

**March 2013****An interview with Tralance Addy, Executive Director****What attracted you to lead the Stanford Institute for Innovation in Developing Economies (SEED)?**

I joined the Stanford Institute for Innovation in Developing Economies because of its enormous potential to impact the lives of people living in poverty. Around 70% of Sub-Saharan Africans live on less than \$2 per day, with 48% living on less than \$1.25 per day. The numbers in South Asia are similar with 70% of the population living on less than \$2 per day and 36% living on less than \$1.25 per day.

The sustainable solution to the challenge of poverty is job creation. So I was highly enthusiastic about the opportunity to come to Stanford and to draw on the university's culture of innovation to help build businesses and entrepreneurial ecosystems in parts of the world where we believe SEED can make a difference.

**Since you joined SEED last fall, you have sought input from a number of thought leaders in economic development. How have these conversations shaped SEED's strategy?**

Many people within the university and outside have thought deeply about what SEED could and should do to realize our potential and we are integrating a lot of that feedback into our strategy and plans for implementation.

We started our strategic review by reflecting on the needs of the working poor and those living in extreme poverty. We also considered the intent of Robert and Dorothy King's founding gift to establish SEED, and how to utilize the vast resources of Stanford University and the Graduate School of Business. In addition, our need-finding trips to Africa, Latin America, and South Asia gave us the opportunity to meet face to face with local entrepreneurs and business managers, current and potential investors, public officials, NGOs and many others. These conversations provided us with a much deeper understanding of the problem and confirmed the increasing convergence of views—which are supported by data—that the role of the private sector in creating and expanding new enterprises is among the most effective sustainable vehicles in addressing poverty—if not the most effective.

We also are keenly aware of the perils of interventions that provide short-term relief but collapse over time, so we have shaped our strategy around what you might call a systems approach that addresses multiple barriers to economic transformation in an integrated program design.

**SEED's mission is to stimulate the creation of economic opportunities that reach and benefit people who live in poverty through innovation, entrepreneurship, and growth of businesses. What do you mean by "reach and benefit people who live in poverty"?**

SEED's intent is to transform lives on a massive scale. It is a very ambitious goal and we think that business enterprise is the appropriate vehicle that will take us there. It's important to point out that we're not only working with people who are poor. In fact, most of our work will focus on supporting businesses that have the potential to grow so they can employ more people. Our programs will offer training and experiential, hands-on engagement and support that address the needs of local entrepreneurs and businesses and to help them scale their enterprises. So we're thinking of innovation, entrepreneurship, and growth of businesses—or scale—as the primary levers to reach the poor on a high impact scale.

**You often start conversations by asking what poverty means. What does it mean to SEED?**

Poverty is a complex topic and involves a wide range of issues. Standard indicators that are commonly used to describe poverty include per capita GDP, per capita income, child and maternal morbidity rates, as well as access to affordable food, health care, education, clean water, sanitation—and these are all examples of specific areas of impact that we plan to monitor. However, at SEED, we also want to get beyond aggregate data and focus on the impact of our actions on individuals, families, and communities.

**SEED is planning on opening a regional hub in West Africa by mid-2013. Why West Africa? And what is a regional hub?**

SEED's aspirations are global. However, our starting point must be in an area where the gap between the need and potential for effective intervention is greatest. Our own assessment agrees with published reports on the Millennium Development Goals that Africa has the greatest gap and is therefore a natural place to start. We chose West Africa for our first target area because of its regional population of more than 300 million, the size of the need in the region, a local infrastructure sufficient to facilitate our operations, and the opportunity for achieving outcomes we can use to guide our future actions.

Regional hubs represent our strategic intent to engage in sustained direct action on the ground and will serve to focus training and ecosystem development activities. As an example, the West Africa hub, planned for Accra, Ghana, will reach out and serve businesses and entrepreneurs from countries in the entire region, including Nigeria, Cote d'Ivoire, Liberia, Senegal, and others.

**Say I'm the owner of a factory that processes foodstuff in Ghana or Nigeria. How would I benefit from the programs you offer?**

SEED programs are designed to help overcome the critical barriers to entrepreneurship and business growth and you would have the opportunity to engage with SEED at various levels of intensity and customization. For example, we plan to offer general training programs, some through online courses, that deal with specific issues of business formation. The more intensive programs will include continuous training and business coaching over an extended period. Participation at the high-touch level will be screened according to specific criteria that include commitment to the overall program and prospects for growth, since our primary interest is in enterprise formation and sustainable growth rather than solutions to one-time, single-issue problems.

High potential enterprises with exceptional promise to expand beyond local markets and generate significant levels of employment will have the opportunity to participate in highly interactive, customized programs in order to help them prepare for institutional investment. These programs will involve "learning by doing" and offer clients the opportunity for side-by-side coaching by SEED affiliates, including Stanford alumni volunteers with substantial experience in business management.

