



The Evolving Role of Philanthropy in Global Problem Solving *Transcript of Interview with Victoria Vrana*

Participants:

Joan Bigham, Ed.D., Executive Director, Global Solution Networks

Victoria Vrana, Senior Program Officer, Philanthropic Partnership Team, Bill & Melinda Gates Foundation

The Interview:

Bigham: Thank you for your time and I want to begin just by asking you to introduce yourself and your role and the organization you're with.

Vrana: Sure. I'm Victoria Vrana and I'm a Senior Program Officer on the Philanthropic Partnership Team at the Bill & Melinda Gates Foundation and in that role I manage a number of investments and I'm leading a new initiative. The Philanthropic Partnership Team has this huge mission to inspire and enable informed and intentional giving by all. We're all about philanthropy, all the time, for all people, very focused on individual donors. We work directly with donors but we also try to tackle some of the policy and systems issues that get in the way of donors, whether that's everyday donors or ultra-high net worth. I manage some investments in our policy and systems work and that includes categories like culture and norms for giving, trying to encourage a celebratory culture for philanthropy and then also efforts focused on data and insight, working to increase the supply of data in this sector, because you can't have informed giving without information.

The new initiative I'm leading is something called Giving by All and that seeks to explore whether the Foundation has a role in shifting the giving of individuals in the US, trying to increase the amount of philanthropy and generosity or trying to strengthen it and shift giving to be a little bit more intentional and informed. A long introduction, sorry, but that's it.

Bigham: That's excellent. It sounds very exciting. Let me stay with that for a minute and ask you, just while you're thinking of it, what are some of the mechanisms that you're thinking about or using to begin to shift that behavior?

Vrana: Right now we're in learning mode, so we've got two to three years to see if it's even possible. America's an incredibly generous country but giving has stayed at the same level as a proportion of GDP for the last 40 years, at about 2%, and lots of people and organizations have tried to change that. We're not sure if it's possible, starting out, and what we're doing is a lot of experimentation, a little bit of research and some product development to try and see how to really shift behavior. All the research we have to date is very survey-based and not much is experimental. We think we know a lot about how and why and when people give but there's a lot of room for testing things in the field at scale and trying to identify just a few of those points that might be able to shift the giving.

Bigham: Sure. Have you begun to devise any field experiments yet or is it too soon?

Vrana: We have some underway. We're working with a group in New York called ideas42. That's a non-profit that takes behavior science and applies it to big world problems. We're focusing in at first on three channels. We're looking at online giving platforms, workplace giving, and national donor advised funds and we've identified partners in all the channels and we're just at the point where we're designing the experiments with the partners. We've got some of that work underway. We have a couple of other grantees and partners who are doing work who are earlier stage. There's an organization—Great Nonprofits—that's going to be designing experiments in the field with giving circles around the country, about 20 of them, very different sizes and shapes and flavors to look at how storytelling affects donors, both in their own giving and their feelings about their gift and the way they can influence others by telling their stories.

Bigham: You have some very specific missions as a foundation in terms of health and education. Are you looking across the board at these experiments and surveys or are you looking within your own mission areas?

Vrana: It's a great question. This is a completely broad agenda and horizontal, so it's every issue area. We are focused on monetary giving for the moment. I think we'll expand that into volunteerism at some point because they're so inextricably linked, giving and doing. We're not looking super specifically at the Foundation's issues, although in some places giving internationally is really interesting, just as a broad category. There are lots of barriers that I'm sure you know about in giving across borders and that's a challenge for workplace giving when companies are global and they have employees around the world. We're really trying to figure out how to help employees in other locations give and there are some underlying infrastructure barriers there that are interesting to us.

We keep a subtle eye out for our causes and we have a couple of other partners, Donors Choose and Global Giving, which happen to be great platforms and strong experimenters but also do have a focus on some of our causes. So that's a nice fit. In other partners we are focused on our causes with individual donors. When donors come to us and are interested in our causes, then there's a whole team of people who work with them to align funding and so forth.

