

**A Better Mousetrap?
Andrew Wolk Armchair Keynote Opening Remarks
10th Annual Social Enterprise Summit
April 16, 2009**

It is a real privilege to be here today. I first want to say a heartfelt thanks to Kris and everyone at the Social Enterprise Alliance; it has been a true pleasure to partner with you on the Policy Track. In a sector in which collaboration can be so hard as we all try to sustain our work, they made it so easy. Also, sincere thanks to Colleen Ebinger, who leads our Public Innovators initiative – without her, I might still have been sleeping this morning.

It is so great to be here for the 10th anniversary of the Social Enterprise Alliance. I have already seen so many old friends. I came to my first ‘Summit’ which it was a ‘Gathering’ in 2003 – and it was one of my early introductions, post-business school, to see the practical reality of creating social impact, whether you know it as social enterprise, social innovation, or social entrepreneurship. I have learned that what we are all yearning for is to build models that work! We have too many major social problems in our society, from the highest incarceration rate in the world, to 21% of US children that live below the poverty line, to right here in New Orleans, where over 90% of African Americans do not go on to college. We **must** figure out how to ensure that we invest in what works.

Statistics like these and many more are commonplace all across America, from New York to Illinois to California, yet the statistics are not matched by a sense of urgency or voices of outrage. I do not think this a Republican or Democratic issue; rather, it is imperative that we search for the messages, strategies, and institutions that place a greater focus on making progress on the critical issues of our society. Such statistics in a country that spends as much as we do on solving social problems through taxes and philanthropy should be unacceptable, like littering or not buckling your seatbelt.

Before I bring up the Lt Governor, I wanted to say a few words about my journey that led to our work at Root Cause of bringing together the worlds of building models that work – the best examples of social innovation – with government. I believe we all are sitting at the cusp of a very unique opportunity; we have been swimming upstream for the past eight years, but now there is an opportunity – I am sure we can all feel it – and it is only we who can seize it. **This is our moment!**

This journey started for me in 2004 with a woman many of you may remember, Katherine Freund, who gave the keynote address here three years ago. She leads an organization called ITNAmerica that had built a sustainable model in Portland, Maine to help seniors who could no longer drive. They are now in 12 cities across the country. We were developing their business plan to scale across the country and, as we were working, Katherine told me about state policy she had gotten passed to allow her to accept unlimited numbers of donated cars to either sell or use in a fleet (at the time, used car dealers had prevented this from happening). The legislation had a huge impact on her

ability to sustain the organization – to build a model that worked – without government funding. I was so taken by the impact this policy work had had on her business model that we decided at Root Cause that all our future business plans should have policy sections.

My journey then continued with work we did with the Wallace Foundation in 2005, developing plans to build Out-of-School Time systems in four cities. Wallace was doing something I had not seen before and still see little of, which was investing directly into government. You see, the Out-of-School Time field has experienced fast growth and fragmented quality, and is completely disconnected from the public school system. Wallace was investing in this infrastructure to build an Out-of-School Time system – at the time basically a bunch of nonprofits working disparately – which would be deeply connected to school districts. They went as far as to invest millions of dollars in government data collection systems to ensure that government could measure whether Out-of-School Time programs did indeed work – dollars that city governments could not convince city councils to give them. I thought to myself: it seems like there could be potential for serious leverage to access the entire school system, to go from investing in isolated Out-of-School Time programs to working with and investing in government itself to link those programs to the existing system.

As we finished that work, it was the summer of 2005 and the Small Business Administration asked me to write a chapter on social entrepreneurship for their 2007 Annual Report to the President. At the time, they did not really care what I wrote about; it was a hot term and they figured they should have a chapter on it. So I took this as my opportunity to explore the link between the world that I had grown so attached to and had thought was “the answer,” social entrepreneurship, and this world I had just started to be introduced to, government, that clearly held so much power. I realized that both worlds sought to build models that worked, but there were barriers to both approaches. On the practitioner side, there were issues of access to capital, a quality workforce, limitations to technical assistance, and more. On the government side there were issues of educating public employees on the work of social entrepreneurs, needing to find champions to take risks, and the usual bureaucratic obstacles that we are all too familiar with. But as I stand here today – having been thinking and writing about, and now working directly with government – I am feeling that the fusion of these two worlds is the better mousetrap. Why?

Because our work is only really scratching the surface of the change I believe we all want to see. A successful program at scale only touches a small portion of the problem. Government has access to all the systems, makes the laws, and provides most of the money – \$1 trillion a year by some estimates – compared to foundations and individuals who give a combined \$175 billion.

So, fast forward to January, 2007 and I am coming close to completing the chapter when I hear that some lieutenant governor in Louisiana has just opened up the first ever Office of Social Entrepreneurship. I learn that he is going to be at an NYU conference on social entrepreneurship in

April giving a keynote. So I quickly get on the phone to schedule an interview for the chapter with his then-deputy chief of staff, Judy Morse. I get to New York and before I meet with Judy, I hear him give one of the most amazing speeches I had ever heard. And all I could think is – he gets it, he is speaking the language that all of us in this room have spoken to each other in halls of the Summit for years. He is one of us – and he is an elected official.

So instead of asking Judy for the interview, I tell her that Root Cause wants to develop the business plan for the office. Her reply was: Great, but all our money is going to disaster relief – we have no funds. In a moment of excitement and inspiration and no business acumen at all, I reply: “No problem!” As I got back to my office the next day I thought to myself, what have I done? Here I am trying to sustain an organization, and I just agreed to do work for free. I have no idea who my own lieutenant governor is, let alone who he is. So, as I am sure his office did with me, I went to check him out. The more I learned, the more I realized that this was a major opportunity to have a real champion for the field. So let me tell you a little bit about the lieutenant governor.

He has a long family history in politics. He is the son of former New Orleans mayor Moon Landrieu and the brother of the senior U.S. Senator from Louisiana, Mary Landrieu.

He was elected to the Louisiana House of Representatives in 1987, where he served for sixteen years in a seat previously held by his sister and his father.

He is now in his second term as lieutenant governor and has turned that office into what I would call a powerhouse of innovation within government.

He has the responsibility as CEO of the Department of Culture, Recreation and Tourism, managing more than 800 employees and a \$165 million budget that contributes billions of dollars to Louisiana’s economy. And this is only a part of what he oversees – much of which is his own doing.

Let me give you just a couple examples so you can begin to understand why he is one of us. To make his office more effective, he recently implemented a new budgeting process focused on results, called Budgeting for Outcomes. This process is now on the cusp of being implemented across many other government agencies in Louisiana.

He also led a legislative effort to reform Louisiana's juvenile justice system with a focus on rehabilitation and reform as opposed to punishment and incarceration.

The journey of social entrepreneurship and innovation has been an amazing one for me, but in particular, these past two years working with him and his team, including Judy Morse, his chief of staff and Brooke Smith and Nadiyah Morris who lead the Office, who have all been terrific to work



with, stand out. So I assure you we are in for treat. Let's all welcome the lieutenant governor of Louisiana, Mitch Landrieu.