

Learnings from scaling innovative social solutions around the world:

Insights from our Google.org Impact Challenge retrospective

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Executive summary

Why we wrote this report

In the spring of 2013, we announced the first Google.org Impact Challenge (GIC), an open call asking local nonprofit innovators and social entrepreneurs how they would make their community—and beyond—an even better place. In the seven years since, we've received 22,677 proposals from pioneering social ventures addressing a broad range of social issues across six continents. Over 300 organizations across more than 30 Impact Challenges have been awarded in excess of \$90 million in grant funding. We've partnered with local communities and over 250 judges from those communities to help determine the organizations with the most potential—of which winners receive funding, and a strategic package of technical support from Google and its global network of support partners. This publication shares insights gathered from a retrospective look at these Impact Challenges, the impact of the GIC model around the world, as well as lessons to be learned for stakeholders interested in catalyzing social change.

Insights from our retrospective

As we took a retrospective look at our work and learnings over the years, we uncovered trends about the state of the social sector. While these themes and patterns are based only on a subset of organizations operating in this space, we believe that they can inform opportunities for organizations seeking to help foster social innovation and make their community—and beyond— an even better place.

Insight 1: Flexible capital fosters innovation, harnessing potential out of risk

Insight 2: Participatory philanthropy and innovation uncovers moonshot solutions

Insight 3: Wraparound support beyond funding multiplies impact

Opportunities

Nonprofits, funders, policymakers, social enterprises, and other organizations—across both public and private sectors—all play a role in fostering innovation in the social sector. We see a

number of opportunities for collaboration to address the obstacles that many changemakers face and in doing so, further developing the social innovation ecosystem.

As an extension of our insights, we have identified areas of opportunity for each stakeholder and have outlined a place to start for those who are interested in applying our learnings to help foster more innovation in the social sector. In sharing these calls to action, we hope to inspire action and provoke conversation with illustrative examples. It is of course worth underlining that the most effective path forward will depend on many factors, such as geographic region, maturity of the social sector, issue area being addressed, and the specifics of organization in question.

Overview of the GIC

Your community. Your ideas to make it better. The Google.org Impact Challenge asks local nonprofit innovators and social entrepreneurs how they would make their community—and beyond—an even better place. The public and a panel of local judges vote for the ideas with the most potential, and Google.org pairs each winner with a strategic package of support including funding and Google volunteers. The Google Impact Challenge is part of Google.org's broader mission of bringing the best of Google to innovative nonprofits that are committed to creating a world that works for everyone.

How it works

Organizations apply: Nonprofits innovators and social entrepreneurs submit their proposals to make their communities a better place.

Support partners: We partner with local social sector intermediaries who support us throughout the entire process (from challenge design, through application review, and post-challenge support).

Finalists announced: Our panel of local judges (ranging from photographers to philanthropists, professional athletes to activists, and politicians to entrepreneurs), aided by our support partners and in some cases, industry experts, select finalists.

Public votes: The local community votes for its favorite idea.

People's Choice & Winners announced: The winner that receives the most public votes is deemed the People's Choice and they, along with the additional winners selected by a panel of local judges, are announced and celebrated.

Training and support: Each winner receives their grant funding coupled with a strategic package of support including workshops, mentorship, and access to Googlers, our support partners, and other volunteers.

History and Impact Challenges to date

2013		<u>UK</u>
		<u>India</u>
2014		<u>UK</u>
	(<u>Brazil</u>
		Bay Area
	≯ €	Australia
2015	•	<u>Japan</u>
		<u>France</u>
		Bay Area
2016	(•)	<u>Korea</u>
		Germany
	(<u>Brazil</u>
	%	Australia
2017		<u>USA Pittsburgh</u>
		<u>USA Oklahoma City</u>
		<u>LatAm</u>
	+	<u>Canada</u>
2018		<u>USA Illinois</u>

	I	
		<u>USA Columbia</u>
		USA Cleveland
		<u>Germany</u>
		<u>Dublin</u>
	XX	<u>Australia</u>
	>=	Africa: South Africa
		Africa: Nigeria
		Africa: Kenya
2019		<u>USA Nevada</u>
		<u>USA Minnesota</u>
		<u>USA Iowa</u>
		<u>USA Colorado</u>
		<u>France</u>
		Bay Area

Launching a call to changemakers

In the spring of 2013, we launched the first Google.org Impact Challenge, an open call asking local nonprofit innovators and social entrepreneurs how they would make their community—and beyond—an even better place.

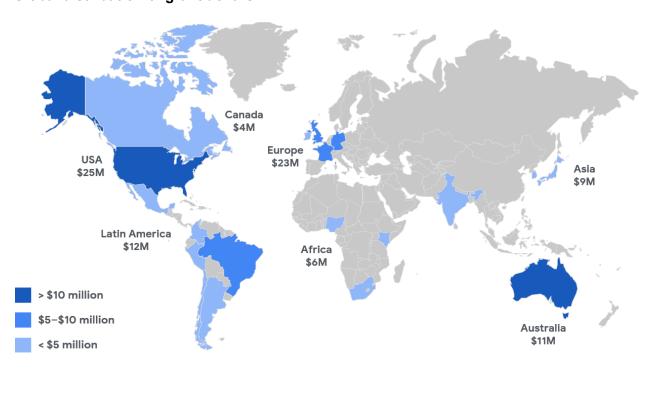
The landscape it revealed

To date, we have received 22,677 proposals from pioneering social ventures across six continents for projects addressing a wide variety of issue areas, ranging from economic development to quality education and healthy people. This incredible pool of applicants was narrowed with the support of 250 community leaders from 19 countries including socially-minded business leaders like Richard Branson; celebrities like Shakira, Nwankwo Kanu, and Stephen Curry; politicians like the Vice President of Peru and former Prime Minister of Denmark; and social impact experts like Nobel Peace Prize winner Rigoberta Menchu.