Bigham: Oh, okay. Now, I saw some notes in the Guardian from a woman named Rachel Warden. I don't know if you saw this. It's from a couple of years ago but she talks about pooling resources and we

developed some platforms, I think you saw them, around climate and health and human security, those sorts of global problems. She referred to something called WASHfund.org which is a platform. Do you know them?

Vrana: Yes. That falls back into our data and insights work. One of our main partners there is the Foundation Center. The Foundation Center is the one who made the WASHfund.org platform. They've made funders platforms for a bunch of funding collaboratives and even earlier stage than collaborative, you know, organizations that are just trying to figure out what each other are doing and we think the supply of information about who's funding what where is... it's just essential for that kind of collaboration and there's still lots of holes.

It's very difficult to find that information out and the Foundation Center has done a great job at creating portals and they have something very cool called Foundation Maps where you can see clusters of funders around clusters of organizations. If a whole group of funders funded a certain set of organizations, you can look at what's next and adjacent to that so you can start making connections. They've got some really sophisticated tools. The problem is that your average user donor, even high net worth, can't go in there and plug things in and get the answers they want yet. You still have to customize this. Trying to figure out that information is so difficult. What is China funding in Africa? It's a hard thing to figure out.

Bigham: And there's another dimension to this too, which Miguel mentioned where you may be looking at one aspect of an integrated problem, and you mentioned that this Foundation Center platform had the ability to look at adjacent issues. But it is important to not look at these things in a vacuum, right?

Vrana: Right. That's exactly right. And then you've got all the different kinds of funding, right? So, you have individual donors. That information's almost impossible to track down. You have institutions which, thanks to the Foundation Center, are a little bit easier. Then you have development assistance, which is going to be the biggest piece of the puzzle, and that's in various shapes.

In the US there's something called the Data Act that was passed in the last couple of years that requires all federal agencies to release in a publicly available machine-readable consistent standardized format all the information that's about public funding for grants and... It's public funding across the board, right? So grants and contracts to nonprofits are the biggest area of interest for the sector and we've been funding the Aspen Institute's Nonprofit Data group that's been continually advocating for the opening up for US public data on the sector

They have to include, by law, the grants and contracts to non-profits, but nobody's paying attention to it that much. So the Aspen Institute has made that a big deal because right now it's hard to figure out the federal funding in the US and the state and the local to non-profits and then you need all of that together. And then there are areas like Civic Tech where you're blending public and private capital. The Knight Foundation did some great work a while back to try to map that funding. Just basic knowledge is still hard for us as a sector to get.

Bigham: So we're making progress—but stepping back, what would be your assessment of where we are on that journey?

Vrana: It's early days. There's a lot of momentum, which I'm excited to see, increasing momentum for lots of reasons. I think impact investing itself pushes the momentum for us to figure this stuff out. The data revolution that's being talked about and discussed and initially worked on that comes out of the SDGs, the Sustainable Development Goals, that's also going to push getting this information and tracking this information and where's the money going and where are people working together. That's going to increase the flow of data information. It's early but there's more movement than I've seen in the last few years on it. It's exciting.

Bigham: SDGs do create a bit of a magnet for people around these issues. Do you know anything specifically related to the SDGs that you've seen? Given the 17 topics, is anybody working with those specifically?

Vrana: Foundation Center is. They're creating a whole SDG site that might be particularly interesting for what you're doing right now. It's a big effort to bring in philanthropy and private philanthropy into the SDG conversation and show them how it's relevant and how they may be working on it already but also align capital with the development assistance. I think the site is up, maybe SDGfunders?

They've got the 17 goals, they have the targets and then they have over 200 indicators mapped. But for many they don't have the data—or they don't have good data. There are 17 targets in the gender goal and out of those, I just recently heard, there's only data to track three of them. So, we have these targets, and that's awesome, but we don't have the actual data about women on these specific issues to be able to track any progress. And so there's a big push. There's something called Data2x that's working on sewing in some of the gender gap and I think that's one of the ways SDGs will start pushing the supply and sanitization of data on issues. It's fantastic. (NOTE: Since this interview was conducted, Bill & Melinda Gates Foundation launched an \$80M commitment in this area.)

