, but one alternative is to donate to women’s funding organizations, such as the Global Fund for Women, that make grants and offer technical assistance to a web of women’s rights groups around the world.

How Grantmakers Can Apply a Gender Lens

Dasra conducted a series of interviews with leading foundations in India to craft strategies that all grantmakers can adopt to make their own organizations and those of their grantees become more gender aware. A gendered approach works best when it is incorporated into the very DNA of an organization, understood and valued across all organizational levels, and woven into all aspects of its work: strategic, operational, and cultural. Funders have the responsibility to lead by example if they are to ask their grantees to account for gender differences in program design.

Dasra has found that most gender-aware grantmakers apply a gender lens to their funding *priorities, processes, and people*, and then apply it to their *portfolios of grantees*. While every organization is likely to apply a gender lens differently, all should aim to become more gender transformative in order to improve return on investment and create sustainable impact.

PRIORITIES	<ul style="list-style-type: none"> ● Identify women and girls as a high-priority beneficiary group for funding to strive for gender equity and equality ● Use an intersection of lenses—gender, caste, religion—when setting priorities
PROCESSES	<ul style="list-style-type: none"> ● Institutionalize a gender lens through internal policy directives, frameworks, tool kits, and impact assessment ● Provide learning opportunities for staff to understand gender equality
PEOPLE	<ul style="list-style-type: none"> ● Drive the gender lens agenda through the founder and leaders of the organization ● Promote gender diversity and equality in leadership, staff, and board membership for better decision making
PORTFOLIO	<ul style="list-style-type: none"> ● Build capacity of each grantee to drive gender equality through their priorities, processes, and people, and create platforms for peer learning among grantees ● Collect impact data—outreach, outcomes—disaggregated by sex and other appropriate determinants such as age

Fund gender equality “mainstreamers”—reflective, dialogue-based programs that engage community and religious leaders in community-driven change around gender practices. If you can’t talk about the way things are, you can’t fix them. Women and men alike need safe spaces—for their own genders and for dialogue between the genders—to open their minds and hearts to one another about how their society’s rules affect them and their relationships.

Religion often serves as the social sanction for gender practices that subjugate women and girls. Yet faith also has the capacity to support human equality and a commitment to shared human rights for all, which means that in some societies and communities religious leaders can play an important role in supporting necessary dialogue. The Indian NGO



Action against Trafficking and Sexual Exploitation of Children (ATSEC) runs a program called the Inter-Religious Priests' Forum that brings clergy from Islam, Hinduism, Buddhism, and Christianity together to take action against human trafficking.

Forum members have now moved on from advocacy to intervention. For example, one *maulana* (a term used in South Asia to address or refer to a Muslim religious scholar) in Kishanganj, Bihar, began speaking out against trafficking and other forms of sexual exploitation before Friday prayers in his mosque. Since then he has prohibited child marriages in Kishanganj, urged people to be alert to fake marriages and other means of providing cover for traffickers, and persuaded families to take back children rescued from trafficking.

In most of rural India, community leaders have more sway than religious ones. Members of the *panchayats*, or village councils, for example, are elected by their communities and make important decisions about a range of issues, such as school construction and sanitation, that can effect gender equality. These people are enormously influential in setting local norms. An effort that taps this influence is a partnership between the Grammen Vikas Jan Sahbhagita Trust, Jaunpur, and the Ujala Welfare Society that engages local leaders to increase awareness among men and boys about gender norms. The partnership offers workshops on topics ranging from the role of men in caregiving to violence against women.⁴

Fund “institutional disrupters”—indigenous social entrepreneurs who are starting new kinds of enterprises or infusing existing organizations with an ethic of shared leadership between men and women. These change agents—individuals and organizations—are responding to the degradation of women with a passionate determination not just to alleviate suffering but also to transform the beliefs and ideology that sanction and normalize an imbalance of power between men and women. They are doing what entities such as the World Bank and the UN cannot do: disrupting norms from the inside out, creating the ripples of change at the micro level that are foundational to any macro-level change.

One such institutional disrupter is the Indian NGO Prajwala (a common girl's name in Hindi meaning “eternal flame”), which combats sex trafficking and provides rescue, rehabilitation, and reintegration into society for girls and women forced into prostitution. Prajwala was founded in 1996 by Dr. Sunitha Krishnan, a lifelong social activist as well as a survivor of gang rape at age 15, and Brother Jose Vetticatil, a Catholic missionary. The city of Hyderabad, where they launched the organization, is the capital of the coastal Indian state of Andhra Pradesh, one of the largest suppliers of women and children for the global sex trade. (In India alone, more than 200,000 women and children are forced into the sex trade every year.)

One of the most remarkable things about Prajwala is the way in which it disrupts gender norms in its own organization. For example, nearly 70 percent of Prajwala's team of 200 staff are sex trafficking survivors—meaning that its workforce is predominantly female. Another thing that stands out is the way in which the

organization encourages women to lead alongside men and enter domains where they had previously been excluded. Prajwala's Employability Training Unit works with survivors to identify employment options that are critical for their long-term rehabilitation. It has learned through experience that many female trafficking survivors excel in occupations that are traditionally male bastions, such as cab driving, security, welding, carpentry, and masonry. And if a woman shows an aptitude for entrepreneurship she can be trained in the management of microenterprises.

