

Interview

“Social entrepreneurs don’t want to help. They want to change the world.”

Bill Drayton on the fundamentals of social change in our time



PHOTOS: JÜRGEN FRANK

Bill Drayton is a changemaker and an ambitious one at that. Through his “citizen sector” organization Ashoka – Drayton does not use the term non-profit – he is playing the

instruments of capitalism to orchestrate social change. Basically he provides social entrepreneurs with the necessary start-up capital. Then monitors the social returns.

RESUMÉ Bill Drayton



Bill Drayton was born in New York in 1943. His father was an explorer, his mother a cellist. He gained a BA from Harvard in 1965 before going on to Oxford where he read Economics, won a First, and received his MA in 1967. He then attended Yale Law School and obtained his JD in 1970. Drayton began his career with McKinsey as a consultant. Later he worked as Assistant Administrator at the US Environmental Protection Agency (EPA). In 1980 he founded Ashoka, an internationally-oriented citizen organization that tackles the woes of this world with the means of the marketplace. Drayton has played a major part in defining social entrepreneurship: entrepreneuring changes whose success is measured not in terms of profits but of social transformation and whose business models are designed to be copied by other social enterprises to accelerate the pace of change. When it was founded in 1980 as a venture capitalist supporting change in the world, Ashoka had a global operating budget of US\$50,000. Last year that had risen to around US\$40 million. Today, Ashoka is active in more than 70 countries and supports the work of over 2,000 Fellows – social entrepreneurs it helps from the start-up phase onward. The Ashoka community also includes those who are now thoroughly proven social entrepreneurs, such as the Nobel Prize laureate and founder of Grameen Bank, Muhammad Yunus.

AT FIRST SIGHT, the founder of Ashoka looks quiet and reserved – and yet you immediately sense the strength of his convictions. Here is a man who fights day and night for what he believes in. His most powerful weapon in this battle is rhetoric. He has no time for superficiality and never tires of explaining what he is out to achieve. All of which makes an interview with Bill Drayton a surprising and remarkable experience – in a positive sense. He talked to THE FOCUS about the fundamentals of change in our time.

The Focus: Let's kick off with a big question: How have you seen the citizen sector evolve in recent years? How do you think it's going to evolve, and how would you like to see it evolve over the coming decade?

Bill Drayton: The citizen sector, like the rest of the world, is faced with making the transition in this coming decade from a base-building period to a very rapid and self-multiplying take-off period. That is going to challenge every institution – every individual – very dramatically and the citizen sector in particular. Around 1980, the citizen sector followed business to become entrepreneurial and competitive in structural terms. That we lagged three centuries behind business here explains why we had fallen so far behind. Since then we've had thirty years of catch-up – very rapid catch-up of productivity, scale and now globalization. So at one level, business and society now can work together, which was not practical earlier. That represents a huge strategic opportunity for the ultimate clients, for business, and for the citizen sector. It's going to pretty much demolish the existing boundary lines – including legal boundary lines and financing systems. But at a much deeper level, now that the citizen sector has caught up, it's about transitioning to a world in which everyone is a changemaker.

The Focus: You once said “social entrepreneurs don't want to help, they want to change the world.” Where does social entrepreneurship enter this equation?”

Drayton: Social entrepreneurship gives birth and lends shape to change. But let's back up a bit: Around 1700, business broke the mold. Up to that point, ever since the agricultural revolution we'd had “a world of a few players”. The model that we still live with in almost every institution in society is this world of a few players. Agriculture produced a small surplus, so it could only support a few players. So when we think about a company or citizen sector organization, we think about a few

people having the ideas and “managing” everyone else – and that has been the structure of society for a very long time. The problem is that this structure just won’t work in the context of logarithmically escalating change that also comes from more and more angles.

The Focus: What does the accelerating pace of change mean for present day organizations?

Drayton: An organization that works along conventional hierarchic lines will not be able to function in this fast-changing world. It’s an obsolete model. It doesn’t matter whether you’re in the business or social sector; the same pace of change is going to be there. It doesn’t even matter much how big the organization is – whether you have 10 people or 20,000. Now this is a wonderful, magical transition, once we get through it. It’s getting through the transition, this next decade, that’s going to be the challenge.

The Focus: Which means a fast change in mindset for management?

Drayton: Correct. This is the most profound change in the management of people since the agricultural revolution. To put that another way: In the business sector we’ve been through several centuries of very slow change, escalating to modest change. Now the rate at which change is accelerating is literally logarithmic. So what was once a very flat curve is going to get very, very steep faster and faster. And while managing a ten percent slope is one thing, managing an eighty percent slope that is still escalating is a very different thing altogether. Even this explanation is understating the nature of the change, because it is going to be taking place not just for business, not just for the citizens sector, but all across society and of course that multiplies the impact. Why do I think this upcoming decade is going to be the most critical period? Because up to now the change has been happening in a way that has not affected most people. Now people need to understand what’s happening in their strategic environment and so this is a classic awareness-tipping process.

The Focus: How can you tell that we’ve reached a tipping point right now?

