The HBS Social Enterprise Initiative’s 25th anniversary event, *Frontiers of Change: 25 Years of Social Enterprise at HBS*, brought together over 300 of the world’s leading social enterprise leaders, government officials, corporate executives, and experts in social innovation and change from academia and industry.

SEI’s faculty cochairs Kash Rangan and Dutch Leonard and SEI Director Matt Segneri (MBA 2010) were grateful for the high level of engagement from attendees throughout the series of sessions that sought to explore the history of social enterprise at HBS and around the world over the last 25 years, assess the current state of the field and its most pressing issues, and look at new ideas and innovations to tackle society’s toughest challenges.

The following pages attempt to capture many of the key concepts raised in each of the panels, fireside chats, flash talks, and interactive discussions that ran throughout the two days. We hope these content summaries can provide record of and insight into the thinking about the past, present, and future of social enterprise.
What feels impossible to capture in the pages that follow is the sense of community amongst the many problem-solvers in Klarman Hall—alumni, students, faculty, staff, and leaders in the field. We hope that the connections made at the convening—and the insights contained in this summary—will continue to solidify and grow the social enterprise community at HBS and beyond.

Thank you for being a part of this community, keeping in mind Dutch Leonard’s words at the conclusion of the convening: “We’re gathered here to celebrate, but we see this as an opportunity to think of the last 25 years as prelude. There is so much more work to be done.”

Sincerely,

THE HBS SOCIAL ENTERPRISE INITIATIVE TEAM
PRE-CONFERENCE SESSION, FRIDAY, MAY 3, 2019: 1:30–3:00 P.M.

ON POINTE: TRANSFORMING BOSTON BALLET IN MODERN TIMES

THE BIG IDEA

Many parallels exist between the private sector and the arts management world; in fact, challenges facing nonprofit leaders are similar to those facing traditional entrepreneurs. HBS alumni recognize that their business skills can deliver value to arts organizations. Their efforts in the nonprofit executive suite and boardroom at Boston Ballet have resulted in a thriving nonprofit and personally fulfilling work.

SESSION CONTEXT

Panelists discussed how business practitioners and performing artists are working together at Boston Ballet to build a financially sustainable and creatively vibrant organization. They discussed the organization’s approach to programming, education, and governance.

“In the nonprofit arts, every financial decision is also an artistic decision, and vice versa. If the executive director doesn’t have data and analysis skills, you will be disadvantaged as an organization.”

Mikko Nissinen

“The biggest opportunity is keeping the art relevant and Mikko does that well. The biggest challenge is making sure that our management practice supports that vision.”

Ming Min Hui

MODERATORS:

ROHIT DESHPANDE
Sebastian S. Kresge Professor of Marketing

HENRY W. MCGEE
MBA 1979, Senior Lecturer of Business Administration

PANELISTS FROM BOSTON BALLET:

MEREDITH “MAX” HODGES
MBA 2010, Executive Director

MING MIN HUI
MBA 2015, Chief of Staff

JACK R. MEYER
MBA 1969, Chairman, Board of Trustees

MIKKO NISSINEN
Artistic Director
ON POINTE: TRANSFORMING BOSTON BALLET IN MODERN TIMES

KEY TAKEAWAYS

BOSTON BALLET’S PRODUCT / SERVICE PORTFOLIO IS SHAPED BY A FOCUS ON MISSION FULFILLMENT AND SUSTAINABILITY.

Hodges relies on a matrix she learned from HBS Professor Allen Grossman that emphasizes mission fulfillment and margins that provide sustainability:

- Quadrant 1: Mission fulfilling, positive gross margin activities. Popular performances like the Nutcracker fall into this category, as does Boston Ballet School. With around 6,000 students, the school provides broad public education and builds future generations of dance audiences.
- Quadrant 2: Mission fulfilling, negative margins. Most programming is in this category. It is supported through earned income and fundraising.
- Quadrant 3: Non-mission fulfilling, positive margins. While this quadrant isn’t ideal, a few programs are acceptable if they don’t take too much time away from other activities.
- Quadrant 4: Non-mission fulfilling, negative margins. This quadrant is to be avoided.

To keep Boston Ballet relevant for audiences, Nissinen focuses programming on:
1. Academic classical works like Sleeping Beauty, Don Quixote, and Giselle
2. Neoclassical works that are more abstract, such as those by Balanchine
3. Contemporary choreographers like William Forsythe who represent the path to the future

HBS ALUMNI ARE USING THEIR BUSINESS EXPERTISE TO HELP BOSTON BALLET SURVIVE AND THRIVE.

During the 2008 financial crisis, performing arts organizations were hit hard. Boston Ballet faced a $3 million shortfall. Artistic Director Mikko Nissinen asked Boston Ballet supporter Jack Meyer to join the board. Meyer accepted for three reasons:
- He saw Boston Ballet as an important arts institution for Boston.
- He recognized that Nissinen had elevated the company’s reputation in a short period of time.
- He believed the organization represented a good case study: the $3 million gap could be closed through expense reductions, increased ticket sales, and school revenue.

Over the next year, a small group met weekly at Meyer’s office and turned around Boston Ballet.

In 2014, Max Hodges joined Boston Ballet as Executive Director. She found the marketing team skilled at gathering and analyzing audience data, but the team needed to use data to change behaviors. Boston Ballet has since successfully grown audiences by focusing on 1) an exceptional artistic product, 2) dynamic pricing strategies based on demand, 3) high-quality content that stimulates demand, and 4) new performance scheduling approaches.

While at HBS, Ming Min Hui discovered Boston Ballet through the HBS Leadership Fellows Program. She joined full time in 2015 as Chief of Staff. She works with the artistic director, who concentrates on programming, and the Executive Director, who is in charge of the business. All feel that the natural tension that exists is healthy.

OPPORTUNITIES EXIST FOR HBS STUDENTS AND ALUMNI TO CONTRIBUTE TO THE ARTS IN MULTIPLE WAYS.

Many HBS MBAs are unaware of parallels between the private and nonprofit sectors. As Ming Min Hui noted, “Nonprofit life is kind of like a perpetual startup.” Highlighting the similarities between nonprofit and entrepreneurial work is an effective way to attract MBAs to come work in the arts. At HBS, Rohit Deshpandé and Henry McGee team teach an MBA elective course, Arts and Cultural Entrepreneurship. Student teams work with arts organizations on pro bono consulting projects.

Board membership is another way HBS alumni participate in nonprofits. In performing arts organizations, the most effective board members not only attend board meetings, but they also “jump on the bus.” That means attending performances, bringing friends, taking a table at galas, coming on tours with the company, and getting to know the performers.
ALUMNI PATHWAYS IN SOCIAL ENTERPRISE

MODERATORS:

JAMES E. AUSTIN
MBA 1968, DBA 1972, Eliot I. Snider and Family Professor of Business Administration, Emeritus; Former Faculty Cochair, HBS Social Enterprise Initiative

HOWARD H. STEVENSON
MBA 1965, DBA 1969, Sarofim-Rock Baker Foundation Professor, Emeritus

THE BIG IDEA

Alumni are making a difference by using problem-solving skills honed at HBS to solve social problems. While alumni have very different social enterprise journeys, common themes are a deep desire to make a difference and the ability to build trust and foster cooperation.

SESSION CONTEXT

Howard Stevenson shared insights from Problem Solving: HBS Alumni Making a Difference in the World. This book showcases findings from surveys and interviews with hundreds of alumni making a difference through social enterprise. Session participants also shared reflections from their social enterprise experiences.

“THE STORY OF HBS GRADUATES IS A STORY OF SOCIAL IMPACT IN EVERY FIELD. IT’S AMAZINGLY INSPIRING.”

HBS ALUMNI ARE LEVERAGING THEIR PROBLEM-SOLVING SKILLS TO ADDRESS SOCIAL PROBLEMS.

HBS admits students who have shown leadership and provides an environment that emphasizes problem-solving; this is the crux of HBS’s MBA experience. After graduation, alumni use these skills for more than just increasing shareholder value; they solve important societal problems. Worldwide, HBS alumni are solving problems in all aspects of society—education, health, the environment, economic development, arts and culture, and more.

Interviews with over 250 alumni found graduates engaged in areas including finance for social purpose, capacity building; product marketing innovation, social and political action, and legislative and regulatory actions.

Alumni are also engaged in solving problems at different levels, such as: 1) ameliorating symptoms of individuals in need, 2) identifying and solving root causes, and 3) changing entire processes or systems. When alumni or students are wrestling with where to devote their energy, Stevenson says that since solutions are needed at all levels, “Solve problems that are important to you.”

EXPERTS ANTICIPATE MAJOR CHANGES IN HOW CAPITAL FLOWS TO THE SOCIAL SECTOR.

In reflecting on lessons learned from their social enterprise journeys, participants advised fellow attendees to build trust, cooperate, forge your own journey, have humility, serve others, tell stories to illustrate and persuade, and create sustainable models. Jim Austin summarized, “Trust is at the heart of all effective collaboration.”
A GROUP CONVERSATION WITH HBS’S (SOCIAL) ENTREPRENEUR-IN-RESIDENCE

MODERATOR: SARAH E. ENDLINE
MBA 2001, CEO, RIOT Strategic Advisory

“MY HIGH COMES FROM REALIZING THAT THIS IS A MOVEMENT OF PEOPLE WHO ARE INTERESTED IN USING PROFIT WITH PURPOSE; IT IS A MOVEMENT THAT IS MUCH LARGER THAN US, AND WE ARE NOT ALONE.”

MBA ALUMNI ATTENDEE

SESSION CONTEXT
Participants in this small group session have led a wide range of endeavors as social entrepreneurs. Endline led the session by encouraging people to learn from each other’s experiences. By identifying highs and challenges, the group was able to focus on specific, common themes. Towards that end, participants described high points, shared personal and organizational challenges, and offered insights on coping with these challenges.