Prajwala also owns Prajwala Enterprises, a company that makes notebooks, file folders, and pens and pencils, providing trainees with their initial experience in manufacturing. By training and placing women in such jobs, Prajwala not only helps them to become economically independent but also smashes stereotypes about gender and employment.

TREAD CAREFULLY YET BRAVELY

Philanthropists still need to fund basic aid and relief to girls and women victimized by gender-based crime. We also need to keep funding empowerment programs to give them a hand up. Yet even with the most effective aid and empowerment programs, girls and women can't win if the rules don't change.

Private philanthropy has an important role to play in this process. And small foundations may find opportunities to work in tandem with larger players such as the World Bank, the UN, and the Global Fund for Women to support the capacity of the networks of bell-ringers, mainstreamers, and institutional disrupters working to uproot entrenched patriarchal norms. But engaging in this sort of support requires patient capital and a knack for connecting the dots between invisible ideas and more visible problems. Thankfully, there are an increasing number of social innovators out there to support. And for those organizations slow to recognize the need for a gender lens, funders can ask good questions that encourage grantees to recognize the need for a gender lens in their programming.

As we head into the future, let's find new inspiration and enlist the assets of philanthropy to invest in the transformation of stubborn—yet mutable—beliefs and norms that impede global progress for women and men alike. Let's each do our part to make gender equality a lived reality. ■

NOTE: This article is based on the article “Belief-based Social Innovation: Gender-Lens' Next Frontier,” by Emily Nielsen Jones and Musimbi Kanyoro, published by *Stanford Social Innovation Review* on December 8, 2015.

NOTES

- 1 Source: UNICEF global databases, 2016, based on Demographic and Health Surveys (DHS), Multiple Indicator Cluster Surveys (MICS) and other nationally representative surveys, 2010-2015. See more at: <http://data.unicef.org/child-protection/attitudes.html#sthash.RaLNNZ2J.dpuf>
- 2 USAID, the Kiawah Trust, the Piramal Foundation, and Dasra, *Ladies and Gentle Men: Boys and Men in India Need a New Meaning for Masculine*, March 2015.
- 3 USAID and Dasra, *Insight: Why Grantmaking in India Needs a Gender Lens*, September 2015, pp. 6-7.
- 4 *Ladies and Gentle Men*, p. 22.



Creating a Social Business

HOW JAIPUR LIVING DEVELOPED A GLOBAL RUG BUSINESS, ONE WEAVER AT A TIME, AND LIFTED THOUSANDS OUT OF POVERTY.

✿ BY N. K. CHAUDHARY

I'm grateful to be the founder of a growing business. It started from a humble place, and now, 38 years later, it sells hand-knotted rugs in more than 45 countries, employs nearly 40,000 artisans in India, and brings in more than INR 153 crores (\$23 million) a year. I didn't know that my business would grow in this way. I set out to improve the lives of rural villagers living in extreme poverty, and that desire unexpectedly led to connecting them to global markets.

I have always been an advocate of for-profit solutions to social issues. My philosophy is this: Give people a way to make a living, not just charity. In this way, your efforts are sustainable, and so are the livelihoods of all the people you touch. That thinking has helped me over the years, first as I learned how to build a business consistent with my values, and now, as I work to sustain it and expand it even more.

Here's how Jaipur Living got its start: In 1978, I borrowed INR 13,000 (about \$200) from my father, bought two looms, and told him I was not interested in a nine-to-five desk job. I got an old bicycle and started traveling to the villages of Rajasthan, living, working, and sharing my time with people in India's most neglected communities.

I was looked down upon for doing this. I faced a lot of resistance from my own family and neighbors. But I kept asking, "How could these people—the so-called untouchables in Hindu society—be any different than you and me?" The answer was clear: They're not. And these individuals, like me, were in need of jobs, a way to make a living.

Soon I learned how to weave, and I shared my skills with these communities.

But I saw that even after villagers perfected the art of rug weaving, they were still compelled to sell their rugs to middlemen who would pay them only a meager wage—and then turn around and sell the rugs for a premium for export. In 1986, I decided that I would become that middleman, but with a critical difference. Rather than exploit the artisans, I would pay them more for their work and sell directly to customers in Europe and the United States. Essentially, I became an exporter.

My business went through lots of ups and downs before becoming Jaipur Rugs in 1999. (The name was changed to Jaipur Living in early 2016.) On the journey we have encountered many, many hurdles, notably: learning how to scale a business model with a highly decentralized workforce, building a management infrastructure to match, training employees, and financing growth. But we have overcome these barriers, one by one, and now the company is run by my children: my son, Yogesh, who oversees the India office in Jaipur; my two daughters in the United States, Asha and Archana, the CEO and COO, who run the US and international operations; and my youngest daughter, Kavita, who lives in Jaipur and travels regularly. She is the creative genius, designing motifs for our collections that bridge modern styles with those that reflect our heritage.

Perhaps by sharing my experiences I can help other socially motivated businesses succeed as well.

LEARNING HOW TO SCALE

In 1990, after I had set up more than 200 looms in Rajasthan, I moved southward to the state of Gujarat. Here, I concentrated on working with tribal populations. Their customs, way of life, and even language differed from mine. And so at first, it was hard to penetrate these communities. But I stayed with it. After about three years, I could say with confidence that the work was succeeding. By 1999, we had trained more than 10,000 tribal weavers and set up approximately 2,000 looms in the state.