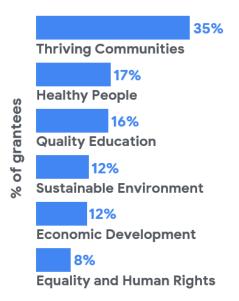
Together, we have found innovative ideas from every corner of the globe: a Brazilian organization redistributing 20% of food thrown away by small businesses, saving 1.8 million meals; an Australian organization using an app to connect people at risk of, or experiencing, homelessness to food, shelter, health and other support services reaching over 1.5 million users; a French organization distributing Ideas Boxes, educational tools meant to spark learning and imagination, to refugees across Europe and Africa; and a Canadian organization providing affordable hearing aids to children around the world, connecting over 35,000 children to their world through hearing, just to name a few.

In the seven years we've run the program, over 300 organizations across more than 30 Impact Challenges have been awarded in excess of \$90 million in grant funding coupled with a strategic package of support informed by the input of our local judges and over 7 million votes from members of their respective communities.

Global distribution of grant dollars¹



Issue areas addressed by grantees²



¹ Note: additional regions (e.g., EMEA) are represented in other topic-specific challenges such as the <u>Google.org Safety Challenge</u> and the <u>Al Challenge</u> that are outside the scope of this report

² Figures based on 293 grantees as of November 2019. Data does not include winners from select 2019 GICs (Nevada, Bay Area, Colorado, and Minnesota), which represent an additional 15+ ventures.

The challenges for changemakers

Part of our retrospective involved surveying and interviewing our grantees about their experience, both with the GIC but also more broadly as innovators and leaders within the social sector. Our survey received responses from 80 organizations that we've funded over the years with representation from 17 countries and a diverse spread of organizations ranging from promising social entrepreneurs who started their projects as recently as in 2017 to organizations that have been around for over a century before Google even existed. One line of questioning we explored was around the challenges that these changemakers faced, asking them to rank the obstacles they experienced in scaling their organizations. While the biggest obstacle varied by geography, issue area, and organization size (among other factors), we're sharing the top three obstacles as they also came up in interviews with our support partners and we believe that they may point to a pattern of more systemic challenges that social sector stakeholders can work together to address.

Funding, particularly flexible funding for early-stage ideas, topped our list with 70% of respondents ranking it as their number one obstacle to scale and 90% of respondents including it as one of their top three obstacles.³ Part of the problem is certainly access to funding but more specifically, we believe that the need is particularly acute in terms of the availability of flexible and unrestricted capital as well as funding for projects that are perceived to be early-stage and/or too risky. This gap can be observed more broadly in the social sector, with prominent venture philanthropists like Jim Bildner, CEO at Draper Richards Kaplan Foundation, making the case "for investing in early-stage social entrepreneurs and [showcasing] the impact these investments can contribute to creating social good across sectors and geographies" because "funders often see early-stage investments as too risky or too 'high touch' or feel their outcomes are too uncertain and hard to predict." His point of view is one that we share in that we too believe that early-stage investments in social entrepreneurs are essential to creating profound and lasting change.

Developing a sustainable business model and strategy was the second most widespread challenge for grantees with 56% of respondents ranking it among their top three

³ Based on survey respondents (n=80) to the Google.org Impact Challenge Grantee Survey (November 2019) who ranked 'funding' in their top 3 biggest obstacles: "Please rank in order the following obstacles in scaling your organization".

⁴ https://ssir.org/articles/entry/the urgency to fund early stage social entrepreneurs#

obstacles.⁵ In their responses, grantees cite the limitations of historically relying on short-term, project-based funding and how it affects their ability to recruit/retain talent, plan, and scale the impact of their organizations over the long-term. Unsurprisingly, we found that the prevalence of this obstacle decreased as organization size (as measured by FTEs) increased, implying that, to some degree, overcoming this obstacle helps organizations scale. That being said, we found that even among the larger organizations⁶, 50% of respondents still ranked developing a sustainable business model and strategy among their top three obstacles, reinforcing the notion that this challenge is widespread among changemakers.

Attracting and retaining talent came in third with 48% of respondents ranking it among their top 3 obstacles. The prevalence of this obstacle did not vary meaningfully by organization size nor when segmented based on the region's entrepreneurship ecosystem (using Global Entrepreneurship Index rankings) which leads us to believe that this challenge may in part be systemic to the social sector. Similar research conducted by RippleWorks, McKinsey, and the Omidyar Network supports this notion and surfaces a noteworthy insight on this particular obstacle; their findings show that the human capital problem is unlike other challenges that social enterprises face in that the talent gap is a problem that gets tougher as they scale.8 Discussions with our support partners reinforce these findings with many stating that the most common topic requested by grantees in post-challenge support was around "hiring practices" and "how to hire the right people," adding that this challenge was particularly acute with regard to technical talent. This nuance is in line with our survey findings given that technical infrastructure was the only other challenge to be ranked among the top 3 obstacles by more than a third of respondents at 36%. The remaining challenges, in order of prevalence, include rallying non-financial support, or volunteers (31%), regulatory and political barriers (24%), and unclear or competing objectives and goals⁹ (15%).

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⁵ Based on survey respondents (n=80) to the Google.org Impact Challenge Grantee Survey (November 2019) who ranked 'Developing a sustainable business model and strategy' in their top 3 biggest obstacles: "Please rank in order the following obstacles in scaling your organization".

⁶ Larger organizations are defined as those with greater than or equal to 30 FTEs.

⁷ Based on survey respondents (n=80) to the Google.org Impact Challenge Grantee Survey (November 2019) who ranked 'Attracting and retaining talent' in their top 3 biggest obstacles: "Please rank in order the following obstacles in scaling your organization".

⁸ RippleWorks Talent Gap Survey

⁹ Note: We believe that this is less about not having a clear theory of change and more a by-product of having multiple potential ways of addressing a given overarching goal and struggling to prioritize between the organization's various workstreams. When you consider that many of our grants were given to projects, some of which may have been incremental to the organization's original goal, it's understandable that some may have had trouble prioritizing.

The impact & outcomes of the program

When exploring the outcomes of the Google.org Impact Challenge (GIC), one of our first goals was to understand the degree to which the GIC was able to help our grantees overcome the systemic obstacles of funding, developing sustainable business models, and attracting and retaining talent, as outlined in the Challenges for Changemakers section above.

