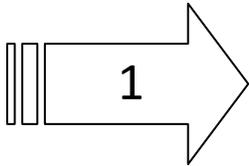
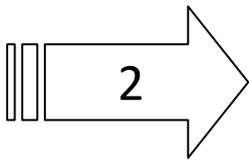


DEFINING CHARACTERISTICS OF A LEADING SOCIAL ENTREPRENEUR



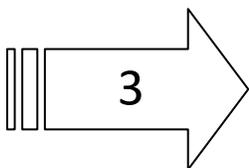
A Knock-out Initial Test: A New Idea

Is the person possessed by a truly new idea for solving a public need? Is it a truly transformational innovation, or just a tweaking of how things are now done? How is it different from what others do in this field?



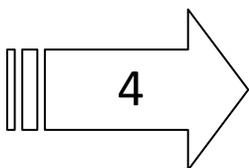
Creativity

Is the person creative—both in vision/goal-setting and in problem solving? How creatively does the person approach opportunities and obstacles—be they organizational or political? Does he/she create original solutions?



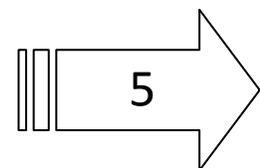
Entrepreneurial Quality

Is the person so committed to his/her vision that it is impossible for him/her to rest until the vision becomes the new pattern across society? Is the person willing to spend years relentlessly grappling with myriad, practical “how to” challenges (how to get to national scale, how to make the pieces fit together, etc.)?



Social Impact of the Idea

Is the idea likely to solve an important social problem at the national level or beyond? Is the idea itself sufficiently new, practical, and useful that people working in the field will adopt it once it has been demonstrated? If it is, how many people will be affected? How much will they benefit?



Ethical Fiber

Is the person totally honest? Would you instinctively trust him/her? (A quick intuitive test: Imagine yourself in danger and ask if you would feel fully comfortable if the candidate were with you.) Is his/her motivation deeply and firmly rooted in a commitment to serve others?

SELECTING LEADING SOCIAL ENTREPRENEURS

Ashoka: Innovators for the Public is a global association of leading social entrepreneurs—rare men and women who possess the vision, creativity, and extraordinary determination of the business entrepreneur—but who devote these qualities to introducing new solutions to societal problems. These unique individuals, found in all cultures, foresee the next step forward for their field (be it environment, education, community development or another area of human need). They then relentlessly pursue this vision until it has become the established new reality, not just locally, but all across society.

Ashoka helps them launch their visions and their careers. It also provides the framework and support that enables them to find and help one another and to articulate and share their professions' methodologies, especially the most effective approaches to bringing about structural social change. Even more importantly, it enables them to collaborate in attacking common problems where no single entrepreneur (or even a national group of entrepreneurs) can be as effective alone. Ashoka's job, in other words, is to provide key institutional support for the field of social entrepreneurship and its leading practitioners.

Each year Ashoka elects a small number of these leading social entrepreneurs into its fellowship making sure that it elects only genuinely outstanding social entrepreneurs whose work Ashoka believes will be truly and broadly pattern-changing. Ashoka, therefore, asks each individual involved in the selection process — Nominators, Representatives, Second Opinion Reviewers, Selection Panelists, and Board Members — to think only of quality. Each participant in the selection process should agree to the election of a candidate only if he or she is very personally convinced that there is a greater than fifty percent probability that the candidate and the idea together will change the field at least at the national level (while recognizing that this magnitude of change may take the next ten to fifteen years).

This document is intended to provide a uniform standard for use by all those participating in the selection process when judging prospective candidates. It explains what Ashoka means by a leading social entrepreneur and provides the key criteria and tests to use.

CRITERIA AND SELECTION GUIDE

Ashoka's value, especially as a fellowship, depends absolutely on its electing only the highest quality social entrepreneurs with the most powerful new ideas. In reviewing candidates, Ashoka applies one knock-out initial test and then four criteria.

