

# World Change 2.0

Creating a blueprint for social transformation

Scott Sherman  
Transformative Action Institute  
ssherman@transformativeaction.org

## **Summary:**

*World Change 2.0* is a textbook for creating your own social enterprise. Its target audience is young people who want to make a difference in the world. It takes you step by step through the process of writing up a strategic plan for change.

Ideally, university students will use this book on college campuses across the world. They will get together in small groups, and help each other create a powerful business plan. Of course, professors can use this as a textbook in a classroom as well. But the main purpose is for young people to use this independently. It is also something that aspiring social entrepreneurs might use when creating a proposal to “change the world.” Anyone who is planning to apply for Echoing Green’s international social entrepreneur competition could use this to shape the best possible proposal.

## **Background:**

Social entrepreneurship is the great wave of the 21<sup>st</sup> century. Whereas many people in the past tried to change society by protesting in the streets, today's young people are creating better alternatives – entrepreneurial ventures that seek to restore the environment, improve medical care, put an end to poverty, promote human rights, and come up with creative solutions to many of society's biggest problems.

In the past few years, a few books have started to document this remarkable phenomenon. David Bornstein's *How to Change the World* profiled many inspirational individuals who are starting revolutionary projects for social innovation from India to Brazil. Similarly, Wilford Welch recently released a book, *The Tactics of Hope*, which introduced readers to a handful of award-winning visionaries who are making a difference in millions of people's lives. Other books in the same vein include John Elkington's *The Power of Unreasonable People* and Echoing Green's publication *Be Bold*. All of these books do an excellent job of reporting on the social entrepreneurship phenomenon, and telling the stories of a few pioneers.

Yet until now, there has been no book written for a mainstream audience that actually teaches people how to become change makers themselves. There is no practical manual for aspiring social entrepreneurs – no primer for people who want to transform their communities or their countries. *World Change 2.0* is the first book to fill this niche.

# Table of Contents

Introduction	4
Chapter 1. <b>Social entrepreneurs</b>	13
Chapter 2. <b>How you can make the greatest difference: Your mission and purpose</b>	15
Chapter 3. <b>Your vision for changing the world</b>	18
Chapter 4. <b>Statement of need</b>	32
Chapter 5. <b>Research and market analysis</b>	45
Chapter 6. <b>Objectives</b>	60
Chapter 7. <b>Methods</b>	71
Chapter 8. <b>Measurement of results</b>	79
Chapter 9. <b>Finances, fundraising, and budget</b>	88
Chapter 10. <b>Your story</b>	104
Chapter 11. <b>Your team</b>	118
Chapter 12. <b>Challenges</b>	123
Conclusion <b>Other essential things to remember</b>	132
Appendices:	
A. Worksheets for creating your own strategic plan	136
B. Blueprint questions	147
C. Blueprint scoring sheet	150
D. Examples of bad and good responses for strategic plan questions (coming soon)	
E. Winning proposals from social entrepreneurs (coming soon)	
F. Directory of resources – books, websites, and organizations that support social entrepreneurs (coming soon)	

# Introduction

Whenever I walk into a college classroom, I begin by introducing myself to the students:

“My name is Bill Gates...

“ I am the world’s richest man...

“And I am willing to give you as much money as you need to pursue your life’s dreams.”

This is how I begin courses that I teach all across America, to students at schools from Princeton and Yale to Berkeley and Colorado. I teach courses on social entrepreneurship – encouraging students to draw up proposals for changing the world.

These enthusiastic, idealistic young people will come up with innovative ideas for restoring the environment, improving medical care, putting an end to poverty, promoting human rights, and creating solutions to many of society’s biggest problems. Instead of just marching in the streets and protesting, they are going to create better visions of the future.

Indeed, I tell my students that I am going to help them write up a great strategic plan. This can be a business plan, for those people who want to create a financially profitable enterprise. Or it can be a grant proposal, if they are writing up a plan for a socially profitable enterprise.<sup>1</sup>

For those who write up an excellent blueprint for success, they might not just get an A in the class. They might also get the money to make it happen.

\* \* \*

You may ask: Why would I, Bill Gates, be giving away my billions of dollars?

A few years ago, I was often ridiculed and reviled as a greedy, selfish corporate villain. I was reputed to make \$300 dollars every second of every day, even while I was sleeping.

If I saw a \$1000 bill on the ground, it wouldn’t even be worth my time to pick it up. In the few minutes that it might take you to read this page, I could make \$50,000 – more than most Americans make in a year.

But then I found out that my money could change the world and save millions of lives.

---

<sup>1</sup> I prefer this term to the term “nonprofit” or “nongovernmental organization.” Why do we define such important, valuable, socially important enterprises by what they are not? It’s like calling sex “non-abstinence” or peace “non-war.”

It was on the eve of my wedding when I started down this more altruistic path. At the time, I owned a billion shares in my company, Microsoft. This meant that I was far richer than every person on the earth, with a net worth soon to exceed \$100 billion.

But that's when my mother wrote a letter to Melinda, the woman I was about to marry. She said that the two of us had powerful opportunities to improve the world. With our incredible wealth, we had the responsibility to make a difference in other people's lives.

Over the next few years, I ended up talking to some of the world's leading scientists and discovering that millions of children were dying every month of easily preventable diseases. Hundreds of millions of people suffer needlessly every day as a result of sicknesses that we could stop. A woman dies every single minute from medical complications that we know how to avoid. It was stunning to me. I didn't realize that you could save so many lives for just a few hundred dollars – the same amount of money I was making every second of every hour of every day.

As the head of Microsoft, I was always interested in results. I'm a hardheaded businessman. And now I saw that my money could yield tremendous results in saving millions of lives.

For example, doctors told me that there were twenty diseases that were killing millions of children: malaria, AIDS, and river blindness, to name just a few. Sure, there was a World Health Organization that was trying to deal with the problem, but it had very little money. I could easily give four times as much as their entire budget; this could truly make a difference. And I wouldn't have to worry about a slow bureaucracy; I could get results right away. My goal is to eliminate all 20 of these plagues, the world's deadliest diseases, from the face of the earth. And I am determined to succeed.

But don't mistake me for a saint or a hero. I'm actually just one of thousands of people who are giving away their fortunes. There are countless other individuals who realize that it's valuable to donate our money to meaningful causes. Some of these people are famous, while others have been anonymous until very recently. But we are all giving away our money to people with great ideas to change the world. Here are a few examples:

- George Soros grew up in occupied Hungary, where first the Nazis and then the Soviet communists deprived people of their liberties. His family knew personally what it was like to be robbed of freedom. His father had been taken prisoner in Russia until escaping from a Siberian jail. Then, as Jews, the entire family was targeted for extermination when Hitler seized their country in 1943. They managed to survive the war, but they were not out of trouble yet. When the Soviets took over his country, Soros fled to the West.

After Soros defected, he became one of the world's richest men as a businessman and investor. Indeed, in one afternoon in 1992, he made a profit of more than 1.1 billion dollars on a single financial transaction.

Now he has given away much of his money trying to create open societies – places where there is freedom of thought and democracy. He helped organize and fund nonviolent revolutions that led to the fall of communism and dictatorships through Eastern Europe, including Czechoslovakia, Poland, Hungary, the Soviet Union, and Georgia. He has also given millions of dollars in an attempt to stop extreme poverty in Africa. Overall it's estimated that he has given away \$6 billion to try to bring democracy and prosperity to the world.

- Oprah Winfrey grew up among tremendous adversity, having been raised in poverty and wearing dresses made out of potato sacks. She was molested and raped as early as 9 years old. And at 14 years old, she became pregnant and had a baby that died after only a few weeks. Yet since that time, as a media mogul, she has become the richest African American of the 20<sup>th</sup> century – the first black woman ever to become a billionaire. And she has used that wealth to give back to others. Although she has no living children of her own, she started a Leadership Academy for orphan girls in South Africa. “Now I have 152 daughters,” she said. “[and I’m] expecting 75 more next year. That is some type of gestation period!” She has also started an Angel Network to give hundreds of millions of dollars to charitable causes. Overall she has been recognized as the most philanthropic celebrity in the world.
- Chuck Feeney is one of the world's richest men, but, for most of his life, he has kept it a secret. He lives without the trappings of wealth. He doesn't have a car or a house; instead, he and his wife rent a small one-bedroom apartment in San Francisco. When he flies, he never travels first class. And when he is at home, he prefers to take buses, just as he did when he was growing up in the working-class. Yet he is a self-made businessman who has earned \$8 billion. And now he is determined to give it all away by the year 2016.

Of course, in keeping with his personality, he isn't interested in bringing attention to himself. He sees himself as an ordinary man, not one of the wealthiest people on the planet. So until recently he succeeded in keeping both his fortune and his generosity confidential. He set up a foundation called Atlantic Philanthropies in Bermuda so nobody could trace it to him. For many years, numerous people who were doing great things for the world received unexpected financial windfalls. But they had no idea where the gifts were coming from.

This money had powerful results: Feeney's philanthropy helped activists broker a peace agreement that put an end to decades of war and terrorism in Northern Ireland. Additionally he has endowed numerous hospitals and universities. In Feeney's view, there are so many problems in the world that urgently need to be solved. He won't miss the \$8 billion that he is giving away in his lifetime, but it will benefit millions of other people.

Feeney likes to quote Andrew Carnegie's essay on "the gospel of wealth." Carnegie was one of the world's richest men in the 19<sup>th</sup> century, but he too decided to invest his fortune in making the world a better place. He called it "giving while living."

After all, we rich people won't be able to enjoy our great wealth when we are dead. We can't take our money with us to the grave. And it makes no sense to hoard it while we are alive. At a certain point, we can't spend all of those billions of dollars on new vacation homes and toys and cars. Studies show that money doesn't make us rich people any happier.

So that's why we're giving away billions of dollars. We just want to use our fortunes to enrich the lives of other people, and solve many of the world's most pressing problems.

\*       \*       \*

And that is where this university class comes in. I walk into college classrooms and announce that I'm willing to recruit young people to come up with great ideas for creating a better future.

It is like the "American Idol of Social Change." It is a million-dollar competition for the best ideas to change the world.

Of course, I'm not really Bill Gates. I'm just a young social entrepreneur named Scott Sherman. My colleague Randy Parraz and I founded an organization called The Transformative Action Institute. This organization is devoted to discovering and training the next generation of leaders – the visionaries, innovators, and social entrepreneurs who will change the world in the 21<sup>st</sup> century.

Yet this begs the question: How do people really change the world?

For my doctoral dissertation, I investigated the most effective methods of social change. From my own experiences, it seemed like many of the old antagonistic, adversarial strategies of "fighting the power" and protesting in the streets were no longer as effective as they used to be in the 1960s.

After studying hundreds of groups that were fighting for social justice, public health, the environment, and racial equality, I found that the most successful groups were using innovative strategies that I called "transformative action."

The keys to transformative action were these:

- 1) **Exposing injustice** – When there is something unfair or wrong in the society, we cannot sit quietly. As the British statesman Edmund Burke once said, "All that it takes for the triumph of evil is for good people to do nothing." We need to speak the truth to power; we need to let the entire world become aware of the problem. The hope is that, if people became aware of the injustice, it can no longer fester. Sunlight is the best disinfectant. Of course, this may not seem like a new idea.

Exposing injustice is what many activists and change makers are already excellent at doing. But there is much more to transformative action. The second step is:

- 2) **Social aikido** – Although it may seem like exposing injustice would create many enemies, the surprising thing is that it's not about embarrassing, humiliating, or even defeating anyone. Transformative action goes beyond the old dynamics of pitting “us versus them.” Instead, it is about winning people over to your side. It is about moving to a dynamic of “all of us together versus the common problems that we share.” It is like the martial art of aikido. You are not trying to use brute force to conquer the opponent; instead you use the strength and power of the person you face to your advantage. As Lincoln once said, “the best way to defeat your enemy is to make him your friend.”
- 3) **The constructive program** – The final element of transformative action is about focusing on a better vision of the future. It's not so much about what we are against. It's not about fighting and protesting what you don't like. It's about offering a better alternative.

The best example of this comes from a story by Malcolm X. His teacher at the time, Elijah Muhammad, held up two identical glasses of water. Into one of the glasses, he poured some oil. Now this glass of water was dirty and oily and viscous.

“Never tell anyone that they are holding a dirty glass of water,” advised the teacher. “They will just resent you for pointing out what is wrong with their lives. They will deny that their glass is dirty. They will resist you and fight you and hate you.”

“Instead,” the teacher continued, “just hold up your own clean glass of water side by side with the dirty glass, and let people make the choice for themselves. They can decide which is better.”

This is the secret of the constructive program. Instead of always criticizing and condemning everything in our society, we can offer up a better idea. We can hold up our own clean glass of water – our vision for a future of prosperity. This is exactly what social entrepreneurs do. They don't spend their time protesting or marching in the streets, angrily denouncing corporations and governments. Instead, they create better solutions and – just like traditional entrepreneurs – they find a way to make them happen.

These three principles of transformative action were powerful. But, as Randy and I looked across the country, nobody was training young people in these strategies for social change. There were many centers that trained people in the old activist tactics that had been so successful in the past. One of the best of them was the Highlander Center in Tennessee. This was where Martin Luther King, Jr. and Rosa Parks had learned the best ideas for leading the civil rights movement. This was where many activists and organizers of the 20<sup>th</sup> century had learned the strategies of success.



Now Randy and I hoped to start a Highlander Century for the 21<sup>st</sup> century. We wanted to train young people in the strategies of transformative action. We were looking for the next Martin Luther King, Jr. and Rosa Parks, the next Rachel Carson and Cesar Chavez, the next Robert F. Kennedy and Dorothy Day. They could even be the next Andrew Carnegie, Henry Ford, or John D. Rockefeller – successful businesspeople who used their wealth to improve the conditions of humanity.

Inevitably, some students would complain that they could never be great, heroic figures like these people who transformed the 20<sup>th</sup> century. Many of our students felt like they were powerless to make a difference.

So we showed them a movie about students living under a dictatorship in Serbia in 2000. This was a brutal tyranny, which was responsible for massive human rights violations, genocide, and “ethnic cleansing.” The dictator, Slobodan Milosevic, was wanted for crimes against humanity, and was seen as heir to the mantle of brutality from the 20<sup>th</sup> century, which stretched from Hitler and Stalin to Mao and Pol Pot.

NATO countries had tried to oust the dictator from power with a three-year bombing campaign. They dropped 23,000 bombs on his country at a cost of \$3 billion. But he actually became stronger during this time, and increased his stranglehold on power.

That’s when a handful of students got together and led a nonviolent campaign that successfully toppled him from power. If a group of students in a country where they had no freedom of speech, no freedom of assembly, and few other rights, could transform their country and bring down one of the worst tyrants of the 20<sup>th</sup> century, how much more could these students in the United States do? Our students have access to all of the best resources, media, and freedoms. They can change the world. And we have a program to help them do it.

\* \* \*

We call our program “Transform America.”<sup>2</sup>

The name is a play off of the idea of “Teach for America” (TFA). That is an organization started by a young social entrepreneur, Wendy Kopp, when she was a senior at Princeton University in 1989. She recognized that many public schools in America were failing. What if we could recruit “the best and brightest” – some of the most intelligent and enthusiastic young people in the country – to devote two years of their lives to the teaching profession? What if we could infuse such talent and energy into American schools?

20 years later, it has been a wild success in many respects. More than 14,000 graduates of the nation’s top universities have entered public schools to become teachers as part of the

---

<sup>2</sup> However, we have many international students, so we can start similar causes around the world, called “Transform Asia,” “Transform Africa,” “Transform Australia,” and “Transform Europe,” to name a few.

program. Fellow educators have recognized it as one of the nonprofits that has had the greatest impact in the field. Wendy Kopp, the founder, has won numerous awards for her pioneering work.

Yet even Kopp would admit that the American educational system is still broken. While there are many excellent schools and many excellent teachers across the United States, overall many of our educational institutions are not reaching anywhere close to their potential.

That's where "Transform America" comes into the picture. It is about training tens of thousands of young people to become agents of transformation: the change makers and social entrepreneurs of the future. It's about launching a new social movement for the millennial generation.

After all, students and young people have long been at the forefront of social change, both in the United States and abroad:

In the 1950's, young people were instrumental in leading the civil rights movement.

In the 1960's, it was the women's movement.

In the 1970's, it was the environmental movement.

In the 1980s and 1990s, it was the worldwide movement for democracy and human rights. Students and young people were central in overturning the racist regime of apartheid in South Africa and communism across Eastern Europe. Across the world, it has been the youth who have led the transformative movements to change their societies.

So what will be the great social movement for this generation? There is no shortage of problems. In fact, the challenges before us have never been so great:

- The world's leading scientists warn about global warming, species extinction, and the collapse of ecosystems that sustain life across the planet; they say that it is this generation that will have to "save the planet."
- Meanwhile poverty continues to plague people across the globe. There are nearly 4 billion people who live on less than \$2 day a day.
- And this inequality can lead to social unrest and the potential for violence. Terrorism is a growing threat, especially with the danger of nuclear bombs in suitcases or biological and chemical weapons that could obliterate tens of thousands of people in a day. National security looms larger than ever before.

These are just some of the pressing crises that the current generation will take the lead in addressing. We haven't even mentioned the spread of infectious diseases that claim millions of lives each year, or genocides still raging across the world, or so many other urgent problems that need to be solved.

In the past, there was a “great man” theory of history – that there needed to be a singular, one-in-a-billion leader who would save us from crisis: someone akin to Lincoln in the Civil War, or Churchill in World War II. The problem with this theory is that it assumes that there are only a few great people in the world who can make an impact. Most of us seem relatively powerless.

But now is the time to throw the “great man” theory into history’s dustbins. Today millions of men – and women – are taking leadership and power into their own hands. Rather than complaining that there is nothing they can do, and being passive in the face of danger, ordinary people are showing that they can change the world.

We call it “World Change 2.0.”

For those of you who aren’t familiar with this terminology of “2.0,” it is based off of an astonishing Internet phenomenon. For the first decade of the Internet, most of us were just passive consumers on the World Wide Web. Only a few people would create the content to inform and entertain us; the vast majority of us – hundreds of millions of us – would sit back and read what was given to us.<sup>3</sup> This was the first generation of the Internet – known as Web 1.0.

But in the last few years, we have seen the emergence of a new phenomenon: Suddenly tens of millions of people are empowered to create their own content for the World Wide Web. Instead of relying on a few official news sources, hundreds of thousands of citizen journalists now publish their own reports online. There are millions of people creating their own movies and posting them on YouTube. There are millions of people creating their own music, authoring their own books, and posting their own professional-quality photos. There are millions of blogs. We have stopped becoming passive, mindless recipients of the products of a few big corporations. Now there is an explosion of creativity. We all have the capacity to make our voices heard – to share our knowledge and artistry with the world. This is known as Web 2.0.

Now we see a similar phenomenon taking place when it comes to making a difference. In the past, we relied on a few “great men” to change history. This was World Change 1.0, in which the vast majority of us were passive. We could complain about how bad the world was, but there was little we could do.

Now, in the words of social entrepreneur Bill Drayton, “*everyone* is a change maker.” We all have the power to make a dramatic difference in the state of the world.

---

<sup>3</sup> It was like the old model of education, which Brazilian educator Paolo Freire called the “banking model.” Students sit quietly, obey orders, and follow directions. They are presumed to have no knowledge or expertise of their own; teachers make deposits of information into the students’ empty heads.

This book is about a specific type of change maker – the social entrepreneur. It's about people who are creating bold new initiatives to transform society. There are thousands of these people emerging all over the world, many of them under the age of 25. This is the wave of the future.

In the following pages, you will read the stories of more than a dozen young people who took power into their own hands – to end human slavery, to rescue children who are refugees from war zones, and to transform the educational system, among many other goals. Some of these people started their campaigns while they were in their early 20's. None of them is a superhuman figure; rather, they are just like you and me.

But this is not just a book where you will passively read about other people's innovative ideas for change. It's a book about how to do it yourself. It's about how to envision and create your own plan for transforming society and solving problems.

In the next 12 chapters, you will learn the steps for writing up a strategic plan for a social enterprise. It is similar to a business plan or a grant proposal that you could submit to philanthropic foundations.

Indeed, our initiative, "Transform America," does plan in the future to give away millions of dollars to people who have the best ideas for social innovation. This is your opportunity to go out and change the world.

# Chapter 1

## Social entrepreneurs

There is a new superpower on the planet.

It is not the government of China, nor that of India, nor Brazil. No, this is no government at all. Nor is it any global corporation. This is the power of ordinary citizens. It is a movement of people like you and me, taking power into our own hands.

This movement is taking place under the radar. While the media's attention has been on Presidents, Prime Ministers, and Fortune 500 executives, there are millions of grassroots organizations that are working to save the planet, to end poverty, and to provide better health care. They recognize that governments aren't doing a good enough job, and traditional business isn't filling the need, either.

Indeed, this is the fastest growing part of the economy. In developed countries, it is growing 2.5 times as fast as the rest of the GDP. And it is happening all over the world. In the former communist countries, the number of civil sector organizations has increased from only a handful to more than 100,000. In Russia, 500,000 have emerged in the last two decades. Everywhere from Brazil to Indonesia, citizens are coming up with creative ways to solve problems in their community.

Social entrepreneurs are people who are taking leadership in solving the greatest problems that we face today. In some ways these are like traditional entrepreneurs from business. But instead of just pursuing financial profits, these people are trying to create social change as well.

### The qualities of social entrepreneurs

What are the qualities of social entrepreneurs? Among them are:

- **Optimism and the belief that they can make a difference** – Entrepreneurs have a strong sense of confidence, believing that they have the power to make changes. Moreover, they are willing to take destiny in their own hands, rather than working for other people. They believe in their capability to succeed.
- **A powerful vision of a better world** – Social entrepreneurs are dreamers. But they also follow through on their dreams, and figure out practical ways for them to happen.
- **Resourcefulness, inventiveness, and innovative** – They create new ways to get things done.

- **Action-oriented and decisive** – When faced with a challenge, entrepreneurs don't make excuses about why something can't be done; they don't procrastinate; and they aren't passive and helpless. Instead, they immediately think in terms of how they can solve the problem. And then they take action immediately.
- **Determination and perseverance in the face of obstacles and difficulties** – Even in the face of tremendous adversity, entrepreneurs persist in looking for solutions. They are committed to reaching their goal, and they believe that they can overcome almost any obstacles. Their love for what they do helps sustain them through the difficult times.
- **A willingness to take risks** – Social entrepreneurs aren't just willing to take risks. They may even have an *appetite* for risks.
- **The ability to see possibilities and opportunities everywhere** - In the face of problems, many people see catastrophe and calamity; they panic and feel helpless. But entrepreneurial people see opportunities. They take action to solve the problems!
- **Dedication, passion, and love for what they do** – Social entrepreneurs have a dedication that borders on obsession. They are so motivated about their work that they devote themselves wholeheartedly to it. They tell everyone about their passions; they willingly devote countless hours to it, because of their zeal. Indeed, they often work around the clock because of their tireless enthusiasm for the cause. It doesn't seem like work at all; it is like play. They get great joy and energy from pursuing their goals.

Of course, the question naturally arises: How do social entrepreneurs discover their passions? How do they find the great cause to which they are going to devote their lives? This is the subject of the next chapter.

## Chapter 2

### **How you can make the greatest difference: Your mission and purpose**

*What makes you most passionate and enthusiastic? What is the cause to which you would love to devote your time? Where do you have the greatest personal connection and stake?*

Most students don't know what they want to do with their lives. They aren't clear about their mission or purpose.

So how do social entrepreneurs get their start? So many of these people seem so clear about their cause.

According to leaders from Echoing Green, there is often “a moment of obligation.” There was some transformative event – often a tragedy or adversity that changed the way people saw the world. It made them realize that they wanted to make a difference, that the current way of doing things was unsustainable and intolerable.



For example, Socheata Poeuv had her life turned upside down when she discovered a family secret: that the young women she had grown up with were not actually her sisters.

She traveled to her ancestral homeland of Cambodia to find out the truth about her family. When going there, she continued to uncover secrets that had been buried in a massive genocide of millions of her people. Families like hers had been torn apart. There was still an atmosphere of fear, silence, and denial. Few people were willing to speak about the past.

Indeed, many schools did not teach the fact that 25 percent of the country's population had died between 1975 and 1979 – two million people brutally killed, starved, or ravaged by disease. Some members of the current generation – young people in Cambodia today – grow up believing that the genocide never happened.

This spurred Poeuv to document the stories of the Cambodian genocide, to have a record of the atrocities so that hopefully the world would never forget. She wanted the truth to be exposed.

In order to make a difference, she started her own social enterprise – Khmer Legacies, an organization that records the testimonies of survivors of the Khmer Rouge genocide. In

some respects, it is like Steven Spielberg's Shoah Project, which aims to collect on film the stories of all of the people who survived the Holocaust concentration camps. Poeuv started by making her own film, an award-winning documentary, called "New Year Baby," about her own family's journey towards healing and reconciliation.

Of course, most of us don't have as dramatic a story as Socheata Poeuv. Not everyone has a moment of obligation – a single stirring event that changed their lives.

In fact, many social entrepreneurs don't claim to have a moment of obligation. Instead, they just find themselves drawn to a topic. They may have stumbled across an opportunity accidentally and become intrigued by it. One thing is certain: All successful social entrepreneurs have a passion for what they do. They devote tremendous time, energy and resources to their idea, so it has to be something that is deeply meaningful to them.

How do you figure out your own purpose and direction in life?

Your mission comes from two major sources: first, from the things that you love the most. Ask yourself:

- What makes you come alive with joy? What are your favorite activities – the ones that you make your heart sing?
- What enralls you, absorbs you, and captivates you, making you lose all track of time?
- What would you do for free?

Secondly, think about the things that you care most about in the world – the problems that most need solving. What are the causes in which you deeply believe? What is the one issue that makes you most impassioned?

Now think about how you could do the activities that you love to promote the cause that you most care about. For example, if you love creative art projects, how can you make a career doing that in the service of a greater cause? Socheata Poeuv enjoyed the creativity of making films, and she combined that with her desire to make a difference in healing her homeland of Cambodia. "To find your mission in life," said author Frederick Buechner, "is to discover the intersection between your heart's deep gladness and the world's deep hunger."

When we teach courses on social entrepreneurship, we spend the first half of the course helping people explore their passions, talents, and strengths. We look at the causes in which they believe the most, as well as the activities that bring them the greatest fulfillment. As a result, each student creates a personal portfolio of their hopes and dreams and visions for their lives. Many students have called this the most meaningful, inspirational school assignment that they have ever done in their lives.

If you are still confused about your purpose and mission, we offer an entirely separate book, "The Transformative Way," that is completely about this subject – figuring out



exactly what it is that you want to do with your life. It takes you step by step through creating your own portfolio.

However, the rest of this book will be predicated on the idea that you already know what it is that you want to do with your life. The remaining chapters are dedicated to creating your plan for social transformation.

## Chapter 3

### Your vision for changing the world

*Figure out one social problem that you would want to solve. This should not simply be a service project, nor is it merely about research. Instead, it is about real social transformation: doing something visionary, creative, innovative, and socially entrepreneurial. It is about taking initiative and action.*

*Be bold! As former Stanford professors Jim Collins and Jerry Porras say, you should have “big, hairy, audacious goals.” These are most likely to get you excited and inspired, and they are also more likely to impassion other people to follow you. While it’s important to start with small, realistic, feasible goals in your own community, you should have an inspiring, compelling vision for the future.*

*Now write up a short summary of your vision. How would the world be different if you achieve your goal? What would the world look like in 5 or 10 or 20 years?*

#### Introduction

Great social entrepreneurs have “big, hairy, audacious goals” that inspire others. Although you must, of course, begin with small, realistic steps at the beginning, you need to have a vision of something that will capture people’s attention and make them excited. If you want to be leaders, you need to have a vision that will attract followers!

#### The story of two young people who wanted to solve both poverty and the environmental crisis



Majora Carter and Van Jones had a vision of solving the environmental crisis in America at the same time as they solved the problem of urban poverty and violence.

Growing up in the South Bronx, Carter saw the environmental crisis firsthand. For her, the crisis wasn’t about polar bears on shrinking Arctic ice floes. It wasn’t about disappearing rainforests and endangered species in the Amazon. Instead, it was about her own neighborhood. The environmental crisis was at its worst in American cities, and the prime victims were poor people.

In the South Bronx, the environmental situation was bleak. Children who grew up there were surrounded by waste and garbage. There were already polluting industries, a giant sewage facility, and more than 20 other waste dumps. It was not surprising that children were suffering from illnesses like cancer and breathing problems like asthma at far higher rates than almost anywhere in the United States.

At the same time, there was another crisis in Carter's neighborhood: crushing poverty. Half of all people lived at the poverty line or below. 25 percent of adults were unemployed. Carter grew up with a crack house across the street, and the local waterfront was littered with hypodermic needles from people shooting up. Violence was endemic as well. Her own brother, Lenny, survived the war in Vietnam, only to be gunned down a few blocks away from their home when he returned.

Carter never saw herself as an activist when she was young. She never saw herself as having any power to make a difference. In her own words, she was just a "poor black girl from the ghetto."

But when the state of New York proposed another new waste facility in her neighborhood, one that would bring 40 percent of the city's waste and dump it in her community, she was moved to action. She and her neighbors fought against this massive project. They showed that their voices mattered, and that they did have power to make change. In the end, the community was successful in defeating the monstrous waste project.

But, after winning, Carter said to herself: We know what we were fighting against. But what are what we fighting for? What is our positive vision for our neighborhood? What is our ideal picture for transforming the South Bronx?

"Nobody had ever asked us what we wanted," Carter remembered. Residents of the South Bronx knew what they didn't want: dangerous neighborhoods filled with dirty air and the stench of toxic waste. They didn't want unsafe jobs in smoky, chemical-belching factories that could harm them and their children. But what was the better alternative?

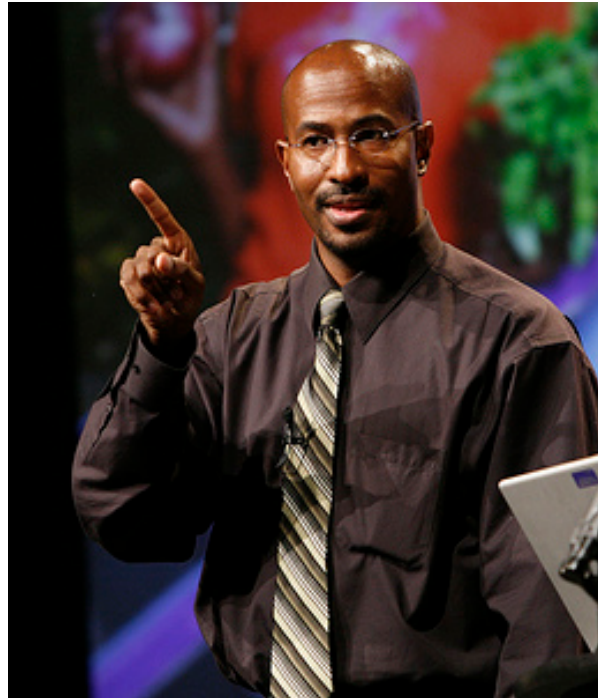
As an artist, Carter loved to create things. So, together with the community, she helped create a positive vision of the future they wanted. For example, they created a plan for a gorgeous park along the waterfront. Before this time, she didn't even realize that her neighborhood had access to the local river. There was another nasty garbage dump there. But Carter helped raise \$3 million to transform this blighted area into a picturesque recreation area for families and children to play. A few years later, Majora Carter was married in that beautiful riverfront park that she had helped restore.

Since 2001, Carter has initiated numerous successful programs in the South Bronx to revitalize the environment, while creating good jobs for people who had formerly been incarcerated or under-employed. "Now how do we turn this into a national movement?" she asked.

3,000 miles away, another activist was asking similar questions. Van Jones was a dynamic, charismatic crusader for social justice. After graduating from Yale Law School, he chose to go in a different direction from so many of his classmates who took jobs in prestigious corporate law firms, making hundreds of thousands of dollars each year. Instead he became a champion of civil rights. "I wanted to take on impossible fights and win them," he reminisced.

And Jones had been tremendously successful. He helped reduce the number of youths in California prisons by 40 percent by providing alternatives to incarceration. He pioneered a Green Jobs Corps to get the city of Oakland, California to train residents in the types of work that would restore the environment while increasing prosperity. And then he took his Green Jobs campaign to the national level. He won over the U.S. Congress to his vision; in 2007, it passed legislation to train tens of thousands of workers each year for the green economy.

At the same time, Jones yearned for a larger transformation. While we were taking baby steps towards a better future, the overall ecological trend was towards “global environmental catastrophe,” in his words. Meanwhile the economic forecast did not look promising either. Many professional pundits were warning that the American economy was in its worst state since the Great Depression.



That’s when Majora Carter and Van Jones teamed up to create an even bolder vision for the future. They were not content to rest on their laurels, with all the successful initiatives they had already begun. They created a new organization, called Green for All.

