

Conversation with the Bridgespan Group, July 22, 2013

Participants

- Lisa Walsh – Partner, The Bridgespan Group
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- Cari Tuna – Co-Founder, Good Ventures
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Note: This set of notes was compiled by GiveWell and gives an overview of the major points made by Lisa Walsh and Chris Addy.

Summary

GiveWell and Good Ventures spoke with Lisa Walsh and Chris Addy from The Bridgespan Group to learn about its process for working with donors to develop their philanthropic strategies. The conversation covered how Bridgespan breaks down issues for funders and helps them identify where to target their grantmaking, as well as some background on Bridgespan.

How Bridgespan works with funders

Stages at which Bridgespan works with philanthropists

When Bridgespan works with philanthropists, they tend to be in one of three stages:

1. Philanthropists in the "exploration" stage, who are deciding on which areas to focus and identifying impact strategies and potential grantees.
2. Philanthropists who have already chosen a cause or strategy and begun their grant making, and are interested in working with grantees to achieve desired outcomes.
3. Experienced philanthropists who know a field very well and are interested in influencing that field more broadly, by changing the way that funders and nonprofits collaborate, or advocating for policy change.

Core approaches that can "anchor" philanthropy

- **Problem:** a potential harm or obstacle to human well-being or the environment (e.g., early childhood education, malaria, access to clean water, health)
- **Place:** the health and vitality of a location – a city, ecosystem, etc. (e.g., the Bay Area, Sub-Saharan Africa, the Sierra Nevada Mountains)
- **People:** a specific population and their unique circumstances (e.g., women and girls, disadvantaged populations, immigrants)
- **Pathway:** a belief in a particular solution or approach (e.g., advocacy, impact investing, grantee ROI, investigative reporting)
- **Philosophy:** a point of view on how the world works or should work (e.g., use market-based forces, create leverage, collaborate with and influence other funders)

Typical Bridgespan process for working with a philanthropist

- **Discuss broad topics at a very high level.** At this stage, Bridgespan works with the funder to narrow down his or her list of potential focus areas, based upon the philanthropist's guiding interests, values and beliefs.
- **Landscape potential focus areas.** Bridgespan conducts initial research and produces a high-level overview, or "landscape," for each of the funder's potential focus areas. These landscapes vary widely depending on the purpose, audience, desired level of depth and scope, and the funder's timeline for reaching decisions.
- **Choose an area.** Bridgespan then works with the funder to choose a portfolio based on what best aligns with the funder's priorities and has the potential for significant impact. Having a unifying theme or principle to one's philanthropy can help sustain learning and commitment, so it is important to spend time in choosing focus areas. At an early stage, there is no right or wrong answer about where to focus, because each philanthropist brings unique motivations, capabilities, and guiding principles.
- **Develop goals and strategies.** This involves:
 - Identifying the outcomes that a funder is seeking to achieve
 - Developing strategies to achieve those outcomes
 - Testing those strategies
- **Create a strategic plan.** This involves:
 - Forming specific initiatives
 - Developing a learning agenda
 - Researching potential grantees and partners
 - Identifying metrics and methods to assess progress
 - Planning how the funder will carry out the project
 - Building in mechanisms to continuously learn and adapt
- **Make grants.** When assessing potential grants, Bridgespan considers the leadership of the program, the program model and evidence base for the intervention, and the business plan and funding model. The level of diligence conducted is proportional to the size of the potential grant.

Timeline

The timing of this process varies, depending on how experienced a funder is, and how much time they are able to put in to the project. A typical project lasts 4-5 months, but can be significantly longer. Bridgespan has discussed up to 3-year engagements with funders that may include implementation support and monitoring grantee progress.

Landscapes

A typical landscape does not directly yield a strategy, but it addresses several important questions:

1. How is this issue/topic defined?
2. What is the magnitude of the problem/opportunity?

3. What are the causes of the problem or barriers to a solution?
4. What is the state of the evidence and research on the topic (i.e., do we know what works)?
5. Who else is working on this and how effective are they? (This includes other funders, organizations, influencers, and thought leaders)

One of the benefits of a landscape is that it helps a funder understand that any issue is made of a complex and interconnected system of problems. This can help a funder see how their specific project will fit in to the issue, and how the impact of any one project will necessarily be limited by other components of the system.

Bridgespan tries to anchor its work in decision-making, so a landscape will provide an overview of the issue, but will mainly focus on information that could affect a funder's choices about where to work. Landscapes tend to cover what is already going on in a field; the process can also surface new ideas to address system barriers or gaps and unlock impact.

