

You Can Change the World, But Do You Know How To?

Changes in social paradigms start small and build until the changes become obvious to nearly all participants and observers. When these changes provoke a shift in society, most individuals understand the new status quo is better, but are often ignorant of its roots. Behind these intuitive societal shifts, one can usually find an individual with a steadfast desire to change society and a belief that his/her ideas will succeed. Bill Drayton is one such individual, whose vision of implementing macro-level changes by focusing on micro situations¹ and individuals² led to better environmental standards and a growth in social entrepreneurship.

Through a majority of his professional career, Bill has shown a passion for innovative ways to infuse ethical values³ and positive change into society⁴. At the Environmental Protection Agency, Mr Drayton championed a trading system for environmental credits, which companies could buy to offset their negative impact on the environment, or sell for profit, if they produced in an environmentally friendly manner. Bill recognized that financial incentives are a crucial motivating factor for American business and that combining economics and environmentalism would lead to fruitful results for companies, government, and society as a whole. At the time, his idea was unpopular among environmental groups⁵, but by the late 1990s, emissions trading had

1 "...the 'bubble'..." Bornstein, David. 2004. *How to Change the World: Social Entrepreneurs and the Power of New Ideas*. India: Penguin Books. [pp. 53]

2 "Ashoka defines 'large scale' precisely. The organization looks for people who will become references in their field, who will set or change patterns at the national level or, in the case of a small country, at a larger regional level." Bornstein, David. 1998. Changing the World on a Shoestring. *Atlantic Monthly*. (Jan1998). Vol. 281 Issue 1, p34-39

3 "The language used by Drayton and other practicing social entrepreneurs is caring, compassionate and moral." Roberts, Dave and Woods, Christine. 2007. *University of Auckland Business Review* (2007). Volume 9, No. 1, 2007. Accessed online at: <http://www.uabr.auckland.ac.nz/issues/article-detail.cfm?ArticleID=81> on July 25, 2007.

4 "At a time when socialism has been proven to be a dismal failure, and government programs have created as many problems as they solve, Ashoka may well be showing us the path to a better world." Rao, Srikumar S. "Emperor of Peace lives again: tiny nonprofit successfully tackles world's most intractable social problems.(William Drayton of Ashoka: Innovators for the Public)." *Forbes* 162 (Sept. 1998). Academic OneFile. Thomson Gale. Univ Mass Amherst. Accessed online at: http://find.galegroup.com.silk.library.umass.edu:2048/itx/infomark.do?&contentSet=IAC- Documents&type=retrieve&tabID=T003&prodId=AONE&docId=A21074184&source=gale&srcprod=AONE&userGroupName=mliin_w_umassamh&version=1.0 on July 29, 2007.

5 "Concepts that Bill was advocating twenty years ago, that were considered radical cave-ins by the environmental movement,

drastically reduced sulfur dioxide pollution and was implemented in the European Union's strategy for complying with the Kyoto Protocol.⁶ This visionary ability of Drayton's would carry over to Ashoka, where he worked to empower social entrepreneurs to affect change in their communities by first changing the perception of non-profit organizations, from purely looking at organizations to searching out individuals. To do so, Drayton first instilled other social entrepreneurs into Ashoka, to increase the efficiency of finding new socially driven individuals.

Every aspect of Ashoka exudes change, from the transformations in society⁷ that allowed for the birth of Ashoka, to the mission of Ashoka of empowering social entrepreneurs to enact improvements within their communities, Ashoka is in the business of change. We especially see this emphasis on change instilled into Ashoka's vision and mission.⁸ It comes as no surprise then, that Bill Drayton heavily utilizes change-oriented leadership to accomplish his and Ashoka's goals. When describing Drayton, Michael Northrop⁹ and Julien Phillips¹⁰, an Ashoka employee and an Ashoka founding director (respectively), are amazed at the supreme self-confidence and concrete belief Dayton places in himself and his ideas, a telling sign of charismatic leadership. Northrop felt that Dayton's charismatic leadership made it seem he had a whole army of supporters, when in reality he only had a few individuals, and that "the sheer force of his belief in his ideas seemed to lend them a quality of inevitability." In addition to this super self-confidence and conviction in his

are today advocated by nearly everybody as better ways to control pollution' explains Jodie Bernstein, the director of the Bureau of Consumer Protection, who worked with Drayton at the EPA." Bornstein, David. 1998. Changing the World on a Shoestring. *Atlantic Monthly*. (Jan1998). Vol. 281 Issue 1, p34-39

