

Stanford SOCIAL INNOVATION^{Review}

Bridgespan Supplement
Becoming Big Bettable

By William Foster, Gail Perreault & Bradley Seeman

Stanford Social Innovation Review
Spring 2019

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Becoming Big Bettable

Social change leaders can create more investment opportunities that can transform the world by following these guidelines.

BY WILLIAM FOSTER, GAIL PERREAU & BRADLEY SEEMAN

If I could just get lunch with Bill or Melinda Gates, I'm sure they'd get it. This problem is one of the most devastating imaginable and our work could really make the difference. I know they'd fund us to solve it.

— Leading social entrepreneur

Those of us working with nonprofits have probably thought or heard some version of this sentiment: If I could just get a really big donor to see the issue through my eyes and witness the power of the work, then they would be moved to provide the very large contribution we need. The good news is that philanthropists are beginning to make more and bigger bets on social change.¹ But in our experience, these

gifts do not usually stem from getting lunch with the right billionaire. Yes, relationships with donors do matter, and long-term relationships matter when it comes to securing a big-bet investment. Our research shows that recipients receive a median of four prior grants from a donor before receiving the big bet. Several factors, however, particularly lack of clarity on what enduring results a big bet could credibly achieve, often undermine donors' willingness to take the plunge and make sizable and far-reaching grants.

This hesitancy is in some ways good (we should want the largest gifts to support extraordinary opportunities) and in some ways bad (there is a lot of money sitting on the sidelines). Much of this reluctance is caused by factors

nonprofits and nongovernmental organizations (NGOs) cannot control. Too often, aspiring philanthropists let the perfect be the enemy of the good and delay their giving.

When donors consider making a truly big bet, they generally want to do more than fund good work. They want to create change that solves or significantly ameliorates a problem. Yet we have observed that social change leaders, in pursuing exceptionally large gifts, tend to place the heaviest emphasis on the enormity of the problem and on the moral imperative to tackle it rather than on the specific results their efforts could achieve and the specific and logical path to accomplish their goal. Their objective is to make the issue stand out in importance, but the unintended effect is to undermine a

donor's belief that their organizations can make a big impact.

It has been said that there are only seven basic stories in literature.² Yet in pitching donors, leaders frequently return to just one: The problem is enormous, you should care about it even more than you do, our organization is terrific, and more money will allow us to do more important work. This is not only a communications problem, it is a strategy problem.

The Bridgespan Group has had the privilege of working with some of the most ambitious social change leaders and philanthropists to help find, initiate, or support more than \$2 billion in big bets over the last four years. In doing this work, it has become clear that one of the largest barriers to deploying more big bets for social change is a lack of what are sometimes called "shovel-ready" opportunities.

Admittedly, there are some thoughtful critics who disagree that the problem is mainly one of supply. "Any donor who wants a shovel-ready opportunity to help humanity with an eight- or nine-figure gift can pick up the phone today and call the office of the United Nations High Commissioner for Refugees," argues David Callahan of *Inside Philanthropy* in one of the companion pieces to this article.³ "Or they can call any number of large nonprofits right here in the United States that are alleviating suffering and improving lives." We agree with Callahan that funding urgent and ongoing humanitarian needs is an important way for donors to help with pressing problems. Approximately one-third of big bets are gifts to augment the annual budgets of nonprofits doing critical work.⁴ Of course, in much ongoing human services work, government funding tends to dwarf all charity. But, given increasing levels of wealth, philanthropic contributions could add up to a meaningful sum in the everyday work of helping people. Philanthropists could do much more here and should not be reluctant to do so.

There is yet another kind of underused big-bet opportunity that nonprofits and NGOs could pursue: the kind that requires organizations to develop a concept worthy of investment for turning a large infusion of philanthropy into

Five Elements of a Big-Bettable Investment Concept

1. Important Problem	2. Point of Arrival	3. Credible Path	4. Why Philanthropy	5. Strong Leader and Team
<ul style="list-style-type: none"> ■ Ripe for action now ■ Addressable market 	<ul style="list-style-type: none"> ■ Specific goal ■ Enduring impact 	<ul style="list-style-type: none"> ■ Believable plan to get to point of arrival ■ Mitigation of risks 	<ul style="list-style-type: none"> ■ Ability to articulate why philanthropy is the missing ingredient for execution 	<ul style="list-style-type: none"> ■ Qualifications, commitment ■ Donor cultivation approach

enduring change. These big bets underwrite the types of social change work that can only be achieved with major philanthropy and that have been at the heart of important societal advances for decades. This second sort of big bet is where we see the supply problem. Because raising dollars for day-to-day operations is often all-consuming for nonprofit leaders, it can be challenging for them to develop the kind of strategy that would attract and warrant such a big bet.

