

Jacqueline's Journal

India

OCTOBER 29 - NOVEMBER 3, 2009

Friday, October 30

DELHI, INDIA

Six a.m. and the gang is in the hotel lobby, ready to go. Our first morning of a four-day whirlwind trip to visit Acumen Fund investments with an incredible group of supporters and friends – Jay and Eileen Walker, Sunny Bates, Cyndi Stivers, Frank Rijsberman, and Craig Neville-Manning are all here today. Tomorrow we'll be joined by Charly and Lisa Kleissner, Rory Riggs, and Ahsan Jamil.

The sky slowly begins to lighten as our three white cars leave the hotel. The smog is thick, so heavy in fact that we can't see the extraordinary palace from the India Gate located only a half mile away. The streets are quiet at first, though quickly the traffic begins to thicken. Everywhere boys are walking along the sides of the road.

In East Delhi we stop to pay a toll beside a massive energy sub-station. Ravens – hundreds or maybe even thousands of them (far too many to count) – circle round its wires and towers. A bright orange sun lifts itself between two towers, over the hazy silhouette of faraway suburbs. Sam Goldman, tall and lanky in his bright red shirt and jeans, sits next to me in the second seat of the car. He brings a calm presence to our car as he talks about D.light Design and some of this young company's challenges.

The noise is deafening in the most joyous way – horns honking, music blaring, ambulances screaming . . .

Suddenly, the car stops on the side of the road. Our driver disappears, presumably to pay the toll, and we wait for him to return, not knowing how long it will take. We are all sleep deprived, and our talk is quiet, but I appreciate everyone's patience. We wait at least twenty minutes. Stray dogs saunter along the side of the road beside the bicycles and rickshaws. Tiny billboards ("Big City: That's Future Ready!") line the roadside. And then they



Udayveer (right), one of D.light's Super Entrepreneurs, sells affordable lighting solutions, like this low-cost Kiran model.

stop, replaced by scrawny trees, a thin, low wall in front of the tall buildings of a new suburbia, endless apartments and a few malls to boot.

Another short drive and we stop at a roadside tea shop for sugary tea and parathas. The noise is deafening in the most joyous way – horns honking, music blaring, ambulances screaming...monkeys with red bottoms scamper along the rooftops, while men sell peanuts and Indian snacks from pushcarts. As we munch on the spicy breads stuffed with beans and potatoes, Sam tells us his story. He was born to parents then working for USAID, with a whole life spent in the developing world: grade school in Pakistan, high school in India and Peru, summers in Rwanda and Myanmar, college in Vancouver. A hard-working environmentalist with an entrepreneurial bent. Four years in the Peace Corps in a remote village in Benin because he wanted to learn what it means to be a farmer . . . a growing understanding of the power of social business . . . a friend of his was killed in a fire caused by kerosene. And finally, the D-School at Stanford where he and a couple of others came up with D.light, to bring affordable energy to the rural poor. And now he's really doing it.

Once back in the vehicle, Sam goes deeper into the business model. I'm fascinated by his questions about price. Currently, poor villagers can buy a \$30 LED/solar model or a more recent design that sells for \$10. Introducing the \$10 model, in fact, has shown the company that price does matter. "The rate of sales is growing

exponentially with the cheaper model,” Sam said. “And so the question for me is this: what is the optimal price point that will allow me to reach the most people possible?” Like Acumen Fund, he believes deeply that sustainability is the key to scale – but how profitable does the company need to be?

Another way to think about it, especially given the fact that traditional VCs are increasingly looking to invest in D.light, is to consider which business model will best enable real scale - in terms of reaching the highest volumes with the best margins. As I listen to Sam, I'm struck by his vision and focus. I also can't help but think that Acumen Fund has an opportunity to bring

We walk down a dirt road and stop at one of the first houses, a compound surrounded by a light blue brick wall. Inside, the first things I notice are about eight buffalo on the right and, on my left, in front of a large shade tree, a clothesline hung with colorful fabrics. A thatched storage hut also sits in the compound, and children are running around, gathering near us to check out this new group of strangers.

The house belongs to Udayveer, one of D.light's Super Entrepreneurs. A slim man wearing a button-down white and grey plaid shirt, blue pants and an old pair of white sneakers, he lives with his wife and three children, two sons and a daughter. Both sons study at a nearby private school,

and it is so much cleaner. You won't feel any smoke in your home and your children and you will be so much healthier. Indeed, this light will change your life!”

I feel a surge of joy watching this man who so clearly “owns” this product. Indeed, he has bought one of each model for his own family and he motions us into his unelectrified house to show us the bright light shining in the dark. His wife, shyly covering her face with a diaphanous veil, joins in, “The children are so happy now. They study late into the night and then they sometimes leave the lights on so that it is never too dark anymore in here.’

Udayveer continues, “To charge it, you just leave it in the sun and the little panels find the sun – just like a sunflower. At the end of the day, you are ready to use the light again when you need it.” He goes back to his demonstration, showing us again how to use the light. By this time, the villagers have fallen into their own conversations. “Pay attention to me, please!” yells this man who struck me as mild when we first met him. I like his style, like his confidence.

“How many have you sold?,” we ask him.

“Maybe about 1,200,” he tells us. He's now making more money than almost anyone else in the village and his future plans are big. “I will continue to educate my children and take care of my family and continue to grow my business,” he tells us proudly.

In the past eighteen months, D.light has sold more than 100,000 lights to villagers like these, and their growth is currently exponential.

As we walk through the village, laughing with the women and children, I am spellbound by the color and the beauty. I experience a feeling of deep joy that I don't fully understand, just being in a rural village makes me feel somehow lighter, easier. Then I realize what it is: on the side of nearly every doorway, in the place of the white hanging pumpkins usually used to

Acumen Fund has an opportunity to bring real value to entrepreneurs by bringing in world-class expertise around pricing models.

real value to entrepreneurs like him by bringing in world class expertise around pricing models. This is an area where we will follow up.

The vehicle flies along the road, darting between colorful trucks and horse-drawn carts, all of them playing a continuous game of chicken. Eventually Jay Walker says out loud what others are feeling: “I've never seen driving like this!” he exclaims, keeping us all smiling (though some with white knuckles) with his comments about the chaos and danger of driving on Indian roads.

Finally, after six hours and a flat tire, we pull into our first village. The adobe walls of the first buildings we see are just beautiful, painted in light colors – mostly white or pale blue. The air is sweet, and the pace of life could not feel more different from the insanity of the Indian roads.

he tells us, while his daughter studies at the government school. Udayveer has been hired by D.light as the main salesman for an area that reaches 50 or 60 villages, in a radius of about 50km. Udayveer, our fearless salesman, rides his bicycle to sell the units that cost between \$10 and \$30. Until recently, he only sold the more expensive model (which he has clearly learned to do well), but now he can offer his customers a choice.

We ask him to pretend he's making a sale to us. By now, about twenty people, mostly men and children, have gathered round. Udayveer stands proudly before us, telling us about the virtues of the light. His face is glowing, his smile and the drive in his eyes alone are convincing.