- 6 Bornstein, David. 2004. *How to Change the World: Social Entrepreneurs and the Power of New Ideas*. India: Penguin Books. pp. 53-60
- 7 "Drayton sees Ashoka's success as coming at a critical time. 'The last two decades have seen the emergence of a competitive citizen sector,' he says, 'a rapid multiplication of the number, size, and skill level of citizen organizations. It's as important as the emergence of the competitive business sector many centuries ago.'" Holmstrom, David. 1999. Change happens, one entrepreneur at a time. *Christian Science Monitor* (February 1999), Vol. 91 Issue 52, p16.
- 8 **Vision:** "Ashoka envisions a world where Everyone is a Changemaker: a world that responds quickly and effectively to social challenges, and where each individual has the freedom, confidence and societal support to address any social problem and drive change." **Mission:** "Ashoka strives to shape a global, entrepreneurial, competitive citizen sector: one that allows social entrepreneurs to thrive and enables the world's citizens to think and act as changemakers." "About Us" Vision and Mission of Ashoka. Accessed online at <http://www.ashoka.org/visionmission> on July 24, 2007.
- 9 Bornstein, David. 2004. *How to Change the World: Social Entrepreneurs and the Power of New Ideas*. India: Penguin Books. [pp. 64]
- 10 "Bill is totally committed to an important idea, and has unshakable faith in what's he's doing and in the value of each person's life toward effecting change,' says Julien Phillips, who worked with Drayton at McKinsey and was one of Ashoka's founding directors. 'That's a tremendously powerful combination.'" Hammonds, Keith H. 2005. A Lever Long Enough to Move the World. *Fast Company* (January 2005).

ideas, Bill displays the other characteristics of charismatic leaders, defined by Afsaneh Nahavandi as “*high energy and enthusiasm, expressiveness and excellent communication skills, active image building and role modeling*”¹¹

In an interview with U.S. News & World Report, Bill shows us his high energy and enthusiasm for social entrepreneurship while answering a question about difficult times at Ashoka, “How could any entrepreneur, confronted by such amazing opportunities to help transform the world and to do so with such extraordinary colleagues, be tempted to lose focus?”¹² Mr. Drayton clearly loves his line of work and is able to utilize his full energy and utmost enthusiasm to distribute the Ashoka vision and mission because of his belief in the virtues of Ashoka and the satisfaction he gets from working to distribute the Ashoka vision.

Role modeling is also very evident at Ashoka and in Bill's leadership style:

“When Drayton calls someone a 'social entrepreneur,' he is describing a specific and rare personality type--someone, in fact, like himself...Ashoka's social entrepreneur is a pathbreaker with a powerful new idea, who combines visionary and real-world problem-solving creativity, who has a strong ethical fiber, and who is 'totally possessed' by his or her vision for change.”¹³

These are characteristics evident within Bill Drayton, and characteristics which Ashoka seeks to find in other social entrepreneurs, after all Bill Drayton is, as David Bornstein describes in an interview with David Creelman of HR.com “...the social entrepreneur of social entrepreneurship.”¹⁴ Bill saw a gap between the commercial and social sector and realized social entrepreneurs could bridge that gap. Before anyone heard of micro-finance or sustainable investments, Drayton acted to aid individuals¹⁵ in solving social issues through

11 Nahavandi, Afsaneh. 2006. *The Art and Science of Leadership*. New Jersey: Pearson Prentice Hall. [pp. 231]

12 _____. 2005. America's Best Leaders: Q&A with Bill Drayton, founder of Ashoka. *U.S. News & World Report* (October 2005).

13 Bornstein, David. 1998. Changing the World on a Shoestring. *Atlantic Monthly*. (Jan1998). Vol. 281 Issue 1, p34-39

14 Creelman, David. 2004. Interview: David Bornstein on Social Entrepreneurs.HR.com. (Feb. 2004). Accessed online at: <http://www.progenerations.com/articles/InterDavidBornstein.htm> on July 28, 2007

15 “Traveling around the world he began to see that the most valuable resource are the people whom he called 'social entrepreneurs.' People who decide in their hearts that they want to effect a certain kind of change and because of the quality of their motivation and their particular brew of talents they actually do go out and build organizations...Drayton's insight was that if you want to cause system change, you have to move away from the mentality that we should support projects.

good business logic and sense.

