

# Design that Matters II

Lyel Resner  
MIT 6.1040  
Fall 2023



# How this will go

1. On Social Innovation
2. Impact Case: A tool for authentic problem formulation
3. How to create a list of interviewees

# Fun with Nomenclature

“Public Interest Tech”

“Ethical Tech”

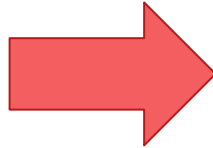
“Civic Tech”

“Responsible Tech”

“Rights-respecting Tech”

“Humane Tech”

“Tech for Good”



1. **Do No Harm.** *eg. enabling violence and extremism, furthering inequities, perpetuating bias, infringing on privacy, exploiting workers, destroying democracy, etc.*

2. **Create Social Impact.** *Protecting Human Rights, furthering Sustainability, advancing Social + Racial Justice, achieving UN SDGs*

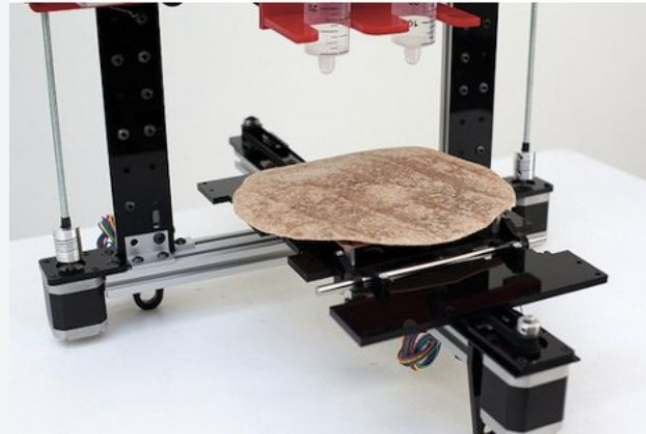
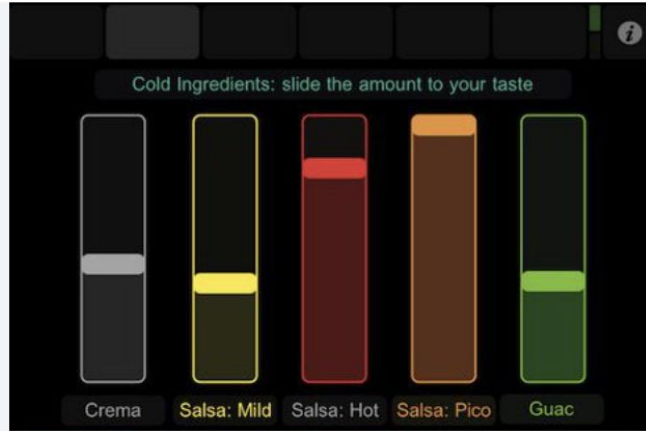




# Silicon Valley their moms

Biz Carson May 10, 2015, 8:13 AM ET

Gajitz



Newsletters Log in [Subscribe](#)

## to replace



Science, Delicious Science: 3D Printer Makes Custom Burritos | Gadgets, Science & Technology

[Visit >](#)

# Meaningful Problem?

$$\text{Social Impact} \sim \begin{matrix} [\text{Essentialness of a service}] \times \\ \\ [\text{Vulnerability of target Population}] \times \\ \\ [\text{Scale}] \end{matrix}$$

Social innovation is the process of creating and implementing **effective** solutions to address **meaningful** social and environmental challenges, with the aim of promoting positive social change

**meaningful** problems are:



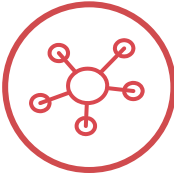
- **Gaps** in society
- Problems that limit **dignity, justice, inclusivity and agency**

**effective** solutions are:

- **Viable** solutions
- Have a clear and **measurable added value** for people affected by the problem

**This is where social innovation lives!**



			
	<b>Simple System</b>	<b>Complicated System</b>	<b>Complex System</b>
# of variables	Small	Can be large but finite	Very large + we might not know all of them + interactive
Instructions	Present	Present	Absent
Expertise	Not needed	Needed	Can be helpful but not necessarily
Reproducibility	Achievable	Achievable	Not Achievable



# On problems of social innovation

Social innovation problems are:

1. **“Wicked Problems”** → problems that exist in complex systems

\*\* Term coined by Horst Rittel

2. Limit the existence of social principles

Characteristic of wicked problems are:

- Symptoms of another problem
- No clear definition or one root cause
- Stakeholders have different views
- No fixed solution readily available
- 



# Bain's 50% stake in Toms shoes shows faith in socially-minded business

**The ethical shoe company is valued at \$625m despite selling a relatively dull product and giving half its stock away - does Bain's investment recognise that purpose can drive profits?**



📹 Toms founder Blake Mycoskie says it will expand its social mission despite selling half the business to Bain. Photograph: Scott Melcer/WireImage Photograph: Scott Melcer/WireImage

What is the key to profit for the next generation of consumers? Bain Capital thinks it is purpose

eting  
ollar



TOPICS ▾

SERIES ▾

ARTICLES

PODCASTS

VIDEOS

FACULTY

BOOKSTORE

# The “One-for-one” Business Model: Avoiding Unintended Consequences

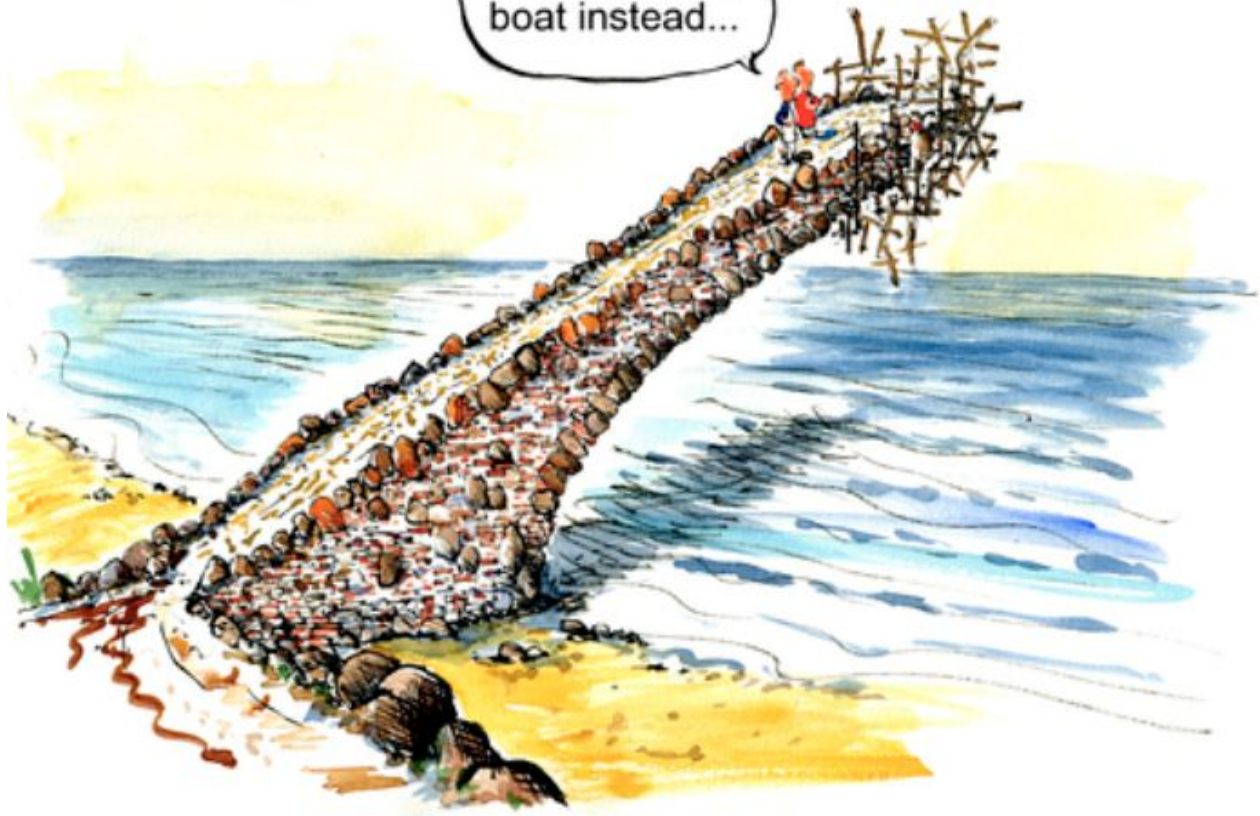
February 16, 2018 • 14 min read

Companies that make everything from shoes to eyeglasses have implemented the so-called one-for-one business model — meaning for each product that is sold, someone in need gets a donation. Does that help or hurt the intended beneficiaries?

