



World Business Council for
Sustainable Development

Case study

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Hewlett-Packard The Kuppam HP i-community

The Kuppam HP i-community draws its inspiration from the e-inclusion mission of HP, which aims to provide people with access to greater social and economic opportunities by closing the gap between technology-empowered and technology-excluded communities.

Kuppam is a rural Indian village 105 kilometers from Bangalore on the Bangalore-Chennai railway. With a population of 285,000 and 62,400 households in 5 mandals, the area has been generally neglected, but has recently witnessed some development activities. The services available in Kuppam are not enough to meet the region's growing challenges, including those of more than half the population who live below the poverty line.

"All aspects of solution development -- R&D, marketing, distribution, training -- must be tailored to the needs of the emerging market community, needs that are often quite different than those of mature markets. Our teams are dedicated to learning about these needs for emerging markets and we're leading the way to designing programs and products that meet those needs."
-- Anand Tawker, Director, Kuppam HP i-community

Vision

Through public-private partnerships, HP's i-community aims to turn the region into a thriving, self-sustaining economy where access to technology permanently improves the livelihoods of the population by raising literacy rates, creating income, providing access to government services, education and health care, and opening new markets.

The program seeks to build leadership and IT capabilities within the community and establish a sustainable and replicable model for socio-economic growth in order to help all people access the social and economic opportunities of the digital age while focusing on sustainability for the community and for HP. The company aims to build its market in the region by being the first mover in this area among major IT companies.

Objectives

The objectives of the i-community program are to create:

- Appropriate technology innovations and replicable business models;
- Self-sustaining and scalable demand models;
- Business models that are replicable worldwide;
- Profitable revenue streams for both HP and local communities by providing access to new markets;
- Sustainable IT and communications infrastructure;
- Self-sustaining new job/income opportunities;
- Leadership and capacity within the community.

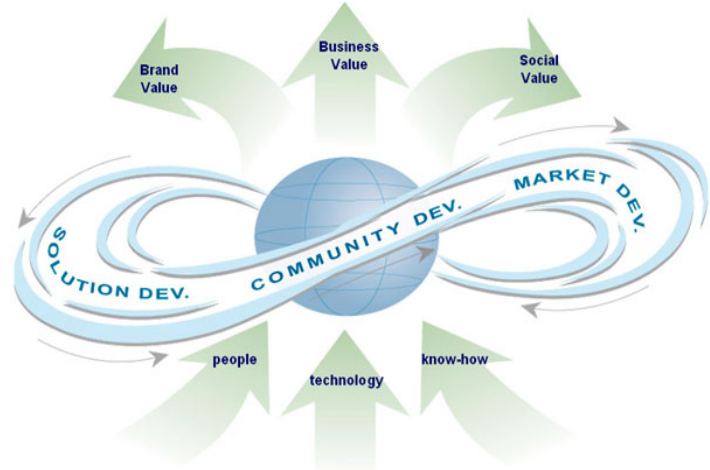
Motivation

HP's motivation for undertaking e-inclusion and i-communities is the expectation that they will lead to the creation of significant new markets that will drive growth in revenue and profit, while furthering the company's goal of being a model corporate citizen.

Strategy

In 2002, HP started its structured approach to translate the vision and goals of e-inclusion into actions that tangibly impact people. HP has engaged with citizens, local and state governments and non-government and private sector organizations in Kuppam to understand the community's stated and unstated needs and co-created contextual and culturally appropriate Information and Communication Technology (ICT) solutions.

The objectives of the i-community are accomplished by creating an ecosystem involving all stakeholders, including the broadest possible active inclusion of community members. It is a multi-year commitment involving business units across HP and many partner organizations.



Local value creation

To create a holistic impact the i-community focuses on using ICT solutions in the domains identified by various stakeholders – education, health, economic development, social empowerment and interface with the government.

Key initiatives of the i-community

Suite of applications on the i-community portal

HP has created a citizen-centric, multi-lingual portal using a Web-based framework to provide several useful services. The *Yojanalu* Public Information Portal disseminates information about various government schemes and enables citizens to use them efficiently. It provides brief details of the scheme and eligibility criteria, and facilitates online application processing. To date users have filed more than 2,500 applications using this service. Other solutions on the portal are an employment exchange, a farming information system, and a self-help group management system.



Yojanalu Public Information Portal

Village Photographer Programme

When HP decided to pilot a new solar-powered mobile photography solution small enough to fit into a backpack, it chose members of a self-help group in Thodialyellagatti. Self-help groups, whose members are almost all women, put aside small sums of money each week. The money is then pooled and loans are made to members. When a group's assets reach a certain point, the government matches the funds, again for loan-making purposes. Through the mobile photography solution, HP aimed to create new jobs for Kuppam residents while testing the business model to see if it was sustainable and replicable.

