

# Kiva: A Helping Hand

**SUBMITTED BY:** Lee Jackson

**SUBJECT(S):** Management

**GRADE LEVEL(S):** 9, 10, 11, 12

## ≡ OVERVIEW:

This lesson introduces students to the loan program, Kiva, and describes its impact on international communities.

## ≡ NBEA STANDARD(S):

- Management, XII. Global Perspective

## ≡ RELATED ARTICLES:

- [“Tackling the Problem of Hunger in America”](#)
- [“Generation Microfinance: Charlie Javice Believes in the Power of Students to Alleviate Poverty”](#)
- [“5 Truths about Microfinance”](#)

## Common Core Standard(s):

Integrate and evaluate multiple sources of information presented in different media or formats (e.g., visually, quantitatively) as well as in words in order to address a question or solve a problem.

**Objectives/Purposes:** Describe the role of organized labor and its influence on government and business.

### Knowledge@Wharton Articles:

- “Companies and Employees Play Their Cards in a Hostile Labor Market”
- “Kiva: Improving People’s Lives, One Small Loan at a Time”

### Other Resources/Materials:

- Whiteboard, chart paper, markers, photos.
- Kiva video (optional): <http://www.youtube.com/watch?v=tpYIt627R4I>

### Key Terms:

- **Organized Labor Union:** An association of workers united as a single, representative entity for the purpose of improving the workers’ economic status and working conditions through collective bargaining with employers. There are two types of unions – the horizontal union: in which all members **share** a common skill; and the vertical union: composed of workers from across the same industry.
- **Microfinancing:** Microfinance is the provision of financial services to low-income clients, including consumers and the self-employed, who traditionally lack access to banking and related services.

### Tying It all Together:

*Demonstrate.*

Kiva is a form of microfinance that allows lenders to lend small sums of money to entrepreneurs in third world countries via the Internet. The sums are more than 99% likely to be repaid, and can then be used to fund other projects.

- a) Have each student act as a Kiva borrower to create a brief proposal (about a page) about their project. The goal of each borrower is to convince the lender to fund his or her project.
- b) Have students share their ideas with the class.

### Kiva: Key Things to Consider

1. Is the project of interest to investors? If not, how can I make the proposal more appealing?
2. According to you, does the amount requested align with what you hope to achieve? How might this influence a lender's decision?
3. Do you believe in this project? How does it resonate with you?
4. Do you believe that your project will generate the capital needed to repay the loan?

Other notes you may want to share with potential lenders:

### **Kiva: Borrowers**

1. Who are you? Tell us something about yourself.
2. What makes your business idea competitive? Why should lenders believe in your idea? Tell us something about your idea in detail.
3. What contribution will you make to your community if this loan is funded?
4. How will you generate the funds necessary to repay the loan? What is your contingency plan for repaying the loan?

**Practice Outside of the Classroom:** Have students access the Kiva website from home or the library. How might a microloan assist someone in a developing nation?

Have students watch the Wharton Global Youth Program video "Generation Microfinance: "Charlie Javice Believes in the Power of Students to Alleviate Poverty."

**What Worked and What I Would Do Differently:** Computers would be a great idea to improve this lesson. Then, students could research Kiva borrowers and possibly make a contribution as a

group.

**Sources:** <http://en.wikipedia.org/wiki/Microfinance>

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