“This light is not very expensive,” he says, showing us the different ways the light can be held. “In time it is cheaper than kerosene



Sam Goldman (center), D.light Design's CEO, demonstrates one of the company's products.

symbolize hospitality, there are solar lights hanging to allow the sun to recharge the small solar panels.

On their own, people everywhere here have chosen to buy these beautiful lights. Their pride in owning them is palpable. The women eagerly tell us how the children are studying more, how their children are healthier, and how their homes are cleaner. But they aren't talking with the obsequious words and singsong voices reserved for donors. Instead, they speak to us as equals, as people simply interested in the progress that they themselves have made.

I am beginning to understand that this profound feeling inside comes not just from seeing Acumen Fund's approach actually "working." That matters, of course, and we will indeed see our investments scale and reach millions. But the deep sense of joy comes from seeing how empowered the individuals served by Acumen Fund's investments are becoming. This is a functional village filled with people who are on their own making each other's lives work. D.light is simply helping them to make their lives work a little better. But the future is in their hands, not ours. And this is our dream.

I remember visiting rural Kenya in 1994 with the first group from The Philanthropy Workshop at Rockefeller Foundation. We were there to look at the work then being done on solar power. We traveled for hours, just like we're doing today, and yet you got the immediate sense that those programs were a lost cause. The lights were too big, too expensive, and too difficult to repair. The only people who had them were given them, and so the distribution was random and depressing. Fifteen years later, I can now envision a revolution in light. This is the essence of understanding patient capital. This is the essence of understanding that our work stands on the shoulders of so many people who have been trying, failing and trying again for many years. And now, the solution is in our collective hands. It is breathtaking.

Before we leave the village, we see a white flatbed truck pull in with a bed and a few trunks out back. In the front seat is a beautiful new bride dressed in fuchsia and gold. Women in the village are dressed to the nines in glitter and extraordinary colors – the brightest pinks, turquoises and oranges imaginable, all glistening in the afternoon sun. Blessing rituals are performed while the women sing to welcome their new sister. The beauty of it all is astounding, though I can't help but wonder what is going through the young woman's head as she watches the dowry placed on the terrace in front of her mother-in-law's home where she takes her own place.

We drive about two kilometers to a second village, hoping to avoid some of the chaos by moving with a smaller group. The village is beautiful – houses made of brick with thatch on the roofs. Clean walkways and green trees grace the area. We meet a woman holding her orange and brown sari close to her head, though at first much less shy than the women of the first village. Her husband isn't home so we take advantage of the chance to speak to her alone. She has a lovely smile, a bindi on her forehead and a house that is immaculately clean. We sit on rope beds on a dirt veranda swept perfectly clean in continuous circles. About thirty children quickly come round us, all amazed by Jay's camera, all seeking a photo and laughing when he takes one.

The woman's name is Maluka. She proudly shows us her D.light light. "I didn't have anything to do with the decision to get it," she confesses. "My husband made the decision. It was because the children studied by kerosene at night, and it was very dangerous. Now they are safe and they can study late at night. We have good light and we save money as well."

By her calculation, she saves 50 rupees, (or about \$1) per month. For a family making \$2 a day, this is meaningful. Her village, like the other one, is beautiful and peaceful. The houses aren't as decorated or as painted, but the feeling is one of great peace. The children's clothes are ripped, though, and there is no furniture save a few rope beds and some aluminum pots and pans.

Sam demonstrates the product. He explains that this is a brand new product, just being introduced. "It is much less expensive than the old lights. And they hope to replace all of the kerosene in the whole village with these better lights." He puts the lamp on the ground and explains that all that is needed is to place the light in the sun. And you can see that the light is on. Then he hangs it on one of the brick pillars and says that the children can put it on the table at night to study. Nokia chargers also work with the light, though very few people actually have cell phones chargers. The women are fascinated.

A little boy with a huge mark on his forehead stands near me, one hand holding an old tire, his other hand holding onto a stick

– the same game every boy plays in the developing world. His older brother, wearing a white tank top riddled with holes, comes over to take the tire. The dark eyes of both boys are heavily lined with kohl, adding great drama to their visages. All of the children – all children – are beautiful.

I enjoy watching Sam. He's both a leader and an entrepreneur. He is so excited to sell these new Kiran lights, the cheaper ones, that he won't leave here until he sells the entire stock.

"Affordability really matters!" he exclaims, holding the light up to show me. Everyone is gathered around him smiling. I see a woman – one who had said that she couldn't make decisions without her husband – put her hand in her sari and pull out a 500 rupee note, and hand it to her son to buy a light.

Sam's enthusiasm belies a quiet way of giving the local entrepreneurs room to shine. He shines with deep respect for the people he is serving. He is neither there to profit unduly nor to approach his customers with even a whiff of paternalism. When I think about the leadership qualities we need in today's complex world, they include Sam's mix of great ambition coupled with humility, an ability to listen and a natural way of interacting with people, one infused with moral imagination.

We've not had anything to eat since our morning tea, but it is getting late and we still have a six-hour drive in front of us. All of the Kiran lamps have been sold and Sam is beaming. As for me, I'm as appreciative as could be, profoundly impacted by finally seeing the real possibilities of lighting the world by giving people the ability to change their lives. I'm grateful for this group of intrepid travelers, grateful for the entrepreneurs and the villagers and the beauty all around us. Jay isn't so grateful for the traffic, though that just makes me appreciate him even more.

Saturday, October 31, 2009

DELHI TO MUMBAI, INDIA

Early morning wake-up call and the team is in great spirits despite last night's long journey. Today, we start with an easy drive through the quiet, wide, tree-lined streets of Delhi. I love this city in the early mornings – it is the time to sense the grandeur and beauty of the world.

At the Delhi airport, I'm struck by the power of development. In 1987, I arrived in Delhi on a trip from Rwanda at about two in the morning. I remember walking out the doors of a vast, run-down airport to see at least a thousand people sleeping in the area where people were waiting for passengers to arrive. Rats the size of small dogs were rustling about, and my initial feeling was one of being overwhelmed. This morning, I stand in a gorgeous, modern airport that puts New York's Kennedy airport to shame. The feeling is light and airy, the service is efficient and friendly, the security is comforting. We share a quick breakfast and board our Kingfisher flight to Mumbai – life feels good.

1298: Saving a life is one of the most rewarding experiences a person can undergo in his/her lifetime.

1298

"Saving a life is one of the most rewarding experiences a person can undergo in his/her lifetime."

As soon as we reach Mumbai, we go directly to the offices of Dial 1298 for Ambulances, or 1298. The drive is short – just about 15 or 20 minutes. We walk up two flights of concrete stairs and enter the office. The staff is slightly lighter today given that it is a Saturday, though, of course, ambulances are on call 24 hours a day. Sweta Mangal, the company's CEO, a focused young woman with shoulder-length hair, beautiful brown

eyes and a beautiful smile, welcomes us into her office, a glass enclosed room with a table for meetings. She is dressed in her usual pants with a button-down blouse, a sort of no-nonsense outfit.

Shaffi Mather, the founder, enters wearing jeans and a grey cotton mandarin-collared shirt. It is good to see him. We've worked with him since before Acumen Fund invested a few years ago when the company had just ten ambulances, and I'm proud to know him. Today, 1298 operates more than 100 ambulances and is winning government contracts that are enabling the company's expansion across India.