Green for All has a vision of solving both the failing economy and the devastated environment. It plans to lift millions of people out of poverty through creating an inclusive, green economy. They will create at least 5 million green-collar jobs for disadvantaged people and fight global warming at the same time. It will be the biggest investment opportunity of the 21<sup>st</sup> century – far more financially lucrative than the computer and Internet revolution of the 1990s. It can bring renewed prosperity at the same time that it restores the Earth.

This may be a big vision, but that’s exactly what is needed in troubled times...

### **The importance of thinking big**

In John Wood’s book *Leaving Microsoft to Change the World*, this social entrepreneur writes about his experience starting the international literacy organization Room to Read. He emphasizes the importance of thinking big:

“The problems of the world today are immense. This is not a time for incremental thinking. If a cause is worth devoting your time to, then you owe

it to yourself – and those you will serve – to think in a big way. The side benefit is that thinking big can be a self-fulfilling prophecy, because bold goals will attract bold people. Let's say, for example, that your cause is to bring clean water to villages in Africa where students are dying of diseases that nobody should be killed by in this modern world... [You could say] 'My dream is to bring new wells and clean water to at least 25 villages in Kenya over the next 3 years' [or] 'The scale of the water problem in Africa requires bold solutions, because millions of people die of diseases that they would not contract if they had clean water. So I want to help at least 10,000 villages throughout Africa to have clean water within 10 years.'

We have experienced the same phenomenon in our class. Some of the students are timid with their visions. They have visions that are not very inspiring to other people – indeed, visions that are forgettable. (We don't say this as a harsh judgment; we have found these results consistently when we survey the students on whether they can remember each other's projects. Only minutes after listening to a 30-second presentation, most of the students have forgotten the idea that was presented!)

Most of all, their presentations do not go to the root of the problem. They tend to be dealing with superficial, small issues – almost as if they were “rearranging deck chairs on the Titanic,” in Paul Hawken's phrase.

By contrast, one of our students announced that his goal was to “end poverty by 2030.” This got everyone's attention, and people were excited and enthusiastic. They all clamored to hear more about his ideas.

Of course, we don't want to develop a bunch of utopian, unrealistic ideas. The challenge of this project for social change is that it must combine an exciting, bold vision with a realistic plan.

Ideally, the projects will have all of the following characteristics:

**It is inspirational, exciting, and visionary.** The best ideas excite everyone around you. You should have a clear, compelling, inspirational picture of the future you wish to create. You shouldn't simply be reactive, merely fighting against problems. Instead, you should put forth a better vision of the future: an alternative future.

Green for All certainly fit these requirements: It isn't about fighting against toxic wastes and oil refineries and the old fossil fuel economy that contributes to global warming. It isn't about reacting to a thousand, Hydra-headed problems, or condemning the status quo, or protesting about how bad things have become.

Instead, it offers an exciting, inspirational vision of a green, clean future. This is a future in which there would be 5 million new, high-paying jobs for Americans that would lift people out of poverty. It is a future in which the United States would increase its prosperity and restore the natural environment.

This may be ambitious, but that's what gets people enthusiastic and motivated. In this respect, the idea to revolutionize the economy has a dramatic historical precedent. In 1961, John F. Kennedy announced that the United States would put a man the moon by the end of the decade. At the time, most scientists thought this goal was impossible. Given our technology and knowledge, the scientists didn't think that they could achieve such a lofty, ambitious goal before the year 2000. But the Apollo Space program succeeded in marshalling the greatest minds and talents of a generation towards this inspiring goal. As a result, just eight years later, Neil Armstrong became the first human to step onto the lunar surface.

Now there is a new Apollo Alliance, and Van Jones sits on its board. It is similar to Green for All in many ways. It unites people around a vision of a clean energy revolution in the United States. It sees this as an exciting business opportunity that could be worth more than a trillion dollars over the next decade. It's a bold plan for investing in solar, wind, and other renewable, safe technologies. If America rises to the challenge, just like it did with the space program, it could become the leader in reaping the tremendous profits. Moreover, this would dramatically reduce our need for foreign oil, helping make the country energy independent.

**It is transformative.** The best ideas go beyond the old, divisive, antagonistic ways of resolving problems. They must create win-win solutions that uplift all people. They must seek to transform enemies into allies, hatred into goodwill, and conflict into collaboration.

Green for All certainly does this. It does not view corporations as the enemy. Instead, they could be the greatest allies in helping create the new green economy, producing millions of new, high-paid, high-yield jobs.

Similarly, Green for All does not see the government as part of the problem. On the contrary, the government could be the ideal partners for making this happen. Jones sees the government investing \$350 billion in the new green economy. This is less than half of what the government offered as a financial bailout for collapsing Wall Street companies. It is less than half of what the United States has spent on the war in Iraq. And the Green for All plan would lead to far greater national security and prosperity than both the war overseas and the rescue of Wall Street corporate titans. As Jones says, "it's half the cost, but twice the impact."

Similarly, the Apollo Alliance has brought together many traditional antagonists and enemies -- business and labor unions; Fortune 500 corporations and environmentalists; communities and chambers of commerce -- around goals that will benefit everyone. According to Jones, we need to get beyond the idea that we are Davids fighting Goliath. The problem with that perspective is that it imagines that there are evil people we need to destroy. He emphasizes that a much better analogy would be Noah's Ark, where we're all in the same boat together. This is a transformative approach. It works well because you're not spending all your time, energy, and money fighting other people. Instead, you are channeling and focusing your resources into creating a better future that benefits everyone.

**It is innovative.** Finally, the best social enterprises must have a new approach to doing things that is creative. They aren't just service organizations, providing the same old ideas to new audiences. As Bill Drayton, the founder of Ashoka<sup>4</sup>, says (playing off a familiar proverb): "Give people fish and they eat for a day; teach people to fish and they eat for a lifetime; but social entrepreneurs will not rest until they revolutionize the entire fishing industry!" (Personally, I would add that, with the current collapse of fish populations and marine ecosystems worldwide, the most innovative social entrepreneurs would offer people a healthier, more ecologically sustainable food source that doesn't endanger the well-being of future generations.)

Again, Green for All is an example of an innovative organization. It goes beyond the traditional environmental message of "reduce, reuse, recycle." It is about putting millions of people to work restoring the environment. We can train people to renovate and rehabilitate houses to become solar and energy-efficient. Green for All has a plan to do this in the top 100 metropolitan areas in the United States.

### **Unique selling propositions, brands, and elevator pitches**

*Now summarize your project in a few sentences. This should be compelling and dramatic – something that will win people over right away. It should be your “unique selling proposition” (what advertisers would call your “brand”) – the thing that sets your project apart from everything else.*

*This is also called a sound bite or an elevator pitch. Imagine that you stepped into an elevator with a wealthy philanthropist, and you had only 30 seconds to deliver your message before the elevator reached its destination. How would you sum up your idea so that it sounds innovative, meaningful, and appealing to any audience?*

Each idea has to have a “unique selling proposition.” What do you offer that makes you different from everyone else? How are you special? Why should investors give you \$50,000 instead of giving it to a hundred other people with great ideas for social transformation? For that matter, why should you get a job instead of all the other intelligent, high achieving candidates? Why should an applicant to graduate school be chosen from among the multitudes of deserving candidates with good grades and test scores? What sets you apart?

This is the crucial task for anyone who is promoting a social cause or enterprise. They need to brand themselves as one of a kind. Yes, there may be a thousand other proposals to address environmental concerns, but you need to show why yours is more important, more compelling, and more urgent – why it must get funding immediately, lest terrible consequences happen.

---

<sup>4</sup> Ashoka is the world's leading organization devoted to social entrepreneurship. It has funded more than 2000 visionary people across the globe who have innovative ideas for creating a better future.

Any entrepreneur has to engage in social marketing – promoting their idea in a sentence or two that makes it stand out from the rest. They can use metaphors and analogies to show that it is like something that their audience already understands.

For example, Van Jones uses the analogy of the New Deal. This was the government program where Franklin Delano Roosevelt helped lift the United States out of the Great Depression; through this New Deal, he created millions of jobs for impoverished Americans to rebuild the country's infrastructure.

Now Van Jones pitches his idea as “the Green New Deal.” This is short, simple, and easy to remember. We immediately understand that it is like FDR's proposal to put millions of people to work, and lift the country out of financial crisis. But it has a unique twist: an environmental focus. Jones hopes that this initiative will rebuild the country's infrastructure in a way that produces green results for all: greenbacks in people's pockets (i.e., lots of money for business and workers), as well as the greening of the planet.

So how do you create your own elevator pitch that will be compelling and memorable to everyone who hears it? It starts, of course, by having a bold vision. But that's not enough. In the next section, we will review some of the qualities of messages that stick with people long after they have heard them:

### **The strategies for making your pitch memorable**

Most people are bombarded with thousands of messages every day. From radio, television, newspapers, magazines, Internet, and other people, we are besieged by countless ideas, commercial advertisements, and calls for our attention. Media analyst David Shenk has called this glut of information “data smog.” The environment has become so loud with this constant cacophony of messages that it's difficult for a single voice to be heard. We aren't even aware of many of the demands on our attention, or we forget them once we hear them.

So how do you make yourself stick out among all this noise? How do people remember you?

Chip Heath, a Stanford Business School Professor, and his brother Dan, wanted to figure out why we remember some ideas, and forget most others. They noticed for example that Americans tend to know about urban legends. Have you heard that it's dangerous to receive an apple on Halloween, because a stranger may have put a razor blade in it? This seems to be common knowledge among any American who has participated in the ritual of trick or treating. Yet it is not true at all. There's not a single verified case where a stranger has poisoned an apple, or tampered with any other candy. Yet still most people remember this.

As they researched, the Heath brothers noticed that far more people remember such false and shocking stories than, say, the average mission statement of an organization trying to do good for the world. Many social enterprises have mission statements and organizational summaries that are bland and bureaucratic. They will say something like,



“The objective of this organization is to enhance the quality and maximize the capacity of ordinary citizens to reclaim their rightful inheritance as participants in democracy.” Can you repeat this sentence back to me in five minutes? Did it make an impact on you? Probably not.

In their book *Made to Stick*, the Heath brothers point out the six qualities of presentations that are memorable:

1. **Simple** – You need to reduce your idea to its essence. If you try to give people too much information, they probably won’t remember it. Just go to the core of your message: one simple, compact message.

This is what Van Jones did when he called his project the “Green New Deal.” In 3 words, he conveyed his vision in a way most people could understand.

2. **Unexpected** – The best way to get people’s attention is to surprise them. Do something that wakes them up because it violates their expectations. This does not mean using some gimmick that is irrelevant to your message. (As the Heath brothers say, it would be surprising to have a TV commercial where a ravenous wolf eats a marching band, but that probably wouldn’t convey the message for any product!) Think about what part of your message is counterintuitive.

Again, the surprising thing about Green for All is that it strengthens the economy while providing millions of jobs for poor people to work on environmental restoration. This is unusual because often politicians say that environmental solutions will hurt the growth and development of the economy. This is why George W. Bush resisted any efforts to have the United States sign a treaty to stop global warming. He thought it would be bad for America, hurting business and our ability to compete in the global economy.

Green for All is also surprising because it makes environmentalism the province of African Americans and other people of color. Up until recently, the “green movement” had been largely white; most of the members of the Sierra Club, the Audubon Society, and other mainstream environmental groups were people of European descent. But now this social enterprise is waking us up to the fact that environmental issues transcend race and class. Indeed, Majora Carter surprises people with an ad that says: “Green is the new black.” Of course, this ad is meant to say that being green is now fashionable. But Carter and Jones both use this ad humorously to show that green issues are of interest to the black community, too.

3. **Concrete** – You want to make your idea come alive in the most sensory way possible. People want to see and hear and feel your project. But most language is abstract. When good-hearted social entrepreneurs talk about “customer-focused paradigms with logistical, reciprocal systems engineering,” it means nothing to us. (It probably means nothing in real life, too! I just strung together some typical, abstract business language there.)

Green for All is concrete, because it is about something you can see and feel: A gun.

Of course, this is not the kind of gun that does violence - the kind that threatens our lives and drives us to lock our doors in fear. Rather, this is about a caulk gun: a tool for restoring our environment and providing high-paying jobs. Caulk guns are appliances that help people plug the leaks in their homes; they help people save lots of energy and lots of money. It's a win-win situation for the environment and the economy.

Jones talks about the caulk gun being a concrete image of the movement for green collar jobs. Just as Rosie the Riveter was a symbol of women's power (and 6 million new jobs created for women) during World War II, a person with a caulk gun could become the symbol of a new generation of Americans. (Perhaps we would call her Carrie the Caulker?)

Best of all, Jones notes that you can't ship these jobs overseas. You can't put people's homes on a boat to be restored and retrofitted in China or India. These are jobs that will help American workers in an age of globalization.

4. **Credible** – You want people to trust you. They need to believe that you can really do what you promise.

One way to do this is to use experts and celebrities to give testimonials. Green for All has the support of many of the leading environmentalists in the country, as well as respected figures like Nobel Peace Prize winner Al Gore. Leading civil rights figures, such as the President of the NAACP, also support their ideas.

Another way that Green for All gains credibility is by the remarkable accomplishments of its co-founders. Majora Carter is the winner of the MacArthur Foundation's prestigious Genius award, as well as countless other accolades. Van Jones has won numerous honors himself, including human rights awards and fellowships from Ashoka and Rockefeller. Both of them have proven that they can succeed. They are not just utopian dreamers. We will talk more about how to establish your credibility in the section below.

5. **Emotional** – You want to touch people's hearts, as well as their minds. We are far more likely to take action if we feel an emotional connection. If we hear statistics about hospitalization rates for children in the South Bronx being 7 times the national average, that information may seem overwhelming and abstract. But when we read about the story of one young girl who is at risk of dying, our hearts are moved.

Majora Carter's story, for example, is emotionally compelling. When she presented a speech to some of the world's leading technology investors at the TED conference in 2005, she did not just use facts and figures to talk about the urgent environmental crisis in the Bronx. She herself was brought to tears when she told

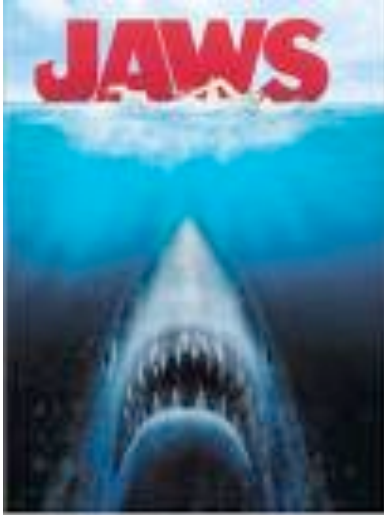
the story of her brother being killed. And later, she received a standing ovation after talking about how she had transformed a blighted area into a beautiful one, the place where she would get married. It was a brilliant example of connecting with her audience.

6. **Story-centered** – People love stories, and remember them well. This is a central principle that we will explore in this book. Indeed, one of the reasons why every chapter begins with a story of one or two social entrepreneurs is because these stories capture the reader's interest. (Well, I hope they capture your interest!)

Again, Majora's story makes the issue of environmental justice come to life. She doesn't simply deliver an unending stream of data about how problems of the environment hurt poor people and people of color. Instead she personalizes it; she tells her story beautifully, and we become mesmerized as we want to find out how she overcame it. There is an air of mystery: By her own admission, she was never an activist at all growing up, let alone an environmental crusader. So how did she become one of 12 people recognized by Newsweek Magazine as the greatest environmentalist leaders of the century, along with John Muir, Rachel Carson, and Al Gore? Stories capture our attention; we are on the edge of our seat, wanting to find out how they end. That is one reason why they are so memorable.

But let's put aside Green for All right now, and the examples of Van Jones and Majora Carter. Let's turn our attention to one of the Heath brothers' examples of making a memorable campaign for social change. Let's say that you were trying to convince people to save sharks. Most people think sharks are dangerous and probably wouldn't listen to a shark protection nonprofit. They don't care about sharks. Even if you tell them that more people die each year from drowning at beaches than from shark attacks, that message probably wouldn't make a lasting impact.

But you can make the message stick by doing something unexpected and concrete: you present a picture of Jaws and a picture of Bambi, like below. Then you write in a huge headline:



“Which one of these is more likely to kill you?”

As the Heath brothers explain, Americans are 300 times as likely to be killed by deer each year than by sharks. That will get people’s attention and be memorable, because it’s so counter-intuitive. (It’s because hundreds of Americans die each year when they collide with deer on country roads while driving.)

This is a perfect example of the power of crafting a message in a unique way that will grab people’s attention.

Now let’s turn to the issue of why you are the perfect person to present this message:

### **Your experience and credibility**

*Why are you the right person to do this? What gives you the credibility to undertake such an ambitious project? How can you convince us that you are someone who can succeed? In other words, why do you deserve \$50,000? How can we be assured that you will spend that money wisely and make a positive impact?*

Many young people feel like they don’t have much experience or credibility. They haven’t won a Genius award from the MacArthur Foundation, like Majora Carter, or led national campaigns for civil rights, like Van Jones. What they do have is passion and a determination to succeed.

While those are necessary qualifications to become an effective social entrepreneur, they aren’t enough. Why should anyone listen to you? Why should anyone believe that you are an authority who can really do something in a better way?

First, do your research. Read everything you can about the subject. If you educate yourself thoroughly, you can become an expert in a field. (We will explore this topic in greater depth in chapter 5.)

Second, connect with the movers and shakers. Get other people on your team who can vouch for you. For example, you might be just 20 years old, and you may have no experience working in the medical field. But if you have an advisory board of several distinguished doctors who believe in your ideas and are mentoring you, it gives you tremendous credibility. (We will explore this topic in greater depth in chapter 11.)

Third, take initiative. This is where being entrepreneurial is so important. It might be helpful to get the experience that is necessary. You may need to volunteer in a homeless shelter for six months before you start trying to create a strategic plan for reducing homelessness. If you are going to propose solutions to major world problems, it's a good idea for you to have gotten your hands dirty in real-world situations. This is not an academic exercise created by people in ivory towers.

Of course, years of life experience are not essential. Many outstanding social entrepreneurs were extremely young and inexperienced when they came up with a great idea. As mentioned in the introduction, Wendy Kopp was a college senior when she came up with the idea of Teach for America. Mark Hanis was in college as well when he came up with an idea to start the Genocide Intervention Network to help stop the massacres in Darfur. He didn't feel like he needed to fly to the Sudan and volunteer for a year, witnessing the atrocities firsthand in order to take action.

Many other social entrepreneurs have started young, even in their teenage years; they didn't necessarily have much life experience. But they did become experts on their subjects, often educating themselves. And they also connected with prominent figures in their field. Hanis, for example, connected with Harvard Professor Samantha Power, an award-winning author of a groundbreaking work on genocide. She now serves on his board of directors.

### **Summary of the chapter: The importance of a powerful vision**

In summary, you need to have a compelling vision of a better future – one that will excite people and make them evangelists for your cause, as we saw in chapter 1. You want everyone to be talking about your idea; it should be unforgettable.

Of course, your idea has to be realistic as well. It can't just be a wild dream. You need to have a feasible strategy for achieving your vision.

That's where the rest of the book comes in. In the following chapters, we will show you how to create a step-by-step practical plan for a viable social enterprise.

First, however, we'll review a few of the most common obstacles and challenges that we've seen in students' visions for their social entrepreneurial ventures.

## COMMON PITFALLS TO AVOID

*The vision is unrealistic and utopian, with lots of flowery language.*

There is a famous Monty Python sketch in which the British comedians make fun of people who think that it will be so easy to change the world:

“Here’s Jackie to show you how to rid the world of all known diseases,” gushes one radio announcer in an upbeat, breathless voice.

A female voice responds: “Well, first of all, become a doctor, and discover a marvelous cure for something, and then, when the medical world really starts to take notice, you can jolly well tell them what to do and make sure they get everything right, so there will never be diseases any more!”

“Thanks, Jackie, that was great!” replies the announcer enthusiastically. “Fantastic!” agrees another commentator in the background.

Of course, this oversimplified solution is meant to be humorous. However, you might be surprised by how many strategic plans start with starry-eyed language like this. They will say that they have a vision of a new leadership program that will transform the entire world. It will bring peace to the Middle East, end poverty and hunger, and spin gold from bales of straw.

OK, this is a slight exaggeration. But you need to find a balance between having a vision that inspires people, and one that most people would dismiss as wildly improbable.

In general, it’s not good to have language that promises miracles. Try to avoid blustery declarations that would be hard for anyone to believe: e.g., “This new leadership program is going to bring integrity and morality back to America.” Rather than making claims about how wonderful your program will be, just give us the facts. Tell us what your program will do.

For example, watch out for advertising-style language – e.g., “This program will forever change race relations in America.” That just sounds like hype. Instead, you can state specifically what you will do: e.g., creating a scientifically proven program that reduces incidents of racism and xenophobia in schools by 80 percent.

In sum, it’s fine to have a dramatic, compelling vision; indeed, we have just spent this whole chapter encouraging it! But you need to persuade us that you have the ability to carry it out.

As Thoreau famously said: “If you have built castles in the air, your work need not be lost. That is where they should be. Now put the foundations under them.”

*Because you have little experience, you just talk about your passion and enthusiasm.*

Passion and enthusiasm are good. But they aren't enough. There are lots of enthusiastic people out there with schemes that could go bankrupt. Any investor or supporter will want to know that you can really accomplish what you say.

Sometimes, young people will want to talk about their experiences in minor positions – e.g., “I was treasurer of the chess club in high school.” This also is not enough. To prove yourself as a social entrepreneur and win your initial funding, you need greater credentials than this. That's why it's important to get great people on your team. If you are going to make a difference in the world, you can't do it alone. Successful social enterprises typically have a board of directors who oversee the operations and direction of the business. For example, there may be one director who is talented at financial accounting; another may be an expert in the law; yet another may be savvy in public relations. Often many of them are well-connected and well-known in the community, with the ability to raise funds. Again, we will explore the important topic of putting together a great team later in this book.

First, however, we need to look at how you persuade people that your cause is truly important. That is the topic of the next chapter.

## CHECKLIST:

A great vision section should ideally have:

- An exciting and inspirational picture of a better future that will come about because of your efforts
- Big, hairy, audacious goals that are:
  - Visionary
  - Innovative
  - Transformative
- A “brand” – something that makes you unique and memorable; something that sets you apart from all other social enterprises. In order to make the biggest impact, your message should be:
  - Simple
  - Unexpected
  - Concrete
  - Credible
  - Emotional
  - Story-centered
- A powerful summary of your main idea, which you could tell to someone in less than 30 seconds (Your “elevator pitch”)
- A section on your experience and credibility

## Chapter 4

### Statement of need

*Show that the problem that you hope to solve is really urgent. You should include statistics, compelling stories, and quotes from experts that show this to be a serious problem that needs addressing.*

#### Introduction

If you are going to win people over to your cause, you need to show that it is truly urgent and compelling. After all, there are literally millions of good organizations in the world. Why should there be one more?

Imagine that you were proposing this idea to a billionaire who might give you financial support. This billionaire could put her money into many other worthy ventures. Why is your cause so important?

It's essential to have powerful, credible evidence. You are like an attorney, arguing a case. You want to be completely persuasive.

This is the task that faced two young students from Brown University who wanted to convince people of something few people know or believe: Slavery still exists. In fact, slavery is alive and well in the United States today. In order to set thousands of these slaves free, these young students had to convince the world about this urgent, invisible problem....

#### Ending Human Slavery in the 21<sup>st</sup> century

Like most young people in America, Katherine Chon and Derek Ellerman (pictured at right) had studied the history of slavery in the United States. They knew about the tens of millions of Africans who had been kidnapped from their homes, transported in slave ships across the Atlantic Ocean, and sold to brutal masters who treated them as animals. But, like most young Americans, Chon and Ellerman thought that slavery had ended in 1865. One evening, during a dinner at their university, they were shocked to hear that slavery still existed right inside this nation's borders. In fact, it was the second largest criminal industry in the world.





As they quizzed everyone around them, including their scholarly classmates and professors, they found that almost nobody was aware of this modern-day slave trade. Yet the problem was real: There was a rapidly growing danger of human trafficking – millions of women and young children being sold and exploited against their will, usually for sexual purposes.

Chon and Ellerman wondered what two ordinary young people like themselves could do to stop this modern-day slavery. They didn't even have college degrees yet. They didn't have any experience policy-makers or police officers or government officials. It seemed like they had little power to make an impact.

But they had a vision of starting a modern-day version of the Underground Railroad – a grassroots movement of ordinary citizens to create a world without slavery. Back in the 19<sup>th</sup> century, the Underground Railroad had secretly transported thousands of slaves to freedom. But it had all started as the brainchild of a few individuals who wanted to make a difference.

The most famous, of course, was an escaped African American slave named Harriet Tubman. She was a fugitive from justice, who was seen as the most wanted criminal of the day for assisting more than 300 slaves escape from their owners. There was even a \$40,000 reward for capturing her, which would be the equivalent of nearly a million dollars today. Nonetheless she made the dangerous journey back to the South again and again – 19 times in total – to free her fellow humans from their chains.

Yet there were countless other individuals – both white and black – who helped the slaves run away, hide, and escape to the North where they could enjoy freedom. A white Quaker named Levi Coffin concealed thousands of slaves in his home over the years, and protected each one of them from the “human bloodhounds” who pursued them.

“The success of the Underground Railroad of the past was based on ordinary people doing extraordinary things,” Chon recalled. So she and Ellerman started a social enterprise called the Polaris Project – named after the brightest star in the sky, Polaris (the North Star) that guided slaves to freedom.

Although the two young people are still in their 20's, their award-winning organization has now become one of the international leaders in fighting modern slavery. Of course, they could never have received support for their cause unless they could convince the public that the problem was real. Here's how they did it, and how you can too:

### **How you can create an excellent statement of need**

There are various ways that you can prove that there is a tremendous need for your idea. Below we will discuss the pros and cons of each form of evidence:

#### **Dramatic stories and anecdotes**

*Why dramatic stories are extremely valuable in building your case:*

Stories can be emotionally compelling. They can touch our hearts and move us to action. When trying to make people aware of the extent of modern-day slavery, it's powerful to offer the testimony of survivors.

For instance, “Katya”<sup>5</sup> was a young woman from the Ukraine who thought she was coming to the United States as an exchange student. Yet the entire program was a scam. When she arrived at the airport, two men kidnapped her and imprisoned her in an apartment in Detroit. Wielding guns and threatening to kill her if she tried to escape, they forced her to work as a sex slave in strip clubs. She earned \$1000 every day, held captive and sexually abused, but she never got to keep a single dollar. If her kidnappers ever found her with money, they would physically attack and terrorize her. This is why the modern-day slavery movement is so hard to eradicate: it makes more money than even drug trafficking.

Katya eventually did escape, and identified her kidnappers, who were arrested. Now she testifies about the brutal reality of modern-day slavery. When people hear her testimony, they are inevitably moved to outrage and tears. Her story might be more powerful than anything else in persuading people that it's urgent to end human trafficking today.

In fact, being able to tell a great story is so important that we have devoted an entire chapter to it later in the book.

*Why stories and anecdotes are not sufficient:*

Humans love stories. But stories can actually be dangerous and inaccurate. They may not be representative of a larger truth.

For example, let's examine a few stories that could be misleading:

Someone who works for the tobacco industry might say that, “Smoking is good for people's health.” And then he could tell a moving story about the comedian George Burns, who smoked cigars every day, and lived to be 100 years old.

What's wrong with the story? It happens to be true. But it leads to inaccurate conclusions. George Burns is just one individual person. If we were to look at millions of other people who smoked every day, we would find that their life expectancy diminished dramatically. Many of them might succumb to lung cancer, emphysema, or other diseases that can be attributed to their smoking habits. So drawing a conclusion from a story about one person can be dangerous.

Similarly, we could hear a dramatic story about a shark attack. A great white shark might attack a young surfer off the coast of California, and he can recount the chilling details in ways that make our spines tingle. We might want to spend millions of dollars on

---

<sup>5</sup> Her name has been changed to protect her identity.

developing shark repellent wetsuits, or hiring thousands of hunters to track down the deadly predator.

But this would be a story that is dangerously misleading, and would not warrant our money. Indeed, it would be a terrible diversion of resources from other problems that are far more urgent. As we saw in the last chapter, sharks very rarely threaten humans. The fact of the matter is that shark attacks only killed one American in all of 2007 (while humans killed 40 million sharks in that same time span.) With the vast sums of money that might be invested in protecting a single person from great white sharks, you could actually save 10,000 children's lives from easily preventable diseases.

Therefore, in order to bolster your case, you need to have much more than just dramatic stories. You also need support from other credible sources:

## **Statistics**

*Why statistics are extremely valuable in building your case:*

Statistics are powerful in showing the extent of a problem. They help illustrate that a problem is truly widespread, not just representative of a single person.

For example, let's go back to the issue of modern-day slavery and human trafficking. According to the United Nations, over 12 million people around the world are victims of human trafficking – forced labor or sexual exploitation. A study from the University of Pennsylvania found that, in the United States alone, 200,000 children are at high risk of sexual exploitation and trafficking.

These are powerful numbers that show that slavery is not just an isolated incident or anecdote. “Katya,” the exchange student from the Ukraine, is not the only victim of this type of ruthless exploitation. It's actually an urgent problem that is prevalent throughout the world. It needs our attention immediately.

However, it's dangerous to rely on statistics alone. There are numerous reasons why just offering lots of numbers may not win over your audience.

*Why statistics can be dangerous:*

- \* Statistics can be misleading and easily manipulated

The British statesman Benjamin Disraeli once said that there were “three types of falsehoods: lies, damn lies, and statistics.” People are often suspicious of statistics, because they believe that government and corporate officials can find numbers that say anything they want. There's even a college textbook called *How to Lie with Statistics*.

See if you can figure out what is wrong – if anything -- with each of the following statistical examples:

- Women who pursue a career instead of getting married when they are young are in trouble. Indeed, single women over 35 in America are more likely to be killed by a terrorist than they are ever to get married. This famous statistical rebuke of the feminist movement made the cover of major news magazines in the 1980s. What's wrong with it? (The answer is that it was not based on a random sample, or any other statistically accurate poll. In fact, it was made up! But it sounded so shocking that people started quoting it as a real fact. You need to check your sources!)
- Statistics show that 98 percent of criminals in America ate bread within 24 hours before committing their crime. Therefore, bread leads to criminal activity. We need to ban bread! What's wrong with this reasoning? (The answer, of course, is that correlation does not equal causation! There are millions of people who eat bread every day and do not commit crimes. The linking is spurious.)
- A Princeton University study made front-page headlines in the *New York Times* when it announced that the best way to prevent cavities was to eat chocolate! The more that people ate chocolate, the less likely they were to get cavities. Most of us probably wish this were true, but unfortunately it's flawed. What's wrong with this study? (The answer is again that there may be no correlation. For example, it may be that people who eat a lot of chocolate also brush their teeth more. In this case, it actually turned out that the answer was that the study was funded by the Mars Candy Bar corporation! It wasn't exactly an unbiased study!)

But it's not just that statistics can be wrong, or easily manipulated (although they can.) It's also that statistics, even when they are correct, can be difficult to understand.

\* Statistics can be confusing

To show this, we can play a famous game from the 1970's called "Let's Make a Deal."

You may have seen this game show before. There are 3 giant curtains on a stage. (See below for a picture; you can certainly tell from the decorations that this show was from the era of Richard Nixon!) Behind one of these curtains is a brand new hybrid car that gets 60 miles to the gallon. Behind the other two curtains, there are chickens.



Let's assume that you want to win the car, not the chickens. Which curtain should you choose?

Let's say that you choose Curtain #1. That's when our

game show host, Monty Hall, says:

“Good thing you didn’t choose Curtain #2, because look what was behind it!”

With a dramatic flair and the crescendo of music, he opens up Curtain #2 to reveal – ta-da! – a chicken.

Now there are just two closed curtains left on the stage: Curtain #1, which was your original choice, and the mysterious Curtain #3.

Monty tells you that, before you continue, you have the chance to switch your curtain. What should you do? Should you stay with your original choice, or switch?

Monty asks the studio audience, and almost everyone invariably screams “Stay!!!” The contestants almost always choose to stay too, because they want to stick with their gut instinct.

Yet this is the wrong move. 67 percent of the time you will lose if you stay; only a third of the time will you win.

Most people get very upset at this point, arguing that it’s actually a 50/50 chance, because there are just two curtains remaining. But that’s precisely why statistics are so dangerous and disconcerting. (If you want to find out why the odds are actually 67 percent, see the end of the chapter for an explanation.)

Indeed, if you are thoroughly confused right now, you get the point: Statistics can be perplexing. While they are definitely useful, anybody who relies on them too much will lose their audience.

But there is a third reason why statistics can be dangerous, as well, if they are used excessively.

\* Statistics are dry and lifeless

Statistics don’t bleed. They can be abstract. If we hear the emotional story of a single child named Rokia who is dying of starvation, we want to help. But if we hear that 10 million children are at risk of starvation, it becomes overwhelming. We become numb and anesthetized, and we are much less likely to help.