Bigham: It really sounds that way. We've got about 500 GSNs identified now and about 100 were organized last winter according to the SDGs and we mapped all 17 topics. They are on our web site. Each of those is, of course, a GSN, our definition is a multi-stakeholder initiative.

So, let me shift for a second to this—since you know the GSN model—to the question of multi-stakeholder behavior. You've been pretty focused on giving and the funders. Are you also participating in things that have to do with multi-stakeholder activities? You mentioned government funding being looked at but also initiatives that have involvement from corporations or from the beneficiaries or, by our definition, that have a multi-stakeholder approach?

Vrana: That's a good question. There's nothing specifically I'm working on right now in that way. I think in our work with high net worth individuals, and ultra-high net worth, we're looking and spreading the word among the community about different collaboratives people are involved in, some of which are

kind of GSN-like, that are involving, government and business and other things. The Foundation, as you know, does a lot like that.

I guess the best example I can give you of what I'm doing now has to do with my initiative in the product development space, working with companies and researchers and non-profits and bringing people together to begin to develop new concepts. We really think that in the end to be able to reach as many donors as possible, bringing in some of the companies in search and social media platforms and payment processors and things like that are... it's going to be the greatest place we can get to scale. Also with the workplace giving platforms. A lot of those are companies for profits or B Corps. So we have different kinds of groups coming together on this problem.

Bigham: Yes, that's a good example. I like that. And then just thinking of corporations and giving large grants in general. Another thing that you mentioned was transparency, and I don't know if that's a part of your research or if that's an issue that you're addressing, but what are your thoughts on the progress we're making with regards to transparency in philanthropy?

Vrana: Again, I think there's movement. If you look at where we should be, I think it's so very early. Did Miguel talk about the Foundation's open access policy at all?

Bigham: No.

Vrana: Open access policy is one of the examples I'm most excited about at the Foundation recently. We provide all of our grant information and it's coded and we report to OECD and IATI and the Foundation Center. That's all good on a base level and I think every foundation should do that but we recently... I think it was end of 2014 and it gets fully enacted by the beginning of 2017. We've put in a new open access policy that requires all research funded by the Foundation to be published in openly accessible publications and the underlying data sets also have to be available.

When you think about the amount of research the Gates Foundations funds, it's pretty transformative, in the space and generally. It's big news and I think other foundations are beginning to realize what they can do with policies. Lucy Bernholz has a great project called digitalIMPACT.io where she's collecting policies and things as examples to other funders and we're also seeing non-profits really beginning to open up their data more and more. There's a great example from a group called Crisis Text Line that you may have come across. They provide service by text for teens in crisis and they're opening up their whole data set in a very smart and secure way, respecting all privacy issues, but they're opening up to researchers.

I feel like it's an early frontier in that space but there are folks trying to help provide the support and guidance about security and privacy issues too. If we get that part right, it can really fuel the openness and the transparency. We're working on it. Sometimes, when something like the open access policy happens, it feels like a big step, and then other days when we're stuck in coding issues and things like that, it can feel like we've gone a couple of steps backwards.

Bigham: Well, that sounds exciting. Does that mean we're going to be able to see the results of your research?

Vrana: Everything's going to be open and Giving Tuesday is going to create a section on their site that'll launch in June that will share all of the research. All of our individual partners are publishing but we would want to corral it into one place because #GivingTuesday is all about giving and they're going to create a site with a section that's going to be all about this latest in giving research. So it will be there.

Bigham: Great. Well, you know all of our research has been open all along and we put all our network connections on the web and we have been contacting all of the GSNs that we can reach to let them know that we have them there, we've got them catalogued, and we've made access available to them. We've seen a kind of a resistance to collaborating and I spoke to Miguel about this but people don't seem to have the will. I think it has as much to do with bandwidth as behavior but what do you see in terms of people's willingness to collaborate?