He tells the story of 1298: how his mother nearly died for lack of an ambulance; how he and partner Ravi Krishna recognized that there had to be a better way to provide emergency services; how they got started with support from friends and family; how Acumen Fund invested when there were ten ambulances. Before 1298, 90 percent of ambulances carried dead people, and thus, were known in Mumbai as "hearses." He spoke about the corruption in the business

and the court case that led to the exposure of another major ambulance company; and how 1298 recently won two of the four contracts offered by state governments (Kerala and Bihar); about how he distanced himself from the company and Sweta joined as CEO, though Shaffi is still very much involved.

Dial 1298 provides services to all people, at a cost of about \$30 for those who are taken to private hospitals, and half that for those taken to public clinics (or less if there is no ability to pay). The company also provides free services in cases of public emergencies.

He spoke of the decision to paint the ambulances yellow and of raising additional revenues from corporate signage on the ambulances themselves.

Jay presses Shaffi on unit economics. Shaffi explains that as a private company, 1298 is structured to reach urban centers, and their intent is to bring the model to all eight major Indian cities. They will bid to serve rural areas through government contracts. Also, he explains, throughout the developing world, 75% of ambulance rides are non-emergency transfers (transport between hospitals and clinics and other transfers). Only 25% of rides are from individual calls from patients to take them to hospitals. This holds for 1298 as well.

We increasingly see why patient capital is needed for the building of large-scale ambulances services. Shaffi says, “We have a marketing problem in getting people in India to think about calling for ambulances.” There is so little trust in the system that common practice is to use taxis and other local transport to get to a hospital. In Mumbai, the company receives around 60 calls a day. 1298 is focused on increasing this dramatically. Still, the company has transported about 100,000 people from all walks of life.

1298 will influence people’s imaginations around what kind of quality they can expect.

The need for reliable emergency services cannot be overstated. The ratio of road traffic accidents in the world is .75 accidents for 1,000 vehicles - in India it is 16 accidents per 1,000. Heart disease is the number one killer of Indians; indeed, last year, Varun Sahni, Acumen Fund’s India Director, lost a number of friends in their early thirties who died of heart attacks. It is no surprise that, given the the lack of well-equipped ambulances and the delay in getting people to care, 30% of people die unnecessarily.

Patient capital. Dial 1298 is creating a new kind of company in a difficult environment. There was no universal access number in Mumbai when they started. There were very few medically equipped ambulances and a serious lack of trained personnel. There is rampant corruption in the industry. That there is so little trust comes up over and over again. Building a viable brand in the delivery of basic services can take a long time.

Sweta stands and speaks, her own charisma shining like that of Shaffi. They understand they are building a new industry that can serve everyone, and that will influence people’s imaginations

around what kind of quality they can expect and build. When they started the company, people told them that they were insane, trying to do something impossible. “But if we’re insane people and we’re doing impossible things, well, then maybe that just makes sense, so let’s go!” Sweta smiles.

A feast is prepared for us to eat on the simple terrace outside the offices. On the way, our team speaks with the men and women in the call center, seeing examples of how they use Google Earth to track the location of any ambulance at anytime. We eat quickly, everyone speaking passionately to one another, and then sit in a circle to meet one of the drivers and a few workers who have just gone through the company’s first strike.

The driver, a quiet man with a roundish face, describes what it was like to work at 1298 in Mumbai on November 26, the day of the terrorist attacks. He speaks with great humility about his own courage on that horrible day. “We were at the Taj even before the police,” he said, “but I wasn’t scared. When the commandos came, I went in with them and we saw the attackers, and then suddenly, the commandos had all disappeared. I was still standing there, not knowing what to do. But one of the brave commandos grabbed me and pulled me to a place where they couldn’t see me. We pulled many people out of that hotel. And we came back the next day and the next day too.”

“Why did you keep coming back?” I asked. “It is my duty,” he responded. I’m a driver who can help save people’s lives. I was hurting so much in my heart when our company was shut down in this month of the strike, for I couldn’t do my duty. I’m glad to be here now.”

AYURVAID

“Blow Horn Please.” It is written on nearly every truck, it seems, in India. And at the mouth of Asia’s largest slum, the trucks most definitely take this seriously. As we drive into Dharavi, we are impressed by the throngs of people working, walking, talking. The bustle of activity is amazing. Within a couple hundred meters, we come upon AyurSEVA, AyurVAID’s clinic for low-income people. Outside, a pair of women – one in a sari, the other in full Muslim chador – occupy two among a half dozen plastic chairs. About thirty shoes are piled by the front door of the clinic.

Inside, a lovely receptionist sitting below the bright green sign of AyurSEVA greets us with a smile. The real delight for me is seeing the wonderful Clara Barby emerge as we walk down the hall. After spending more than four years at Acumen Fund, Clara is now working with the company’s CEO, Rajiv Vasudevan, to help build this system of six clinics in middle-income areas, as well as this one in the slum.

We stand outside in a circle to hear Rajiv give a broad overview of what AyurVAID is doing with this affordable clinic in the slums. The afternoon heat is intense and a number of women and children are waiting outside to see the doctor. A drunken man from the streets wanders in and begins to disrupt Rajiv, who continues speaking with a grace that shows he understands that this is part of life here.

A minute or so later, an old dog at the point of death, with open wounds across his head and back, limps in. He is barely alive and he stands there, almost as if he is daring us to watch him die. One of the guards tries to pull on the dog but the animal simply collapses. The man grabs the dog's hind legs and drags the poor creature who has flipped onto his back and has no energy left to protest.

We decide it might be easier to sit inside and so Rajiv, tall and thin with a neat mustache and hair smartly parted on the side, leads us on a tour of the small hospital. It is clean and light and the workers seem happy to be there. Though it is a Saturday, I would have expected more people to be in the beds, but we will get to this later.

In one of the rooms, we sit in a circle and ask Rajiv to explain the 5,000 year old practice of Ayurvedic medicine. While Chinese medicine is founded on five elements, he explains, the Indian tradition meshes the five into three. First is a combination of air and ether – this is considered the functional part of our beings. Second, water and earth, which is the construct for our structural system. Finally, there is fire which is the root of the transformational.

It takes resources, focus and creativity to help people imagine what they can hope to expect, what they can buy for themselves – especially when it comes to healthcare.

What is most different about the ayurvedic approach compared to western medicine is its focus on looking at the whole person rather than simply attacking a specific disease. Ayurvedic medicine focuses on balancing a person's life and working to strengthen immunity throughout life.

Rory listens intently, and adds that Rajiv is describing three systems of the body which can be paired with the systems present in stem cells. There are stem cells at the base of our structural systems, our organs and our neural systems and there is clearly a lot we can learn from looking at and integrating both western and ayurvedic healthcare approaches.

