

Stanford SOCIAL INNOVATION REVIEW

Scaling Impact By Jeffrey Bradach

Stanford Social Innovation Review
Summer 2010

Copyright © 2010 by Leland Stanford Jr. University
All Rights Reserved



STANFORD
GRADUATE SCHOOL OF BUSINESS

Stanford Social Innovation Review
Email: info@ssireview.org, www.ssireview.org

Scaling Impact

How to get 100X the results with 2X the organization BY JEFFREY BRADACH

FIFTEEN YEARS AGO, I started doing research on the challenges of taking nonprofits to scale. The topic was still under the radar both in the university and out in the field. My focus was growth through replication, and when I presented papers and case studies, nonprofit audiences often dismissed the ideas as “too corporate.” As one audience member said to me: “We are not McDonald’s. You cannot use a cookie cutter to replicate the work we do.”

At almost exactly the same time, however, social entrepreneurs began developing new models for expanding organizations through replication in new locations. Their organizations grew to become nationally recognized nonprofits such as Teach for America and Habitat for Humanity, as well as internationally known nongovernmental organizations such as Bangladesh-based BRAC. These organizations have found that scaling is anything but an exercise in cutting cookies, as it requires not only fidelity to core processes and programs, but also constant adjustments to local needs and resources.

Today, there may be no idea with greater currency in the social sector than “scaling what works.” In its first year, the Obama administration announced several multimillion- or billion-dollar programs that focus on expanding proven-effective programs to new locations. As the president put it, “Instead of wasting taxpayer money on programs that are obsolete or ineffective, government should be seeking out creative, results-oriented programs ... and helping them replicate their efforts across America.”

This effort builds on the work of innovative social entrepreneurs and represents an opportunity to address some of society’s most intractable problems. At the same time, however, nonprofit leaders and philanthropists are searching for ways to scale impact beyond adding sites. Put simply, the question now is “How can we get 100x the impact with only a 2x change in the size of the organization?”

Because this way of thinking about growth is quite new, social entrepreneurs are still figuring out the best ways to scale impact. But pioneers have identified some tools and strategies that expand the impact of organizations well beyond what their size would seem capable of generating.

CONVERT BRICKS TO CLICKS

Many organizations are using the Web to expand their impact without increasing their numbers of boots on the ground. In these so-called “bricks-to-clicks” models, they create toolkits and platforms that users can readily adopt. For example, KaBOOM! helps communities build new playgrounds for children. In its first 10 years, KaBOOM! built nearly 750 playgrounds. But its reach was partly limited by the number of staff it could deploy to each site.



Then KaBOOM! shifted from hands-on management to a Web-based platform that helps communities organize their projects. The result: approximately 4,000 more playgrounds in just three years. Similar bricks-to-clicks models are under way in mentoring, advocacy, and other fields.

Social media likewise hold much promise for scaling impact through knowledge sharing, network building, campaigns, and collaborations. Wikimedia is perhaps the most well-known social media outlet, with a global community of about 100,000 citizen-editors and 345 million unique visitors a month on Wikipedia. Another site, Ushahidi, founded in Kenya to expose election fraud, has been used to expose government violence in Iran and to locate trapped victims of the Haiti earthquake.

JEFFREY BRADACH is cofounder and managing partner of the Bridgespan Group. Before joining Bridgespan, he was on the faculty of the Harvard Business School.

BUILD NETWORKS

Early in the 20th century, service providers such as Big Brothers Big Sisters of America, Boys & Girls Clubs of America, Goodwill Industries International, and the American Red Cross spread across the country through networks of local organizations. These large nonprofit networks ultimately became an important source of programming and services, especially for young people and the poor. Later in the century, another type of network, centered on local implementation of a common idea and model, emerged. The hospice movement and Alcoholics Anonymous both became major forces without a central organization driving their growth. Now, in the 21st century, another network model has taken shape. Enormous numbers of people are able to donate money, volunteer, advocate, and organize through Web sites and social networking technology.