Our success in Gujarat validated a model that could be replicated in new cultures and communities throughout India. But doing so meant building a management infrastructure with multiple layers of accountability. We set out to do that, and since that time, we have established 22 branches in six states. In this way, we can reach remote villages, some of which are far from paved roads and major highways. These branch offices are led by managers who've been with the company for more than a decade and started out as weavers. They're supported by local area commanders who travel to and from our weaver communities and generally live in the same village or nearby. Each commander oversees about 200 looms and reports to the branch managers.

Another key ingredient in our model is our motivators. Their aim is to recruit new weavers, help with weaver training programs in the villages, and inform weavers about programs that can help them (such as

health insurance, education, and financial literacy). These individuals often work for us part-time to supplement their income from other jobs.

We also ensure that weavers do not have to travel to get the raw materials (mostly yarn and weaving templates). Rather, we have staff that travel to them, as needed, and deliver the materials. This, the weavers have told us, has made the big difference. Because



N. K. CHAUDHARY is founder and chairman of Jaipur Living, a leading maker and exporter of Indian hand-knotted rugs.



distances are vast in India and travel options for the poor are limited, many weavers could not sustain a home-based operation if they had to travel to obtain raw materials.

SUSTAINING VILLAGE CULTURE

I was never interested in building factories or workshops that would require people to travel away from their families. Rather, from day one, I believed in a more Gandhian philosophy of nurturing cottage industries rooted in the villages of India.

For example, I saw immense potential in the women of these villages. Living in traditional rural Indian households, women were, and still are, discouraged from stepping outside for employment. And so to tap their potential, the business had to be sensitive to their needs. That's why our artisans have the freedom to determine their

At first, though, I often hired the wrong people. The most important values in my life are simplicity, empathy, integrity, and humility. I try to live up to these values and surround myself with people who embody them. Initially, however, I hired people who didn't reflect these values, and that was a big mistake, perhaps the biggest mistake in the story of Jaipur Living. I brought these professionals on board to work with a massive network of often-illiterate artisans. The groups didn't know how to connect with each other, and the new hires didn't try.

I came to understand that knowledge is power, but knowledge gained without practice can fuel egos, and egos don't collaborate well. I learned that I had to break the egos of the professionals who had never lived in villages, who had in many cases never spoken a different language,

have joined me in my vision, that I've developed confidence in the possibility of Jaipur Living becoming a global brand. What I've realized on this journey is that if I can live by my values and impart them to every person who represents our company, then the business can become strong and grow. If I cannot, then it will flounder.

FINANCING GROWTH

While HR is one critical component of growth and scaling up, finance is another. At Jaipur Living, financing has been a slow, steady climb. We've used two primary modes: self-financing from business revenues and loans.

Because the business showed profitability and growth from its early years, we had a relatively easy time securing loans. To date, the company has taken on INR 67 crores (\$10 million) worth of loans from banks in India to hire more staff, market globally, and purchase the raw materials to make our rugs. Aside from loans, the Grassroots Business Fund, an impact investment fund, initially supported our US operations. That, however, was a onetime investment, and we haven't gone back to seek out further institutional support. Rather, we've relied on our own profitability, with a mix of loans, to finance new projects.

Since the new corporate social responsibility (CSR) law went into effect in India, mandating companies to "give back" 2 percent of net profits to charitable organizations, it seems to me that some businesses have jumped on the CSR bandwagon at least in part to camouflage their past wrong deeds in the hopes of creating goodwill among customers.

Jaipur's business model is both ethical and sustainable, and I believe it is a model for today's times. Our model can be adopted by others to create a meaningful and socially responsible business from the start. Why? Because we respect and fairly treat all the people in our supply chain. It's not an afterthought or a tangential component of the business. It's at the core of what we do. Without our weavers, we wouldn't have a product to sell, or a business. ■

The only way that an outside management team could come to understand the fundamentals of our business was by spending time with the weavers.

working hours. If a woman needs to tend to her family and children in the afternoon, she can step away from the loom and do so.

I see this approach as a way to preserve village life as well. In India, most people living in rural households have two options: stay in the countryside and try to make a modest living, or go to the cities as seasonal labor. We didn't want people to have to migrate to the cities to work for us. That would negatively affect the family dynamics and the long-term health of the villages. Today, we have more than 7,000 looms across the country, and most are sitting in artisans' homes.

SENDING EMPLOYEES TO "UNLEARNING" SCHOOL

As the company grew, I realized that I was restricting the growth of the organization because I was everywhere and was meddling in each decision. So I had to remove myself and hire a team of people who could handle the decision making.

and who didn't know how to weave. What, after all, did they have in common with our talent force in the villages of India? And how could they help strengthen the fabric of the organization if they couldn't find common ground?

Ultimately, I came to understand that even when I hired people who shared my values, the only way that an outside management team could come to understand the fundamentals of our business was by spending time with the weavers. So to help new hires acclimate, I started putting them through what I call a Higher School of Unlearning. In this process, each of them got to see our supply chain firsthand, experience it, and engage with it. The Higher School of Unlearning has since become an integral part of HR at the company.

When I started this venture, my intent was never to build a large business empire that Jaipur Living has become today. I was not prepared to hire countless people. It's only with time, as more and more people



From the Ground Up

TOP-DOWN DEVELOPMENT DOESN'T WORK. WHAT'S NEEDED IS A "PULL MODEL" CREATED BY LOCALS, FUNDERS, AND GOVERNMENT AGENCIES WORKING TOGETHER AS EQUALS.

