



THE RESPONSIBLE WAY

MICHAEL DELL

CO-FOUNDER, MICHAEL & SUSAN DELL FOUNDATION

INVESTING IN THE FRONTLINES OF CHANGE

The Dell approach: don't work to be remembered; instead, spend every dollar in the smartest way possible to ensure lasting change.

WHETHER I'M ENGAGED IN business or philanthropy, I start with the same principle: you shouldn't just tackle the biggest problem you see; you should tackle the problem that presents the biggest opportunity. And if you look at demographic and economic trends in India—9-10% projected growth in gross domestic product year over year and an unusually young population—there's abundant opportunity.

In 2006, when the Michael & Susan Dell Foundation began working in India, we started with what we knew: helping children get a good education, achieve good health and grow into successful adults. Those have been our focal points since we began US operations in 1999, and with the tremendous number of urban Indian children living in slums, we saw a clear parallel need in India. So we targeted six major cities with 18 million slum inhabitants, including some 7 million children.

Since then, we've invested more than \$85 million in India, focusing our efforts on urban programmes that improve education and promote family economic stability. On one level, we're helping individual children and families permanently escape the cycle of poverty. On another, we're seeking to shift lifetime outcomes for millions of India's poorer children, while working to ensure that those shifts endure well beyond the term of our grants. To that end, our agenda has not only been identifying problems with the biggest opportunities, it's been partnering with government, business and other philanthropic organisations and institutions to adopt and extend successful measures so that they become standard, repeatable practice, not extraordinary interventions.

DRAWING NEW MAPS

I often tell young people that in order to succeed, they need to throw away their store-bought maps and draw their own. And really, that's what we're trying to empower children in



the India slums to do: plot a course out of poverty and dead-end jobs. The goal is to give them the tools and skills to work in growth industries like retail, hospitality, manufacturing and outsourcing so they can successfully navigate the path to middle class.

And that requires major changes at many different levels of society; we aren't just talking about retooling individual life maps. We're seeking to help transform India's school systems, its school leadership and its teachers. Among students at the lower end of the socio-economic strata, we're striving to raise achievement in basics like math and language from the current unsatisfactory levels to a much higher standard.

We're working to develop standard, objective assessments of educational quality. We're helping to train disenfranchised adolescents for higher-paying jobs. And because we know that quality of life is critical to a child's success at school, we're working to provide poor urban families with access to reliable financial products and services, clean water, sanitation and basic housing—anything to help break the cycle of poverty.

To drive these changes, we work hard to identify effective and proven approaches. We focus on tangible results for the children, students and families we work with every day; we bring in experts, with local and global experience, to ensure we know what works on the frontline; and we don't settle for



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temporary solutions or promote a system that encourages recipients to return to our doorstep a few years down the line. At every level of the foundation's engagement, from individual children and families to the programmes and institutions who are our grantees, we're playing for bigger stakes like lifelong self-sufficiency, and the ability to contribute to and benefit from India's growth.

THE RIGHT OPPORTUNITIES

For example, we see a tremendous opportunity among the 40 million-plus young, underprivileged jobseekers registered with job exchanges throughout India. An estimated two-thirds of urban Indian adolescents between the ages of 15 and 18 are neither in school nor working. Most of the rest are earning less than minimum wage and working more than 12 hours a day. Meanwhile, there's a shortage of qualified candidates for service and manufacturing jobs. Millions of underemployed job seekers; millions of unfilled jobs... that's the sort of clear opportunity the foundation looks for.

We think vocational training with a focus on skills like English, interview preparation and basic IT skills offers under- and unemployed youth a clear path to marketable skills, certifications and dramatically enhanced earning potential. It also offers the possibility of powerful immediate impact, coupled with long-term growth and sustainability. To those ends, we're working with a number of organisations that train young workers and track and analyse their graduates' outcomes. We're then using that analysis to help refine the programmes and improve real-life results.

Over time, we anticipate that these vocational schools will become self-sustaining, as industry leaders recognise the benefits of having a steady crop of trained employees, and as financial institutions and microfinanciers begin offering low-cost loans to cover the costs of training.

MEASURING RESULTS

I'm a firm believer in measurable results and data-driven decision making, and the foundation follows suit. No matter where we invest, we're seeking provable results that can be sustained and expanded. And that means understanding baseline statistics, setting performance goals, measuring results, and then looping back and adjusting course to improve outcomes.

This focus has made us somewhat unique in India and has given us considerable credibility with governmental agencies, NGOs and other players in the country's complex developmental and political landscape. We've always required that our grantee partners demonstrate progress with clear numbers about outcomes. For example, in our education work, we aren't just concerned with the number of schools built or children enrolled; we want to understand how children's comprehension is changing.

Can fifth graders in the schools we fund read at fifth grade levels? Do they stay in school? After we train teachers, can we track and record better student outcomes? Do the students who graduate from our grantees' vocational schools get jobs? Do they earn decent salaries? How many are still employed after the initial period?

We're realistic. We understand that many of our partners don't have deep experience defining and tracking hard success metrics. So, when we need to, we roll up our sleeves and help grantees build objective measurement systems that work. We also rely on independent, third-party, standardised assessments to validate the impact of our programmes, and we actively support collaborative industry efforts to define and adopt standard reporting metrics. And, of course, at every turn, we look for actionable feedback.

PASSING THE TORCH

India today is a crucible; anything seems possible. Our job at the foundation is to strengthen older institutions and catalyse new ones. We aren't working to be remembered; we're working to spend every dollar the smartest way possible to ensure lasting change. And that means passing the torch on to institutions that can ensure that the best practices we help to identify can be woven into the fabric of society long after we're gone.

In this effort, partnership with governments and existing NGOs is crucial. But in every corner of the world, entrenched institutions can be slow to change. In the end, ensuring that India's metamorphosis doesn't lead to unbridgeable rifts between its poor and its growing middle class—ensuring that all its children, not just the privileged, have a chance to thrive—may be up to creative entrepreneurs and businesspeople who, by dint of experience, know how to draw new maps and build new bridges to the future. ■