A cross-sector, membership-based forum and web platform for sharing knowledge and increasing investment in scaling evidence-based programs

The Social Impact Exchange is a community of funders, practitioners, philanthropy advisors, wealth managers, intermediaries, researchers, nonprofit leaders, and social entrepreneurs who are interested in developing practices for studying, implementing and funding large-scale expansions of top-performing social purpose initiatives. The Social Impact Exchange will serve as a central focal point and gathering place for those interested in further building the field of scaling high-impact social solutions.

Goals

The Social Impact Exchange (the “Exchange”) has three major goals: (1) develop and share knowledge that leads to the successful execution of scaling efforts; (2) facilitate increased action in the financing of scaling initiatives through collaborative funding opportunities and methods; and (3) build a field infrastructure that systematically connects funders with high quality scaling initiatives.

Background

Despite all the important work accomplished by social purpose initiatives over the last several decades, significant growth or scale has remained an elusive goal for most of them. The inability to achieve scale—that is, to make a meaningful and sustainable impact by serving large numbers of those in need of assistance—has limited the potential of these organizations and the people they serve.

Further, among the very few that have succeeded in bringing their innovations to scale, there is a lack of organized, readily accessible knowledge on best practices and on strategies and methods for financing growth. At the same time, there is no focal point or central place through which interested parties can collaborate, share knowledge and work jointly to drive increased scale activity, financial investment and field building.

Scale matters. Social purpose initiatives that have the ability to expand beyond a single operation have critical capacities that smaller ones do not. They have a greater ability to develop and test new products and services and the infrastructure to deliver them efficiently and with consistent quality. They are more able to engage both the public and private sectors. Scale gives these organizations a voice in shaping public policies and the ability to influence mainstream practices. If we develop better models for scale in the social sector, then we can increase efficiency and impact.

To address this situation, a newly designed initiative, the Social Impact Exchange, will bring together a network of organizations and funders to jointly build a field of “scaling” and help top-performing social innovations scale more effectively.
Structure

The Social Impact Exchange will be structured as a membership community with interested members taking an active role in implementing activities. A committee structure will give members the opportunity to participate fully in driving key initiatives and developing new projects collaboratively. The Exchange will provide a true common meeting ground where various types of individuals and organizations can interact, learn and build value together. Social Impact Exchange constituents will include:

- **Funders** – Major foundations, local and family foundation, individual philanthropists
- **Philanthropy and Wealth Advisors** – Firms, private banks, family office advisors, wealth managers
- **Knowledge Providers** – Academic researchers, evaluation firms, information services
- **Intermediaries** – Capital intermediaries focused on scaling and growth capital raising
- **Social Purpose Leaders** – Nonprofit and for-profit leaders interested in scaling their social solutions
- **Professional Service Firms** – Consulting firms, other service providers
- **Government** – Federal, state and local officials interested in scaling social solutions

Core Activities – **online** through an interactive web platform and **in person** through an annual conference, regional gatherings, and committee meetings:

1. **Develop and Communicate Knowledge & Information**
   - **Knowledge Aggregation and Dissemination** – an up-to-date library of articles and publications on growth and scaling on the Social Impact Exchange web platform.
   - **Tools & Templates** – online evaluation material, business plans, due diligence reports, and more gathered and shared to assist and engage in scaling activities.
   - **Research** – academic and practitioner research and actionable investor information shared online, at regional training sessions, and at an annual conference.
   - **Learning through Case Studies in Action** – an opportunity to learn about scaling initiatives in real time and follow their progress online.
   - **Training & Education** – sessions at the annual conference, regional meetings and in webinars.

2. **Facilitate Collaborative Philanthropic Investment in Scaling**
   - **Funding Scaling Opportunities** – well-vetted scaling initiatives nominated by members based on specific criteria and screened by a member committee, and offered at the Annual Conference’s **Investment Fair** and **Business Plan Competition** and online through an **Expansion Clearinghouse**.
   - **Annual Conference** – a gathering in June 2010 to network, share knowledge, learn about specific scaling initiatives, interact with peers, and participate in investment venues.
• **Growth Business Plan Competition** – a competition that serves as a platform for identifying nonprofits with the greatest readiness and capacity for growth, and provides them with financial and consulting awards to support their plans. Competition entrants will submit business plans in the category that reflects their stage of growth.

• **Investment Fair** – held at the Annual Conference, members will have the opportunity to hear presentations by scaling organizations, receive business plans, talk to management, and plan follow-up due diligence. Presenting nonprofits will be selected by a member review committee based on a set of transparent criteria.

• **Collaborative Funding** – facilitated online and through events that bring together major foundations with families and individual philanthropists.

• **Affinity Collaboratives** – scaling collaboratives established to learn about and fund scaling initiatives *in specific geographies and fields of interest*, e.g., health, education, youth and poverty.

3. **Build a Field Infrastructure for a Growth Capital Marketplace**

   • **Common investment standards** of due diligence and *quality practices* in evaluation, growth planning and capital raising.

   • **Development and distribution of new products, vehicles and methods** for scaling evidence-based programs.

   • **Systems** to connect funders more efficiently with high-quality scaling initiatives.

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**SOCIAL IMPACT EXCHANGE**

*Taking successful innovation to scale*

*The Social Impact Exchange is an initiative of the Growth Philanthropy Network, in collaboration with Duke University's Center for Strategic Philanthropy and Civil Society at The Sanford School of Public Policy and the university's Center for the Advancement of Social Entrepreneurship (CASE) at The Fuqua School of Business.*

*Growth Philanthropy Network is a nonprofit whose mission is to exponentially increase the impact of top-performing organizations by helping them scale their proven solutions to improve the lives of children and families nationwide. Our goal is to build a growth capital marketplace that will provide consistent and reliable funding for the national expansion of best-in-class nonprofit organizations. Growth Philanthropy Network provides nonprofits with business plan development, due diligence reports, capacity building assistance, and access to capital for growth.*