

“ This book demonstrates how market-based solutions can combine with compassionate entrepreneurs and democratizing technology to tackle society’s most intractable problems. ”

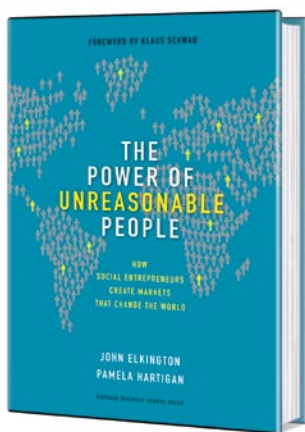
—Marc Benioff, Chairman and CEO, Salesforce.com and Salesforce.com Foundation

A GROWING GROUP OF entrepreneurs around the world develop and operate new ventures that prioritize social and environmental returns. Innovative, resourceful, practical, and opportunistic, these individuals are also *unreasonable*, in that they refuse to follow conventional business or social development models and in the process are coming up with new ways to combine markets and meaning. Remarkably, they are succeeding in areas where most businesses currently dare not go.

In the new book *The Power of Unreasonable People: How Social Entrepreneurs Create Markets that Change the World* (Harvard Business Press; February 5, 2008), co-authors John Elkington and Pamela Hartigan describe how these entrepreneurs working at the fringes of the current dysfunctional system provide clues to tomorrow’s revolutionary business models.

Low income consumers at the base of the economic pyramid (BOP) are \$4 billion strong. These markets are thought to be worth some \$5 trillion. To come to grips with these emerging trends—leaders must experiment with new business models, foster a can-do attitude, and work alongside social innovators and entrepreneurs like Muhammad Yunus of the Grameen Bank which has helped some seven million people or Dr. Venkataswamy whose Aravind Eye Care System is one of the largest and most productive eye-care facilities in the world—while being profitable.

The Power of Unreasonable People provides rich case studies on how these unreasonable entrepreneurs build their enterprises and what the implications of their work means for future market risks and opportunities. The book delves into the models used by Nobel Peace Prize winner Wangari Maathai, founder of Kenya’s Green Belt Movement, Wendy Kopp’s Teach for America, Richard Sandor’s Chicago Climate Exchange, and many other inspiring and successful social entrepreneurs.



New from



a conversation with

JOHN ELKINGTON and **PAMELA HARTIGAN**

Why is leverage a central goal for social enterprises?

Increasingly, individuals and small groups of people use multiple kinds of leverage to drive change on a disproportionate scale. They leverage all kinds of resources—from indigenous capabilities and social capital to philanthropic and governmental support, business partnerships, and income from previously untapped markets. As a result, they are able to transform their ventures and, in some cases, the entire system of which they are part. Their efforts create new markets and new levels of influence, often outpacing established nongovernmental organizations and mainstream business organizations.

What is blended value?

Blended value is what results when businesses—whether for-profit or non-profit—create value in multiple dimensions—economic, social, and environmental. A key challenge for twenty-first century investors and managers will be to boost the attractiveness to all key stakeholders of the value blends they create. Increasingly, global corporations are scouting for high-impact social and environmental entrepreneurs.

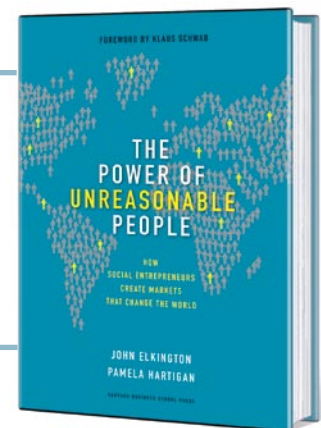
Where will entrepreneurs find the emerging market opportunities?

In 2000, the UN launched its Millennium Development Goals (MDGs), slated (with little chance for success) for completion by 2015. Show most companies these goals and they see little possibility of turning the goals into market reality. Show the MDGs to most social entrepreneurs, and many will note that their own ventures were addressing key issues years before the UN got around to laying out its own plans to address the ten great divides which translate into opportunity: demographic, finance, nutrition, access to finite natural resources, environment, health, gender, education, digitech, and multiple forms of security. To seize these opportunities, mainstream companies will have to stretch their thinking beyond the usual business case arguments for venturing into new and untested markets.

