

# Stanford SOCIAL INNOVATION REVIEW

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*10<sup>th</sup> Anniversary Essays*  
**A Team of Teams World**  
By Bill Drayton

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door to new kinds of solutions. To navigate these choppy waters, they need to be more innovative, flexible, and adaptive.

The need for adaptation is not new. Stanford University historian Ian Morris observed, in his sweeping review of the shifting balance of global power, *Why the West Rules—For Now*, that history can be defined as “a single grand relentless process of adaptations to the world that always generate new problems that call for further adaptations.” Our times make it even more urgent that societies

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—J. GREGORY DEES, Duke University



find a path to greater adaptability.

How do societies become more adaptive? For advice on this question, we need look no further than Douglass North, winner of the Nobel Memorial Prize in Economic Science. He introduced the concept of “adaptive efficiency,” which concerns a society’s dynamic ability to solve problems over time. North explains in his classic *Institutions, Institutional Change, and Economic Performance*, “Adaptive efficiency, therefore, provides the incentives to encourage the development of decentralized decision-making processes that will allow societies to maximize the efforts required to explore alternative ways of solving problems.” Decentralized problem-solving is the essence of an open-solution society.

At the heart of such a society lies social entrepreneurship, which is the epitome of a decentralized exploration of alternative solutions to social problems. Through their innovations, experimentation, and persistent efforts, social entrepreneurs expand the portfolio of options available for dealing with current and future social and environmental issues, thus providing an essential ingredient for enhancing adaptive efficiency.

Yet entrepreneurial exploration is not enough. It can lead to fragmentation, frustration, and confusion, if it is not done within an institutional framework that helps us assess, evaluate, and appropriately scale the most promising of the experimental efforts. Markets guide this process in the case of business entrepreneurship, but the success of decentralized social problem-solving depends on the effectiveness of other supporting institutions (legal, financial, cultural, intellectual, and more) in promoting an adequate level of social entrepreneurship, improving its effectiveness, and capitalizing on what we learn through the explorations.

Creating effective solutions is not a matter of simply sorting what works from what does not work, and then scaling up what works, as some would have it. It is a matter of understanding what works *under which circumstances and for whom*. The world is more nuanced and complicated than we want to admit. Rarely is the

solution to a problem “one-size-fits-all.” We need to realize that what appears to be “best practice” has to be qualified and is usually temporary, best only until something better comes along. And we should always be challenging ourselves to do better.

For a society to use intelligently the portfolio of approaches developed by social entrepreneurs, it needs sophisticated assessment tools that capture strengths and weaknesses, as well as methods for the strategic scaling of solutions that fit the circumstances and the people involved. This process should be embedded in a continuous process of refinement and adaptation. Innovation is not finished as long as improvement is still possible. The open-solution society must seek continual evaluation and improvement. Imagine our tech world today if Apple had stopped innovating with the Apple II, just because it was “best” at the time.

We can learn from biology here. In his provocative book on the brain, *Incognito*, David Eagleman observes, “Biology never checks off a problem and calls it quits. It reinvents solutions continually. The end product of that approach is a highly overlapping system of solutions—the necessary condition for a team-of-rivals architecture.” That is how an open-solution society becomes an adaptively efficient society.

As a hub for sharing lessons, stimulating action, and encouraging engagement, *SSIR* is an important contributor to advancing an open-solution society.

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## A TEAM OF TEAMS WORLD

BY BILL DRAYTON

**T**he rate of change has been accelerating exponentially since 1700 at least. So has the number of people causing change. This acceleration also applies (and I believe this is especially important) to the number of combinations, and combinations of combinations, of changemakers collaborating.

The combined effect of these accelerating historical forces is profoundly changing how people work together. And nothing is more explosive than changes in how people interact—because they change everything.

At least since *Homo sapiens* first crossed the mouth of the Red Sea 50,000 years ago, human organization has focused on achieving efficiency in repetition. Think of the law firm or the assembly line. Consider our traditional goals for education: to give students

a body of knowledge and mastery of the associated rules so that they can go forth and be a potter or a banker for life.