Vrana: That's a good point. There are multiple reasons for resistance. Bandwidth is definitely one of them and we've seen cases where we've been able to provide the space. A neutral convener is often such a big issue in trying to get the right platform to bring people together, and having neutral convener backbone organizations, and there are times where we can't play that role because we're a funder. Trying to figure out who can do play that role can be a barrier. I think if collaboration is forced or artificial, that's something I try to be really careful about as a funder—the idea that my grantees should get together. Well, all my grantees might not want to get together but they might feel like they have to if I convene them.

I think being able to...you know this stuff so well, but that identifying shared goals or pain points and the right people in the room to connect and then having the bandwidth and having the neutral space are all essential. But I do see people more and more taking a systems view to their work and understanding that having other partners and working on those adjacent issues, as we talked about, is ultimately going to be essential to meeting their goal. Once you have that mindset I think it leads you toward beginning to collaborate with others if you have the right ingredients in place.

Bigham: Good. I agree. Let's go back for a second to impact investing because this is something we've heard a lot about. We've seen presentations on it. It comes up a lot with employment, youth unemployment. What's your experience with impact investing? Are you working with it or is that living somewhere else in the Foundation?

Vrana: Yes, I get that question a lot. Our team is not directly working on impact investing. Within the giving community there is an affinity group that's focused on impact investing. So a group of Giving Pledgers meet on that topic. The Pledge community has learning events and serves members who are in different stages of learning. Some are advanced practitioners and others are just curious and wanting to see if it's something they should add to their portfolio. There's a big range there and it's great to see the connections in that group. We support all learning events of the community.

Impact Investing lives in the Foundation, mostly in our PRI team, which is quite large and supports other program teams when they want to make those types of investment. But it's something that the philanthropic partnership team... that I think we may add at some point. I feel like it's pushing traditional philanthropy and non-profits a lot, especially in the space of measurement and so I'm excited to see that, actually.

Bigham: I know measurement was a very important area for you the last time we talked. I think you were working on some measurement tools at the time. Miguel did mention that measurement was a really important part of the Gates culture. Can you tell me a little bit about just how that's going forward right now and some of the things that you're doing in measurement and performance of your... of the impact of your investments?

Vrana: Yes, absolutely. Ultimately to have informed giving of any kind, you need the underlying information and right now, I think we're 20 years out from being able to actually compare and assess and make decisions on giving based on non-profit performance. We're not there and getting that information in a kind of comparable, open, verified way is going to take a long time. Now, there are organizations we support, like GuideStar which is working really hard on it and is beginning to collect some of that information from non-profits. But the incentives aren't there for non-profits to provide it. In fact, there are disincentives. Trying to change that whole system and reverse that feedback loop is going... I believe it's going to take 10 to 20 years. In the meantime...we'll work on that. We'll support folks who are doing it. I think ultimately it's going to have to happen in the verticals—in issue areas. We're seeing some exciting innovations. There are a couple of firms in the US. There's one called Algorithm and one called Mission Measurements that are kind of evaluation firms that are trying to tackle this in a new way and bring in some big data and kind of automate measurement a little bit more. That's just exciting. I'm seeing innovation in that space that I haven't seen in the last ten years or so.

Bigham: What are some of the things that can be measured? I mean, we were talking about the ability to impact your mission areas, which are health and education, but what are some of the things that can be measured to determine whether the impact is being seen?

Vrana: Yes, we look at a lot of different things. There's information on performance and actually how an organization is achieving its mission and what the programmatic outcomes are. Then we can also look at an organization's operations and what the strength is there. That's probably where there's the most data in the sector and that's part of the problem—people are making decisions based on an artificial sense of what overhead should be and that's another thing we've got to correct.