Consider the experience of Splash, a relatively small nonprofit with revenues of about \$3 million in 2017, that in 2018 received a green light for an investment of \$20 million from the Children's Investment Fund Foundation (CIFF), with a match of more than \$12 million from city and state governments in Ethiopia and India, to dramatically expand its efforts to bring clean water to millions across the globe. Splash already had a lot going for it before this gift. It was tackling an enormous problem (lack of clean water for people around the world); it was approaching that problem innovatively, using off-the-shelf technology employed by the most sophisticated corporations, such as McDonalds; it had a track record of expanding its programs and achieving results within institutions such as orphanages in China and public schools in Kathmandu, Nepal; and it had a strong leadership team and good relationships with a few key donors.

But most of Splash's proposals were for the relatively short term. "We had been constantly pitching," says Eric Stowe, Splash's founder and director. "You're pitching a proposal for software, then another for public advocacy, and another for health research, and yet another for direct implementation. All those myriad pitches were usually trying to answer the question 'What result will we see in three years?' What we needed to pursue was a big bet with a vision out to 10 years, and we had to show something far enough along to have proof behind it—but with a meaningful gap to fill." Stowe and his

team pivoted to that longer-term vision and developed an investment concept with a clear and compelling goal: to provide clean water, sanitation, and hygiene to all public schools in two of the biggest megacities in the developing world. They developed a path for getting there as well as a well-articulated role for philanthropy. Splash not only secured a considerable philanthropic commitment, it added to the supply of "big-bettable" solutions for social change.

By our count, 80 percent of philanthropic big bets are going to more traditional institutional recipients such as universities, hospitals, and large cultural institutions, in part because of the relative scarcity of compelling big-bet opportunities for social change. This is true even though our review of public statements by US donors that have committed to the Giving Pledge and those listed in *Forbes' 50 Top Givers* shows that the majority of these donors are committed to supporting social change causes.⁵ With their large teams of development professionals and well-packaged giving opportunities such as building campaigns and endowed chairs, institutions know exactly how to put a large gift to use.

Social change organizations often have it harder—which is why we have written this article. With the caveat that not all funders are looking for more "big-bettable" opportunities and big bets are not always the right way to propel some types of social change efforts, we see that an increasing number of ambitious donors are stymied by a lack of compelling opportunities. They, and society as a whole, will be better off if there are more such opportunities to bet big on social change. Social change leaders can create and realize more chances to solve the world's problems if they understand how to develop and frame "big-bettable" investment concepts.

A MODEL FOR DESIGNING BIG BETS

A strong and big-bettable investment concept has five key elements:

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The authors thank Bridgespan colleagues Liz Calder, Eric Chen, Kebbie Ghaderi, Abe Grindle, Pavanjot Guraya, Reilly Kiernan, Matt Plummer, Alison Powell, and Sam Swartz

- an important problem,
- a point of arrival,
- a credible path,
- a “why philanthropy” rationale, and
- a strong leader and team. (See “Five Elements of a Big-Bettable Investment Concept” on page 4.)

Two of these, an important problem and a strong leader and team, will already be familiar to almost any leader who has pitched a potential donor. This article focuses on the other three: point of arrival, a credible path to that arrival point, and the role of philanthropy.

POINT OF ARRIVAL

A compelling investment concept needs a clear and concrete goal or point of arrival. That goal will typically be accomplished over a span of five or 10 years, perhaps even longer, and have an enduring impact.

Of course, every social change organization has goals. Usually there is an overarching vision,

for example, that all low-income American college students will have the same chance to graduate as their wealthier peers, or that every child will have access to clean water. In addition, for a particular grant or donation appeal, there is usually a much shorter-term goal: develop a new participant tracking system or expand the program to another city. A point of arrival occupies a “missing middle” that is much more concrete and specific than a long-term vision and much more ambitious than a short-term goal. It combines concreteness, ambition, and practicality. In the words of American writer Jonathan Kozol, these should be “big enough to matter, but small enough to win.”

