

Founders Who are Effective Over Time: Their Characteristics

by Sarah H. Alvord, L. David Brown, and Christine W. Letts

Founders with certain specific characteristics can keep pace with their organizations over decades of growth and recalibration.

Editors' Note: The following article is excerpted from a study entitled "Social Entrepreneurship and Social Transformation." The excerpt suggests that founders with certain specific characteristics can keep pace with their organizations over decades of growth and recalibration. The study looked at seven social entrepreneurship projects which were widely viewed as successful. Readers can view the entire study at: http://papers.ssrn.com/sol3/papers.cfm?abstract_id=354082, or at Alvord, S., Brown, L.D. & Letts, C. *Social Entrepreneurship and Social Transformation*. Journal of Applied Behavioral Science, 2004, 40:3, 260-282.

THE SEVEN CASES THAT CONSTITUTE THE base of the study come from many regions and countries, but all have had substantial impacts on large populations. They include:

Bangladesh Rural Advancement Committee (BRAC) was established in 1972 to implement a systemic approach to rural poverty alleviation. BRAC now works in 60,000 villages in Bangladesh to organize the poor for self-help and build local capacities for economic development, healthcare, and education (www.brac.net).

Se Servir de la Saison Sèche en Savane et au

SARAH H. ALVORD is a Senior Program Officer at the Hauser Center for Nonprofit Organizations at Harvard University's John F. Kennedy School of Government. **L. DAVID BROWN** is Visiting Professor of Public Policy at Harvard University's John F. Kennedy School of Government and Associate Director for International Programs at the Hauser Center for Nonprofit Organizations. **CHRISTINE W. LETTS** is Lecturer in the Practice of Philanthropy and Nonprofit Leadership at Harvard University's John F. Kennedy School of Government and is the Associate Director for the Hauser Center for Nonprofit Organizations.

Sahel (Six-S) was established in 1976 to provide flexible funding for local projects in West African villages. Six-S has built local capacities to identify projects and to use resources effectively, involving 2 million people in village projects in nine countries and assisting 1,500 villages to develop self-sustaining, income-generating projects (www.iisd.org/50comm/commdb/list/c12.htm).

The Green Belt Movement (GBM) was established in 1977 to promote grassroots mobilization, "conscientization," and leadership development through environmental activities. It has mobilized 50,000 Kenyan households to plant 20 million trees, among other activities. (www.greenbeltmovement.org)

Plan Puebla (PP) was initiated in Mexico in 1966 to improve crop production with farmer-oriented cooperatives and support activities as well as better agricultural technology. It increased maize production by 62 percent among 47,000 Mexican farmers and helped them to double their family incomes.

The Grameen Bank (GB) was established in 1976 to provide group lending for poor people



Capacity-building
changes cultural
factors to support
new kinds of local
problem-solving,
package
dissemination
enables enhanced
income and
economic
development, and
movement building
increases the
political power
of otherwise
marginalized
groups.

without collateral in Bangladesh. The Bank has now provided small loans to 2.3 million poor borrowers, mostly women, and fostered micro-credit initiatives around the world. (www.grameen-info.org)

The Self-Employed Women's Association (SEWA) was founded in 1972 to organize poor women street vendors and domestic workers to improve working conditions, get health care, and gain access to credit. SEWA has organized hundreds of thousands of women to influence the Indian government to improve standards for informal sector workers. (www.sewa.org)

The Highlander Research and Education Center (HREC) was founded in 1932 in rural Appalachia to use adult education to help local leaders organize and gain political voice. It developed education programs to offer key support to the U.S. labor and civil rights movements. (www.hrec.org)

Examining these cases suggested that there are three patterns of innovation strategy that helped to scale up the impacts of these social entrepreneurship initiatives:

- interventions that *built local capacity* to solve problems, such as the programs of BRAC, Six-S, and GBM;
- initiatives that *developed and shared problem-solving packages*, such as the Grameen Bank's microcredit program and the Plan Puebla agriculture program; and
- innovations that *built political movements* that encouraged grassroots voices to be heard in larger decision making, such as SEWA and the Highlander Center.

Different patterns enabled different kinds of leverage for social transformation: Capacity-building changes cultural factors to support new kinds of local problem-solving, package dissemination enables enhanced income and economic development, and movement building increases the political power of otherwise marginalized groups.