How can we promote scalability for social and environmental ventures and encourage partnerships with mainstream businesses?

We need a number of ingredients: a universal environmental—and, eventually, triple bottom line—accounting language to help businesses monitor progress; the evolution and deployment of professional skills in such areas as monitoring, impact assessment, auditing, reporting, and assurance; market incentives that track and punish or reward corporate performance; and back-up public sector processes that create an overall sense of direction and ensure enforcement. A universally accepted accounting language would assess the extent to which all enterprises—whatever their scale—were heading toward sustainability.

“Increasingly, individuals and small groups of people use multiple kinds of leverage to drive change on a disproportionate scale.”



ten characteristics of **SUCCESSFUL SOCIAL ENTREPRENEURS**

What characteristics do these social and environmental entrepreneurs share?

Capturing the common characteristics of such extraordinary, diverse people is tough, but here are some especially noteworthy qualities. Among other things, these entrepreneurs:

- 1.** Try to shrug off the constraints of ideology or discipline
- 2.** Identify and apply practical solutions to social problems, combining innovation, resourcefulness, and opportunity
- 3.** Innovate by finding a new product, a new service, or a new approach to a social problem
- 4.** Focus—first and foremost—on social value creation and, in that spirit, are willing to share their innovations and insights for others to replicate
- 5.** Jump in before ensuring they are fully resourced
- 6.** Have an unwavering belief in everyone’s innate capacity, often regardless of education, to contribute meaningfully to economic and social development
- 7.** Show a dogged determination that pushes them to take risks that others wouldn’t dare
- 8.** Balance their passion for change with a zeal to measure and monitor their impact
- 9.** Have a great deal to teach change makers in other sectors
- 10.** Display a healthy impatience (e.g., they don’t do well in bureaucracies, which can raise succession issues as their organizations grow—and almost inevitably become more bureaucratic)

about the **AUTHORS**



JOHN ELKINGTON

A co-founder in 1987, past-Chairman (1996-2006), and now Chief Entrepreneur at SustainAbility (www.sustainability.com), John Elkington is a leading authority on sustainable development and on “triple bottom line” business strategy. *BusinessWeek* described him as “a dean of the corporate responsibility movement for three decades.” *The Power of Unreasonable People* is his seventeenth book. He was co-author of 1988’s *The Green Consumer Guide*, which sold around a million copies in twenty editions. His 1997 book *Cannibals with Forks: The Triple Bottom Line of 21st Century Business* was a finalist in the *Financial Times* Global Business Book of the Year Award.

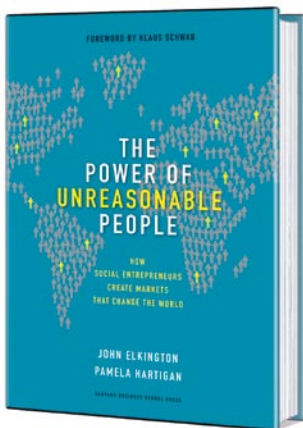
In 1989, Mr. Elkington was elected to the UN Global 500 Roll of Honor for his “outstanding environmental achievements”. His personal website is at www.johnelkington.com.



PAMELA HARTIGAN

Pamela Hartigan is the Managing Director of The Schwab Foundation (www.schwabfound.org), a Swiss-based organization founded by Klaus and Hilde Schwab in 1998, which focuses on building and supporting its community of practitioners whose efforts have achieved transformational change. The Foundation is the second organization started and supported by Klaus Schwab, the first being the World Economic Forum. Dr. Hartigan is the Foundation’s first Managing Director and has been responsible for shaping the strategy and operations pursued by the Foundation to achieve its mission.

Dr. Hartigan is on the boards of a number of entrepreneurial start-ups and more established ventures and is an Adjunct Professor at the Columbia Business School.



The Power of Unreasonable People

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John Elkington and Pamela Hartigan

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