**How will you measure success?**

The primary measures on how well we are doing are all related to outcomes on the ground. This is consistent with the motivation of SEED's founding donors; to make the impact of our work on lives on the ground the imperative factor in assessing progress and success.

Over the next two or so years, we will also track a number of early indicators, including how many people we are reaching and the stickiness of our programs—much in the same way that marketing companies monitor adoption and penetration. We see stickiness and evidence of implementation as some of the most critical components of measuring our effectiveness. Over the next 5 years, we will expand our measures to include more elements that relate to the creation of jobs, as well as the impact on people in areas such as health, education, hunger, and morbidity of children under five.

*Tralance Addy joined SEED in the fall of 2012 as Executive Director. [Read bio...](#)*

**CHANGE LIVES. CHANGE ORGANIZATIONS. CHANGE THE WORLD.**

**Innovations**

Now in its 10th year, [Design for Extreme Affordability](#) is a multidisciplinary, two-quarter, project-based course offered by Stanford's Hasso Plattner Institute of Design (known as the "d.school") through the Stanford Graduate School of Business and Stanford School of Engineering.

Using design thinking methods, 40 students worked with 5 partners in Brazil, Ghana, India, Mozambique, and Myanmar, prototyping and refining medical devices, agricultural solutions, and health services intended to improve the lives of the world's poor.

**Miracle Brace**

Students developed Miracle Brace, a low-cost medical device made up of a bar that connects a pair of shoes that children born with club foot (congenital talipes equinovarus) can wear from birth through the end of treatment at around age 5. Wearing the brace resolves the inward rotation of the affected foot. Increasing brace access and brace compliance helps eliminate one of the most frequent causes of physical disability worldwide.

**Partner:** Miraclefeet **Country:** Brazil

For the complete project list, please visit [extreme.stanford.edu/projects/list](http://extreme.stanford.edu/projects/list)

**Field Notes**

SEED funded three **Stanford Management Internship Fellowships (SMIFs)** to support students working for social enterprises in India, Mexico, and Nigeria, and also supported one **Global Management Immersion Experience (GMIX)** in Kenya.

[Clara Chow](#), MBA 2013, SMIF at Generation Enterprise, Nigeria

[Damaso Fernandez](#), MBA 2013, SMIF at Ignia Partners LLC, Mexico

[Andri Kristinsson](#), MBA 2013, GMIX assessment of entrepreneurial landscape, Kenya



Mobile agents from the startup M-Kazi register young job-seekers in Nairobi, Kenya

[Benje Williams](#), MBA 2013, SMIF at 1298 Ambulance, India

**Stanford - Endeavor Leadership Program**

Last August, 60 Endeavor entrepreneurs participated in the **Stanford-Endeavor Leadership Program**.

Sponsored by the GSB and SEED, the program focused on building leading companies in a competitive global marketplace. As part of the program, GSB Alumni Coaches led working groups of Endeavor entrepreneurs through the program's "Business Challenge," an exercise created to help participants translate the leadership program's state-of-the-art concepts of management into useful practical applications.

**New Cases**

*SEED developed three new cases for the Stanford GSB Leadership Labs, a course taken by every first year MBA student. These cases form the basis for the SEED Challenge, a class project in which students propose recommendations to address challenges faced by businesses wanting to scale their products in developing countries.*

**d.light: Selling Solar to the Poor**

d.light is one of the leading manufacturers of solar powered lighting technology specifically designed for use by the world's poorest, bottom of the pyramid customers.

**EcoPost: Financing a Green Startup in Africa**

Based in Nairobi, Kenya, EcoPost manufactures construction posts out of the thousands of tons of plastic waste produced daily by the city. The posts, which are manufactured using second-hand industrial equipment, are frequently used to build fences, park benches, and other objects.

**Mobius Motors: Building an African Car**

Mobius Motors manufactures and sells low-cost cars in the Kenyan market. The company strives to make cars that are affordable, yet still perform well on Africa's rugged roads.

**Now on Video**

*Three researchers shared their expertise with the Stanford community. [Watch these seminars now...](#)*

**Abhijit V. Banerjee's** research explores improved methods to "self-target" the economically disadvantaged in social programs. [Watch video...](#)

**Antoinette Schoar** discusses "relationship lending" and whether personal interaction between lender and borrower reduces the willingness of the borrower to engage in moral hazard and default on the loan officer. [Watch video...](#)

**Tavneet Suri** explores the effects of mobile money on Kenya and its potential to improve an individual's ability to weather serious shocks in their livelihood. [Watch video...](#)

**Request for Proposals**

SEED is pleased to announce its first [Request for Proposals](#).

We are now accepting applications for the following:

**Research Grants****PhD Grants****PhD Fellowship Program****Did you know?**

*SEED does not award grants to external organizations at this time.*

**Contact Info**

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[Visit the SEED Website](#)