Of the top 3 challenges, funding is perhaps the most straightforward in that 96% of respondents rated the value of GIC funding support as high or very high, with 90% having raised further funding after GIC and 68% that attribute their additional funding to participation in the GIC.¹⁰

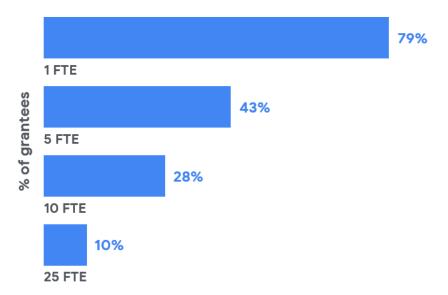
The challenge of developing a sustainable business model and strategy is something that we always believed to be important and it is one of the drivers behind our partnerships with social sector intermediaries (i.e., our support partners) and the post-challenge workshops and trainings we work together to provide. More than half of the grantees cite they have had further corporate (53%) and NGO (58%) partnerships since GIC. Examples vary from international partnerships with entities such as the World Bank and the World Food Program, local partnerships with First Nation communities and government entities, and private sector partnerships with potential suppliers and distributors. According to those surveyed, partnerships like these have helped drive sustainable business strategies and models by unlocking additional streams of funding, expanding the organization's reach and scale, and guaranteeing access to target populations.

Similarly, attracting and retaining talent is another challenge that is also addressed both directly and indirectly by the program. Our support partners have led trainings and workshops on a variety of topics, including talent sourcing, retention strategies, and HR more broadly. In many cases, the funding itself can often enable hiring and it's bolstered by the fact that ~80% of surveyed grantees report greater marketing and visibility since winning the GIC which many explicitly cited as a positive factor in attracting talent. Overall, we've found that an average of 10 FTEs are added to an organization since their participation in GIC with the largest absolute increase in FTEs being achieved by GiveDirectly Inc. that grew by 125 FTEs since participating in GIC in 2018.¹¹

¹⁰ Based on survey respondents (n=80) to the Google.org Impact Challenge Grantee Survey (November 2019)

¹¹ Based on survey respondents (n=80) to the Google.org Impact Challenge Grantee Survey (November 2019)

% of grantee organizations that have grown by at least X FTEs since winning the GIC¹²



Beyond their explicit challenges, we've identified three types of impact and outcomes that the GIC has been able to catalyze among grantees: more lives impacted, more communities reached, and more funding secured.

1. **More lives impacted:** Based on survey respondents, capturing about a third of total grantees, we find that organizations were able to impact an incremental seven million lives after having gone through the GIC program. This translates into 1 incremental life impacted for every \$3 we've granted or an average of ~90,000 additional lives per grantee. Grantees working on healthy people and environment issues had the largest uptick in lives impacted with increases of roughly 23.5x and 21.7x respectively. Interestingly, when we compare the increase in lives impacted across different organization sizes, small organizations step exhibited the largest increase. This is likely attributable in part to the high marginal returns to scale among less mature organizations, though we believe that it also speaks to the potential impact of more early-stage funding for innovative solutions in the social sector.

¹² Based on survey respondents (n=80) to the Google.org Impact Challenge Grantee Survey (November 2019), comparing the '# of full time staff' in the year prior to GIC funding to the current year 2019.

¹³ Based on survey respondents (n=80) to the Google.org Impact Challenge Grantee Survey (November 2019)

¹⁴ Based on survey respondents (n=80) to the Google.org Impact Challenge Grantee Survey (November 2019)

¹⁵ Small organizations are defined as those with less than or equal to 15 FTEs.

- 2. More countries reached: Over half of surveyed grantees increased their reach into a new country. Overall, we observed an average 1.8x increase in reach for organizations when we compare their 2019 results to their reach prior to the GIC. In absolute terms, survey respondents expanded their reach to 351 incremental countries¹⁶ within that same period. The largest increases in reach were seen in organizations working on issues related to healthy people (7.3x) and equality and human rights (2.3x).¹⁷ Some regions like Germany, Canada, and South Africa exhibited a higher prevalence of organizations expanding their reach, both nationally and internationally, while others like Brazil, Colombia, and Korea often continued to focus on their own country, showing strong focus on domestic challenges, though the sample sizes were admittedly quite small.
- 3. **More funding secured:** For every \$1 of GIC investment made, grantees yielded an additional \$1 in funding. Accounting only for our survey respondents, grantees have received over \$46 million in additional funding that they directly attribute to participation in GIC. Among respondents who attribute their additional funding to their participation in GIC, we found an average of \$850,000 in additional funding per grantee. It's worth noting that while 90% of grantees have secured additional funds since winning the GIC, follow-on funding is concentrated among a subset of organizations, with 15% of respondents accounting for just under 75% of the total additional funding that was raised. Among this subset, half of grantees hailed from either the USA or the UK and three quarters were targeting issue areas related to healthy people or education.

As we step back and consider the performance of the portfolio of projects we've funded to date, we are excited to see that 89% of ventures had either completed, or were tracking towards completion of, their milestones. ¹⁹ These rates are higher than one would expect in the pursuit of social innovation. We believe that part of their outsized success rate may be explained by a mindset shift among grantees that is in many ways intangible, but an indelible marker of

¹⁶ This figure represents the total, non-unique increase in number of countries reached by all survey respondents (i.e., two different grantees expanding their operations to the USA would as two incremental countries reached by the cohort).