■ BY PREETI MANN & AMIT CHANDRA

Global developmental mandates and economic planning models often reduce India's poor to a set of abstract data. Along with funding flows, these forces traditionally dictate developmental agendas that, all too frequently, fail to reflect the real, micro-level needs of communities. What's more, people rarely get to choose the projects and programs that land in their backyards; too often, they are subjected to development instead.

As a result, many efforts labeled as "progress" in India—whether they're focused on industrialization, urbanization, modernization, or liberalization—have led to increased marginalization and inequality for the rural poor. Some people have rightly attributed this bitter irony to the inability of locals to be part of the process. In response, "participatory development" has become development's new avatar, and the rhetoric is replete with promises of empowerment and inclusion. But the fixes have been mostly semantic. In practice, there's been little change in most outcomes and realities on the ground.

More specifically, the vast checklists that constitute participatory exercises only give an impression of empowering the locals. Meantime, top-down directives, tight project timelines, and resource constraints (both capital and human) have ensured that participation remains but a "feel good" factor in many cases. Simply put, local populations' participation is seen as part of a donor's or developer's project when what's needed is the opposite: donors and developers participating in projects that are locally driven.

Occasionally, donors and recipients have worked collaboratively to create a "pull" model of development where people's needs, in-depth research, and collaborative discussions among all stakeholders lead to open-ended solutions and issue-specific programs and projects. The end result is sustainable social impact for groups of people in targeted locations.

Barefoot College is an example of the pull model. Despite the challenges of this approach, it represents the outlines of a model that can effect holistic and sustainable development. Established in Tilonia, a small village in rural Rajasthan, in 1972, Barefoot College operates on the core belief that local communities are fundamentally equipped to identify and provide for their own needs, without relying on external expert interventions. Today, with the help of Barefoot College's collaboration, the



PREETI MANN is a social anthropologist. She is associated with the Centre for Social Impact and Philanthropy at Ashoka University. Her research interests include development, indigenous communities, poverty, and well-being. She can be reached at mannpreeti@yahoo.com.

AMIT CHANDRA is Bain Capital's managing director in Mumbai and a member of the firm's leadership team in Asia. He is an electrical engineer by training and previously worked at the Indian engineering and construction firm Larsen & Toubro.

villagers of Tilonia have self-reliant solutions in solar electricity, health care, education, wasteland management, handicrafts, ecology and conservation, and water and sanitation, to name a few. Barefoot College has now extended its reach to more than 80 countries. Five principles are integral to Barefoot College's success: equality, collectiveness, self-reliance, decentralization, and austerity. They make a good template for revising Indian development.

REIMAGINING SOCIAL CHANGE

To paraphrase Abraham Lincoln, we believe that development has to be of the people, by the people, and for the people. Reimagining the development promise in this way is significant as it overlays two important emerging trends within India: One is that youth are increasingly looking to create social impact. The other is that there's a significant and growing pool of Indian corporate and private philanthropic capital (totaling approximately \$2 billion on its own as of this writing, separate from development aid and foundation funds) waiting to be put to use. This money is accumulating as the result of India's Corporate Social Responsibility law, passed in 2013, requiring large Indian companies to spend 2 percent of their net profits on social issues.

As the bulk of this capital is not yet tied into the development machine, a genuine opportunity is opening up to find ways to match these funds directly with the needs of Indian people. Such a fresh look at social impact will require disconnecting from the lures of global mandates, such as the UN's Sustainable Development Goals, that tend to steer agencies and organizations toward central planning and all its attendant traps.

Philanthropists will also need to withstand the temptation of committing funds before deeply understanding a region and its people. The rule



of thumb is: Don't believe what you first hear. Communities have learned to give answers that the representatives of development agencies want to hear because they fear losing whatever benefits are being offered: vaccination programs, toilets, a road, a hand-pump. But by doing this, they may be masking deeper or more urgent needs, or inadvertently steering potential philanthropists in the wrong direction. Also, for some, the world of development is a source of employment or, sadly, easy corruption.

Taking the time up front to conduct sound ethnographic research—getting to know the people and the region—is a good way to surface a community's real concerns, stories, norms, attitudes, and aspirations.

One lesson that emergent philanthropy could take away from traditional philanthropists is to commit to regions and communities over the long term.

Slowing down the overall investment process in this way enables philanthropists to think *with*, and not *for*, the locals.

Making public any knowledge gained through this research is also worth considering. Doing so enables locals to contribute to, challenge, or verify findings. Public databases can also help disseminate information and enable peer-to-peer learning among NGOs, philanthropists, policymakers, and others by showcasing lessons learned, mistakes, and best practices.

The quality of the knowledge captured in social impact investigations will determine its ultimate value. Bear in mind: Locals may not have all the answers to issues, and their answers may not be better or different than those of the outsider. What's more, communities are not homogeneous, and there is no one version of local knowledge. This process is an exercise in unearthing power relations within a community, and understanding how power and perspective cut across gender, caste, and age. The goal is to surface knowledge that accurately captures the community's taproot issues, not to prioritize one voice over another.

Local leadership is critical to the success of any bottom-up effort. But local leaders (and potential leaders) may not immediately be apparent. Philanthropists may need to invest in developing local leaders and engaging with popular movements, community-based organizations, and grassroots activist groups that are close to locals. Liaising with these people, who are typically undersupported and underacknowledged, will help enable a strong framework for inclusion.