Rajiv shares a number of anecdotes about patients who've come through their hospitals and have found long-term cures. He adds that their challenge is to bring forth reliable metrics that can prove efficacy so that there can be more meaningful comparisons between different approaches to healthcare. At the same time, much of the ayurvedic approach is based on common sense. It is founded on the idea that we are all different. You could take two people and feed each a diet of carbohydrates – one will gain needless weight while the other will remain slim even without serious exercise. We know this. And we know that integrating a healthy diet, exercise and stress reduction techniques can only bring better health.

A more immediate question for AyurVAID is how to market their services more effectively in the slums. While the five hospitals serving more middle class markets are breaking even within a year, it is estimated that the AyurSEVA in the Dharavi slum will likely take two years and require a lot more focus on marketing to the poor. Why? While people of all classes in India practice ayurvedic medicine, at least as part of their overall healthcare, the poor aren't finding their way into the clinic. They don't know the doctors, they don't know the brand, and it may be that it looks like a place they cannot afford. "Build it and they will come" is continually proven wrong through the experience of Acumen Fund investees. It takes resources, focus and creativity to help people imagine what they can hope to expect – what they can buy for themselves – especially when it comes to healthcare.

We talk about using stories more effectively, asking those who've been healed to serve as ambassadors. It is the same story we discuss with every investment we visit. It is true that we are identifying technologies, resources and skills to solve tough problems – but that isn't enough to change behavior. Better marketing that understands human psychology and works with it, not against it, must be part of our growing legacy of learning.

We go to visit a man lying on one of AyurSEVA's beds. Missing a tooth that simply makes his grin look happier, his name is Venkatash and he's 74 years old. Born in Tamil Nadu, he eventually became a tailor and has lived in Dharavi for 58 years. Five years ago, he suffered a stroke that left his right side paralyzed. Since then, he's been unable to walk, though he spent hundreds of hours in both private and government hospitals.

"Yesterday," he tells us, "after 20 days here in AyurSEVA, I walked – a bit slowly and with a cane, but I walked!" Rory raises his hand to high-five Venkatash, and he lifts his arm from the elbow and laughs, lifting his grey-tufted head up a few inches as he does.

You can't help but feel happy around this man. I throw a few questions at him – "What have the treatments been? Do you feel

these improvements are just starting or is this the best you will do? Do your limbs actually feel different now?” He turns to Patel, the young doctor beside him, a lovely man who told us he likes working in AyurSEVA because he wants to contribute to the poor in his country. With a twinkle in his eye, Venkatash speaks in Hindi and Patel laughs. “What did he say?” we ask.

“He says he doesn’t know what you are saying, “but he likes the way you say it!” This time Rory’s laugh roars through the room and I tease him and Venkatash for being cut from the same cloth....

We spend the next few hours walking through Dharavi. One of the largest slums in Asia, Dharavi is filled with life, with ambition, with everything good and bad in the world. It provided the backdrop for Slumdog Millionaire and is known for danger and violence.

One of the largest slums in Asia, Dharavi is filled with life, with ambition, with everything good and bad in the world.

Dharavi is a place for mafias, for rings of beggars, for sweatshops, for untold horrors. And it is a place teeming with family, gorgeous children laughing, women hanging bright saris out to dry on colorful laundry lines coming from neatly painted homes decorated with flower pots with cats in the windowsills. It is a place where everyone is working. The smiling man selling bangles stands beside a window filled with sparkly glass bracelets. We see room after room of young men sewing the jeans that we wear. I meet three girls in braces and pigtails who ask me if they can take a photo of me with their cell phones. “How can I say no?,” I laugh, glad for the chance to let someone take mine since I take so many of theirs.

I find myself laughing, happy, awed by the grace of the people. I want to repay that grace not with pity nor with charity. I feel a revulsion for all of that right now, right at the pit of my stomach. What I want feels so simple, but it means so many have to give up the idea that charity is what these people need. I hate the term “these people” altogether. Each time I visit our investees, I am reminded that it only when we see ourselves in every one of the girls and boys, the fruitseller and the skinny man making a dollar a day sewing a million beads into a sari that will be sold for \$2,000, the transvestite swinging her hips as she walks, and the old woman cradling her granddaughter in her arms, sitting on the freshly swept steps of her little blue house – only then will we do what it takes to build a truly inclusive economy. Walking, seeing, talking, learning,

knowing – seeing – seeing more than anything, not just as tourists or passive observers, but in the deepest way of seeing – is the beginning of changing.

From the slums to the palaces. A short break at our hotel and we drive to the extraordinary home of Zia Mody, one of India’s foremost women lawyers. Zia has an easy smile, a gravely voice and a no-nonsense attitude that is more than refreshing. Her home is incredible. She and her husband are important art collectors in India, and their home is filled with Asian paintings, carpets and sculptures that evoke the wonders of this part of the world. Zia has brought a group of fascinating, interested people together and she treats all of us as precious guests. Everyone feels welcome, everyone feels the warmth in the room and, despite acute jet lag, we all stay much later than planned, leaving finally with big hugs and laughter and a recognition of the power of further integrating our global community which now includes investors from 18 countries.

Sunday, November 1

MUMBAI TO HYDERABAD

The day starts with an early run along Marine Drive with Catherine Casey of the Acumen Fund team. Though barely past six on a Sunday morning, couples are already strolling and we even pass a circle of men in one of India’s famous laughing clubs. The men do stretching exercises, mostly, and then just practice laughing. It looks like great fun and we want to join, but the pull of the length of the fabulous drive is too great. And there is a lot to discuss before the day begins again with the team.

Charly and Lisa Kleissner join us in the Mumbai airport. They are tanned and happy from spending a week in India before meeting us. One of their key projects is Social Impact, a program for 30 social entrepreneurs in India who come together periodically to learn, share experiences, and discuss strategies for growing and maximizing impact. Charly and Lisa can’t stop talking about the amazing people they’ve met and how they hope this can be a pipeline for Acumen’s portfolios – their enthusiasm is infectious. I want to learn more, and luckily Varun is on their advisory board. I’m struck that the social investing field is becoming larger, more visible and more sophisticated, and it is exciting to feel such a part of it.

LIFESPING

Our Jetlite flight to Hyderabad is late, though not terribly so. We arrive at the deluxe modern airport, pile into two vans and drive about an hour into town via busy roads, though the drive is far less stressful now that a number of enormous flyovers have been constructed. Our first stop is Angheeti Restaurant located not too far from our office in Banjara Hills. Decorated with brightly colored streamers hanging across a wood-paneled room, the



LifeSpring hospitals have delivered more than 65,000 babies since Acumen Fund's investment.

restaurant is famous for serving delicious brunch on Sunday – and every family in Hyderabad must know it. Everywhere people are talking and walking through a buffet line filled with an abundance of veg and non-veg options. Every now and then, the Hindi music is interrupted with a rowdy singing of “Happy Birthday,” which we are glad to join. Needless to say, our idea of starting our visit to LifeSpring with an introductory discussion here doesn't pan out quite as planned.

Instead, we mostly just eat and enjoy the ambiance, and then proceed downstairs to a Barista coffee shop for cappuccinos and talk. Anant Kumar is a quiet 34-year old entrepreneur with a round face, neat mustache, glasses and a lovely smile filled with humility. He speaks softly, but with clarity of focus and commitment that instantly touches the listener.

