

# Katherine Klein on Social Impact and ‘Finding Opportunities to Make a Difference in the World’

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*KWHS summer intern Ila Kumar, a senior in high school at Germantown Friends School in Philadelphia, sat down with Katherine Klein, Wharton’s vice dean of social impact, to learn more about the intersection of business and social good. Turns out, it is a very creative, optimistic and dynamic space to explore.*

*An edited version of the interview follows.*

**Knowledge@Wharton High School (KWHS):** We are here today with Katherine Klein, Wharton’s vice dean of social impact. Katherine, thank you for joining us.

**Katherine Klein:** Thank you. It’s great to be here.

**KWHS:** What is social impact?

**Klein:** Well, there’s not one definition of social impact; it means different things to different people. But for us at Wharton and I think for most people these days, it’s the idea that businesses have a role to play in the world that goes beyond making a profit. It’s also the idea that business knowledge and business strategies may help make a positive difference in the world.

**KWHS:** What are your responsibilities as the vice dean of the Wharton Social Impact Initiative?

**Klein:** My main responsibility is helping to create opportunities for students and professors to get involved in social impact work, which really means helping them find interesting opportunities to make a difference in the world. Maybe [that involves] combating hunger; maybe it’s bringing financial literacy, [which is] helping people understand how to manage their money; maybe it’s bringing peace-making to different parts of the world; maybe it’s employing kids who don’t have a lot of role models from parents and others in their community and are going into professional careers. [There are] lots of topics that professors are interested in studying in order to understand how to make the world a better place. My role as vice dean is helping to create those opportunities so that students and professors can run with them and make positive things happen.

**KWHS:** What skills are needed in order to be a successful social entrepreneur?

**Klein:** Good question. I think many of the skills that are needed to be a successful social entrepreneur are very much the same ones that are needed to become a successful entrepreneur. You need to be really tenacious. You’re going to be knocked around [because] it’s not [always] going to go well. You need to learn from that experience and keep going. You need to have a creative idea and [choose] a niche where you can make a difference. Where does the marketplace need me? Where does the world need me that 16 other people in 16 other companies, if not hundreds of other companies, are not already doing? You need passion, because the goal with a social enterprise is to make a difference in the world, to serve other people. Often, it’s also to do so in a financially sustainable way, which means, how are you going to make money in the process? How are you going to keep this thing going so that you can make a positive difference? So, again, creativity, tenacity, passion to make a difference in the world and smarts. Connections help, and if you don’t have connections, then [you need to know how] to build social relationships so that you can reach out to people and get mentoring, get support, get advice. All of that is important.

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**KWHS:** Where is the intersection between business and social impact?

**Klein:** The intersection between business and social impact is this evolving, very dynamic space. Lots of people are trying lots of things and in general, there's a sense of possibility, a sense that business strategies and business knowledge can make a difference for social impact in the world. For example, Con Agra Foods makes a lot of food, and it has a foundation that supports work to combat hunger. Nike has realized that, gee, when it makes shoes, [the company] uses a whole lot of water, and it would be better for the environment and better for costs if they could innovate in ways that needed to use and waste less water. Those are ideas of big companies that are exploring ways to get involved in social impact. There are lots of examples of students coming to Wharton and getting either an undergraduate or an MBA degree and going on to start a nonprofit organization or to work in governments around the world to support the kind of work that they're doing or to work in school systems and ask, "How do we make public schools in the United States better? How do we create really fabulous charter schools?"

It's a huge range of activities: Sometimes it's in mainstream companies, big-name companies that people have heard of, sometimes it's in small startups, sometimes it's by having MBA folks who come from business schools serve on boards of directors for nonprofit organizations. It's many models, but that intersection of social impact and business is this space of great creativity and optimism right now.

