

TWO-THIRDS OF BRITISH ADULTS WOULD CHOOSE TO LIVE IN THE PAST. ALMOST HALF WOULD WIND BACK THE CLOCK AT LEAST 30 YEARS

Source: JWT

## LESSONS IN ENTREPRENEURSHIP

# Global reach

Stuart Read and Saras Sarasvathy report on the success of Ashoka, a global association of the world's leading social entrepreneurs

Imagine that your dream is to change the world on a national or, better still, global scale. And that the bureaucracy at your employer, the US Federal Government, severely constrains what you can accomplish. What would you do? Not many people would think of taking their own money and paying salaries to individuals in developing countries, even if those individuals might show promise in reforming their local environments. But that is exactly what Bill Drayton did when he launched Ashoka in 1980.

It is not just the founding of Ashoka that makes Bill Drayton an entrepreneur, but the way he did it and the fact that Ashoka is changing the world through entrepreneurship.

### START WITH WHAT YOU HAVE

Drayton knew that he alone could not solve the world's problems. But he had travelled extensively in India and Indonesia, and he knew that people existed who were already generating practical solutions to individual problems at a local level. These people and their ideas would provide him with resources and a place to start and he would give them a chance to spread what they had learned.

### FINDING COMMITTED PARTNERS

Drayton created the Ashoka Fellow. Defined as someone with a new idea that has the potential for significant social impact, a Fellow is expected to prove their idea locally and show how it might

be rolled out on a larger scale. In exchange, a Fellow is rewarded with training, living stipends and networking opportunities.

Consider one of the first Fellows, Fábio Luís de Oliveira Rosa. Upset by the exodus of farmers to cities in his native Brazil, Rosa developed a cheap way to irrigate farmland. For \$400, rural farmers could install a single-phase water pump system to improve fertility, increase their incomes from \$50-\$80 to \$200-\$300 a month, and make farm life a financially and socially attractive alternative to the overpopulated city. Seeing the potential, Ashoka made Rosa a Fellow, and helped him to persuade the Brazilian government to enable implementation by loaning farmers cash for the upfront investment.

### MANAGING RISK

Started with just \$50,000, Ashoka has never risked failure on any single project. On the contrary, the distributed approach of using many local Ashoka Fellows today enables Drayton to spread the impact of the organisation, and the risk, across 1,800 Fellows from over 60 countries. Consistent with how successful entrepreneurs manage risk, this approach lets individual failures become learning experiences, not venture termination points.

### EXPLOITING CONTINGENCIES

During the two and a half decades since Ashoka was founded, much has changed in the landscape of social enterprise. For example,



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the Grameen Bank has proved a model of distributed small-scale investing which generates both returns and impact. Instead of viewing Grameen as competition, Ashoka has adopted its approach of 'blueprint copying' – transferring best practice to a new problem or region – and has also added micro-loans to its Fellows' arsenal.

Each of the approaches described here have been seen in successful and entrepreneurial companies because they function equally well in the profit sector as in the social. They have certainly worked for Ashoka. An early recipient of a MacArthur Fellowship (sometimes referred to as the "genius grant"), Drayton has received a National Public Service Award and has also been recognised as one of America's Best 25 leaders by US News & World Report (2005).

**Above: Ashoka Fellow Chetna Gala Sinha's Women's Bank helps women in drought-prone rural India by providing them with access to land and other means of production. Below: social entrepreneur Bill Drayton, founder of Ashoka**



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QUIZ ANSWERS (FROM PAGE 23) 1. B 2. A 3. C 4. C 5. B 6. A 7. C 8. B 9. B