1. Knock-out Test: A New Idea

Ashoka cannot elect someone to the fellowship unless he or she is possessed by a new idea—a new solution or approach to a social problem that will change the pattern in a field, be it human rights or health, or any other field at the national level (or across a broader region for small countries).

Ashoka does not invest in new schools or clinics per se. There must be a vision of reform for the education or health care system that promises to change schools or clinics all across the candidate's country or a broader region. If we cannot state clearly what the pattern-changing, new idea is, there is no viable candidacy. This is a tough but fairly clear hurdle. If there is no such new idea, it is a waste of everyone's time to continue through the rest of the review. Beyond this test, Ashoka has defined four core criteria that candidates for the fellowship must meet: creativity, entrepreneurial quality, social impact of the idea, and ethical fiber.

2. Criterion 1: Creativity

Successful social entrepreneurs must be creative both as goal-setting visionaries and in the essential follow-up problem solving. They must use their creativity day after day, year after year, to succeed. Creativity is also a wellspring of the entrepreneur's motivation. Because they own their vision, they are far more dedicated to making the idea the new reality than any employee could ever be. Creativity is not a quality that suddenly appears in mature mid-life; it is almost always apparent from youth onward. To assess how innovative an individual is, please probe the following questions:

- i. Does this individual have a vision of how he or she can meet some human need better than it has been met before? Is it his or her own idea?
- ii. Does he or she have a history of creating other new visions? Is this creativity evident in his or her earlier years? (In the relatively simple involvements of the school years it is often easier to identify who played what role in a group.) Look for a trail of new organizations or other innovations the candidate has created.
- iii. Does the individual have a track record of developing creative solutions to problems? How creative is the problem solving behind this idea? Is this problem solving clearly his or hers?
- iv. Is he or she likely to continue making creative contributions beyond this one idea throughout his or her lifetime?

3. Criterion 2: Entrepreneurial Quality

Ashoka is looking for the tiny number of people who are, by temperament, that rare phenomenon, the first class entrepreneur. This is the narrowest mesh of our four criteria. The entrepreneurial personality, whether applied to business or social concerns, is well understood and extremely distinct. Although there are thousands of creative people who have the ability to lead, to administer, or to “get things done”, few of these people will ever change the basic pattern in their field at the national level or beyond. Confusing one or more of these leadership qualities with the distinct personality for which Ashoka is looking is the most common mistake people make in applying this criterion. Although these qualities are helpful complements to the entrepreneurial personality type, they do not define it. “Entrepreneur” is loosely used to describe everything from the corner retailer to the big business bureaucrat.

Similarly, in the citizen sector, the term “social entrepreneur” might be used to describe the thousands of community leaders and large nonprofit organization administrators. These, however, are not the people we are talking about. What, then, does define “entrepreneurial quality”?

Ashoka is looking for men and women who are possessed by an idea; and who will persevere in refining, testing, and then spreading or marketing the idea until it has become the new pattern for society as a whole. We are looking for the Andrew Carnegies and the Steve Jobs’ of the citizen sector. People with this personality type are possessed by an idea. Almost always this idea has grown out of their entire life history. The interest began germinating when they were young. They then, more or less intuitively, put themselves through a long “apprenticeship” during which they mastered their field in great depth. They must know its history, people, institutions, anthropology, politics, and technology so well that they can see what the next historic step for the field is and how to bring it about. Their personality dictates that they pursue this path.