Consider the example of City Year. By the late 2000s, City Year was approaching its 20th anniversary. Funded by a mix of federal AmeriCorps money and local and national philanthropy, the organization’s focus had always been on recruiting a diverse group of adults to give a year of service and thereby spreading the idea of national service across the country. City

Year had roughly 1,500 corps members in 20 US cities and they were performing an extraordinary amount of service. But the organization did not have explicit impact goals for that service.

“Twenty years in, we’d succeeded on a lot of fronts,” Michael Brown, City Year’s cofounder and CEO, recalls. “But could the work we were doing solve any particular problem?” Over the next several years, City Year developed its new long-term impact strategy, which focused entirely on public schools (where 75 percent of its corps members were serving) and dramatically improving the number of students on track to graduate. To support this plan, it sought its largest-ever gifts from a core group of existing supporters, including Jonathan and Jeannie Lavine and the Einhorn Family Charitable Trust. Like most big bets, this one grew from existing relationships. (See “Big Bets (Usually) Build on Existing Relationships.”)

“In 2008, we made our first grant of \$200,000 to City Year New York,” explains Jennifer Hoos Rothberg, Einhorn’s executive director. “It was a classic short-term, project-based, early-stage grant that enabled us to get to know the organization and develop our partnership. Next, we made a three-year, \$2.5 million grant to help City Year codify what it meant to be working in schools across all of their sites, focusing on the social and emotional health of students, corps members, and improving school culture. This was an area that City Year was interested in learning about and growing that was also squarely aligned with our mission.”

Jim Balfanz, City Year’s president, concurs: “Before building our investment plan, we focused on establishing a student-centered approach to impact, validating our impact through rigorous external evaluations, and transforming our approach to partnering with schools and districts.”

Over 10 years, the Lavines and the Einhorn Family Charitable Trust have invested more than \$50 million, joining with a core set of lead funders strengthening the graduation pipeline. The specific point of arrival they and City Year sought was to nearly double the number of students who reach 10th grade on track and on time in the schools it served in 10 years.

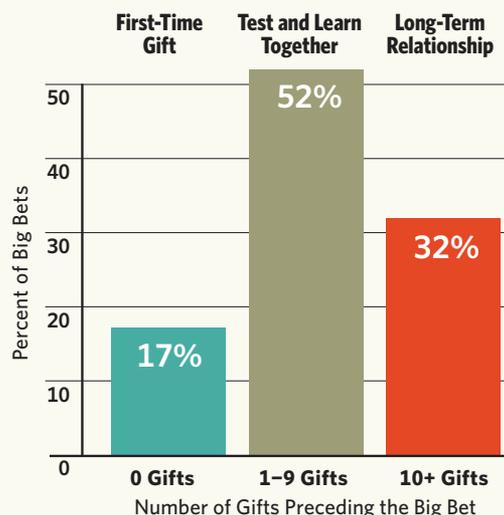
Michael Brown explains that this kind of clarity did not come easily. “Even when we knew that we wanted to focus entirely on schools, we kept asking ourselves, ‘What is our unit of impact?’ and finally, after studying it for a long time, we said that our unit of impact is an on-track student.” As part of its overall goal the organization set three sub-goals: 80 percent of the students in the schools City Year serves will

Big Bets (Usually) Build on Existing Relationships

A big bet is not usually love at first sight, so long-term relationships matter. When Bridgespan analyzed a sample of 165 grants of \$10 million or more from our big-bets databases (gifts from US-based donors to a social change organization or cause between 2000 and 2012), we found that the big-bet recipients received a median of four previous grants from the donor prior to the big bet. At the same time, a significant minority of big bets (like the one that CIFF made on Splash) are first-time gifts.

Given that more than 80 percent of the big bets on social change in our sample were preceded by at least two prior gifts to the same organization or initiative, and that almost one-third had been preceded by at least 10 gifts, you could think of a big bet as being more of the same. Although a big-bet gift usually builds on an existing relationship, it often moves that relationship to an entirely different level. On average, the big bet was 10 times larger than the most recent prior grant, and receiving the big bet moved the recipient up in ranking in the donor’s portfolio, from being the 50th most significant grantee to the fifth.