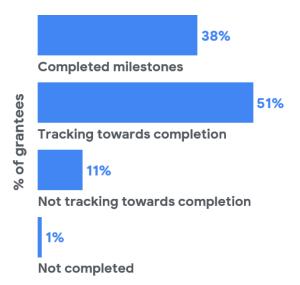
¹⁷ Based on survey respondents (n=80) to the Google.org Impact Challenge Grantee Survey (November 2019)

¹⁸ Based on survey respondents (n=80) to the Google.org Impact Challenge Grantee Survey (November 2019)

¹⁹ This figure is based on a subset (n=186) of grantees for which Tides, our grant administration partner, was able to make an assessment based on whether a given project had, or was tracking towards, receiving all of its associated milestone payments as of November 2019.

organizations that are able to overcome funding constraints, develop creative business models in competitive markets, and attract talent and advocates that drive the organizations' mission forward. The Flight Deck, a 2015 Bay Area grantee told us that "The GIC had a profound impact on our organization and the field by shifting our way of thinking." This mindset shift towards new ways of thinking is not only found among GIC grantees, but among many of Google.org's grantees. In a separate study done in collaboration with Stanford's Impact Lab²⁰, we found that 97% of grantees credited Google.org with changing their mindset about what was possible by helping them overcome skepticism and sparking interest in scale. This message was reinforced in our recent survey findings, as respondents alluded to similar experiences.

% of grantee projects by status of milestone completion²¹



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²⁰ https://datalab.stanford.edu/impact-lab

²¹ These figures are based on a subset (n=186) of grantees for which Tides, our grant administration partner, was able to make an assessment based on how a given project was tracking against its associated milestone payments as of November 2019. Note: percentages do not add up to 100 due to rounding.

Grantee spotlights

Colombian Civil Air Patrol (Colombia): Uniting the passion of private pilots with that of health professionals to bring medical and surgical brigades to the most remote parts of Colombia that only have access by air, river, or sea.

Fundación Ecoinclusión (Argentina): Eliminating plastic waste pollution by transforming it into building materials to be used in community buildings for vulnerable members of society.

Infoxchange (Australia): Connecting the homeless, or those at risk of homelessness, with housing, food, financial support, health services and more through the free mobile web app *Ask Izzy*.

International Psychosocial Organization (Germany): Training refugees and migrants to deliver culturally sensitive counseling in their native language, combining mental health support with cultural dialogue to provide value-based, holistic psychosocial care to refugees online.

Karuna (Germany): Working with youth to develop solutions helping connect at-risk adolescents and youth to critical social services (e.g., emergency shelters, soup kitchens, and day care facilities)

The Rumie Initiative (Canada): Developing and delivering low-cost technology that enables the distribution of digital learning resources to help educate children in underserved communities with limited internet access around the world.

Arctic Eider Society (Canada): Supporting Inuit and Indigenous communities adapt to climate change, create a living open-source archive of Inuit knowledge, and build capacity and self-determination in research, education, and stewardship.

World Wide Hearing Foundation (Canada): Connecting children to their world through hearing by providing access to affordable hearing aids and quality care using a holistic, community-based approach around the world.

Insights from our retrospective

As we took a retrospective look at our Google.org Impact Challenges (GIC) over the years, we surveyed and interviewed our grantees and support partners across a wide range of topics. In doing so, were able to identify patterns and distill insights based on the trends we observed—both among our grantees and throughout the social sector at large. Some trends confirmed our existing assumptions, while others were more surprising to our team. While these insights are derived from a subset of organizations operating in this space, the fact that they are echoed by our support partners across the globe leads us to believe that they are generally applicable to the majority of our grantees. Moreover, as we consider the breadth of our portfolio, in terms of issue area, geography, and size of grantees, there's a compelling argument to be made that the insights can apply more broadly. Our intent in sharing these insights is to help inform opportunities for stakeholders in the social sector that want to make their community—and beyond—an even better place by catalyzing social innovation.

Insight 1: Flexible capital fosters innovation, harnessing potential out of risk

Insight 2: Participatory philanthropy and innovation uncovers moonshot solutions

Insight 3: Wraparound support beyond funding multiplies impact

Flexible capital fosters innovation, harnessing potential out of risk

Given that 90% of our grantees ranked funding as one of their top three challenges, with 70% ranking it as their number one challenge, the issue was top of mind during discussions with grantees. In one interview, Tariq Fancy, Founder and Chairman of The Rumie Initiative (a Canadian GIC 2017 alum) and Chief Investment Officer in Sustainable Investing at BlackRock, outlined an important notion: "If the funders don't open the door to risk taking, then no risks will be taken. If no risks are taken, then there won't be any innovation." adding that he believed that this was "a systemic problem in the space."

Many of our support partners echoed this sentiment and shared anecdotes that reinforced the notion that challenges with funding are widespread. One support partner summarized the experience of some of their most promising grantees prior to winning the GIC as follows: "[grantees] had tried impact investing, they had tried every avenue of for profit funding, but were

just too risky or too early-stage or too hard to value so they couldn't get impact investing. They also couldn't access typical grants so they were in this limboland of being very impactful, and clearly having a good model, but not having any access to funding." Similarly, we repeatedly found that even in developed markets, "there's a big gap [in funding] for early stage ventures" and in "discretionary funding to run R&D or innovation."

At Google.org, we believe that philanthropy can take calculated risks to support innovative bets addressing some of the world's most intractable problems. Innovation can rewrite the equation and shift the economics of impact, reducing both the amount of investment necessary as well as the time to achieve results. However, we observe systemic challenges in the social sector (e.g., fear of failure, reputational concerns, limited perceived upside in risk taking) that distort the incentives around innovation. With the GIC, our aim is to use our capacity as funders to harness the potential out of risk and address some of the obstacles associated with funding that our grantees have identified. To that end, we have identified 3 key programmatic components of the GIC that can help support a culture of experimentation and learning—and in so doing, help foster innovation—among our grantees:

- 1. Use a portfolio-based, thematic agnostic, approach to grant making: We've diversified our grant making strategy across a broad range of issue areas, geographies, and organizational maturities, so we can afford to fund both the promising early-stage innovators with a compelling vision as well as the century-old legacy social sector organizations looking to experiment and drive a step-change in their level of impact. For example, in the 2017 Canadian GIC we funded both the Victoria Hand Project, an up and coming organization providing 3D printed prosthetic hands that was established in 2016 as well as the Canadian Red Cross, a humanitarian organization founded in 1896 that was looking to scale a new pilot project for disaster management.
- 2. **Provide flexible, patient, capital:** While our project-based grant structure encourages organizations to apply for funding for a specific initiative or proposed concept, our funding is flexible in that we allow grantees grace to iterate, pivot, and alter their direction based on learnings from their initial experiments, with the goal of affording social sector organizations the same runway and iterative learning that we as a society have agreed is important for traditional startups and private-sector companies. This is reinforced by a 2019 report on social impact investment and sustainable development published by the OECD which finds that "flexible capital [...] is particularly important at the early stages