*...questions have been raised about whether the social impact aspect works quite as well. Widmer and others say the model can create dependency, sap local initiative, kill demand for local businesses, and make developed world buyers of one-for-one products complacent about taking other action to address social needs.*



Maybe we  
should build a  
boat instead...



# Impact Case Template

1. The problem of X is important because \_\_\_\_
2. Our solution to address this problem is Y.
3. We believe Y is a good solution because \_\_\_\_
4. We will measure N to prove that Y is a good solution to X.

# Impact Case

A commonly used tool that explains:

1. The cause-and-effect logic by which resources will be converted into the desired social results
2. Speaks to broader importance of those results

# Impact Case helps you:

1. Prove that you have an important goal
2. Prove that your activity, product, or intervention will have the intended result
3. That intended result is the best option or will contribute meaningfully to the broader problem

## Discuss:

Is an impact case only useful for “social impact” problems?



# Why is an Impact Case Important?

1. To ensure your social impact startup is *actually going to have meaningful social impact*.
2. You have limited time and resources
3. To convince funders, investors, partners, talent and other stakeholders for their time or resources

# Proof?

1. Stakeholder interviews
2. Landscape Research [The literature and so on]
3. Experiments (MVP)

→ Combination of all 3!

## Important:

As you seek to prove your Impact Case, you will encounter new evidence that will force you to iterate and refine your Impact Case

→ This is good!

# Research Practice

Generate an Impact Case for the following:

**Problem Area:** Theft from grocery stores.

**Solution:** Help Grocery stores sell expiring produce at a discount



# Example

The average Palestinian in the West Bank receives 30% less water than the minimum recommended by the World Health Organization. 700,000 Palestinians in the West Bank suffer from this problem according to WHO.

If we build an ultrasonic sensor that's placed on the personal tank of the person and connected to an app, we can give people control and knowledge about their water usage.

This will save them time, money and stress.

# Impact Thesis Template

1. The problem of X is important because \_\_\_\_
2. Our solution to address this problem is Y.
3. We believe Y is a good solution because \_\_\_\_
4. We will measure N to prove that Y is a good solution to X.