The research that goes into a landscape involves a combination of in-house expertise, reading papers, analyzing data (e.g., census data), and having conversations with experts (other funders, researchers, academics, and practitioners). The number of conversations that Bridgespan conducts for a landscape depends on how familiar it is with the area and its level of in-house expertise. For example, a landscape that Bridgespan compiled on healthcare involved 10 conversations with outside experts, while others in areas that are less familiar may involve up to 50 conversations. Bridgespan keeps an internal database of notes from conversations to share what was learned with other staff. It aims to avoid repeatedly requesting time from the same experts. A typical conversation lasts about 45 minutes. In some cases, Bridgespan also has experts vet the completed landscape and provide feedback on whether it accurately portrays the field.

Bridgespan shared three example landscapes during the conversation, of varying levels of depth.

Assessing the room for an additional philanthropist to have an impact

When Bridgespan works with funders, it aims to identify areas where an additional philanthropist could have an impact. In assessing this, Bridgespan looks for indicators such as whether there are programs that seem very effective but have not been scaled and where experts in the field identify gaps. Bridgespan considers the whole process, from research to implementation to reaching new markets, to identify where an effective program may not be maximizing its potential. It also considers the unique competencies that a funder brings, because the role that a funder wants to play in their work greatly affects where they could best have an impact.

Example of a Bridgespan project

A funder came to Bridgespan saying that they cared about helping low-income populations in the US, so Bridgespan conducted quick scans of many relevant issues and presented these to the funder. They then chose a few of the issues that seemed most important, based on the magnitude and long-term effects of the problems involved. Bridgespan created a full landscape of each of these areas, and, based on these landscapes, the funder narrowed the list further by identifying which areas seemed to have room for an additional philanthropist to make a difference. Bridgespan then helped the funder develop goals and strategies for the selected areas, one of which was diabetes. The cause of diabetes receives most of its philanthropic funding from healthcare corporations, which tend to focus on treatment instead of prevention, because that's where their market is.

Bridgespan identified some programs working to prevent diabetes that evidence had demonstrated to be very effective, but that had not been scaled, so there was room for additional capital to make a difference. One of these programs was based on an intervention tested by the CDC that had been converted into a group program and implemented in ten YMCAs across the country. Both CDC staff and university researchers had pointed Bridgespan to this program as a great opportunity for a philanthropist. The funder decided to pursue this program, so the funder met with people at the YMCA, helped them form a plan to scale it to many more YMCA facilities, and provided a grant to fund the scale up. The funder is also funding research on other diabetes-prevention programs and obesity-prevention programs, as obesity is a major cause of diabetes. Bridgespan also worked with the funder to identify what they wanted to learn through the grantmaking process, including how to effectively roll out a program through the YMCA network and how to translate research like that of the CDC's into programs that can be implemented at low cost, in a community-based way, for disadvantaged populations.

Diabetes is a very complicated cause, because it involves medical, sociocultural, and economic factors. There was great value in this funder diving deep into the cause early on, because it allowed her to embrace complexity and be entrepreneurial in building the YMCA program. Diving deep into an area can allow a funder to add more value over time.

Background on Bridgespan

When Bridgespan was originally founded, as an offshoot of Bain & Company, its consulting work focused on creating business plans for nonprofits, and later on scaling those nonprofits. Building on this consulting work and dedicated knowledge projects, Bridgespan has simultaneously built a broad and deep nonprofit knowledge platform to share its learnings. More recently, Bridgespan has focused on influencing fields through system change, advocacy, collaboration, and other strategies, rather than just by growing organizations. Bridgespan first started working with individual philanthropists in 2010, and has shared knowledge in this area through the publication of the book *Give Smart* and the tools and videos available on GiveSmart.org. Currently, about 40% of Bridgespan's work is with funders, and 60% is with operating nonprofits. Bridgespan has 30 partners and 130 other staff.

Bridgespan's work has traditionally focused on issues that affect disadvantaged populations in the US, though it is building its global expertise. In the international arena, most of Bridgespan's expertise is currently on issues affecting women and girls and global health. It plans to grow its expertise strategically, by first focusing on branching out to a specific country and by doing work with global organizations that are based in the US, with which Bridgespan already has some experience.

What sets Bridgespan apart as a resource for donors is its constant focus on decision-making and its objective approach. It has a strong track record and access to a well-developed network of experts outside of its own staff. Bridgespan has built significant knowledge and wisdom of the areas in which it works, including from experience working directly with nonprofits. Bridgespan does not have a particular bias beyond its focus on disadvantaged populations, impact and evidence-based decision-making.

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