THE BIG IDEA
Social entrepreneurs work with focus and passion to address important social problems. But social entrepreneurship presents common challenges such as scaling, succession, and overcoming barriers. Personally, social entrepreneurs are hungry for community, recharging, and defining what’s next.

Greatest Highs
• Inspiring and enabling others
• Seeing tangible impact
• Achieving proof of concept
• Creating a wave of excitement and support

Biggest Challenges
• Having to overcome entrenched opposition
• Scaling success; making it bigger
• Forming partnerships and collaborations
• Finding a new leader to go to the next level
• Figuring out “what’s next”

KEY TAKEAWAYS
“THE POWER IS IN THE ROOM” FOR SHARING PERSPECTIVES AROUND CHALLENGES.

Because being a social entrepreneur is extremely stressful, tactics are needed for renewal.

Participants acknowledged experiencing the normal stresses of entrepreneurs in securing financing, developing products, driving change, overcoming opposition, dealing with politics and regulation, and attracting top talent attracting top talent, all while striving to achieve a meaningful social impact.

While inspired by their missions, social entrepreneurs can feel overwhelmed and isolated. Participants concurred on the need to recharge, be inspired by others, and be exposed to creative ideas. That’s why they came to SEI25—to renew their passion for social entrepreneurship and be part of a community of social entrepreneurs. Other strategies for dealing with stress include allotting time for reflection, working with a coach, and be part of a community of fellow change-makers.
SERVICE TO SOCIETY

MODERATOR:
THOMAS J. TIERNEY
MBA 1980, Chairman and Cofounder, The Bridgespan Group; Chair, HBS Social Enterprise Initiative Advisory Board

PANELISTS:
LAWRENCE S. BACOW
President, Harvard University; Professor of Public Policy

NITIN NOHRIA
Dean of the Faculty, Harvard Business School; George F. Baker Professor of Administration

JACQUELINE NOVOGRATZ
Founder and CEO, Acumen

THE BIG IDEA
In recent decades, hundreds of millions of people have been lifted out of poverty; we’ve seen significant advances in health care; more people have access to food, healthcare, and education—and social enterprise is responsible for making a difference in many people’s lives. Yet much more remains to be done. Much of society today is skeptical about business, higher education, and institutions. In the face of this skepticism, the idealism and optimism of today’s youth provide hope. The key to solving some of society’s most complex problems is focused partnerships.

SESSION CONTEXT
In setting the stage for Frontiers of Change, the panelists looked back at the past 25 years, identified major challenges today, discussed what excites them most, and offered ideas to accelerate impact.
The panelists looked back at the past 25 years, offering thoughts on social enterprise at Harvard Business School, on higher education, and on the social sector. Tom Tierney reminded everyone that fewer people are living in poverty and dying from diseases, more people can eat and read, and women have more rights. Panelists made observations on SEI, higher education, and the social sector.

**LOOKING BACK AT THE PAST 25 YEARS THROUGH DIFFERENT LENSES PROVIDES DIFFERING PERSPECTIVES.**

Jacqueline Novogratz said that social enterprises are not new. There were great social entrepreneurs in the 1970s and 80s who led the way in addressing major societal problems. Presently, many in society feel the institutions of the past no longer work, but we have not yet reimagined new institutions. Novogratz termed the past few decades as a time of technological revolution. She asserted the next chapter needs to be a moral revolution focused on community, service, and purpose.

Novogratz summarized her lessons learned in the social sector: invest in character, learn to partner with humility, measure social impact from a systemic perspective, and focus on collective leadership rather than on the individual entrepreneur.

Tom Tierney described the social sector challenges as harder than those in the private sector, but incredibly fulfilling. He sees a growing focus on capacity building and scaling impact.

**THE SOCIAL SECTOR NEEDS A NEW REVOLUTION.**

President Bacow said higher education has enabled the American Dream for so many, including himself. In addition to transforming individual lives, higher education has produced innovations in all fields, leading to new technologies, treatments, and industries. But a significant change has occurred in that, today, many in society now question the value of higher education and of educational institutions. Support for public education is eroding. Factors shaping these opinions include the rising expense of education, which limits access, and a view that institutions are not open to new ideas or don’t embrace free speech.

President Bacow said higher education has enabled the American Dream for so many, including himself. In addition to transforming individual lives, higher education has produced innovations in all fields, leading to new technologies, treatments, and industries. But a significant change has occurred in that, today, many in society now question the value of higher education and of educational institutions. Support for public education is eroding. Factors shaping these opinions include the rising expense of education, which limits access, and a view that institutions are not open to new ideas or don’t embrace free speech.

**HIGHER EDUCATION IS UNDER GREATER SCRUTINY THAN EVER.**

SEI’s 25th anniversary is a significant milestone. Exactly 25 years ago, an initiative like this was something new and unique. HBS was the pioneer. Now it has spread to business schools across the globe. Today, Dean Nohria explained, HBS is preparing students to make a difference through business, social enterprises, nonprofits, and government. Alumni are engaged in social change in all sectors and geographies. Yet, despite the progress, it is not necessarily a time for celebration. Many in society are questioning capitalism and the role of business while today’s societal problems demand increasingly complex solutions.

**SOCIAL ENTERPRISE IS NOW MAINSTREAM AT BUSINESS SCHOOLS.**

As the pace of change accelerates, many people feel unsettled and left behind. They lack trust in institutions and in each other. There is a degraded public discourse as well as heightened anxiety, fueled on a daily basis by events such as acts of violence or storms related to climate change. There is a great deal of worry and an erosion of faith, and it can be difficult for many to find hope.

President Bacow sees hope and optimism among today’s students, whom he characterized as idealistic, optimistic, caring, and committed. Dean Nohria said, “We have to reform existing institutions.” But he sees signs of progress in that business leaders are starting to claim that businesses need to be driven by a sense of purpose; this is the beginning of the moral revolution that Novogratz discussed. The challenge becomes translating this sense of purpose into execution, which will be difficult and will take time.

President Bacow said higher education has enabled the American Dream for so many, including himself. In addition to transforming individual lives, higher education has produced innovations in all fields, leading to new technologies, treatments, and industries. But a significant change has occurred in that, today, many in society now question the value of higher education and of educational institutions. Support for public education is eroding. Factors shaping these opinions include the rising expense of education, which limits access, and a view that institutions are not open to new ideas or don’t embrace free speech.

President Bacow said higher education has enabled the American Dream for so many, including himself. In addition to transforming individual lives, higher education has produced innovations in all fields, leading to new technologies, treatments, and industries. But a significant change has occurred in that, today, many in society now question the value of higher education and of educational institutions. Support for public education is eroding. Factors shaping these opinions include the rising expense of education, which limits access, and a view that institutions are not open to new ideas or don’t embrace free speech.

**THE EROSION OF CONFIDENCE, FAITH, AND TRUST IN INSTITUTIONS REQUIRES PURPOSE AND TRANSFORMATION.**

President Bacow said higher education has enabled the American Dream for so many, including himself. In addition to transforming individual lives, higher education has produced innovations in all fields, leading to new technologies, treatments, and industries. But a significant change has occurred in that, today, many in society now question the value of higher education and of educational institutions. Support for public education is eroding. Factors shaping these opinions include the rising expense of education, which limits access, and a view that institutions are not open to new ideas or don’t embrace free speech.

President Bacow said higher education has enabled the American Dream for so many, including himself. In addition to transforming individual lives, higher education has produced innovations in all fields, leading to new technologies, treatments, and industries. But a significant change has occurred in that, today, many in society now question the value of higher education and of educational institutions. Support for public education is eroding. Factors shaping these opinions include the rising expense of education, which limits access, and a view that institutions are not open to new ideas or don’t embrace free speech.

**INCREASING AND AMPLIFYING IMPACT REQUIRES PARTNERSHIP AND FOCUS.**

President Bacow said higher education has enabled the American Dream for so many, including himself. In addition to transforming individual lives, higher education has produced innovations in all fields, leading to new technologies, treatments, and industries. But a significant change has occurred in that, today, many in society now question the value of higher education and of educational institutions. Support for public education is eroding. Factors shaping these opinions include the rising expense of education, which limits access, and a view that institutions are not open to new ideas or don’t embrace free speech.

President Bacow said higher education has enabled the American Dream for so many, including himself. In addition to transforming individual lives, higher education has produced innovations in all fields, leading to new technologies, treatments, and industries. But a significant change has occurred in that, today, many in society now question the value of higher education and of educational institutions. Support for public education is eroding. Factors shaping these opinions include the rising expense of education, which limits access, and a view that institutions are not open to new ideas or don’t embrace free speech.

President Bacow said higher education has enabled the American Dream for so many, including himself. In addition to transforming individual lives, higher education has produced innovations in all fields, leading to new technologies, treatments, and industries. But a significant change has occurred in that, today, many in society now question the value of higher education and of educational institutions. Support for public education is eroding. Factors shaping these opinions include the rising expense of education, which limits access, and a view that institutions are not open to new ideas or don’t embrace free speech.
FRIDAY, MAY 3, 2019: 5:30–6:30 P.M.

THE FUTURE OF SOCIAL ENTERPRISE

MODERATOR:

V. KASTURI “KASH” RANGAN
Malcolm P. McNair Professor of Marketing, Harvard Business School; Faculty Cochair, HBS Social Enterprise Initiative

PANELISTS:

JOEL L. FLEISHMAN
Professor of Law and Public Policy and Director of the Center for Strategic Philanthropy and Civil Society, Duke University; Director of the Heyman Center on Ethics, Public Policy and the Professions

JOANNA M. JACOBSON
MBA 1987, Founder and Managing Partner, Strategic Grant Partners; President, One8 Foundation

NANCY ROOB
CEO, Blue Meridian Partners; President and CEO, The Edna McConnell Clark Foundation

THE BIG IDEA

Over the next 30 years, due to intergenerational wealth transfer, roughly $222 billion per year is expected to flow into the social sector. How can these streams of capital come together to create incentives for achieving significant and lasting impact? A new infrastructure is needed to match philanthropists with investment opportunities. Also, more intentional work is required to address issues of inequity.