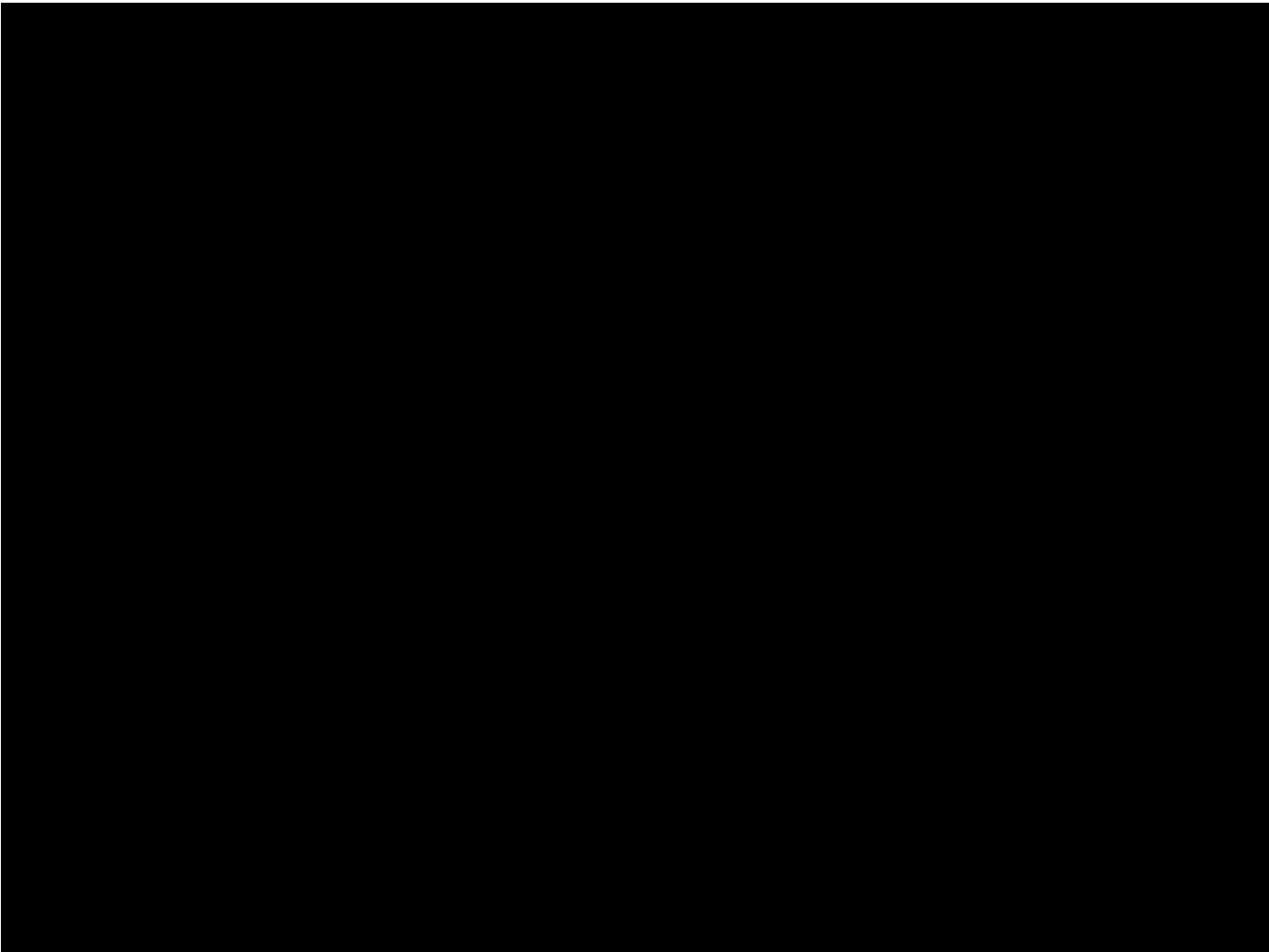




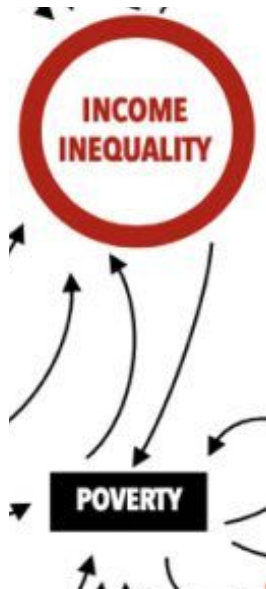


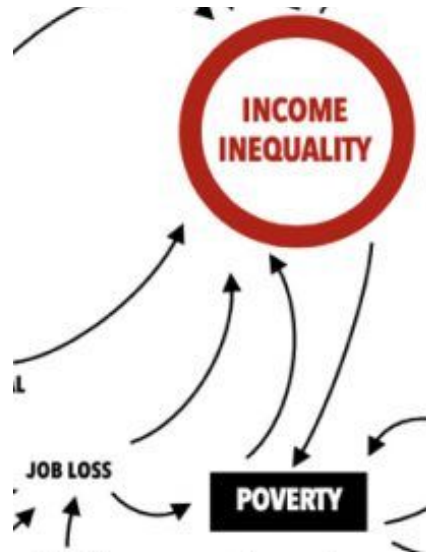
# Impact Case Template

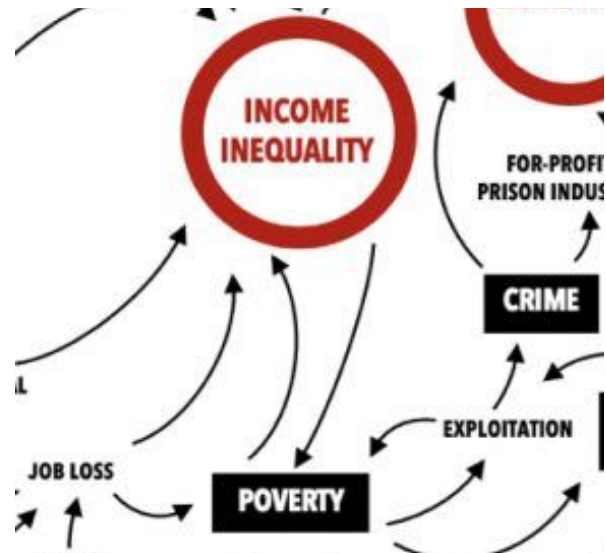
1. The problem of X is important because \_\_\_\_\_
2. Our solution to address this problem is Y.
3. We believe Y is a good solution because \_\_\_\_\_
4. We will measure N to prove that Y is a good solution to X.



