

WRITTEN TESTIMONY OF CHERYL L. DORSEY, M.D., M.P.P. PRESIDENT ECHOING GREEN

U.S. HOUSE OF REPRESENTATIVES COMMITTEE ON EDUCATION AND LABOR HEARING ON "RENEWING AMERICA THROUGH NATIONAL SERVICE AND VOLUNTEERISM"

INTRODUCTION

Thank you Chairman Miller, Ranking Member McKeon, and Members of the Committee for having me here today. It is a tremendous honor to be with you to testify about the power of people and ideas through service and innovation to tackle our communities' toughest social problems and transform lives.

BACKGROUND

Some background may provide helpful context for my testimony today. Twenty years ago, I enrolled at Harvard Medical School; I was to be the first physician in my family. Yet two blocks away from perhaps the world's best medical school, black babies were dying at three times the rate of white babies. *The Boston Globe* called this "Birth in the Death Zones." I was just a student. But I was also a local resident outraged by this inequity. Along with Dr. Nancy Oriol, I co-founded The Family Van, a mobile health unit providing basic medical services, referrals, and health education to disadvantaged families in inner-city Boston. Today, The Family Van serves about 7,000 clients each year. My story is not unique in that there are thousands of citizens who see problems in their communities every day and develop new, innovative solutions to tackle them. What is unique is that I had access to a pool of seed capital--start up funds—from an organization called Echoing Green that allowed me to launch The Family Van. It is the organization I now run.

ECHOING GREEN AND SOCIAL ENTREPRENEURSHIP

The mission of Echoing Green is to provide start up funds and support to some of the world's best social entrepreneurs. Social entrepreneurs are individuals who identify and take responsibility for an innovative and untested idea for positive social change, and then usher that idea from concept to reality. Just as entrepreneurs in the private sector are innovative and relentless in their pursuit of success, social entrepreneurs are innovative and relentless in their pursuit of social impact.

Social entrepreneurship or social innovation is, essentially, applying the principles of innovation that have served this country so well in the private sector to the social sector—to the work being done to address the pressing social challenges we face. Even though we don't often think of it in this way, the principles of innovation, entrepreneurship, accountability, results, and competition can exist in the social sector, just as they do in the private sector. Those of us who have toiled in the field of social entrepreneurship believe that social innovation is a key driver in identifying the most effective, highest-impact solutions to the difficult social challenges facing our nation.

Echoing Green's track record speaks to this. Since 1987, Echoing Green has made small investments totaling \$27 million in the ideas of close to 500 social entrepreneurs working in over forty countries around the world and in 42 states across this country. These social entrepreneurial organizations are serving millions around the world tackling issues as disparate as educational inequity, poverty, human rights abuses, and health care disparities. Examples of organizations that Echoing Green helped launch include:

 National service leaders like Teach For America, City Year, Public Allies, Jump Start, Citizen Schools and BELL;



- New community models like Working Today which provides affordable, portable health benefits to 100,000 members nationwide; the SEED School, the nation's first urban boarding public school and Credit Where Credit is Due, the first credit union in Washington Heights, New York; and
- Social enterprises like the Bay Area's Hallmark Community Solutions, a nonprofit housing developer that creates new opportunities for people with developmental disabilities and SKS Microfinance, the fastest growing microcredit institution in India, serving 3 million poor women across the country.

SOCIAL INNOVATION AND SERVICE

I want to make clear that I am not an accidental participant in this panel! Social entrepreneurship and national service have been important partners in the work of social change. First, national service is often a critical source of human capital for social entrepreneurs. Because social innovation demands high levels of efficiency and maximization of outcomes, leveraging the work of volunteers and part-time and full-time service members is critical. Second, AmeriCorps money has provided the second stage of growth capital for many organizations, like Teach For America and Jump Start. While foundations and seed capital organizations like Echoing Green often provide the start-up money social entrepreneurs need to implement their innovative ideas, AmeriCorps money is a critical resource to help take their idea to the next level, once they have demonstrated that it can work. Because AmeriCorps does not dictate a program model, it has allowed creative individuals to think of ways for full-time AmeriCorps members and part-time volunteers to solve problems in new ways that would not be possible under federal funding streams that dictate specific programmatic approaches to achieve a specific result. In this way, national service funding supports and fosters innovation in the social sector in ways most other funding streams do not. And third, the link between service and innovation is more like a "virtuous loop." Those in engaged in service learn how to solve community problems and develop the kind of leadership skills that each, next generation needs to be action-oriented and solutions-focused.

GOVERNMENT AS CATALYTIC PARTNER

As someone who runs a social venture fund and is committed to identifying, vetting and supporting solutions-oriented, metrics-based enterprises that unleash social <u>and</u> economic value, I look favorably upon the role AmeriCorps dollars have played in spurring social innovation and filling gaps in the social capital marketplace. In addition, the President's call for a Social Innovation Fund Network to catalyze public and private dollars for identifying and scaling solutions to social problems represents an important reorientation of the government's relationship toward the nonprofit sector and mirrors the important role that government has played in facilitating innovation, competition, and economic growth in the private sector.

CLOSING

I hope that my perspective is of some use to the Committee as you continue your most important work of bolstering America's leadership in the realm of national service and volunteerism.

Thank you for inviting me to testify today.