When they know they have an idea that will change their field, and when they sense they have the personal skills to run with the idea, they have reached the magic turning point in their lives, the moment when the entrepreneur springs into action. They commit their whole being to making that idea the next chapter in the history of their field. They have little interest in anything else. They know intuitively that they are willing to spend the next ten to fifteen years making that historical development take place. Their idea is their mission. This total absorption is critical to transforming the new idea into a reality and it is for this reason that Ashoka absolutely insists that

candidates commit themselves fulltime to their ideas during the launch phase. If the candidate is not willing to do so, then either the candidate has not developed the idea to the point where he or she is confident that it will successfully change the pattern in the field, at least nationally, or he or she is not an entrepreneur. Since the two most difficult judgments Ashoka must make are whether or not someone has the leading entrepreneur's temperament and whether he or she is ready to move from the apprenticeship stage to the launch point, it is important that candidates demonstrate both with actions and words that they are ready to launch their idea. This is a very key test for Ashoka. Because true entrepreneurs cannot rest until their ideas have become the new pattern for their society, they design their ideas with that end constantly in mind. For them something that works locally but not society-wide is a dead-end detour they instinctively reject and avoid.

They are as interested in the practical implementation or "how-to" questions as they are in the vision itself. How will they transform an idea into society's new norm? How will the pieces fit together? How will they deal with the many challenges they will certainly encounter? From early morning to late at night, year in and year out, they constantly listen to their environments, seek out threats or opportunities that might affect their ideas, and iteratively refine their ideas until they are so well thought out that they will succeed at the national level and beyond. Other personality types not driven by this compulsion will commonly not design their ideas so that they are capable of spreading broadly. True entrepreneurs are the ultimate realists. They do not seek to make political statements, nor do they want to be burned at the stake. Entrepreneurs want their ideas to work; that is what counts. This means that, even if they are immature in other ways, when it comes to working on their ideas, they absorb the realities around them with great sensitivity and fidelity. If there is a flaw in their design, they will change the design. They are not ideological about their ideas. And they are certainly not ideological in any broader sense: ideology closes the mind to absorbing reality sensitively. True entrepreneurs must be both great visionaries and extraordinarily detailed engineers committed to the persistent pursuit of all the practical "how-to" issues that must be resolved for a new idea to fly.

Others often describe entrepreneurs as "risk takers". From the outsider's perspective, the leaps the entrepreneur takes do seem risky. However, the undertaking looks like a reasonable investment to the entrepreneur because he or she has thought through the idea with great attention to how it will work once it is set in motion. He or she has carefully considered every aspect of how the idea will be moved through the series of steps from the point of conception to its establishment as the new pattern. In fact, the entrepreneur is only willing to take steps that he or she believes will lead to success. (As David McClelland pointed out in *The Achieving Society*, the entrepreneur is an entirely different personality type from the bazaar trader or the gambler.)

The entrepreneur will stick with an idea through thick and thin over the long term. That drive, that extraordinary persistence, is a quality that sets leading entrepreneurs visibly apart from most other people. What others see, moreover, is only a shadow of that quality since its chief field of action is within the entrepreneur's mind, a realm that others rarely understand because they are quickly bored by the degree of detail and thoroughness with which the entrepreneur pursues his or her thinking. The entrepreneur, once one understands this pattern, is easily distinguished from other personality types. The scholar, the artist, and the poet are satisfied when they see a vision and can express it. They do not have the compulsion to make it a reality. The professional, the manager, and the social worker are satisfied when they have solved the needs of their particular clients or organization. In contrast, the entrepreneur cannot rest until his or her vision has become the new norm society-wide. Everything else follows from this central psychological truth. The leading social entrepreneur is profoundly different. That is why we must be so strict in applying this criterion.

There are a number of tests that flow from the above understanding of the entrepreneurial temperament and which are key to applying this criterion rigorously:

- I. Does this man or woman truly have a concrete idea of a different future for this field? This idea must not be a vague description of a goal; it must be a concrete engineering plan—both of how this new idea will work and of how to get there.
- II. Is he or she possessed by this idea? Is it obvious that this person is not going to be able to rest until his or her idea has become the new pattern? Is he or she unquestionably willing and eager to jump into this endeavor full-time? Is he or she facing up stoutly to the skepticism of the conventional minded? Has he or she shown such a committed pattern before?
- III. Does he or she have the realism of the entrepreneur? How well does he or she absorb the realities of the environment? Does he or she listen well? Is he or she free of ideological fetters? Is the idea realistic—on all dimensions, ranging from the technical to the political?
- IV. Is this person as concerned with the practical engineering questions as with the vision? Does he or she have a good “how-to” map? When you press this person on “how-to” questions down to the second, third, and fourth level, does he or she light up with enthusiasm and engage with you? (This last is an extremely valuable test. The idealist simply will not have thought things through in this way. The true entrepreneur, by contrast, is almost always starved for the

opportunity to discuss these sorts of issues with others and will generally truly enjoy an opportunity to do so in any depth.)