- and can help facilitate the piloting and development of innovative enterprise models" adding that "patient capital is also a critical enabler [of innovation]."²²
- 3. Support early-stage ideas and embrace non-moral failure: We believe that even experiments that fail provide valuable lessons for the sector and that we should applaud the aspiring social innovators and funders who take on risks, challenging the status quo, tackling old problems in new ways, and opening up the landscape to further innovation. This notion was echoed as part of the World Economic Forum Annual Meeting in 2019, with two prominent philanthropists and social entrepreneurs sharing that "acceptance of failure is an essential part of innovation, which in turn is required for a successful outcome" and that "[i]n the early startup phase of an organization, failure can be a badge of honour, and high risk-taking is considered heroic."²³

While the features of our approach have evolved over time, they have always been informed by our grantees' feedback and experiences which, in the case of funding, represent the ability to enable investments that benefit the organization, provide stability that enables scale, and foster innovation. In our most recent survey, many of our grantees highlighted the importance of flexible capital as a lever for sustainable impact, with one 2019 grantee sharing that: "Grant spending conditions [by funders] can be restrictive and undercut the effective delivery of project milestones. The flexibility of the GIC grant has allowed us to invest resources in project areas in the way we needed." This organization has gone on to open a total of 9 prison-based legal aid clinics in Kenya, offering free legal services to 7,000 inmates and assisting in 1,500 releases. Others reinforced the importance of early-stage funding and its follow-on effects, stating that: "the GIC grant funding has provided us with core funding stability so that we could focus on investment into scaling our programmes [...] which further attracted other partners to fund and work with us." Most importantly, many alluded to the funding's capacity to foster innovation, with one 2016 Korea grantee underlining that: "the funding opened up the opportunity to experiment [with] new ideas" and a 2014 Australia grantee that went so far as to say that "without the GIC, we could have never gotten our innovative but risky idea off the ground." Who would have thought that an idea for a mobile website to improve access to support services for people who are homeless or at risk of homelessness would come to be launched by Australian Prime

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 $[\]frac{https://www.oecd.org/dac/financing-sustainable-development/development-finance-topics/Social-Impact-Investment-2019.pdf}{nvestment-2019.pdf}$

²³ https://www.weforum.org/agenda/2019/01/we-need-to-talk-about-failure-in-the-social-sector/

Minister Malcolm Turnbull, and go on to power over 2.4 million searches, helping connect tens of thousands of people to the help they need - all in the span of a few short years.

Opportunity: Social sector stakeholders that are looking to drive a step-change in impact should consider how they can foster more innovative projects, solutions, and organizations targeting the world's intractable problems.

Where to start:

Funders:	Make the bets that can change the economics of an intractable problem. Your capital often has the highest potential marginal return on impact when it's deployed towards a gap in the sector (e.g., towards early-stage innovators or in a flexible/unrestricted ways), as this can move the needle on solving persistent social issues. Inspiring organizations include: Bill & Melinda Gates Foundation, Draper Richards Kaplan Foundation, Open Philanthropy
Social Entrepreneurs and Organizations:	Experiment, take risks, and foster a culture of innovation in your work. Ask yourself not 'Is this going to work?' but rather, 'If it works, would it matter?' In the event it doesn't work, consider showcasing examples of non-moral failure and sharing your learnings to help benefit the sector.
Policymakers:	Allocate more funds to early-stage organizations or projects in existing government funding and R&D programs. Explore more flexible grant structures that allow social entrepreneurs and organizations to learn, iterate, and even pivot based on their experiments. Inspiring examples include: Canada's Experimentation Direction, Finland's Place to Experiment, UK's What Works Networks

Participatory philanthropy and innovation uncovers moonshot solutions

When we engage local communities in our grantmaking, we are able to find new solutions to intractable problems that we may not have otherwise discovered on our own. In both our capacity as funders, and more broadly as stakeholders in the social sector, we've come to increasingly appreciate the importance of participatory practices in philanthropy. Participation involves the redistribution of power that enables those who are excluded from a given set of processes to be deliberately and thoughtfully included in the decisions that affect them. Participatory practice in philanthropy is a response to the asymmetry of power that exists within the philanthropic community, specifically between funders and the communities they serve.

Participatory philanthropy requires that we engage communities in decision making, treating the input and lived experiences of those on the ground as subject matter expertise. This is informed by our belief that the people closest to the challenges are often those closest to the solutions. Over time, our approach to fostering community participation in our Impact Challenges has come to include multiple design decisions that are meant to ensure that the solutions we're supporting are addressing the needs of the communities they are targeting, as defined by that community. We believe that this can reduce replication of services, help fill gaps in available services, and empower individuals and communities with a sense of agency—changing their relationship with funders from one of giving and receiving to co-creating. As such, in every GIC we try to create space for participatory practice in 4 key ways:

- 1. Launch an open and accessible call: Our call to all social innovators uses a broad subject matter lens and open application process to help foster a pool of applicants that is representative of the communities and issue areas within the region. All of our communications are conducted in the local language(s), and supported by the Googlers with regional expertise, to maximize our reach within the local context in which we're operating. In doing so, our intent is to foster an application pool that captures the diversity of the region.
- 2. **Partner with local social sector intermediaries:** Before beginning an Impact Challenge, we partner with local social sector intermediaries who support us throughout

the entire process. This serves as our first step in engaging the community constituency in our grantmaking process. At the onset, support partners share their insights into the nuances of the region's social sector and its specific needs by providing in-depth briefs on topics such as gaps in the sector, relevant regulatory frameworks, and fundraising dynamics. After applications close, they lend their expertise to the application review process, taking a local lens to the proposed solutions. These firms, of which we've worked with 13 across 15 of our Impact Challenges, are meant to serve as one proxy for the community's voice throughout the challenge design, application review, and post-challenge support processes.