It is not unusual for donors to support a wide variety of compelling causes led by social change leaders and organizations. A donor’s philanthropic portfolio may number in the dozens, if not hundreds, of causes and organizations or initiatives. When donors bet big, it is because they are presented with an opportunity at an order of magnitude different from what they have been offered before—an investment concept that allows the philanthropist to see the tangible possibility of enduring change in a distinctive way. This is a new chapter and is built on a compelling arrival point, a credible pathway forward, and a role for philanthropy.



reach 10th grade on track and on time (up from 40-60 percent at baseline); the organization will serve 50 percent of the off-track students in the City Year communities; and it will serve in the cities that account for two-thirds of the nation's urban dropouts.

City Year had the essential elements for a big-bet point of arrival: an ambitious, measurable goal that matters not merely to City Year, but to others involved in public education, too. In developing its investment concept, City Year built on an existing asset, in this case the 75 percent of its corps members who were already serving in schools. But it also created an entirely new impact goal of dramatically increasing the number of students who were on track to graduate in the cities it served. Most importantly for a point of arrival, there was already an existing demand for this goal: Addressing disparities in high school graduation rates was widely seen in the field as a critical element in closing opportunity gaps and strengthening communities.

Donors noticed. "They were making this huge pivot to get to greater impact and outcomes," explains Rothberg, "and because of all the work they did on this, we were able to have greater visibility on what core capabilities the organization needed to build, to learn, and

to improve along the way. It just materialized brilliantly to a place that was now investable. We could see that this new strategy was big-bettable. The partnership was there. We were ready to join other investors with an infusion of capital to make it all happen."

"I supported City Year in the early days," Jonathan Lavine says. "But originally their ratio of content to idealism was light. ... Without the school focus, City Year's work would have remained a generically nice, good deed. We support a lot of generically nice, good deeds. But now, we think of City Year in a different way—and are investing more deeply in them." Many organizations will need to refine or even redefine the way they are thinking about solving a problem in order to develop their point of arrival. For some, like City Year, that change may be the type of impact they are seeking and measuring. For others, it might be the scale of impact. Upstream, which works to reduce unplanned pregnancies by changing the way health centers deliver family planning services, has the long-term goal of achieving change across the United States. And when it recently received a \$60 million grant from Blue Meridian Partners, it was for a more concrete and focused "first chapter" to expand its intervention and implement it in four states serving 1.2 million

women, as well as to begin work in a second set of states.

Both social change leaders and donors want their work to amount to more than a drop in the bucket. But the greater the gap between the vision and the work being undertaken, the more a strategy for achieving it can seem like only a drop. Shifting the focus to a clear arrival point can help close this gap, unlock much larger donations, and focus strategy and resources in powerful ways.

A compelling point of arrival will typically need to include three main components: it must be clear about the specific results that can be achieved; it must articulate a goal that matters and warrants significant support; and it must demonstrate demand for the arrival point from communities, partners, policymakers, and other major stakeholders.

CREDIBLE PATHWAY

We have described the point of arrival for the ideal big-bet investment concept as ambitious, concrete, and practical. The credible pathway, by which we mean how the organization believes it can get to its five- or 10-year point of arrival, is where that concreteness and practicality show themselves and where social change leaders increase the odds that they will actually achieve their goals.

Philanthropists: Look Beyond Your Inner Circle for Great Ideas and Greater Equity

Some thoughtful critics of big-bet philanthropy are concerned that outsize gifts could reinforce society's existing power dynamics around race and class rather than furthering more equitable outcomes. Bridgespan shares these concerns. As a result, we looked at our big-bet database to research this issue. We found reason for hope and reason for concern—and a call to action.

Starting on the hopeful note, a large portion of social change gifts focus on equity, opportunity, and justice causes, some with important effects. Take, for example, several recent big bets that seek to advance the education of America's undocumented youth, close the racial disparity in breast cancer mortality, reform the US criminal justice system, and advance women's empowerment globally. Expanding the number of such large and thoughtful gifts would unleash important change.