Characteristics of Founders

The founders of these initiatives come from rich and poor backgrounds, from industrialized and developing countries. Some founders are individuals, and some are teams; some are men, and some are women. They include lawyers, professors, managers, and grassroots organizers. No immediately obvious and highly visible charac-

teristics distinguish these leaders by background, country of origin, gender, occupation, or even as individuals or groups. Comparing these cases, what characteristics emerge as being associated with successful social entrepreneurship?

The accompanying table on page 23 (Characteristics of Initiative Leadership) presents summary data and ratings across the cases on a dimension of leadership and a dimension of organizational arrangements that seem characteristic of successful social entrepreneurs in these cases:

- bridging-capacity that enabled leaders to work effectively across many diverse constituencies; and
- operational organization, which refers to the actors (e.g., staff, volunteers) involved in the implementation of the initiative's fundamental activities.

The first column of the table rates and describes each initiative in terms of its leadership's ability to understand the perspectives of and work effectively with constituencies whose concerns and resources were critical to the initiative. In many cases, individuals have experiences and skills that enable *bridging capacity* with very diverse stakeholders; in others, the leadership team possesses the necessary skills and resources. We rated the leadership "high" when it could understand and work effectively with all of the stakeholders that are central to the organization's strategy; "moderate" if it had the skills to work with most key stakeholders; and "low" if it was ignorant of or at odds with stakeholders critical to its success. While this aspect of leadership emerged from our examination of the cases, it is consistent with the challenges posed by settings in which success turns on effective dealing with many different constituencies (e.g., Brown & Covey, 1987; Moore, 2000).

In most of these cases, the social entrepreneurs—whether individuals or groups—had backgrounds and experiences that enabled them to build effective links with very diverse actors. The leaders of BRAC, SEWA, and Grameen Bank, for instance, were members of national elites who were committed to working with marginalized groups; the founder of Highlander came from poor circumstances but gained access to elite constituents through edu-

cation; the founders of Six-S had diverse backgrounds that collectively enabled them to understand and connect with very different

perspectives. The two initiatives whose leadership had less success in bridging diverse stakeholders had more difficulty in expanding the

TABLE: CHARACTERISTICS OF INITIATIVE LEADERSHIP

	Bridging Capacity	Adaptive Leadership Capacity
BUILD LOCAL CAPACITY		
BRAC	High: Founder was international business executive who committed himself to work on poverty in his country. Developed close contacts with grassroots communities and activists as well as with government officials, business leaders, donors, and development NGOs	High: Founder has led organization for 30 years and guided transition from doing relief work to being a grassroots development catalyst, a partner with government and international coalitions, and a successful market competitor. Founder understands political context and utilizes key political relationships effectively
Six-S	High: Founding team of two development activists from France and Burkina Faso able to understand and work across North-South boundaries as well as with villages, donors, and governments	Moderate: Co-founders led organization for 15 years and managed its building regional networks and instituting non-program-based funding patterns with international donors. Managed political context to avoid sabotage. Data not available on leadership succession.
Greenbelt Movement	Moderate: Founder was biology professor who grew up in Kenyan village. Has good relations with grassroots groups, environmental activists, and international groups, but has had difficulty building broad coalitions for expanding impacts. Founder has not maintained strong donor relationships.	Moderate: Founder has led initiative for 30 years, expanding organization to many villages, but hasn't developed a large-scale strategy or organization to carry it out. Uses key political relationships to maintain safety and subdue threats to organizational existence
SHARE PACKAGE		
Grameen Bank	High: Founder was an economics professor who grew up in Bangladesh and completed graduate education in the United States. Over the years, has built strong and lasting relationships with business leaders, government officials, donors, academics, and poor villagers, both men and women.	High: Founder in place for 30 years, and has led expansion from small, local experiment to nationwide organization with branches in other countries, 12 different businesses, and close ties to government and international donors.
Plan Puebla	Moderate: Founding team of four young researchers worked with universities and farmers, but did not develop networks with broader constituencies. Government officials with less bridging capacity succeeded them.	Moderate to Low: Founders worked for 10 years to translate agricultural research results successfully to small-scale farmers. After private funding ended, founders were able to gain government support for program but discontinued their own involvement.
BUILD MOVEMENT		
Highlander Center	High: Founder grew up poor in rural Appalachia, but gained links to elite intellectuals via schooling and to international experience that inspired founding of Highlander to support grassroots self-help and advocacy. Had few relationships with donors and depended on networks and colleagues to connect donors to the initiative.	High: Founder led the initiative for nearly 50 years and maintained involvement until his death. Had strategic relationships with academics, social activists, union leaders, and political leaders. Overcame multiple serious challenges to the survival of organization and campaigns from "Red Scare" anti-communists and segregationists.
SEWA	High: Founder born into high caste and trained as a lawyer in social activist family (e.g., India's independence movement). Maintained relationships with elite officials, professionals, and social activists while convening disparate groups of very poor self-employed women around common issues.	High: Founder led organization for 25 years to be successful local and national movement, and then facilitated rise of new leaders and international association. Utilized relationships with key political leaders and government officials to support campaigns and to overcome challenges from opposing constituencies.