- 3. Empower a panel of local judges: While our team and the local support partner develop a shortlist of the most promising applications (i.e., the finalists), a carefully selected panel of local judges from the public, private, and social sectors guide the decision making with a combination of written applications and live pitches. These judges have ranged from socially-minded photographers to philanthropists, professional athletes to activists, and celebrities through to journalists, with the hope of bringing a diversity of perspective to the grantee selection process. In doing so, we want to shift our role from arbiters in funding allocation to facilitators in a participatory, community-based, funding decision.
- 4. Acknowledge the People's Choice: In every Impact Challenge, we set aside one grant, in many cases, worth \$1 million, for the public to allocate. We believe that the people immediately affected by the work should have a direct say in how to build their own communities. Our hope is that this will address any of our lingering biases and empower voters and those engaged with their local Impact Challenges to consider themselves as agents of change in their communities as opposed to beneficiaries of aid.

Ultimately, our overarching goal is to reverse the typical funder-community power dynamic that is prevalent in traditional philanthropy as we've come to believe that in doing so, we can foster moonshot solutions through community-based innovation. Interestingly, we've recently come to realize that the ensuing participatory model that defines our Impact Challenges may have imparted (or perhaps selected for) a philosophy of participatory design in our grantees, many of which have gone on to embrace and embody aspects of participatory philanthropy, be it open sourced decision making or user centered design, that we believe to be fundamental to our approach.

One example of this participatory design was observed in Yerba Buena Center for the Arts, a 2015 Bay Area grantee who credited the GIC for enabling their shift towards 'Open Call Prototyping', an inclusive approach that has been since been adapted by other cities: "The major redesign of public space typically occurs with a single designer and with limited community input. By conceiving an open call prototyping process, any citizen with a creative idea—from the experienced designer to the everyday citizen—was able to contribute ideas for a better Market Street. Through open call prototyping, we effectively involved everyone from San Francisco's diverse neighborhoods, empowering community members to deeply engage in the future of their cities."

Another example is the Arctic Eider Society, a 2017 Canadian GIC grantee co-creating SIKU, an app based open-source platform for data and information sharing within and among remote Arctic communities. They are helping Inuit and Indigenous communities adapt to climate change while building a living archive of Inuit knowledge. Throughout this process, they've built partnerships and community relationships across the region to help inform their product's features and design and have collaborated with northern school boards and community leaders to create the accompanying training and education materials. In doing so, they've leveraged participatory solution design "to help with connectivity, collaboration and stewardship across remote Arctic communities [...] creating a unique tool that is specifically designed around self-determination for Indigenous communities".

These are but two examples among a broader ecosystem of hundreds of social entrepreneurs and organizations partnering with their local communities in a participatory way. While each problem is different and may require a unique approach, we hope to continue to foster this philosophy of participatory design in our grantees because it is only through thoughtful collaboration and co-creation that we can innovate and achieve moonshot solutions.

Opportunity: Social sector stakeholders that are intent on solving the right problems, in the right ways, need to include and leverage the perspectives and lived experiences of their target communities within the solutions they design and the methods by which they fund them.

Where to Start: Funders: **Screen for relevant lived experiences** or thoughtful user research in the organizations that you fund and involve relevant organizations and marginalized communities in allocation decisions.

	Inspiring examples include: <u>Bill & Melinda Gates Foundation</u> , <u>Disability Rights Fund</u> , <u>Ford Foundation</u>
Social Entrepreneurs and Organizations:	Ensure that you consult with and include your target communities throughout your design process, co-creating your solutions based on their lived experiences. For example, you can partner with existing individuals or organizations that serve as a voice for your target community and include them in the design process. Moreover, you can ensure that members of your target community are represented in your organization or on your Board of Directors and Advisors.
Policymakers:	Consult with your target populations throughout the policy design process – both in terms of what problems to focus your policy efforts on as well as in the way in which you approach those problems. Consider exploring policy frameworks that could drive innovation by incentivizing more participatory decision-making and human centered design. Inspiring examples include: Bloomberg Philanthropies' What Works Cities, UK Policy Lab.

Wraparound support beyond funding multiplies impact

While it's imperative that the social sector receives the funding that it needs and that this capital is allocated to the right people solving the right problems in a participatory manner, grantmaking is but one step in a longer journey of helping social innovators reach their full potential. Our survey results underscore the importance of addressing the gap in funding for grantees yet the feedback we received from respondents reinforced that funding was *one of many* elements that helped differentiate the GIC in enabling their continued success.

As the GIC program has evolved over the years, we've increasingly prioritized ancillary support in addition to funding in order to maximize the impact of every grant that we make. While the specific scope and nature of our support varies depending on the Impact Challenge and grantee, our retrospective distilled the following four most valuable categories of wraparound support based on the patterns that surfaced repeatedly in our survey, and through interviews with grantees and support partners alike:

1. Capacity building and professional support: This category of support is meant to acknowledge all the structured and unstructured ways in which the GIC and our support partners invest in building our grantees' respective capacity to absorb and deploy their funding in an effective and efficient way. This includes everything from the context-specific trainings and workshops, to coaching and project support and the ad hoc assistance with setting, assessing, and reassessing grantee milestones. While the specific anecdotes varied, the common thread across many of the respondents' feedback was an appreciation for the work of our support partners, with many grantees using open-ended comment boxes to express their gratitude for their support partners' efforts: "We would also like to extend a warm thank you to LEAP and the Sector Partners who have helped to grow our organization in a way that allows us to deliver our programming even more effectively and [provided] access to crucial infrastructure and capacity building opportunities." Similarly, we want to acknowledge that many of impact and outcomes that we've outlined throughout this report could not have been achieved without their continued partnership and support.