“LifeSpring is a joint venture between Acumen Fund and Hindustan Latex, a government company that manufactures condoms and other reproductive health technologies,” Anant tells us. “I was working in the IUD clinic at the public hospital right here in Hyderabad, and could see the long waiting lines outside, the difficult conditions for the doctors and the patients as well, the bribery to get services – and thought there has to be a better way. We built LifeSpring to give low-income women an option for better, higher quality service without going into debt.”

Services at LifeSpring are one-sixth the normal private sector price. The cost of a normal delivery is Rs.2,000 (about \$43) versus Rs. 12,000 (\$265); a Cesarean section at LifeSpring is Rs 7,000 (\$155) versus anywhere from Rs 20,000 (\$445) to twice that amount at a private hospital. Especially if a poor family thinks they are going to have a boy baby, they will choose the private sector hospital even if it means they will go into debt for many years, and so giving them this other option is so important.

As we've learned in every investment, however, “build it and they will come” cannot be the approach when serving low-income markets. “Everything comes down to building trust first,” Anant tells us. “It took three months before the first baby was delivered at our first hospital. People would rather go to a private hospital where they know someone in their family has had a healthy baby than try a new one; you see, even the cheaper price can raise suspicion at first – the women ask themselves how can we afford to hire good doctors if our prices are so low? And so we have to earn their trust, show them that we care and that this is a good option for them. But this means convincing the mothers-in-law and the husbands much more than the mothers who are expecting, for they are not the decision-makers in our markets.”

LifeSpring calls all of its patients “customers” so that the women begin to feel that they have a voice, that they count, that their decisions matter. And the LifeSpring brand is beginning to take hold. “We now have nine hospitals,” Anant tells us with a shy smile, “and we delivered a baby a day after we opened the ninth, so people are noticing that we are really different.” Their strategy is primarily one of using outreach workers. Tricia Morente, an Acumen Fellow who stayed on at LifeSpring to assume the role of Director of Marketing, oversees the hiring and training of the outreach workers.

Tricia is a petite American woman whose family hailed from the Philippines. She exudes a quiet drive and a spirit of generosity in all she does. I am constantly asking her for time and she is always willing and open. She also has moved from being ostensibly in training as a Fellow to being a teacher and mentor to many younger women and a manager of hundreds. I look at her and Anant sitting side by side in our circle and marvel at their youth and how much they are capable of doing. LifeSpring now employs 385 people, and this number will grow to 1,000 as they grow to 30 hospitals in the next two years.

Catherine and I visited one community a week ago to get a better sense of how the outreach programs work. Sudha Samineni, another young woman with long black hair and gaps between her teeth that add all the more to her buoyant personality, is the leader of the outreach worker program and our guide for the day.

We spoke to outreach workers as well as to at least a dozen women, some of whom were planning to give birth at LifeSpring; some who were choosing the private hospital, and some who would go to the public hospital. The women were open about the choices made for them, and to a woman, not one person claimed responsibility for the decision made.

A few stories stuck with me as I listened to Anant and Tricia talk about the enterprise. Perhaps the most telling about the long road to empowering women to become better customers themselves

was the last woman we met during our long day in the villages. She was a young woman, about 20 years old and in her ninth month of pregnancy, expecting her second child. She'd delivered her first child (a son) via C-section at the local private hospital at a cost of Rs 20,000, and she would deliver there again as well. We asked her if she'd considered going to LifeSpring instead.

"My best friend is just there now having her second baby," she said with a smile, "and she's happy about it, but my husband decided I would go to the place we know." We asked what her husband did for a living. "Rickshaw driver," was her response, though she said she didn't know what he earned (we guessed he made \$2 a day).

The couple rent a tiny room for their family at a cost of about \$35 a month. The husband most likely took on enormous debt for the first child, and will do so again for the second – the cost of the procedure is nearly half a year's wages. "I told my husband about LifeSpring, and he got angry at me and said he made the decisions, and that it was not for me to ask if we could afford it."

At a women's group meeting, we met mothers and their mothers-in-laws who had made the decision to send their daughters to LifeSpring. A veiled Muslim woman from an especially low-income neighborhood told us why she would send her daughter to LifeSpring. "At the government hospitals, you have to arrive early in the morning and hope to get into see a doctor for a consultation, but there is always a long queue. You might have to go back four times before you can see anyone, and then no one explains to you what is happening. At LifeSpring, you can be seen in 30 minutes and the doctors are all so nice and they help you understand everything that is happening with the pregnancy. The prices are fair and the quality is so good."

I wondered if there were a way to use women like this even more aggressively to market LifeSpring's services to other



The suggestion box at LifeSpring gives customers (not "patients") a chance to provide input on service and care.

women through a guerilla campaign, something they are starting to do.

LifeSpring has started one of its most effective marketing campaigns yet. Traditionally, families celebrate pregnant women during their seventh month by giving them fruit and other gifts. LifeSpring is experimenting with holding such gatherings for all women in their seventh month from a community. They give the women fruits and bangles and talk about maternal health, whether or not they are LifeSpring customers. Already, LifeSpring is seeing more women customers as a result.

I was most struck during the day by a woman named Priya. Twenty years old with her hair neatly pulled back in a bun, she wore a brown and yellow shalwar kameez, a gold ring in her nose and silver rings on her toes. Priya welcomed us into her tiny rented flat, a single room, about 6 feet by 8 feet for which her husband pays \$22 per month in rent (and an additional \$4.50 for electricity). On the sparkling marble floor, a television set stood in the corner beside a sewing machine which Priya used for tailoring to earn income. Blue and green curtains hung in the windows and

the bright smell of guava hung in the air. Spotlessly clean pots and pans were piled beneath a small sink and in the corner stood a neatly folded hand-stitched mat which she took out nightly for sleeping. There were no other rooms, and obviously no bathroom, though Priya was clearly proud of this room.

Priya was visibly excited about the family's choice that she have her first child at LifeSpring. Her mother-in-law lives about 30 kilometers away, so her husband was the one to make the decision, she said. "He is much smarter and more educated than I am," she explained. When she herself learned about LifeSpring at a health clinic, she gave her husband the information about lower prices, the cleanliness of it, the happy customers she had met and the lower incidence of C-sections in LifeSpring hospitals. "He very much liked that there were fewer C-sections at LifeSpring because they are so expensive and it is better for the woman not have them. Plus, there is an attendant's bed so that my mother-in-law can stay with me. And so my husband decided that LifeSpring was a good choice." As for her, she said she was happy because the doctors explained everything to her and she liked that they were so caring.

Thus, the role of the outreach worker is critical. And finding and supporting the Priyas of the world to tell their stories and help other women help their husbands and mothers-in-laws to make the right decisions will be key, ultimately, to better, more informed maternal health. Until women are more involved in making decisions for themselves, we will not beat the underlying problems of maternal healthcare.

Our group visits the nearby public hospital to get a sense of what is available to women who cannot afford to or choose not to pay private sector rates. It is a Sunday, so the number of people there

is considerably lower than the time I visited with Catherine and Priya Pingali (another former Acumen employee who now works for LifeSpring), but still, about twenty women and their babies are sitting outside either on the concrete or on a pile of small rocks, waiting to be seen by a clinical worker or doctor. Some are breastfeeding; none are smiling. The week before, we'd seen a number of women with IV-drips in their arms as they sat in the heat on the ground while men around them were spitting and talking.