The two initiatives whose leadership had less success in bridging diverse stakeholders had more difficulty in expanding the impacts of the initiatives.

Each of the three initiatives whose adaptive capacity is rated moderate had difficulties in responding to a major contextual challenge.

impacts of the initiatives. The founder of the Green Belt Movement has been challenged by tribal politics, tensions with government actors, and lack of long-term donor support. The leadership team of Plan Puebla focused on building relationships with local farm communities, academic colleagues, and targeted government officials; but the team's inability to cultivate relationships with a variety of outside donors or other development organizations resulted in reduced funding and an eventual government takeover that undermined many of its social change and community improvement goals.

The second column of the table on page 23 focuses on the *long-term adaptive capacity* displayed by the leadership of these ventures in response to changing contexts and circumstances. Many of these leaders or teams expanded their own repertoires to provide new visions for growing organizations over many years. Some have also fostered leadership succession processes that put appropriate new talent in place. Long-term adaptive capacity was rated "high" when leadership successfully catalyzed initiative adaptation to internal and external changes or organized successions to deal with challenges over the long periods required for scaling up these initiatives; "moderate" when they adapted with some difficulty to new organizational or contextual challenges; and "low" when their problems of adaptation or succession undermined the effectiveness or expansion of the initiative. While this definition of adaptive capacity grew out of examination of these cases, the concept resembles aspects of leadership identified by analysts who have looked at the phenomenon in other contexts (e.g., Heifetz, 1994).

The leadership of most of these initiatives exhibited impressive longevity. Five of the seven were led by their founders for 25 years or more, and even Six-S and Plan Puebla had the same leadership teams for 10 years or more. Launching and expanding successful social entrepreneurship ventures is not a short-term effort. The adaptive challenges facing these initiatives varied across forms of innovation. For capacity building initiatives, many of the challenges involved evolving understanding of local development demands and the need to create organizational arrangements and donor alliances to

support expansion. BRAC was extremely successful in creating systems to deliver programs to thousands of villages over a long term. It is less clear that Six-S and the Greenbelt Movement were able to create the kinds of long-term alliances needed to expand their impacts in the long term. For innovations that focused on building development packages, the Grameen Bank was more successful than Plan Puebla in developing a package that could be disseminated widely over a long period. In movement building initiatives, adapting effectively to political challenges was critical to long-term effectiveness, and both SEWA and Highlander leaders were able to respond creatively to continuing political challenges. Many initiatives adapted program components to fit their core innovations to emerging contextual challenges, such as Grameen's partnering with non-Islamic women to teach Islamic women observing purdah; Highlander's integration of blacks and whites in residential education programs in the teeth of local segregation laws; and SEWA's addition of economic development and support services to its initial political organizing program.

Each of the three initiatives whose adaptive capacity is rated moderate had difficulties in responding to a major contextual challenge. Six-S groups, overwhelmed by an influx of funding, ignored necessary village capacity building processes and became too focused on quick successes and impacts valued by donors. The Greenbelt Movement didn't build the federations and coalitions required to address effectively the broader scale issues of government corruption. Plan Puebla didn't demonstrate to government and other constituencies the importance of sustainable social change program components.

We have talked here about two characteristics of leadership—bridging capacity and adaptive capacity. But elsewhere in the study we discussed the fact that each of these initiatives was organized to mobilize and build upon the assets of the poor constituencies they served, and so they were able to turn relatively small investments into sustainable activity resourced in part by poor and marginalized groups. This appears to be a critical component of the type of transformational work these groups do.

► **Reprints** of this article may be ordered from store.nonprofitquarterly.org, using code 130203.