

Social Capital Conference (SoCap09)
Fort Mason – San Francisco
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Panel Topic: Opening Keynote

Purpose:

Sonal Shah, Director of the White House Office of Social Innovation, gave the opening keynote and explained the Obama administration's commitment to social enterprise. She detailed their plans to accelerate the impact of both for profit and non profit social enterprise. Ms. Shah spoke to the new role of government according to the administration and the need to work with the social enterprise community, both for and non-profit, to effectively streamline government resources towards investing in what works.

Design/methodology/approach

Keynote Address summarizing the establishment of the Office of Social Innovation, its core principles, and its strategic direction.

Findings

Ms. Shah opened her keynote address by observing that this is an "incredible time of crisis and opportunity for our nation." Demand for services is going up while budgets are going down. She outlined problems and opportunities, in particular the opportunities available with an administration that is supportive of social innovation. "As president Obama has said, 'This is an all hands on deck moment,' " she stated.

Ms. Shah explained that the Office of Social Innovation is a part of the Domestic Policy Council and that it is currently staffed by four people.

She stressed the significance of having an Office of Social Innovation in a presidential administration: that it can guide and shape the work of the president and the administration, and that the President recognizes that social innovations exist and that entrepreneurs are working to address social issues. She acknowledged that, "What I'm describing might seem like common sense, but for the government it's a new way of doing things."

The purpose of the Office of Social Innovation is to help the government find creative models and scale them. Social entrepreneurs see problems and use business acumen to make a difference. The government wants to give innovative, high impact ideas the support that they deserve. It also recognizes that the most impactful programs empower people to participate in their communities.

The core principles of the Office of Social Innovation are:

1. Government needs to play defined but limited role;
2. Do not duplicate efforts already underway in non-profit sector – instead, focus on filling the gaps and creating partnerships;
3. Government needs to remain flexible;
4. Adopt policy tools to facilitate scaling social innovations.

The Office of Social Innovation intends to accomplish its purpose in three ways:

1. *Drive resources to the most innovative solutions.* Recognize that capital is scarce, and leverage available funds to support the most innovative programs. The Social Innovation Fund was part of the Serve America Act in the budget that Congress passed in April; it will provide growth capital to send funds to high-impact programs that have demonstrated results and are ready to be spread throughout the community. Simply put, the "focus is on finding ideas that work." The office will convene agencies with education to create common discussions among agencies, thereby creating a common language so that organizations don't duplicate efforts. The focus will be on identifying good ideas and scaling them. For this to be successful will require that metrics and

data are available ensure the best possible outcomes, that the process must be transparent, and that all organizations involved should be able to “course correct” as necessary by being flexible to changing circumstances.

2. *Facilitate partnerships.* Leverage expertise from non-profits, foundations, and business. In particular, businesses can help in science, math, and technology education. One example that has already emerged of the benefits of partnerships is www.allforgood.org, a site that allows users to search multiple sites for volunteer opportunities. All for Good was developed by the tech community in Silicon Valley in response to President Obama’s call for increased service. As part of the public-private partnerships, it will also be important to begin to measure the return on social investment. The government can’t and shouldn’t do these things alone.
3. *Identify tools to empower individuals.* The goal is for everyone to participate and to be engaged to use new media tools to participate in their community. Bay Area companies such as Kiva, the world’s first online lending platform, are already leading the way in developing tools that can empower individuals to serve in their communities. “Service is integral to the president and the first lady,” Ms. Shah said. In the coming years and months, the Obama administration will be working to implement the Serve America Act, and they will be depending upon individuals to do their part.

Ms. Shah raised the question about the role of government. Her office wants to create an environment in which social entrepreneurs can be successful. “We want to achieve outcomes: that’s our goal,” she said. “Success will be the institutions that outlive us.”

Practical implications

The Office of Social Innovation could have profound implications for how social problems are addressed by government. Rather than being the institution that organizes and administers a solution to the problems of a community, the government instead becomes a facilitator that allows the best, most impactful ideas to scale quickly.

This is a new field that is developing. In order for it to be successful, it will require greater partnerships across sectors, the development and establishment of metrics to identify baseline criteria for identifying and selecting high-impact solutions that should be scaled, and clarification of the role of government and the best way for government to help.

Originality/value

The Obama administration has taken an unprecedented step in establishing the Office of Social Innovation, something which no previous administration has done. The merging of for-profit, non-profit, and government ideas and resources could potentially present more systemic and holistic ways of addressing pressing social needs.

Key Words

Office of Social Innovation, social innovation, public-private partnerships, for profit and non profit social enterprise

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