**KWHS:** What are some examples of the most interesting social impact initiatives you have seen?

**Klein:** Alpesh Chokshi works at American Express and has been very involved in creating this new American Express card called the Bluebird Card. What's interesting about this is that American Express used to be for the richest and fanciest – like, you've really made it when you've got an American Express Card. The Bluebird Card is marketed with Wal-Mart and it's for people who are unbanked, who literally have no bank account. It [is a prepaid card] that allows them to get banking services at a really cheap rate and start to get help with managing their money in more effective ways. It's an interesting example of American Express reaching out to a different clientele. American Express is making money off of this product, but they're also helping people who otherwise [don't have a bank account or a way of learning to manage their money]. It's an example of social innovation within a very large, established firm.

A very different example is a second Wharton alum, a guy named Eric Adler. Eric, with a partner, has created The Seed Foundation, which runs Seed Schools in Washington D.C. and Baltimore. These schools are public boarding schools — college prep schools for disadvantaged youth. Kids come to school on Sunday night and they leave on Friday night. During the week, they're getting support, great food, great classes and great mentoring and coaching. These kids are doing really well and going to the kinds of schools and colleges they probably wouldn't be able to go to or maybe even know about if they had not gone to the Seed School.

A third example is another Wharton alum, a man named Daniel Skaff, who is very involved with an organization on the West Coast called One PacificCoast Bank. The idea here is that they wanted to create a bank that's for the community and that is embedded in the community and providing great services on the ground, in local networks, in local neighborhoods, to help the poor, to help those who are disadvantaged and [don't have access to] great banking services. Sometimes these big banks seem really monolithic and big and intimidating. It's not that kind of bank. They also have a really interesting motto, which combines [economic justice, environmental stability and profitability].

The last example I will give you is a woman named Durreen Shahnaz, [founder of Impact Investment Exchange Asia]. She grew up in Bangladesh and lives in Singapore now and is a graduate of Wharton. She has created a system to help social entrepreneurs working in Asia. She and others provide training and angel investing, which means money to get these small organizations off the ground. As they grow, they provide opportunities for more investment and more support. And ultimately, [they provide] a stock market for these kinds of mission-driven organizations.

So, [I get to see] a huge range [of social impact initiatives]. I could go on and describe more nonprofits, more big companies and more startups. [The broad spectrum of projects] is part of what I love about my job.

**KWHS:** How can high school students create social change?

**Klein:** Usually, they create a lot of social change by discovering their passion and saying, “You know, I want to help people who do this” or “I think this is a really interesting problem, and we can solve it in a new way.” [Then they] dig into the problem by doing research to understand it and come up with an innovative solution, [and they] start to talk with others about their ideas. “Aren’t there things that we could do for kids in this part of the world? Aren’t there things that we can do to combat this illness?” And slowly, high school students are essentially creating movements — passionate bands of people who create opportunities, raise awareness, raise funds and start planning activities. Maybe they’re selling things that serve other people, maybe they are having fundraising events, but [they are using their] energy, drive and passion to make a difference.

**KWHS:** What would be your advice to a high schooler who is interested in becoming a social entrepreneur?

**Klein:** Just do it. Just believe that you can, because high school kids are doing this all the time. Researching opportunities and problems is a really good idea. What are other high school kids doing? What can you learn from other people’s examples? What do you need to know about a specific problem to really understand it so that you can make a difference in whatever area you want to make a difference? Get help, get mentoring, talk to your friends and go for it.

**KWHS:** Great, thank you so much.

## Questions

What do you think of the idea that business knowledge and business strategies can help make a positive difference in the world? Do you believe that CEOs can look beyond their own self-interests and paychecks, not to mention the interests of their shareholders, in order to invest in true social change? Why or why not?

Do you believe that the social impact movement is changing the way companies conduct business? Social responsibility has been a business priority for years, but how genuine has it been? Is it reaching a new level of authenticity?

When was the last time you made a social impact, however great or small? What was it, and how did it affect you?

## Related Links

- [Wharton Magazine: Katherine Klein and Social Impact](#)
- [Echoing Green: Eric Adler and The Seed Foundation](#)
- [American Express Bluebird Card](#)
- [BusinessWeek: Wal-mart’s Prepaid Card May Be the Best Deal Yet](#)
- [One PacificCoast Bank](#)
- [TED Blog: Durreen Shahnaz](#)
- [Social Impact Career Center](#)