The artist Chris Jordan was familiar with the idea that statistics seem meaningless to people. He grappled with the fact that most of us have no idea what huge numbers really represent. For example, there are 100 million trees cut down every year in the United States just to make the paper for junk mail. That number is simply incomprehensible. So he created an exhibit, called “Running the Numbers,” to show exactly what these numbers mean. An excerpt is below.



The following picture looks like it's just a beautiful pointillist painting by the artist George Seurat that is now displayed in the Chicago Institute of Art:



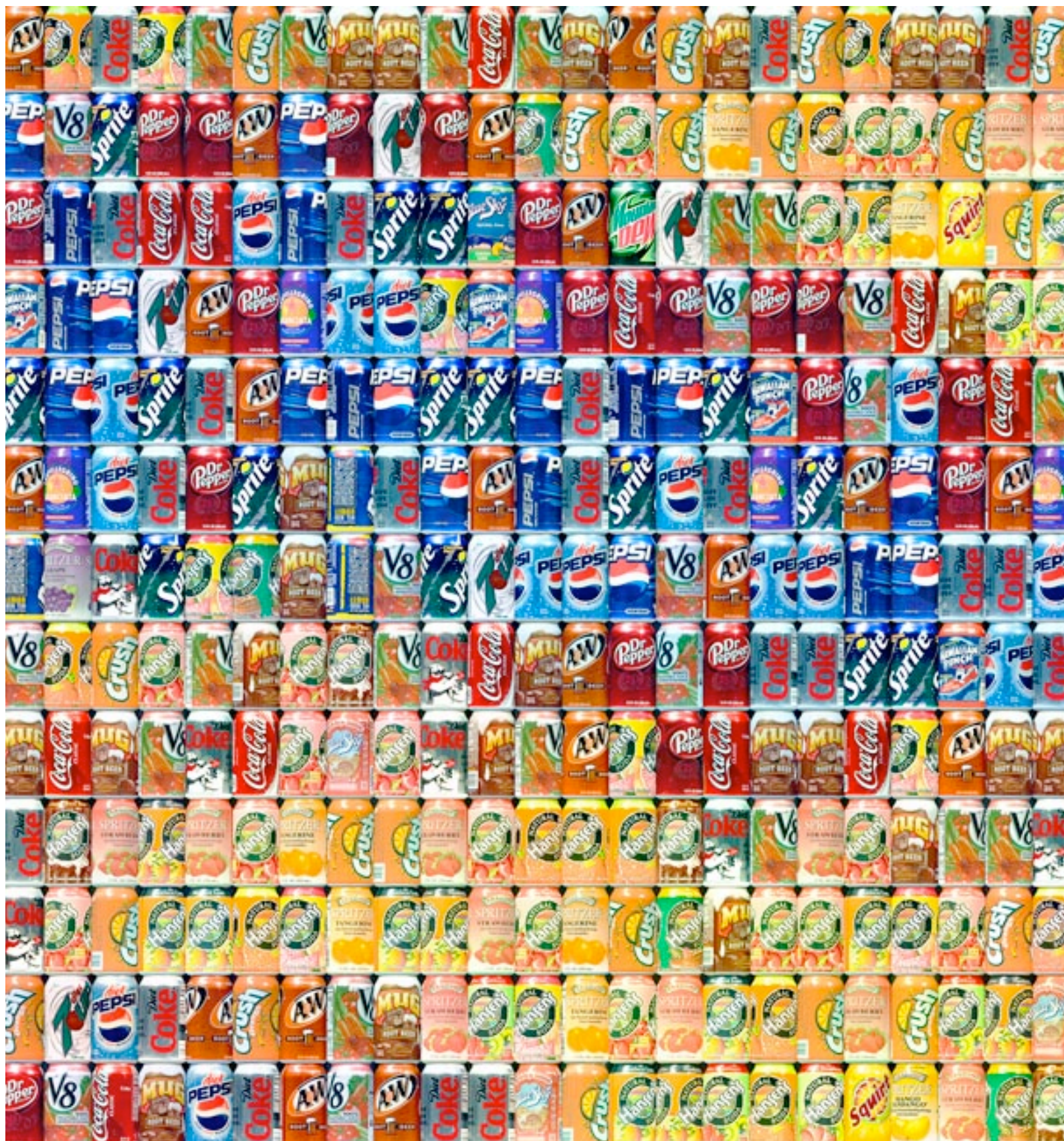
But actually this is a giant canvas, five feet high and nearly eight feet long, which shows 106,000 aluminum cans. This is the number of disposable cans that we throw away in the United States every 30 seconds!

Here is a close up photo to make the numbers more real:





And here is a detail close to the actual size:





There are many other brilliant examples on Chris Jordan's website that show just how vast and incomprehensible are some numbers that ought to be shocking to us:

- 1.14 million paper bags used in the U.S. every hour
- 2 million plastic bottles used in the US every five minutes
- 2.3 million Americans behind bars in jails and prisons

The problem with statistics is that these numbers don't usually jump to life. We can stay complacent, and do nothing, because these statistics are so abstract and far removed from our everyday reality.

That's why, in addition to stories and statistics, you want to use other forms of evidence as well:

### **Quotes from experts on the subject**

*Why quotes from experts are extremely valuable in building your case:*

You need to show that the urgency of addressing this issue is more than just your opinion. When you can have the leading experts in the field testify that this is a crucial problem, then you have much more credibility.

For example, let's once again revisit the dilemma that Chon and Ellerman faced in proving to people that slavery is a devastating problem in the modern age. They could cite the United States State Department itself, which released a report in June 2003 that said:

“As unimaginable as it seems, slavery and bondage still persist in the early 21<sup>st</sup> century. Millions of people around the world still suffer in silence in slave-like situations of forced labor and commercial sexual exploitation from which they cannot free themselves. Trafficking in persons is one of the greatest human rights challenges of our time.”

Even President George W. Bush has denounced human trafficking as “modern slavery” and a “special evil” that demands our attention. Therefore there is plenty of support for the idea that this is an urgent problem.

*When quotes from experts can be useless or even dangerous:*

#### **\* Quotes from biased and partisan people**

Many times people will quote someone who lacks credibility to an enormous number of people. For example, a person who is writing a strategic plan to restore morality and character to America might want to quote some prominent conservative figure like Rush Limbaugh or Ann Coulter. This would be fine, as long as the aspiring social entrepreneur were only planning to apply to conservative funders for money. (In that case, it would



probably be a smart strategy, because Limbaugh and Coulter are considered to be valuable and credible sources to conservatives.) However, if this same aspiring social entrepreneur were to show their strategic plan to any progressives, it would get dismissed quickly.

The same thing is true, of course, if the sources are known for being extremely partisan on the left. Many conservatives have a deep antipathy for people like Michael Moore or Jesse Jackson. If you were to quote these polarizing figures, it might lose credibility in the eyes of some members of your audience.

Remember that your goal is to write a strategic plan that is transformative – one that goes beyond the old divisions of right versus left, and us versus them. You want to choose authorities and experts who would be respected by all people. You want to choose renowned leaders in their field – for example, doctors and scientists who are above the political fray: people who do not seem to be promoting their own agendas.

You may ask why it's OK to use the quote from President Bush above, when he has such low approval ratings among the American public, not to mention worldwide. Nonetheless, he is a government official in an important position of authority, so his words carry a fair amount of weight. The same would be true for other people in positions of power. Nonetheless, the general rule is to attempt to find experts who are widely embraced and aren't going to alienate many of your readers.

#### \* Quotes from famous dead people

Often people will look for a quote from a historical figure, and flip through a book of quotations. These quotes have their place, but sometimes they are too far removed from the present day situation. For instance, one student was trying to write a strategic plan to stop gang violence in Los Angeles, and quoted poetic lines from Shakespeare: "To be or not to be: that is the question." While it may seem impressive and very erudite to be quoting the Bard of Avon, it doesn't really prove that the need for a violence reduction program in 21<sup>st</sup> century is great. It would be far more powerful to quote a police officer from the local community, saying that, "Gang violence is the greatest threat to young people in Los Angeles today." This quote would help prove the student's point that the need is urgent and compelling for a program to reduce that violence.

Finally, there is one more way to win over your readers:

### **Research studies**

*Why research studies are extremely valuable in building your case:*

Research studies – especially when they come from prominent academic institutions and research think tanks – have great resonance. They usually come from reliable sources. They may come from census data, or academic journals.

With respect to the modern day slavery issue, there are numerous reports by such advocacy groups as Anti-Slavery International that document the problem in depth. There are academic studies about criminal trafficking from respected professors at institutions like Georgetown and the University of Illinois. There is a plethora of well-documented evidence about the extent of the crisis.

*Why research studies can be challenging:*

Research studies, especially from academic journals, can be extremely complex, and filled with abstruse professional jargon. University professors and intellectuals often write in a turgid style that is nearly incomprehensible to the average person.

By contrast, a great strategic plan should be simple and clear. It should be accessible to a wide audience, and win over anyone who reads it. Although it must be professional and serious, it should also be engaging and lively. The danger of using too many academic reports is that you could bore your readers and lose their attention.

The most common problem with research studies – as well as all the other forms of evidence, including statistics, expert quotes, and stories - is that they may be hard to find.

So how do you find the perfect evidence to prove your case? How do you do this in-depth research to find the best sources? We will address that question in the next chapter.

First, however, we will end this chapter by looking at a few issues to keep in mind:

---

## COMMON PITFALLS TO AVOID

*Many problem statements are too ambitious*

Your problem must be something that your plans can realistically address. Let's say that your statement of need is filled with stories, statistics, expert quotes, and case studies that convincingly show that global warming is a terrible problem. Now let's say that your proposed solution is to start an environmental education center. The key thing to remember is that *you have to make a connection between the problem and your solution*. Will an environmental education center really make an impact in solving global warming? You need to show that your idea is truly going to help remedy the problem and offer better alternatives.

The best way to do this is to remember that you are going to be working with a specific population or constituency. You might not be able to solve global warming worldwide, but you could show how your center will reduce carbon emissions in your community by 50 percent. You could show how you have a superior way of producing energy that will be good for the environment and good for the economy. This may just be a pilot project in your community to begin, but eventually, if it succeeds, it could scale up to a national

or global level. You really could make a tremendous difference, like Chon and Ellerman with their anti-slavery crusade.

*Many problem statements are too international in scope; they don't even talk about how the problem affects their target audience or community.*

This is a similar problem to the one above. Many aspiring social entrepreneurs write up a statement of need that is about a worldwide problem. But they never talk about how it affects the local community that they actually will serve.

For instance, let's say that you are trying to address infant mortality. It is powerful to say that 100 million children in the world are at risk of dying before their first birthday. But, if your project is specifically going to begin in Houston, Texas, then you need to show that the problem is especially grave in that community. Remember: A strategic plan is not an idealistic, utopian vision; it's not an academic theory of how things could possibly change. It is an actual plan for helping real people solve real problems.

*Many statements of need have circular reasoning*

Watch out for circular reasoning. For example, one person wrote in his statement of need: "The problem is that there is no martial arts center in Trenton, New Jersey. Therefore, we will establish a martial arts center there." Unfortunately, you can't just say that the problem is the absence of your idea! You need to go much further and establish why there's even a need at all for any centers for martial arts. Why aren't the current recreational facilities in the area sufficient? How will this really make a difference in community members' lives?

*Many problem statements are far too long*

It's very easy to write pages and pages about the extent of a problem. For example, you could go on and on for 20 pages chronicling the extent of environmental destruction. But that amount of detail is not necessary.

The people reading your proposal are probably going to be extremely busy. They want to get right to the essence of your idea. Prove your need quickly, and move on!

*Some problem statements rely on just one form of evidence*

In this chapter, we have talked about the problems with each form of evidence: stories, statistics, expert quotes, and case studies. Because each type of evidence has its strengths and weaknesses, it's best to use a diversified portfolio, so to speak.

In other words, use some powerful statistics, but don't overdo it. Your readers may go into a sleep coma if they are just reading pages of numbers. Mix the statistics with a compelling story about a real person. Add some quotes from qualified and outstanding experts to add credibility. Have case studies based in the best research. Try to combine all

the different forms of evidence, and you can prove that there is a compelling, urgent need for your social enterprise.

## CHECKLIST:

A great statement of need should have:

- A persuasive case that this problem is urgent and compelling. You need to prove that, if you do not carry through with your project for social change, the consequences will be dire!
- A mix of all of the following sources:
  - Powerful statistics from reliable sources
  - Quotes from unbiased experts who are recognized leaders in the field
  - Research studies
  - Dramatic and emotional true stories that touch the reader's heart

## FOOTNOTE: LET'S MAKE A DEAL

Earlier in this chapter, we left you with the puzzle of whether you should switch your first choice of curtains in the game show. Here is an explanation of why it's actually better to switch:

Remember there are three options:

Option 1: You choose 1, the car is under 1, but you switch to 3, and you lose.

Option 2: You choose 1, the car is under 3, but you switch to 3, and you win.

If that were all, then it would indeed be a 50/50 chance. But there is a third option:

Option 3: You choose 1, but the car is actually under 2. (If this had been true, then obviously Monty Hall wouldn't have opened curtain 2 to reveal a chicken. Instead Monty would have said, "Good thing you didn't pick curtain #3, because look what was behind it," and he would have revealed the chicken there.) So now if you switch from 1 to 2, you will win. You win 2 out of 3 times that you switch!

Are you still confused? That's the point: Statistics can be really befuddling.

Anyway, don't worry if you fell into the trap of thinking that it's a 50/50 chance. Many college professors got upset, too, thinking that there's no statistical difference between staying and switching. But statisticians can assure you that you have a 67 percent of winning if you switch.

## Chapter 5

### **Research and Market Analysis**

#### Comparing your idea with everything else that exists

*Identify what other solutions have been attempted, and why they have not been completely successful. Identify other nonprofit groups or social change activists who have been working on the problem. You will need to show how your efforts are different from the rest.*

*This may seem challenging. You may feel that the most brilliant ideas have already been invented. If this is true, then why is there still an urgent problem? Can you take ideas that have been successful in other places (best practices) and apply them in a new context? Can you build on the successes of innovators and visionaries who have come before you?*

*This is absolutely essential, and it will require excellent research. In business terms, you are going to do a “market analysis” – an analysis of your competition. Of course, these other groups are not going to be your competitors at all, especially because this is a transformative project. Most likely, these will be your greatest allies, mentors, and collaborators who will be working with you to solve the problem.*

*You need to list as many of these visionaries, innovators, activists, and social entrepreneurs, and find out what they are already doing to tackle your problem. Then you need to show what has worked, what hasn’t worked, and why. Then come up with up to 20 creative ideas of how you can do it better.*

#### **Introduction**

You are not the first person to try to end world hunger. You are not the first person who has tried to bring renewable energy to the masses. You are not the first person trying to improve the status of women, or revitalize the educational system, or put a stop to violence.

In fact, it’s likely that billions of dollars have been invested in trying to solve these massive social problems. Thousands of people have devoted their lives to trying to make a difference. So what has come before you?

Research who else is working in your field. Who are the leaders who are working on this issue already? What are their solutions to the problem? Why aren’t these existing programs sufficient? How would your idea truly be different? How would it stand out from the rest?

This is the equivalent of market research, or an analysis of the “competition” – although we would argue that these other organizations will not be competitors at all, but will instead be allies in searching for solutions.

This is the part of the project that may take the most time, but it will also yield the most valuable results. You need to really explore the most important things that have been tried in the past.

### **Researching solutions to the problems of American schools**

In the 1980s, a government commission declared that the United States was at risk because it was failing at education. “If an unfriendly foreign power had attempted to impose on America the mediocre educational performance that exists today, we might well have viewed it as an act of war,” the report read ominously. “As it stands, we have allowed this to happen to ourselves.”

Most students could probably confirm that their schools were failing. That’s why dropout rates were as high as 50 percent in some schools. That’s why so many students dreaded returning to school every year.

Even at some of our nation’s top universities, you could see the same problem. Many students ditch their classes or sleep through them. They often take courses that they hate, just to fill requirements. They are more interested in the keg parties and other social events than in what’s happening inside the classroom. Things haven’t changed much from more than 100 years ago when Ralph Waldo Emerson wrote:

If the colleges were better, if they really had it, you would need to get the police at the gates to keep order in the intruding multitude. See in college how we thwart the natural love of learning by leaving the natural method of teaching what each wishes to learn, and insisting that you shall learn what you have no taste or capacity for. The college, which should be a place of delightful labor, is made odious and unhealthy, and the young men are tempted to frivolous amusements to rally their jaded spirits.

Aleta Margolis was a teacher in Chicago in one of the richest school districts in the country. But she looked around at her school and found that it wasn’t intellectually stimulating. It wasn’t meaningful or challenging. Children were bored, and teachers were bored. Some teachers even told her that school wasn’t supposed to be interesting!



The results were unsurprising: About a third of new teachers leave the profession within 3 years. They become burned out. They may come in idealistic about working with young people, but many leave feeling like they haven’t made a difference. Even many who remain don’t feel they are very effective.

Margolis wanted to help both teachers and students rediscover the magic of learning. She thought that teachers should be inspired. She wanted them to be innovative and passionate about their profession – to rediscover their love for learning. If they could make school come alive for students, then they would reach the best in the children.

Unfortunately, most teachers were simply given a curriculum and told to spoon feed information to the students. There is a pre-set curriculum that is “teacher-proof.” They simply had to follow a script.

For example, history teachers might need to drill in students’ heads “the three key factors for the beginning of the industrial revolution,” so that students can memorize it and regurgitate it on the test.

It doesn’t allow for much creativity, imagination, thought, or passion – not to mention intellectual stimulation. No wonder so many teachers became bored!

Moreover, teachers often had adversarial relationships with the students; after all, the teachers had to enforce order and discipline in the classroom. Many insisted that students should sit quietly and obey orders. When students violated the rules, they needed to be punished. It was a negative relationship where the teachers and students were often at odds.

But Margolis knew that things could be dramatically different. She had been a theater major in college, and she had known some great, passionate teachers who had made a powerful impact on her life. These teachers were partners in an exhilarating journey of exploration and discovery. They were mentors and role models and inspirations - teachers who made school a sheer delight.

If we are fortunate, we may also have had an inspirational teacher once or twice in our 12 to 16 years of education – someone who seemed to have a passion for teaching: a “Dead Poet’s Society” type of teacher who lifted us to new heights and maybe even changed our lives. If we have been lucky, we have had that rare teacher who filled us with enthusiasm and joy for learning – a teacher so impassioned and inspired that we wouldn’t ever want to miss a minute of class.

“Why couldn’t *all* teachers be so inspired?” Margolis wanted to know. Why couldn’t the entire educational system come alive? Why couldn’t it be magical and fun?

She decided to search for classrooms that encouraged innovation – classrooms where they created new ways of learning that thrilled and tantalized students.

This is one of the first tasks of any person who is trying to make a difference: finding out what has already been attempted in your field. Surely, other people must have tried to create solutions to this problem.

But how do you begin this research? Where do you find out all the other organizations and individuals that are working in your field? How do you discover the best and most innovative visionaries? In the rest of the chapter, we will look at some answers.

## **First steps for doing great research**

Many people don't even know how to do basic research; many university students have never learned the basic skills of finding information effectively. Especially in the current generation, many young people will just do a Google search, looking to see if anyone has ever had a similar idea to their own. Not surprisingly, few students discover a fraction of the information that they need.

This is not to disparage Internet searches, which can be perfectly fine as a way to start the research. But it is far from sufficient. You should engage in the following other types of research:

- Calling up experts for more information and references. At the end of your conversation, be sure to ask them for more recommendations as to the most visionary and effective organizations in the field, and references to other people to contact. Use their wealth of knowledge to help your research.
- Setting up site visits with other organizations that are doing similar work in the local community; asking them firsthand about the solutions that have been tried and the obstacles that they have encountered;
- Visiting the campus library (as outdated as this may seem!) You can engage the help of a professional librarian in finding other sources of information, whether in academic journals, historical archives, dissertations, or other primary and secondary sources.

Besides these simple research techniques, there are other important strategies for finding the best possible information to support your cause.

## **Further tips for doing great research**

*\* Read everything you can on your subject*

Read! Read everything in sight. There are countless books, newspapers, magazines, and journal articles about your subject. You can make yourself one of the premiere authorities in your field simply by knowing the literature.

It's remarkable how many people never read. I have met countless intelligent university students who tell me quite honestly that they never read outside of their classes (and many of them don't even read the assigned books for their classes, either!) A survey shows that 42 percent of college graduates in America never read another book in their lives after they leave the university! Overall, 80 percent of American families have not bought or read a book within the last year.

Mark Twain once said that those who don't read are no better off than those who can't read. In other words, people who never read might as well be illiterate. They are sacrificing their ability to make a difference.



I once met a young woman, in her early 20's, who was meeting with heads of state and big corporations to help them develop more enlightened environmental policies. I was astonished by her knowledge of the issues. She seemed like a true expert. It was not surprising that Presidents, Prime Ministers, and Fortune 500 executives were listening to her advice and taking her seriously. But I wanted to know her secret. How did she get to be an expert? How did she know so much about the issues?

"I just read a lot," was her simple answer. "I haven't done any original research into these issues. I have no special talent or wisdom. I just read everything I can about the issues that make me passionate. I read the books and articles by the real experts – the people who have done the original studies, and who have come up with the findings. Many of these people are not good communicators; their findings may be lost in some obscure academic journal, written in complex academic jargon, and only read by a few hundred people in the field. I translate these ideas for a mainstream audience. It's that simple really: I read all the time, because these ideas thrill me. I want to know the absolutely best ideas out there for saving the world!"

So begin by going to a bookstore (even a good Internet bookstore like [powells.com](http://powells.com) or [amazon.com](http://amazon.com)) and browse through many of the relevant books on your subject. Go to the library catalog and do a search there for the best books on your issue, too. Of course, one of the most effective techniques is to go to the library stacks, and just browse the bookshelves around your general topic area. For example, if you are doing research on environmental issues, go to the part of the library where there are other environmental books that you discovered in your initial catalog search. You will almost always discover new titles and treasure troves of great information that you hadn't stumbled upon in your keyword search through the catalog.

The key thing to remember is that you want to go above and beyond what people expect of you. If you were just doing an assignment for school, you might do the bare minimum to meet the requirements. But if you were truly passionate about your cause, you would want to invest tremendous time and work into researching potential solutions. This is "inspired education." It's a labor of love. This research should be fun and exciting for you. If it's not, you're probably in the wrong field.

In the case of Aleta Margolis, she loved the topic of education so much that it was like an obsession to her. She wanted to read everything she could on the subject to find out if anybody had created the blueprints for an inspiring educational model that could transform the American school system. Interestingly, the most intriguing ideas came from a man named John Dewey – a visionary in education who had died in 1952. Was there anyone who was implementing Dewey's ideas today? She had to do further research...

*\* Tell your idea to everyone!*

Margolis talked to everyone she knew. Because she was so passionate about improving schools, she was always asking people about their school experience – whether it was her fellow teachers, or parents of school children, or the children themselves. She sought out

professors in education at top universities, and she talked to random strangers. She wanted to discover if there was anyone who had knowledge of a better way of education. Was there anyone who could point her to a school that was full of inspired teachers and inspired children – a school where learning was a joy?

You can do the same thing as Margolis. Talk to everyone you know, even if they might not share your passion. Of course, we're not asking you to become an insufferable bore. We've all met clueless people who drone on and on about their favorite subject, unaware that the people around them are yawning and looking to escape.

But there is something remarkable that happens when you tell people about your passion. In the companion volume to this book, *The Transformative Way*, we talk about the central role of luck in our lives. You might be having a conversation with a random person that you meet at a party and you mention that you are a social entrepreneur, working for a clean, green, solar economy. Suddenly the other person exclaims, "I know several people who are also working in that field! I should connect you with them."

This story actually happened to one young social entrepreneur; she was telling a stranger on a plane about her enterprise, a fair trade cooperative in Guatemala that produces beautiful textiles. The stranger turned out to be a successful businessman who could use her products for his own customers. He was so enthusiastic about the Guatemalan designs that he entered into a contract of nearly a million dollars for her product.

Another friend of mine sent out an email to everyone she knew. She apologized for sending a mass email, but she explained that she was looking for a publisher for a book she was writing. She had no contacts with anybody in the literary business. By chance, did any of her friends know a literary agent or publisher – or even another successful author who could connect her to the right people? She ended up getting an amazing contact. Her book went on to become a bestseller, and she is now a successful writer who has gone on to publish five more books.

Similarly, another young social entrepreneur has frequent potlucks, where he invites an extremely diverse group of people together for dinner every few weeks. During the meal, each person talks about the passions they want to pursue; other people in the room recommend contacts, resources, and other ways that they can reach their goals. It's proven extremely successful.

As we discuss in *The Transformative Way*, there are actually a number of practical ways to increase your luck. By telling your idea to as many people as possible, you increase your chances of finding these fortunate coincidences, and having people connect you to others in your field.

*\* Act like a detective*

Think of this search like a fascinating mystery that you are trying to solve. It's like reading a great Sherlock Holmes detective story or a thrilling, suspenseful novel. But, in this case, you are the detective. Your job is to solve the puzzle.

That means that you have to track down every possible lead. Let's say, for example, that you start with a Google search. You will probably find a lot of good information just by doing that for an hour. But it's possible that you will miss a lot of key information as well. You might not find out the key visionaries and innovators. Perhaps it's because you didn't know the right keywords to type. Perhaps it's because the most valuable web pages of interest to you were not ranked in Google's top 3. (Research from Cornell University shows that the top three Google results get 79 percent of all clicks. And 90 percent of people who search the Internet never even go past the first page of Google results.)

That's when it gets fun. You need to start following every promising lead. For instance, you might find that one website mentions the names of other leaders in the field, or key books, or links to other resources. Chase each one of these down!

You may fret that this will take too much time. Obviously we could spend days on the Internet just clicking through all the links. You will be overwhelmed with too much information, much of which seems tangential and not really useful.

However, the surprising thing is that, if you do this for just two hours, you will almost certainly start discovering some of the same names and ideas arising. You will begin to identify the key experts and visionaries and literature. And, if you are really passionate about your subject, this should be a delight! It should be like coming across a treasure trove of information that rewards you with new insights, and potential new allies and collaborators.

That's when you can embark on your next strategy:

*\* Do an "environmental scan" or "innovation matrix"*

An environmental scan is just a fancy name for looking for information about the world around you. In this context, it's about finding out what others in your community are already doing to solve the problem that you've identified.

You should have a list of all of the most important organizations that address similar issues, and all of the strategies that have been attempted so far. This way you will know how your idea is truly unique or innovative. What are you planning to do that others have failed to do? How will you make a difference and stand out from the rest?

Echoing Green<sup>6</sup> encourages aspiring social entrepreneurs to fill out an Innovation Matrix – a grid that clearly shows what makes you stand out. You compare your organization side by side with others in the field.

---

<sup>6</sup> This is an organization that offers seed funding to social entrepreneurs with bold ideas for changing the world. See chapter 1 for more information.

**Innovation Matrix**  
(courtesy of Echoing Green)

<i>Key Current Players – Names of Organizations</i>	<i>Aspect of overlap (check those that apply)</i>	<i>How will your approach be different from and achieve greater results than others working in your field?</i>	<i>How can your organization work with, leverage and/or improve on the work that is currently being done?</i>
	<input type="checkbox"/> Working with same population <input type="checkbox"/> Working on same issue area <input type="checkbox"/> Using a similar model of change		
	<input type="checkbox"/> Working with same population <input type="checkbox"/> Working on same issue area <input type="checkbox"/> Using a similar model of change		
	<input type="checkbox"/> Working with same population <input type="checkbox"/> Working on same issue area <input type="checkbox"/> Using a similar model of change		

The point of this exercise is not to criticize other organizations. It is not about tearing down other people's efforts. Undoubtedly there are many good-hearted people who have devoted years of their lives to making a difference on this issue.

Instead you are just offering your own alternative ideas – creative new approaches to the problem that may be more effective. The other key organizations in your field may be your greatest partners and allies, so a key part of the matrix is figuring out how you can build on their pre-existing attempts to solve the problem. How can you collaborate with them? How can you leverage all the good that has already been done? How can you take the work to a totally new level?

Again, make sure to work on this in detail. This is the area where most aspiring social entrepreneurs could use the greatest improvement and counsel.

That's why, in our instructions, we ask you to find up to 20 ways in which your social enterprise will improve upon existing efforts.

*\* Get experience on the ground*

For Aleta Margolis, the best way to do research was to get experience. In order to find out what was happening in schools, she had to immerse herself in the environment. So she continued to teach in the schools in both Chicago and Washington, D.C.

But she didn't just work in the wealthiest school districts. She also worked with young people who had been in trouble with the law – youths who had intimate knowledge of gangs and crack cocaine, at the time of the worst drug epidemic in our nation's capital. These were students who didn't usually like education. Teachers had always dismissed them as bad and worthless, unable to learn. Their teachers had not been invested in them. As Margolis acknowledged, these students had not failed school; the schools had failed them. Their teachers had not engaged them or made them see anything worthwhile or meaningful about getting an education. On the contrary, their teachers often regarded them as juvenile delinquents, incapable of learning, and headed for lives of trouble. It was no surprise that many of these 18-year-olds could only read at a 3<sup>rd</sup> grade level. They had never been taught that reading would make a difference.

When Margolis experimented with innovative ways of teaching, she saw both students and parents come alive. The young people who had been in trouble with the law took responsibility over their education. They wrote a script for a play, they designed the sets and costumes, and they performed an original work of art that empowered them. School started to become fun for them again. As a result, their school performance improved; they got greater career aspirations because a teacher believed in them; and they created an innovative, thought-provoking production that gave them confidence in their abilities.

Through this firsthand experience in education, Margolis began to see what types of educational processes worked in inspiring the students. And she saw what experiments failed. You might say that this is the most basic research of all: getting experience on the ground and learning from that, instead of just from books and academic theories.

Even if you are a student right now, you can begin to get experience as a budding social entrepreneur. Most universities offer academic credit for students who as an intern with cutting-edge social enterprises. (This can also potentially lead to a paid position after graduation.)

For those of you who have graduated from school already, you can get experience on the ground by volunteering with organizations in the field, or even starting your own! Many entrepreneurs in the business world find that the best way of learning is simply to dive into the field. You may make many mistakes, but that is how you will learn the most

valuable lessons about what works and what doesn't. You will also encounter other people in the field who can help you, and give you insights into the profession.

*\* Meet everyone you can in the field; ask for help and offer your help*

As we've mentioned, your goal is to become an expert on the issues that you are most passionate about. You should be able to produce a list of all of the key players who are already working on the issue – the visionaries, innovators, and social entrepreneurs who are already attempting to come up with solutions. But that's just the beginning: You should also make yourself a player in that field, getting in touch with these visionaries and possibly even becoming an ally, helper, or apprentice.

You might be surprised by how many of the biggest names in your field are willing to give their time to meet with you, or talk to you on the phone. You might think that these powerful, impressive visionaries are too busy to spend time with a young person. But my experience is the exact opposite: Many of my heroes and heroines – including Nobel Peace Prize winners like the Dalai Lama, Mother Teresa, and Bishop Desmond Tutu -- were extremely generous with their time. They were enthusiastic about meeting with a young person who shared their commitment to the issues. After all, their goal is to find as many passionate evangelists for their cause as possible. They love to meet young people who want to carry forward their work, and who might be the next generation of change-makers.

Admittedly, there are some visionaries and innovators who are too busy to meet with you, or who never answer your phone calls or emails. They may be overwhelmed with too much business. Or, quite honestly, some may put themselves on a pedestal, and see themselves as too important to talk to you. This will happen sometimes, but you shouldn't let that rejection stop you. There are countless others who will be more than happy to share their time.

### **How to initiate contact with visionaries and innovators**

At this point, you may be wondering how you initiate contact with these visionaries in the first place. There are a few simple ways:

*\* Just call or send an email*

The first – and easiest -- way to reach out to these visionaries is to contact them directly by phone or email. Their contact information is often on a website. It's not too hard to reach out with a well-crafted message. My experience is that many of the most famous people in the field are actually quite humble and open to getting inquiries into their work.

Write to them praising what they do. If you have a personal connection to them (i.e., a mutual acquaintance), mention that. Do a thorough job of researching their background and experiences, so that you can have an intelligent conversation with them. If you have something in common with them, talk about it! (The social entrepreneur Greg Mortenson writes in his bestselling book, *Three Cups of Tea*, about how he got the support of TV

news anchor Tom Brokaw. It had nothing to do with Brokaw's love for establishing schools in Pakistan and Afghanistan, which is what Mortenson does. It was just that they were alumni of the same educational institution, the University of South Dakota. Although they graduated in different years and hadn't known each other, that small commonality was able to win Brokaw over.)

Of course, many times these visionaries and innovators have gatekeepers – assistants who shield them from all incoming calls and emails. All too often, outsiders treat these people like obstacles. Indeed, you may see these personal assistants as barriers to meeting with your heroes, so you might get annoyed with them and treat them rudely (or even just ignore them and treat them like nobodies). But these people can actually be among your greatest allies. If you treat them with the respect and dignity that they deserve, you will most likely earn their support, and they will be more likely to let you into the inner circle. It's important to realize that these people are just as passionate and excited about the cause as you are. Some of them may be brusque because they are so tired of being treated like dirt. Treat them with kindness and dignity and respect; treat them as humans of inherent worth, with their own hopes and dreams. It may or may not win you access to the visionary, but it's just the right thing to do.

