Impact**India**

Q&A With...
Desh Deshpande

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SERIAL TECHNOLOGY ENTREPRENEUR DESH DESHPANDE IS TAKING INNOVATION TECHNIQUES CREATED AT MIT AND USING THEM TO SOLVE SOCIAL PROBLEMS IN INDIA.

Gururaj "Desh" Deshpande lives in Boston. He is the president and chairman of Sparta Group LLC, a family investment office, and chairman of Tejas Networks. He has spent three decades as a technology entrepreneur, as either the founder, a founding investor, or the chairman of Cascade Communications, Sycamore Networks, Coral Networks, A123, Airvana, and several other companies. Deshpande is also an innovative philanthropist. He is a life member of the MIT Corporation, and his financial support has made possible MIT's Deshpande Center for Technological Innovation. Using the experience gained at MIT, the Deshpande Foundation helped create three other centers. Bridgespan partner Katie Smith Milway and managing partner Jeff Bradach spoke with Deshpande about his journey to foster social innovation in India, and the lessons he has learned.

Bridgespan: *How did you get involved in philanthropy?*

Desh Deshpande: We began by asking, "How can we create more opportunities for entrepreneurs in technology like the ones we had?" So I joined the board of MIT in 2000 and donated $20 million to establish the Deshpande Center for Technological Innovation. The core concept behind the center is that even if you have a great idea, it will not have an impact—either social or economic—unless it's directed at a burning problem. The center has been pretty successful, so other universities started calling me and asking if they could have a center too. Unfortunately, I can't give $20 million to every university, so four years ago we started a university innovation network. Close to 100 universities are now part of that network and learn from each other about how to generate new knowledge that can impact the world and how to train students to be entrepreneurial.

● *How did your philanthropic journey lead you back to India?*

My wife and I went to the Indian Institute of Technology [IIT] Madras. We started working with IIT in 1995 after our first

company went public in 1994. About eight years ago, we asked ourselves, "What can we do to foster innovation in India?" At first we thought we would duplicate the MIT center at IIT. But technological innovation didn't sound that appealing, so we said, "Let's do social innovation." Our first insight was that for technology ventures, innovation plus relevance is equal to impact, but for social innovation it's the opposite: relevance plus innovation equals impact. What this means is that the core competence for social innovation is to have a deep understanding of the problem itself. You don't have to have a new patentable technology with a competitive advantage to solve the problem. What you need to do is co-create the solution with the people who need it and come up with solutions that are most relevant to their problems.

To implement our idea, we came up with what we call the Social Innovation Sandbox, a way of duplicating Boston and Silicon Valley, but for social entrepreneurship. We started the Sandbox in five districts near Bangalore centered at Hubli, a region that has about 10 million people. We quickly realized that social innovation

does not happen unless you have local leadership. So one of the Sandbox programs is developing that local leadership, and another program is scaling up great social solutions the same way you scale companies; by sharpening the innovation, bringing in better management, and so on.

● *What sorts of social innovations are happening in the Sandbox?*

One example is a simple program where four college kids come together, pick a problem in society, and solve it. Today we have 20,000 kids solving problems. Sometimes the problems they solve are simple. For example, the Indian government has a program where once a girl turns 12, she gets a bicycle so that she can ride to school. But many girls living in villages don't know how to ride a bike. So four engineering college girls said, "Hey, maybe we can help them." On the weekends they took up the challenge and taught 150 girls how to ride a bike.

Other problems that the kids tackle are more complex. Another group of four students visited a slum and saw that the lack of access to water was a big issue. The taps started flowing around 2 a.m., and people started coming to fetch the water around 5 a.m. Soon there was a big lineup. So these kids bought a little tank, and on each side of the tank put four taps. When the water started flowing at 2 a.m. it filled up the tank, and because there were eight taps to draw water from, the lines were a lot shorter. The program not only helps create solutions to social problems, it also builds compassion, and the youth feel empowered.

● *Are there any programs that have come out of Sandbox that have scaled up to a national level?*

One of our best-known programs is Akshaya Patra, which provides hot lunches to school kids. [See "Case Study on Akshaya Patra" on page 14.] The government provides $15 per child per year to pay for hot midday meals for schoolchildren. Akshaya Patra came up with a program to provide a high-quality

hot meal for $30 a year for government schools. Every school has the option to opt in or opt out of Akshaya Patra. If they opt in, then the $15 per child that the government would have paid to that school instead goes to Akshaya Patra. The other $15 we raise through charity.

When I began working with Akshaya Patra, most of the donated money came from a few people who wrote very big checks. I encouraged the organization to raise money from more people. Slowly, Akshaya Patra started building its own fundraising organization, and it now raises money from thousands of Indians. Today, 90 percent of the budget is raised in India, and only 10 percent comes from outside of India. The program now serves 1.5 million meals to schoolchildren every day.

● *Is the Sandbox now ready to absorb bigger ideas from the United States?*
MIT wanted to find a way to have an impact in India, but it didn't have a good feel for the customers. There's no way that most people living on $2 a day can understand anything that these guys from MIT are talking about. So we've used Sandbox to build up people's leadership and capabilities, and people there are now ready for MIT's approaches. Five researchers from

the Tata Fellows program at MIT, who are working on technologies that could have an impact on India, went to India and spent 10 days in the Sandbox. Their goal was to create something to help Indian farmers with small landholdings. So they spent time with these farmers, and what they discovered was that a lot of them have crop problems because they simply add fertilizers and pesticides to the soil without ever testing the soil. MIT researchers came up with a way to test soil using a small strip of nanotechnology-based paper that you just dip in the soil, with water, and it tells you what the soil needs to increase crop yields. The researchers are now working on making this idea a viable product.

● *How does the work you do in India and in North America influence one another?*
No matter where you are, the big difference between a vibrant community and an impoverished community is the ratio of complainers to problem solvers. In an impoverished community, a lot of people feel victimized. They feel that things are out of their control, and they complain about situations. Not because they're bad people, but because the problems have become chronic. And there's no easy solution. But in a vibrant community, every

time people see a problem they jump on it. They feel so excited that they have a problem that's worth solving.

We've brought the Sandbox concept back to the United States. The idea of Sandbox is to inspire people within a community to solve their own problems. Once you get them involved they can't stop thinking about it. They become feverish, and when they find a solution, that's the "aha" moment! That's when they transform from being complainers to becoming social innovators.

● *What advice do you have for Indians living outside of India who are just getting started in philanthropy?*
The first thing to understand is that getting involved with philanthropy is a little like playing with fire. I've seen people get so excited that they jump in and get burned. Then they find that it is really hard, and they totally pull out. People need to inch in and figure out what they can give. Can they give one dollar? Can they give one million dollars? Can they give one hour? Can they give one year? Based on what they can give, they should pick the appropriate cause to support. And not get too excited. A lot of software entrepreneurs think that if they write a fantastic iPad app, all the education problems in India will get solved. But before rural India is ready for a solution like that, there is a lot of grassroots work that has to happen.

Creating a successful social innovation isn't just about coming up with a great idea. It's about building a distribution channel that can reach people who live on $2 a day, and building leadership and capacity within the community so that people can absorb the idea. Doing this is a lot more important than the idea itself. Once the community is ready, they will start looking for better ideas, and they will have the ability to work with innovators. What we need is an army of problem solvers in the community armed with the right tools. Without that, it doesn't matter how great your solution is—it will remain only an idea. ✖