These efforts will also foster better citizenship at the grassroots level. Citizenship in this sense means that inhabitants know their rights and obligations, have the capacity to think critically, and operate according

to frameworks for justice and ethics. Such a strong citizenry also upholds and demands transparency and accountability.

SUSTAINABILITY, MATERIAL DEVELOPMENT, AND MEASUREMENT

Since material development—schools, roads, sanitation—is easy to quantify and measure, funders and developers frequently favor such “safe” projects. But funders also need to keep an eye on longer-term outcomes and end goals. Holistic solutions need patient people and patient capital. Philanthropists will therefore need to develop an appetite for the long haul and not be shy to course-correct or admit failures.

Put more specifically, the usual two- to five-year timelines aren't sufficient to address cultural, social, or behavioral issues. For instance, the issue of female child mortality cannot be remedied through solutions such as making girls' education free or giving incentives to raise girls. While such approaches are relatively easy to monitor, they address only the tip of the problem. We're not suggesting that

material development is not important. It is. But material solutions alone cannot solve sociocultural problems. Investing in changing attitudes and behaviors, while intangible and difficult to measure, takes a longer-term commitment.

Systemic social problems rarely disappear with a onetime or single type of intervention. Complex by nature, these issues require an understanding of the interlocking factors that underlie them. Some solutions involve generational changes. In this regard, one lesson that emergent philanthropy could take away from traditional philanthropists is to commit to regions and communities over the long term.

In turning away from bolt-on solutions, philanthropists will need to revamp their grantmaking processes, offering more open-ended support. Doing so will likely benefit grantees who may be reluctant to be honest about how change is adding up on the ground. It will mean making accountability genuinely collaborative, from those who control the purse strings to the last person on the ground. If only one partner is accountable, the path to social change can never be inclusive or participatory.

THE ISSUE OF SCALE

A brief word on scalability, especially as philanthropists seek to bring business practices to bear to accomplish social change in India's poorest regions: Bottom-up change is almost by definition a region- and custom-specific undertaking. The solution that really helps one community may not be easily replicable on a grand stage.

What's needed is a more flexible model that enables diverse and organically evolving programs. Barefoot College found this to be the case with its work in Tilonia. The guiding principles that led to success there were equality and equitability, involving all sections of the society, strengthening local leadership, decentralization, and self-reliance. And the main takeaway? A successful pull effort requires locals, funders, and social impact agencies to interact as equals—but the agenda needs to belong to the locals. ■



Scaling with Evidence

WHEN MONITORING AND EVALUATION ARE IN AN ORGANIZATION'S DNA, AS THEY ARE AT SNEHA, IT'S MUCH EASIER TO CREATE PARTNERSHIPS WITH GOVERNMENT AGENCIES AND NGOS.

■ BY DR. ARMIDA FERNANDEZ & VANESSA D'SOUZA

When we launched The Society for Nutrition, Education & Health Action (SNEHA) in 1999, we set out to empower women from Mumbai's slums with the information and tools they desperately needed to build healthier families. The level of need was extraordinary, and one of us (Dr. Fernandez) had witnessed it firsthand, working for more than three decades at Mumbai's busiest public hospital, where it was a daily struggle to save underweight and premature infants born to poor mothers with little or no basic health knowledge.

Looking back to those early days, the idea of "achieving scale" was quite foreign to most of SNEHA's leadership team; they were doctors and health providers. As Dr. Fernandez recalls, "Truthfully, I didn't even know what an NGO was. When we got our first money, I remember asking, now what?"

But a lot has changed. Today, SNEHA has a staff of roughly 380, operates in 12 of Mumbai's 23 municipal wards, is a presence in six municipal corporations outside Mumbai, and has an annual budget of INR 16.26 crores (\$2.45 million). Over our 17 years, we've served more than one million women and children across Mumbai. Scale is now something we talk about regularly. And along the way, we have learned that scale comes in a variety of ways: Evidence attracts funders who support growth and stretch; government programs and NGOs adopt proven approaches; and advocacy can lock in gains, providing strong roots from which to grow.

EVIDENCE ATTRACTS FUNDERS

Our journey to scale came by accident, not by design. We started as a group of doctors going into the Dharavi slum, where up to a million people squeeze into tiny makeshift homes and lack even the most basic services. We were there to offer basic advice and guidance to women and families about maternal and newborn health. The fact that we were doctors lent us credibility. And our timing was right, because not many NGOs working in urban slums were focusing on this niche. We focused on it because that's what we knew.

We also came naturally to running pilot projects; it was an approach we had experience with in the medical field. (Not that we had a choice; one could also say that we were forced to do pilots because we didn't have enough funds to run a bigger program.) And

we were used to learning as much as possible, as quickly as possible, before taking action. Before launching a pilot, we would do a baseline survey. For one nutrition program, for example, we wanted to know about adult and infant eating patterns to get at the larger question of why people in Dharavi were malnourished. The pilot that followed involved a few hundred babies and received funding from a women's organization in the United Kingdom. We learned from that program, and that gave us the courage to plan a bigger one for the community.

We realize now that our efforts to grow have been greatly helped by the fact that whatever we do starts with knowledge built on a solid research base. We were accumulating evidence from the start, but our initial funders didn't ask us for it.