*\* Become an important player in their field*

The opposite problem is when the visionaries will meet with you, but they just want to use you as free, menial labor. It's exciting to work in a visionary organization, but few people want to be exploited or stuck doing tedious chores.

Fortunately, you can overcome this problem by confidently acting like you are a peer to these other visionaries and experts, not just an admiring fan who wants their autograph. If you learn everything you can about a field, and represent yourself as a fellow social entrepreneur who is creating new solutions, then they won't treat you as a peon, or a cheap source of labor.

People are impressed with young social entrepreneurs who have taken the initiative to make changes in their community. If you are young, your age can be a benefit. People admire youthful, and energetic social entrepreneurs who have taken power into their own hands. If you have started your own business, and done your homework, and can speak intelligently on a subject, people in your field will see you as a welcome collaborator.

*\* Become a journalist, writing a profile of their cause*

You can often gain access to your heroes and heroines if you are a writer or journalist, interviewing them about their cause. I have seen many student journalists score exclusive one-on-one in-person interviews with some of the world's most prominent celebrities and powerful people just because they are writing a profile for a campus newspaper!

So, if you have any interest in journalism, it helps to write articles for magazines, newspapers, or even blogs. Some blogs nowadays have worldwide audiences of hundreds of thousands of people; this type of citizen journalism is a valuable way to get the news

out about a great cause. Visionaries and innovators are often quite willing to talk with you, because it is free publicity about their efforts to make a difference in the world. This can win them new supporters, enthusiasts, investors, and collaborators. Everybody wins.

*\* Have them contact you – “the rule of three”*

The best way for you to connect with visionaries and innovators is to have them contact you, rather than you pursuing them!

After all, these visionaries are busy people. They probably have dozens, if not hundreds, of people calling them and requesting meetings every week. You might reasonably be worried that your request for a meeting would get lost among the hundreds of other people clamoring for their attention. So wouldn't it be remarkable if the visionary reached out to you?

This may seem far-fetched, but there's actually a brilliant strategy called “The Rule of Three,” which I learned from my mentors. I know many people who have used it with great success. Here's how it works:

First, figure out the names of three friends who might already know the visionary that you want to contact. How is this possible? It's because we live in a world of “six degrees of separation,” where everyone is connected to everyone else through just a few people. You may think that you are far removed from Bill Clinton, for example, but it's possible that you know a few people who know people who know the former U.S. President personally. (That's just 2 degrees of separation, if you're keeping score at home!)

Moreover, any given field – whether it is the field of human rights, or environmental protection, or the arts – is actually quite small. In the medical field, for instance, there might be a few hundred major people who work on trying to alleviate malaria. These people all meet each other at conferences, frequently collaborate on projects, and, at the very least, know each other's names; perhaps they even share other pastimes and hobbies. So you might be surprised to find that you are just one degree away from the people you most admire and respect. Perhaps one of your professors is a good friend of this visionary. Perhaps a work colleague knows the innovator you seek.

So ask several people to contact the visionary and mention your name and praise the great work that you're doing. It's best if you can plan ahead: Ideally you'd like them all to contact the visionary within a 24-hour period (although the course of a week would be fine, too.)

Now imagine what goes through the mind of the visionary. The first time they hear your name from a friend, it might barely register on the radar screen of their consciousness; after all, they hear countless names in the course of their work. But, then if they hear your name a second time, from a different friend, within a 24-hour period, they might think to themselves, “What a coincidence! Somebody else was just mentioning that name.” Then, imagine if a third colleague whom they respect and trust starts singing your praises. The



visionary will probably think, “I need to meet this young person! Everybody keeps bringing up her name!” It’s at that point that they may reach out to you.

If this seems like fiction, it’s not. The Rule of Three is actually a strategy that has proven effective numerous times.

---

## COMMON PITFALLS TO AVOID

*The aspiring entrepreneurs do very little (or very inadequate) research; they aren’t aware of the many successful organizations and individuals in their fields.*

It is astonishing to see how many aspiring social entrepreneurs haven’t done the basic research. I often read strategic plans where students haven’t identified the best people who are already working in the field, and don’t know about the best ideas that already exist for attempting to solve the problem.

It seems like students often think that they are the first to come up with this idea, as if nobody has ever tried to come up with solutions for poverty, or for malnutrition, or for global warming. There are many giants who have preceded them; if they just find out the best ideas, they can stand on the shoulders of these giants and truly make an impact.

After doing your initial online research, contact experts in the field. Sit down with them over lunch, or have conversations on the phone. This is the best way to find what you’re missing.

How do you know when you have done enough research? If you keep coming across the same ideas and same people’s names again and again, then you probably have done a sufficient job. But if you are still uncovering new names and ideas, you want to keep digging and unearthing information.

*The environmental scan only looks at the visionaries or innovators in their own community, rather than looking at models of success elsewhere.*

Often aspiring entrepreneurs will look at their own community, and say, “There’s nobody else doing this work.” That’s important information.

For example, I recently had an excellent group of international students who wanted to work on renewable energy projects in their homelands - places like Pakistan, Palestine, and Kenya. They all found that there was little investment in sustainable energy projects in their countries. Few entrepreneurs were pursuing projects to create a green future: one that would save money, provide excellent jobs, and offer an environmentally healthy tomorrow.

Yet an excellent environmental scan needs to go beyond just looking at whether models exist in your area. Are there other nations that have successfully developed a green technology sector? Is there a precedent for success?

In any field, it's not sufficient to look for effective organization in your own community. You need to ask a larger question: Who is doing the best work in this field anywhere in the world? Are there models of innovation from which you can borrow great ideas? Your goal is to discover the best practices, anywhere that they exist.

For example, let's say that you are trying to stop homelessness in your city. But you look at your own metropolitan area and see that there are few organizations that provide jobs, shelter, and counseling for people who would otherwise be living on the streets. Overall, the rate of homelessness has not decreased by much in your community.

Rather than being satisfied with your environmental scan of your own geographical area, you should look for the best programs to reduce homelessness anywhere in the United States, or even the world. After all, there are countless cities where homelessness has been a huge problem: In New York City alone, there are 40,000 people who go homeless on any given night. In Los Angeles, the figure is 90,000. In the midst of one of the wealthiest countries in the world, there are hundreds of thousands of people who will go to sleep cold and hungry tonight. Surely, enterprising individuals and organizations have tried to find solutions for this crisis.

So what are the best programs for reducing this problem? Are there any places where cities have successfully created innovative programs that have reduced homelessness by 30 or 40 percent or more? What did they do right? What can you learn from them? Are there any lessons that could apply to your own situation? How could you build off of these successful efforts, and perhaps collaborate with the innovators?

It turns out that cities like Denver, Colorado have experienced great success in reducing homelessness and identifying some of the best practices. In 2005, that city created an ambitious plan to end homelessness within a decade. It was the result of hundreds of organizations coming together from nonprofits, philanthropies, governments, and the homeless community itself, looking for permanent solutions.

The results so far have been impressive, with a 36 percent decline in the number of people living on the streets in just the first two years of the program. In Portland, Oregon, where the city has adopted similar measures, the number of chronically homeless people has dropped by 70 percent in the same two years.

So there are many excellent solutions to homelessness that you might not find in your research, if you just looked at the organizations in your own region. That's why it's so important to look outside your community for the best ideas. Research the most powerful ideas from all over the world!

*The environmental scan doesn't find any other precedent.*

It is possible that you may be the first person ever to come up with a new idea. Obviously somebody needs to be the initial innovator. Somebody needs to have done an experiment before anyone else.

Yet, even in these situations, there are still going to be pioneers who have come before you. There are going to be other people who are thinking along the same lines. No great idea comes in a vacuum.

So, if you think that your idea is completely original, at least describe its precursors. What were the best ideas in your field before your spark of genius? Did you build your program on other people's ideas? Creativity is often just combining ideas from disparate fields in new and exciting combinations.

If you have done thorough research, however, then it's time to move on to the next stage in the process: figuring out exactly what you want to achieve in specific, measurable terms. This is the subject of the next chapter.

## CHECKLIST:

A great environmental scan should have:

- A summary of the best ideas in your field
- A summary of the pioneers, innovators, and visionaries who have done outstanding research and experimentation in coming up with those great ideas. These could include the most effective organizations in the field, as well as the greatest thinkers.
- An explanation of how your idea is different than everything that has come before. What makes your approach more effective than all of the other attempts that have come before it? (In other words, why should people invest in you? Why is your project worth supporting?)

## Chapter 6

### Objectives

*Tell us about your specific, measurable objectives. What is your target audience? Whom will you benefit? What are the ideal outcomes that you want to see? What is your project timeline?*

#### Introduction

If you ask social entrepreneurs what are their goals, they may start talking about transforming the state of American education; they may rhapsodize about the big, long-term vision that inspires them every day. In terms of business, goals are broad statements of the ultimate result that you want to create. This the big picture: the vision of exactly what you want to achieve over many years. We have talked about this in Chapter 2.

By contrast, objectives are specific, measurable, and achievable in the short term. They are your benchmarks of progress.

We will see the difference between goals and objectives when we look at the story of one young woman fighting to end discrimination in her country.

#### Empowering women

For as far back as anyone can remember, Nigeria has been a land dominated by men.

After it gained its independence, it became a military dictatorship. There was no role for women in positions of power and authority. 100 percent of the rulers were men.

The culture was extremely patriarchal. Women felt that they had little voice in shaping the future of their country; they had almost no role models of strong female leaders anywhere on the African continent. Women did not even gain the right to vote in all of Nigeria until 1976.



Hafsat Abiola never intended to be an activist, crusading to change her country. The young woman came from “a very conservative, sheltered family,” in her words. Her goal was to leave Nigeria, study at a university in the United States, and become an academic scholar there.

But then she saw a woman who inspired her to work for a larger goal. Despite the military dictatorship, there was one strong woman fighting for democracy. Despite repression and the lack of free speech, there was one woman who was standing up for human rights. Despite

the traditional submission of females in her society, there was one woman who dared to speak out against discrimination and injustice.

That woman was her mother.

Abiola witnessed her audacious, courageous mother working for social transformation. And she saw how such activism could be dangerous, too. Other leaders who were fighting for democracy were imprisoned or driven into exile. Many more were too afraid to speak out, for the threat of military reprisal was real:

For, in the end, when Abiola was in America, in her senior year of college, her mother fell victim to an assassin's bullets. Somebody had tried to silence this woman's voice once and for all.

Yet these terrorist tactics backfired. Rather than create an atmosphere of intimidation among Nigerians, the police state's brutal repression only inspired more women to rebel. All around Nigeria, Abiola saw plenty of examples of strong women who rose up in nonviolent revolution. Although many were uneducated and illiterate, they took the lead in committing acts of civil disobedience against the military rule. Even when the economy started to collapse, it was women who stepped up and did the majority of the work.

In 1999, the movement for democracy and human rights was successful. The nonviolent movement had restored parliamentary elections to their country. The military siege of 30 years had ended.

Yet something had not changed: Women still had few positions of power, even in the new democracy. After several years of elections, there were 469 members in the Nigerian National Assembly; only 16 were female. There were governors in 36 states of the country; none of them were women.

Hafsat Abiola had a vision of a country – even a continent - in which women could play a leading role. She had a dream of a 21<sup>st</sup> century Africa in which women could have their voices heard – a land in which gender discrimination would be a thing of the past. She wanted women and young people to become “full participants in the continent's social, economic, and political development.” That was her major goal.

One way she determined to achieve that goal was to start a women's leadership program in Nigeria. Her program chose young women between the ages of 18 and 30, and gave them the skills to become agents of transformation in society. Abiola also had a number of other programs and activities to raise the status of women.

But this raised an important question: How could Abiola measure her success? How would she know if her leadership program was really making an impact? How would she see that she was making progress towards her goal of gender equality across Nigeria?

This is where it's important to have measurable, specific objectives. One way Abiola could measure the empowerment of women was to look at the percentage of women in elected positions of authority.

In 2003, women only held 3 percent of the seats in the Nigerian parliament and other elected offices around the country. By 2007, that percentage had doubled: Now women had 6 percent of all elected positions.

Yet Abiola had much greater objectives in mind: By 2011, she hoped to see 30 percent of all elected positions of power to be held by women.

This may seem like an objective that is impossible to reach. But Abiola sees a reminder everyday of the power of women to make change: Whenever she walks in the door of her social enterprise, whenever she sees the letterhead on her stationery, whenever she goes to her website, she sees the name Kudirat: her mother, her source of inspiration.

### **How you can create excellent objectives**

Like Hafsat Abiola, you need to come up with quantifiable benefits that will result from your activities. Otherwise, how will you know that your activities will really make a difference?

It's important to note that these objectives should be outcomes, not activities. They are the actual results that you will see in terms of a transformation in society – not just the services you deliver.

For example, a person who is trying to increase literacy should not say: “The objective of Organization X is to offer 10 training seminars for 500 adults in Alameda County by October 2008.” That is just talking about the process – the way that this organization is trying to achieve its mission.

Instead, they should focus on the results. They could say something like: “There will be a 35 percent increase in literacy scores among participating adults in Alameda County during the first year of the program.”

In order to write excellent objectives, you should consider the following principles:

- The measurable, quantifiable change or impact that the organization hopes to achieve (e.g., a 10 percent reduction in crime; or a 50 percent increase in creativity, as measured in tests)
- The constituency, target audience, market, or area in which this change will take place
- The deadline by which the organization will reach this change

It is essential that your objectives match up closely with your statement of need. In other words, these two parts of their proposal need to be parallel. If the statement of need said that “Fewer than 25 percent of Polynesian Americans vote in elections,” then the

objective should show an increase in this statistic: “Within 5 years, our public empowerment seminars will raise Polynesian American voting patterns in the United States to be higher than for any other ethnic group; more than 60 percent of Polynesian Americans will vote.”

This is far more effective than simply saying that, “we will increase Polynesian American involvement in the political process.” That is too vague to be an effective objective. We will discuss this issue more when we discuss evaluation. For now it is sufficient to say that each person should come up with realistic, measurable outcomes.

There are many ways that you could measure your outcomes:

- **Measure the quality of your programs** – This is the standard way that people often measure their success. For example, Abiola could give surveys to all the Nigerian women who take her leadership seminars. These women can evaluate how good they believe the workshops to be. This is the standard measure of many organizations.

And yet this measurement is not good enough by itself. Every woman could rank Abiola’s leadership program as excellent. She could produce reams of statistics showing that participants love the quality of the instruction, and believe that they are learning valuable skills. But the question is whether this satisfaction with the seminars actually translates to the greater goals she is trying to serve. Are women becoming more likely to believe that they can succeed? Are they more likely to believe that they can – and should – become the leaders of Africa’s future? This is where the next type of measurement comes in:

- **Measure people’s attitudes** – Much of social campaigning is simply trying to influence people’s attitudes towards social practices. For example, many young people have long considered smoking to be glamorous and “cool.” Their attitude towards cigarettes may be that they are signs of rebelliousness, adventure, and daring. Some social change campaigns are trying to change those attitudes. For example, some successful campaigns are appealing to many teenagers’ sense of rebellion against authority. They expose the deception of tobacco corporations – how many cigarette companies have lied in order to try to get kids hooked on their addictive product. Often young people change their attitudes towards tobacco when they feel like big business is trying to manipulate them to get their money. So an anti-smoking campaign could have surveys to find out the percentage of young people who think smoking is cool and desirable. If their campaign is effective, they may see a dramatic change in people’s attitudes.
- **Measure people’s awareness** – Many social entrepreneurs are trying to alert the world to a situation. For example, many of my students are passionate about the cause of human rights. But they find that most people may not be aware of human rights abuses. Before the movie “Blood Diamond” came out, most Americans were probably not aware that the thousands of dollars that they paid for some diamond engagement rings were going to fund massive human rights

abuses, conflicts, wars, and massacres. Similarly, few people who enjoy the sweet taste of chocolate are aware that it came from the bitter source of illegal child labor and human slavery. Thus you can take a small random sample of the population and figure out what percentage of the population is aware of these human rights abuses that their purchases of chocolate support. If your campaign is successful, then you will increase people's awareness. Of course, this may not be enough. Are people moved to action when they hear about human slavery, or blood diamonds? Does their behavior actually change? This leads to the next possible measurement of success:

- **Measure people's behavior** – How can you tell whether you are making an impact? A good way is to find whether your campaign for social change is actually transforming the way people act. For example, a conflict resolution program would not be very effective unless it could show that it actually helped people resolve difficult situations in their own lives. It wouldn't be enough to say that the program for teaching nonviolence is now in 500 schools nationwide. All that shows is that the program is being delivered (a process outcome); it doesn't show that it is actually making any real impact. But if the program for teaching nonviolence could measure an 80 percent reduction in fights, bullying, and other belligerent behavior in participating schools, that would be a real measure of its effectiveness. The key is to figure out what outcome you wish to see. How will you be able to observe whether your program is truly making a difference?
- **Measure people's performance** – Another way to measure whether you are making a difference is to see whether people's performance improves. This is the standard way that we measure how people are doing in things like sports. We can see whether a physical education program is succeeding by seeing if people are running or swimming faster; whether they have achieved an increase in muscle mass or a reduction in fat; whether they have improved measures of cardiovascular health and fitness; etc. This is also the standard way that we measure the effectiveness of academic programs and teachers: Have the students improved on tests of math and English? Have they met the minimal standards for moving on to the next grade?

You can measure performance standards for many other fields, with a bit of creativity. For example, you might be leading a program about human rights. Think about what skills you want the participants to develop. How can you measure that you are not just changing the way people think (their awareness and attitudes), but also the way they act (their behavior and performance)? You can measure their awareness and attitudes with surveys. But you might also want to see whether they are participating in more human rights actions (volunteering with NGOs; writing letters on behalf of political prisoners; etc.) and whether they are improving their performance as effective communicators of the message (Are they increasing the numbers of other people they have recruited to join the cause?)

Finally, there is one more way that you can measure whether you are making a difference:



- **Measure what was produced** – Were there any products that came out of your campaign? For example, at Homeboy Industries in Los Angeles, former gang members turn their lives around, often by starting new businesses. They have started at least five new enterprises, including a bakery, a café, a landscaping company, and a retail store, all of which have employed 500 young people whose lives might otherwise be in jeopardy on the streets. (The T-shirts that they sell have slogans on them like “Jobs, not Jails” and “Nothing Stops a Bullet Like a Job.”)

Their mission statement is: “Homeboy Industries assists at-risk and formerly gang-involved youth to become positive and contributing members of society through job placement, training and education.”

## Objections to measurement

There are some common objections to measurement:

### *1. The most beautiful and important things in life are often left out of measurements*

Einstein once declared, “Not everything that counts can be counted, and not everything that can be counted counts.”

For someone who spent most of his life dealing with numbers, Einstein had real insight. Many things that truly count in life – compassion, kindness, love, and goodness – seem to be beyond the reach of quantitative measurement. On your university transcript, I can see that you have a 3.3 grade point average, but that tells me very little about other more important, intangible qualities: your persistence, your optimism, and your social skills, to name but a few. That’s why people deride the idea that everything can be measured, especially in numbers.

This disturbing trend is seen in American education. With the rise of testing standards for American children, there are numerous complaints that teachers only teach for the tests. Things like art, music, drama, and physical education get left out of the curriculum; some schools forget to teach what is really important.

Indeed, many critics of our school system say that we are neglecting our children’s character. Students can get an A on their tests, which measure how well they meet the teacher’s requirements. They may have crammed the necessary information – knowing the Pythagorean Theorem and the U.S. state capitals for an exam. But does this tell us about whether they are becoming good people – whether they have developed honesty, integrity, and ethics?

I am sympathetic to this point of view. Studies of American schools show that, when teachers are just trying to increase their students’ test scores, there is often an increase in cheating. The teachers and students don’t really enjoy learning for learning’s sake. It’s all about getting the high score.

The fact of the matter is that we don't measure many things that are extremely important in our schools. We have decided to test students' academic performance on a narrow range of subjects, such as English and Math.

Yet this doesn't mean that we can't measure what's really important. There is a movement for "emotional intelligence." Researchers can measure whether students are developing the ability to get along better with their peers.

The results of these programs are impressive. For example, Ashoka Fellow Mary Gordon of Canada developed a program to teach empathy to children. This is important, because childhood can be a time of enormous cruelty. There are numerous instances of young boys and girls emotionally, psychologically, and even physically hurting each other. So the Roots of Empathy program actually brings babies into elementary school classrooms, and teaches children lessons of respect, caring, and taking others' perspectives.

An independent study found that the Roots of Empathy program had reduced aggression, violence, anger, and bullying among children by an astonishing 88 percent. By contrast, in elementary school classrooms where there was not a program for teaching empathy, aggression rose by 50 percent over the course of a year!

The Roots of Empathy program illustrates that people can measure such ethereal concepts as compassion, empathy, and goodness. They do it by counting the number of violent and aggressive incidents in the classroom, the number of pro-social caring behaviors, and other indicators that can be easily observed and quantified.

Yet there are still other related objections to measurement:

*2. There are many important goals that can't be translated into numbers. Some of the greatest benefits of our programs are intangible.*

This objection can be summarized by the famous TV commercials for the MasterCard credit card. A typical advertisement shows parents who are taking their children to a baseball game. The cost of tickets to the game may be \$35. The cost of peanuts and Cracker Jacks might be \$5. The cost of souvenirs, like a big foam finger, declaring that the home team is superior to all its competitors, might be \$20. But how can we measure the smiles on the children's faces? How can we measure the wonderful memories that they will treasure all their lives? How can we measure the deepening bonds between parents and their children? According to MasterCard, we can't. As the commercial says, these things are "priceless."

The same sentiment is true for people who are trying to do good for the world. Social entrepreneurs may feel like the value of their programs can't be measured. For example, Ashoka Fellow Lynn Price offers annual camps where she reunites brothers and sisters who have been separated by the foster system. These children were often torn from each other's arms; they are thrust into new families, without the comfort of their siblings. This was a personal issue to Price: When she was 8 years old, she learned that she herself was a

foster child, and that she had been separated from her sister who was in foster care with another family. So, once a year, Price brings these children together again at a beautiful retreat center in the Rocky Mountains. How could she possibly measure the joy of the reunion with loved ones? This isn't a simple economic measurement.

We could even make the same argument about art or music programs. If a city is fundraising to bring an orchestra to town, it seems like it would be ludicrous to make a claim that the citizens would be “culturally enriched by 30 percent.” How could you possibly measure the benefits of hearing Mozart's “Eine Kleine Nachtmusik” for the first time?

However, there are ways to measure even those things that seem intangible. Management consultant and author Douglas Hubbard argues that you can measure practically anything. In his view, measurement simply means making observations that tell you more than you knew before.

For example, the Cleveland Orchestra wanted to measure whether the quality of their performances was improving. But they didn't want to spend all the time and money to do a huge, randomized survey of the people who attended their concerts. So instead they just counted the number of standing ovations that they received each month. It was a simple, low-cost way to measure whether they were getting better.

Similarly, Lynn Price can measure the effectiveness of her programs in numerous ways. She could take surveys of the campers, asking them to rank their satisfaction with the program. She could have psychologists and doctors evaluate the foster children to measure significant improvements in their mental and physical health. There are countless other tools that she could use to measure the impact of her work.

Of course, it's often valuable to see how we are doing through qualitative evidence – things like personal stories or quotes. For instance, in Lynn Price's program, we can watch a heartwarming video of brothers and sisters reunited. We can read testimonials of them saying that this program changed their lives. This non-measurable evidence can be powerful and valid.

But ultimately, when creating your objectives, you want to have results that can be quantified in numbers.

Think about this in terms of traditional business: Any company that did not measure its bottom line would go out of business. A pet store could tell emotional stories about how much their puppies and kittens have enriched families' lives. But, if they can't also show that their annual revenues are meeting their costs, they haven't met the most important objectives that will allow their doors to stay open.

Similarly, many foundations want nonprofits and social enterprises to justify their existence with hard data. Stories and client testimonials may help open their wallets. But in order to give sufficient money, the funders want to see that their money will actually

make a positive change in society. Measurement is essential if you want to prove that you're actually going to make that change.

Still, a final objection arises:

*3. Measurements can be expensive, difficult, and even biased.*

In Chapter 2, we looked at the notion that statistics can be used to prove almost any point. That danger is especially pronounced when social entrepreneurs propose to measure their own success. They might create a survey that has leading questions; they might not take random, or scientifically valid, samples; they might unconsciously bias the results.

The solution is ideally to have independent consultants or outsiders deliver the survey instrument. This is not always possible, because it may be too expensive. In this case, it's helpful to solicit the help of someone who has experience creating reliable, valid ways to measure results. Often professionals are willing to give their services to free for good causes. Social entrepreneurs frequently take advantage of these pro bono services not just for business practices, but also for legal, financial, and public relations issues as well. We will talk about how to secure pro bono services in the conclusion to this book.

---

## COMMON PITFALLS TO AVOID

*The objectives are vague and unclear – they are more like lofty goals that can't be measured.*

No matter how many times we emphasize this part, people still make objectives that are impossible to measure. Ambitious social entrepreneurs might say things like, "We plan to revolutionize the health care system in America." That's an exciting vision, but it's quite vague as to what will actually change. How can you measure whether you are improving the health care system? What are the quantifiable results that we can see? We want to know that you are making progress. The best way to do that is to give us hard numbers. In addition, that's the best way for you to gain valuable feedback on whether your program is succeeding, and whether you need to change it.

*The objectives are unrealistic.*

Often aspiring entrepreneurs will have incredibly ambitious objectives like "reducing diabetes in America by 50 percent within 2 years." While it's nice to believe that your program would have such dramatic effects, you have to look at whether that is really possible. You might be setting yourself up for disappointment and frustration. It's like somebody going on a diet, saying, "I plan to lose 10 pounds in the next 3 days." Because the objectives are almost certainly unachievable within that time period, that person is likely to become discouraged very quickly.

The best objectives should be incremental. In other words, there will probably be small results at first. If you achieve those first steps in your pilot program, then you can start thinking about how to reach the next steps towards your long-term outcome.

When trying to decide whether your goals are realistic, ask yourself: What are the greatest gains that other programs have seen in your field? For example, if you are trying to decrease diabetes, find out what the most successful programs in the world have managed to accomplish. Can you exceed that? Do you have any evidence from your own research that your program can do any better? You want to make sure that your objectives don't seem so lofty as to be completely unbelievable.

Remember: The people who will review your proposal at foundations (or the venture capitalists who might give you the seed funding for your enterprise) are well versed in the issues that they fund. Your strategic plan will undergo the scrutiny of people who are knowledgeable about your subject. They will know if your objectives sound outlandish. As always, make sure to do your homework!

*The objectives simply talk about how many people you plan to serve, or how many programs you plan to deliver.*

A social entrepreneur might brag that 10,000 people will take her leadership course in the first five years. She may have made bold plans to offer 50 seminars and training sessions each year at such prestigious places as Oxford, Cambridge, and Harvard. These are certainly measurable goals.

But they don't show how her leadership course will make any real difference. Will it change people's behaviors? Will it make a long-term impact? How can she measure that impact?

Outcome objectives are about creating real, measurable change in the world. You want to learn whether you are truly transforming lives, not just whether you came into contact with lots of people, or delivered lots of services.

*The objectives simply talk about the activities that you will undertake.*

Far too often, people will say something like: "Our objective is to start a Center for Stopping Climate Change." But is that really a description of how much things will change in their community? It's more of a description of what these social entrepreneurs plan to do with their time. It's a description of their activities, not their desired, measurable outcomes.

Think about it this way: Your ultimate objective is to make a measurable impact on society. Starting a center for climate change is a noble goal, but it is just the means towards a greater end. (After all, well-intentioned people could launch this environmental center, and climate change could continue to get worse. Then their "Center for Stopping Climate Change" wouldn't be very effective; it certainly wouldn't be resulting in the outcome they desired.)

Why do these social entrepreneurs want to start an environmental center around the topic of global climate change? Presumably it's because they hope that this center will produce some measurable results for some target audience. Perhaps they want to increase the ecological awareness of 10,000 school children who might visit the center every year. Perhaps they want these 10,000 school children to change their behaviors, reducing their emissions of greenhouse gases by 20 percent. At the end of the first year, this Center would be able to chart progress towards their objectives; they would be able to show whether they are meeting their targets successfully.

Remember: Objectives are measurable. They talk about how much things will change. They tend to be expressed in numbers, showing how much of a difference you made.

For talking about the activities that will get you to your objectives, we must turn to the next chapter.

## CHECKLIST:

A great objectives section should have:

- Ways to measure whether you are making progress in meeting your most desired outcomes – not just measuring whether you are delivering services.
- Measurements of at least one of the following categories:
  - Changes in people's attitudes
  - Changes in people's awareness
  - Changes in people's behavior
  - Changes in people's performance
  - Program quality
  - Program results (tangible products that participants created)
- A definition of the exact target audience
- Deadlines by which you want to meet your objectives – exact dates

## Chapter 7

### Methods

*Include all of the specific activities that you will undertake. Create a step-by-step action plan.*

#### Introduction

What are the methods to get where you need to go? Have you thought through each step of the process? What is your target audience (or constituency)? Whom will you benefit? You need to include all of the specific activities that you will undertake. You should create a step-by-step action plan.

This is clearly a key part of your strategic plan. This is the heart of how you solve the problems that you've identified. So let's begin by looking at examples of two Brazilians who came up with activities for solving childhood violence, drug abuse, and homelessness.

#### Restoring childhood to those who have lost it

Yvonne Bezerra lives in Rio de Janeiro, Brazil. Many foreigners may think of Rio as one of the most beautiful places in the world, with its spectacular beaches and its legendary Carnival celebration. But it is also home to tens of thousands of children who live amidst violence and poverty.

In the *favelas*, the slums and shantytowns where many of the poorest people are crowded together, it is like a war zone. There is armed violence every day, whether from the drug traffickers, gangs, militias, or even the police. In 1994, for example, police massacred 8 homeless children who were sleeping next to the city's famous cathedral. Bezerra knew who the killers were, and she tried to expose the crime to the world



through international media. As a result, she was kidnapped and almost murdered herself, before being released due to the international outcry. In the end, she saw the successful trial and conviction of two of the police officers who had perpetrated the murders of the homeless children.

Yet, while Bezerra may have survived being held hostage and threatened with violence, she recognized that many children were not so resilient. She knew well the casualties of conflict. For many years, she had worked on international humanitarian aid in Africa. In war-torn nations like Sudan and Angola, she saw countless children ravaged by violence. She could recognize their trauma, fear, and stress.

This was the same trauma that she saw in the street children of Rio de Janeiro. She saw that they were suffering from post-traumatic stress. This was an affliction well known in the West; it had haunted many Vietnam veterans returning from war in Southeast Asia. Thousands of American soldiers returned to the United States with psychological and emotional scars. Many of these veterans were never able to recover; many became homeless or ended up in mental institutions. And if this was the fate of American soldiers, how well could small children fare in the same circumstances of post-traumatic stress? Many of these children had also been diagnosed as mentally ill or retarded. They showed serious developmental problems, and had difficulty learning. After being exposed to relentless violence, crime, and fear, was it possible to heal?

Based on her work in Africa, Bezerra believed that she could find an innovative solution. She had a bold vision of restoring childhood to those who had it stolen from them. She believed that she could solve the afflictions of young people who had been dismissed as mentally deficient. She believed that, underneath the trauma, these children's minds were intact; they could be restored to wholeness and health and joy once again.

So Bezerra had already gone through the steps we have outlined in this book so far. She saw a deep need in society, and she had a vision for solving the problem. She did research

as to the most effective mental health models around the world. And she had specific, measurable objectives. But now she had to figure out the actual methodology. What are the steps for healing children who have been traumatized by urban violence and war?



Down in Sao Paulo, Brazil, a man named Auro Lescher was asking similar questions. He also worked with street children, many of whom were only 5 to 10 years old. These children had also been robbed of their innocence. Many had been victims of abuse. Many slept on the streets of the city, and were addicted to crack cocaine.



As a grandson of Jewish refugees who escaped the Nazi holocaust in World War II, Lescher saw these children suffering similar predicaments: Like refugees from war, they were displaced and homeless; they had lost their support systems; they had almost nobody to care for them, and they were searching for their identities. He saw them as not as dangerous criminals or delinquent drug addicts, but as urban refugees. They were in transit, trying to find their way home. And he wanted to return them to a sense of security – to give them another chance to reclaim their childhood.

Most Brazilians had given up on these children. Just as people in New York or L.A. have become resigned to seeing homeless people on the streets, so too did citizens of Rio de Janeiro and Sao Paulo become cynical about ever solving this problem. People might donate clothes or food, but this did nothing to solve the underlying problems that lead to violence, drug addiction, poverty, trauma, and homelessness. These charitable donations were nice, but they were far from transformative; they did nothing to break the cycle.