“WE MUST WORK HAND IN GLOVE WITH PHILANTHROPY AND GOVERNMENT AGENCIES TO SHIFT SYSTEMS PERMANENTLY. WE CAN’T TREAT THE SOCIAL SECTOR AS A SIDE-POCKET ENTITY TO ADDRESS PROBLEMS AND FORGET THE BIGGEST PARTNER, WHICH IS THE GOVERNMENT.”

JOANNA M. JACOBSON

SESSION CONTEXT

Panelists discussed the social sector landscape with a focus on donor trends, access to capital, and partnerships with government agencies at all levels. They suggested changes to existing social enterprise systems that would help nonprofits scale successful projects and generate greater impact.

“THE PRIVATE SECTOR HAS A CAPITAL MARKET THAT REWARDS PERFORMANCE AND INNOVATION. NO EQUIVALENT EXISTS IN THE SOCIAL SECTOR. THE BIGGER AND BETTER A NONPROFIT IS AT SOLVING PROBLEMS, THE LESS LIKELY IT IS TO HAVE ACCESS TO FUNDING.”

NANCY ROOB
THE FUTURE OF SOCIAL ENTERPRISE

KEY TAKEAWAYS

1. OVER THE NEXT 30 YEARS, THE NONPROFIT SOCIAL SECTOR IS EXPECTED TO SEE HUGE INCREASES IN FUNDS.

Over the next 30 years, the social sector is expected to see about $222 billion flow into the sector each year as a result of intergenerational wealth transfer and the amount expected to shift into philanthropic focus on the social sector. This will be a dramatic increase, representing about half of the current $400 billion in philanthropic giving. These estimates are based on four data points:

1. Intergenerational wealth transfer is predicted to total $20 to $30 trillion over the next 30 years, equating to roughly $666 billion per year.
2. Historical data shows that one third of intergenerational wealth transfer typically goes to philanthropy. This suggests around $222 billion will come into the social sector each year for 30 years.
3. The nonprofit sector is $1.8 trillion, representing 10% of the economy. Of that, health care and higher education account for around $1 trillion.
4. Of the nonprofit sector’s remaining $800 billion, roughly one third is from earned revenue, ticket prices, and fees for services. Approximately another third comes from the government through grants and aid. After subtracting these categories, nonprofit philanthropy is almost $400 billion.

2. TO SCALE IMPACT, THE SOCIAL SECTOR MUST PARTNER WITH THE GOVERNMENT.

Private philanthropy has the freedom to innovate and take risks. With this in mind, philanthropists and the social sector should collaborate on high-risk innovation to demonstrate that new ideas work. The social sector must then work with the government to implement and scale successful ideas.

In Blue Meridian Partners’ work, government is a critical partner for scaling impact. The best social sector efforts are multisector and involve the government. The United States has a long history of successful nonprofit projects being turned over to the federal government to scale. An example is the 911 emergency response number, initially funded by a grant from the Robert Wood Johnson Foundation.

As Joel Fleishman noted, government influences what the nonprofit sector looks like but philanthropy can’t change government. To change government, Americans must elect different people.

3. EXPERTS ANTICIPATE MAJOR CHANGES IN HOW CAPITAL FLOWS TO THE SOCIAL SECTOR.

To address the world’s inequities, both behavioral and structural change are required. Social sector leaders must lead differently and philanthropic leaders must invest in new ways. Lack of access to unrestricted growth capital is a major constraint for social sector leaders.

One alternative to traditional grant proposals is investor prospectuses in which social sector leaders outline their vision for change and impact. Philanthropists could use these to identify promising opportunities, co-invest with others, and fund initiatives in a holistic way that enables social sector leaders to solve problems on national and regional levels.

To make this a reality, an intermediating market is needed. Blue Meridian Partners, for example, finds leaders and strategies that are poised to solve problems. Then it takes an investment perspective to bring funding together.

4. MORE INTENTIONAL SOCIAL ENTERPRISE WORK IS REQUIRED TO ADDRESS ISSUES OF INEQUITY.

Most philanthropy goes to education, health care, religious institutions, and the arts, while only a small proportion goes to addressing social problems experienced by people living in poverty. A recent Bridgespan analysis of philanthropic gifts $25 million and over found that around 70% went to higher education, health, and hospitals, while less than 5% went to strategies addressing inequity.

Nancy Roob also noted that only a tiny percentage of funding today goes to organizations that serve and are led by communities of color. She suggested that the only way to change that is to act in significant and intentional ways. This issue will not resolve itself without deliberate intervention.

Mentor V. Kasturi “Kash” Rangan
CHARTING NEW PATHS FOR SOCIAL ENTERPRISE

MODERATORS:

**JULIE BATTILANA**
Joseph C. Wilson Professor of Business Administration, Harvard Business School; Alan L. Gleitsman Professor of Social Innovation, Harvard Kennedy School; Founder and Faculty Chair, HKS Social Innovation and Change Initiative

**MITCHELL B. WEISS**
MBA 2004, Professor of Management Practice; Richard L. Menschel Faculty Fellow

PANELISTS:

**PATRICIO “PATO” BICHARA**
MBA 2015, CEO and Cofounder, Collective Academy

**ADEM T. BUNKEDDEKO**
MBA 2017, Strategy and Innovation Officer, Local Initiatives Support Corporation

**REBECCA L. FEICKERT**
MBA 2018, CEO and Founder, Trey Athletes

**JEAN GUO**
MBA/MPP 2020, CEO and Cofounder, Konexio

THE BIG IDEA

For decades, HBS’s Social Enterprise Initiative has inspired people to apply entrepreneurial talent to problems in society. Diverse paths to social enterprise exist, ranging from citizen-centered engagement to government as a platform. Success depends on aligning mission with societal needs, bold action, and innovation. The lines between the private and nonprofit sectors are blurring as corporations consider their impact on communities, the environment, customers, and employees. Cross-sector solutions will become the norm.

“You have to follow your heart and see where it leads you. You must be intelligent about your decision-making along the way, but you simply can’t wait for the right time to act.”

REBECCA L. FEICKERT

SESSION CONTEXT

Panelists discussed different approaches to social impact based on their unique entrepreneurial pathways. They offered a fresh look at social enterprise, challenges associated with this work, and lessons learned from their personal experiences.
Each of the four social entrepreneurs identified a strong need in the community and took action. The panelists shared their pathways into social enterprise:

- **Public service.** After graduating from HBS, Adem Bunkeddeko saw politics as a way to make a difference. He saw a need for a better kind of politics in New York City and recognized the urgency around this, running for office in his congressional district in Brooklyn, New York.

- **Life skills and empowerment for youth athletes.** Rebecca Feickert was inspired by high school and college athletes who have the ingredients to become great leaders, yet are uncertain how to transfer those skills into a coherent life after sports. She recognized that the problem is bigger than sports. It’s about social justice, economic equality, and education. HBS provided Feickert with the education, network, and time to think about this issue more deeply. She and a team with complementary skills created Trey Athletes.

- **Digital training for refugees and migrants.** Unemployment is a major issue facing 70 million displaced people worldwide. In Europe, it takes nearly 20 years for humanitarian migrants to reach the same employment levels as nationals. Jean Guo saw wasted opportunity and founded Konexio to provide digital training to refugees and migrants in Paris.

- **Rethinking higher education in Mexico.** Prior to HBS, Pato Bichara worked for Bain Mexico. In addition to consulting, he led recruiting. After visiting Mexican universities, he realized graduates lacked essential skills like using Excel, making presentations, or navigating career transitions. These experiences inspired him to start the Collective Academy, which is based on three principles: high-quality education, coursework relevant to today’s workplace, and financial accessibility. It helps high-potential individuals accelerate their careers. It also works with companies to develop workplaces that attract millennials and high potentials.

SUCCESS IN SOCIAL ENTERPRISE REQUIRES BOLD ACTION AND INNOVATION.

Based on their experiences, the panelists offered three lessons learned:

1. Progress is often confrontational. To make change, you must confront issues that may be uncomfortable for others.
2. Don’t be afraid to act; there will never be a “right” time. Many people advised Bunkeddeko and Feickert to wait before pursuing social enterprise careers.
3. Recognize that technology is enabling new types of social change. Trey Athletes, for example, is using technology to increase transparency into the college experience for athletes. Social media is also powerful for driving change. Many young athletes have large social media followings and serve as role models. They are effective at inspiring kids to go to college, set realistic goals, and pursue different career paths.

CROSS-SECTOR SOLUTIONS CAN SOLVE BUSINESS PROBLEMS AND CORPORATIONS WILL LEARN FROM SOCIAL ENTERPRISES.

Over the next 25 years, the HBS Social Enterprise Initiative must continue to serve both businesses and social entrepreneurs. Corporations are being asked to dial down their single-minded pursuit of profit and to consider their impact on communities, the environment, customers, and employees. This is a critical shift. As corporations pursue these multiple objectives, they can learn from social enterprises. The panelists identified three ways HBS alumni can support social enterprises:

- Sharing lessons they’ve learned from their entrepreneurial experiences, helping ensure social entrepreneurs don’t repeat their mistakes.
- Leveraging the knowledge residing in HBS’s global network through intentional information exchanges.
- Giving back, even in small ways, to support fellow alumni.
Rosabeth Moss Kanter asked these leaders about their experiences driving change, as well as about their motivations, principles, partnerships, leadership, and advice for social entrepreneurs and donors.

**THE BIG IDEA**

In driving change, leaders need purpose, vision, and idealism. Driving change at scale goes beyond partnerships and coalitions to create ecosystems and build movements. It requires creating evidence about what works and aligning incentives.

“THE FUNDAMENTAL PROBLEM WITH INEQUITY STARTS WITH OUR INABILITY TO SCALE AFFORDABLY WHAT PEOPLE NEED TO THRIVE.”