Yet, charisma on its own will not necessarily succeed. Bill and his followers are crucial to the successful use of charismatic leadership, but so is an amicable crisis situation; in the case of Ashoka, the crisis involved a growing gap in productivity between the consumer sector and the social sector. We see a *sense of real or imminent crisis* in Bill's time at the Environmental Protection Agency [EPA], where he uses contacts in the media to publicize harmful budget cuts and gain support for the EPA and at Ashoka, where social entrepreneurs are helped at their most critical moments¹⁶. Bill also *clearly articulates followers' roles in managing crisis*; for instance he “put together a strong case to show that the [budget] cuts would effectively double Americans' exposure to toxic pollutants by 1990” to aid journalists in writing sensational articles about the Reagan administration's planned budget cuts for the EPA. At Ashoka, where the very vision of the organization is to empower individuals to solve societal problems, Drayton and his followers push potential fellows to formulate logical plans to affect change.¹⁷

We also see the three tenets of transformational leadership in use at Ashoka, charisma and inspiration; intellectual stimulation; and invidious consideration. Bill's charismatic leadership inspires followers, fellows, and supporters¹⁸ to believe in Ashoka's goals and continuously seek to improve society, as shown by half of Ashoka itself containing social entrepreneurs. The nature of the work Ashoka volunteers and staff perform requires constant use of emotional intelligence¹⁹ and analytical logic to decipher the probability of success

Ultimately, the seed for all change is in the heart of a person. His goal was to create a selection system to find this kind of person early in their careers.” Creelman, David. 2004. Interview: David Bornstein on Social Entrepreneurs.*HR.com*. (Feb. 2004). Accessed online at: <http://www.progenerations.com/articles/InterDavidBornstein.htm> on July 28, 2007

16 "As he conceived of it, Ashoka would be the most 'highly leveraged' approach to change possible, intervening at the 'most critical moment in the life cycle' of the 'most critical ingredient in the development process'" Bornstein, David. 1998. *Changing the World on a Shoestring. Atlantic Monthly*. (Jan1998). Vol. 281 Issue 1, p34-39

17 “For Drayton, social change isn't romantic. "It's not a poem; it's not like Xanadu," he says. "There are many people who are creative and altruistic, but they are never going to change a pattern across a continent." In other words, a vision of Xanadu is nice, but it won't happen without a transportation plan and a sewerage system.” Hsu, Caroline. 2005. Entrepreneur For Social Change. *U.S. News & World Report* (October 2005). Accessed online at <http://www.usnews.com/usnews/news/articles/051031/31drayton.htm>

18 “Even now, Drayton's enthusiasm for a project has a way of sweeping up bystanders who question how they end up laboring in the eye of his storm.” Hsu, Caroline. 2005. Entrepreneur For Social Change. *U.S. News & World Report* (October 2005). Accessed online at <http://www.usnews.com/usnews/news/articles/051031/31drayton.htm>

19 “In Ashoka each member of the selection panel interviews each candidate independently. Then Ashoka asks the "jury" to

when evaluating social entrepreneurial ideas and individuals. Ashoka fellows and staff are also encouraged to find the hidden networks amongst the fellows that will allow all fellows to share in the collective wisdom of the Ashoka family and to pass on efficiencies gained in their own communities. For individual considerations, Ashoka reviews each potential fellow on an independent basis and provides unique support. For instance, rather than awarding a set stipend to each fellow, Ashoka matches the "...social-sector salaries in each country, with some flexibility to accommodate fellows' specific needs, such as if a fellow needed to hire a special care worker to look after a disabled child."²⁰

Based on Bill's role models, Mohandas Gandhi, Martin Luther King Jr.,²¹ Thomas Jefferson, and Jean Monnet²² [among others] it's clear to see why and how Bill developed as a charismatic, transformational visionary. Just like Gandhi's supreme belief in the need for change in India; MLK Jr.'s desire for equitable civil rights; Thomas Jefferson's battle for a free nation; and Jean Monet's vision of a united European economy, Bill's aspirations of empowering social entrepreneurs with the funds, resources, and connections they need to enact their paradigm shifts shows his confidence that the time was right for social entrepreneurs and the need was real.²³ Bill appreciates that Gandhi showed himself and the rest of the world that "change comes faster and far more permanently by helping people understand when their behavior contradicts what an empathic response would dictate."²⁴ Bill understood that utilizing the principles of free-market economics to make profit, while discouraging competition and innovation in the social sector led to great disparities in

essentially decide whether they trust the person. As a test, they are told to close their eyes and imagine something they find fearful, like walking near the edge of a cliff or holding a snake, and then imagine that this person is with you. Do you find yourself feeling uneasy or relaxed? For many, the test provides a sense of whether you trust the person or not. Sometimes it works. Sometimes it doesn't. It's an appeal to the gut, not the intellect."