We also found, however, that the leadership of big-bet recipient organizations is not particularly diverse by race or educational background. Of the total number of big bets for social change documented in our database that donors committed between 2010 and 2014, only 11 percent went to organizations or initiatives led by people of color. One organization, the Harlem Children's Zone, accounted for a third of those bets. These findings parallel studies showing that people of color are underrepresented in chief executive roles across the nonprofit sector,

with estimates of their representation ranging from 10 to 20 percent.⁷

Although it is difficult to find comparable measures for social class, when we looked in our sample at the college or graduate-school background of leaders whose organizations had received big bets, we found that 42 percent were graduates of Ivy League universities. This is an extraordinary concentration from just eight institutions. The world's billionaires have also disproportionately attended Ivy League schools, which accounted for five of the top seven of their alma maters.⁸ While it is good to see so many purpose-driven leaders from these schools focusing on the social sector, it surely speaks to the outsize role of personal networks and shared backgrounds in making the connections and developing the trust to make big bets. These patterns leave enormous opportunities undiscovered and unfunded.

It does not have to be so. Take two examples that demonstrate ways funders have broadened their perspectives. In 2010 Morgan Dixon and Vanessa Garrison, two black women who became friends while in college in Los Angeles, founded GirlTrek, an organization that encourages black women and girls to walk as a practical first step to healthy living, families, and communities. Starting as simply a "radical act of self-care" and taking years to become a nonprofit, GirlTrek now has more than 150,000 walkers and is the largest health movement in the country for black women. Dixon and Garrison secured initial support from Teach for America, won an Echoing Green fellowship, and organized an incredible walk on the National Mall. TED, always researching to find great social innovators, learned about GirlTrek in the *New York Times'* column "Fixes" and asked Dixon and Garrison

Consider marriage equality in the United States. After Massachusetts became the first state to legalize same-sex marriage in 2003, the following year 11 states enacted amendments banning same-sex marriage, often by sweeping vote margins. Eager to put substantial funds behind the fight for marriage equality, major funders led by the Gill Foundation and the Evelyn & Walter Haas, Jr. Fund brought together more than two dozen LGBTQ leaders in 2005 to devise a common strategy.

What emerged from this gathering became known as the “road map to victory” which would create an electoral and public opinion infrastructure capable of winning and maintaining support for same-sex marriage, one state at a time. It identified 100 tangible battlefields that could then be pursued in sequence as part of a coordinated field operation.

This was not simply fighting the good fight. There were concrete milestones, as captured in their “10/10/10/20” set of goals: within 15 years, achieve marriage equality in 10 states, civil unions in 10 states, limited civil protections in 10 states, and a supportive shift in public opinion in the remaining 20 states. Funders came together as the Civil Marriage Collaborative to support the road map. The Haas, Jr. Fund itself contributed \$39 million.

A group of recipient organizations worked together to execute the road map. After a combination of judicial and electoral victories, more and more states enacted marriage equality laws. Then in 2015, the US Supreme Court ruled same-sex marriage was a constitutional right.

Not all ambitious advocacy campaigns succeed, though. Consider initiatives focused on such areas as gun control or school vouchers, where progress has been challenging. Big bets, whether focused on advocacy or direct services, often embody significant risk. A credible pathway does not necessarily mean the exact pathway that change will end up following. The initial road map for marriage equality did not include what ultimately became the winning message (love and commitment rather than civil rights); instead, it focused on creating the infrastructure that would be needed to develop, test, and spread that message.

A credible pathway is, essentially, a strategic plan focused on achieving the measurable goals of the point of arrival. It contains a few elements: a simple logic of the pathway that does not involve a major leap of faith; milestones and processes needed to reach the arrival point; evidence which suggests that it will work, based on what’s been learned from pilots, prior work, external research, or the examples of others;

key inputs (like staff, funding, partnerships); financial projections of costs and revenues; and an analysis of assumptions, risks, and possible mitigation strategies for those risks. Developing a credible pathway does not mean specifying every detail on the journey, but rather, identifying and assessing the major activities that will be required. Sometimes, a lot is uncertain, and big-bet investment concepts often lay out a phased approach for identifying, testing, modifying, and expanding potential solutions.

The financial support and advice that funders contributed to the marriage equality road map were important ingredients in its success and characteristic of donors and grantees cocreating big-bet strategies in a productive way. City Year’s impact strategy likewise embodied a strong partnership between the organization and one of its key funders, Einhorn, to develop a credible path to impact. “Over the three years it took to develop the impact strategy, we did a lot of learning together,” Jennifer Hoos Rothberg says. “I got to know the core team quite well. We had created this trust-filled relationship that enabled me to ask tough, in-the-weeds questions without them feeling like they were constantly under a microscope. That enabled us to collectively get to better answers for questions we were asking, to really understand the

to give a talk that has now been watched by more than one million people. As a result, GirlTrek came to the attention of The Audacious Project (a funders’ collaborative housed at TED), which supported them to plan an expansion into the 50 highest-need communities in the United States and then made a big bet to help fund that expansion.