You know, thanks to increasing open data sets from mostly governments, we're able to get a much better sense of the broad landscape now and what the needs are in communities and what the current status is. But again, as I was saying for the gender role, we only have that kind of data for three out of 17 targets. So we've got some of it but not all of what we need. What I'm starting to get interested in in giving is while we're trying to build up that robust set of information about performance and needs, what is the other way people's gifts can be informed? Like can you be informed by the giving of peers, by the giving of role models? Can you be informed by your own giving history, by your giving

preferences, by feedback from beneficiaries? All this is still hard to get at and so we're trying to experiment with some ways to help people get that information more easily.

Bigham: So, it's sort of an affinity... a little bit of a competitive affinity strategy where people give with their friends, right?

Vrana: Yes, one of the things, the behavioral incentives we find with some companies, are that people, when you're in a group and you feel responsible as a group, that you're more likely to act. So all companies... I think it's 88% of companies offer an employee match but only about 10% of it is used and so there's a huge opportunity to increase the use of the match.

Bigham: Wow. That's good. If you just do that, then you're all set.

Vrana: Yes, done, I'm out of here [laughs]. So, getting people to use the match is an easy one, so how do you do that? One of the ways that they're going to experiment with is that when you tell people the match won't be made until 75% of people on the team, in the division, in the company, whatever unit you pick, makes the match and so that kind of cohort peer pressure is super effective for people. We haven't tested that one out yet. There have been small experiments done but we're looking to do experiments with thousands of employees.

Bigham: Let me ask you about funding models, because you've mentioned a few and that's obviously core to your research. What are some of the new models that you see? Crowd funding, of course, has been around forever and we have more ways of paying online but are there other funding models cropping up?

Vrana: You know, one of the things we're looking at is the person to person giving and bypassing the intermediary that is a non-profit altogether. I think that plays a big role when the trust is weak for institutions and non-profits. Also when it's an issue area, people are uncertain. And then also it's just the powerful storytelling that happens and so things like GoFundMe and Indiegogo's new platform generosity.com. There is huge growth and potential in this space, but stories are unverified to a relative degree. Do you really need that heart surgery? Is that person really going to college? It's so difficult to tell. There's a trust network thing going on. There are a couple of efforts to try to provide a more verified experience.

Kiva is doing something called Kiva Zip in the US where, if I pay back my loan I am then a kind of trustworthy member of the community and I could recommend you for a loan to the Kiva community and you would have some certification from me. And so that's an interesting model. There's another online platform called Benevolent.net that surfaces up needs from social service organizations for individuals. Like Joan has complete all her welder training but she needs \$700 to buy her welding equipment so she can start working and so... And you're verified by your case manager and the money actually goes to the case manager to give to you to go buy the welding equipment. There are a lot of safety nets. But it's hard to scale that.

The other big one is Diaspora Giving and, again, from our global lens you can imagine how that's interesting. We see a huge amount of energy in this right now but the platforms and the products are early stage. So, I think that's going to explode in the next couple of years.

Bigham: It's going to be exciting, I completely agree.

Vrana: Yes. To that end that's the other thing that we're seeing, that the big platforms are getting involved. Facebook and Google are both adding giving functionality to most of their products and that could also just explode things.

Bigham: Great. This is exactly what I was hoping for, the great knowledge that you have. Can you think of any spectacular failures that you've seen in this space? I must say so much of the interviewing I'm doing is coming up very positive and hopeful and early stages of great changes. What things have people tried that have not worked?

Vrana: I'm trying to think back through all my different experiences. There's an organization in DC that's closing but that's much more because of fraud and misuse of government dollars which doesn't have anything to do with collaboration.

Bigham: When you convened your philanthropy groups, I think you've had several big conferences of other philanthropies, have you found that that was productive?

Vrana: I have. You know, the Markets for Good Group, which we convened two years ago, this goes back to the neutral conveners thing again. It was very difficult for us to continue to play a leadership role in convening that group and so it took us about 18 months but we finally have landed it at Stanford PACS, the digital civil society lab, and they're going to be taking it over and running it. And that's a collaborative of the infrastructure players in the sector, the data and information infrastructure players, and it has been on hiatus while we made that transition because we couldn't continue to be the convener and Stanford took its time to make that grant work. That's a place where it's back to the role of who's doing the convening again. That piece is important. There's another thing that just failed last week and I don't know how much this would be an example for you or not but it's online giving days. Do you know about the local giving day movement where...?

