

Businessman helps poor Cambodians improve lives

A better world; Graduates get real, well-paying jobs

BY STEPHANIE WHITTAKER, FREELANCE APRIL 6, 2009

Jeremy Hockenstein is one of a new breed of entrepreneurs who are creating profitable businesses designed for the sole purpose of improving the lives of some of the world's poorest people.

And he wants other aspiring entrepreneurs to join him in his quest to make the world a better place. On Wednesday, Hockenstein, co-founder of Digital Divide Data, a technology company that trains and employs impoverished and disabled people in Cambodia and Laos, will speak at Vanier College about social entrepreneurship.

"Once you've seen the difference that social entrepreneurship can make, you want to do it over and over again," Hockenstein said in an interview from his home in New York.

A former Montrealer, Hockenstein founded Digital Divide Data in 2001 with four friends after visiting Cambodia as a tourist.

"I was there to visit (the Hindu temple at) Angkor Wat. The temples were gorgeous but I was particularly fascinated by the people. I was struck by the fact that they were learning to use computers and speak English as a means to employment. There were NGOs in the country teaching the people these skills. But many Cambodians told me that once they had computer and language skills, they didn't graduate into jobs. They'd say: 'This is Cambodia.'

"I realized that a lot of donor money was being wasted and that people's hopes were being raised and not met when they were graduating into unemployment."

Hockenstein, who attended West Island College and Marianopolis College before doing an undergraduate degree at Harvard University, returned to the U.S. from his trip to Cambodia and recruited four friends who agreed to create a company that would address the problems of unemployment in the south-east Asian country.

"Sixty per cent of outsourced IT work goes to a few cities in India and to college educated people there. But it's not going to the poorest populations.

"We wanted to show that this work could be done competitively. We decided to create a business doing data entry."

One of the five friends flew to Delhi to interview the owners of firms that specialize in outsourced data entry. Nine such companies turned him away and the 10th explained his business model.

With a \$25,000 grant from a Silicon Valley company that the five founders matched, they opened Digital Divide Data in Phnom Penh with 20 employees.

"We hired managers from Cambodia who went to India for training," Hockenstein said.

The company has evolved with a unique vocation. Employees are either disabled or from poor rural families that are unable to afford higher education.

"They join us for a four-year work-study program," Hockenstein said. "We train them in a six-month program. Then they work a half day and we give them a scholarship to attend university the other half day. They graduate from us into a better job."

In the eight years Digital Divide Data has existed, it has graduated 300 people into jobs with salaries that are, on average, eight times higher than the national average.

The company digitizes (converts to electronic format) old newspapers, books and documents - work that it has done for as many as 500 clients in North America, Europe and Cambodia.

"One big project we're working on right now is to digitize a national newspaper in the Netherlands," Hockenstein said. "We look for things in which technology can do most of the work but people improve the quality."

The current workforce numbers 600 in offices in Cambodia and Laos. Hockenstein maintains a small sales, marketing and fund-raising office in New York, where he lives with his wife and children.

He says the company is "non-profit but is run like a business. Revenues for the financial year spanning June 2008 to June 2009 will be \$2.2 million U.S.

Digital Divide Data was recently awarded the prestigious 2008 Skoll Foundation Award for Social Entrepreneurship, which rewards the company with \$1 million.

Hockenstein says social entrepreneurship can give people the satisfaction of having an impact on the world through their work.

"I wanted my work to be meaningful and challenging," he said.

Hockenstein will speak on Wednesday at noon in the Amphitheatre (B223) at Vanier College (821 Ste. Croix Blvd. St. Laurent borough). His talk is open to the public

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