- 2. Googler mentorship and support: A core tenant of our mission at Google.org is bringing the best of Google to innovators that are committed to creating a world that works for everyone and we'd be remiss not to mention the integral role that our Google volunteers have played in that process. A 2016 GIC grantee underlined the wide range of what Googler support can entail in their survey responses, providing anecdotes ranging from mentorship: "Two separate Google product managers have been mentoring [our] product manager throughout the first year" to technical support: "We also have been connected with a Google software developer who is available for ongoing questions" through to organizational development: "we received great HR support on how to implement OKRs at the organization that have been critical for internal productivity and connection to strategic objectives". This specific grantee described Google support as "invaluable" while others mentioned that "the consultations with the Googler volunteers have been a highlight".
- 3. Networking and visibility: Part of the reason we invest in marketing the announcement of our finalists and grantees is because we believe that sometimes, all an organization needs is to be seen and for their message to be heard by the right people. This effect was especially pronounced in pursuit of new partnerships with one Kenya 2018 stating that the "GIC provided marketing and exposure of the organization to more partnerships" while others more explicitly attributed their new partnerships to the visibility that winning the GIC grant provided: "when it was announced that GIC was supporting [World Wide Hearing Foundation International], potential donors reached out to us as well as potential project partners. Some of those potential donors became longstanding supporters of our work." While the specific anecdotes vary, over half of surveyed grantees cite further corporate and NGO partnerships since GIC which we believe is due at least in part to its impact on networking and increased visibility.
- 4. **Credibility and halo effects:** The importance of brand association was first surfaced in an internal retrospective project done in collaboration with Stanford's Impact Lab²⁴ that found that many of the organizations they interviewed mentioned "winning GIC" as an important "seal of legitimacy". This theme came up repeatedly in our retrospective, lending credence to the notion that being selected as a GIC grantee can in-and-of-itself serve as a multiplier for impact. While some grantees mention this notion of credibility in conjunction with visibility: "GIC was fantastic for brand awareness and for further

²⁴ https://datalab.stanford.edu/impact-lab

credibility of [GreenFingers Mobile's] work," others like The Rumie Initiative, allude to an independent effect, one that is perhaps especially pronounced in the context of technology: "If you're a technology organization and they're backing you, that endorsement means a lot more because they would know how to vet it, they know the direction the world is going in, and if they think it makes sense then their word carries weight". Regardless, this intangible quality of being afforded credibility is leading to tangible effects like enabling follow-on funding: "Being awarded the Google Impact gave [African Prisons Project] the proof of credibility to pursue applications for other large grants such as [the] UNDP's" and scale: "Being recognized by GIC has added credibility to our organization and has opened many doors for us. This has helped [Victoria Hand Project] expand operations to different parts of the world and more easily bring in donations." What's more exciting is observing the same effects among People's Choice winners like UNSHAKEABLE, a Nevada 2019 grantee, further reinforcing the potential of empowering the public in grant allocation: "We received so much increased awareness for UNSHAKEABLE as a result of the People's Choice award, two new nonprofits reached out to possibly partner with us and a half dozen women connected with us asking how they could help us help the women we serve; so once again we've been blessed by Google.org."

It is worth stating that while we leverage wraparound support in our capacity as funders to help maximize the success, and thus the ensuing impact, of our grantees, this type of support does not need to be limited to funders. All social stakeholders can consider how their comparative strengths can be leveraged to help drive impact across the ecosystem, regardless of whether they are capable of providing funding or not.

Opportunity: Social sector stakeholders have the potential to multiply their impact by providing ancillary support beyond funding that can help enable social innovators' success and maximize their ensuing impact.

Funders:	Incorporate ancillary support beyond capital in your approach that helps grant recipients build their capacity to absorb and deploy the funding effectively. Consider sharing learnings about what works to help increase the prevalence of wraparound support models throughout the sector.

	Inspiring examples include: <u>Draper Richards Kaplan Foundation</u> , <u>Y</u> <u>Combinator</u> ²⁵
Social Entrepreneurs and Organizations:	Seek out partners that provide resources beyond funding and encourage your existing partners to consider what other types of non-monetary support they could provide that could help you drive meaningful impact.
Policymakers:	Foster collaboration and partnership between organizations that can supplement funding with additional layers of capacity building, expertise, and support. Consider directly funding support providers and incentivizing other organizations with relevant expertise to provide wraparound support to social sector organizations as they are a valuable part of the social sector that enable and accelerate impact. Inspiring examples of support providers include: Ashoka, Institute for Strategic Dialogue, LEAP Pecaut Center for Social Impact, MaRS Solutions Lab

²⁵ While YC is known for their unparalleled support model in scaling early-stage startups, every YC cohort includes a small number (usually 2-4) nonprofits as well: https://www.ycombinator.com/nonprofits/

Laying a foundation for social innovation

At Google.org, and at Google more broadly, we believe in fostering the potential of innovation to drive a step change in how we address the world's most intractable problems. It is our hope that sharing the findings and insights from our retrospective look at our history of Google.org Impact Challenges will help foster more innovation, experimentation, and community-driven solutions to global problems. Together, we have an opportunity to help nonprofit innovators and social entrepreneurs make their community—and beyond—an even better place.

Appendix: Grantee projects are tackling all of the United Nations' Sustainable Development Goals