Of course, the world has always seen some change, at least evolutionary change. But the practical day-to-day work of an organization was marked by increasingly specialized repetition: A few people told everyone else how to repeat actions together, efficiently, in structures with vertical nervous systems and walls.

In a world of escalating change, the rules cover less and less. Anyone who tries to be a good person by diligently following the rules will, inevitably if unintentionally, hurt people and disrupt groups.

—BILL DRAYTON, Ashoka



Although this organizational model still dominates, it is failing. The half-life of a Fortune 500 company gets shorter and shorter—that is, the death rate of these slow-to-change giants is accelerating.

We are moving rapidly into a world defined by change, which is the opposite of repetition. Whereas repeating parts fit together with repetition reinforcing repetition, we are now tipping into an equally coherent world where change begets and accelerates change. When one system changes, it bumps all those around it, and then they bump all those around them.

Value in this world comes not from providing the same thing over and over to a client, but from managing kaleidoscopic change processes that are busily bumping one another. Because one now needs to see and seize ever-changing opportunities, the new organizational model must be a fluid, open team of teams. That is precisely what one sees in the islands where the new world of change is already flourishing—for example, Silicon Valley and Bangalore. Here (and increasingly everywhere) the critical factor for success is determining what percentage of your people are changemakers, at what level—and how good a job you are doing in enabling them to work together in fluid, open teams of teams.

A team is not a team unless everyone is an initiatory player, and in this world you cannot afford to have anyone on your team who is not a changemaker. Yes, there is still repetition (although automation, artificial intelligence, and the World Wide Web are fast shrinking its scope); but you cannot afford to have anyone without the skills to spot and help develop change opportunities. That is where the value lies.

This world requires a new paradigm for growing up and therefore also for education. Just as 50 to 100 years ago society took the radical step of saying that every person must master written language, now we must insist that every person have the social skills necessary to be an effective, confident changemaker before age 21. These core skills are empathy, teamwork, a new type of leadership (leading teams of teams where everyone is a powerful changemaker), and changemaking. (Ashoka's global collaborative

entrepreneurship teams for “Every Child Must Master Empathy” and “Youth Venture” are focused precisely here.

In a world of escalating change, the rules cover less and less. Anyone who tries to be a good person by diligently following the rules will, inevitably if unintentionally, hurt people and disrupt groups. They (and quite likely their group with them) will be marginalized, thrown out. That is one of the reasons that the skill of empathy is essential now.

How does this world, in which all the systems are changing and bumping one another, stay on a safe, fair, and beneficial-for-all path? There has to be a powerful force constantly pulling society back to the center.

That is why social entrepreneurs are critical (and no doubt why the field has grown explosively over the last three decades). Because the challenge is at the level of systems, it requires entrepreneurs. That is what entrepreneurs do. Time and time again, however, entrepreneurs with narrow objectives (including self-interest, shareholders' interests, or a religious

or ideological end) pull the world astray. The environment suffers. Privacy fades away.

*Social* entrepreneurs are the essential corrective force. They are system-changing entrepreneurs. And from deep within they (and therefore their work) are committed to the good of all. Whenever the world needs to turn in a better direction, they emerge to ensure that it does so.

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## JOBS AND SOCIAL INNOVATION

BY ROSABETH MOSS KANTER

Jobs are the best social program, it has been noted frequently. If that's true, we can expect to see social problems rather than progress in the United States if we continue to have high rates of youth unemployment, especially among minority males. Youth unemployment is an even greater problem in other countries—Greece, Italy, South Africa, to name just a few. Furthermore, the gap between the highest income-earners and the rest continues to grow, and social mobility has declined. Opportunity has become one of the most perplexing questions of our times. Job creation is an imperative, and it calls for innovation in social institutions.

The global financial crisis hurt everyone, but it had two pernicious effects on specific populations, and it pointed to underlying