Report and Thoughts on the Skoll World Forum on Social Entrepreneurship

29-31 March 2004 at Saïd Business School, Oxford UK

Richard Beresford, MicroAid.Net

"Ambassador At Large" for the Small Is Good World*

SOME NOTES FOR MICROAID CORE VALUES AND POSITIONING

Saïd Business School is a large new building strategically positioned next to the railway station in the heart of Oxford. Prince Charles welcomed about 300 delegates via a video message on Monday evening. Jeff Skoll, who appreciated following a Royal Family warm up, told us that we are in the age of the democratization of power where the best bets are placed on good people doing good things. "Enjoy each other," he said and we did.

Muhammad Yunus from Grameen Bank laid out the road map for the Forum as the transformation from philanthropy to business. From Social Enterprises with i) No cost recovery to ii) Some cost recovery to iii) 100% cost recovery and beyond. Grameen has illustrated how even beggars can be transformed into door-to-door salespeople. Social Entrepreneurs can be distinguished as those people who join the business market place not for personal gain but for a burning objective. He outlined a new world economy where social enterprises have an increasing share and even their own stock market but warned against the big destroying the small.

Geoff Mulgan, policy unit for No 10, based on meetings with many social entrepreneurs, found giving, humility and commitment as their leading virtues. In our world of plastic, capitalism innovates relentlessly to meet customers' need. New forms of smaller service organization are needed which Government can help to provide the legal and enabling environment. It is only when ideas take institutional form do they provide impact. SE is < 1% of GDP¹ and is dealing with amazingly complex multi-disciplined, location specific problems. "To every complex problem there is a simple answer and it's wrong! If you have a magic wand, send it to me."² Geoff Mulgan ended with a list of Research Topics on Social Entrepreneurship for the Saïd Business College. This was a theme throughout the Forum, which was a slightly disturbing dual focus of the Forum between practitioners and academics.

The next day Sally Gosberg, CEO of the Skoll Foundation, described the condition of world population (1 billion in poverty < \$1 day and another 2 billion population in 10 years with only 50 million from developing countries). The potential, for the Skoll vision of a peaceful and prosperous world, is packaged in the people themselves. Bill Drayton, Ashoka USA, outlined the new architecture of the global economy, where business and civil society communicate and work together in hybrids. He was pleased to note that at dinner parties that social entrepreneurs were more listened to than investment bankers.

Professor Lester Salamon, The Global Associational Revolution John Hopkins University, outlined the size of the \$1.33 trillion SE economy equal to the 7th largest national economy with 39.5 million jobs. Funding for SEs was 53% from fees, 35% from Government and only 12% from philanthropy. This differed according to country where in Pakistan for example 45% of SE funding is from Philanthropy.³ This SE revolution had grown from frustration of an educated population wishing to put things right and now assisted by telecommunications. The roles of a non-profit distributing Social Entrepreneur Organisation were as services to people not yet reached by normal commercial organisations, advocacy, expression, community building and value guardian (Individual initiative and the common good).

¹ This was later queried for the USA by Lester Salaomon who showed that Government accounting, the basis of national statistics, allocated many social enterprises fees and income into the receipts of commercial organizations.

² Comments later that solving complex problems needed a clear simple vision that all can work towards.

³ Source Book Reference Salamon 2002

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Confidence and donations in Non Profit sector is declining after 9/11 and the stock market collapse. The legitimacy, effectiveness and sustainability of SEs are the challenges for the future. Charles Leadbetter, Author & Founder Demos, described the mass innovation occurring as people take control of their own lives and warned against mimicking the large corporate business models (Sun Systems, Cisco) in social entrepreneurship. The self-organizing and collaborative organization of Linux that has the capacity for mass social adaptation (bottom up) was a good model to open up new markets. The user role changes to shared ownership and authorship, which is ideal for Community Based Organisations (CBOs). We should invest in scalable entrepreneurship.

Professor James Austin, Harvard Business School, stressed the importance of innovative leverage of resources through a collaborative continuum of partnership between private public and civil sector. Resources are levered first through philanthropy, then transactional into an integrated relationship. Case studies in Africa, USA, Asia and UK demonstrated the passion necessary to be a social entrepreneur.

Themes for moving social entrepreneurship forward included truth, acceptance of failure⁴, capturing impact, finding scale up and roll out solutions. Jerr Boschee, Institute of Social Entrepreneurs, suggested, based on over 30 years of experience with SEs, social entrepreneurs will need to focus on their niche⁵, to partner, to find market pull not push and realize their skills as either innovators, entrepreneurs or social enterprise managers. Core values are necessary -3 things in the organization that will never be compromised.

David Bornstein, author "*How to Change the World*" closed a long day with stories of social entrepreneurs and three main thoughts; 1. People are the potential; 2. Commitment is the blue print; 3. Distribution is the challenge to scale.

MICROAID CORE VALUES AND POSITIONING

MicroAid core values are:

- Targeting individual family potentials
- Supporting micro self-help projects
- Partnering commumnity based organization with global resources

MicroAid's positioning (niche) is the supplier of online technology for CBOs, social entrepreneurs and donor



organizations to realize the potential of disadvantaged families around the world.⁶

* **Richard Beresford** (left above) attended the <u>Skoll World Forum</u> as the unofficial "ambassador" of the Small Is Good World. Sohodojo and MicroAid are kindred spirits in the Social Enterprise space. We are representative of, and evangelists for, the "Small Is Good World" approach to social change. "Small" in this context is not about size or extent of impact. For more on this perspective, and to learn more about the **Sohodojo/MicroAid Project**, please read this article: <u>http://sohodojo.com/microaid-gets-it.html</u>.

⁴ A study of 814,000 small start ups in USA showed that it was seven years before profit and the product changed at least once.

⁵ Be a player -1 or 2 in the market or get out Drucker.

⁶ A further note is under preparation outlining the follow up action to be implemented with contacts made and the revision of marketing materials focus to realizing people potentials.