Then, our evidence was suddenly more important to funders, even critical. We were seeking larger grants, but we were finding that very few people in India understood that health and nutrition were important stepping-stones out of poverty. So it was quite a battle for us to prove the linkage. And initially, no one was interested in funding our program to prevent violence against women and children. We spent five or six years developing model programs and collecting evidence that they worked before major grants started coming our way. Fortunately, those battles are behind us.

Today, of course, evidence is a must to get quality funding. (The 2013 law requiring India's largest companies to contribute 2 percent of earnings to corporate social responsibility had a lot to do with elevating the role of evidence in securing funding.) So we're fortunate that monitoring and evaluation are part of SNEHA's DNA. When a prospective corporate donor realizes that we have a baseline study and that we feed data back into our work, they say, "Okay, these people are not just randomly doing activities; there is some thought going into what they are doing."



DR. ARMIDA FERNANDEZ (left) is the founding trustee of SNEHA. She was a professor and head of neonatology at Mumbai's Lokmanya Tilak Municipal General Hospital and Medical College for more than 25 years and dean of the hospital for three years. She was named an Ashoka Fellow in 2004 and is the past president of the National Neonatology Forum.

VANESSA D'SOUZA is the CEO of SNEHA. She worked with Citibank India for 21 years and in her last position was director of Citi Private Bank.

**WORKING WITH GOVERNMENT**

Our focus on evidence has also helped smooth the way for us to work with government health agencies. These agencies have already achieved a large scale, but in many cases they are not performing as well as they could. So we partner with them and advocate for improvements in existing services. They're looking for proven ways to improve, and we share our evidence-based models in hopes that they will be adopted. We collaborate with Mumbai's public health department, which covers a city of more than 18 million people, and health departments of six smaller nearby cities. We also work with the Indian government's Integrated Child Development Services.

Health agencies across Mumbai and six nearby cities have adopted SNEHA's Maternal and Newborn Health program, which

to make the case that the government can apply existing funds to hire people with deep expertise in a single area that can be a powerful lever for improving nutrition and health.

Another example? We recently bought our health workers mobile phones. Using the phones, our health workers can collect data in real time, and the results can be fed back into programs to tailor processes and improve outcomes. We know that this move would represent an expensive proposition for the government, but we believe strongly that sometimes you need to make that extra investment to create evidence in order to advocate for change.

SCALING THROUGH PARTNERS

We spent a lot of time over the past few years thinking about the different ways we could reach more people with

have recently come to SNEHA and asked how they can borrow our models or elements of our models. For us, it's a low-cost way to extend our impact; it's far more efficient than having to hire and manage staff members across India. NGOs want to partner with us because they don't have to reinvent the wheel; they can use our model, after adapting it to their local context. This partnership model reduces implementation time and lowers costs, and so it is a way to efficiently scale up.

We've also realized that we need advocacy at the highest level, not just the program level, to lock in gains. And we've learned this the hard way. We would put all our energies into working with, say, people in charge of a health department program. We would create great rapport, and things would be going well. But overnight, that person would get transferred, and we would have to start all over again.

Put another way, individuals don't make policy. So we know now that when we work with government commissioners or health officers, we are not influencing policy, and that's something we have to learn how to do. To date, we still do advocacy piecemeal. We know someone, we call someone, or we ask someone. Part of the answer will likely be developing in-house expertise in advocacy.

EXPANDING ACROSS INDIA

Our goal over the next five years is to extend our programs across India and beyond. We think certain programs, especially our nutrition program, could be not only national but international—extending across Southeast Asia and even to Africa. We have been saying all along that what we are doing in urban Mumbai could be replicated across urban centers in India and, for that matter, urban centers outside of India.

We see ourselves becoming a resource center where we develop models that work and then train others how to implement them. If we go national in five years, that would be quite an achievement. If we manage to go international, all the better. ■

NGOs want to partner with us because they don't have to reinvent the wheel; they can use our model, after adapting it to their local context.

seeks to improve pregnancy care for low-income women by creating a referral network in cooperation with public hospitals. The idea is to promote appropriate care for women with potential complications. But the program also does what we call "load balancing," steering a woman who expects normal delivery to a maternity home rather than to a public hospital that is best suited for the highest-risk cases. We started this program in Mumbai in 2003, and after 10 years it really took off.

Whenever we set up a program, we give a lot of thought to how our model will fit and work with the related government system. Typically, we use a similar government program as a benchmark, and we map our resources to what the government provides. So, for example, if the government pays for one *aanganwadi* (nutrition and early childhood education) worker for every 1,000 people, our program will budget one front-line worker for every 3,000 because our worker focuses only on, say, nutrition. We're trying

our programs cost effectively. We discussed many scenarios, including trying to grow our own organization, and also different models through which we could teach others to implement our programs.

We decided in favor of partnerships, in large part because we don't understand the local situations in states like Jharkhand or Bihar. So we partner with NGOs that are already working in other states because they understand the local context, and they work with us to adapt our models to their specific context. We contextualize the models, share the protocols, provide the technical training, and monitor the implementation with them.

For example, two partner NGOs have taken our program to prevent violence against women and children to seven Indian states. Save the Children is implementing our maternal health program in Pune. And the SETCO Foundation is implementing our child health and nutrition program in Gujarat. Many organizations



Deploying Technology

TECHNOLOGY ALONE IS NOT THE INNOVATION. RATHER, THE INNOVATION LIES IN HOW TECHNOLOGY IS DEPLOYED.