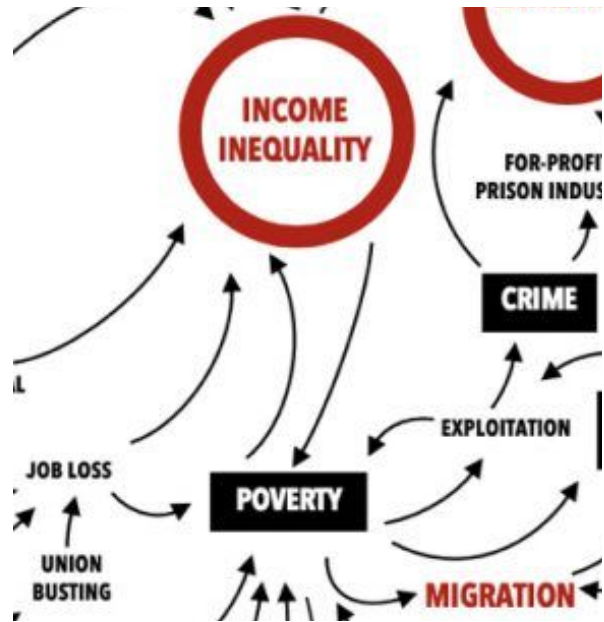


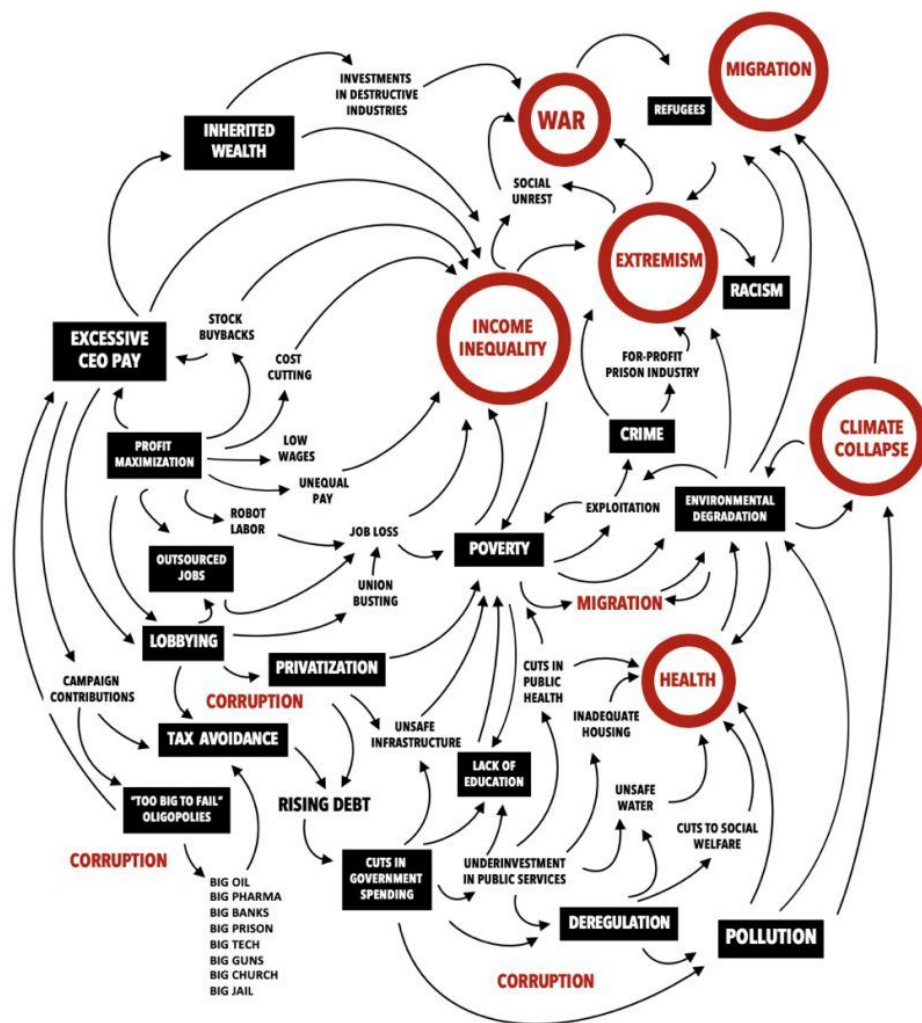












# Interview Strategy: Map your ecosystem

## Steps

1. **Identify** ~5 Stakeholder groups in your problem space
2. **Select** 2-3 Notable organizations or individuals in each stakeholder group
3. **Answer the following question for each:** What are their motivations? Their strengths? What are their blind spots? What are their needs?
4. **Questions to answer overall:**
  - a. What does the space need?
  - b. What are the structural gaps?
  - c. What are the biggest opportunities to create value? Either as a way to add value to someone else endeavour or as a standalone project?
  - d. Seek out these answers with research, literature, and stakeholder interviews.
5. **Utilize** the above findings to help develop and refine your Impact Case