USE INTERMEDIARIES

Intermediaries play an important role in many fields by increasing the performance of constituent organizations and serving needs that extend beyond the capacity or interest of any one provider. The Microfinance Information Exchange (MIX), for instance, is an intermediary that is catalyzing the efforts of the microfinance industry. MIX supplies detailed financial and social performance information about microfinance institutions to potential investors, as well as to the institutions themselves. These data not only help individuals and organizations make wise decisions, but also strengthen the microfinance sector as a whole. Likewise, Local Initiatives Support Corporation (LISC) magnifies the efforts of community development organizations by connecting them to corporate, government, and philanthropic resources. LISC helps local organizations secure funding, change policy, and enlist technical and management assistance. As a result of its matchmaking, LISC has helped build 253,000 affordable homes, 38 million square feet of retail and community space, and 132 schools across the country.

DEVELOP TALENT

A growing number of organizations are focusing their efforts on developing leaders who can then go on to pollinate a field. This is especially true in education, with Teach for America being the best-known example. Another well-known organization, New Leaders for New Schools, selects and mentors promising school principals in yearlong residencies. Since its founding in 2001, the New York City-based nonprofit has trained 550 principals in nine cities. Evaluations show that schools led by New Leaders' principals for at least three years graduate more students and make academic gains faster than comparable schools in their districts. Civic Ventures is following a similar path by creating avenues for talented people to enter the social sector later in their careers.

BLEND SERVICE WITH ADVOCACY

In addition to service, advocacy is a lever some nonprofits can pull to extend their impact through policy change. City Year attests to the power of blending advocacy with service. The organization places young people in yearlong missions as tutors, mentors, and role models. In 20 years it has grown to 20 sites engaging 1,500 young people each year. At the same time, an explicit part of City Year's

strategy has been to advocate for federal policies and funding for public service work. The organization was instrumental in the creation of the Corporation for National & Community Service (CNCS) in 1993 and, most recently, helped pass the Kennedy Serve America Act. By influencing how funds flow from government or private philanthropy, models that blend effective programs with advocacy offer pathways for dramatically scaling impact.

ALTER ATTITUDES AND BEHAVIORS

Some organizations are making widespread changes by using social marketing techniques to alter people's perceptions of what's acceptable. The designated driver campaign, designed by the Harvard Alcohol Project at the Harvard School of Public Health, followed the lead of Mothers Against Drunk Driving (MADD) to change public attitudes toward driving under the influence. In addition to establishing local chapters for its designated driver campaign, the organization used media to shift attitudes and change expectations and behavior on a huge scale. Other arenas such as environment and education are likewise pursuing social marketing strategies.

CHANGE PERCEPTIONS OF WHAT IS POSSIBLE

Still other nonprofits are scaling impact by changing people's notions of what's possible. In microfinance, for example, nonprofits first encouraged for-profit companies to invest in unrecognized market segments. Some of these for-profit players are now creating self-sustaining markets among populations that they previously had not considered reachable, let alone desirable. Charter schools have similarly triggered changes in school districts across the country by demonstrating that change is possible—even in schools that people had all but given up on. The effects of their successes far outstrip the number of children they serve directly. For example, KIPP teaches 21,000 students in 82 schools, a minuscule number among the nearly 100,000 public schools in the United States. But by demonstrating that *all* kids can perform well if given a good education, KIPP and other charter organizations have transformed the debate about what people can and should hold schools accountable for.

STRENGTHEN THE SECTOR

Although these approaches are all about scaling impact, not organizations, almost all of them depend on the existence of a strong organization, whether it is an intermediary, a technology-based enterprise, or a single nonprofit organization with a very strong policy and advocacy team. Moreover, the levers for scaling impact are seen as peripheral to—oftentimes a distraction from—the missions of the organizations. Yet if we are to meet our most pressing social challenges, these new strategies and approaches will need to attract the same kind of investment that we now see flowing to organizations committed to replicating their offerings in new sites.

Finding ways to scale an organization's impact without scaling its size is the new frontier in the field of social innovation. If we can decipher the code on that problem, we will be able to affect the most critical challenges and opportunities facing society. ■

This article is adapted from the author's foreword to Paul N. Bloom and Edward Skloot's *Scaling Social Impact: New Thinking* (New York: Palgrave Macmillan, September 2010).