

Overview of Research

“Billion Dollar Bets” to Create Economic
Opportunity for Every American

Introduction

With the goal of motivating a broader swath of philanthropists to make well-informed, actionable “big bets” to catalyze dramatic improvements in social mobility in the United States, a Bridgespan Group team spent a year researching and developing prototypes of potential large-scale investments that aim to build pathways to the middle class for millions of Americans. Many other researchers have tracked social mobility trend lines and investigated the effectiveness of numerous interventions. Our investment concepts and roadmaps stand on the shoulders of their rigorous research.

We designed this project to deliver on three main goals:

1. Drawing from an extensive research base on what needs to be in place for an individual to be middle class by middle age, create a framework that maps out “what matters most” to increase upward mobility.
2. Develop an outline of an expanded range of tools that a philanthropist could use to drive sustainable change at scale.
3. Map out a series of roadmaps that illustrate how investments of \$1 billion might improve the lifetime earnings of millions of Americans.

We have operated under several key assumptions. First, that many philanthropists care passionately about addressing society’s most vexing challenges. At the same time, there has been a paucity of major investments (defined as greater than \$10 million) that seek to support social-change organizations. Second, a clear investment roadmap would help support meaningful dialogue and provide philanthropists with a framework to make bigger bets. Third, our approach should offer a diverse array of investment options that reflect the multiple perspectives and political ideologies inherent in any discussion of how best to break apart intergenerational poverty.

Advisory Board:

Melody Barnes, Chair, Aspen Institute Forum for Community Solutions

Angela Glover Blackwell, President and CEO, PolicyLink

Pamela Cantor, Founder, President and CEO, Turnaround for Children

Jeff Edmondson, Managing Director, StriveTogether

Linda Gibbs, Principal, Social Services, Bloomberg Associates

Ron Haskins, Co-Director, Center on Children and Families, Brookings Institution

JD Hoye, President, National Academy Foundation

Josh B. McGee, Senior Fellow, Manhattan Institute; Vice President of Public Accountability, Laura and John Arnold Foundation

Janet Murguía, President and CEO, National Council of La Raza

Demetra Smith Nightingale, Chief Evaluation Officer, United States Department of Labor

Erika Poethig, Fellow and Director of Urban Policy Initiatives, Urban Institute

Barbara Picower, President, JPB Foundation

Nancy Roob, President and CEO, Edna McConnell Clark Foundation

Isabel Sawhill, Senior Fellow, Economic Studies, Brookings Institution

Thomas H. Sander, Executive Director of the Saguaro Seminar, John F. Kennedy School of Government, Harvard University

Darren Walker, President, Ford Foundation

Dalila Wilson-Scott, Senior Vice President Community Investment, Comcast; President, Comcast Foundation

Scott Winship, Walter B. Wriston Fellow, Manhattan Institute for Policy Research

Research Process

From the beginning, we aimed to develop work that builds on the most cutting-edge research on poverty and economic mobility in the United States. We also sought to incorporate the unique perspective of philanthropists. To accomplish those goals, we assembled an extraordinary advisory board of leading researchers, practitioners, and philanthropists (listed in the sidebar on the previous page). We also designed a methodology to ground us in research on social mobility; to spotlight social and economic interventions that are working; and to identify the current “state of play” in social-sector fields, as well as the perspectives of philanthropists and leaders within the social sector.

Process Map



Phase 1A: Identify high-impact programs and policies by life-stage milestones and environmental factors

To identify high-impact programs and policies, we consulted more than 250 reports, articles, books, and policy proposals on social mobility, poverty alleviation, and high-impact programs that are creating opportunities for low-income individuals and families to improve their economic lives. This research helped us identify four promising areas of investment that philanthropists could pursue:

- **Build skills and assets** to support economic security among individuals and families
- **Confront cultural and structural barriers** that hamper the ability of low-income populations to escape poverty
- **Transform communities** by creating economic opportunity for those living in areas where poverty is concentrated

- **Build the infrastructure to expand and scale “what works,”** by supporting ongoing efforts to identify programs and policies that help low-income people build skills, overcome obstacles, and seize on opportunity, even if they live in high-poverty neighborhoods. At the same time, continue to study and improve efforts that seek to scale on-the-ground efforts that are delivering results

Phase 1B: Develop a framework for philanthropist choices and roles

Drawing from the knowledge that Bridgespan’s philanthropy practice has accumulated over the years—as well as Bridgespan Fellow Jim Shelton’s expertise and our interviews with philanthropic leaders—we developed a range of potential pathways and roles for philanthropists who seek to drive large-scale change. In general, these roles fit within the four areas of investment:

- Spur innovation (e.g., fund a prize)
- Hone and grow what’s working (e.g., scale proven direct-service programs)
- Shift incentives (e.g., fund lobbying efforts)
- Invest in field infrastructure/systems change (e.g., establish research centers)

Phase 2A: Develop an array of \$1 billion bets

Based on all the research listed above, we developed a set of 15 bets that span the four areas of investment.

Phase 2B: Solicit ideas from the field

We then conducted a public call for two-page papers summarizing ideas for \$1 billion investments that dramatically increase upward economic mobility. A range of institutions and individuals responded, including leading think tanks, advocacy organizations, and public-health providers. Together, they delivered proposals for 49 investments. Their concepts influenced the selection and design of our final list of bets.