<http://www.progenerations.com/articles/InterDavidBornstein.htm>

20 Bornstein, David. 2004. *How to Change the World: Social Entrepreneurs and the Power of New Ideas*. India: Penguin Books. [pp. 62]

21 Bornstein, David. 2004. *How to Change the World: Social Entrepreneurs and the Power of New Ideas*. India: Penguin Books. [pp. 48]

22 Hsu, Caroline. 2005. Entrepreneur For Social Change. *U.S. News & World Report* (October 2005). Accessed online at <http://www.usnews.com/usnews/news/articles/051031/31drayton.htm> on July 27, 2007.

23 "As the consumer sector grew more productive, the social sector, supported by taxes and protected from competition, fell even further behind." Hammonds, Keith H. 2005. A Lever Long Enough to Move the World. *Fast Company* (January 2005): [pp. 61]

24 _____. 2005. America's Best Leaders: Q&A with Bill Drayton, founder of Ashoka. *U.S. News & World Report* (October 2005).

the ability of the social sector to help others, when compared to the commercial sector.

Bill showcases his self-awareness when admitting he is “... modestly an introvert”, yet Bill also motivates himself to “...spend most of my days dealing with people.”²⁵, as he understands entrepreneurship relies on relationship building. Bill is willing to step outside of his comfort zone and interact with new individuals, a sign that Bill is a creative leader²⁶. His kind descriptions of the individuals he interacts as “...wonderful, caring, creative entrepreneurs...” shows Bill's exemplary leadership by “encouraging the heart”²⁷ and his high-LPC side. However, Bill also has low-LPC side, as he enjoys accomplishing his goals, as shown through his fight to keep his improvements intact at the EPA.

Bill Drayton is able to promote Ashoka ideals among businesses, governments, non-profit organizations and communities by exerting his expert power²⁸; as Bill is the “social entrepreneur of social entrepreneurship”, he has verifiable proof that his ideas work. The massive adoption of emissions trading as an effective method of reducing pollution also verifies his visionary ability in seeing and creating new ideas before they're ready for the rest of society. For Ashoka staff, their ability to help social entrepreneurs cope with uncertainty by providing stipends to support themselves provides the staff with power to execute Ashoka's vision and mission. The social entrepreneurs in turn hold centrality power²⁹, as they are the achievers of Ashoka, without whom the vision and mission would crumble. These are the classic sources of power at Ashoka, but much more emphasis is placed on total empowerment.

Drayton declares that Ashoka:

“...must be an integrated/decentralized organization that in every way enables and strongly

25 _____. 2005. America's Best Leaders: Q&A with Bill Drayton, founder of Ashoka. *U.S. News & World Report* (October 2005).

26 Nahavandi, Afsaneh. 2006. *The Art and Science of Leadership*. New Jersey: Pearson Prentice Hall. [pp. 73]

27 Nahavandi, Afsaneh. 2006. *The Art and Science of Leadership*. New Jersey: Pearson Prentice Hall. [pp. 247]

28 “Marmor went on to describe Drayton as a 'wispy, carefully controlled, blue-suited fellow [who] has got enormous power. And connected to it is a shrewdness about the way institutions operate and the world really works.’” Bornstein, David. 1998. Changing the World on a Shoestring. *Atlantic Monthly*. (Jan1998). Vol. 281 Issue 1, p34-39

29 Nahavandi, Afsaneh. 2006. *The Art and Science of Leadership*. New Jersey: Pearson Prentice Hall. [pp. 110]

encourages each of us to fly and yet that channels all that energy to serve the organization's goals....Ashoka's job and, indeed, our field's most important job is to empower people. Our ultimate objective is “everyone a changemaker.”³⁰

By empowering Ashoka fellows, socially entrepreneurial leaders are created who act as role models for other social entrepreneurs. Drayton truly believes that the power of Ashoka is in the ability to empower social entrepreneurs to not only pursue their goals, but to also gain experience and help other social entrepreneurs to change their own communities and societies. In this way, everyone across the world eventually becomes a social entrepreneur and is able to change their local surroundings to better match their needs, thus creating a world where each local community acts to improve itself, thus eliminating the need for large-scale organizations to pursue micro-philanthropy, which is pointed to by Ashoka's critics as a negative aspect of Ashoka³¹, when in fact it is the very aim of the organization and Bill Drayton's dream. Ashoka is empowering individuals and creating families of social entrepreneurs who help each other, rather than teams that defeat each other.