JAMES H. SHELTON III

**SESSION CONTEXT**

Rosabeth Moss Kanter asked these leaders about their experiences driving change, as well as about their motivations, principles, partnerships, leadership, and advice for social entrepreneurs and donors.
LEADING FOR LONG-TERM CHANGE

KEY TAKEAWAYS

1. LEADING LONG-TERM CHANGE TAKES VISION AND PERSEVERANCE.

Kanter explained that the long term is a series of short terms; change leaders are guided by a strong vision and are able to weather storms since, “Everything can look like a failure in the middle.”

The origin story for City Year came after Michael Brown learned of a bill in Congress about national service. He was thunderstruck by the idea of young people giving a year of service for the country, seeing this as a powerful idea to change the country for the better. He cofounded City Year as a “factory of idealism” for young people to build communities and advance democracy. Even 30 years later he still has an aspiration that growing up in a modern democracy would require answering, “Where do you want to do your service year?”

Jim Shelton’s story began in the third grade when he had the opportunity to attend a private school, putting him on a different trajectory than others from his Southeast Washington, D.C. neighborhood. He saw himself as an ordinary person with an extraordinary opportunity, driving his realization that the system is broken and inequity is embedded. He concluded that individual solutions are inadequate; it is only when approaching these issues systematically, bringing solutions together at scale and taking dramatic actions, that it is possible to address inequity.

2. SPECIFIC FUNDAMENTAL PRINCIPLES MUST GUIDE THE EFFORT TO DRIVE CHANGE.

City Year is an organization built on the principle of engaging young people to create civic trust and build the nation—together. Its culture is based on principles of idealism, diversity, teamwork, and the pursuit of a cause larger than oneself. In contrast to a think tank, which articulates ideas, Brown termed City Year an “action tank” driven by action.

Many of Shelton’s roles have sought to drive change at a societal or systemic level, with the goals of building an overall strategy, pursuing an evidence-based approach, and creating policies and aligned incentives that support the strategy. He shared two examples.

1. Higher education has focused on access to college, with multiple programs and financial aid in support of this strategy. However, the system is not aligned around graduation. The result is high levels of access with many students who accrue debt and don’t graduate.

2. When Shelton ran the office of Innovation and Improvement at the U.S. Department of Education, he learned that over the previous decade only a tiny percentage of demonstration projects had been evaluated. He created a structure where if a project only had a little evidence, it only received a little money. To get a lot of money, a project had to provide a lot of evidence. He allocated funds to projects with proven success and aligned incentives around starting with small projects, demonstrating success, and then scaling.

3. DRIVING CHANGE GOES BEYOND PARTNERSHIPS TO CREATE ECOSYSTEMS AND BUILD MOVEMENTS.

Panelists shared several key insights about what it takes to succeed over the long run:

- **Find a partner.** Brown said having a cofounder made City Year infinitely better.

- **Enlist experts.** Shelton observed that in their for-profit work, successful people involve experts. They bring in consultants and domain experts to assist them. Yet often in nonprofit activities these same people think they can just figure it out themselves, even though the environment is different and more complicated. He strongly encouraged bringing in people with expertise.

- **Be purposeful about proximity.** Too often social entrepreneurs and donors are too far removed. Brown said that “proximity is everything.” He encouraged getting proximate to the things you care about most.

- **Have empathy and aspirational courage.** Social sector leaders need empathy to understand the emotions and situations of the people they serve. That empathy will cause leaders to have the courage to drive change. Shelton suggested that empathy should be used not just to understand others but to “see the potential in others around you.” In this way, empathy will lead to “aspirational courage” that helps people realize their full potential.

4. PARTNERS, EXPERTS, PROXIMITY, EMPATHY, AND COURAGE ARE VITAL FOR THIS WORK.

Partnerships and coalitions are essential to build scale. But these leaders thought more boldly about “creating an ecosystem” or “building a movement.” As an example, Brown described a campaign to save AmeriCorps that involved 40 organizations forming an advocacy group called Voices for National Service.

Shelton frequently sees nonprofit endeavors where people want to work on their own, which results in separate entities and fragmentation. To create scale and have meaningful social impact, it is essential to work together, not alone.
For the past 100 years, business school courses have focused on the 1.8 billion people living on the upper end of the socio-economic pyramid. About 20 years ago, business schools started studying those in poverty at the bottom of the pyramid. HBS has created a popular MBA elective course, Business at the Base of the Pyramid, that explores questions such as these: Can businesses succeed at the base of the pyramid? In what ways are businesses at the base similar to or different from conventional businesses? And, what is the role of profits in social impact?

Using a case from this course, Michael Chu led a discussion about profit in social enterprise. He was joined by two of the case’s protagonists, Álvaro Rodríguez Arregui and Carlos Antonio Danel.

At the base of the pyramid, access to capital has historically come from local money lenders and the last link of the supply chain. Modern microfinance is a third alternative. In 1990, after reading an article about microfinance, two college students formed an NGO to provide microfinance in Mexico. Ten years later, it had 64,000 clients. To grow, the founders decided to transition to a for-profit bank.

In 2006, Compartamos Banco secured a banking license. By the end of the year, the bank had national coverage and 600,000 clients with an average loan size of less than $500. The loan portfolio exceeded $200 million, 93% of loans were to groups of women, and the loss rate was 0.6%. Compartamos’ ROE was 56%, and its 50% growth rate made it the fastest growing bank in Latin America. In 2007, Compartamos did an IPO, followed by a secondary offering that gave it a market cap of $1.5 billion.

Today, Compartamos Banco has 2.5 million clients in Mexico with almost one million more in Peru and Guatemala. The loan portfolio is $1.9 billion and the ROE is around 17%. Compartamos Banco has expanded into other financial services including insurance.

Case Summary: Compartamos Banco

The Big Idea

Compartamos Banco generated significant profits while creating the microfinance industry in Mexico, which now serves about six million customers. Some question the company’s high profits and returns from serving the bottom of the economic pyramid. But, the panelists argued, being a for-profit enterprise, not an NGO, and generating above-average returns is what spurred formation of an industry. It is profit and private enterprise that generates competition and sustainability, and that provides financial inclusion to millions of people.
BUSINESS FOR SOCIAL IMPACT: THE ROLE OF PROFIT IN PURPOSE

KEY TAKEAWAYS

DISCUSSION

During this interactive discussion, participants ranked Compartamos’ social impact, discussed criteria for their ranking, and shared concerns. The two protagonists then offered responses.

- Most participants rank Compartamos highly. The company was commended for creating a market and a sustainable business model that provides access to finance for the previously unbankable.

- Criteria used in assessing Compartamos’ impact included that the firm transformed a market, was scalable and sustainable, and improved the quality of life of its customers.

- Concerns about Compartamos’ model were the high ROE and whether the organization decreased poverty and increased GDP.

Álvaro Rodríguez Arregui and Carlos Antonio Danel explained that Compartamos’ mission was financial inclusion. They focused on bringing banking opportunities to Mexico’s 10 million unbankable families; the goal was not decreasing poverty or increasing GDP. Compartamos spurred creation of the microfinance industry in Mexico, with 3,000 companies now serving almost six million customers. The founders were unapologetic about the high initial ROE. Profits and returns attracted others to the market and made it possible for Compartamos to scale, allowing the company to serve more people.

“BEST” IS A FRAMEWORK FOR THINKING ABOUT SOCIAL ENTERPRISE SUCCESS.

Chu’s BEST framework defines success as:
- Best, most effective option
- Economical, at the lowest price for the end user
- Solidarity for all of those who need it
- Today, because urgency is essential; delay results in lost generations

BEST looks at success from the eyes of those being served. Achieving BEST requires a model that 1) achieves huge scale, 2) lasts for generations, and 3) gets better and cheaper over time.

PRIVATE ENTERPRISE IS A HIGHLY EFFECTIVE WAY TO SOLVE PROBLEMS AND DO GREAT THINGS.

In Chu’s view, throughout history, the one thing that has consistently provided scale, sustainability, and continuous efficiency is private enterprise. Private enterprise creates new industries, as multiple companies compete intensely to serve customers and win business. And, new industries initially require above-average returns to attract participants and fund growth.

“THE ONLY WAY I KNOW HOW TO CREATE AN INDUSTRY IS IF YOU HAVE A COMMERCIAL ACTIVITY WITH ABOVE-AVERAGE RETURNS. SO, IF YOU WANT TO CREATE A NEW INDUSTRY, YOU NEED ABOVE-AVERAGE RETURNS.”

MICHAEL CHU
Kash Rangan moderated a discussion on system-level change. He said 5,000 to 10,000 nonprofits are founded each year in the U.S., but only five to ten achieve significant scale, defined as revenues of $50 million. He summarized the tremendous success of each panelist’s organization, while also noting continuing needs:

- **Teach For America (TFA)** has recruited 60,000 recent college graduates as teachers in urban and rural schools. They have touched five million students and have significantly improved student outcomes. But there are 34 million children in high-poverty districts, most of whom are not taught by a TFA teacher.

- **Year Up** has helped 25,000 high school graduates prepare for the workforce and get jobs, yet millions more struggle to find employment, while millions of jobs go unfilled.

- **The World Health Organization (WHO)** has reduced the deaths per year from malaria from 1.2 million to 200,000; however, worldwide, 200,000 people are still dying each year from this disease.

Rangan then asked the panelists about achieving scale and pursuing systems change.

**THE BIG IDEA**

Social entrepreneurs develop focused solutions to specific problems. System entrepreneurs bring about large-scale systemic changes. System entrepreneurs need to lead entire ecosystems, create partnerships, and align multiple stakeholders to focus on solving massive systemic problems. The experiences of these panelists show that systems change is difficult but possible.

**SESSION CONTEXT**

Kash Rangan moderated a discussion on system-level change. He said 5,000 to 10,000 nonprofits are founded each year in the U.S., but only five to ten achieve significant scale, defined as revenues of $50 million. He summarized the tremendous success of each panelist’s organization, while also noting continuing needs:

- **Teach For America (TFA)** has recruited 60,000 recent college graduates as teachers in urban and rural schools. They have touched five million students and have significantly improved student outcomes. But there are 34 million children in high-poverty districts, most of whom are not taught by a TFA teacher.