But Bezerra and Lescher were both social entrepreneurs, even if they might not call themselves that. They both were obsessed with finding long-term solutions that would heal children, and provide models that could spread all over Brazil and even the rest of the world.

Lescher founded Project Quixote. Just like the character in Cervantes' classic novel who tilted his sword at windmills, thinking he was about to slay a dragon, Lescher was prepared to take on a seemingly impossible and insane battle. Yet he carefully thought through each step of the methodology:

The children would go through a series of stages. The first stage would have to build strong emotional bonds and support for each child. After all, these were children who had felt abandoned. They grew up on the streets among constant violence and robbery, and had developed a deep mistrust towards almost everyone they encountered. As a way to trying to escape this bleak reality, nearly 90 percent of them had become addicted to drugs. But Lescher had done his research; he realized that this was more a social issue than a medical one. If he could get trained therapists to slowly rebuild relationships of caring and support, he could take these students to the next stage.

That next phase is about getting them off the streets. Project Quixote takes these homeless children in to live in a “castle for adventures.” Here they not only are safe and secure, but they also engage in artistic and educational activities that re-ignite their passions and their desire to come alive. “Children prefer flying kites to smoking crack,” Lescher insists. If they are offered viable alternatives to drugs, then it is possible for young people to get beyond their addictions and return to healthy lifestyles.

Lescher believes the same is true when it comes to a life of crime and violence. He created The Quixote Spray Arts Agency, which connected young people to the leading graffiti artists in Brazil. Now the children had alternatives to crime and ways to earn income; more importantly, they knew they had a place where they belonged in society, where they felt accepted and included. “The choice between a weapon and a spray can is a matter of opportunity,” insists Lescher.

Therefore, part of the second phase of Project Quixote's methodology is to provide creative workshops on everything from graffiti painting and hip hop to cooking classes and computer skills. In the castle of adventures, 30 young people live together, with medical and psychological professionals on site to help. Eventually they start to feel a sense of community and safety.

Meanwhile, Lescher prepares the families of these children to welcome them back home. Many of these children are homeless runaways because of poverty or alcohol and drug abuse. Project Quixote works with other social enterprises in Brazil to solve those problems, offer good jobs, and restore dignity to the families. Then, in most cases, the child can return home. In the cases where children cannot go home, Project Quixote partners with businesses that offer employment, dignity, and independence to the children who have been rehabilitated. This is the last stage of the process, where the children are healthy and they re-enter mainstream society, many going back to their families.

It may sound as fictional as the tale of Don Quixote himself. It may have seemed like an impossible dream to restore childlike wonder and joy to youths who have felt abandoned, abused, and alienated – not to mention addicted to drugs and caught in lives of violence and crime. Yet this methodology has proven quite successful. Now it is spreading throughout other cities in Brazil, and perhaps soon through the world.

Similarly, Bezerra has developed an effective methodology that leads to her objectives. Working with impoverished children of the slums, she has a similar approach to Project Quixote: It starts with gaining the trust of the children and restoring their social bonds. Teachers work closely with the children, finding out the source of the trauma, and creating an individual plan of education for each child, based on his or her needs. Children take classes on art, music, leadership, and even money management, for the ultimate goal is to lift them out of poverty and out of the ghetto. This initial process of education and trust-building usually lasts from 6 months to a year. Remarkably, Bezerra has found that this is enough time to “unblock” these children's minds. They are able to overcome their traumas; all the psychological problems and developmental delays, which made people regard them as retarded, start to fall away!

Then, like Project Quixote, the next stage is to reintegrate them back into the larger community. All the children continue in the school until they are 15 years of age, when Bezerra guarantees them a job. She wants to show them that the dream of a new life is within their reach, a life of dignity and beauty.

Do these methods succeed? 100 percent of the children get jobs by the time they leave Bezerra's center, and 95 percent who go on to elite private schools end up getting excellent grades. This is remarkable for children who had been stigmatized and dismissed as mentally deficient and even insane.

## The Logic Model

How do you know if your own methods will lead to the results that you want? The Innovation Network ([www.innonet.org](http://www.innonet.org)) offers a useful tool called a logic model.

For each activity that you plan, you figure out what are the tangible outputs that will result. This is the equivalent of your process objectives. For example, one activity of Project Quixote is to offer creative workshops on building skills, like graffiti art, or computer literacy. The tangible results could be, for instance 150 graduates of the program each year.

Then, you try to determine what actual impacts you will be having – your outcome objectives. So what that you have 150 graduates? What will actually change as a result? The short-term outcome could be a 75 percent reduction in drug use among participants.

You can continue this process for intermediate outcomes and long-term outcomes (in this case, a measurable change in the number of former street children who enter mainstream society).

<b>Activities</b> <i>What happens in your organization?</i>	<b>Outputs</b> <i>What are the tangible results of your activities?</i>	<b>Short-term Outcomes</b> <i>What changes do you expect to occur within the short term?</i>	<b>Intermediate Outcomes</b> <i>What changes do you want to occur after that?</i>	<b>Long-term Outcomes</b> <i>What changes do you hope will occur over time?</i>

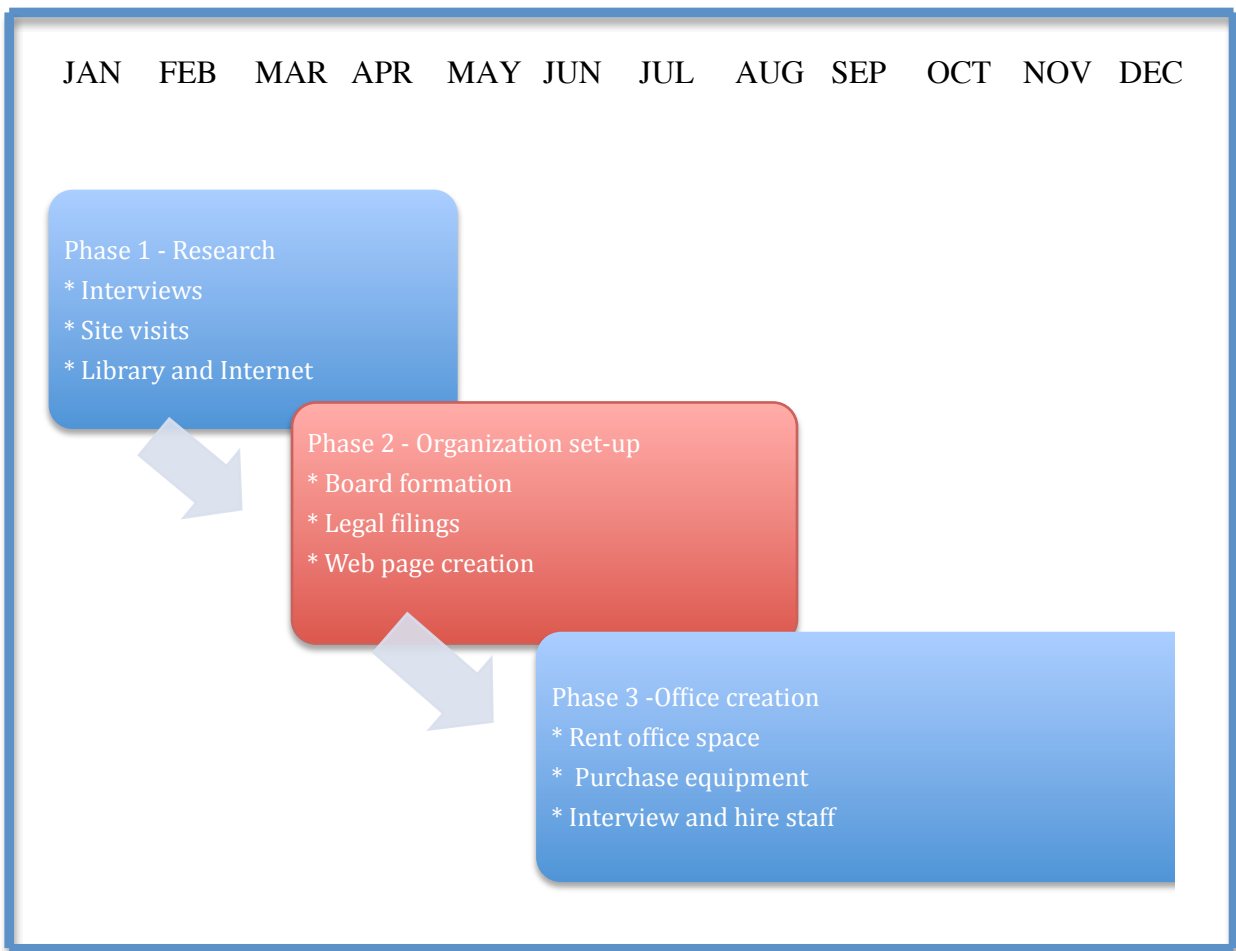
## The timeline

Another important step in developing your method plans is to have a timeline. Figure out what is the most important step to take right away. When will it begin and when will it end? Who will be responsible for carrying out each step of the process?

You can do this like a list:

Step 1	Beginning Date	End Date
Step 2	Beginning Date	End Date
Step 3	Beginning Date	End Date
Etc.		

Or you can represent it graphically:



Of course, the timeline above is very rough. In an actual timeline, there would be a more detailed breakdown of each step.

Moreover, the timeline above is simply one for setting up a social enterprise. That is to say, it does not even include the actual activities that would help the organization achieve its objectives.

### **The theory of change**

In sum, each organization has a theory of change. This is what they believe will happen if they undertake their activities:

Hafsat Abiola believes that, if women are trained in leadership skills, they will step up and transform the political landscape in Africa; there will be far more women in elected office in Nigeria, and eventually across the continent.

Yvonne Bezerra and Auro Lescher believe that, if you gain the trust of abandoned, mentally disturbed children and restore emotional connections with them, you will begin to reduce their addiction to drugs and improve their educational performance; then you can reintegrate them into the mainstream of society as healthy, thriving, and happy children again.

What is your theory of change? What needs to take place in order for your desired objectives to take place? These are the activities that you need to undertake.

Of course, we need to test whether your theory of change is correct. Thus, in the next chapter, we turn to the important question of how you measure your results.

---

### **COMMON PITFALLS TO AVOID**

*Most people don't think through this very clearly. Their timelines are missing so many of the necessary steps. They haven't figured out what are the activities they will need to pursue to make this happen.*

When you write up an action plan, think about what would be the very first thing you would need to do. Often people jump right into the last step. So, for example, they think that they will organize a peace conference between Palestinians and Israelis in 6 months. While that is a nice goal, the question is what steps need to happen in order to make this peace conference happen. There might be a lot of mundane steps like inviting speakers, finding a place to hold the conference, etc.

People often think about the “sexy” things – the high-profile things that they will need to do. They don't think about all the other things that will be necessary once they get up and running – publicity, marketing, fundraising, etc. When creating your plan, imagine that you were going to begin work immediately. What would it take to get off the ground? Be sure to consult with other people who have experience in the field.

*Don't put in every detail!*

This is the opposite problem of the one above. You don't want to bore people with every detail. This is not a daily checklist of the thousand small tasks that you need to undertake. That might be a useful organizing document for you to have personally, but it's not really what funders want to see.

Instead, just summarize the most essential steps in the timeline. A strategic plan should be succinct.

*Watch out for the planning fallacy!*

Did you ever notice that everything takes much longer than you imagine? Somehow we never plan for it. We always remain extremely optimistic – and wildly unrealistic – about how quickly we will accomplish a project.

The Sydney Opera House was planned to cost \$7 million and be finished in 1963. Instead it was finished ten years late, and cost \$102 million - nearly 1,500 percent more than anticipated. Similarly, “the Big Dig” – a highway construction project - in Boston has already many billions of dollars over budget and taken many years more than planned. When it comes to big projects, it seems like we have difficulty figuring out an accurate estimate of how long it will take.

But this is true for small individual projects as well – especially for young college students prone to procrastination! When students were asked to predict when they would finish their senior theses, the average response was 33.9 days. In reality, the average time it took them was 55.5 days! Even the worst-case scenarios were too optimistic for the majority of students! In other words, when asked to estimate when would be the absolute latest that they would complete the project if everything possible went wrong, they still predicted less than 55 days.

So it's very tempting to create a timeline and action plan where you solve all of the world's problems in 6 months. While this may be an exaggeration, I do frequently see students expecting to accomplish miracles in a very quick fashion. One student expected her innovative education project to change the lives of 3 million people in two years.

So what is the best way to overcome the planning fallacy? Run your plan by other people, especially experts in the field. They have the experience necessary to figure out how long it will actually take.

## CHECKLIST:

A great methods section should have:

- A detailed, step-by-step, action plan for how you will accomplish your objectives
- A realistic timeline

## Chapter 8

### **Measurement of results**

*How do you measure your outcomes? How do you know if you have succeeded? Are there concrete, specific details that you can show to indicate that you have made a real difference in people's lives?*

#### **The triple bottom line**

Traditionally businesses have measured how well they did according to the bottom line of profits. But social entrepreneurs need to be concerned about “the triple bottom line”:

The triple bottom line is an idea introduced by social entrepreneur John Elkington. It asks businesses to expand their accounting to consider not just financial benefits, but also social and environmental benefits.

Traditionally, of course, businesses are responsible only to their shareholders – the people who own a piece of the company. Under the law, any profitable corporation has a duty to return the maximum profit to its shareholders. But this does not take into account any damage that it does to the community, to the environment, to health, and to the larger social network.

Elkington suggested that companies should incorporate accounting practices to report on their environmental and social records as well. Again the key point here is keeping score. It's all about measuring the outcomes. For far too long, traditional social change organizations have merely offered anecdotal evidence of the benefits that they provide. They can tell heartwarming stories of a few people that they have helped. While this is certainly necessary, it is not enough. Investors – whether they are philanthropic foundations, individual donors, government agencies, or venture capitalists – want rigorous standards for measuring the actual benefit that their dollars will yield.

While some critics may complain that this is trying to transform the nonprofit sector into traditional businesses, it is arguably a good trend. It is valuable for people who are trying to change the world – whether they are social entrepreneurs, innovators, or problem solvers – to show that they are really making a difference. Being able to evaluate and measure the success of an organization is critical. Indeed, it is the difference between an effective, efficient organization, and one that is wasting valuable resources.

#### **Trying to solve religious violence and warfare**

As a young boy growing up in Chicago, Eboo Patel didn't have much interest in his family's religion of Islam.



Yet he saw the religious violence around him. He saw the September 11 hijackers who killed in the name of their faith. He saw the same thing in every religion – the fugitive Christian who planted a terrorist bomb at the Olympic Games in Atlanta to kill the unbelievers. There were Jewish settlers in the Middle East who murdered Palestinians. Everywhere he looked in the news, people were killing -- and dying -- for their religious beliefs.

This religious violence has caused many people to lose faith. It has caused commentators like Sam Harris to say that religious belief is “perverse” and “barbarous” and a form of insanity that “perpetuates man’s humanity to man.” Christopher Hitchens, another prominent atheist, wrote a bestselling book claiming that, “religion poisons everything.” He argues that religions are, at their very core, “violent, irrational [and] intolerant.”

But Patel didn’t agree. He saw in his own tradition of Islam great acts of love and compassion. He saw the same beauty in Christianity, Judaism, Hinduism, and Buddhism. Many of the greatest social change figures of the 20<sup>th</sup> century were motivated by their faith. These were his heroes and heroines – such devout religious figures as Mahatma Gandhi, Martin Luther King, Dorothy Day, the Dalai Lama, Abraham Joshua Heschel, and the Aga Khan. All of them saw loving kindness, social justice, and selfless service as the core values of their faith.

Patel saw that the problem was not religion, but “religious totalitarianism” – the idea that “only one way of being, believing, and belonging is legitimate on Earth, and that way must dominate - it must suffocate others.”

So he decided to start an Interfaith Youth Core. This would be an international movement of young people working together across religious lines. With mutual respect for each other, they would cooperate to make the world a better place. After all, young people of all religions shared core values, such as hospitality and caring for the Earth.

But how would he know whether they were really making a difference? How would he measure whether it was having an impact? It may be a wonderful idea to have young people of different faiths working together on service projects. But the big question is whether it was succeeding.

### **How to do evaluations**

A funder wants to see powerful evaluation designs. After all, they are investing in your idea to make a difference in the world. They want to see that their money is making a tangible impact.



Evaluation is also worthwhile because it helps the directors of an organization determine what is going right and what is going wrong. The process of thinking through the evaluation can strengthen the organization.

So how do you do an effective evaluation? You can use both qualitative methods (interviews and observations to tell stories of success) and quantitative methods (statistical measures for counting and analyzing the exact benefit to the community).

Here is an overview of the best ways to do an evaluation, with the pros and cons of each approach:

## SURVEYS AND QUESTIONNAIRES

In many ways, this is the easiest way to find out how you are doing. You simply create a survey and ask people for their honest responses. This is inexpensive, and you can administer them to many people. It's a fast way to get a tremendous amount of data, and it's easy to analyze the results. You can design surveys easily and collect data results very quickly with an online program like Survey Monkey ([www.surveymonkey.com](http://www.surveymonkey.com))

### *\* Important numbers to rate your performance*

Surveys can give you lots of quantitative data. We have all seen survey questions like this:

Please rank our programs on a scale of 1 to 5:

- 1 = Terrible
- 2 = Mediocre
- 3 = OK
- 4 = Good
- 5 = Excellent

And then you can collect the results, and say things like, “92 percent of all participants rated our programs as good or excellent!”

### *\* Valuable client testimonials*

Surveys can also be used for open-ended questions – useful qualitative feedback. For example, you might ask, “Please give us your overall impressions of the program.” You might get a lot of great testimonials as a result. Indeed, these are often the results that organizations love to use most to show their effectiveness: enthusiastic testimonials from clients. We've all seen organizations highlight quotes from people who have taken their programs, like the following ones below:

“This was life-changing! I have never felt so uplifted and inspired!”

“I have a brand new outlook on life. I'm more optimistic than ever, and feel empowered to change the world!”

The beauty of surveys is that you can ask any question at all. You can ask people how to improve your programs, and get valuable feedback as a result. You can ask about the most effective parts of your programs, so you can build on your strengths.

*\* Pre-tests and post-tests*

Surveys are also powerful because they can measure attitudes before and after your program. These pre-tests and post-tests are one of the most popular ways to measure impact. For instance, you might have a program on religious pluralism, similar to that of Eboo Patel. When people enter the program, you could ask questions like:

“To what extent do you agree with the following statements?”

“My religion is the only path to salvation.”

- 1 = Disagree strongly
- 2 = Disagree
- 3 = Neither agree nor disagree; not sure
- 4 = Agree
- 5 = Agree strongly

“People in other religions have the same basic values as people in my religion”

- 1 = Disagree strongly
- 2 = Disagree
- 3 = Neither agree nor disagree; not sure
- 4 = Agree
- 5 = Agree strongly

Then, after these people have finished participating in your program, you can ask them the same questions and see if their responses have changed. This is a good way of measuring your results, saying something like “80 percent of people who have taken our program have increased their religious acceptance, tolerance, and embrace of people in other faiths.”

*\* Finding out the true impact of your program*

Surveys are also valuable to measure your results against a control group. In order to make sure that your results are as valid as possible, it is good to test a group of randomly selected people who are not going through your program. You want to follow proper scientific procedures, so as not to bias the results.

For example, the religious tolerance program above might randomly select 200 students from a university. 100 will be chosen at random to enter the program, while the other 100 students will be the control group. You survey all students at the beginning and at the end. This is a good way to measure the impact of your program, as opposed to other

outside factors. You might find that measures of religious cooperation increased by 30 percent in the students who went through your program; by contrast, students who were not exposed to your program actually showed a slight decrease in religious acceptance or cooperation during that same time period.

*\* Drawbacks of surveys and questionnaires*

The biggest problem with surveys and questionnaires is that they can be biased in many ways. It's easy for a social entrepreneur to cherry-pick the testimonials that make the program sound great, even if many other reviews are bad. Think of it like movie advertising. There may be 100 critics who say that a movie is horrible and agonizing to watch. But somewhere in the country, there may be a reviewer who will say, "I laughed my head off!" And that quote appears in all the advertisements for the movie.

Other biases are unconscious. The wording of questions can easily influence the answers. For example, let's say that you have a program to create sustainable tourism in Malaysia; this is a program that seeks to take visitors on tours that will be culturally and environmentally sensitive. At the end, you might offer a survey that asks, "Would you agree that this is the best ecological tour that you have been to in all of Asia?" You would probably get impressive results, with close to 100 percent of respondents saying yes. But that's mostly because the question is leading and biased! It's likely that most people have never been on an ecological tour elsewhere in Asia, since the concept is relatively new.

Thus, if you do surveys and questionnaires, it's important to make sure that the questions are as objective as possible. Also, be sure that they are completely anonymous.

Yet, even if you take these safeguards, there is another problem with surveys and questionnaires: They may not reflect reality. Let's say that you offer a leadership program, and you ask participants at the end to answer the question: "Do you believe that you learned something valuable that will transform your approach to leadership?" It's possible that the majority of respondents will say yes. The problem is whether this really translates to results in the real world. The participants may rate the program as extremely successful, but then return to their lives and not ever use anything that they learned. Indeed, a massive study of leadership programs found exactly this result: Although American companies spend more than ten billion dollars on leadership training seminars each year, there is no evidence that they result in any gains in productivity or satisfaction in the workplace. If anything, the evidence suggests that productivity actually *decreases* slightly after these motivational leadership seminars! This is in spite of the fact that most people rate the leadership programs very highly in surveys and questionnaires.

Therefore, in order to get at the truth of whether your organization is succeeding, it's valuable to do other types of evaluation besides just surveys and questionnaires.

## INTERVIEWS AND FOCUS GROUPS

Interviews are valuable for discovering whether your clients are happy with the programs you offer. They are far more personal than an anonymous survey, and you can gain

valuable feedback that you weren't even expecting. They do take a lot of time, however, and they can be expensive to conduct. Again, too, there is the possibility of bias. Because there is no anonymity in an interview, respondents may tell the interviewer what they think she wants to hear. Another challenge of interviews is that it's harder to analyze and compare the data. One way to overcome this is to make sure that there are standardized interview questions asked to each person.

Focus groups are like interviews on a bigger scale. You bring together a number of people, often 6-10, in one room to get their common impressions and responses. Again, a challenge of this is that you need to have a skilled facilitator or interviewer. These groups can take on a life of their own, and some people in the group may feel silenced or unsafe. There is also the danger of people not being completely honest with their feelings in a group, because they want to conform with everyone around them. Again, as with surveys, it's wise to attempt multiple forms of data collection, rather than just relying on these interviews and focus groups.

## OBSERVATIONS

Another excellent way to discover how you're doing is to go into the field and see your program in action. For example, if you are engaged in educational reform, you can go into classrooms and see whether your innovative educational practices are transforming classrooms.

Of course, the challenge here is that you aren't exactly an impartial observer. You may interpret the results that you see in a far different manner than an outsider. Let's say that a child says, "2 plus 2 equals 5." A critic of your organization might use this as proof that your innovative educational methods are failing. A supporter of your organization might exclaim, "These children are thinking outside the box! That's a creative way to look at mathematics!"

Although this is a fanciful example, the truth is that observers can make different judgments and interpretations of what they see. A far more serious challenge is that the presence of an observer can influence what is happening in the workplace. Let's say that you enter the classroom to observe the behavior of children. Because of the presence of a strange adult, the children may behave more politely and nonviolently than if no outsider were there to monitor them. So an observer won't necessarily get a true picture of what is happening in the field. One way to overcome this problem is simply to continue observing over an extended period of time. At a certain point, the children (or workers, or whomever you are observing) will habituate to your presence, and start acting in their normal ways.

## DOCUMENT REVIEWS

Another way to collect data is simply to go through documents that already exist. This is one of the easiest methods of finding out information. For instance, let's say that you want to study whether your campaign for the rights of immigrants and refugees are changing attitudes in America towards these groups of people. You can go through existing sources

– mainstream newspapers, magazines, blogs, and other media – to find out whether press coverage has grown more favorable. You can count the numbers of positive and negative references to immigrants. You can see whether the executive director of your organization has been quoted prominently in the news.

The problem with reviewing documents is that you may not always find what you want. The documents already exist, and there may be massive amounts of data, but they don't necessarily answer the questions you are seeking to explore.

## CASE STUDIES

If you want to go into great depth about the impact that your program has on a single person, you can document case studies. This again is a popular way of proving that you are making a difference: You track with great detail the effect of your efforts on a single individual's life; you tell that person's story.

For example, Eboo Patel could do an in-depth investigation into one participant in the Interfaith Youth Core. This could be someone who came from a family of religious fundamentalists – someone who believed that Muslims, Jews, Hindus, and Buddhists were all condemned to eternal hellfire. Yet, as this person worked with people of other faiths, he had a religious awakening. He began to see that the core of his own religion – as well as all the other religions – was love. He began to embrace and welcome members of other spiritual traditions. This single story could be a compelling way to evaluate the positive results of the Interfaith Youth Core.

Of course, we have already explored the problem of stories in chapter 3. A single case study tells us that the program has succeeded for one individual. But we can't determine whether it is having a larger impact on society. Moreover, it can be time-consuming and expensive to track the story of a single person. So again, it's helpful to balance this anecdotal evidence of success with other hard data, preferably numbers. This may be repetitive of what we've been saying throughout the book, but that's because it bears repeating: It's good to have quantifiable results of your impact. That leads us to the last way to collect data:

## STATISTICAL MEASUREMENTS

The final way to collect data is through counting. If you want to know whether your drug and alcohol awareness program is reaching the community, you can count the number of people who attend your seminars, or the number of hits on your website, or the number of pamphlets you have distributed.

Of course, all of these are measurements of your process objectives – how many people you have served. But there are other ways to collect data about whether you are reaching your outcomes. If your goal is to reduce the percentage of alcohol and drug related accidents in the community, you can get those numbers from the police department or other agencies. If your goal is to increase the percentage of people who stay sober for a year, you can track and monitor the numbers through your own measurement system.

## Summary: Important questions to ask yourself

We have just looked at six different types of data collection:

1. Surveys/questionnaires
2. Interviews and focus groups
3. Observations
4. Document reviews
5. Case studies
6. Statistical measurements

No matter how you collect the data, your evaluation will measure the progress towards meeting each of the objectives that you defined in chapter 6. At this point, you should have a persuasive plan for evaluating your success. You should be able to answer all of the following questions clearly and specifically:

- What are your clear, defined objectives? What outcomes do you hope to achieve?
- When will you achieve their objectives? What is your deadline?
- How will you collect the data to measure your success? In other words, how will you know that you are really making an impact? How will you be able to convince an outside observer – or a philanthropist willing to invest a million dollars – that you are solving a big problem?
- When will you collect your data? What will be your comparison group or baseline? (In other words, if you expect to increase literacy by 25 percent, what is the starting level? How do you know?)
- Is this plan realistic and achievable?
- How do you define success?

These are tough, challenging questions. But, by thinking through these questions, you will have much more powerful, realistic plans for social transformation.

---

## COMMON PITFALLS TO AVOID

*The proposal writer just skips over evaluation, or gives it short shrift*

We have seen many social entrepreneurs who write, “We will collect and review the data to see whether we are making progress. Based on this feedback, we will make improvements as we go along.”

But the whole reason for designing good evaluations is for accountability. You need to be specific about what your data collections will look like. This will give the funder confidence that you will be getting the right feedback to see if you are making a difference.

*The evaluation is biased*

With any evaluation process, there is a danger if you try to collect and interpret your own data. As we mentioned above, surveys can easily (and unconsciously) get you the answers you want to see; interviews can also be skewed in your favor; observations can be interpreted in any way you want.

Often, it's best if the evaluator is someone objective, outside of your organization. This may not always be possible, because it can be expensive. But any outside funder likes to see that the evaluations are going to be as fair as possible. If you are designing your own evaluations to measure your results, it's a good idea to run them by someone with experience – either an academic expert from a local university, or someone with years of experience in your field.

## CHECKLIST:

A great evaluation section should have:

- An explanation of how you will collect the data that will prove whether your program is actually succeeding. This may include:
  - Surveys and questionnaires
  - Interviews and focus groups
  - Observations
  - Document reviews
  - Case studies
  - Statistical measurements

## Chapter 9

### **Finances and budgets**

*How much money will it take to realize your vision? Why? Create an itemized budget, figuring out how much it will cost for each essential element of your plan to succeed. How will you raise this money? What will happen if you don't raise the entire budget? Do you have an alternative plan?*

#### **Introduction to fundraising**

There is a tremendous amount of money given out every year to charities, nonprofits, and good causes. We often ask our students how much money they believe is given out each year in the United States. The students will usually guess something like \$500 million. Some brave souls even venture that it may be closer to a billion dollars.

The truth is that more than \$306 billion was given in 2007 alone, despite the troubles in the American economy. This does not even include government grants and funding. So where does this money come from? Who is doing all of the giving?

There are several major sources, according to the annual report of Giving USA:

- Individuals give about 76 percent of that (more than \$200 billion)
- Bequests account for about 8 percent
- Foundations give away about 12 percent (In other words, philanthropic foundations exist to give away more than \$30 billion in assets each year to good causes)
- Finally, corporations give away about 4 percent, which may seem relatively small, until you consider that major corporations give away more than \$15 billion in contribution to good causes each year. Even if they do this just for self-promotional public relations purposes, it is still impressive! Social entrepreneurs and advocates of change can tap into these funds.

This does not even include entrepreneurs who choose to fund themselves through a for-profit model. Increasingly nonprofit organizations realize that they are “begging for change” – in other words, they spend so much of their time looking for handouts and contributions that it can take away from the main mission of their organization. Often nonprofits will alter their operations, if they think that they can get money as a result. Thus, many social entrepreneurs are starting to create innovative methods of raising capital, writing business plans and attracting venture capitalists for profitable financial organizations. Many organizations have a product that they can sell, so as to become self-sustaining, not relying on outside handouts. Indeed, the founder of the National Institute for Training Entrepreneurs recommends that people who want to change the world start for-profit companies instead of 501c3 not-for-profit organizations.



Incidentally, for the remainder of this discussion, we will call nonprofits by a different term: socially profitable organizations. As mentioned in the introduction, “nonprofit” suffers from the same problem as the term “nonviolence” (or even “non-governmental organization” a.k.a. NGO): These organizations are defined in negative terms. There needs to be a far more positive way to describe them.

Bill Shore of Share Our Strength, a nonprofit that gives millions of dollars to alleviate hunger every year, advocates “community wealth ventures.” These are for-profit businesses that generate resources for social change. For example, the actor Paul Newman started a company that makes spaghetti sauce, salad dressing, and other products. Since they started doing business in 1982, they have generated so much profit that they have been able to give away \$250 million to charities. (Their slogan is “shameless exploitation for the common good.”) The idea is to fund good work for society through traditional for-profit enterprise. It goes against the common notion of “nonprofit” organizations struggling for money and always being poor.

Social entrepreneur Jed Emerson follows this up with his own blended value model. His idea is that we cannot separate the economic value created by for-profit companies with the social values created by traditional NGOs. Both are equally important values, and they should not be segregated into two different camps. So he too advocates a mixed model where the distinctions between economically profitable organizations and socially profitable organizations fade away. There are a lot of good books and resources that talk about “earned-income strategies” for socially profitable organizations – i.e., how you can make money for your 501c3 through a business, rather than through begging for donations.

Now for those of you who are raising money in traditional ways, we will go through the various options. We will start with raising money through grant writing, since that is the format that this book has been taking:

### **Foundations and philanthropic grants**

Foundations are required by law to give away at least 5 percent of their assets each year. Therefore, there is a pot of tens of billions of dollars that will inevitably go to good causes – whether for the environment, education, social justice, or any other number of causes.

You can find out about the different foundations and their missions by going to the Foundation Center website: <http://foundationcenter.org>. This website is a gold mine of information. As you can see on the next page, you can find out information about individual foundations. Here they profile the Ford Foundation, and show that it has nearly \$14 billion in assets. Furthermore, it tells you that they gave away nearly \$600 million in the last year.

## The Ford Foundation

[Return to search results](#)

Copyright © 2008 Foundation Center

[Profile](#)
[Search Grants](#)
[Map Grants](#)
[Chart Grants](#)
[News](#)
[Publications](#)
[People](#)
[990s](#)

**Profile**
Last Updated: 6/25/2008

[Standard View](#)
[Compact View](#)

### Jump To

- [Donor\(s\)](#)
- [Background](#)
- [Limitations](#)
- [Purpose and Activities](#)
- [Program Area\(s\)](#)
- [Fields of Interest](#)
- [Geographic Focus](#)
- [Types of Support](#)
- [Publications](#)
- [Application Information](#)
- [Officers and Trustees](#)
- [Number of Staff](#)
- [Memberships](#)
- [Financial Data](#)
- [Additional Location Information](#)
- [Selected Grants](#)

### At A Glance

**The Ford Foundation**  
320 E. 43rd St.  
New York, NY 10017-4801  
Telephone: (212) 573-5000  
Contact: Secy.  
Fax: (212) 351-3677  
E-mail: [office-secretary@fordfound.org](mailto:office-secretary@fordfound.org)  
URL: [www.fordfound.org](http://www.fordfound.org)

**Type of Grantmaker**  
Independent foundation


**IRS Exemption Status**  
501(c)(3)

**Financial Data**  
(yr. ended 9/30/07)  
Assets: \$13,798,807,066  
Total giving: \$583,915,463

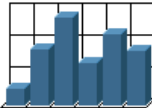
**EIN**  
131684331

**990-PF**  
[2006](#) [2005](#) [2004](#) [2003](#) [2002](#) [2001](#)

### Map Grants



### Chart Grants



### Tools

[E-mail](#)

[Print/Save](#)

**Tag this record:**

[Submit](#)

[+ Choose from your tags](#)

If you were to explore this website in greater detail, it would tell you the types of issues that the Ford Foundation supports. In this case, because it's such a large foundation, it gives money for almost everything: from AIDS organizations and the arts to women and youth services. The Foundation Center Online Directory also tells you what geographic regions are served.