Drayton: Over the last couple of months, we at Ashoka have been studying the awareness-tipping process. When you look at the Gandhian movement in India, the civil rights movement in the US, the women’s movement at a more international level... they all followed a

“This is the transition to the Everyone a Changemaker world.”



“Social entrepreneurship is very contagious because people deeply and centrally want to express love and respect in action.”



remarkably similar and very understandable pattern. Right now I think we are, for the shift from the “few players” to Everyone a Changemaker, in the low foothills of the process that has a multi-stage built-in dynamic of self-multiplication. Typically there is a long time when one or two organizations are working away on change. When you think about organizations like the Indian National Congress or the NAACP in the US, most of them took a long time to build up. Gradually you begin to get small clusters where you have a critical mass – where the change is actually taking place. Then you start reaching the point where we are now. With Everyone a Changemaker. You get to the point where a few people who run professional organizations, who organize meetings, who edit magazines, say “oh this is important. Our members or readers might be interested in this.” So they stage a panel session at their annual meeting; they publish an article, and of course these activities make the change more credible. They help people articulate what they are experiencing, which leads to more articles and meetings, and you begin to get a positive dynamic. The next thing that starts happening is that the process of change becomes clearer to a lot of people who are affected by change but didn’t understand it. As it becomes clearer they begin to change their behavior and that, of course, accelerates the actual change process.

The Focus: Then comes the tipping point...

Drayton: Then comes the third stage of this awareness-tipping, when everybody starts realizing: “Hey, women want to be treated differently!” and asking “How are we women supposed to behave now?” or “How do I treat my wife now she’s starting to act differently?” For the next ten to fifteen years, you can’t pick up a newspaper without having some story on this topic. Why? Because the whole population is trying to figure out how on earth they are going to deal with this change.

The Focus: Building networks is one of Ashoka’s core strengths. Does it hold the key to mastering change?

Drayton: If you can get the best entrepreneurs in the world working on a common goal or a problem – get them to think and then to act together – you have something that is a quantum step beyond the sum of the individual social or business entrepreneurs. This is much easier to do with social entrepreneurs, because they are not individually trying to capture a market. That makes it easier to have open-architecture

collaboration. If you get 500 leading Ashoka Fellows to think and work together, about what's really important for children and young people, for full economic citizenship or the environment, you have something that's never happened before – let alone at a global level. Individual Fellows, as you know, are very powerful. Over half of them have changed national policy within their first five years, and ninety percent have had independent institutions copy their idea within five years. So imagine the power of 500 people and ideas of that caliber collaborating to tip the world in their field. Each of them has a powerful and proven but partial idea, but when one brings them together, the group can see these most critical principles and go on to develop a joint marketing plan and collaboration.

The Focus: You propagate social change in the business sector. How can this idea win through in a corporate world that often stands for very different values?

Drayton: Being a changemaker for the good is very contagious because people deeply and centrally want to express love and respect in action. They want to be a player, a contributor. Moreover, people who don't master the underlying social skills and who don't give themselves permission to be a changemaker are marginalized, which is the most awful experience they can have. So this transformation from the old world of a few players to one of Everyone a Changemaker is a liberation movement in the broad sense of the word. We're liberating people to be able to express love and respect in action in big ways. The level of social skills that is required today is much higher than was required to be a successful person twenty years ago, and in ten years it's going to be much higher still. And so every manager is going to have to figure out how to help all the human beings they work with – clients, suppliers, customers, employees, colleagues – to master these skills and hone them. This must be central in the definition of what makes a good manager and a good organization.

The Focus: There's a clear logic behind that. In our everyday practice we see this same process being driven from below: Young graduates are very picky about which organizations they are going to join.

Drayton: Let me use a real-life example, without naming the company. Over recent months I have been talking to several hotel and travel companies. One of these companies is family run. They have just under a hundred thousand employees. They have employed the

Henry Ford model, so they train people “you tuck the bed in this way” – that's how they manage all these people. They do all the thinking. I think this is a hopeless model. The moment one competitor figures out how to run an Everyone a Changemaker hotel chain, this company will be dead as a dinosaur. Imagine by contrast what an Everyone a Changemaker hotel company will be like. The message to everyone in the company is: “Look, all those people out there are travelers. What needs do they have that we could serve?” This is a very different definition of the role of chambermaid or receptionist.

The Focus: So what does all of this mean for organizational leadership? And how do you try to promote change within organizations in practical terms?

Drayton: It's really all about something every business should do: Figure out what the clients need. But don't leave it to a few smart people at your company to do that. You need to say to everyone in the organization: “You are a changemaker. You can figure out what customers need. And if you also figure out how to make it work, you are a hero. You are going to do really well. You are going to be a role model for other people in the firm.” Everybody, including the doorman, is empowered. We should be doing the same thing in education organizations, in human rights organizations, in hotels chains and electronics firms – this is the transition to the Everyone a Changemaker world.



The interview with Bill Drayton was conducted in New York by John J. Grumbar and Elaine Yew, both from Egon Zehnder International, London.