- **Year Up** has helped 25,000 high school graduates prepare for the workforce and get jobs, yet millions more struggle to find employment, while millions of jobs go unfilled.

- **The World Health Organization (WHO)** has reduced the deaths per year from malaria from 1.2 million to 200,000; however, worldwide, 200,000 people are still dying each year from this disease.

Rangan then asked the panelists about achieving scale and pursuing systems change.

**“THE SYSTEM HAS CHANGED RADICALLY. LET ME BE CLEAR, I’M NOT SAYING TEACH FOR AMERICA CHANGED THE SYSTEM, BUT YES, THIS SYSTEM HAS CHANGED AND WE HAVE BEEN A FUNDAMENTAL PIECE OF THE PUZZLE.”**
Kopp argued that it is possible for strong leaders to change complex systems, evidenced by Teach For America’s role in changing education. Over the past 30 years, TFA has placed 60,000 leaders in urban and rural schools. TFA and its teachers have propagated hundreds of schools and have changed many dimensions of K-12 education: the mission and design of schools, the attitude of students, and the educational results that have been achieved. Education has been transformed in places like Washington, D.C. and Chicago, where people previously had given up hope. Kopp attributes these results to leadership.

Kopp went on to say that leadership is needed at the ecosystem level to drive systemic change and at the local level, where an understanding of proximity and local issues is essential. (Rangan termed this “zooming out and zooming in.”) Kopp also suggested making lots of little bets, learning, and selectively scaling a few big bets.

STRONG LEADERSHIP CAN PRODUCE SYSTEMIC CHANGE.

SOCIAL CHANGE REQUIRES INNOVATORS, AGITATORS, AND ORCHESTRATORS.

An article by HBS professor Julie Battilana on social change describes three key roles, all of which are necessary:

• **Agitators** elevate grievances and put sand in the gears of existing systems to force change.
• **Innovators** see problems and develop solutions. Most social entrepreneurs are innovators. Often innovators are narrowly focused on solving specific problems.
• **Orchestrators** coordinate action across groups, organizations, and sectors to scale solutions.

Jeff Walker equated orchestrators to “system entrepreneurs.” But Wendy Kopp believes orchestrators can coordinate within a narrowly focused space while system entrepreneurs set out to fundamentally change society / have an impact at the societal level.

SOCIAL CHANGE REQUIRES INNOVATORS, AGITATORS, AND ORCHESTRATORS.

BECAUSE SYSTEMS ARE LARGE AND COMPLEX, SYSTEMS CHANGE REQUIRES PARTNERSHIPS.

Year Up aspires to transform the labor market by convincing corporations to change their hiring practices and by readying high school graduates for employment. While Year Up is making progress, these are massive, difficult changes.

In Gerald Chertavian’s experience, no individual or organization can change the system alone. Everyone is a player in a larger ecosystem. Chertavian forced Year Up to look at the system and answer, “Where are we legitimately positioned to have impact? Where do we have assets and connection to impact the system . . . and what is not ours to do?” He sees systems change occurring by breaking the system into pieces, having partners each identify their piece of the puzzle and define their roles, and working together.

A DIFFERENT APPROACH IS TO IDENTIFY A HUGE PROBLEM AND THEN ALIGN AND MOTIVATE STAKEHOLDERS TO SOLVE IT.

Based on his experience at the UN and in working with system entrepreneurs, Jeff Walker’s view is to first identify the problem to be solved and then align and motivate multiple stakeholders to work together, which could result in multiple solutions. Stakeholders create roadmaps, system maps of change, tools, and measures. This focused approach creates a groundswell of collective action that eliminates silos and produces systemic change.

“IDENTIFY THE PROBLEM FIRST. YOU WILL BE ABLE TO FIND OTHER PEOPLE WHO ARE PASSIONATE ABOUT THAT SAME PROBLEM AND ALL THE DIFFERENT STAKEHOLDERS CAN COME TOGETHER.”

JEFFREY C. WALKER
FRONTIERS OF IMPACT MANAGEMENT

MODERATOR:
BRIAN L. TRELSTAD
Senior Lecturer of Business Administration

PANELISTS:
SASHA DICHTER
MBA 2002, Cofounder, 60 Decibels

ALNOOR EBRABIM
Professor of Management, The Fletcher School of Law and Diplomacy, Tufts University

LISA G. HALL
MBA 1993, Senior Fellow, Case Foundation; Senior Fellow, Beeck Center for Social Impact and Innovation, Georgetown University

TRACY P. PALANDJIAN
MBA 1997, CEO and Cofounder, Social Finance

THE BIG IDEA

The essence of a social enterprise is impact. Increasingly, impact investors and philanthropists want to know more clearly what impact their investments will produce. But direct impact and clear cause and effect are often difficult to determine. New models and frameworks help social entrepreneurs, investors, and philanthropists better understand, measure, and compare the impact from different social enterprises.

“IT IS REALLY, REALLY HARD TO DEFINE WHAT YOU WANT TO MEASURE, THINK ABOUT THE RIGHT MEASUREMENT SYSTEM, FOR WHOM YOU ARE MEASURING IMPACT, AND ISSUES OF COMPARABILITY . . . THE MORE WE WADE INTO IT, THE MORE WE DON’T KNOW WHAT THE RIGHT ANSWER IS.”

TRACY P. PALANDJIAN

INTERACTIVE CONVERSATIONS ON KEY TOPICS, SATURDAY, MAY 4, 2019: 11:15 A.M.–12:45 P.M.

“EVALUATORS SAY THAT IMPACT IS THE DELTA; IT’S THE DIFFERENCE MADE . . . COMPARED TO WHAT WOULD HAVE BEEN WITHOUT THAT SET OF INTERVENTIONS.”

LISA G. HALL

SESSION CONTEXT

Brian Trelstad moderated an “un-panel” discussion on assessing and measuring impact from social enterprises. The panelists shared models and frameworks for thinking about impact as well as tools for measuring it. For example, the impact logic model was explained by using SEI itself as an example, and approaches to impact measurement were shown through an exercise that evaluated the portfolio companies of an impact investor.
A typical impact logic model (shown below) starts with an entity having certain inputs, such as financial or human resources, and then performing a set of activities, which are the operations of the organization. These inputs and activities result in outputs. The intent is that these outputs result in both short- and long-term outcomes. And finally, the expectation is that these outcomes produce impact.

Impact is assessed by looking at the long-term outcomes in society and by looking at the “difference made” by an intervention. Historically, the gold standard for assessing impact has been a randomized controlled trial (RCT). But while RCTs seem straightforward in theory, they are extremely difficult in practice. Sasha Dichter argued that RCTs are appropriate only in very limited circumstances where there is clear attribution and causal factors can be isolated.

The “five dimensions of impact” framework, developed by the Impact Management Project, looks at the net positive impact of organizations and interventions. The five dimensions are outlined below.

- **What**: What outcome occurs and how important is it to those affected?
- **Who**: Who experiences the outcome and how underserved were they previously?
- **How much**: How significant is the outcome in terms of how many, how deeply, and how long?
- **Contribution**: What is the organization’s unique contribution relative to what would have happened otherwise?
- **Risk**: What is the risk that the impact does not occur as expected?

For any intervention, this framework provides a way to understand and assess the impact.

Per Trelstad, “An entrepreneur shifts economic resources out of an area of lower and into an area of higher productivity and greater yield.” A social entrepreneur does so with a social enterprise to produce social change; this is the essence of the social enterprise journey. Built into this definition of entrepreneurship are the ideas of “higher productivity” and “greater yield,” both of which require measurement. But as Alnoor Ebrahim pointed out, measuring the impact of social enterprises has not been the state of practice.

Yet being able to measure impact is essential. It is the very idea of impact that distinguishes impact investing from financial investing. Measuring impact is necessary to know if and how well a social enterprise is working and to compare results. Social entrepreneurs want impact results to differentiate their enterprises in a crowded field and make claims when raising money. Impact investors want impact results to differentiate different options when making investment decisions.

In addition to the model and frameworks discussed, panelists also highlighted other important considerations when assessing an intervention. These include:

- **The theory of change**: Just reading about an intervention and reviewing some data about impact is not adequate. Impact investors and philanthropists want to deeply understand the underlying theory of change. What is the hypothesis for how an intervention will produce impact? What is the strategy? For an intervention to be replicable, scalable, and investable, it is necessary to understand its basic premise.

- **Data showing impact**: Since RCTs are not realistic for most interventions, Dichter’s company, 60 Decibels, aims to assist entrepreneurs, investors, and philanthropists by providing better impact-related data for decision-making. 60 Decibels produce these data by using mobile phone technology and asking stakeholders around the world about their lived experience. This approach provides a new way to gather desperately needed impact data.
INTERACTIVE CONVERSATIONS ON KEY TOPICS, SATURDAY, MAY 4, 2019: 11:15 A.M.–12:45 P.M.

INVESTING FOR IMPACT

MODERATOR:
SHAWN A. COLE
John G. McLean Professor of Business Administration

PANELISTS:
MAYA CHORENGEL
MBA 1997, Firm Partner, TPG;
Senior Partner, The Rise Fund

RAKHI KUMAR
Senior Managing Director and Head of
ESG Investments and Asset Stewardship,
State Street Global Advisors

“The proof has to be in the pudding… People have given us a little bit of a pass, but they watch carefully all of the metrics around how we are doing, how the companies we invested in are performing. The only way we will prove ourselves is by showing both our financial return and the impact we’re creating.”

MAYA CHORENGEL

“THE BIG IDEA

There is growing interest in impact investing and an increasing number of major institutional investors now participate in impact investing funds. But it is still early. Investors want to see more data on the financial returns being generated and the impact being created.

SESSION CONTEXT

Shawn Cole moderated a discussion about trends in impact investing, lessons learned, motivations for entering this field, and the inclusion of cases on impact investing in HBS’s finance curriculum.