Basically, it works like any catalog: Let's say you want to get funding for your social enterprise that will be working on animal welfare issues. You are mostly going to be doing your work in California.

So you can just go to the Foundation Center online directory, <http://fconline.foundationcenter.org/>

You'll see that you have many options. In this case, you would go to the "fields of interest" and type in Animal Welfare. If you were to do a search of this, you would find that there are 306 foundations that support organizations doing good work on Animal Welfare.

Of course, not all of these foundations support organizations working in your area. Many foundations are local; they give money away mostly in their own community. So you can narrow your search, and look for foundations that support Animal Welfare in California. (See below.)

**FOUNDATION CENTER**  
Knowledge to build on.

**FOUNDATION DIRECTORY ONLINE**  
BASIC

Home Help Account My FDO | Search: ♦Grantmakers | Log Out

**Fields of Interest**  
A B C D E F G H I J K L M N O P R  
S T U V W Y Z

**A**

- Abortion clinics/services (1)
- Abuse prevention (32)
- Adoption (12)
- Adult education--literacy, basic skills & GED (136)
- Adult/continuing education (78)
- Adults (62)
- Adults, men (19)
- Adults, women (34)
- Afghanistan (2)
- Africa (47)
- African Americans/Blacks (85)
- Aging (389)
- Aging, centers/services (335)
- Agriculture (40)
- Agriculture, farm bureaus/granges (1)
- Agriculture, farmlands (5)
- Agriculture, sustainable programs (5)
- Agriculture/food (28)
- AIDS (171)
- AIDS research (70)
- AIDS, people with (51)
- Albania (1)
- Alcoholism (65)
- Alcoholism research (1)

**Search Grantmakers**

**Grantmaker Name**  
view index

**Grantmaker Location**

**State**  
view index

**County**  
view index

**City**  
view index

**Metro Area**  
view index

**Zip Code**

**Fields of Interest**  
view index

**Types of Support**  
view index

**Geographic Focus**  
view index

**Trustees, Officers, and Donors**  
view index

**Type of Grantmaker**  
view index

**Total Giving**

**Keyword Search**

☐ Exclude grantmakers not accepting applications.

**Search** **Clear**

If you were to search with these criteria, you would find 50 foundations that could potentially fund your work! Now you just have to look up these foundations, see what their guidelines are, and apply to the ones that are the best match for you.

So how do you get access to this valuable database? There are several ways:

First of all, the Foundation Center has offices in New York, Atlanta, Cleveland, San Francisco, and Washington, D.C. You can go to one of their offices, and search through the database, as well as look through their many other materials on finding financial support.

Of course, 95 percent of the people reading this book will not live close to one of these five Foundation Center offices. Therefore, the Foundation Center also has collaborating

collections – libraries throughout the United States where you can explore their database for free.

If that's still not convenient (because you live outside the United States, or in an area where there is no collaborating collection), you can subscribe to the directory for \$19.95 a month, and use it from the comfort of your own home. (Don't worry: I'm not a paid advertiser for the Foundation Center!)

Again, the process is very simple: You just type in your issue area and your region; then you will produce a list of all the foundations that give money in your area.

Make sure to then go check the websites for each foundation you target. They may have different ways of applying – sending out initial 1-page letters of intent, for example, before you send in a full grant proposal. They also have different deadlines for application. Some accept proposals all year, but most have a few funding cycles, so make sure that you are aware of the deadlines!

The most important thing to remember is this: Follow directions! Program officers at foundations throw out thousands of proposals in frustration each year because they do not meet the criteria they are looking for.

For example, let's say that you have a great idea for a social enterprise based on renewable energy. Therefore, you want to apply to the Bill and Melinda Gates Foundation, because, well, he's Bill Gates! You know that this foundation alone has assets of nearly \$40 billion. But if you look at the foundation center website (or the Gates Foundation website), you will see that this foundation doesn't support work on renewable energy. It gives all its money to issues of global health, poverty, or education.

So be sure to follow the guidelines for each foundation. You can't just write one grant proposal and send it off to 100 foundations. Each one may have slightly different requirements. You need to make sure that you are meeting their particular needs.

In the end, if you put together a compelling grant proposal, and show that your idea is urgent, you can win money for your cause. Echoing Green, for instance, is an organization in New York that gives seed money for people with "bold, visionary ideas that could change the world." You could be a college senior and win up to \$90,000 from Echoing Green to launch your plan to make a difference.

However, even if you are a brilliant writer, this is still no guarantee that you can raise a lot of money for your organization. You could send out hundreds of grant proposals to different organizations, and only get a few small grants. It may be a numbers game, but there are ways to increase your odds of success.

The key to fundraising, even for foundations (as well as for individuals, as we shall see below) is in developing powerful relationships. If you can establish and maintain excellent relationships with program officers at foundations, and other influential grant makers,

you are much more likely to win funding. The sad truth is that grant proposals don't matter as much as personal connections.

Indeed, foundations are potential "customers" who have their own interests, agendas, and concerns. You are giving them an opportunity to invest in you. You want to make them feel good about where their money is going; you want them to be your biggest fans and advocates, because they want to see certain causes promoted.

## **Individuals**

Individuals are the top donors to charitable causes. According to Slate Magazine's annual list of the top philanthropists in America, 60 individuals alone gave \$50.5 billion to good causes in 2006.

Even in rough economic times, individuals are tremendously generous. Between 2000 and 2002, when the economy was struggling, Americans gave a total of \$672 billion to causes in which they believed.

Imagine if you could tap into this wealth. This is much easier than raising money from foundations because you don't have to go through bureaucratic decisions of boards, which can take up to a year. They can just write you a check right away. There are tax advantages for the donors, so it ends up benefiting everyone.

The key to courting individual donors is cultivating relationships. Although most of us are reluctant to ask for money, a surprisingly high percentage of people – about 50 percent -- actually give when asked directly. This includes low-income people, who are actually far more generous than richer people. (More than half of all donations come from families making less than \$30,000 a year.) Young people and people of color are also more giving than the rest of the population.

It's understandable that most people are hesitant to ask for money. They see it as begging: panhandling people to give up their hard-earned dollars. It seems mercenary or manipulative: as if you only talk to people because you want their money. Indeed, some of the books on fundraising sound like the high-pressure tactics of timeshare salespeople.

But it's more helpful to look at this process as asking people to invest in causes they believe in deeply. You are creating opportunities for these people to make a real difference.

One of the first rules of raising money is to put yourself in the shoes of the donors. What are their deepest passions, causes, and interests? Research their backgrounds. For example, in the introduction to this book, we talked about the billionaire George Soros. As a child in Hungary, he saw the dangers of totalitarian regimes like the Nazis and then the Communists that occupied his nation. These were closed societies that did not allow freedom of expression. If a citizen dared to say anything critical of the regime, that person could be thrown in jail. Nobody was allowed to challenge authority. As a result, Soros has invested billions of dollars into creating open societies around the world. He has received

great satisfaction out of investing his money in initiatives to spread democracy – especially in the nations of Central and Eastern Europe where he was born.

There are many reasons why people are happy to give money to a successful social enterprise. To begin with, generosity and altruism feel good. There have been many scientific studies about the “helper’s high” – the warm, glowing feeling that people receive when they do something good for the world. This is a much more enduring state than the temporary happiness that people receive from doing something pleasurable like eating a great meal or buying a new stereo. So social entrepreneurs shouldn’t fear asking people to contribute to their cause; they are offering people the chance to feel good. Donors get great satisfaction from helping organizations that do great work. This is especially true when those organizations are solving the problems that they care most deeply about.

Most people have causes that are deeply personal and meaningful to them. Perhaps they lost a loved one to cancer; as a result, they are devoted to investing in an organization that is searching for a cure. Or perhaps they love scuba diving and exploring coral reefs; now they want to give money to conservation organizations that are trying to save these endangered ecosystems. If you can research the backgrounds of people personally touched by your cause, you could find many willing contributors and investors.

There are numerous other reasons why people love to give, besides benefiting the community. Many like the recognition, being celebrated for their generosity. That’s why so many museums and universities have lists of their biggest donors chiseled in stone. It’s also why many theaters, arts facilities, and medical centers are named after their most generous patrons. It’s a way of honoring the people who have been so munificent. It’s a way of creating a lasting legacy that will live on for generations.

Other people just like the tax benefits of giving. In the United States, there are financial incentives for people to give money to good causes. Giving to nonprofit organizations can lower the amount you pay in taxes.

Thus the most successful social entrepreneurs need to overcome their fear of asking individuals for money. It’s true that you will get rejected many times when you ask people if they would like to invest in your idea. But don’t take this personally. It’s not about you. Always remember that you are asking people to give money to a greater cause.

There are many excellent resources about raising money from individuals. We list a number of these in Appendix F. Before we move on to corporations, we’d just like to leave you with one more idea: “people give to people.” In other words, people are likely to donate money to people they know well, and believe in. You are far more likely to get the investment to start up your social enterprise from family members and friends than from total strangers whom you solicit. That’s why it’s so important to build relationships with potential investors and donors; you need to transform them from strangers into friends. They may care about your cause, but they are most likely to contribute when they also care about you. They need to believe in you, trust in you, and know that you are going to make the best use of their dollars to create change in the world.

## **Corporations**

Many corporations give charitable gifts because it helps their company's image. It can be a good public relations strategy for them, making it seem like they are good corporate neighbors to the community. They often will donate services or goods for free; they can sponsor special events; they can give matching gifts; and they can do other creative strategies to bolster their image. This is a good opportunity for people to raise money, thinking about how you can form a mutually beneficial relationship with the corporations.

## **Government grants**

Local, state, and federal agencies also give money – especially in such areas as education and health care. Government grants can be significant. Unlike some foundations that might just give \$5,000 or \$10,000, the government will often offer substantial grants of many millions of dollars.

The problem with getting government grants is the tremendous bureaucracy. The government can demand hundreds of pages of documentation and forms; they can make you sit through boring meetings with other applicants; they might not give you much time to gather the necessary information; etc.

The federal government will announce funding opportunities every day in the Federal Register (available online); and there is another valuable website, FirstGov, which has helpful information.

## **Other grassroots creative strategies for raising smaller amounts of money**

There are many other strategies for raising money, besides writing grants or asking individuals. Many of them involve the community participation. Below we list a few of these:

- **Membership drives** – Many social enterprises have annual membership drives. They may have thousands of people in the community who support them by paying \$25 or \$50 or \$100 each year. If you can make your social enterprise into a membership organization, then people will feel invested in it. Of course, you have to let people know how their money is making a difference. It's a good idea if you can show how their dollars are having an impact. For instance, a hunger-relief organization can say, "For every \$50 that you donate, you save the life of one child." And then this organization might send you details about a single child whom you have helped with your donation; you feel a personal stake and connection in the cause.
- **House parties** – Often people can raise several hundred – or even several thousand – dollars by having a house party or community dinner. Here's how it works: A patron of your organization announces that she is having a party at her house to support your cause. She invites many of her friends – people who know

her and trust her well, but who might not have ever heard of you or your cause. She asks her friends to bring their checkbooks or wallets. Then, after a dinner, you present your pitch to the assembled gathering. If the guests are inspired, they can then give any donation that they want to help support your cause. This is a good way of not just raising money, but also raising awareness of your social enterprise, and getting the word out to more people who might become enthusiastic volunteers, supporters, or participants.

- **Special events** – Occasionally socially profitable organizations will have gala benefits. This might be a big dinner honoring people in the community for their excellent work. Unlike the house party, there is typically a charge for entrance – perhaps \$50 a plate (although some of these benefits will charge up to \$10,000 a plate, so as to raise a tremendous amount of money.) Some of these events include auctions of donated goods. Individuals and corporations may give you valuable goods, for free; then your organization can offer them to the highest bidder, with all the money going to the cause. Special events can also include concerts to raise money, with the bands donating their time; or marathons and walk-a-thons where thousands of people in the community participate. For each mile that they run or walk, their friends give money to your cause.

The biggest challenge of special events is that they can be extremely time-consuming and expensive to put together. They may take so much of your organization's resources to organize that it can distract from your larger mission.

- **Door-to-door canvassing, direct mail, and phone calls** – Frankly, these are some of the least attractive methods of raising money for your social enterprise. Most people hate when strangers come knocking on their door, asking for contributions. The vast majority of people also hate getting phone calls, asking for donations, even if it's for a good cause. And most direct mail campaigns are extremely expensive, wasting lots of paper, with a low rate of return; most people just see it as junk mail and toss it into the recycling bin.

Indeed, the success rate of these strategies is only about 5 to 10 percent. In other words, if you make 20 phone calls or knock on 20 doors, up to 19 of the people are going to turn you down. That's a lot of rejection. It takes a very resilient and courageous person not to get discouraged or burnt out.

- **Web donations** – Many social enterprises have interactive websites where users can make contributions. Also, some will raise funds through Facebook campaigns, where thousands of people can donate to Causes.
- **Volunteers and in-kind donations** – Many organizations support themselves through the generous contributions of volunteers. They can accomplish far more with a team of energetic people donating their time for free, than if the paid staff were just working on their own. Often lawyers, accountants, public relations specialists, web designers, artists, and other professionals are willing to give their services pro bono to a good cause. And many socially profitable organizations can



solicit donations of office equipment, supplies, and other goods from both individuals and businesses. In fact, some social enterprises get free office space from profitable companies that want to help out. This can save an organization many thousands of dollars each year.

## **Earned Income Strategies**

Do you have goods and services for which people would pay money? As mentioned above, the ideal social enterprise would be able to support itself off of market forces, without needing to constantly be raising money. It's not sustainable to be dependent on charity.

Therefore, many social enterprises become similar to traditional businesses. For-profit companies do not solicit money from philanthropic foundations. Instead, they typically begin with initial investors and venture capitalists; these people expect to get a return on their investment, reaping profits down the road. It is a financial risk, which is the challenge of any entrepreneurial venture. But it has little to do with charity.

In reality, most social enterprises are hybrids: They earn income from some activities, and they also raise funds from charitable foundations. This book focuses mostly on writing grant proposals to solicit outside funding, since that is typically how social enterprises begin.

But there are many ways that social enterprises can raise money. The Girl Scouts are one of the most famous examples, selling hundreds of millions of boxes of cookies every year. It is a “nonprofit” organization that earns a tremendous amount of revenue from selling these sugary confections. Similarly, the YMCA sells memberships to their gym facilities; lots of community members buy these memberships, rather than joining more expensive health clubs in the area.

Many other organizations sell products as their primary mission, but make sure that they are doing good for the world at the same time. Stonyfield Farms in Vermont produces high quality yogurt, which they sell for a lot of money in the marketplace. But they are also running their business in a way that is as good for the Earth as possible; they were the first company in America to go carbon neutral, reducing to zero their contributions to global climate change. Similarly Patagonia is a for-profit company that makes outdoor clothing and equipment, for people who want to go camping and enjoy the environment. It has made \$270 million in profits over the last decade, and given 10 percent of that away to local environmental groups.

So, if you are considering creating an earned-income strategy, ask yourself if you can offer any goods and services that somebody might want. Here are some examples:

- **Publications** – If you truly have an innovative idea, people will be willing to pay for your expertise and knowledge. You could create a magazine or some other publication to which people could subscribe.

- **Workshops, speeches, and seminars** – Similarly, you could charge money for sharing your expertise with others. Many audiences would pay for you to teach them how to use your skills. For example, we profiled Aleta Margolis, the revolutionary educator, in Chapter 5. Many school districts are willing to pay to have her staff train “Inspired Teachers.” This is not some service that she simply gives away for free, depending on charity to support her efforts. She is doing good for the world, and financially supporting herself and her organization at the same time. Similarly, some of the social entrepreneurs can speak at conferences and to corporate audiences and get up to \$10,000 for their appearances.
- **Consulting services** – In the for-profit sector, there are management consultants who can get paid enormous sums to offer business advice to Fortune 500 companies. Similarly, social enterprises can offer to consult, getting paid contracts to help organizations restructure.
- **Products** – Many social enterprises can offer products to the general public. Two students from Yale University started Mercado Global, a fair trade business that links artisans in countries all over the world with markets in the U.S. They provide good wages to women in some of the poorest regions of the globe, and they also invest in local educational initiatives in those areas. The products include jewelry, scarves, and handbags. Their motto is “Making a difference never looked so good.”

Another social enterprise that earns most of its money through commerce is Global Exchange in San Francisco. One of the ways that this organization raises revenue is through “reality tours” – vacation packages that take people to places they might never otherwise see. Americans can go to witness firsthand the conditions in places like Cuba, Iran, and Northern Ireland. Global Exchange pays good wages to the people in the countries they visit, while raising awareness and support for human rights across the world.

When social entrepreneurs follow an earned-income strategy, they typically write up business plans, just like traditional entrepreneurs. The business plan explains how your venture will make money. It’s an essential document to have if you want to get your initial funding – especially if you want to get funding from angel investors, venture capitalists, or banks. Even friends and relatives may want to see your business plan to have faith that you will succeed. They don’t want to waste their money on a bad idea.

Therefore, the business plan identifies your market and your potential customers. It explains how much it will cost to run your business, and it shows that you have done your research: Is there a market for your idea? Are there competitors? What is your unique selling proposition that differentiates you from everyone else? How will you achieve your financial objectives?

As you can see, this is very similar to what you have been learning throughout the course of this book. What then is the difference between the strategic plan that we have been

discussing in the past 9 chapters and a business plan? In the following chart, we examine some of the key differences. Many of them are just differences in terminology:

### Comparison of a strategic plan/grant proposal with a business plan

	STRATEGIC PLAN	BUSINESS PLAN
PURPOSE	To give an overview of your entire social enterprise; to think through every element of your idea, and make sure that it is solid.	To give an overview of your entire social enterprise; to think through every element of your idea, and make sure that it is solid.
WRITTEN FOR:	Potential funders, especially philanthropic foundations; your board and your staff; anybody involved in the organization who wants to know how it's going to work.	Potential funders, especially angel investors, venture capitalists, and other people who might give initial money to help you begin; your board and your staff; anybody involved in the organization who wants to know how it's going to work.
INTRODUCTION	<b>A summary</b> , highlighting the key points of the plan (usually 1 page).	<b>An executive summary</b> , giving an overview of the entire plan (usually 2-3 pp). This is where you introduce your great idea.
FIRST SECTION	<b>Your organizational vision</b> – This is where you define the mission and purpose of your social enterprise, and what it intends to do in the world. This is also where you describe your credibility and experience. It's also a chance to talk about what makes you unique – your “brand” that sets you apart.	<b>Description of the business:</b> This is where you describe your organization, its products, and strategy. You can talk about your leadership and management here, your staff, and your board – essentially why you are qualified to do this work. You can also talk about your unique selling proposition here.
SECOND SECTION	<b>The Statement of Need</b> – This is where you define the problem. What is the urgent and compelling issue that needs to be addressed?	<b>The Opportunity</b> – Notice how business plans don't talk about problems, so much as opportunities.
THIRD SECTION	<b>Environmental scan</b> – This is your research into the field – the other organizations that are already working on the	<b>Marketing plan</b> – This is about exploring the financial potential of your idea. Therefore, this section

	issue.	describes the <b>market research and analysis</b> ; it talks about the <b>competition</b> .
	<b>Objectives</b> – This is where you talk about the specific, measurable targets you hope to achieve. It's also where you identify your audience.	The marketing plan is also where you talk about your customers and your potential targets for sales revenues.
FOURTH SECTION	<b>Methods</b> – This talks about the activities you will undertake to meet your objectives. It's about how your social enterprise will actually run.	<b>Operating plan</b> – This talks about the activities you will undertake to meet your marketing plan. It's about how your business will actually run.
	<b>Evaluation</b> – This tells you how you know whether you are succeeding in meeting your objectives.	Because business plans are all about the financial bottom line, you evaluate your success by whether you are able to break even, or make a profit.
FIFTH SECTION	<b>Financials/budgets</b> – This includes all the costs and potential revenues	<b>Financial plan</b> - This includes all the costs and potential revenues, with projected balance sheets and cash flows
EXTRAS	<b>Appendices</b> - This can include resumes of staff members, proof of your status as a 501(c)(3) organization, etc.	<b>Supporting Materials</b> – This can include resumes of staff members, newspaper articles about your work, charts and graphs showing financial projections, etc.

Obviously, this is just a very quick overview. For much more information on how to do an excellent business plan, you can refer to the resources in Appendix F. (Coming soon) Suffice to say, strategic plans share much in common with business plans.

### Writing up a budget

The budget should be consistent with the program methods. Earlier you had to outline exactly how you were going to achieve your specific objectives; you created an action plan with the activities you were going to carry out.

Now you have to estimate how much each of these activities will cost. This is not an exact science, but you can do research to find out how much other groups are paying for salaries, supplies, and services.

There are many costs that a budget may include:

- Staff salaries and benefits (including health and dental care)
- Supplies
- Equipment
- Rent
- Travel expenses (including planes, hotels, mileage reimbursement, and meals)
- Phone, internet, and other communications expenses
- Mail
- Printing/publicity costs

Many costs will be donated to the project. These in-kind contributions are valuable to put into the budget, because they show how much community support and volunteer help is going into the organization. These show up in the budget as both income and expenses. For example, if Whole Foods Market donates \$1,000 of food to an event, then your budget should also reflect this as an expenditure of \$1,000, to balance the books.

Overall, you need to estimate the anticipated revenues as well. This is a balance sheet, after all, and you want to make sure that the costs do not exceed the income. Most budgets list in detail the amount of money that will be coming from each source. For example, they may list:

Ford Foundation	\$25,000
Annenberg Foundation	\$15,000
Rockefeller Foundation	\$10,000
Individual donors	\$75,000
Special event – house party fundraiser	\$6,200

Typically you list each foundation, and how much money you anticipate to get from their grant. You don't have to do the same thing for individual donors. (In other words, you don't have to do a detailed itemized list that shows that you got \$25 from Aunt Mary, \$10 from Grandma, etc) That would be quite unwieldy. Instead you can just write the aggregate of individual donations, as shown above.

In order to explain your finances, you often need to include a budget narrative. This will be the place where you explain anything that is unclear from the numbers themselves. For example, this is where you explain and justify how you estimated the costs in your budget. For example, if you list your executive director's salary at \$150,000 per year, most funders will be reluctant to support that, unless you can satisfactorily explain why this is essential. (For example, you can refer to the salaries of executive directors with similar qualifications at similar organizations in similar geographic locations.) The budget narrative gives you the ability to show how every dollar will be put to good use.

Again, this discussion is merely scratching the surface. There are many resources that go into greater depth about preparing an excellent budget, along with forms for you to fill out. These resources are in Appendix F at the end of this book. (Coming soon)

---

## COMMON PITFALLS TO AVOID

*The budget is far from complete.*

Often people who have great ideas for social change know very little about finances. When it comes to writing a budget, they know nothing. So they leave most of the details blank. Or they have a big section called “Miscellaneous,” which accounts for many thousands of dollars.

For obvious reasons, investors – whether they are charitable individuals, venture capitalists, or philanthropic foundations – are not going to like this. They want to know where exactly their money is going. They want to make sure that it is being spent for a worthy cause. In the last few decades, there have been a number of scandals that rocked the nonprofit world. Even when there isn’t some secret fraud, embezzlement, or other malfeasance, many investors are worried about too much of their money going to overhead costs. They want to see the majority of their dollars going directly to help people, instead of seeing 50 percent of it be spent on administrative costs.

If your budget is vague, it probably shows that you haven’t thought clearly through each step of the process. When you actually do the research about how much each step of the process will cost, then it shows that you have been thorough and are prepared.

How do you find out how much these things cost? You can begin by finding out what similar social enterprises and organizations in your field are spending. As mentioned before, any “nonprofit” or charitable foundation is supposed to be transparent; all of their tax forms (the IRS 990 forms) and budgets are located at [www.guidestar.org](http://www.guidestar.org).

*The budget numbers don’t add up; there are no revenues listed to balance the costs!*

This might sound funny, except that it’s actually the most common problem that we see in the budgets of aspiring social entrepreneurs.

Often students will write out a list of their anticipated costs, but they don’t explain where they expect to get the revenue. Obviously, it’s difficult to anticipate exactly where the money will come from in advance, but you can anticipate where you will attempt to get the money. In your budget narrative, you should write up the strategy for how you will raise the funds: Perhaps you will raise \$250,000 from foundations; you plan to raise another \$50,000 from individual contributions; and you will earn \$100,000 more in goods and services sold. You need to figure out approximately what revenue strategies you will pursue, even if you can’t predict exactly which will come through. There are anticipated budgets, and financial statements that you file at the end of the year.

Sometimes the revenues and the expenses don't even balance each other. People just haven't done the math correctly. Be sure to check your calculations so that there aren't any errors!

*The budget numbers are imaginary.*

Many people who are trying to change the world are novices when it comes to financial matters and accounting. They have never even balanced their checkbook, let alone written up a budget for potentially hundreds of thousands or millions of dollars. So when faced with the daunting prospect of having to come up with a budget, they fudge it. They actually make up figures, rather than doing the necessary research.

While it's OK if you don't have the exact figures, you should have a ballpark figure. Budgets change all the time. (Many organizations do several budgets, based on the revenue and income.)

Again, the important thing is to think of yourself as running a reputable organization that is transparent and accountable. Investors and donors are going to want to know that their money is being used wisely. Community members are going to want to see that you are using resources in the way that they benefit the most. Remember that this is not about you! This is about a greater cause.

Any business that fudged its numbers, or made up figures, would be the cause of a scandal. (Just look at Enron.) It would be like a student plagiarizing work, which is the cause for expulsion from school. Remember: almost all socially profitable organizations (at least in the United States) are going to have their financial statements open to the public.

What if you don't have any financial savvy or knowledge or experience? Then it's a good idea to have someone on your team who has the requisite skills. See chapter 11 about assembling the right team.

## CHECKLIST:

A great budget section should have:

- An accurate estimate of how much money it will take to achieve your vision
- An itemized budget for the first year, showing your anticipated revenues, along with such costs as:
  - Salaries and benefits for each employee
  - Rent
  - Communications (phone, internet, postage, etc.)
  - Equipment
  - Publicity/outreach costs
  - Legal costs
  - Travel/transportation
- A budget narrative
- A detailed, well-planned strategy for how you will raise the money – whether

## Chapter 10

### Your story

*Tell a great story about your project. This could be a page that explains why this work is so essential. What would be the consequences if this project did not go forward? Facts and figures from research are often not enough when you are trying to tell your story; you need to touch the heart as well as the head.*

#### Introduction

One of the cardinal rules about raising money is that “people invest in people.” In other words, funders are going to want to know why you are so interested in this issue. Why do you care, and why should *they* care? Why should these wealthy people and philanthropists give money to your cause? What makes it so important?

This is when you can tell your story. As we discussed in chapter 2, stories can be emotionally compelling. They can win over people’s hearts. As an example, we begin this chapter with a dramatic story of one young Irish woman who saw something nobody else could see...

#### **Taking on the “elephant in the room” – the huge problem that nobody wants to see or hear**



When Caroline Casey was a teenager in Dublin, Ireland, she had great dreams for her future. “I wanted to be an elephant trainer,” she reminisced. (The lack of elephants in Ireland didn’t dissuade her.) “And I wanted to be a race car driver. And finally I wanted to run my own business.” These were unusual visions for any young Irish girl, let alone one growing up in difficult circumstances.

Meanwhile she continued to live the life of any normal teenager until she was 17 years old. At that time, she was going for her driver’s license. On the way to take the driver’s test, she stopped at a doctor’s office with her mother.

“Where are you going?” asked the doctor innocently.

“We’re off to get my driver’s license,” Caroline responded happily.

The doctor turned to Caroline’s mother with shock and confusion and betrayal. “You’ve never told her?” he asked accusingly.



“You haven’t told me what?” she asked her mother, bewildered.

“We’ve never told you that you are blind,” came the response.

It was true: Caroline Casey had been legally blind since birth. She was born with a congenital eye condition called ocular albinism. But, when she was only two years old, her parents made the decision never to tell her. They didn’t want Caroline to define herself by what she couldn’t do. They didn’t want her to see herself as having any limitations.

So Caroline went through the early years of life, thinking she was “normal.” She was bad at sports, and always picked last for every team, partially because she couldn’t see the ball. She couldn’t see the music when she tried to play the piano. When she was at a dance, she would ask her friends if a guy was good-looking. They would say yes, and “it was only when I would kiss him that I would discover that he was ugly!” she recalled.

Although she was legally blind, she did have the ability to make out vague shapes and colors, up to a few feet away. With thick glasses, she could read and write. So nobody knew that she was blind; they just thought she was clumsy. And her parents never told her either. So Caroline continued to think she was just like everyone else. “Unless people tell me differently, how would I know?” she asks.

So when the doctor said that she was blind, she refused to accept the label. She didn’t want to be seen as “handicapped” or “disabled.” She didn’t like the labels that society put on people with so-called “disabilities.” These labels made people feel like they were left out; it was all about pity, dependency, and charity.

Worst of all, these labels made people think that they were deficient, like they couldn’t achieve and contribute as much as the rest of society. “I don’t focus on the NO,” Caroline reminisced. “I don’t believe in it.”

So she just pretended that she was like everyone else, pressing forward with her life. Any time she ran into an obstacle, she just ran around it. At the university, she studied archaeology, but found that she couldn’t excavate any dinosaur bones or historical civilizations, because she couldn’t see. So she would just laugh it off, and move on to the next thing. She decided to train to be a massage therapist, because “you don’t need bloody eyesight to be a masseuse.”

When it came to hobbies, she had the same relentless drive to overcome any obstacles in her way. She was told that she couldn’t dive, because of her blindness, so she took up sailing instead. She didn’t want to think that any doors were closed; she didn’t want to believe that anything was impossible.

Finally she went to business school and loved it. She found that it was easy. She was a lecturer, and everyone praised her for being a marvelous lecturer. She thought, “Can you not be talented and clever, just because you have visual impairment?”

Then she went to work for one of the world's top companies, Accenture. She never told them that she was legally blind. Unfortunately, her vision continued to deteriorate to the point where she finally had to confess her secret.

"The game was up," she admitted. "I felt like I was a failure and had to ask for help. I had effectively lied to them. I accepted that my eyes weren't going to change." She had to tell her boss that she could not see.

They sent her to an eye specialist. He didn't have to tell her the obvious: that she was legally blind and that what little vision she had was quickly disappearing. Instead he informed her, "The problem is your attitude."

This caught Caroline by surprise. She had always thought of herself as a very positive person. But the doctor asked her, "Do you really love what you do?"

She was vulnerable. "I realized I didn't really love it," she admitted. Everything that she had been doing was fake. It wasn't really who she wanted to be. Perhaps she was trying to impress everyone else, or put up a false façade to prove to the world that she could overcome any obstacle. But she wasn't happy; she wasn't fulfilled.

"That was when my heart broke," she remembered. "I was stripped bare. Everybody always thought I was so strong and resilient – that I could just laugh in the face of adversity. But now I just felt [like] crap."

She went for a run on the beach, but missed her footing, stumbled on a rock, and injured herself. That was the moment when she reached her lowest point. "I don't want to be disabled," she lamented. "I don't want it always to be about my lack of eyesight."

Then she thought about what she really wanted to do. She remembered her childhood dreams: "Why not become an elephant trainer?" she asked herself. Why not go to India and ride across the Asian subcontinent on the back of a pachyderm?

Caroline vowed to ride 1000 kilometers on an elephant named Kanchi, raising money for charity. In this way, she would achieve two of her dreams at once: She would start her own business, helping change the way people perceive disabilities.

"Disability is the greatest elephant in the room," Caroline said. "We don't want to talk about it. We don't want to see it."

"There are 750 million people around the world who are disabled. But there's no focus on this. There's no heroic figure like Nelson Mandela who represents the plight of these millions of people; there's no celebrity like Bono to call the world's attention to this cause. You can't eradicate disability, like you can try to eradicate hunger, poverty, or disease. The United Nations Millennium Development Goals don't focus on this. The Clinton Global Initiative doesn't focus on it. The World Economic Forum doesn't focus on it."

“Why do I have such a problem with disability?” she asks. “I didn’t like how it was framed. There was nothing positive about it, nothing to which I could relate. I wanted to change the way we perceive disability and then change people’s behavior.”