Phase 3: Develop details for six high-impact, \$1 billion bets

In the last phase, we narrowed our list of bets from 15 to 6, selecting for potential investment areas where there is a unique role for philanthropy to leverage current momentum within the field. We also strived to create a portfolio of “bets” with a diverse range of philanthropic roles and risk profiles. Finally, we ensured that our group of six bets spanned the four areas of investment outlined above.

Through further literature review and interviews with more than 40 key experts (including academics, practitioners, advocates, and philanthropists), we fleshed out and added detail to the six concepts. We also mapped out the approximate costs and potential impacts of those investments that are detailed within the six concepts. For this final phase, we partnered with the Urban Institute to model the impacts of these investments on lifetime earnings of the potentially affected individuals and families. We then benchmarked each investment’s cost profile against similar initiatives and we projected the costs for scaling programs. For the final review, we reconnected with field experts and philanthropists, using their input to fine-tune the investment strategies.

List of Interviewees*

- Roseanna Anders, Executive Director, University of Chicago Crime Lab
- Nan Astone, Senior Fellow in the Center on Labor, Human Services, and Population, Urban Institute
- Byron Auguste, Managing Director and Co-founder, Opportunity@Work
- Bevan Baker, Commissioner of Health, City of Milwaukee
- Jon Baron, Vice President of Evidence-Based Policy, Laura and John Arnold Foundation
- Gordon Berlin, President, MDRC
- Emily Blumenthal, Research Associate in the Policy Advisory Group, Urban Institute
- Allison Brown, Executive Director, Communities for Just School Fund
- Anthony Carnevale, Professor and Director of the Georgetown University Center on Education and the Workforce
- Lisa Dubay, Senior Fellow in the Health Policy Center, Urban Institute
- Mark Edwards, Co-founder, Upstream USA
- Lauren Eyster, Senior Research Associate in the Income & Benefits Policy Center, Urban Institute
- Cherise Fanno Burdeen, Executive Director, Pretrial Justice Institute
- Amy Fine, Co-director, Project on Pediatric Care Linkages for Developmental Services, Georgetown University
- Roland Fryer, Jr., Henry Lee Professor of Economics, Harvard University
- Laurie Garduque, Director, Justice Reform, MacArthur Foundation
- Ben Hecht, President and CEO, Living Cities
- Elizabeth Julian, President, Inclusive Communities Project
- Charles Kamasaki, Senior Cabinet Advisor, National Council of La Raza
- Andrea Kane, Vice President for Policy and Strategic Partnerships, the National Campaign to Prevent Teen and Unplanned Pregnancy
- Lawrence Katz, Elisabeth Allison Professor of Economics, Harvard University
- Robert Lerman, Institute Fellow in the Center on Labor, Human Services and Population, Urban Institute
- Akiva Liberman, Senior Fellow in the Justice Policy Center, Urban Institute
- Pamela Loprest, Senior Fellow in the Income and Benefits Policy Center, Urban Institute
- Christine Marson, Senior Program Officer, The Bill & Melinda Gates Foundation
- Nicole McDonald, Strategy Officer, Lumina Foundation
- Patrick McNamara, President and CEO, Community Partners
- Jamie Merisotis, President and CEO, Lumina Foundation
- Patrick Methvin, Deputy Director of Postsecondary Success in the U.S., The Bill & Melinda Gates Foundation

*in addition to Advisory Board members

- Tanya Palmer, Chief Program Officer, Children’s Services Council of Palm Beach County
- Manuel Pastor, Professor of Sociology and American Studies & Ethnicity, University of Southern California
- Deepak Pateriya, Chief of Staff, Center for Community Change
- Rolf Pendall, Director of the Metropolitan Housing and Communities Policy Center, Urban Institute
- Sonia Pérez, Chief Operating Officer, National Council of La Raza
- Mayra Peters-Quintero, Senior Program Officer, Gender, Racial, and Ethnic Justice, Ford Foundation
- Richard Reeves, Senior Fellow of Economic Studies and Co-Director of Center on Children and Families, Brookings Institution
- Brian Reilly, Co-Director of the Innovation Team, City of Albuquerque (Living Cities)
- Patrick Sharkey, Associate Professor of Sociology, New York University
- Jack Shonkoff, Director of The Center on the Developing Child, Harvard University
- Kathy Stack, Vice President of Evidence-Based Innovation, Laura and John Arnold Foundation
- C. Eugene Steuerle, Institute Fellow and Richard B. Fisher Chair, Urban Institute
- Michele Stranger Hunter, Executive Director, Oregon Foundation for Reproductive Health
- Philip Tegeler, President and Executive Director, Poverty & Race Research Action Council
- Margery Austin Turner, Senior Vice President for Program Planning and Management, Urban Institute
- Suzanne Walsh, Deputy Director of Postsecondary Education, The Bill & Melinda Gates Foundation
- Sarah Rosen Wartell, President, Urban Institute
- Lisa Williams-Taylor, CEO, Children Services Council of Palm Beach County
- Dr. Larry Wolk, Executive Director and Chief Medical Officer, Colorado Department of Public Health and Environment

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