Inside, the halls are dingy but fairly clean. Women are sitting in every available space. A woman waiting for a blood transfusion lies on an old wooden desk with IV-drips in both arms. Her husband stands outside the building, looking through the bars of the window just behind her head, his face long and tired as he stares at his exhausted wife who is in obvious pain. Along the corridor to the delivery room, a few mothers in labor sit on wooden chairs waiting to be seen. We've been told that it often takes a bribe to move yourself along the line – double the rate if you are having a boy. To our left is the room where women in active labor lie on gurneys; to the right is the delivery room. A woman has just given birth, though the air continues to be somber with no celebratory feeling whatsoever.

At the end of the hall are three small rooms. To the left is the abortion room, empty today. To the right is a room for HIV-testing and right next door on an empty bed, 30 or 40 used plastic gloves have obviously been washed and are drying for re-use. Medical supplies are short and the overworked doctors here are obviously doing the best they can.

A spectacled woman doctor asks us what we are doing there and when we tell her we're interested in public health, she tells us she is proud to be working here and serving so many women, but it is too much. The hospital can see 500 women in a day for consultations -- today, 25 babies will be born there. "The public hospitals need more resources," she says. She finds the existence of LifeSpring a blessing for it might help offload some of the problems they have with capacity by giving poor women another choice.

I would reframe what the good doctor says about resources. According to Anant, the cost per patient of the public hospital system is about \$5,000 (versus about \$1,000 at LifeSpring), and still, the quality of services is much, much lower in the public system. The question is not then the sheer amount of financial resources, but how they are deployed, how they are invested in training staff, creating better services models, integrating customer feedback and getting rid of corruption.

I dream that LifeSpring can help model not just private delivery, but also show how we can improve public sector delivery for we absolutely need both. Indeed, we need new models altogether, for

LifeSpring is a true public-private partnership, half owned by the government of India through Hindustan Latex. The question is how we help bring forth insights in such a way that the public sector can integrate them more effectively.

A smiling worker rolls out the woman who has just given birth. The attendant urges us all to look at the exhausted mother who can't even open her eyes. Beneath the green blankets, the new mother's legs are spread and between them, her newborn is swaddled in dark green. I'm filled with awe at the miracle of birth and am at the same time deeply uncomfortable at the total lack of privacy and the isolation of the tiny child who, it feels, should be held somehow in the mother's arms. The worker doesn't notice the awkwardness all of us feel as we congratulate the woman and look lovingly at the child. As a group, we don't talk about it until later, but all of us are feeling it.

The question is not the sheer amount of financial resources, but how they are deployed, invested in training staff, creating better service models, integrating customer feedback and getting rid of corruption.

We walk to the general ward, which is teeming with women and babies. There are no beds or benches for mother-in-laws or sisters attending the new mothers, and so there are between two and four women sitting on each bed alongside a newborn child and sometimes a sibling or two. Again, what strikes me most is the absence of smiles and laughter and celebration. Women are talking among themselves in quiet voices, some are eating or caring for older children, but the atmosphere is somber, the air heavy.

I stop at the end of a bed to say hello to a young mother with her five-hour-old son. Her tiny mother-in-law, who must not stand taller than five feet, immediately hands the child to me. The baby is wearing only a little t-shirt and his naked body fits snugly in my hand. "What should we name him?" the mother-in-law asks. Now the room starts to fill with laughter. "Ajay?" I offer. "No, no", the mother-in-law shakes her head. "Then how about Ashoka for the great emperor of India who traveled far and brought great ideas back to the land?" I suggest. "Yes!", she agrees, she likes Ashok. And this will be the child's name – after the traditional 21-day waiting period.

We leave the public hospital and travel along crowded roads to LifeSpring's first hospital. There we're greeted by the staff, which includes Dr. Rama Devi, a beautiful young doctor who is in charge of Quality Control. A year ago, she gave birth herself at LifeSpring, for she believes that there is no better place to give birth and the price is right. This kind of commitment is found throughout the organization. Part of the onboarding process for every new employee is spending a full night at LifeSpring so that everyone who works there can understand the customer experience.

Upstairs the group visits a different part of LifeSpring, all painted bright pink. The difference in tone from the public hospital is palpable, for everyone is smiling, and the doctors and customers talk to one another on more equal terms. Here, customers expect a certain quality of service and there is a suggestion box right outside the general ward door. Indeed, it was through customer suggestions that small beds/benches for attending relatives were installed next to each bed for the new mother and child. LifeSpring impresses whether you look at the numbers achieved or the quality of care and customer satisfaction.

And still, the road to real development is long.

I join the group and begin talking to a mother-in-law, her daughter-in-law and her new baby girl, a gorgeous child just a few hours old, with closed eyes like crescent moons and a tiny face circled by a ruffled cap. The mother-in-law with dark red bindi and tribal earrings is clearly unhappy about the child's gender. "Take her," she says to me. "She will be a burden on me for 20 years and then she will cost us 20 lakh for the dowry. Take her, and you can give her back when she's old. And maybe then she can contribute to us."

"You are talking to the wrong woman," I say, trying to mask my anger, speaking

directly to her. "I would take her, but I wouldn't give her back. This little girl is precious, a treasure. And if you educate her, she will give so much back to you." The cruelty of the woman in saying these words in front of her own daughter-in-law shocks me, even now after 25 years of working with women across many cultures. The meanness hurts. The new mother must be flush with hormones rushing love for this child throughout her body. To hear these icy words forebodes trouble and hostility, though the new mother's face reveals neither rage nor shame as she lies and watches.

The old mother-in-law accuses Dr. Jyotsna, a wonderful LifeSpring doctor who has become a friend, of denying the girl the operation to tie her tubes together. Dr. Jyotsna tells me that the mother-in-law refused the operation during the birth, but there is no point in disagreeing with her now. The mother can come back to the hospital within six months of the birth to have the operation done, but she wonders if this girl will ever do it. That's always the conundrum.

"We still have much work to do around issues of gender, obviously," Dr. Jyotsna tells us wearily. "But LifeSpring is a start. Through our outreach programs, women have a chance to come together and talk about what it means to be a mother, how to care for your children. We answer any questions they have and, importantly, give them permission to ask questions. By knowing one another, they can become stronger."

I raise the possibility of a partnership with UNICEF, which might be interested in providing free nutrition-fortified foods for LifeSpring to give to new mothers for themselves and their children. This would be especially important to mothers of girls who are born to more conservative homes where the girls are always last to be fed. Anant loves the idea but says he's



Dr. Jyotsna of LifeSpring .

constrained by government laws that prohibit marketing any foodstuffs for children who are less than 2 years old – regardless of whether the nutritional food is given for free or not. "This law came about because of the problems with the baby formula industry which caused a reduction in breastfeeding." I argue that this is different and he agrees, though the bureaucracy can be crushing. This should nonetheless be an area we consider for experimentation.