Or consider Patrick Lawler, who grew up in a white blue-collar family, graduated from Memphis State University, and has spent his entire career working with vulnerable children. He helped turn a failing residential center in Tennessee into Youth Villages, one of the country’s most high-impact nonprofits. Back in 2004, Youth Villages was a remarkable nonprofit success but not on the radar of philanthropists outside of the state. The Edna McConnell Clark Foundation found Youth Villages through a disciplined process of secondary research to discover less-known opportunities and has since made multiple big bets on Youth Villages’ work. Today, the organization has grown far beyond Tennessee to help more than 25,000 children, families, and young people annually, with a complete continuum of programs and services across 15 states and 74 locations.

As our data show, there are real disparities in who has access to opportunities. In a companion piece to this article, Cheryl Dorsey refers to “compound bias”—the multiple, overlapping systemic barriers that stand in the way of channeling more big bets to organizations led by people of color. (See “Hacking the Bias in Big Bets” on page 9.) We know from Bridgespan’s own work that there is a much broader set of initiatives that can change the world than those currently receiving funding.

For philanthropists who want to help close these gaps, we offer four recommendations:

- Dramatically expand the pipeline of the initiatives that you consider. Collaborating with leadership pipelines like Echoing Green, consulting with broader sets of advisors that include individuals from the communities you intend to support, and conducting serious secondary research can help to identify many more possibilities.
- Broaden the range of ways you consider using your philanthropy to create social change. For example, only around 10 percent of social change big bets are focused on building fields and advocating for change, efforts that most directly work to change the fairness of the underlying social systems.⁹
- Track how you are doing on supporting leaders of color and leaders from a range of educational backgrounds. Are you getting out beyond your inner circle? Are those leaders bringing the full range of experiences and perspectives needed to break through on tough problems? If not, consider setting clear goals for the kinds of diversity you are seeking—and measure and manage to them.
- Support promising initiatives to help a broader range of organizations, including those led by leaders of color, get in position to receive big bets. While few nonprofits have big-bet plans sitting in a drawer awaiting funding, many more can develop such investment concepts given appropriate funder support.

For great ideas and greater equity, donors need to look beyond their inner circles and help support a diversity of leaders and initiatives to do their work and to become big bettable.

research, hypotheses, and choices behind the strategy, and develop a partnership where we were already solving problems together.”

THE ROLE OF PHILANTHROPY

When donors make big gifts to universities, hospitals, or major cultural institutions, the role of philanthropy is usually fairly clear. If it is a building campaign, for example, the gift allows the wing or building to be built. Frequently, philanthropy accounts for the entirety of the funding, so its impact is obvious.

A social change organization often needs to similarly articulate for the donor how a gift of \$10 million or \$50 million will be transformational and achieve whatever arrival point they've targeted. Social change leaders will need to answer the question of why philanthropy is the missing ingredient that will unleash change. In many issue areas, philanthropy is small relative to government funding. In others, the work that philanthropy funds might simply dissipate once funding ceases. Distilling a powerful role for philanthropy requires strategic thought, and there are a variety of roles donors can play.⁶

One of those roles is to provide growth capital, a one-time infusion of funds that enables recipients to achieve a higher level of impact without falling back down to the original state after the funds are spent. The big bets on Splash and City Year functioned in this way. For Splash, the big bet was designed to build something that local actors would then sustain. At the end of five years, Splash's work in Kolkata, India, and Addis Ababa, Ethiopia, is expected to reach the point where local government and local private-sector actors, already well-established in those places, take it over.

City Year, on the other hand, will continue to carry out its work in schools across the nation, and it will continue to require a mix of philanthropic and government funding to support ongoing operations. The growth-capital gift from the Lavines, the Einhorn Family Charitable Trust, and other major investors helped build City Year's capacity for measurement, training, supervision, and the other elements that would ensure that the interventions are delivered effectively enough in cities around the nation to improve student outcomes. For example, City Year has developed an automated data-sharing process for connecting school-district-held, student-level data on student outcomes across attendance, behavior, grades, and social-emotional skills—and it uses that information to customize student interventions. Currently, 14 of its 47 district partners

are sharing student-level data directly into the system or are in the final stages of implementation. City Year is working to expand these data-sharing agreements to all districts in the next phase of its plan. This increasingly strong partnership with school districts has in turn generated additional income from districts. Since the launch of its student impact initiative, the amount of funds that schools and districts are investing in City Year's services more than doubled—from \$18 million in 2012 to nearly \$40 million forecasted for 2019.