So she set off on her journey across India, gaining tremendous publicity for her cause.

“‘A blind girl on an elephant!’ the media said. ‘God love her!’” Caroline recalled. This became a huge story and it opened up tremendous doors. She ended up starting an organization that showed that disabled people could succeed in business.

Caroline involved the top 100 CEOs in Ireland. She met with the nation’s most wealthy and successful business leaders. Then she created the Ability Awards to look at examples of excellence – to see what business were doing well, both in serving disabled workers and developing their strengths. “Disabled people have \$300 billion in spending power,” Caroline says. You just can’t ignore them!”

The Ability Awards seeks to honor the best practices of companies that work with this population. Caroline had a vision that this would be a big television extravaganza, like the Academy Awards. But again people dismissed her as an unrealistic dreamer. “People tell you all the things that you can’t do,” she remembered. “Everyone said it was impossible to get an awards show broadcast nationally.” So of course she proved them wrong. Her Ability Awards proved to be not only a successful show in Ireland, but it also set the stage for doing similar shows in other countries as well. Caroline hopes to take her model across the world.

“One of the most extraordinary moments of it was when I defied what everybody was telling me I couldn’t do,” she said. “Just because I’m blind doesn’t mean that I can’t make tremendous contributions. Everybody has the same opportunities to use their potential. I had huge hidden potential I didn’t even know.”

Confirming this idea, Caroline went on to astonish many people by fulfilling her third and final childhood dream:

She raced a car at the Malaysian Grand Prix, attaining speeds of nearly 200 kilometers per hour (124 miles per hour). Her co-pilot was a paraplegic who had lost use of his legs. Together they showed that nothing was impossible.

“The greatest disability is attitude,” Caroline says. “We have to change the way people think.”

\* \* \*

In a previous book, I told the story of how elephant trainers (mahouts) succeed in taming these enormous creatures. Elephants have been known to grow as large as 12,000 kilograms (26,000 pounds). If they were to go on a rampage out of control, they could wreak havoc, destroying property and crushing people. So how does a wise mahout train an elephant?

Shortly after a baby elephant is born, the mahout ties it to a large thick tree. As much as the baby struggles, it cannot escape. It learns that it is helpless. None of its efforts are successful in freeing itself.

Then, when that elephant grows up to be a massive adult, the mahout can tie it to a mere stick in the ground. The elephant won't even try to break free anymore. Even though it now has the strength to break its chains, it has learned that it can't make a difference.

How many people do you know who are like that elephant? How many of us are disabled in the way that we think? How many of us believe that there is nothing that we can do to change the world? This is the most crippling handicap of them all. Fortunately, we have examples like Caroline Casey who show us that we have the power to achieve what others tell us is impossible.

We may see possibilities for the future where other people have been blind. As Caroline reminds us, "You don't need eyes to have a wonderful vision."

### **Communicating your vision and story to the world**

Once you have your story, you need to be able to communicate it to others.

Unfortunately, many of us are intimidated when it comes to public speaking. In fact, the #1 fear in America is public speaking. Comedian Jerry Seinfeld notes that this comes ahead of the #2 fear, which is death. "That means that, at a funeral, more people would prefer to be the guy in the coffin, rather than the guy delivering the eulogy."

But there is good reason why people fear standing up and making a public presentation. We've all suffered through countless terrible lectures and Power Point slide shows; we've all been bored to sleep from a speaker or professor who droned on endlessly. Whenever I teach at universities, I ask for a show of hands to see how many students have been bored in a class, how many have fallen asleep in a class, how many have felt that they could have stayed home without missing a thing, how many have felt that a class lecture was a waste of time, etc. There is always a unanimous show of hands.

So I always ask the students to point out what is wrong with many of the presentations that they see. What are the qualities that make public speakers so ineffective?

Here are some of the typical responses:

- Monotone; drone; no inflection in the voice
- No apparent passion or enthusiasm
- Reading everything and relying too much on notes
- Seeming arrogant, self-important, and holier-than-thou
- Saying "um," "like," and other less-than-fluent phrases
- Speaking way over people's heads in extremely academic or incomprehensible jargon
- Dry as dust; no stories, no humor, no life;

- Standing still like a statue, and hiding behind the lectern; no movement or engagement with the audience
- Speaking for far too long and not having a sense of the audience's wandering attention
- Speaking the obvious and unnecessary; repeating one's self

Some students will occasionally say that the success of a speaker depends on the content, but surprisingly this is often not true. A psychologist, Nalini Ambady, found that she could show college students 10-second clips of professors, with the sound and content removed. When she asked them to rate the professors, they gave the same overall ratings as did students who had taken a full semester course with those professors! When she reduced the clips to 2 seconds, the students could still rate the professors as accurately as if they had taken a full-semester course with them! Clearly there are certain skills – body language, charisma, enthusiasm, and passion for teaching – that come through in seconds, regardless of the content of the course.

### **The skills of great public speakers**

Next I ask the students to talk about great public speakers. Here are some of the things they will say:

- They connect with their audience; they know their audience, and they can tap into the audience's interests and passions;
- They are passionate and enthusiastic – Indeed, studies of the most successful teachers show that enthusiasm is more important than knowledge!
- They are self-confident and self-assured (rather than nervous);
- But they are also human, down-to-earth, and often vulnerable, revealing their fears, hopes, and flaws honestly and directly with the audience;
- They use humor and stories;
- They make eye contact with everyone in the audience
- They use pauses to great effect; they know that silence is sometimes as powerful as words
- They make themselves clear, succinct, and simple; you know the main points quite clearly
- They help you to think and see in new ways; they challenge and provoke their audience

But why, if we all know what makes for good and bad public speaking, do we always seem to fall into the same traps? Let's explore this question with a story.

### **The 90-second presentation**

In our social entrepreneurship classes across the country, we ask all of our students to make 90-second presentations of their project at the end of the year. Many of the students are thrilled about the opportunity. They are passionate, enthusiastic, and self-confident extroverts. They love to talk about their social enterprise.

Mind you, this 90-second presentation is much more extensive than the 30-second elevator pitch that they gave early in the course. In 30 seconds, there's not really time to tell a story. You just have to go to the essence of your idea.

But 90 seconds can seem like an eternity – especially to the audience members, if they are bored out of their minds.

One day, at a top university in California, there was palpable excitement in the classroom – and perhaps a bit of competitive bravado. Each one of the students wanted to hit a homerun – to deliver a presentation that would dazzle their classmates. As an added bonus, we had invited wealthy funders and philanthropists from the community to witness these presentations. If any of the students could make a compelling case for their social entrepreneurial idea, they could possibly win the start-up funding.

We had trained the students for this moment. We had discussed in depth the skills of terrific public speakers. We had even done improvisational speeches: In a previous class, we had given the students random topics – silly things they would know nothing about, like “How to teach a baby orangutan to sing.” And they had risen to the occasion, with hilarious, impassioned, memorable performances.

So the hour of truth had arrived. Each student strode to the stage, confident and prepared. And within 90 seconds, they went back to their seats, visibly deflated.

Why had they wilted like flowers in the desert? It was because, as they looked out over their audience, their fellow classmates who were rooting for them to succeed, they saw people's eyes glaze over. They saw people's attention spans start to flicker and then flame out. They saw their audience get restless and uncomfortable, checking their watches, wondering how time could go so slowly. We all know the symptoms of mass boredom; we have all experienced it in a lecture hall. The energy in the room seems to drop towards zero. A deathly pall hangs over the room. And this all happened in the span of 90 seconds!

Then one very shy, introverted woman stepped to the stage. She did not have the theatrical presence of the other students – the booming voice, the hyperkinetic movement. Instead, in a quiet tone, she told a story for 90 seconds. This was a story about a friend of hers who had seemed so happy, but was secretly suicidal. He hid his true face from the world. Nobody knew the depths of his desperation. First he turned to alcohol to dull the pain. Then he became addicted to harder drugs.

As this woman told her heartfelt story, everyone in the audience was mesmerized. She ended up talking about an innovative model for mental health that could restore joy to people's lives, like this friend who was so lost. It was a dramatic, powerful performance – one of the only presentations that I still remember several years after it was delivered.

There were two mysteries that haunted me from this experience:

First, how did this shy woman succeed where so many of the more extroverted students had failed?

And second, why did so many students fall flat on their faces, after they had done such brilliant and funny improvisational speeches on topics that meant nothing to them? Many of them voiced their frustration to me afterwards. They were relentlessly self-critical. They knew that they had not performed up to their potential, nor won over their audience. Was it just the pressure to succeed that had been their ruin? What could account for their poor presentations?

As I investigated, it seemed that there were a number of answers to the mystery: The primary one was that the students had not thought about their audience's interests.

This may sound strange, so let's explore it in depth: Many of us love to talk about what interests us. If you are a big football fan, you might come alive when debating the prospects of your favorite team to win on Sunday. But if your audience has no interest in sports, then all the passion and excitement in the world will do little to win them over. You have to find a connection to your audience. Understand *their* needs and interests, instead of just focusing on your own.

In terms of social entrepreneurship, you might be really excited about agricultural innovation in Botswana. But, with all due respect, you need to ask yourself why your audience would care about this. How could you connect this subject to the passions of a group of 21-year-olds in urban areas in California – people who have may never have been on a farm, and who have no familiarity with the issues of southern Africa?

Think about what these audience members do care about. There are some human universals – subjects to which everyone can relate:

- Love and hatred, life and death, loss and triumph
- Overcoming troubles and adversities
- Achieving a seemingly impossible dream
- Journeys into the unknown; mysteries that need to be solved
- Hope for a better future
- Battles against a threatening force
- Moments of vulnerability and weakness; having the courage to face your fears and surmount these obstacles
- People from different worlds coming together across boundaries (e.g., Romeo and Juliet); building new bridges

This is just a small sample of universal themes, which all people can understand from their own experience. This is why Caroline Casey's story resonates so profoundly with people who have never been to Ireland, and who have never thought about disabilities. (Indeed, if they saw that there was going to be an academic lecture – or even an awards show -- about the best practices of businesses dealing with the disabled population, it is doubtful that many of them would tune in.) Her story is about the universal desire to rise above challenges and adversities. Everyone gets inspired when they hear the story of this

young woman who went after her dreams. When people told her that her goals were impossible, she proved them wrong.

So let's revisit the example of "agricultural innovation in Botswana." If the social entrepreneur got up in front of an audience and started talking about the inadequate agricultural methods in sub-Saharan Africa, most Americans would not be able to connect to the subject. It doesn't matter how passionate and enthusiastic the speaker may be. But if the social entrepreneur were to tell a story that drew on the audience's interests – perhaps the tale of one young farmer who was on the verge of starvation, feeling alone and bereft in the desert, until he discovered a new way of growing food – that would engage the audience! It has both the classic hallmarks of a story – the sense of suspense and mystery; the idea that we can't wait to find out what happens next – as well as the human drama of one person trying to win a seemingly unwinnable victory against all odds.

This doesn't mean that a 90-second speech should be only about stories. It's important to combine stories with powerful facts and figures – hard data about the problem, and substantive information about how to overcome it.

But the other reason that these dynamic, charismatic students had failed in their speeches is that they tried to cram in *dozens* of facts and figures into 90 seconds. They wanted to tell the audience *everything* about their idea. As a result, the audience members felt bombarded with too much information; their eyes glazed over; they could not withstand the blistering barrage of endless facts and figures, numbers and names, measurements and methodologies. It was just too much.

Remember that a great presentation or pitch must be simple. You want to convey the essence of your major point. The idea is to whet people's appetites and make them want to learn more. They can follow up with you; you can give them all the facts and figures in a written document after the speech. But during the presentation, you simply want to connect.

That's why we must discuss one of the other failures of so many speakers: the over-reliance on PowerPoint presentations and other visual gimmicks.

### **The dangers of PowerPoint**

I once was at a conference where there were dozens of academic presenters. For 3 days, each speaker rose to the lectern and used slick PowerPoint presentations, projecting slide after slide after slide, with dozens – if not hundreds -- of bulleted talking points. At this point, I had a mighty inferiority complex, because I had not prepared any slides at all. I confessed this to the audience when I got up in front of the microphone: "I don't have a PowerPoint for you today," I began my speech. To my surprise, many people in the audience rose up at that moment, and gave me a standing ovation!

Why is PowerPoint so anathema to so many people? Yale Professor Edward Tufte thinks he has an answer. In an article he wrote for WIRED magazine, he led off with the title:



“PowerPoint is Evil.” He is certainly not subtle about his views. The subtitle of his article was: “Power Corrupts; PowerPoint Corrupts Absolutely.” And the article hooked the readers with a provocative analogy:

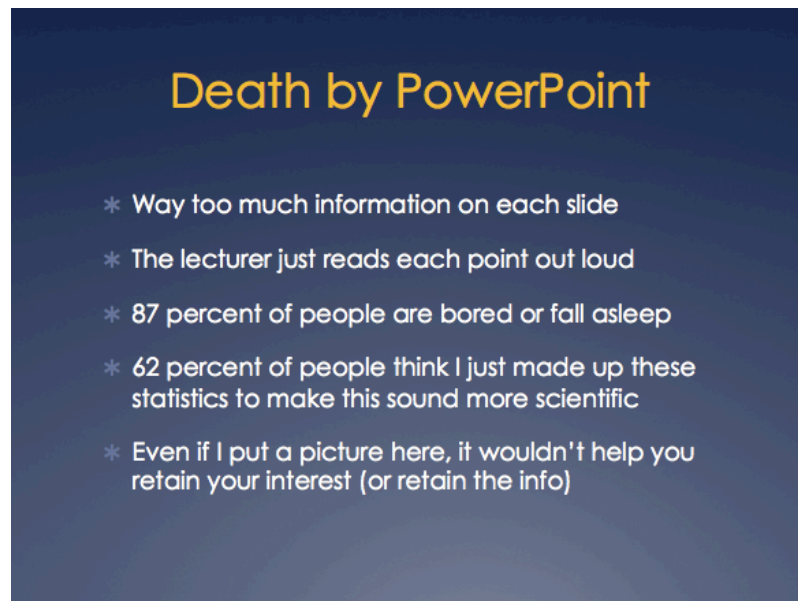
Imagine a widely used and expensive prescription drug that promised to make us beautiful but didn't. Instead the drug had frequent, serious side effects: It induced stupidity, turned everyone into bores, wasted time, and degraded the quality and credibility of communication. These side effects would rightly lead to a worldwide product recall.

This, he says, is the problem of PowerPoint and other slide show programs. They have exactly the problem that we discussed above: they waste time and bore the audience. Often the presenters just read the slides that they are projecting on screen. What's worse is that the speakers often print out the exact same information, and distribute it on handouts. This drives the Yale professor crazy.

And Tufte is not just a lone voice crying out in the wilderness. There is a New Yorker cartoon that shows a devil in the caves of hell. He is interviewing another demon for a job position. “I need someone well versed in the art of torture,” the interviewing devil says. “Do you know PowerPoint?”

There have actually been research studies that prove why PowerPoint presentations can be so ineffective. When speakers are speaking, and also have words on the screen, audience members tend not to listen to them anymore. They are distracted. They are trying to process information with both the visual channel (reading) and the auditory channel (hearing) at the same time; there is information overload.

This wouldn't seem to be a problem if the words on the screen were exactly the same as the words coming out of the speaker's mouth. But there is, in fact, a problem: this interferes with learning. People remember less information when it is presented to both their ears and eyes at the same time.



By contrast, when the speaker shows a picture alone, and then narrates the main points, people in the audience remember the information better. The picture is a complement to what they are saying. It helps to illustrate their major

points. In sum, if you must use PowerPoint, it's best to use it for pictures, not for an

endless stream of bullets and facts. Below is an example of a good picture to show the effects of PowerPoint.



### **The power of visuals and props**

As mentioned above, people do seem to love pictures. Obviously there are many spellbinding speakers and storytellers who don't need to rely on visuals at all. But good images can certainly make people remember you. As we discussed in chapter 2, they help make your idea concrete.

In the Echoing Green competition for social entrepreneurs, they have all the finalists fly to New York. Each one of the finalists has 90 seconds to give their pitch, and Echoing Green asks all of them to bring a visual prop.

When we were presenting our social enterprise, we brought a giant chocolate chip cookie. We thought this would be a memorable way to communicate the essence of transformative action. We held up the giant cookie, and quoted an activist named Sharif Abdullah, who said, "If you don't like this cookie, you don't go out and protest at the Nestle factory! Instead you just go and bake a better cookie yourself." This was our way of communicating quickly and concretely the main idea of transformative action: It's not about protesting what you don't like; it's about creating a better alternative.

It's likely that people would remember us afterwards ("You're the chocolate chip cookie guys!"), and remember our core idea because of our visuals. By contrast, if we had just tried to offer as much information and data as possible to get our audience to understand

the idea, they probably would have been overwhelmed. Good visuals, in moderation, can be effective.

## **The power of interaction**

What is the best way to win over your audience? What is the one key thing that makes a presentation excellent? Media consultant Andy Robinson surveyed more than 2500 people in the public interest field to find out the answer.

There were a number of recurring responses, many of which repeat points we have made above:

- People liked stories;
- People liked humor (although you must be careful with this as a speaker; humor can backfire if your jokes aren't very funny. Moreover, the jokes need to be relevant to what you are discussing. If you are just throwing in gratuitous jokes to warm up an audience, it won't work well);
- People liked when the speaker talked about things they cared about deeply and were relevant to their lives;
- People liked speakers who were enthusiastic, with lots of energy and passion - speakers who could convey their excitement about a topic to the audience;
- People liked visual aides that were well-presented;
- People like clear, well-organized, and concise speeches that focused on just a few essential points (rather than long speeches that offered too much information);

But the most popular response was interaction. Very few people want to be talked at for 60 minutes. If you think about it, the lecture is a very unnatural form of human communication. When we are in a normal conversation, we are actively participating; we are likely to jump in to the conversation; we are usually listening attentively and paying attention to social cues. But when a speaker comes up, we typically become passive. We know we won't be participating, so it's easy for us to lose focus and stop listening. In a large room, it's very unlikely that the speaker will be looking at us to see if we are maintaining eye contact. As a result, it's common for us to daydream or get bored and stop paying attention.

Even in a 90-second presentation, the same problem of passivity can arise. But many of the best speakers involve the audience in the presentation. This can be something as simple as getting the audience to participate through laughing, clapping, cheering, or even heckling. (A controversial speech will provoke people and make them pay attention, even if they vehemently disagree with you.)

More often, interaction can be about asking questions that get members of the audience to raise their hands; it can be inviting people to shout out answers; it can be inviting audience members to share their expertise, to ask questions, or to contribute suggestions about what they want to hear.

Some speakers go even further. They will bring members of the audience up on stage for a demonstration. (This can be humorous and engaging, especially if audience members are familiar with the person who is participating.)

Or they can break up the room into small discussion groups, where everyone has an opportunity to contribute. I've seen very few people fall asleep when they are talking, rather than listening! The idea is for the audience members to discuss how these ideas you are presenting are relevant to their own lives. You can even invite them to come up with as many critiques and problems with your idea as possible, along with better ways of doing things. Most people love giving advice.

In general, you want to engage your audience and have them participate. Get their blood flowing, and get them energized. You can do this even in a 90-second speech by soliciting their participation. One student from Rwanda talked about how his goal was simply to save a single life. "Who will stand with me?" he asked at the end of his 90-second presentation. "Who will stand up for making a difference in saving the life of a child?" Naturally, everyone stood up. Thus, as he finished his speech, he got an instant standing ovation!

---

### **Frequently asked questions**

*I have a terrible fear of public speaking. I hate standing up in front of a crowd. I am shy and not very eloquent. How do I overcome that?*

The best way to overcome your fear of public speaking is simply to try it. Very few people are good at public speaking when they first try. They make lots of mistakes and perhaps feel awkward, nervous, and foolish. They are all afraid that they will embarrass themselves or sound stupid or boring. But the best way to overcome this is to practice. You will find that it doesn't kill you. The more you practice, the better you will get.

Don't be afraid of making mistakes. Indeed, if you make mistakes, you should embrace them. Scientific research actually shows that people who make mistakes are more liked! People relate more to you, because it makes you look human. By contrast, people who seem too polished and professional can be seen as slick, arrogant, and distant.

---

### **COMMON PITFALLS TO AVOID**

*The 90-second presentation goes far beyond 90 seconds*

We have had students who have had 90-second presentation that go for 5 to 10 minutes. This shows poor planning! It is not just unprofessional but it is also disrespectful of people's time.

In class, we sometimes will gong people who go beyond their allotted time, and make them sit down immediately. We ring a bell to let them know that their time has expired. Yet some keep talking and talking, engaging in civil disobedience, refusing to stop talking until they have finished their thoughts.

Why do we insist on just trimming the story down to 90 seconds? Certainly there are some stories – and some speakers - that are so compelling that you could listen to them for 45 minutes! But the dirty little secret is that most speeches that go beyond 90 seconds quickly lose people’s attention in our sound bite society. We look around at the audience members’ body language, and they are shifting uncomfortably in their seats; their energy has dissipated. And it has much to do with the next pitfall:

*The presentation is boring; it doesn’t connect with the audience at all.*

It’s a good idea to practice your speech on a number of people, especially those who aren’t already jazzed about your cause. Does this connect with somebody who knows nothing about this subject? Does it get someone excited? Would you be the life of the party at a cocktail affair?

*People read their notes; they aren’t prepared*

You are the expert on your issue. You have chosen to be a social entrepreneur because you are passionate about the cause. You shouldn’t need to hide behind your notes! You should be able to speak from the heart about the things that are most important to you. Notes seem to indicate that you don’t really know your subject very well. The best public speakers may have a rough outline of what they are going to say, to which they can refer occasionally. But for the most part, they are speaking with confidence about topics they know well.

## CHECKLIST:

A great story section should have:

- A 90-second overview of your idea that will stir both hearts and minds, ideally with a personal story that shows people why they should care about the issue
- A presentation that is passionate, enthusiastic, and tailored to connect with your audience
- A presentation that possibly interacts with the audience
- Creative visual props (but not too much PowerPoint with lots of words!)

# Chapter 11

## Your team

*Who are the people who can help you realize your vision for changing the world? Who are your key supporters, allies, mentors, and collaborators? Who are the best candidates to serve on an advisory board? Why? Who are the best candidates to serve on a working board of directors? Explain what skills each member of the board would bring to the table.*

### **It's not about you!**

Throughout this book, we have been profiling remarkable social entrepreneurs. From the stories, you might begin to think that success is all about a single person with a relentless passion for a cause, who will stop at nothing before succeeding in her goal.

But the truth of the matter is that social change is not about single individuals. The civil rights movement was not just about Martin Luther King, Jr.; it couldn't have happened without tens of thousands of other people putting their lives on the line and standing up for justice.

Similarly, any successful movement for social transformation happens as a result of collaboration. As much as we tell the stories of seemingly heroic individuals, they certainly could not have succeeded without the contributions of countless other people. Transforming the world is a team effort.

There is research to back up this contention. With the help of numerous students, former Stanford professor Jim Collins studied the most successful businesses in the world – businesses that had outstanding financial performances, significantly better than the market average, over a sustained period of time. He wanted to know what were the qualities that led to “greatness.”<sup>7</sup>

One of the keys was “getting the right people on the bus.” In other words, the best companies hire the most talented, high-quality people. They look for people who are humble and selfless – people who are dedicated to doing what's best for the entire organization, rather than trying to get fame and recognition and fortune for themselves. The people you hire should be extremely ambitious, but it's not in the service of their own egos. Instead, the ambition is to help the organization succeed. It's about serving a much greater cause than themselves.

It may seem obvious to say that a great organization must hire the best people. But what Collins is saying is revolutionary in many aspects: He warns against the problem of “the genius with a thousand helpers.” In other words, his research shows that it's dangerous to

---

<sup>7</sup> He later extended these findings to the social sector as well – not just traditional businesses working with the single bottom line.

have one charismatic, visionary founder, with a team of talented helpers who are working to make that vision happen.

Why is this so dangerous? Isn't this the story of most social entrepreneurs? Aren't they the remarkable individuals who have the innovative idea and the compelling stories that we discussed last chapter?

Collins would disagree. The danger of relying on a single "genius" is that the organization will fall apart without that person. If that person leaves, then the business can spiral downwards into chaos. It's much more important to hire self-motivated and disciplined people who are passionate about the cause and who are leaders in their own right. These are people who "wake up every day, compulsively driven to do the best they can because it's simply part of their DNA."

Of course, when social entrepreneurs start their ventures, they are probably not ready to hire anybody. It is unlikely that they have the funding to bring on a staff yet. Does that mean that this is really just a one-person show? Does it mean that you don't have to think about getting great people on your team right from the very beginning?

Absolutely not.

The most successful social entrepreneurs are those who surround themselves with a team of remarkable people from the start. In the following sections, we will explore where to find some of these people:

### **Supporters, allies, mentors, and collaborators**

Who believes in your cause? It's good to surround yourself with people who are as passionate and excited about these issues as you are. These people will be your support network. They will keep you accountable, and encourage you when you run into troubles.

The first group of supporters may be friends and family members. Yet more likely it will be people in the field – collaborators and allies who are working on similar issues as you. They will be the innovators and visionaries that you found from your research in chapter 4. Perhaps they can serve as your mentors. They can give you advice, resources, and opportunities for networking.

### **Boards of directors**

It is possible that you have a great vision for changing the world. But you may have no management experience. Indeed, you may have been a student your entire life, and you have never worked in "the real world." You don't know how to run an organization effectively. You don't know about the complex legal issues involved. You may know nothing about financial matters. You have never prepared a budget for a multi-million dollar organization, nor done fundraising campaigns, nor talked to angel investors.

In sum, it's likely that you lack a number of key skills and talents that would help your organization succeed. So what do you do? You could try to learn all these skills; you could read lots of books; you could take courses in accounting and law. But this would take a tremendous amount of time and energy, and it would probably distract you from your core competencies: the skills and talents that you already have. In fact, it's very unlikely that you could become an expert in all of these different areas.

A much better solution is to get people on the board with these complementary skills. The board of directors is the team that officially oversees the organization. You would probably serve as the executive director, and would run the organization on a day-to-day basis. But the board meets four to six times a year to make the major decisions and set policy.

These are some of the areas of expertise that you would ideally want on the board:

- Financial
- Legal
- Management/organizational
- At least one expert on the problem you are trying to solve
- Someone from the community you are trying to serve; a member of your constituency or audience

Board members usually help raise money for the cause, too. Even though they are volunteers and don't get paid for their roles, these board members are essential for governing your organization.

### **Advisory boards**

In chapter 2, we talked about finding top people in your field who could lend their names to your cause. It is about showing that you have legitimacy and credibility. It's about showing that you have the support of respected people in the field, well-known people who have amassed decades of experience.

Yet most of these people are extremely busy. They probably can't offer much time at all. They might not be willing to sit on an acting board of directors that would help you run your organization.

So approach them about serving on an advisory board. Make it clear what you are asking: perhaps you just want to contact them twice a year for 20 minutes each time. (If you live in their local area, you could offer to take them to lunch.) Most people would be willing to offer that support, if they really believe in your cause, and think that you have a powerful plan for addressing it.

Your advisory board is also valuable because they may be able to connect you into their networks, and give you references. Moreover, investors and funders will look at your list of board members – both your advisory board and your acting board of directors – to see whether the people are respected leaders and experts in the field.



## Summary

In sum, a great organization is not about the cult of personality. It's not supposed to be about glorifying single individuals. Even though we tell many stories of remarkable people in this book, this is just a dramatic way to make the issues come to life. But any cause is much greater than a single person. The greatest leaders empower other people to be leaders as well.

---

### Frequently asked questions:

*I don't know how to ask people to serve on a board. I don't want to bother them; I know they are already so busy and overwhelmed.*

It's true that many people will be busy and won't have time to serve on a board. You might get a number of rejections when you ask people to serve in this capacity. Yet, if people truly believe in your cause, you will find people who are willing to help. This is why it's so important to have a board contract – both for potential board directors, and also advisory board members. If you can show them exactly how many hours they are committing to serving, then they will be able to make a decision that is right for them, ensuring that they won't be stretched too thin.

---

## COMMON PITFALLS TO AVOID

*The board is there just for decoration and window dressing; it really is just about you!*

Many times social entrepreneurs start up their organizations very quickly. In order to get legal status as a corporation, they simply ask a few friends to sit on their board of directors. These friends are more than willing to help out. But they don't actually do anything except rubber stamp whatever the founder does. They are “yes-men” who just let the founder do her own things. The board members aren't involved in running the organization. It really is a one-person show.

This might be fine at the very beginning of an organization. (Indeed, of the countless social entrepreneurs and business people I interviewed, it's remarkable how many started this way: They just wanted to launch their business as soon as possible, so they invited some friends to sit on the board to help make it official. They didn't have time to go out and recruit a diverse board with valuable skills, connections, and prestigious reputations.)

But if this continues, it's dangerous. Any social entrepreneur who follows this path beyond the first 6 months is doing a disservice to the cause. It just weakens their efforts to make a

difference. The most successful organizations are team efforts, not just fronts for a single person with a great vision.

Social entrepreneurs need to be humble. Running a social enterprise is not about pursuing personal glorification. It's certainly not about them becoming famous or rich or celebrated for their genius. They may win awards for their work, but that's not why they pursue their passions. It's about a greater cause.

*Your list of board members is far too ambitious*

Some people may want to make their board of advisors full of such celebrated names as Nelson Mandela, the Dalai Lama, and Bill Gates. While that would certainly be nice, you have to recognize that often the best people to be advisors are people who aren't famous outside their fields.

Certainly it's true that some social enterprises do solicit celebrities and Hollywood stars to endorse them and serve on their boards; it can add to their reputation and even help with fundraising efforts. But you don't necessarily have to do that, especially not at first. The best people to serve on both your board of directors and your board of advisors are people who are prominent in the field, or prominent in the community. But they don't need to be recognizable names to the general public.

## CHECKLIST:

A great team section should have:

- A list of potential mentors, supporters, champions, and allies
- A list of people you might ask to serve as advisors
- A description of people who could serve on a board of directors, with descriptions of the skills and talents that they could bring to the organization.

## Chapter 12

### Challenges

*What are the greatest challenges you will face, and how will you overcome them?*

Over the last few years, I have talked to hundreds of aspiring social entrepreneurs – many who have succeeded and many more who have failed. I have seen passionate people who have been able to realize their dreams, and countless others who have given up. So one question that I like to ask of anybody who has engaged in entrepreneurial adventures is to tell me about their greatest challenges and obstacles. Why have so many of the ventures failed? Are there lessons that we can learn? This final chapter tackles some of the biggest difficulties that social entrepreneurs have faced, and how some of them have been able to surmount these challenges.

#### **The monk who tried to save thousands of lives, and was ridiculed for his efforts**

For millions of people in the world, a single wrong step could be deadly. There could literally be a bomb beneath your feet. You could be innocent and unknowing – a child at play, or a woman in the fields. But sometime in the past, your forefathers planted landmines to wound and kill their enemies. And you could be the unwitting victim. You could lose your legs, or your arms, or your life.

Because of all of the wars of the 20<sup>th</sup> century, there are now 55 million landmines still unexploded, unseen, and undetected in the ground. In Africa alone, 12,000 people are maimed or murdered every year because of stepping on these invisible hazards. Each day, 40 to 50 more people are casualties of these silent weapons – injured or disabled or killed because of the conflicts of the past. And, as wars continue unabated across the globe, 40,000 new landmines get planted every year. More than a million acres of land are unusable or impassable because civilians could die if they step foot in these dangerous zones.

This is a humanitarian crisis, and nobody knows how to stop it. It's true that an American woman named Jody Williams won the Nobel Peace Prize, along with the International Campaign to Ban Landmines, in 1997. She successfully pushed for an international treaty preventing these deadly weapons that kill the innocent. But many governments – including those of Russia, China, and the United States – have refused to sign.

Moreover, the current strategies for discovering these invisible land mines and safely defusing them are expensive, dangerous, and difficult. It's estimated that, with current techniques, it would take 500 years to rid the world of its current landmines.

Enter Bart Weetjens, a Zen Buddhist monk living in sub-Saharan Africa. As a young man, he had been fascinated with guns, weapons, and everything that had to do with war.

But, entering into military school at age 14, and trained in the art of killing, he became repulsed. He renounced all belligerent military escapades and devoted himself to a life pursuing peace. He eventually took the monastic vows, pledging to work for the good of all creatures.

Thus, when he heard about the problems of landmines, he wanted to help be part of the solution, rather than just throwing up his hands in despair. He knew that dogs had been trained to sniff out landmines, which humans could then defuse. But this was still dangerous and expensive work. The dogs were so heavy that they could accidentally trigger the mines, killing them and the humans with them. Why not train local rats instead?

He wrote up a strategic plan like the one in this book. He noted how Giant Pouched Rats had an excellent sense of smell; they were native to many countries of sub-Saharan Africa; and they didn't weigh very much, so they wouldn't set off the landmines. They would be extremely cheap to train, and they could explore mined areas 32 times as fast as humans.