“I REALIZED THIS [ESG] WAS THE ONLY WAY TO DO BUSINESS. IF YOU DIDN’T FOCUS ON ESG, YOU WOULDN’T GET RETURNS.”

RAKHI KUMAR
INVESTING FOR IMPACT

KEY TAKEAWAYS

Approximately 80% of session participants work or have worked in impact investing. Maya Chorengel was always interested in economic development and felt business should be a solution to the world’s greatest problems. She was drawn to impact investing out of personal passion. More recently, she learned that the UN’s Sustainable Development Goals require financing of $3-5 trillion per year. Philanthropy and development aid are not adequate; commercial capital is required. This realization furthered Chorengel’s conviction and dedication to impact investing as a solution.

Rakhi Kumar is not a traditional impact investor. She focuses on the role of environmental, social, and governance (ESG) criteria in investment decisions. After she saw value destroyed by Enron’s lack of governance, she concluded that ESG was a necessity for businesses. She is focused on getting boards to consider ESG when making investments.

Those working in impact investing have taken different paths to careers in this field. Approximately 80% of session participants work or have worked in impact investing. Maya Chorengel was always interested in economic development and felt business should be a solution to the world’s greatest problems. She was drawn to impact investing out of personal passion. More recently, she learned that the UN’s Sustainable Development Goals require financing of $3-5 trillion per year. Philanthropy and development aid are not adequate; commercial capital is required. This realization furthered Chorengel’s conviction and dedication to impact investing as a solution.

Getting support from institutional investors must come from the top. Because impact investments are perceived as risky and because institutional investors have a fiduciary responsibility, they proceed cautiously. Middle managers don’t have the ability to take risk. To gain institutional participation, it is essential to have support at the very top, either from a board member or the CEO.

Impact investing is gaining momentum, but investors still want more data. Private equity firm TPG created The Rise Fund as a new impact investing product and Wellington developed a public market impact investing fund, which has $1 billion in assets. These are just two examples of growth in this field.

Chorengel explained that 60% of the The Rise Fund’s investors are institutional investors that had never put money into impact investing. The interest in this field is growing as more investors buy into its value proposition and see potential returns. Still, many investors are skeptical and remain on the sidelines; they want to see how investments perform and produce tangible impact.

In the continuum from philanthropy to investments seeking maximum return, there is a gap in the options “in the middle.” On one side of the spectrum, philanthropy provides funds without expectation of financial return while, on the other side, many impact investors primarily have a fiduciary responsibility to earn market returns. As a result, there is a gap of investment options and products for the market “in the middle,” aiming to deliver impact while accepting below-market returns.

HBS alumni want impact investing integrated into HBS’s core financial courses. There was agreement among panelists and participants that cases and content about impact investing should be integrated into the core MBA finance courses. Dean Nitin Nohria explained that HBS’s curriculum evolves when there are passionate champions. He believes HBS’s finance curriculum and the inclusion of impact investing content reflects the current state of the field. He expects that the amount of such content will increase as the field evolves and more robust results are realized and made available.

ESG is going mainstream, but better ways are needed to measure it. Kumar sees ESG becoming mainstream as more investors consider factors such as sustainability, corporate social responsibility, and governance when making investments. Chorengel said ESG is fully incorporated into all investing decisions at The Rise Fund and TPG, because companies with strong ESG generally outperform, making ESG good business. A participant agreed, saying, “We only invest in companies with favorable ESG profiles.” Kumar encourages boards to look at four or five key ESG metrics but acknowledged that measuring ESG is often difficult, and companies haven’t created systems to capture these metrics.
Prior to the mid-1800s, education in the United States was only for the privileged or religious. But over much of the past 150 years, public education has been a success that has improved quality of life for many Americans. Today, many people believe education is failing and schools are no longer fulfilling their promise. In this session, three education leaders described their work. They then led breakout sessions where they outlined their work in more detail and discussed challenges facing their organizations.

**SESSION CONTEXT**

Prior to the mid-1800s, education in the United States was only for the privileged or religious. But over much of the past 150 years, public education has been a success that has improved quality of life for many Americans. Today, many people believe education is failing and schools are no longer fulfilling their promise. In this session, three education leaders described their work. They then led breakout sessions where they outlined their work in more detail and discussed challenges facing their organizations.

**THE BIG IDEA**

Passionate leaders are reimagining K-12 and higher education. They are conducting research, innovating, launching new technologies and ventures, learning what works and what doesn’t, and working to sustain and scale successes. But they are operating in an extremely challenging environment. Political barriers and opposition make structural changes difficult. Yet these leaders remain optimistic about systemic transformation.

**DO WE KNOW HOW TO TEACH KIDS MATH NO MATTER WHAT SITUATION A KID IS IN? YES, WE TOTALLY KNOW HOW TO TEACH KIDS MATH. THAT’S ACTUALLY THE EASY PART. THE HARD PART TURNS OUT TO BE . . . THERE ARE ROADBLOCKS WHERE PEOPLE DON’T NECESSARILY WANT CHANGE TO HAPPEN.”**

**“WE ARE A CATALYST; WE WANT TO MOBILIZE MORE INNOVATION, MORE ENTREPRENEURIAL ACTIVITY.”**

**“IF YOU UNDERSTOOD WHY STUDENTS ARE COMING, HOW WOULD YOU DESIGN YOUR EXPERIENCES DIFFERENTLY?”**
TRANSFORMING EDUCATION THROUGH SOCIAL ENTREPRENEURSHIP

KEY TAKEAWAYS

1. USE OF TECHNOLOGY IN CLASSROOMS HAS INCREASED AND MOST TEACHERS SUPPORT FURTHER EXPANSION.

NewSchools Venture Fund focuses its venture philanthropy on reimagining public education. For the past 15 years, about 70% of its resources have gone to charter schools. Currently, NewSchools invests in innovative public schools termed “model providers,” supports edtech entrepreneurs, funds a series of challenges, and operates a portfolio to create more diverse leadership talent in education.

Since 2015, NewSchools has funded 74 edtech companies and nonprofits that have attracted 17 times more capital than their original funding. NewSchools’ edtech strategy focuses on market gaps and scaling ventures. It measures student proficiency and student growth for its entire portfolio.

To learn about classroom technology usage and teacher attitudes and beliefs, NewSchools partnered with Gallup to conduct research on the State of EdTech. Key insights include:

- 65% of teachers today (including 58% in high-poverty schools) say their students use technology in the classroom daily, compared to 42% in 2015.
- 85% support increasing technology use.
- The top reasons for using technology are personalized learning or remediation, interim benchmarks, and engagement. Major barriers are training and devices. Cost and reliable Internet have decreased as barriers over time.

2. PERSONALIZED EDUCATION CAN WORK, BUT ADOPTION REQUIRES OVERCOMING LOCAL OPPOSITION.

Per Chris Rush, cofounder of New Classrooms, a spinoff of School of One, working in education is challenging because education is a broken market. There are challenges related to securing funding, recruiting people, getting attention, and surviving. Rush’s experience in personalized education has taught him that survival and success are not just about better approaches or outcomes. He sees personalized education solutions that are working, but either not being used correctly or are getting blocked. Successful adoption requires understanding and overcoming each situation’s unique political barriers.

3. STUDENTS GO TO COLLEGE FOR FIVE MAIN REASONS. UNDERSTANDING THEM CAN HELP COLLEGES REDESIGN THEIR EXPERIENCE AND BETTER SERVE STUDENTS.

Research among college students using Clay Christensen’s “jobs to be done theory” examined why students go to college. The “jobs” theory looks at the true motivations behind people’s decision-making processes. This research uncovered five clusters of “jobs” that explain why students go to college.

1. Help me get into my best school. These are 18-year-olds seeking the classic college experience. They want a brick and mortar college with prestige. They seek to meet new people and reinvent themselves. For this group, jobs are the ultimate goal, college is synonymous with progress, and 83% are satisfied.
2. Help me do what’s expected of me. These individuals go to college to satisfy someone else, with little other reasons for why they attend. The dissatisfaction and dropout rates are high.
3. Help me get away. These individuals are running away from something. Success is defined by getting away.
4. Help me step it up. These students go to college with urgency to better themselves. They aren’t motivated by prestige; they are super motivated to gain skills. Many are adult learners.
5. Help me extend myself. These students are at a time in life where they have a clear vision for their future and want to learn more. They say, “I’m now ready to do this.” They are highly satisfied with their choice because they have long dreamed of doing X.

For students going to college, there needs to be greater focus on purpose and passion. But participants stressed that not all kids want or need college. For these individuals, there must be accessible alternative career pathways that involve other forms of training and education.

PANELIST CHRISTOPHER RUSH
PHILANTHROPY IS A WAY THAT WEALTHY PEOPLE USE THEIR PRIVATE ASSETS FOR PUBLIC INFLUENCE. ANYWHERE POWER EXISTS IN A DEMOCRATIC SOCIETY, IT DESERVES OUR SCRUTINY, NOT OUR AUTOMATIC GRATITUDE.

ROB REICH

Over the last 25 years, social entrepreneurship has become a proven strategy for building power in service of transformational social change. Young people are a potent force in this work as witnessed by the innovative leaders supported by Echoing Green.

THE BIG IDEA (DORSEY)

Over lunch, two presenters offered “flash talks” on key issues in the field. Cheryl Dorsey discussed innovation in social enterprise and shared her hopes for the future. Rob Reich described how philanthropic giving must be carefully considered and questioned. He examined how philanthropy can serve democracy’s goals.

SESSION CONTEXT

"THE WORK OVER THE LAST 25 YEARS IN OUR FIELD HAS BEEN ABOUT BUILDING INSTITUTIONS TO SUPPORT SOCIAL ENTREPRENEURS. THE NEXT CHAPTERS IN SOCIAL ENTREPRENEURSHIP MUST BE ABOUT THE QUESTION OF EQUITY. AT ECHOING GREEN, WE SAY TALENT IS EQUALLY DISTRIBUTED AND OPPORTUNITY IS NOT."