Marriage equality was a classic example of using a big bet to wage an advocacy campaign. Here, the role of philanthropy is to take a risk that no one else will take. Such a big bet can provide the critical infrastructure required for movements: materials, people, transportation, legal services, research, and more. It can also represent a vote of confidence, especially when the odds against progress are high. When the Haas, Jr. Fund made its first contributions in support of marriage equality, momentum seemed to be going in the opposite direction, with more and more states amending their constitutions to ban same-sex marriage. Big investments in advocacy offer leaders the time they need to weather defeats and press forward to create change.

For Upstream, which is focused on changing the way health centers deliver family planning services across the country, one of the roles philanthropy played was to fund targeted, one-time technical assistance that will change practice, likely for years to come. Through its time-limited training intervention in health centers, Upstream seeks to create a new standard of service delivery across the nation. Fields ripe for this sort of investment tend to be ones where viable ongoing funding models exist but service delivery is fragmented, important ideas or practices are not in broad use, and competitive dynamics do not seem to push toward improved outcomes.

Many effective organizations will continue to rely on philanthropy in the long run. They may not be able to promise that government will fund the program, or that it will generate its own revenue, or that the change will simply sustain itself. But it is likely that many donors contemplating a big bet will want to know, at a minimum, how, specifically, the gift will help change the capabilities and prospects of an effort over the longer run.

TOWARD MANY MORE BIG BETS

By developing an investment concept with a clear and compelling arrival point, a credible

path for getting there, and a well-articulated role for philanthropy, already-strong organizations may be able to increase their chances of securing big bets and deploying them with distinctive impact. While we have presented these three levers sequentially, they are almost always iterative: getting immersed in defining the credible path may change the point of arrival; crisply articulating a role for philanthropy may shed light on the credible path.

This article has focused primarily on the work that organizations need to do to get the big bet. But we should not lose sight of the fact that the next 25 years offer extraordinary potential for more big bettors to enter the arena. The bulk of the highest-potential donors are in their mid-60s. They will determine what they do with their wealth in this window. They may well decide to focus on the most traditional giving options, or even leave much of their money in family estates.

We hope the most ambitious among them will consider another path and make big bets on leaders attacking the toughest kinds of social change. The more that do so, the more big-bettable opportunities nonprofits will develop. It is a virtuous circle. In part because of the very large gifts by the Lavines and Einhorn, City Year is beginning to make a dent in the dropout crisis in big urban school systems across the country. Similarly, big bets are helping Splash bring clean water to large numbers of people, and enabling Upstream to embark on a national effort to significantly reduce unplanned pregnancies in the United States. Big bets on social change can and do fail. But they also offer real hope to tackle head-on some of the most important challenges facing our communities, our country, and the world. ●

NOTES

- 1 See Big Bets list on page 20.
- 2 Christopher Booker, *The Seven Basic Plots—Why We Tell Stories*, London: Continuum, 2005.
- 3 See “Big Bets Are Important. But So Is a Big Heart.” on page 12.
- 4 William Foster, Gail Perreault, and Elise Tosun, “Ten Ways to Make A Big Bet on Social Change,” *Stanford Social Innovation Review*, May 10, 2017.
- 5 William Foster, Gail Perreault, Alison Powell, and Chris Addy, “Making Big Bets for Social Change,” *Stanford Social Innovation Review*, Winter 2016.
- 6 Foster, Perreault, and Tosun, “Ten Ways.”
- 7 For example, the Building Movement Project's “Daring to Lead” reports of 2006 and 2011 both put the percentage of people of color in nonprofit CEO positions at 18 percent. And BoardSource's 2017 “Leading with Intent” study put it at 10 percent.
- 8 “The Wealth-X Billionaire Census 2018,” <https://www.wealthx.com/report/the-wealth-x-billionaire-census-2018/>.
- 9 Foster, Perreault, and Tosun, “Ten Ways to Make A Big Bet on Social Change,” *Stanford Social Innovation Review*, May 10, 2017.