Defining growth at a for-profit clinic in Kampala

Michelle: Hello and welcome to another MIT Sloan podcast. I’m Michelle Choate along with my co-host Michael Perrone. Today in the studio with us we have Ian Lavery. Ian was part of an S-Lab project that worked in Jakarta on a water crisis issue, welcome Ian.

Ian: Good to be here.

Michelle: Perhaps maybe you could start out by giving the listeners a bit of an overview on what exactly S-Lab is.

Ian: Sure, S-Lab is a course taught by four superstar professors here at MIT Sloan: John Sterman, Rick Locke, Sarah Slaughter, and Rebecca Henderson. It is the second in a series of two sustainability-related classes.

Michael: And you want a little bit about what your project was? Your specific project.

Ian: So a few years ago, Otto Sharma, another professor here at MIT Sloan worked with UID, a non-profit in Jakarta to establish the ideas program there. So their main goal was to have a workshop in which the stakeholders discussed the ideas around clean water in Jakarta. And we were there to help structure the workshop and give them insights into how other areas around the world and other groups around the world have managed their watersheds properly. To give you a little more background on the Jakarta water crisis, there are a number of rivers, I believe 13 rivers in and out of Jakarta, they’re all very heavily polluted and because they’re very heavily polluted many people in Jakarta and the surrounding areas cannot use that water for drinking water. So what they’ve been doing is pumping ground water, a lot of ground water. So much in fact that they’ve have sea water intrusion from the ocean obviously and in addition to that it has caused the level of the land to actually sink. So with the sinking land and rising sea water levels, I believe that the World Bank studies predicted that within 16 years, there’s a very high likelihood that Jakarta will sink 15 feet resulting in potentially catastrophic flooding. So they’re looking at various ways to mitigate this problem. And one of the ways is to work on the upstream parts of the rivers flowing into Jakarta; one to insure that the water’s clean so that the people in Jakarta aren’t pumping ground water, and then secondly to restore the habitat such that when there is torrential rain pour that you’re not getting excessive flooding downstream in the downtown Jakarta area.

Michael: What kind of background did you do for this project?
Ian: So we had to apply for projects based on our own interest and our own expertise. I have a background in environmental management and a lot of background in storm water management. And my other team member has a strong finance background. So she basically looked at it, you know, from an economic prospective and I looked at it from the environmental management prospective. And further our faculty advisor, Professor Slaughter is one of the eminent built environment experts. So basically what that means is, you know, how have humans built onto the environment, building structures, infrastructure, so basically we started out with a bunch of research. We interviewed UID through actually Skype calls, it’s one of the best ways that people communicate internationally. And basically helped plan their workshop by looking at other workshops. And then further we looked at sort of a systems dynamics approach to look at the stakeholders and how they interact with each other. And from that we used the teachings of John Sterman and his system dynamics class to really get an idea of how the different stakeholders are interacting with each other.

Michelle: Now is it just the two of you on this team?

Ian: We were an anomaly, whereas most teams had four, five students, it was just two of us tackling this problem.

Michelle: And did you specifically, as part of the S-Lab class do you say, you’re presented with the various projects, and you say okay this is the one I’d like to work on? Or is it you pair up with someone and that’s the best fit for the team that you have or how does that work?

Ian: So there’s a list of, I don’t know, 15, 20 projects and people split together into teams. We did have a team of three originally and we prioritized our top three or four projects and based on what our first priority is, what our expertise was, what other groups were interested in, we were placed with a project by the professor and the TA’s.

Michael: Was there a deliverable at the end of the project?

Ian: So there were a few deliverable; one to the host organization, UID, which was a final report, approximately 20 page report with figures, recommendations. We basically structured that report in three ways; one, who were the stakeholders, how do you help identify the stakeholders based on a system dynamics approach, we looked at the hydrologic cycle to see where the most impact was being made and how some of those players might be impacted by their suppliers or the purchases of their products or other people who depend on them. So that was the first step. Then second we looked at other workshops and how could we help them structure their workshop to get maximum effectiveness and full buy in from the stakeholders. And then finally we researched actual watershed management practices. And so we structured our report in that way where we start with the stakeholders, then went to the workshop, and then finally with the watershed management practices.

Michelle: Now your background seemed perfect for this project and for S-Lab and I was wondering did you come to business school with an idea of building on that
background and continuing in that direction or did you just happen upon S-Lab and sustainability interests once you were here?

**Ian:** I came to Sloan because of its high rankings within the sustainability community, specifically the professors. The S-Lab class itself is part of what drew me to Sloan. And the reason I came to business school was to learn the business speak that really is what connects with people. You could talk about watershed management and conservation of energy all you want but until you put numbers to it and financial analysis to it, you’re not going to really get as much done. So I came to business school to speak that language, speak with people in terms of numbers, financial numbers so that I can get projects done.

**Michelle:** And so you said that you’re going to probably follow the progress of this. Is S-Lab something that you can only do one of throughout your two years here? Or could you conceivably do another project next year with it?

**Ian:** That’s a good question. I’m not sure if I can take the class again. I probably could but for zero credits. So we’ll see if I can fit that into my schedule next year.

**Michelle:** So your internship, this summer you said was also kind of in the environmental management area?

**Ian:** Yup, I wanted to stay in the sustainability arena so to speak for my summer internship. So I joined an interesting program that is run by the environmental defense fund and their corporate partnerships program. So what they’ve done in two years was grow this program from seven people to twenty five people that are matched with host companies to look at their operations and make a set of recommendations to improve their energy efficiency, reduce their carbon footprint or in some cases achieve lead certification. And all these projects are attached to very detailed financial analysis, showing what the payoff is, what the MPV is, what the payback period is, and it’s made in a very formal way to top management to get these energy efficiency programs enacted and I may not be citing the statistics correctly but I believe last year they save over 35 million dollars in energy costs and the program has more than tripled this year.

**Michael:** Are there any lessons that you took away from this project, the Jakarta project, that you think you’ll be able to apply down the road?

**Ian:** We approached the project believing that as Sloan students we’d swoop in and save the day and show them all these new ideas, but in fact, the people in Jakarta are relatively well-educated and these people knew a lot of what was going on in the world and what some other success stories had been. But we had helped frame their conversation up, not so much their conversation, but frame their thinking so that, you know, they would have a more effective workshop, a more effective outcome, but you know, even without us I’m sure they would’ve been successful. Further, you know, just working in a team is always an interesting prospect. There’s no hierarchy. One thing that Sloan brings is an education in teamwork and camaraderie when there is no
apparent leader it’s really a way to work with your equals in a very equal-footed way so that you respect each other’s work and help push and pride each other, but also accept criticism from your equals and without, you know, a team leader or professor guiding us the whole way, we were more or less left to our own device. You know, we had to come up with a way of working with each other that helped us finish this highly complex dense project in a five week time period. So that was one of the biggest takeaways from the S-Lab project.

**Michelle:** Well thank you very much for coming in and sharing with us, and good luck with the summer internship.

**Ian:** Great, good to be here.