# Quick Airbnb Ecosystem Map

1. **Identify** ~5 Stakeholder groups in your problem space
2. **Select** 2-3 Notable organizations or individuals in each stakeholder group
3. **Answer the following question for each:** What are their motivations? Their strengths? What are their blind spots? What are their needs?
4. **Questions to answer overall:**
  - a. What does the space need?
  - b. What are the structural gaps?
  - c. What are the biggest opportunities to create value?

<p>Guests</p>	<p>We prioritize the safety of our community.</p>	<ul style="list-style-type: none"> <li>– Number of personal safety incidents (99.94% of trips had no reported incidents) and the rates of property damage (99.9% of trips had no Host Guarantee claim over \$500)<sup>1</sup>. Tracking these incidents will help us continue to reduce the number of negative incidents.</li> <li>– Percentage of stays where both hosts and guests have verified identity (70% globally as of January 2020).</li> <li>– Percentage of listings that are verified, with a goal of 100 percent verification by December 15, 2020.</li> </ul>
<p>Hosts</p>	<p>We treat our hosts as partners.</p>	<ul style="list-style-type: none"> <li>– Survey data evaluating hosts' satisfaction with our customer service and policies.</li> <li>– Host tenure on the platform.</li> <li>– Number of new hosts who have joined Airbnb.</li> <li>– Host earnings over time. In Q4 2019, 53 percent of hosts earned more sharing their space than they did in the same period of the previous year.</li> </ul>
<p>Communities</p>	<p>We set a new standard for sustainable travel.</p>	<ul style="list-style-type: none"> <li>– We are measuring the carbon footprint of both Airbnb corporate operations and the carbon footprint of travel facilitated by the Airbnb platform. Measuring our impact informs our efforts to reduce our carbon footprint and set a new standard for sustainable travel.</li> </ul>
<p>Shareholders</p>	<p>We will make long-term strategic decisions.</p>	<ul style="list-style-type: none"> <li>– Financial metrics such as GAAP revenue, EBITDA and Free Cash Flow, as well as key business performance metrics such as Customer Booking Value and Nights and Seats Booked.</li> </ul>
<p>Employees</p>	<p>We champion diversity and belonging.</p>	<ul style="list-style-type: none"> <li>– Analysis of the gender and racial and ethnic diversity of our employees. In 2018, 48.9 percent of all Airbnb employees were women and 12.3 percent of US-based employees were underrepresented minorities. We are committed to being</li> </ul>

## Case Study: New York City

New York City is a good case study. The New York City's Comptroller's Office published [a report](#) arguing the "increase of AirBnB supply cost New Yorkers a total \$616 million in additional rent in 2016" as a result of price pressures." Despite passing laws regulating the business of short-term rentals by commercial hosts, a [2020 report](#) found that in 2016, 8,058 units of housing were lost to short-term renting and by 2018, that number surpassed 13,000. Experts agree that commercial hosts are likely leading the illegal ghost-hotel operations. In 2018 this created a rental-market ripple effect that cost every New York City renter an estimated \$470 that year.

# Ecosystem Map Kickstart

1. **Identify** ~5 Stakeholder groups in your problem space
2. **Select** 2-3 Notable organizations or individuals in each stakeholder group
3. **Answer the following question for each:** What are their motivations? Their strengths? What are their blind spots? What are their needs?
4. **Questions to answer overall:**
  - a. What does the space need?
  - b. What are the structural gaps?
  - c. What are the biggest opportunities to create value?

# Tips!

1. Look for nodes!
2. If you like your problem space...some of the people and orgs you find can help broaden your career imagination!
3. This should be fun! Rapidly getting up to speed on a subject that you care about, by talking to experts\*\*\*

\*\*\*experts can be scholars, practitioners, potential users, or people with **lived experience**



# Takeaways

- 1. Solve important problems**
- 2. Good intentions aren't enough**
- 3. Impact Case Template and ecosystem mapping can help you do the work upfront!**

Thank you!