Ashoka utilizes consensus building³² as a method of making decisions. This normative decision making style³³ works at Ashoka because the leader, Drayton, has insufficient information on all the social entrepreneurs around the world and must rely on his followers to gather information. The followers of Ashoka also generally agree with the goals of the organization³⁴ (as shown by the majority of followers who

30 _____. 2005. America's Best Leaders: Q&A with Bill Drayton, founder of Ashoka. *U.S. News & World Report* (October 2005).

31 “The second bias that comes from focusing on individuals is a tendency to ignore the role of organizations and the resources they provide for pattern-breaking change. Researchers have long known that successful ideas require a mix of talents that is rarely found in one person. Indeed, the most compelling research on business entrepreneurship suggests that successful change requires a stream of capabilities including leadership, management, marketing, organizational design, and finance. Whereas philanthropists almost always focus on the individual, venture capitalists almost always focus on the leadership team and the organization to back it.” Light, Paul. 2006. Reshaping Social Entrepreneurship. *Stanford Graduate School of Business Stanford Social Innovation review* (Fall 2006).

32 “They generally have three to five people in a jury. After each candidate has gone through individual interviews with each juror, the panelists come together as a group. They score each factor on a three-point scale: one means excellent, two means 'meets our standard,' and three means 'doesn't meet our standard.' They put their scores on a chart and have a discussion about it. The discussion is not just based on impressions, it's based on the analysis. All decisions have to be unanimous. There is no voting. Generally speaking they are able to achieve consensus.”

<http://www.progenerations.com/articles/InterDavidBornstein.htm>

33 Nahavandi, Afsaneh. 2006. *The Art and Science of Leadership*. New Jersey: Pearson Prentice Hall. [pp. 142-148]

34 “My most important measure of organizational success is the proportion of my staff colleagues who have in fact

are also social entrepreneurs). Though Ashoka focuses on empowering individuals, their true goal is to create enough communities of change-makers that other individuals will be inspired by them, much in the way Drayton was inspired by Ghandi. Once everyone understands their ability to create change, a giant global network is created, through which participative decision making can take place.

To empower social entrepreneurs, Ashoka relies heavily on the path-goal contingency theory³⁵, which is basically a leadership model under which leaders remove obstacles so that workers can successfully accomplish their tasks. Adapting this theory to Ashoka, Bill and his colleagues find individuals working to improve an aspect of their community and assist them via financial support or entrepreneurial advice or connecting them with the right people to help achieve their goals. The tasks Ashoka fellows attack are often unstructured, complex and novel, and Ashoka helps the fellows by repeatedly asking them logical questions derived from Bill's favorite "how to"³⁶ questions, which poked at the holes in the social entrepreneurs' plans and encouraged them to rationally think how to fix them. Though Ashoka did not directly provide instructions to the fellows, they did encourage the fellows to analyze the obstacles in their way and create procedures for removing them.

Though there are many reasons for the success of Ashoka and Bill Drayton, his belief in himself and his ideas allowed Bill to seize an opportunity and create an organization that empowers social entrepreneurs around the globe to improve their societies via business logic. Much like Bill's vision of emissions trading took hold twenty years after the original idea, Ashoka's vision of a world where individuals have the power and confidence to change their own communities and society at large is gaining ground quickly. Soon, hopefully, people will laugh at the thought of "I'm just one person, I can't change the world."

entrepreneured something in the last year. We're over 50 percent." _____. 2005. America's Best Leaders: Q&A with Bill Drayton, founder of Ashoka. *U.S. News & World Report* (October 2005).

35 Nahavandi, Afsaneh. 2006. *The Art and Science of Leadership*. New Jersey: Pearson Prentice Hall. [pp. 168-170]

36 "What most fascinated Drayton about Gandhi were his 'how-tos'" Bornstein, David. 2004. *How to Change the World: Social Entrepreneurs and the Power of New Ideas*. India: Penguin Books. [pp 48]