Ten women were trained and given free cameras, printers and other equipment. HP Village Photographers take ID photos and pictures of official and cultural events in



Kuppam, including weddings, public works in progress, and family portraits. These women consistently earn 1,500 Rupees (US\$ 35) per month as photographers. For many the income represents a better education for their children, or the chance to make their lives easier by being able to afford a water tap at home. As fully –employed members of a self-help group, they are also able to discuss lines of credit for their group with the bank; something they could not do before having an income stream.

Information Technology Enterprise Solutions (ITES) Center at Kuppam

As a part of its commitment to create ICT-enabled jobs, HP is facilitating the creation of the ITES center at Kuppam, in partnership with Datamation. Initially the i-community program team will manage this center, but eventually the community will be responsible for running it in a sustainable manner.

Handicrafts training

The handicrafts training initiative aims to build capacity and create new livelihoods for a group of tribal women. Over time, it will transform itself into a self-managed, self-sustaining business enterprise. The handicrafts made from this project are on sale in India's leading e-marketplace, www.sifymall.com, thereby integrating ICT in this initiative.

Other services

Other notable initiatives include:

- A telemedicine program with TeleVital and PES Medical college that provides access to health services in remote areas;
- An unfacilitated computer kiosk to expose the community to ICT and to understand usage models;
- An Internet-enabled large-size public display screen to provide access to real time information and demonstrate the use of Internet to local inhabitants;
- A program integrating computers in school learning for better delivery of education in partnership with American India Foundation and World Links;
- A training center aimed at building capacity within the community;
- Development of a low-cost computing platform based on open source technology;
- A PC-based eye testing solution;
- A voice-enabled Literacy testing solution;
- Voice Over Internet Protocol (VOIP) help lines to hospital and police;
- A solution to provide the community with a secure data storage system for important documents.

Solution Delivery Infrastructure

The Kuppam HP i-community has established Community Information Centres (CICs) and deployed three Mobile Solutions Centres to provide access to the various i-community services. Internet access to the CICs and other service providers in the community is being provided through wireless technology.

Community Information Centres (CIC)

To deliver the solutions developed as part of the HP i-community initiative, as well as other services to the citizens of Kuppam, HP, in association with World Corps, a Seattle-based NGO, has set up 14 CICs equipped with computers and Internet facilities. These services will be increased in a phased manner as their number of users and demand grow. In these centers, students, teachers, parents and others can learn skills and get access to information and services via the Internet. Services are delivered in three languages (Hindu, Telugu, and English).

Internet Infrastructure using wireless technology

HP and the government of Andhra Pradesh have developed a state-of-the-art communications infrastructure in Kuppam. A 2-mbps (megabyte per second) Internet backbone has been provided at each of the five mandals and a wireless network of over 25 access points provides Internet access to most parts of the constituency.



Mobile Solutions Centres

HP has deployed three mobile vans – two in partnership with PES Institute for Medical and Scientific Research. The vans are equipped with solar-powered computers, a soil testing laboratory, a literacy testing station, and telemedicine services to bring solutions closer to rural communities. To date, over 100,000 citizens have been helped by the Mobile Solution Centres – an average of 15,000 people per van, per month.



Mobile Solutions Center

Business Finishing School

Together with the Electronic Employment Exchange and Training Centre, the Business Finishing School provides Kuppam youth with an end-to-end solution to enhance their employment potential. The school delivers practical job skills training and information and recruitment services to local job seekers.

Value creation for HP

HP is already benefiting from its engagement in Kuppam by establishing new partnerships and positions for the future, by strengthening its position in emerging economies for traditional products and services and by showcasing its technologies in compelling, high-volume applications. All of these activities validate the company's position to shareholders.

HP's efforts will also impact the company's revenue streams. One possible way is through selling appropriate products, e-services and solutions for use in development programs for the poor. A second emerging model involves the creation of value-added, Internet-enabled products and services developed with partners, where HP could receive transaction fees, commissions and charges for use of online marketplace services. A third possible revenue stream would come from advertising or sponsorships.

Conclusion

The i-community initiative starts with understanding the community's needs and works to create a holistic impact on all the domains that matter to the community. It also embraces a systems thinking approach and integrates the various initiatives into a composite program. For example the training center, the ITES center, the employment exchange portal and the placement services are all linked to fulfill the i-community goal of creating enhanced employment opportunities through ICT.

Within HP, the i-community projects represent a new breed of initiatives that fuse HP's global citizenship strategy and its business strategy. The processes, learnings, business models and technology solutions from the i-community will form the basis for future replication in several underserved regions around the world. Initiatives such as the CICs, village photographer, and ITES Centre have a viable business model that will enable them to be sustained in Kuppam and scaled in similar communities worldwide.

About the WBCSD

The World Business Council for Sustainable Development (WBCSD) is a coalition of international companies united by a shared commitment to sustainable development via the three pillars of economic growth, ecological balance and social progress. Our members are drawn from more than 35 countries and 20 major industrial sectors. We also benefit from a Global Network of 40 national and regional business councils and partner organizations involving more than 1,000 business leaders globally.

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