ROB REICH

"PHILANTHROPY IS A WAY THAT WEALTHY PEOPLE USE THEIR PRIVATE ASSETS FOR PUBLIC INFLUENCE. ANYWHERE POWER EXISTS IN A DEMOCRATIC SOCIETY, IT DESERVES OUR SCRUTINY, NOT OUR AUTOMATIC GRATITUDE."

ROB REICH

SPEAKER CHERYL DORSEY

Over the last 25 years, social entrepreneurship has become a proven strategy for building power in service of transformational social change. Young people are a potent force in this work as witnessed by the innovative leaders supported by Echoing Green.

THE BIG IDEA (DORSEY)

Social enterprise depends on funding from philanthropists. In a democracy, however, philanthropic gifts should not be accepted blindly. Greater scrutiny is needed to determine whether and when philanthropy serves long-term societal goals.

THE BIG IDEA (REICH)

"THE WORK OVER THE LAST 25 YEARS IN OUR FIELD HAS BEEN ABOUT BUILDING INSTITUTIONS TO SUPPORT SOCIAL ENTREPRENEURS. THE NEXT CHAPTERS IN SOCIAL ENTREPRENEURSHIP MUST BE ABOUT THE QUESTION OF EQUITY. AT ECHOING GREEN, WE SAY TALENT IS EQUALLY DISTRIBUTED AND OPPORTUNITY IS NOT."

ROB REICH

"PHILANTHROPY IS A WAY THAT WEALTHY PEOPLE USE THEIR PRIVATE ASSETS FOR PUBLIC INFLUENCE. ANYWHERE POWER EXISTS IN A DEMOCRATIC SOCIETY, IT DESERVES OUR SCRUTINY, NOT OUR AUTOMATIC GRATITUDE."

ROB REICH

SPEAKER CHERYL DORSEY
Social innovators are exploring ways to leverage technology and funding models like fellowships to address pressing needs. Leaders are focused on a wide variety of priorities ranging from environmental issues to urban renewal, poverty, and human rights. Over the last 30 years, Echoing Green has supported the high-impact, transformative social change leaders who spearhead these types of efforts. Its work focuses on:

1. Identifying and selecting transformational leaders at an early stage.
2. Investing deeply in the growth of these leaders by offering mentoring, elevating their ideas, and making connections that provide access to new resources and further their work.
3. Focusing intentionally on engaging and educating a broad ecosystem of social, professional, and financial networks that maximize the impact of social change leaders.

Cheryl Dorsey highlighted five Echoing Green Fellows and their work to drive social innovation:

- **Greenwave.** Cofounder Bren Smith is pioneering the development of restorative 3D ocean farming.
- **IRAP.** Director Becca Heller created a virtual public interest law firm representing refugees seeking safety.
- **Baltimore Corps.** President and CEO Fagan Harris connects mid-career professionals to high-impact opportunities in post-industrial cities via one-year funded fellowships.
- **BlocPower.** Founder and CEO Donnel Baird is scaling green energy across American inner cities by updating millions of older buildings and hiring vulnerable populations to do the work.
- **PushBlack.** Cofounder and executive director Darrell Scott created the first mobile-based, black organizing group. PushBlack uses text messaging and Facebook Messenger to increase African-American voter participation among its three million subscribers.

Over the last 25 years, social entrepreneurs have added four tools to the social movement toolbox:

1. Co-opting the narrative frame.
2. Delivering disruptive new ideas to the public in ways that shock the status quo.
3. Focusing on new value creation and asset mobilization that counterbalance the status quo.
4. Engaging in alliances with the state, the market, and civil society that force institutional change.

Looking ahead, Dorsey has three aspirations for social entrepreneurship: 1) greater focus on equity, 2) continued dialogue around systems change, and 3) expanded work to disrupt entrenched structural inequities and populism.

Philanthropic giving by the wealthy can be viewed as an exercise of power that requires scrutiny. Reich explored philanthropic power through three key questions:

- **Do the goals of philanthropic giving support the aspirations of a democracy?** There is considerable dialogue about being effective with philanthropy and establishing measurable goals. However, effectiveness is only valuable if the underlying philanthropic activity is beneficial to society. Too often, the wealthy view their philanthropic goals as beyond question.
- **How does philanthropy operate in a political economy?** “Big philanthropy” is one of the most unaccountable forms of power in a democracy. In the private sector, consumers can buy from competing firms and investors are accountable for results. In government, elected officials are accountable to constituents. But in philanthropy, there is no accountability. Foundations don’t put one another out of business and organizations are desperate for grant money.
- **Can philanthropy serve a democracy’s long-term interests?** Philanthropists’ lack of accountability gives them freedom to support experimental social problem-solving, which requires long-term time horizons. Attaching short-term metrics to grantees underlines the potential that philanthropists have to support risky, experimental ideas.
THE ROLE OF BUSINESS IN SOCIETY

SATURDAY, MAY 4, 2019: 3:00–4:30 P.M.

MODERATOR:
HERMAN B. “DUTCH” LEONARD
Eliot I. Snider and Family Professor of Business Administration, Harvard Business School; George F. Baker, Jr. Professor of Public Management, Harvard Kennedy School; Faculty Cochair, HBS Social Enterprise Initiative

SPEAKER:
JOSEPH L. BOWER
MBA 1961, DBA 1963, Donald Kirk David Professor of Business Administration, Emeritus

“WHEN CAPITALISM FUNCTIONS WELL, IT GENERATES POSITIVE FEEDBACK THAT STRENGTHENS ITS FOUNDATIONS, REINFORCING SUPPORT FOR CAPITALISM. WHEN CAPITALISM FUNCTIONS POORLY, ‘DISRUPTORS’ ERODE THE FOUNDATIONS, AND WEAKEN SUPPORT.”

THE BIG IDEA
Capitalism is at risk. Major disruptors include income inequality, environmental issues, populism, and migration. Governments and institutions are failing and companies often can be unwilling to act. While there are examples of business and social enterprise success, for many organizations, what passes for strategy is mainly tactical and leadership has become timid. An unanswered question is where to find bigger strategies and bolder leadership. HBS and the business community must play a role.
THE ROLE OF BUSINESS IN SOCIETY

1. MULTIPLE DISRUPTORS ARE PUTTING CAPITALISM AT RISK.

In 2008—before the financial crisis—HBS initiated a project called Capitalism at Risk. This project culminated in a 2010 book by the same name. The project involved asking global business leaders three questions: 1) What is the state of capitalism in the 21st century? 2) Is there now a crisis of capitalism? and 3) Is free market capitalism at risk?

One conclusion was that capitalism is not just an economic system; it is embedded as a political and social system. And several beliefs are foundational in capitalism's success including beliefs in the rule of law, in property rights, and in freedom of choice, as well as trust in markets as a mechanism.

To the concern of business leaders participating in this project, 10 emerging disruptors were seen that put capitalism at risk. Again, these disruptors were flagged prior to the financial crisis.

1. Cracks in the global financial system
2. Barriers emerging to world trade
3. Growing inequality and consequent populism
4. Migration
5. Environmental degradation
6. Failure of the rule of law
7. Failure of public education and health
8. Rise of state capitalism
9. Radical movements and terrorism
10. Pandemics

Fast forward to 2019, and the envisioned disruptors are even worse than was anticipated. In particular, economic inequality has increased and environmental conditions have worsened. Migration has also increased as people move away from rural areas to cities.

As these disruptors have intensified, governments and major international institutions have been too weak to deal with these issues and many companies have been unwilling to get involved. Some CEOs say they would like to do something, but their boards and shareholders have a short-term focus and won’t allow it. This extreme short-term focus has resulted in companies shifting from being strategic to tactical.

2. THESE DISRUPTORS RAISE SERIOUS QUESTIONS ABOUT STRATEGY AND LEADERSHIP.

Bower posed a central question about the role of business. He stated that if strategy has become too small-minded and incremental and if leadership has become too timid, then where and how can we find in ourselves, in our communities, and in our social enterprises bigger strategies and bolder, more entrepreneurial leadership?

As concerning as the current situation is, Bower reminded attendees of Professor Bill Sahlman’s view that entrepreneurs see problems as opportunities. Bower shared examples of organizations taking entrepreneurial actions to mitigate these disruptors.

One example is JPMorgan Chase, which found it was spending around $250 million on social initiatives with negligible impact. The firm changed its strategy to concentrate $150 million in Detroit to help the growth and prosperity of neighborhoods in the city. This approach has generated positive social and financial returns and is leading the company to replicate its approach in other cities, including Chicago, Miami, Paris, and San Diego. These investments are based on understanding each city’s unique context and needs, including community development, housing, workforce development, and other areas where JPMorgan can have a significant impact.

Other companies with social enterprise successes include Nike, Cummins, Ayala’s Manila Water, and Jain Irrigation in India.

3. HOWEVER, AMID THESE DISRUPTORS, THERE ARE SOME POSITIVE SIGNS.

As concerning as the current situation is, Bower reminded attendees of Professor Bill Sahlman’s view that entrepreneurs see problems as opportunities. Bower shared examples of organizations taking entrepreneurial actions to mitigate these disruptors.

One example is JPMorgan Chase, which found it was spending around $250 million on social initiatives with negligible impact. The firm changed its strategy to concentrate $150 million in Detroit to help the growth and prosperity of neighborhoods in the city. This approach has generated positive social and financial returns and is leading the company to replicate its approach in other cities, including Chicago, Miami, Paris, and San Diego. These investments are based on understanding each city’s unique context and needs, including community development, housing, workforce development, and other areas where JPMorgan can have a significant impact.

Other companies with social enterprise successes include Nike, Cummins, Ayala’s Manila Water, and Jain Irrigation in India.