Bigham: No.

Vrana: For the last few years, campaigns for local giving days have been taking place often in the spring in the US. There's Giving Tuesday which is the Tuesday after Thanksgiving that really encourages giving around the world and that's a very decentralized movement. Giving Tuesday is a concept and a hashtag and they provide all kinds of tools but they're not trying to raise the money directly. Organizations raise the money themselves in whatever way they want, using whatever platform they want. Giving days, which I think have been happening for maybe four or five years in the US, there are local giving days, so it's kind of Give DC, Give San Francisco, whatever it is, often driven by the Community Foundation. They often go through one platform.

So the platform raises the funds and then gives them back out and it started out... The first platform was Razoo, I think, and now it's a company called Kimbia and last week they had a massive failure. The platform went down early on in the day and all the giving campaigns around the country stalled. It's been huge and the implications are yet to be seen, both for the fundraisers and for the donors. I think donors will actually bounce back from it pretty easily. I think the fundraisers, the small town that got it together to raise \$1 million for the first time and got hit in the face with this, I think it's going to be a cost to recover from. So, again, that example may not work for... as a GSN example, although there's collaboration. You can already see all the players involved learning from it—the platform, the community foundations, the local nonprofits. I imagine they all will have back up plans in place next year.

Bigham: Oh, no, I like it. We stress technology all the time and exploiting technology.

Vrana: Yes, this is one critical link in the collaboration chain, right, when to the point where you can go through, it can really bring everyone down as opposed to the kind of decentralized open source space which can be... a more redundant space.

If you search The Chronicle of Philanthropy you'll see, it's... Give Local is the movement.

Bigham: Well, you've given me a lot to look up. These are great ideas. Thank you so much. I'm really looking forward to seeing your research. And when do you think you'll be publishing something?

Vrana: We're going to start putting things out in June [2016], I think. It's just going to come out on a rolling basis. We won't make any big pronounced statements or assessments until we're further along. We'll have lots of little pieces going out. We ran some experiments with donors last Giving Tuesday. That'll come out in June. We had a contest called the #MyGivingStory. Then all the information about that storytelling will come out. We've got a couple lit reviews. A couple of our partners have done some good baseline research that'll start being published soon. We'll start getting it out there.

Bigham: I love this storytelling piece and we can talk about that another time too but isn't it the New York Times that publishes a story of a needy person periodically? And they raise funds very successfully that way. What are some of the models that you're looking at for storytelling and fundraising?

Vrana: Well, there's definitely been a long tradition of telling stories... non-profits telling a story about a beneficiary, right? I mean, that's just a main staple of fundraising. Part of what we're interested in is donors telling their own stories, and also beneficiaries and what effect that has on them and what effect it has on other donors. So, it's almost back to that cohort and that peer influence. And so that piece is interesting. In the My Giving story, that contest we ran, the contest was open-ended. We said tell us about an organization that inspires you to give and why and it's fascinating, the analysis.

Many of the stories were told by people who were beneficiaries of the organization and now have become supporters. The stories were voted on. The finalists were crowdsourced and the panel judges picked the few best stories and the organizations got a little bit of money and that kind of thing. But

some of the very most powerful stories in the winning group were from beneficiaries and there's a lot to be learned there, both for profit and non-profit marketing and just in how you nurture donors.

Bigham: Yes, I like that you're looking at donor behavior and giving. This has been hugely helpful and I've really enjoyed talking to you. Thanks.

#

Global Solution Networks (GSN) is a landmark study of the potential of global web-based networks for cooperation, problem solving and governance. Through a series of major research projects led by global experts, it is identifying and explaining key issues, strategies and approaches for engaging via the Internet for social good. The GSN Program, led by Don Tapscott and the Martin Prosperity Institute, Rotman School of Management, University of Toronto, is *creating a definitive resource of expert insights, cases and field tools.*