■ BY DR. APARNA HEGDE

I pursued medicine and became a urogynecologist because I wanted to be of service to people, particularly women, while pursuing my love for science and research. But during my residency at Sion Hospital in Mumbai—a massive public hospital in the heart of the city—I wasn't satisfied, mostly because I realized that we were not able to meet everyone's needs.

At the hospital, we staffed the antenatal clinics for long hours, seeing one pregnant woman after another. But no matter how many I saw, there were always many more waiting outside. Sadly, much of the time I could barely examine them and didn't even get to notice their faces. Then, these same women would return in their ninth month of pregnancy with complications. I'd look at their records and see my signature, and realize that I had met with them in their first trimester, but the women had not followed through and come back for routine checkups, as advised.

The volume of patients I was seeing was only part of the problem. The greater issue was that what these women needed most was information about regular preventive care, how to maintain their health, and how to recognize signs of trouble, as well as someone to hold their hand through pregnancy and infancy.

I've seen numerous women die in labor. Unfortunately, many if not most of them could have been saved had we provided them with information at the right time. We did save the lives of many women, and it was intellectually and emotionally satisfying to do so. But in the bigger picture, what we were doing was akin to putting a Band-Aid on a gunshot wound. It was inadequate,

The root problem was the way our public health system in India addressed maternal and child health: There were too many resource-intensive pilot programs that were heavy on human capital and therefore expensive to scale up. As a result, India has some of the worst maternal and child mortality rates in the world. A woman dies in childbirth every 10 minutes, and more than 300,000 infants do not live beyond the first 24 hours of their life each year.

CONNECTING HEALTH CARE AND TECHNOLOGY

Despite these startling statistics, India also had more mobile phones than toilets. As early as 2008, I saw that women, even in the poorest slums of Mumbai, had access to a mobile phone. (By December 2015, the total number of mobile phone subscriptions in the country crossed one billion.) I began to think about how the two—access to health-care information and mobile phones—could be connected.

In 2008 I established a nonprofit, ARMMAN (Advancing Reduction in Mortality and Morbidity of Mothers, Children and Neonates). The aim was to create a homegrown nationwide NGO that implemented cost-effective programs that had objective outcomes and measurable impact and were designed for scale from the beginning. I realized that meaningful scale could be achieved only with the use of technology,

as it would help create programs that were lean in terms of resources needed, yet find the right balance between depth of impact and scale. If I could not personally connect with each woman, I could at least connect with her via technology.

In 2010, we rolled out ARMMAN's first program, Project HERO (Helpline for Emergency Relief Operations). HERO strives to provide real-time information on the availability of intensive care unit (ICU) beds and blood types in hospitals and at blood banks in Mumbai. I had seen women enduring blood loss during labor because they were being shuffled from hospital to hospital in hopes of finding a vacant ICU bed and the right blood type. The helpline, website, SMS (text services), and mobile app directs patients and doctors to this vital information.

Simultaneously, I dug deep into building a tech-based program just for moms-to-be, to solve the problem of lack of access to preventive care information during pregnancy and infancy. I initially toyed with SMS-based services but was hesitant about their efficacy. The approach seemed too one-dimensional: Did women, many of whom were illiterate, feel comfortable reading and responding to texts?

To find out, and to home in on the best

way to communicate with these women, we ran field tests. Across the street from Sion Hospital is Dharavi, one of Asia's largest and most industrious slums; here we spoke with 100 women to see how many of them were comfortable with SMS. The results were surprising: 56 percent of women could not understand how to receive an SMS, 62 percent could not read an SMS, and 72 percent could not send an SMS.

So rather than using texts to communicate with the women about health care, we assembled a team of volunteers in the United



DR. APARNA HEGDE is founder of ARMMAN. She is also a urogynecologist and founder of the Center for Urogynecology and Pelvic Health (CUP) in New Delhi, and a member of the editorial board of the *International Urogynecology Journal*. Hegde studied at Stanford University and the Cleveland Clinic Florida.



States and in India to establish a voice-based communication system. These are simple weekly or twice-a-week phone calls, albeit placed by a computer, to pregnant women and new mothers, offering tips on what to do at each stage of their pregnancy and their baby's infancy. When the woman answers her phone, she is greeted by a woman's voice, which is warm and inviting; she speaks in the same language, and at times even in the same regional dialect. Because it was like having a friend on the line, not a doctor, I named the platform mMitra (*mitra* means "friend" in Hindi).

Now our challenge became ensuring that women received our messages. Many women, we learned, didn't own their own

expanded beyond Mumbai to Nasik, Pune, Madhya Pradesh, Haryana, Rajasthan, Bihar, Hubli, and Delhi through partnerships with government hospitals and NGOs. As important as the technology is, a major reason for the program's success is the personal touch that we provide.

We don't start by sending calls to women whose phone numbers we obtained. Instead, we station trained health workers in the antenatal clinics of government hospitals; they introduce the program to women who come for their first visit and enroll them in mMitra. However, many women do not visit a government hospital until very late in their pregnancy. To address this gap, we partnered with community NGOs to develop women

antenatal and infancy care, including basic diagnostic and treatment interventions for a nominal fee. They are supported by a mobile app that guides them through the care process, helps identify high-risk signs and symptoms, and gives alerts if the patient needs a referral or a more specialized consultation. In addition to helping the women we were trying to reach, this program has had a major ancillary benefit: We've trained 166 women health entrepreneurs who can now supplement their family income. Each Arogya Sakhi earns between INR 1,500 and 3,000 per month (\$25 to \$50).

