

GBUS 8478 | MARKETS IN HUMAN HOPE

A 'Group Incubator' Course

Academic Year 2011-2012

DARDEN BUSINESS SCHOOL · UNIVERSITY OF VIRGINIA

Saras Sarasvathy, Frank Warnock and Veronica Warnock

Markets in Human Hope (MHH) arose out of our desire to develop solutions for some curious puzzles that separate business from social issues in emerging economies as well as advance economies. For example:

- *Why is it that we invest in for-profit ventures, but donate to nonprofits, often in the same industry such as health insurance or education?*
- *Why can't we buy shares in Transparency International and sell it in open markets when we need our money back?*
- *Why is it profitable to invest in cures for diseases but not in cures for poverty or illiteracy?*
- *For most ventures, is profit the objective or a constraint? Which should it be?*

MHH is a 'group incubator' course in which students seek to *build* audacious innovations that use business and markets as viable tools in promoting human development and transforming societies. The challenge that we take on is to *create* products, services, business methods, organizational forms, financial instruments or market-based mechanisms that address some of the pressing issues in economic development and social well-being, especially those that demand structural changes.

The MHH 'group incubator' is offered at UVA's Darden Business School for second-year MBA students; it is also open to students pursuing their graduate degrees in Business, Engineering, Law, Economics, Education, Public Policy and other areas, subject to professor and home department approval. It is appropriate for students who want to pursue innovative and financially sustainable solutions to development problems in the U.S. and abroad.

For Darden MBA students, the course builds most directly on the First-Year electives *Entrepreneurial Thinking* and *Creative Capitalism*; while not officially prerequisites, students are encouraged to take those courses. In some aspects, but less directly, it is also an extension of core Global Economies and Markets (GEM) and the First-Year elective *Global Financial Markets*.

ACADEMIC OBJECTIVES

As students create markets in human hope, they also aim to

- expand the scope of applications of business skills to the social sector,
- deepen the understanding of global poverty, disparity and imbalances, and
- develop leadership capabilities that are rigorous yet embodied in actual experience.

COURSE FORMAT

This ‘group incubator’ in *Entrepreneurship* and *GEM* spans an entire school year to allow students ample time to develop their ventures. It consists of one-on-one consultations, independent work including field work, class sessions, and a public presentation.

During the course of the year, you will flesh out an idea by researching and gathering information such as history of the topic, state of the art on this topic, a map of the space, players in the space, resources available to entrepreneurs and investors, challenges, exemplar cases, and a list of contacts pertinent to your venture.

In-class meetings are when we come together to draw on the group’s diverse skills and perspectives to gather, lend and sort out ideas on how to move individual projects forward as well as share and reflect on experiences. In this group incubator course, class engagement is greatly valued.

Critical to your progress is independent work, which includes field work and other on-the-ground activities such as business meetings.

The instructors are available for consultations. We highly encourage you to meet with all or any of the three instructors to discuss your ideas.

GRADING SYSTEM

You will be evaluated through class engagement (30%), journal (15%), field work (20%), action plan (10%), and final packet of mp4 and prospectus (25%). A mid-year interim grade will be given at the end of Q2.

Action Plan. (a) By October 4, submit a 2-page *preliminary* Action Plan briefly describing your MHH idea and outlining your plan including milestones for the rest of the academic year. (b) By October 26, submit proposal to Darden’s [Entrepreneurial Concept Competition](#)—the preliminary event for the UVa Cup. (c) By October 31, submit a *revised* Action Plan and pledge.

Journal. Keep a journal to record your progress on independent background work for your business venture. While it is important to continually update your journal, a prominent element of your journal is a chronicling of your field work (see below). This is an online journal to be maintained on the MHH course folder, so all can view at any time.

Field Work. Your field work is an important component of the course. You are building markets and products where they do not exist. The only way to understand your new market is to be there and to meet your target clients. In order to create a meaningful business venture you need to spend ample time in the space where you will be operating. The goals are to (a) learn about the different dimensions of development—economic, social, physical, environmental, and institutional—in the region/country where you will be operating, (b) gather directly from entrepreneurs and organizations information on how they see, view, and operate in this space, and (c) see firsthand the conditions and set of challenges faced by your target clients. Design a

mix and sequence of experiences and engagements and gather materials and resources that you cannot otherwise obtain.

There are two primary ways to fulfill the field requirement. The first, and most natural, is to design the field work yourself. (Student loans may be available to help finance this). Another way would be through available courses (such as a *Global Business Experience*) or through other programs, as long as the course or program is in line with your project and fulfills the objectives of the MHH field requirement.

Final Packet—Prospectus and Video. The ultimate goal of Markets in Human Hope is to form and launch new MHH business ventures and build an MHH network. But you must also provide documentation that contributes to the MHH library. (A) Provide a detailed business prospectus (minimum of 10 pages) that includes the relevant background research required to build your business (as explained above), list of contacts, resource list of publications and Web sites, and your business plan. (B) Provide a 10-minute mp4 of slides with audio.

MILEPOSTS	
Ongoing	Electronic Journal
Oct 4	Submit <i>preliminary</i> Action Plan
Oct 26	Submit proposal to Darden’s Entrepreneurial Concept Competition
Oct 31	Submit <i>revised</i> Action Plan
Nov 29	Submit update with Self-Evaluation
Feb 29	Submit Final Packet (A): Prospectus
Mid-April	Present at an MHH Showcase Event
April 30	Submit Final Packet (B): mp4

CONTINUING INCUBATION

We prefer that students carry their new business initiatives through to fruition. That said, some projects may be handed over to a new student for further development. The longer-term vision of the course is to create a pipeline of viable innovations that serve as building blocks for actual markets in human hope.

Sample MHH Projects (see Web site for a full list)

Yebo Fund	Joseph Andrasko (2011)
CookUP Food Truck	Natalie Schafer & Jess Mantooth (2011)
Darden Human Capital Fund	Derek Keller & Benson Metcalf (2011)
Appalachia Fund	Seth McGuire & Pedro Miguel Rodriguez (2011)
Hafredam Group	Amah Binde (2011)
Workplace Wellness	Brianne Warner, Swarupa Ellamaraju & Emily DeSanctis (2011)
Africa’s Basket: Distribution	Kim Griger (2010)
Tibetan Wool Project	Eric Logue (2008)
UpStream Cellphone Banking	Mellena Haile & Rafe Diaz-Tushman (2008)
The Free Housing Corporation	Jason Gill (2008)
LendStreet	Jerry Nemorin (2008, 2011)