- V. Did this person in the earlier stages of his or her life show the determination, ingenuity, thoughtful attention to detail, and realism that characterize the entrepreneur? Has he or she taken surprising, perhaps even apparently risky, initiative before to do things differently or to cause others to do things differently? Has this person been oriented towards delivering results, not just doing a job and not just desiring to get ahead? Most successful entrepreneurs have demonstrated such patterns of behavior since childhood.

4. Criterion 3: Social Impact of the Idea

Successful social entrepreneurship needs not only an extraordinary champion to develop an idea but a powerful, practical new idea that will spread on its own merits. Therefore, this criterion, unlike the other three, focuses on the candidate's idea, not the candidate. Ashoka is only interested in ideas that it believes will change the field significantly and that will trigger nationwide impact or, for small countries, broader regional change. (The ideas we back almost always have the potential to transcend national boundaries.) Ashoka will not support the launch of a new clinic or school unless it is part of a broader strategy to reform the education or health care system at the national level or beyond.

The first question to ask in applying this criterion is:

“Assuming that the entrepreneur behind this idea succeeds in demonstrating it in one place but then disappears, would people in that field look at that demonstration and perceive it to be so new, practical, feasible, and attractive that they would pick it up and bring it into their work?” In other words, would it spread on its own merits?

Assuming that the answer to this question is yes, a second set of questions will help assess the social impact of the idea:

- I. How many people will benefit?
- II. How much will they benefit?

5. Criterion 4: Ethical Fiber

Although Ashoka staff make every effort to evaluate a candidate's ethical fiber through numerous interviews and reference checks, this criterion is so important to Ashoka that we ask every participant in the selection process to evaluate each and every candidate

for this quality rigorously. To do so requires one to resort to instinct and gut feelings, not just rational analysis. The essential question is: “Do you trust this person absolutely?” A particularly helpful test is: “If you were in a dangerous situation, would you relax if this person were with you or would you feel a slight twinge?”

This is a knock-out, fundamental criterion for three reasons:

- I. Social entrepreneurs introducing major structural changes to society, in effect, have to ask a great many people to change how they do things. If people do not trust the entrepreneur, the likelihood of success is significantly reduced.
- II. The world already has enough untrustworthy public leaders. Ashoka does not want to add to the supply.
- III. The quality of Ashoka’s collaborative fellowship is dependent upon the free exchange of information and insights. The presence of someone at a fellowship meeting who the other members do not trust will chill the free flow of discussion and inhibit other forms of sharing.

Because this criterion is so important, Ashoka asks everyone involved in the selection process to stretch themselves to bring their intuitive skills to the surface. In fact, the human ability to know whether or not to trust another human is one of the most highly developed and essential survival skills we have evolved over millions of years. Every day we make decisions using this instinct. Psychological studies have shown that it is extraordinarily acute. However, we have been trained not to express these intuitions easily.

Some people find it helpful to apply the “cliff edge” or “hold the snake” test to bring their instinctual abilities to the surface. Imagine whatever situation is most likely to make you feel instantly fearful. A cliff edge on a dark and stormy night works if you are afraid of heights. For others, the prospect of holding a large snake does the job. For the claustrophobic, a stuck and blackened elevator will do the trick. Then imagine the candidate with you. If you feel a slight sensation of anything other than comfort, your instinct has spoken. Please listen to it and share its verdict.