4. PARTICIPANTS PUT FORWARD MULTIPLE IDEAS TO REBUILD THE ROLE OF BUSINESS IN SOCIETY.

Among the ideas shared by participants were:

- **Give workers equity.** While salaries are stagnating, assets are appreciating. Giving equity would allow workers to participate in the asset appreciation.
- **Increase the focus on diversity, equity, and inclusion.** These topics often are discussed but business leaders haven’t changed organizational structures to truly focus on these issues.
- **Focus on “license to operate.”** Business leaders often take license to operate for granted, until something occurs and it is lost. Participants called on HBS to increase the focus on this topic.
- **Prioritize wage equality and act collaboratively.** Wage inequality is a central issue. Progress won’t be made by firms acting individually or opportunistically; they must be strategic and collaborative.
- **Reframe the narrative about capitalism.** There is an opportunity for HBS to lead the way in reframing the narrative about the moral purpose of capitalism. This narrative could be embedded in teaching and research and disseminated externally.
WHAT SOCIAL IMPACT DO YOU SEEK TO HAVE IN THE WORLD?

Responses to this question from 25 SEI alumni and students were displayed throughout Shad Hall during the lunch and dinner receptions.

“I WORK TO USE THE POWER OF BUSINESS LEADERSHIP TO RENEW THE STRENGTH OF OUR DEMOCRACY BY COLLABORATING WITH OTHER PRINCIPLED BUSINESS LEADERS READY TO ACT—WITH THEIR EXPERTISE, PHILANTHROPIC RESOURCES, OR PERSONAL PURSUIT OF PUBLIC OFFICE.”

DANIELLA GALLEGOS-ARISTE (MBA 2001)

“I WANT EVERY KID IN LATIN AMERICA TO HAVE THE OPPORTUNITY TO REACH HIS OR HER POTENTIAL THROUGH HIGH-QUALITY, RELEVANT, AND ACCESSIBLE EDUCATION, AND IGNITE THE ECONOMIC DEVELOPMENT OF THE REGION.”

PABLO RICCAVA (MBA 2015)

“MY LIFE’S MISSION IS TO HELP AFRICA REACH ITS FULL ECONOMIC POTENTIAL AND LIFT ITS PEOPLE OUT OF POVERTY IN A DIGNIFIED AND SUSTAINABLE MANNER—CULTIVATING LOCAL INGENUITY, CREATING OPPORTUNITIES FOR TALENTED PEOPLE TO THRIVE, AND BUILDING A COALITION OF BETTER FUNCTIONING SYSTEMS.”

POLO ADOLIF (MBA 2012)

“I SEEK TO BRING COMMUNITIES TOGETHER TO CELEBRATE HUMAN POSSIBILITY, TO ALLOW ARTISTS TO INVENT, TO ENABLE AUDIENCES TO DISCOVER, AND TO SEED OPTIMISM.”

ARA WIGGITT BARNETT (MBA 2011)
"I hope to help young people become independent lifelong learners, by using the magic of technology and community to create an education system that caters to today’s world, instead of to the 19th century."

Kashf Ali Qazi (MBA 2019)

"I seek to reduce preventable deaths from infectious diseases in the world’s poorest countries by increasing access to life-saving global health commodities and supporting the scale-up of new health innovations."

Rahil Desai (MBA 2011)

"I want to help every child fulfill his or her potential, because a world where that happens is a better and fairer world. I aim to do so through the public sector—the largest lever our society has to enable social change at scale and a sector which desperately needs the passion and skills of HBS alumni."

Lucas Lazarus (MBA 2008)

"I seek to support individuals and organizations to advance leadership and equity so that we can change systems and build a more equitable and just society where all people thrive."

Monisha Kapila (MBA 2005)

"I hope to empower low-income communities to access affordable, inclusive, and resilient housing in cities through innovative digital and construction technology."

Sanaa Mehta (MBA 2007)

"I aim to quantitatively integrate so-called social and environmental ‘externalities’ into the formulas that drive investment, in order to increase equality of opportunity and reduce poverty."

Mike Inceless (MBA 2011)

"I endeavor to democratize access to information that enables and inspires youth to maximize their power of choice. For me, this means offering more than 20 million young Filipinos multiple paths to education and employability by harnessing technology and building a shared ecosystem of educators, government, businesses, and foundations."

Henry Wite-DeGuzet (MBA 2013)

"I am inspired to enable greater advancement and development of underrepresented talent in leadership by making sure the path is easier and more inviting for the next generation of diverse leaders."

Mohamad Henna (MBA 2007)
“I AM FOCUSED ON REIMAGINING THE ROLE OF THE CAPITAL MARKETS TO TACKLE OUR MOST INTRACTABLE SOCIAL CHALLENGES. I ASPIRE TO BREAK DOWN THE OLD SILOS AND DEVELOP NEW CROSS-SECTOR MODELS FOR DEEP, MEASURABLE, AND LASTING IMPACT.”

Tracy Palmer-John (MBA 1991)

“LEVERAGING THE POTENTIAL OF TECHNOLOGY AND PARTNERSHIPS, I HOPE TO HELP REIMAGINE HOW WE CAN WORK TOGETHER TO TACKLE THE COMPLEX CHALLENGES OF OUR TIMES AND BUILD A MORE SUSTAINABLE, PROSPEROUS, INCLUSIVE, AND PEACEFUL GLOBAL SOCIETY.”

Laura Diller (MBA 2010)

“I SEEK TO CONTRIBUTE TO A WORLD WHERE EVERY YOUNG AFRICAN HAS ACCESS TO THE SKILLS AND OPPORTUNITY TO BECOME WHAT THEY IMAGINE.”

Vegan Relay (MBA 2013)

“I SEEK TO HELP MAKE OURS A WORLD WHERE EXTREME POVERTY AND INEQUITIES IN HEALTH, EDUCATION, AND ECONOMIC OPPORTUNITY NO LONGER EXIST. MY GOAL IS TO EMPOWER PEOPLE WHO FACE THESE INEQUITIES TO HAVE MORE CONTROL OVER THEIR FUTURES AND IMPROVE THEIR LIVES.”

Chella Pappu (MBA 1991)

“TWENTY YEARS AGO, I GRADUATED FROM HBS MOTIVATED TO EXPLORE HOW BUSINESSES AND INVESTMENTS GENERATE MEASURABLE ECONOMIC, SOCIAL, AND ENVIRONMENTAL IMPACT. TEN YEARS LATER, THE TERM ‘IMPACT INVESTING’ WAS CITED TO DEFINE A MOVEMENT THAT WOULD SEE INVESTORS WEIGH THOSE IMPACTS ALONGSIDE RISK AND FINANCIAL RETURN. I HAVE DEDICATED MY PROFESSIONAL CAREER TO THIS WORK.”

Fran Stein (MBA 1991)

“I SEEK A LIFE OF IMPACT THAT CUTS ACROSS THE PUBLIC, PRIVATE, AND NONPROFIT SECTORS—and a life of service that improves the lives of others in meaningful and measurable ways.”

Matt Segal (MBA 2010)

“WE HOPE TO IMPROVE LIFE OUTCOMES FOR OUR YOUNGEST CHILDREN THROUGH A SUSTAINABLE AND SCALABLE BUSINESS THAT PROVIDES EARLY CHILDHOOD EDUCATORS AND FAMILIES WITH THE TOOLS AND RESOURCES TO PARTNER ON CHILDREN’S DEVELOPMENT BEFORE THE AGE OF FIVE.”

Ron Spee (MBA 2010)

“My vision is to eliminate poverty and improve access to health care in Africa through entrepreneurship by supporting sustainable, high-impact, and innovative youth- and women-led businesses. Doing so will enable these entrepreneurs to lift themselves, their families, their communities, and ultimately their countries out of poverty.”

Lori Spee (MBA 2006)
“I WORK TO PRESERVE BIODIVERSITY AND THE BEAUTY AND WONDER OF NATURE, ALLOWING OUR SPECIES TO LIVE IN GREATER EQUALITY AND DIGNITY.”

SEAN VISIT (MBA 2014)

“THE FOUNDER AT A STARTUP I WORKED AT WOULD ALWAYS WASH WHATEVER HE USED—A MUG OR A PLATE—PLUS ONE MORE ITEM FROM THE SINK. THE IDEA HAS STUCK WITH ME. I’D LIKE TO TRY TO LEAVE THE WORLD BETTER THAN I FOUND IT.”

HENRY TSEU (MBA 2017)

“I HOPE TO FOSTER SOCIAL, POLITICAL, AND ECONOMIC PROGRESS BY MOTIVATING THE PUBLIC, PRIVATE, AND NONPROFIT SECTORS TO WORK TOGETHER TO BRING OUR NATION’S INFRASTRUCTURE INTO THE 21ST CENTURY.”

KENNETH LAUGHER (MBA 2018)

“I HOPE TO APPLY IMPACT INVESTING AND BUSINESS APPROACHES TO ESTABLISH A MORE INCLUSIVE, INNOVATIVE, AND ENRICHING MODEL FOR JAPAN’S AGING POPULATION.”

REIJI NANNMA (MBA 2020)

“I STRIVE TO NEVER loose THE ABILITY TO EMPATHIZE WITH THOSE FOR WHOM I AM TRYING TO MAKE A DIFFERENCE. I SEEK TO BE HONEST IN UNDERSTANDING THE ADVERSE CONDITIONS EXIST—AND THEN HAVE THE MIND TO RECOGNIZE BOTH STRUCTURAL BARRIERS AND INDIVIDUAL CHOICES, IN ORDER TO IMPROVE CONDITIONS ACROSS GENERATIONS.”

VAN ROYNE (MBA 1993)

“I WANT TO WORK ON THE MOST CHALLENGING PROBLEMS FACING DISADVANTAGED AMERICANS AND SCALE SOLUTIONS TO DELIVER MEANINGFUL, LASTING CONTRIBUTIONS. I SEEK TO PERSONALLY DEVELOP A DEEPER UNDERSTANDING OF THE ISSUES AND THE PEOPLE AFFECTED BY THEM. I CAN’T PROVIDE IMPACT TO THE WORLD IF THE CAUSE AND PEOPLE DON’T ALSO CHANGE ME.”

RUS ZEISKI (MBA 2020)