He sent his proposal out to numerous foundations and donors. But the idea brought him nothing but scorn. The idea of training giant rats seemed nutty to many people. When most people think of rats, they imagine pestilent, dirty, disgusting creatures that carry plague. Rats seem like something that most people in the West want to exterminate, not something that will save our lives. Weetjens had to overcome all the skeptics and critics who saw his ideas as ridiculous. Often when people come up with truly innovative ideas, they may be so far outside the mainstream that they seem absurd. Who knew whether this monk was just a raving lunatic?

Fortunately, Weetjens had professors back in Antwerp, Belgium who could vouch for the fact that he was an intelligent, thoughtful, and mentally stable young student. When he explained to them the process of training rats to solve the problem of landmines, they became intrigued. He set up a prototype of the model, and showed that it could succeed. Now, years later, his model is spreading throughout numerous African nations, and his teams have managed to clear more than 400,00 square meters.

Perhaps Weetjens is an example of the saying by Gandhi: "First they ignore you; then they laugh at you; then they fight you; then you win." Now his Giant Pouched Rats are not only opening up vast stretches of the African continent and making them safe for humans again. They are also, with their extraordinary sense of smell, being used to diagnose tuberculosis. Two trained rodents can analyze 320 samples in 40 minutes. It would take a team of eight humans an entire day to analyze that many samples. Thus, the rats, which are seen as the carriers of disease, could be used to promote health.

And this is just the beginning. These small animals have such highly developed olfactory senses that they can help with national security, detecting explosives and other chemical weapons at airports and borders; they can assist in cleaning the environment, with their ability to sniff out toxins and pollutants; they can even be used for rescue operations, helping find people trapped under the rubble after earthquakes and other natural disasters. Although everyone laughed at Weetjens at first, he can now show that his rodents deserve the name with which he has dubbed them: Hero Rats.

## **Major challenges, obstacles, and mistakes that face social entrepreneurs**

Like Bart Weetjens, any aspiring social entrepreneur is going to face a number of tremendous adversities. Being an entrepreneur means taking risks; therefore there are bound to be times of danger and even failure.

Throughout this book, we've looked at many of the major pitfalls and obstacles in each chapter. Here then are some of the biggest stumbling blocks that social entrepreneurs have identified:

### *\* Financial challenges*

It's not easy to raise money to start up a venture. When we review the reasons that many social enterprises have failed, the most common reason is simply that they weren't able to find the funds. It doesn't mean that the founders didn't have a great idea for social change. They just weren't able to convince investors of the compelling need for their project.

There are already millions of organizations that seek money. All of us are besieged with solicitations for good causes. So it's no surprise that only 20 percent of grant proposals to foundations are successful. (And the odds are much smaller for start-up organizations that don't already have a track record of success. Established organizations often have a team of experienced development directors who have been writing grant proposals for years, and who have made personal connections to the program officers at foundations.)

How do you overcome this? There are a few responses: First of all, build relationships and connections with as many potential funders as possible – program officers in foundations, wealthy individuals who share your passion on the issues, and supporters in your community. Send out numerous proposals to foundations that match your criteria. Don't take rejection personally. Instead, when your proposal gets rejected, request feedback as to how you could have made your proposal stronger. Remember that you might get rejected dozens of times. But each failure is an opportunity to learn something and improve your program. Many social entrepreneurs encountered numerous failures and rejections at first, but they didn't give up. They asked for feedback and began to understand why people refused to fund it – why people didn't think that it would work in its current form. Then they modified their strategic plans, making them better and better.

Sometimes rejection is the best thing that can happen. One time, we were talking with venture capitalists who were considering giving us \$300,000 for our Transform America

initiative. They seemed enthusiastic about our ideas. But ultimately, after reviewing our business plan in detail and interviewing us several times, they turned us down. We asked them to tell us why they had decided against funding us. Although their comments stung at first, we realized that they had observed some fundamental flaws in our plans that had been invisible to us. If we had gotten the money at that time, it would have been disastrous; we would have been unable to make the best use of it. But their feedback helped us make the necessary changes to improve the program, and then seek funding again with a much better plan.

*\* Personal challenges*

Entrepreneurial people tend to have strong personalities and opinions. They can easily clash with other people who join the team. After all, this project is like their child; they gave birth to it; they nurtured it from the embryonic stages to its entry into the world. Now they may be extremely attached to seeing it develop exactly as they had planned. They may think that they have all the answers; they don't respond well to people who try to give them advice. They want to control all the important decisions themselves; they resist other people's feedback and opinions.

This is commonly known as "Founder's Syndrome." The social entrepreneur who starts an organization may come into conflict with board members or staff members who have differing visions for the organization. Even when there are two founding members, it's quite frequent to see one of the founders leave after a year or two. There can be strong dissenting views and personal differences between team members.

How do you overcome this? This is a challenging situation, because it is about people's egos. A good mediator can help. Often the chair of the board needs to take the founder aside, and show this social entrepreneur how such personal conflicts are hurting the organization and its ultimate goals. Using the skills of transformative communication, the board chair can help the founder see what's best for the cause. This is not easy; few people have learned the skills of transformative communication.<sup>8</sup> But people who have used these techniques have found them to be tremendously effective.

*\* New opportunities and distractions*

It takes a lot of perseverance and patience to follow one idea to its completion. Many social entrepreneurs are not willing to stick around that long.

After all, there are so many other tantalizing opportunities in the world. Especially for young people, there seem to be limitless possibilities. Many young people will create a strategic plan for a social enterprise, in which they believe greatly. But then they fear that they don't have enough life experience or knowledge. So they decide to go off to business school, law school, medical school, or another graduate program first. Invariably those

---

<sup>8</sup> We teach the skills of transformative communication in our workshops. There is a chapter devoted to the basic skills in our book, "The Transformative Way."

graduate programs lead them to other jobs, other career paths, and other interests. The social enterprise never ends up happening.

Alternatively, they go to work for someone else, rather than continuing to start their own business. After all, a social entrepreneur tends to have a lot of marketable skills: They are intelligent, creative, optimistic, resilient, and enthusiastic about what they do. So they are excellent candidates for other jobs. It's tempting to jump ship to other work, especially if they are not making much money at their social venture.

A third option is for them to fall in love with a different idea. I met one brilliant young student from Harvard who was passionate about Central America and saving the rainforests there; he was living in the jungles of Guatemala to start his own ecological venture. Because everyone acclaimed him as a genius, he had a lot of prospects and many people who believed in him. But suddenly, after the terrorist attacks of September 11, 2001, he decided that he wanted to switch his focus to the Middle East. He moved to Egypt and – since there are no rainforests in the desert there - he started a completely different social enterprise.

Frequently I come across these “serial social entrepreneurs.” They love coming up with new ideas. They love to brainstorm lots of creative and innovative business concepts. For them, the fun part of being an entrepreneur is the excitement of the visionary stage. But they don't have the patience or the personality to take care of the details. So they jump from one project to the next, never bringing their ideas to fruition. They are like a man digging a thousand shallow holes, searching for water. If they poured all of their energy into digging one hole deep enough, they could hit the source of the well. Instead, they either abandon their initial ideas for social enterprises, or they offer it to other people to carry out while they go chasing other ideas. Often their successors will try the idea for a while, and then give up when it seems too difficult.

*\* Skeptics, critics, and other people who try to discourage you*

Many people will doubt that you can change the world. They might tell you that you should try something more “realistic.” They think that you should get a conventional job, working for other people, making some money, rather than taking risks and pursuing your dreams. Every entrepreneur has to face these skeptics. There are many people who would urge you to play it safe, to stay comfortable, and to conform to the traditional roles that everyone else follows.

Yet most true entrepreneurs could not stand to live a conventional life. Once they have seen the possibilities for adventure, they do not want to be confined to a boring job where they work for others. They would rather take a daring risk than give up on their dreams and settle for an ordinary existence. Or, as the writer Jack London once put it, “I would rather be a superb meteor, every atom of me in magnificent glow, than a sleepy and permanent planet.”

Still, it can be discouraging when there are so many people who are naysayers – people who tell you a hundred reasons why you can't achieve your goals. If you have flaws in

your plans, then you would like to get constructive feedback as to how you can improve them. But you don't want people to tell you that your ideas are stupid or worthless or impossible.

The way to overcome this is to surround yourself with people who believe in you. Find peers who are as passionate and optimistic as you. You may even create your own personal board of advisors: people who can serve as your mentors and role models, people who are willing to give you encouragement and advice when times are tough. This is one of the most effective strategies. The best social entrepreneurs find a small group of supporters and enthusiasts, as well as older, wiser people to whom they can turn occasionally. It can make all the difference.

*\* Burning out – lacking life balance*

If you become an entrepreneur, you can't expect to work normal hours of 9 to 5. Typically your enterprise becomes a healthy obsession. You want to devote your attention to it as much as possible, because you are excited about the possibilities. It doesn't seem like work at all, because you love it so much. It just seems like play.

But the danger comes when you begin to neglect the rest of your life: You fail to make much time for your family and your friends. You rarely exercise, eat well, or take care of yourself. You may be able to pull off this fast-paced, high wire act for several months or even years, because of the great adrenaline rush. But ultimately this can backfire. You can end up drained of energy, collapsing in a mess if you neglect all the important people and things around you. I have met a number of social entrepreneurs who have burned out because they realize that they have sacrificed life balance and the people most important to them in pursuit of their goal. They have neglected spouses and children; they have neglected sleep; they have neglected all the things that could rejuvenate and restore them.

The way to overcome this is to recognize that you can be more productive and creative when you have a modicum of balance in your life. People who take time out to exercise or to meditate or to spend time in nature or engage in other restorative practices find that this helps them avoid burn out. Scientific research shows that it also helps people perform at higher levels.

*\* Changing circumstances – new competitors, shifting markets, and other unforeseen factors*

Some social entrepreneurs find that the major challenge they face is the unpredictable nature of life. They may have written a strategic plan for renewable energy technologies, which they thought was totally original and innovative. But then they find that there are three new competitive companies that have emerged in the same field, with similar concepts. Or they discover that a 40 percent drop in oil prices has lowered the market demand for their alternative energy products.

There may also be unforeseen personal events – deaths, divorces, health problems, etc. We can never accurately forecast the future. In the immortal words of former U.S. Defense Secretary Donald Rumsfeld: We “know there are known unknowns. That is to



say, we know there are some things we do not know. But there are also unknown unknowns, the ones we don't know we don't know.”

In this same vein, some students have argued against the whole concept of writing a strategic plan. The world changes too quickly. The stock market could collapse, a massive earthquake or hurricane could hit, or a new leader overseas could change the balance of international relations. There is so much uncertainty in the world that it seems foolhardy to make plans. It's like aiming for a moving target.

Nonetheless, entrepreneurs can hardly proceed without plans. It's essential to have a detailed blueprint for your social enterprise. But it's inevitable that circumstances will change, that new competitors will emerge, and that you will be able to predict market forces perfectly. Successful entrepreneurs just need to be able to respond effectively in the moment. It requires creativity, flexibility, and quick thinking on your feet.

This is one of the reasons why we teach the skills of improvisation to all of our students who take our courses to become social entrepreneurs. The first rule of improv is to accept what you are given, and to build off of that. This is what entrepreneurs need to do. The ones who don't adjust to changing circumstances are the ones that are likely to fail.

*\* Discovering that your theory of change is wrong (i.e., finding that your concept is flawed)*

Social entrepreneurs have ideas for changing the world. But they may test their initial models and find them to be ineffective.

This is actually natural for entrepreneurs in any field. It is estimated that, in the business world, half of all new ventures fail within the first 3 years. This means that they shut down their operations, presumably because they were not able to survive financially. The financial projections in their business plan were simply too optimistic.

With social entrepreneurs, it's important to survive financially, of course. But their primary goal is to make a wider social impact. If they discover that their activities are not making a difference, then they can learn from their mistakes. This happens all the time.

For example, we looked at the case study of the Interfaith Youth Core (IFYC) in chapter 6. Eboo Patel wanted to start an international movement for religious pluralism. He believed that, by training young people to become leaders of a strong interfaith movement, this would lead to greater peace and national security. It would offer a much better alternative to youth than the lure of religious extremism and intolerance.

One of their initial ideas was to have a day of interfaith youth service. Thousands of young people on campuses across the United States would work together across religious lines. But, after the first few years, Eboo and his staff didn't think it was really succeeding in making large-scale change. Rather than give up, however, they changed their model to build on something that did seem more promising. They found that they were changing the lives and career paths of some young people; these youths were going on to become interfaith bridge builders. Why not create a program that created hundreds – or even

thousands -- of these ambassadors for interfaith understanding. With this new model, the program has new life, and is increasing its success.

So discovering that your initial model isn't successful should not be a fatal blow to your organization. Rather it should be a spur to greater creativity, as you learn from your mistakes and develop a stronger model.

---

## COMMON PITFALLS TO AVOID

*People haven't anticipated their challenges*

Many times people don't see the dangers in their path. When asked what challenges they will face, they simply don't know the answer. They talk about how unpredictable the world is.

However, there are many challenges that you can anticipate if you do excellent research. You can contact other social entrepreneurs and innovators in your field, and ask them what obstacles they confronted.

Moreover, you can review the list of the most common challenges we've listed in this chapter. These are challenges that we've heard from social entrepreneurs again and again. Indeed, these have been some of the biggest problems that led to the failure of numerous organizations that were trying to change the world. It's very likely that some of these will apply to your entrepreneurial venture, too. Know thine enemies!

*People list a ton of challenges, but then don't offer any realistic plans for how they might overcome them!*

The next problem is that people can see the obstacles in their path; they just don't make any plans for jumping over those hurdles.

If you know the biggest dangers that could befall your organization, it's a good idea to plan ahead for them. Then they can't ambush you or take you by surprise. On the contrary, you will have effective contingency plans to deal with each of these potential killers.

For example, if you know that most entrepreneurial ventures in the environmental field have had problems raising funds, you should develop courses of action that will ensure that you don't fall into the same trap. You can learn from the mistakes of so many other failed organizations that have preceded you. Essentially, you are learning from the people who didn't plan ahead for these dangers, and who didn't have good back-up courses of action.

*People are vague about how they will overcome their obstacles.*

Sometimes people see the obstacles and dangers in their path. And they create a contingency plan to deal with them. But this won't be effective if the plans are lacking in specifics.

Let's go back to the issue of finances, which is one of the biggest challenges of any start-up organization. A social entrepreneur could say, "I know that it can be tough to raise funds, especially with the economy in a recession. So our back-up plan is to solicit donations from the community, and from friends and family." While this plan might seem like a good solution, it lacks the elements of good planning: details about when you will conduct this community fundraising campaign, the numbers of people you will solicit, the amount of donations you will ask for, etc. An excellent contingency plan needs to be as specific and detailed as possible, if it is to be effective.

## CHECKLIST:

A great challenges section should have:

- A list of the most powerful problems and challenges that you will confront, based on researching the obstacles that have confronted people in other similar circumstances.
- A realistic, detailed strategy for overcoming each of these obstacles

## Conclusion

### Other Essential Things to Keep in Mind

Here are other important points to remember before you submit your proposal to any funders:

**The proposal should be 100 percent professional.** If you have even a small number of errors, it makes a terrible impression on a funder. They want to see that you take care of every detail. When your proposal has mistakes in spelling, grammar, or punctuation, it appears sloppy and unprofessional.

I once talked to an admissions officer at a prestigious medical school, and asked him what he looks for in applications. “It doesn’t matter if a candidate has excellent grades and scores in the 99<sup>th</sup> percentile on the medical aptitude examination,” he replied. “If that applicant submits a written essay with any small mistakes in it, I will reject it right away. After all, we can’t afford doctors who overlook even the smallest errors, or are the least bit careless. This is a matter of life and death. Medical error is one of the leading causes of fatalities in the United States.”

While it may not seem that social entrepreneurs are dealing with similar life and death issues, the fact of the matter is that a lot is at stake. Venture capitalists, donors, and philanthropic foundations are investing their money in changing the world. It’s no exaggeration to say that, if their money gets squandered, then lives could be lost.

**The proposal should be clean, clear, simple, and brief.** Just get straight to the point. Take out any word or sentence that is not absolutely necessary. People are busy, and don’t have time to read through everything.

Thoreau once wrote, “Simplify, simplify, simplify.” (He could have probably simplified that by just saying it once.) More than 100 years later, his words still ring true. You want your strategic plan to be short and simple.

**The proposal must be on time.** Again, this is a matter of being professional. If you can’t succeed in making a deadline for a grant proposal, how are you going to convince funders that you will succeed in carrying out your mission?

There once was a student from NYU who missed the deadline for a social entrepreneurship competition. He thought that he could still be eligible for the \$50,000 prize if he made himself memorable. So he sent tennis shoes to say that he was “running late.” The judges were not amused. It got rejected immediately.

We all have lots of challenges and adversities in our lives that will keep us from getting our work done. We could all come up with lots of justifications and excuses why we

haven't turned it in on time. But successful social entrepreneurs don't make excuses; they make deadlines.

**You need to follow the guidelines!** When foundation program officers are asked about the biggest flaws of proposals that they see, they repeatedly say that applicants haven't followed the instructions or read the guidelines.

It's important to see what each individual foundation or investor wants to see. Look at their requirements and restrictions. You want to send proposals only to those foundations that are an excellent match:

- Foundations that support your specific issue, whether it be civil rights, economic development, women's issues, or the environment.
- Foundations that want to give to projects in your specific geographic region.
- Foundations that will give the financial support you need (for example, if you are looking for funds for building or renovation, many foundations will not support that. You need to make sure that you are seeking the right type of support.)

---

Frequently asked question

**What do I do if I am bad at writing or spelling or grammar? What if English is not even my first language? How do I avoid making mistakes in my proposal?**

It's fine if writing is not your strong suit. Just be aware of your weaknesses, and get several people to help you before you submit it. You should send it around to at least 5 friends – especially people who are excellent at catching these mistakes and flaws – before submitting it. This is also useful because those friends will help tell you whether your proposal is clear, simple, and persuasive.

---

## COMMON PITFALLS TO AVOID

*Avoid academic writing, technical jargon, and bureaucratic obfuscation.*

The best writing is so simple and clear that anyone can understand it. People shouldn't have to be an expert in your field to gain insight into your vision for a better future. (Indeed, often investors and donors are not specialists, and they won't understand your technical language.) You should write in a way that embraces all people. Write as if you were trying to explain your concept to a stranger on the bus – a stranger who may happen to have millions of dollars to invest!

At universities, many intellectuals tend to write in a way that is nearly incomprehensible. To show that this was true, NYU professor Alan Sokal submitted an article to a

prestigious academic journal. It was written in typical academic jargon, and was called, “Transgressing the Boundaries: Towards a Transformative Hermeneutics of Quantum Gravity.” It was accepted for publication, even though nobody understood what it meant. The professor later confessed that it was a hoax; the article was total nonsense.

But a great plan for a social enterprise should avoid this confusing language. You are not writing a master’s thesis or doctoral dissertation. Leave all the pseudo-intellectual and academic conventions in the corridors of the ivory tower. Just be simple and clear.

*Avoid political rants and diatribes*

I have seen many students who write things like, “The capitalist, corporate system is corrupting the last vestiges of everything that is good and decent in society.” Or they might say, “The hegemonic imperialism of the United States is destroying the planet.” Even if you believe that such statements are completely true, consider what effect such strong polemical statements will have on readers who might not agree. It will probably alienate them and make them turn away from even reading about your better vision for the future. Such rhetoric is not likely to win over most people. It’s not transformative. It continues to perpetrate an “us versus them” attitude.

Your goal is to win everyone over, regardless of backgrounds or political views. How do you do this? Focus on a better vision of the future, rather than attacking the status quo. When people attack the current society, many people get defensive.

*Avoid flowery writing; watch out for overly dramatic language that talks about how amazing, awesome, and fantastic your program is! (And watch out for language that talks about how tragic, horrific, nightmarish, and apocalyptic the problem is.)*

There is a popular slogan that many writing professors tell their students: “Show, don’t tell.” In other words, don’t tell us that we should be angry or outraged. Don’t say things like, “This situation is horrific.” There’s no need to announce that your program is brilliant, impressive, and a work of genius. Just show us the facts, and let us draw the conclusions for ourselves.

*Avoid personal comments, opinions, and editorials.*

A strategic plan should be as objective as possible. It’s not professional to talk about your beliefs, your opinions, and your personal comments. Try to avoid saying “I” too much, unless you are telling your personal story. (Of course, I admit that I have been saying “I” throughout this whole book! But fortunately this book isn’t a strategic plan for a social enterprise.)

*Watch out for gimmicks*

People think that they can stand out from the rest and be memorable and unexpected. One student submitted a project that was on mirrors with artistic photographs, some of which bordered on the obscene. It was huge and unwieldy and weighed about 10

kilograms. This certainly stood out, and I still remember it. But it did not win me over. When it comes to proposals for changing the world, substance is far more important than style. If you have a great idea for social change, let that speak for itself. Don't feel that you need to do something extraordinarily creative – on purple paper, with 3D glasses, and feathers and bells. When it comes to the proposals, you want to follow the professional standards. There are times to think outside the box, and times to get into that box.

Now you can apply all the lessons that you have learned from the book. It should be an outstanding proposal that you could submit to a major billion-dollar foundation or venture capital firm for funding. If you truly do excellent work here, you could raise the funds to make your project a reality!

## CHECKLIST:

A great final proposal or strategic plan should be:

- Completely professional and flawless. You should be able to state with confidence that it is free of typographical mistakes in spelling, grammar, and punctuation.
- Timely
- Simple and clear
- Following all the guidelines for your potential funder

## Appendix A

# Worksheets for creating your strategic plan

On the following pages, you will find worksheets that you can use for each stage of your strategic plan.

If you are an aspiring social entrepreneur, please use each of these sheets to create an excellent draft of your proposal.

After reading each chapter, you can fill out a worksheet that corresponds to your own social enterprise. Be as thorough as possible. (Even though the worksheets may only be one page, your responses may be multiple pages, as you do considerable research.)

In the end, you won't necessarily include all of the information here in your final business plan or proposal. But this is the necessary first step in terms of gathering everything you need.



## Worksheet 1 - VISION

What is the big, hairy, audacious vision for your social enterprise? How will the world look different in 20 years because of your initiative?

What is your unique value proposition? What sets you apart from the thousands of other organizations in your field? What will be your brand?

What makes your idea transformative?

What makes it innovative?

What makes it visionary?

Why do you have the experience and credibility to make this happen?

## Worksheet 2 – STATEMENT OF NEED

Why is it absolutely compelling and urgent that you start a new initiative? Aren't there already enough programs out there? Aren't there more pressing needs in the world?

Give at least 3 statistics from reputable sources to show that there is a compelling need for your new social enterprise.

Provide at least 3 quotes from experts and reliable authorities – ideally some of the leading figures in the field – to prove that your identified problem urgently needs addressing.

Offer some case studies, or research findings, that help persuade potential supporters that this is a project worthy of investment of time and money.

Tell at least one dramatic and emotionally compelling anecdote that touches the heart of the readers, helping them see the human dimensions of this situation.

## Worksheet 3 – ENVIRONMENTAL SCAN

Based on your extensive research, what have you found to be the most powerful ideas for solving the problem that you've identified? Why do you think that these are the most effective ideas?

What are the best programs that exist in your community for solving this problem? What are the best programs that exist *anywhere in the world* for solving this problem? What makes them so great? How do they measure their effectiveness? How do you know that they are really making a difference in solving the problem?

Who are the most innovative thinkers and visionaries who are trying to address this problem? Who are the people who are at the forefront of the field? Who would be your ideal mentors, teachers, and collaborators – the people you would love to meet and discuss your ideas?

How is your idea different from all of the other competing ideas out there? What makes it potentially better or more effective than those organizations that already exist? Try to list at least 20 things that set your idea apart.

## Worksheet 4 - OBJECTIVES

What are your specific, quantifiable objectives for this social enterprise? How can you measure that your project will really make a difference?

What are the most important outcomes that you would want to see from this organization?

Who is your target constituency? What is the ideal audience that you are trying to reach with this project? Why?

How could you measure any of the following things with respect to your issue?

- People's attitudes
- People's awareness
- People's behavior
- People's performance
- Products
- Quality of the program

What is your deadline for achieving your objectives?

## Worksheet 5 - METHODS

What are the activities that will take place in your organization?

What are the major steps that it will take to meet your stated objectives?

What is a realistic timeline for these steps?

## Worksheet 6 - EVALUATIONS

Earlier, you defined your measurable objectives for your social enterprise. How will you carry out these measurements? How will you collect the data? How will you make sure that it is scientifically valid and objective?

What is your baseline against which you will measure improvement? Do you have a control group to compare to your own results?

## Worksheet 7 - BUDGET

How much money will it take to realize your vision?

Create an itemized budget for the organization's first two years. Include a budget narrative, if necessary. Include both costs and revenues.

How will you raise the money? Will you have an earned-income strategy? Will you be raising money from individuals, foundations, corporations, or the government? Will you have in-kind donations and volunteer services? Overall, what is your detailed strategy for raising the necessary funds?

What is your back-up plan if you do not raise the necessary funds? How will your organization continue to operate?

## Worksheet 8 - STORY

Tell a great story, which is relevant to why you want to begin this social enterprise. It could be your story, or the story of somebody else.

What creative elements could you add to your presentation? What arresting visuals could you use? Is there a way to interact with your audience?

How can you add an element of the unexpected to your presentation? What will capture people's attention and make them remember your ideas, because it is contrary to what they expect?

How can you tap into people's hearts, as well as their minds? How could you add an emotional aspect to your presentation?

How do you make your idea simple, concrete, and credible? How can you refine your message down to its essence?



## Worksheet 9 – TEAM

For your social enterprise, who could serve as the greatest champions? Who would be your supporters, collaborators, allies, and mentors?

Whom could you ask to be advisors for your organization? Remember that these people should have strong reputations and expertise, so that your organization gains credibility.

Who would be potential board members? Why? What skills do they bring to the table?

## Worksheet 10 - CHALLENGES

What are the biggest challenges that your social enterprise will face? How do you know?  
What are your strategies for overcoming each one of these major challenges?

# BLUEPRINT FOR SOCIAL CHANGE

These are the final questions that we ask people to fill out when creating their strategic plan.

The key is to be concise. Trim your answers from the worksheets down to their essence. Each answer to these questions must be no more than 1000 characters (approximately 250 words).

The result will be your blueprint for social transformation: your idea for creating an idea to change the world.

“You must do the thing that you think that you cannot do.”

– Eleanor Roosevelt

**1. Your vision for changing the world – an executive summary.** Figure out one social problem that you would want to solve. This should not simply be a service project, nor is it merely about research. Instead, it is about real social transformation: doing something visionary, creative, innovative, and socially entrepreneurial. It is about taking initiative and action.

Be bold! As former Stanford professors Jim Collins and Jerry Porras say, you should have “big, hairy, audacious goals.” These are most likely to get you excited and inspired, and they are also more likely to impassion other people to follow you. While it’s important to start with small, realistic, feasible goals in your own community, you should have an inspiring, compelling vision for the future.

Now write up a short summary of your vision. How would the world be different if you achieve your goal? What would the world look like in 5 or 10 or 20 years?

**2. The elevator pitch** - Now summarize your project in a few sentences. This should be compelling and dramatic – something that will win people over right away. It should be your “unique selling proposition” (what advertisers would call your “brand”) – the thing that sets your project apart from everything else.

This is also called a sound bite or an elevator pitch. Imagine that you stepped into an elevator with a wealthy philanthropist, and you had only 30 seconds to deliver your message before the elevator reached its destination. How would you sum up your idea so that it sounds innovative, meaningful, and appealing to any audience?

You will be giving this 30-second pitch in the workshop on **INSERT DATE HERE**.

**3. Your experience and credibility** – Why are you the right person to do this? What gives you the credibility to undertake such an ambitious project? How can you convince us that you are someone who can succeed? In other words, why do you deserve \$50,000? How can we be assured that you will spend that money wisely and make a positive impact?

**4. Statement of need** - Show that the problem that you hope to solve is really urgent. You should include statistics, compelling stories, and quotes from experts that show this to be a serious problem that needs addressing.

**5. Comparison of your idea with everything else that exists** -- Identify what other solutions have been attempted, and why they have not been completely successful. Identify other nonprofit groups or social change activists who have been working on the problem. You will need to show how your efforts are different from the rest.

This may seem challenging. You may feel that the most brilliant ideas have already been invented. If this is true, then why is there still an urgent problem? Can you take ideas that have been successful in other places (best practices) and apply them in a new context? Can you build on the successes of innovators and visionaries who have come before you?

This is absolutely essential, and it will require excellent research. In business terms, you are going to do a “market analysis” – an analysis of your competition. Of course, these other groups are not going to be your competitors at all, especially because this is a transformative project. Most likely, these will be your greatest allies, mentors, and collaborators who will be working with you to solve the problem.

You need to list as many of these visionaries, innovators, activists, and social entrepreneurs, and find out what they are already doing to tackle your problem. Then you need to show what has worked, what hasn’t worked, and why. Then come up with up to 20 creative ideas of how you can do it better.

**6. Your strategic plan for action – goals, objectives, and methods** – Tell us about your goals and objectives. What is your target audience? Whom will you benefit? What is your project timeline? Include all of the specific activities that you will undertake. Create a step-by-step action plan.

**7. Challenges** – What are the greatest challenges you will face, and how will you overcome them?

**8. Measurement of results** -- How do you measure your outcomes? How do you know if you have succeeded? Are there concrete, specific details that you can show to indicate that you have made a real difference in people’s lives?

**9. Your budget** – How much money will it take to realize your vision? Why? Create an itemized budget, figuring out how much it will cost for each essential element of your plan

to succeed. How will you raise this money? What will happen if you don't raise the entire budget? Do you have an alternative plan?

**10. Your story** -- Tell a great story about your project. This could be a page that explains why this work is so essential. What would be the consequences if this project did not go forward? Facts and figures from research are often not enough when you are trying to tell your story; you need to touch the heart as well as the head.

This is more than just a 30-second elevator pitch, where you basically just have to give an overview of the facts. Here you will be making a 90-second presentation, which will take place on **INSERT DATE HERE**. The key point is to tell a story that wins people over, and use the keys of great public speaking and connecting with your audience.

**11. Your team** - Who are the ideal people to help you make this happen? Who might serve on an advisory board? Who could offer the most effective support, guidance, and mentorship? Who could potentially sit on an active board of directors, offering a range of skills that you may not have (in marketing, finance, legal, and other important areas)?

## Appendix C

# Blueprint Scoring Sheet

Please score on a scale of 1 to 10.

Name of social entrepreneur:

Project for social change:

<b>1. Is this transformative?</b> (Is the student attacking the root of the social problem rather than addressing one or more of the symptoms?)	
<b>2. Is this innovative?</b> (Has the student demonstrated that their approach is innovative by putting forth a truly novel approach, dramatically revamping an existing solution or aligning resources in new ways?)	
<b>3. Would this project make a major difference?</b> (Is the student proposing a strategy that has the potential to drive significant results?)	
<b>4. Is it inspirational and exciting? Is there a compelling story?</b> (Would the proposal win lots of people over? Does it include big, hairy, audacious goals? Does this proposal move you and touch your heart, as well as your mind? Does the proposed solution have the potential to serve as a model to other organizations in their field or their community?)	
<b>5. Is it realistic?</b> (Is it likely that the proposed organization will be sustainable? Would the plan actually work, and be able to last?)	
<b>6. Is the person qualified to take on this work?</b> (Does the student	

demonstrate the social entrepreneurial traits that we've discussed in this class, including creativity, passion, and the ability to overcome challenges? Does the student demonstrate a deep level of interest in and commitment to the issue and constituency? Considering work, volunteer, and academic history, does the student have appropriate experience?)	
<b>7. Is there an urgent need for this project?</b> (Has the student persuaded you, with powerful statistics, expert testimony, case studies, and other evidence that there really is a dramatic problem that this project would adequately address?)	
<b>8. Has the student done sufficient research?</b> (Have they explored in depth the major organizations and visionaries who are already doing this work? Have they shown why their approach will be better and more effective – in other words, why their organization fills a need that is not being met?)	
<b>9. Are the budget and timeline sensible?</b> (Has the student demonstrated that they understand the major cost elements that are critical to successful implementation of their idea? Is the organizational budget realistic with respect to revenues and expenses?)	
<b>10. Does the student have a logical plan for measuring their impact?</b> (Is there a clear linkage between the data they plan to track and the long-term outcomes they wish to achieve? Do they have clear, specific, and measurable objectives?)	

**Total score (maximum score 100)**

Note: Subtract 10 points for lack of professionalism (many errors in spelling, grammar, and punctuation, or overall lack of effort). This does not include proposals that are submitted late. Late work is not accepted.

Please provide additional comments, including constructive feedback for how this could be stronger:

## COMING SOON

This book is a work in progress. There is a lot more material that will be added in the coming months. This will include:

Appendix D – Examples of bad responses to blueprint questions

Appendix E – Examples of excellent responses – strategic plans that have won the Echoing Green competition for social entrepreneurship

Appendix F – Directory of resources – excellent books, websites, organizations, and other information that will help you become a successful social entrepreneur