LifeSpring is already influencing policy. In the state of Andhra Pradesh, there are between four and five thousand hospitals, yet there are no approved standards for clinical treatment. The government has asked LifeSpring to work with the Indian Institute of Public Health to lead a group focused on developing those standards and clinical guidelines.

Moreover, government is talking to LifeSpring about the possibility of bringing its model to 500 districts across India. If this happens, it will be a game changer of the highest order. By building an affordable hospital system with uncompromising

quality and a focus on new mothers as consumers, it is within LifeSpring's grasp to change the way we think about what low-income women should expect when it comes to reproductive healthcare. And that's good for everyone.

Monday, November 2

HYDERABAD, INDIA

Early wake-up after a late night sing-along where Ahsan treated us to glorious *qawwali* (songs of Sufi poets), Craig played the piano in the hotel lobby as we sang along to Billy Joel (though, sadly, only briefly, as we were politely requested by management to take our fun outside), and the rest of us gave our best to the music of everyone from the Carpenters to childhood camp songs. Despite getting to bed at around 2 am, the release of energy and sheer laughter must have been like an adrenaline shot of pure energy for I wake up singing. As it is the last day of the trip, I call Catherine and we take a motor rickshaw to KBR park where we run and talk amidst the peacocks and wispy flora of this quiet refuge in Hyderabad. Varun finds us on our second lap and kindly drives us back to the hotel for a quick change and check-out.

What strikes me most about this visit is that we are not coming to be thanked by the community for all the charity we are bringing.

The team is tired and moving more slowly than usual. It has been a long week with tight deadlines all along the way. After a morning debrief and a couple of free hours for the only downtime the group has had all week, we pile again into cars for our last field trip, this time to see the opening of WaterHealth International's 285th plant. I remember taking Tim Brown of IDEO, Susan Meiselas the photographer, and Chris Anderson of TED (who is now my husband) to visit the first plant in 2005. Four years and a half million customers later, WHI is changing the way the world thinks about what is possible when it comes to bringing safe, affordable water to the periurban and rural poor.

The cars drive for about an hour and a half, past the airport, to a fairly new, low-income suburb that has traditionally been supplied water by the local government. Indeed, a large government water tower stands about a quarter mile away from WHI's new plant. We pull up in front of a sign that says "Dr Water." "We changed the branding," WHI's new CEO Vikas Shah, tells me. "It rolls much more easily off the tongue than our previous name." Vikas is

focused on every aspect of this business. Having previously grown a telecommunications company from \$5 million to \$500 million in revenues, he is thrilled to focus on taking such a socially important company to scale.

Young women approach us with garlands of flowers that they place around each of our necks. We are the guests of honor for this community event and everyone has come to be part of it. A large group of school children walks in disciplined formation to greet us. The girls wear dark green jumpers or plaid skirts, and most have their hair in braids pulled back up on each side of the head in beautiful loops. The boys wear their hair neatly parted and combed to the side. The children chant sweetly about clean water while we sit in plastic chairs, though it is never really clear how the proceedings are supposed to occur. Perhaps there is no supposed-to-be, I think to myself, and so we just go with the flow.

We're introduced to Seema, a strong woman wearing a green-edged pink sari, who is responsible for outreach and social marketing. She tells me she has a good job because this water changes lives. It is healthy for people and because WHI uses not only UV filtration, but also reverse osmosis, the water tastes sweet. She also has gained new marketing skills, in large part through the work Acumen Fund has done in the water sector to help people understand the benefits of drinking safe water.

Women of every stripe from the community gather around. Some are dressed in beautiful saris, others wear black chadors. A tribal woman is also present. She stands among the others, dressed in heavy mirrored fabrics with white bangles covering her brown arms. Huge silver earrings weigh down her ears and her face is embellished with a large silver nose ring. Seema does a demonstration. A cup of water from the government well stands beside a cup of water from the WHI plant. Metal rods that emit electrodes are dipped into both cups simultaneously. The government water is transformed into a dark green, cloudy liquid due to the high levels of minerals and bacteria while the WHI water remains clear.

The women's first response is one of deep interest. Next, I feel a sense of questioning and even shame from them. "What does it mean that we've been giving our children the dirty water? Have we hurt them permanently?"

"No," Seema explains patiently. You have been giving your children the best that was available. But dirty water is the main cause of diarrhea and other diseases and so now you have the chance to change that. Clean water will change your lives for the better." Already, more than 200 people in the village have signed up as members to purchase the clean water regularly. I ask the tribal woman if she will purchase the water.

“Of course!” she says, her smile revealing a lost front tooth that only seems to brighten her face. “I have heard that there are many diseases around now. And I want this clean water for health reasons.” I ask her if she’s referring to her children. “No,” she corrects me. “They are grown and healthy. I am 61 years old and I am concerned with making sure that I stay healthy too.”

Now, we are talking empowerment. Again, what strikes me most about this visit is that we are not coming to be thanked by the community for all the charity we are bringing. There are no embarrassing speeches, no false conversations with easy thanks. Instead, we are here to witness a proud community event made and built by the community itself.

This is the magic of the interaction and the power of what WHI and other Acumen Fund investees are doing. We need to hit the numbers - and WHI is on its way to doing that. Indeed, next year, it will nearly double in size for it recently was awarded a contract with the state of Andhra Pradesh to build 200 additional plants. Like LifeSpring and 1298, WHI is on the road to public-private partnership in a way that enables it not only to scale but to reach an even larger group of people, including the very poor.

And for me, again, I’m beginning to understand that these market-oriented approaches to change are working not only in terms of financial sustainability and scale. Equally exciting is that they are changing the imagination of what is possible, reasonable and, ultimately, essential in providing high quality, affordable services to the poor. Furthermore, WHI is truly empowering communities and individuals to solve their own problems, make their own decisions, change their own lives. It shows in every interaction we have, whether it is with the management team, the local outreach workers or, most important, the customers themselves.

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Earlier that morning, in our Hyderabad office, Acumen friends and team members joined in a large circle downstairs. There are just enough seats for all of us. I look around the room with a great sense of gratitude for every person sitting there. The people on the trip have given so much of themselves this week – every single one of them. We’ve all been changed by the five days in India, and have been changed by one another as well. The team who worked so hard to ensure a successful trip eagerly wait to hear the insights and observations of these friends who have been such supporters of our work.

We all introduce ourselves and I ask each guest to share an insight or observation....

Charly is the first to go. He says he sees a growing field of social enterprises, but also understands that this doesn’t make it easier

to enable organizations to scale. He also encourages Acumen Fund to play a greater leadership role in helping organizations scale, and, in fact, to build out the sector. “Can we provide more flexible mechanisms to make an impact?” he asks. “What is next? Can we carve out a niche that is a brand for us and other seeking patient capital?”

Equally exciting is that these market-based approaches are changing the imagination of what is possible, reasonable and, ultimately, essential in providing high quality, affordable services to the poor.

Ahsan shares his thoughts about AyurVAID and LifeSpring, and how they provide truly different models of healthcare. AyurVAID focuses on a holistic approach and LifeSpring on a systems approach. “What can they learn from one another?” he asks. “How can the best of each be integrated into the other? And how might Ayurveda help mothers during the pre-natal period?”

