

Social Capital: A High-Tech Body Shop

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Four years ago, Lisa Pressly got her first computer. Since she has bought two more, at \$295 each, for her husband and 11 kids. Their school in New York's East Harlem plans to get PCs of its own. And all those machines are coming from corporate America, via Per Scholas.

Just 33% of the 7.3 million kids in families earning less than \$15,000 in 2001 had a PC at home, according to the Annie E. Casey Foundation. Meanwhile, the Environmental Protection Agency estimates that nearly 250 million computers will be obsolete within five years.

Per Scholas connects the dots. It reconditions old computers donated by companies like J.P. Morgan Chase & Co. and General Electric, then sells them to low-income families. It also uses those computers to train local residents to become technicians, then places grads with corporations.

“One of the biggest issue in a low-income community is lack of information,” says Plinio Ayala, Per Scholas's president. His group began taking in companies' PC castoffs four years ago after winning a \$50,000 grant. In its massive factory in the South Bronx, it equips old Pentium II machines with monitors, network cards, modems, and new keyboards. The far wall is lined with training rooms, where students spend 15 weeks, plus three weeks more as interns.

Some 85% of students graduate, and 85% of those go on to technical jobs at large corporations. So far, Per Scholas has produced 700 graduates. It has placed more than 20,000 computers in 28 states and recycled 200,000 more unsalvageable units. It's creating jobs in the South Bronx, and it's nearly paying the bills. Ayala's goal: to deliver 10,000 more PCs over the next five years—and to get more poor neighborhoods connected.