SDG	Relevant GIC grantee projects
No Poverty	Giveback.ie: Internet browser extension that collects 1-10% of all purchases made through a set of ~1200 partner retailers, and donates all funds to assisting homeless individuals in Ireland
	Homedoor: Japanese NGO working to create a Japanese social structure that prevents the existence of homelessness across the nation
	Peter McVerry Trust: National housing and homeless charity committed to reducing Irish homelessness and the harm caused by substance misuse and social disadvantage
Zero Hunger	Oz Harvest: Australia's leading food rescue organization, collecting quality excess food from commercial outlets and delivering it directly to 1300+ charities supporting people in need
	Corporación Red de Alimentos: Non-profit organization that created the first food bank in Chile in 2010, and continue to rescue food, diapers and personal hygiene products to distribute to those who need the most
	Project Concern International : Global development organization that works to enhance health, end hunger, overcome hardship, and advance women across Asia, Africa and the Americas
Good Health and Well-being	HelpMum : Nigeria-based organization that provides health information using mobile technology and affordable Clean Birth kits to pregnant women and newborn babies to keep them healthy and safe
	Hello Sunday Morning : Australian organization delivering campaigns to reduce stigma around alcohol and encouraging people to consider their relationship with alcohol
	San Francisco AIDS Foundation: Organization promoting health, wellness and social justice for the communities most impacted by HIV through sexual health and substance use services
Quality Education	Junior Achievement Nigeria: Organization delivering practical, experiential hands-on programs on financial literacy, work readiness and entrepreneurship to

	young people between 5 and 27
	TalkingPoints: Web & Mobile-based app that enables teachers to engage with the underserved and multilingual families of students, in their home language
	Bibliothèques Sans Frontières : Global organization that creates spaces that serve as learning centers, labs and incubators of ideas for some of the world's most vulnerable people
Gender Equality	Representation Project: Organization using film and media to inspire individuals and communities to challenge limiting gender stereotypes and shift norms
	Themis - Gênero, Justiça e Direitos Humanos: Brazilian organization dedicated to addressing discrimination against women in the justice system
Clean Water and Sanitation	Movimiento Peruanos sin Agua : Non-profit organization committed to providing Peruvians with clean drinking water and drainage
	Orange Sky Australia: Australian operation connecting impoverished Australians to a regular laundry and shower service
	Instituto de Pesquisa e Inovação na Agricultura Irrigada: Brazilian organization dedicated to providing farmers with efficient access to clean water in growing crops
Affordable and Clean Energy	Fundación Un Litro de Luz Colombia: Organization using solar technology to provide public spaces in Colombia with lighting and internet
	Institute of Sustainable Development Mamirauá: Organization developing a solar-powered ice maker to optimize the storage of fish in small communities of the Amazon
Decent Work and Economic	Roothub Accelerator Systems: Nigerian organization that provides a platform for budding businesses to move quickly through their life cycle
Growth	Kiva Microfunds : Non-profit organization that allows people to lend money via the Internet to low-income entrepreneurs in 77 countries, expanding financial access to help underserved communities thrive
	NPO Nobel: Japanese organization providing childcare assistance to parents with young children, allowing them to return to the workforce and continue building their career
Industry, Innovation, and Infrastructure	Sauti East Africa: Mobile-based trade and market information platform empowering women-led SMEs in East Africa to trade legally, safely and profitably across borders
	UjuziKilimo Solutions: Organization powering "small holder" African farmers

	with timely and accurate information to enable efficient and high-quality agricultural production in rural areas International Institute of Tropical Agriculture: Non-profit institution that generates agricultural innovations to meet Africa's most pressing challenges of hunger, malnutrition and natural resource degradation
Reducing Inequality	Hidden Genius Project : Education program that trains and mentors black male youth in technology creation, entrepreneurship and leadership skills to transform their lives and communities
	NPO Nijiiro Diversity: First non-profit organization in Japan aiming to create a safe and friendly working environment for LGBTQ+ people safe from discrimination
	Rural Development and Reformation Foundation: Humanitarian organization committed to developing rural and semi-urban communities in Nigeria through investment in human capital
Sustainable Cities and	Memeza Shout Crime Prevention: South African organization empowering the most vulnerable communities with tangible safety technology
Communities	Burten, Bell, Carr Development Inc : Organization dedicated to revitalizing blighted and underserved communities in Cleveland through community planning, real estate development and resident empowerment
	MakeSense: French organization inspiring citizens, entrepreneurs and organizations to build inclusive and sustainable communities together
Responsible Consumption and Production	Growing North : Canadian organization fighting food insecurity in the Arctic by using greenhouse technology to grow fresh produce in Northern communities all year-round
	Aliança da Terra: South American organization working hand-in-hand with farmers to promote balance between production, respect for people and the environment
	Dublin City Farm and Ecology Centre : Urban farm providing children and adults with the opportunity to learn about raising animals and growing food in a sustainable manner
Climate Action	Conservation International do Brasil: Brazilian non-profit that works to conserve nature by promoting sustainability and human well-being through social, educational and cultural projects
	Arctic Eider Society: Canadian charity providing community-driven research, culturally relevant education for youth, and innovative tools to help Inuit/Cree communities address issues of environmental stewardship

	Instituto Socioambiental: Non-profit Brazilian organization creating integrated, sustainable solutions to environmental issues
Life Below Water	Great Barrier Reef Foundation: Charity dedicated to protecting the Great Barrier Reef through funding solutions grounded in science, technology, engineering and on-ground action to ensure its long-term conservation
	Nature Conservancy Australia: Nonprofit scientific organization dedicated to the preservation of healthy marine organizations through long-term, multi-species, multidisciplinary research
	Centro de Conservación de la Biodiversidad Chiloé Silvestre: NGO using research and active conservation measures to protect wildlife and conserve biodiversity in Chile
Life On Land	Environs Kimberly: NGO dedicated to looking after the health of the land and waters of the region in the Kimberley region, located in the far north-west Australia
	Friends of the Urban Forest: Non-profit organization bringing citizens together to plant and care for San Francisco's urban forest regions
	Lewa Wildlife Conservancy : Wildlife sanctuary providing safe refuge for critically endangered and rare species in Northern Kenya
Peace, Justice, and Strong Institutions	Justice Connect: Australian organization working to close the justice gap by connecting people and community groups who need help with the lawyers and legal help they need
	African Prisons Project: Organization providing high-quality legal advice, training and education to those living and working in prison
	Essie Justice Group: Non-profit organization harnessing the collective power of women with incarcerated loved ones to end mass incarceration's harm to women and communities
Partnerships for the Goals	Canadian Red Cross Society: Humanitarian organization improving lives of vulnerable people around the world by mobilizing the power of humanity, providing disaster relief and humanitarian service
	World Vision Australia: International organization dedicated to helping children in impoverished communities achieve their development goals and forge pathways out of poverty
	pathways out of poverty