In parts of the country where some public health infrastructure exists—for example, in Nandurbar in Maharashtra and parts of Rajasthan—we also support the work of government health workers with the help of tablet and mobile phone encoded apps that digitally coordinate the activities of these health workers, guide them through their activities, and provide intuitive and real-time situational medical instructions on the care needed and referral required.

Technology has enabled us to bring down the cost of the mMitra service to just INR 300 (\$5) for each woman over the course of a pregnancy and her infant's first year.

phone. They used their husband's phone or a phone in the family. To address that issue, we asked them to register that phone number and a one-hour time frame each week when they could be reached each day. We realized early on that there would be other challenges. For example, network problems often make it impossible to communicate via cell phone. Also, we knew that women might not have access to the phone on some days or might be too busy to take the call. Consequently, we make three tries for every call on three successive days in the chosen time slot.

If the woman still doesn't answer, she can send a "missed call" notice to our call center at her convenience, and the system will call her back immediately with the automated message. In total, a woman receives 145 calls of 1.5 to 2 minutes' duration over the course of her pregnancy and through her child's first birthday.

TECHNOLOGY WITH TOUCH

By 2014, we had more than 23,000 women registered on mMitra. By 2016, that number had grown to more than 610,587 subscribers, and the program had

leaders (called Sakhis, or "friends") in each urban slum. Through these women, we reach out to other women and enroll them in the program before their crucial second trimester. We have established a network of health workers in 77 government hospitals, partnered with more than 43 community NGOs, and deployed more than 5,853 Sakhis in the slums of urban India.

But there was still one more major challenge—providing health care to women in rural India, where facilities are sparse, and transportation is cumbersome and untimely. These women are daily wage earners, and they often need a chaperone or a spouse to go with them even to a nearby clinic, resulting in loss of daily wages for both. As a result, most women prefer to go to local "doctors," commonly referred to as "quacks," in the evenings. These individuals have little to no formal training in medicine.

To deter women from falling prey to these quacks, we developed and tested a home care system, called Arogya Sakhi. To deliver this service, we trained women from the community to become health entrepreneurs providing home-based

INNOVATION ISN'T JUST A DEVICE

Technology has enabled us to bring down the cost of the mMitra service to just INR 300 (\$5) for each woman over the course of a pregnancy and her infant's first year. That includes the cost of the technology, voice calls, and a staff of more than 85 people to coordinate the programs. Could we as doctors provide care to so many women for INR 300 a person? Certainly not. But over the last eight years, I've come to the conclusion that technology is not the innovation. Rather, the innovation lies in how that technology is deployed.

If we were merely sending out texts, by now we might have blasted out far more messages. But would doing that make a real difference? Unlikely. Scale, I would argue, is not just about the number of people reached. It's about the quality of care they receive and the eternal struggle of finding depth in breadth—especially in a country of 1.3 billion. ■

Children, along with their backpacks,
ride to school in an auto rickshaw in
Jaipur, the capital of Rajasthan.



Photograph by Jonathan Kingston/National Geographic Creative

Impact India

Impact India was created and produced by
The Bridgespan Group, Dasra, and the *Stanford Social Innovation Review*.
Funding for research provided by Omidyar Network.
A digital version of *Impact India* can be found at www.ssir.org



The Bridgespan Group is a nonprofit advisor and resource for mission-driven organizations and philanthropists. We collaborate with social sector leaders to help scale impact, build leadership, advance philanthropic effectiveness, and accelerate learning. We work on issues related to society's most important challenges and breaking cycles of intergenerational poverty. Our services include strategy consulting, leadership development, philanthropy advising, and developing and sharing practical insights. Bridgespan has offices in Boston, New York, San Francisco, and Mumbai.
www.bridgespan.org



Dasra, which means enlightened giving in Sanskrit, is India's leading strategic philanthropy foundation, focused on creating large-scale social change in India. Founded in 1999, Dasra accelerates social change by driving collaborative action and powerful partnerships with funders, social enterprises, and other key stakeholders. Dasra works on a range of issue areas in India including empowering adolescent girls, sanitation, and governance. Dasra is based in Mumbai with regional offices in Bengaluru, New York, and San Francisco.
www.dasra.org



Stanford Social Innovation Review (SSIR) informs and inspires millions of social change leaders from around the world and from all sectors of society—nonprofits, business, and government. With webinars, conferences, magazines, online articles, podcasts, and more, *SSIR* bridges research, theory, and practice on a wide range of topics, including human rights, impact investing, and nonprofit business models. *SSIR* is published at the Stanford Center on Philanthropy and Civil Society at Stanford University.
www.ssir.org



OMIDYAR NETWORK

Omidyar Network is a philanthropic investment firm dedicated to harnessing the power of markets to create opportunity for people to improve their lives. Established in 2004 by eBay founder Pierre Omidyar and his wife, Pam, the organization invests in and helps scale innovative organizations to catalyze economic and social change. Omidyar Network has committed more than \$1 billion to for-profit companies and nonprofit organizations that foster economic advancement and encourage individual participation across multiple initiatives, including Consumer Internet & Mobile, Education, Financial Inclusion, Governance & Citizen Engagement, and Property Rights.

www.omidyar.com

While Omidyar Network is pleased to help sponsor this publication, conclusions, opinions, or points of view expressed in the publication are those of the authors and do not necessarily represent the views of Omidyar Network.