Craig shares how amazed he is at the difference between the public hospital and LifeSpring, in terms of the business models as well as the sense of mission in the employees. “Culture is an incredible part of an organization and that excites me,” he says.

Eileen discusses the profound difference in attitude of the investee organizations we’ve visited versus other organizations. “The women in the public hospital all seemed so sad, despite the fact that having a child should be a happy day. LifeSpring, on the other hand, was filled with a sense of hope and joy. What can we learn about the building of culture?” I wonder to myself how we can bring lessons of culture building to public institutions and not just private ones.

Jay begins with enthusiasm: “There is so much that is going right with LifeSpring, and that is great to see,” he says, “and it is unusual to see a company so young do so many things right.” He then launches into a great talk on the power of the word Customer. “Think about it,” he says. “A Customer is someone you ask; a Patient is someone you tell; you need to please the Customer, not the Patient, etc. We need the customer equation to become the dominant equation in all of our organizations. In most businesses, the operating systems are so overwhelming that you too often push aside the marketing and sales functions...and it really is critical that we do this well.”

I like this idea a lot – integrating the very idea of what it means to be truly Customer-oriented into the lexicon of Acumen Fund as well as that of our investees. I think as well about building more “verticals” as Charly would say, to build expertise around best approaches in becoming more employee-oriented. As an organization, we’ve learned a lot this year about ways to integrate dignity more fully into the fabric of organizations, and also about staying as connected as possible to the needs of customers – even as organizations scale.

Sunny focuses on leadership. She looks around the room at the faces of the Acumen team and speaks to them directly. “I couldn’t be more impressed with how hard the team works and what their commitment is”, she says. “Everyone I’ve met – staff, Fellows, and the entrepreneurs – carry a quality of caring, intelligence and intense commitment and we should think about how to bottle that and spread it.”

I think of a conversation a few years ago with our advisor Niko Canner who told us that we have a “genie in a bottle” around finding and building amazing talent, and that one opportunity for us would be to “let the genie loose.” Certainly, the world needs a different kind of leader, and the financial crisis has been a stark reminder of this. We need more leaders who focus on something bigger than themselves, who can truly balance ambition with the ability to create and work on teams, who understand that how we get somewhere is as important as where we go, and who are willing to listen to others at all levels of society. I’d like to see Acumen Fund and our growing, global community play an increasing role in fostering this kind of leadership.

Rory, always listening, starts: “I work with entrepreneurs all the time. And every entrepreneur thinks they are saving the world. What has impressed me here is that everyone knows what business they are in and what it takes to succeed. That is a

really unique quality, and one that Acumen should continue to cultivate in itself and in its entrepreneurs.”

Sunny and Rory also commit to raising funds so that Acumen Fund can host a Summit for all of our entrepreneurs in the next year or so. Ahsan jumps in to make a plea that we do it in India or Pakistan, for, despite the nightmare of visas, etc., the world desperately needs not only more exchange, but also models for creating cross-cultural groups.

Lisa worked for the Taj Hotel group in India 30 years ago, and so she has seen extraordinary changes over these three decades. “What strikes me most,” she says, “is that the new generation of Indians is building new companies much like Silicon

tell mothers? Their mothers-in-laws? Husbands? They can’t be all the same, but how do outreach workers become comfortable with the different stories they need to be telling?”

Frank, our resident water expert from Google.org, says he is happily seeing a lot being done right. “On the other hand,” he continues, “there is so much to do! How do we really scale this work and show the world just how much is possible?”

He also asks us to think – and urge the entrepreneurs to think about pricing. “Many investees are providing services at lower prices than the market (for instance, LifeSpring is 1/6 as expensive as the alternatives”) but what would happen if these companies lowered prices further?

We need more leaders who focus on something bigger than themselves, and who can truly balance ambition with the ability to create and work on teams and to listen to others at all levels of society.

Valley in the 1990s, but this time, they are doing it with a social bent. We need to watch and cultivate this next generation of entrepreneurs – for some of them will do incredibly well. “My question – and something I will take home with me to work on – is how do you engage Indians as philanthropists, not in the traditional charitable way, but in new ways that really can have major social impact?”

Cyndi with her bright smile starts by reminding us that she is a “longtime member of the Jacqueline Girlfriend Support Network,” something that has not gone unnoticed – either by me or the younger people at Acumen. She then talks about storytelling, and how important it is to have different stories for different constituencies. “With LifeSpring,” for example, “what is the story you

Varun steps back to talk about the overall India strategy. “As we scale,” he says, “it becomes harder and harder to find the kinds of people who have the qualities we demand. Can we start to focus on proactively building them? What does it mean for our skill sets, and for connecting those around us to provide the kind of support that is needed?” He describes Acumen Fund in India today. “Acumen is the largest social impact investor in India. We sit at a unique point in history...now, how do we really scale that into the future?” Finally, he points to the fact that we are seeing ourselves and our investees engaged increasingly in private-public partnerships, especially in healthcare. “Here we have an opportunity not only for investing but also in understanding the larger ecosystem and context of what is needed to provide lasting solutions to healthcare.”

One challenge is that the dynamics between each of our portfolios is different. But we are learning so much, whether in healthcare, where we see a richness of investment opportunities, or in water, where the sector is much more challenging. We also face a number of ethical challenges when it comes to the role of government and how the creation of legitimate partnerships can work and flourish. None of this work is easy, but the journey is becoming increasingly more interesting and our own learning curves are shooting straight up.

Katie Hill, our energy portfolio manager, speaks about our two-year-old portfolio focusing on bringing accessible, affordable, alternative energies to the poor. “We started by investing in LED/solar lights through D.light and this has been a critical first step. Our intent is that this is only the beginning of a strategy that will include a range of services for which people require energy, including irrigation, cooking, etc. We also are getting smarter about our own ‘sweet spot’ in the marketplace, for there are arguments for larger scale investments for infrastructure, but our niche is focused more on smaller systems that can reach the very poor at the household level.”

As for me, the insights of the week have been rich and deep. Mostly, I could not help but feel blessed to know this group of people that includes those intrepid partners who gave so much of themselves to travel with me across three cities in five days. It includes our team and the entrepreneurs in whom we invest – and their teams too. It includes our advisors, those who provide financial and other kinds of support, and a great number of friends. And most of all, of course, it includes those millions of people we are trying to serve – for they are our teachers and our true inspiration.

I could go on and on about the power of bringing established entrepreneurs around the table with our investees and the marketing challenges of the work we are doing. I could write about the attitudes of women toward their own positions in the world and about how difficult it is to change attitudes, let alone behavior.

But most important of all is how much more deeply I am understanding how our dignity is tied together in an intricate web that includes all of humanity. We must see ourselves as connected to the teenage boys we met in Dharavi who spend their days in sweat shops making the jeans that we wear. And to the women in the villages working so hard to buy solar lights so that their children can study at night. And to the beggars on the street. And to the wealthiest people as well. There are few places like India that can remind you in so short a time of how much we need one another – and of how much, together, we are capable of doing.



Jacqueline Novogratz

November 5, 2009

Mysore, INDIA

