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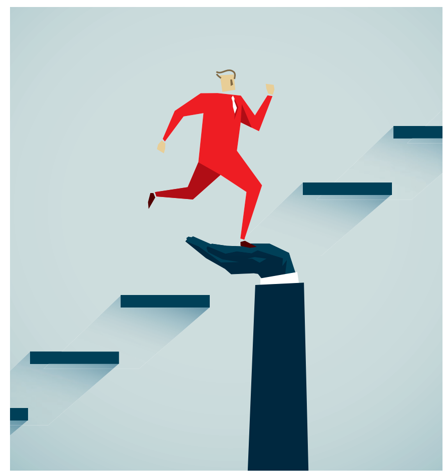
To Impact Millions, the Social Sector Needs to Scale Scaling Up

by Greg Coussa Jan. 24, 2019



Without bringing more rigor and resources to scaling impact efforts, the do-good industry will never make the exponential leaps needed to bring social innovations to millions of people.

Over the past five years, I worked exclusively on trying to help social ventures scale up at an organization called Spring Impact. As a player in the middle—neither a practitioner nor funder—I spent most of my time helping organizations think through replication: the strategy, operations, and systems needed to go big geographically.

Looking back, I can tell you that the “scale sector”—the practices, people, and policies that make up the efforts to exponentially boost an organization’s impact—is woefully under-resourced and nascent. Despite scale being a large focus of conversations, blogs, articles (guilty!), and conferences, the do-good industry is still failing to bring the rigor and depth needed to make the desired impacts on social issues.

We need to scale the scale sector.

Scaling Up Is Hard

We’ve been thinking deeply about scaling social impact for years, yet the sector still feels wobbly. While we’ve seen incredible solutions that impact thousands of people in different markets and sectors, we still haven’t reached millions. There is no silver bullet—we need development of the entire ecosystem. Here’s how I think we can do it:

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People: Yes, it always starts and ends with the people. Every organization I worked with didn’t have enough folks focused on scale, and their teams lacked the right skills for the challenge. And unlike impact sustainability (e.g. fundraising, impact investing, or partner delivery of an innovation) and impact evaluation (assessing the effectiveness of an innovation), which have their own divisions within medium to large social ventures, I have not seen a division dedicated to scale, and I very rarely saw individuals whose sole job was focused on helping the venture scale. Where’s the “chief scale officer” or “director of scaling impact”? The job titles sound comical because they don’t exist, but they should; The BOMA Project brought metaphorical tears to my eyes a few weeks ago by hiring a director of expansion and innovation.

We're also monomaniacs when it comes to social entrepreneurship. Young people have never been so excited about the social sector, but too much of the attention falls on social entrepreneurship: starting something new, rather than scaling what has been proven to work. As Daniela Papi-Thornton said in her heropreneurship article: "We need to move from 'the social entrepreneur' to social impact." We have both a supply and demand problem. To make the shift, we need social ventures and their supporters to buy into scaling-impact expertise and demand more of it. And we need universities and other organizations teaching these skills to ensure a healthy supply of scale-specific talent.

Money: Bet you didn't see this one coming. Yes, we need lots of money. Rather than reinvent the wheel, Amanda Greco and Kriss Deiglmeier said it best in their recent *SSIR* article:

> "Mezzanine funding and growth capital are hard to come by, and scarce resources often stall proven solutions before they have the opportunity to achieve their full potential. To overcome the stagnation chasm, social innovations need access to capital similar in size and staging to that which fuels growth in the private sector. Social innovation funders are often drawn to the early stages of the innovation continuum marked by idea generation and prototyping, and myriad incubators and accelerators have emerged to support these stages in the innovation process. But preparing to scale increases organizational costs, as investments are needed to upgrade technology, hire senior-level talent, and improve infrastructure. However, these critical activities rarely produce immediate results and can be less appealing to funders. Despite the promising emergence of impact investing, market forces do not push mainstream capital toward social innovations, as the promise of market rate financial returns can rarely compete with traditional industries. Given the short-term profit incentives of most investment capital, many social innovations require philanthropic support."

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Amen. There is a gap. A big one. We need more money to flow to *proven* solutions so they can scale up. We need dedicated "scale funds." I've come across a few promising projects that are still in the early throes of testing their money-for-scale models, finding promising solutions, and exploring the right ways to fund:

- Co-Impact "is a partnership of results-oriented donors who want to give and learn together, and are pooling resources, networks, and expertise to drive lasting change at scale."
- Global Innovation Fund (GIF) exists to "fund innovations that have the potential to scale to reach millions of people."
- Blue Meridian Partners "is a partnership of philanthropists seeking to transform the life prospects of America's children and youth living in poverty by scaling the most promising solutions."

The Skoll, Shell, Argidius, Mulago, and Peery Foundations are a few other funders I've gotten to know over the years that are focused on funding for scale in very promising ways. But we need to do more in terms of quantity of donors, financing amount, and financing strategies. And most importantly, we need a Costco-sized dose of reality when it comes to our expectations for results from the ventures we're funding for scale. We need patience. Success doesn't come in weeks or months. Give scaling efforts time to take hold—years, even—before judging them. Is it risky? You bet. Literally. But there's no other way.

Strategies to operational realities: Why do I want to scale? What do I want to scale? Where? Who? When? How? There isn't enough clarity on the different strategic options entrepreneurs can use to scale their impact and there definitely isn't enough on the how: the operations. This is the biggest problem. It's great if I can clearly articulate the social issue I'm targeting, my organization's mission, who I'm trying to serve, and where they are. But absolutely none of this matters if I don't have a deep understanding of how I'm going to make my strategic aspirations an operational reality. Is replicating my venture the best option to achieving my strategic objectives? Or should I try to diversify my product or service offering to reach more people? Should I create a social movement or advocate for policy change? All? None? And even after I land on which strategy is the best to scale my impact, how the heck do I do it? Buckle up—it's not sexy. I'm talking about operations manuals, legal agreements, cultural and consumer preferences, quality controls, partnership profiles, supply chain negotiations, policies, processes, and procedures. Yawn. But if you're actually after scale, it's critical.

Research: We aren't heaping enough resources into figuring out what has worked to scale impact. If you Google "scaling social impact research," a lot of reports will pop up, but as my friend Mark Hand said a few years ago, "A literature review of research on social entrepreneurship reveals that academics and practitioners seem to be operating in separate spheres." All the more so in the scale sector. But for an example of doing scale research right, check out Rippleworks' research on building talented teams for scale.

Frameworks and tools: If we really want to help the masses, we need more streamlined tools. They should accomplish two things: incorporate the research and be aimed at practitioners. Spring Impact has an awesome toolkit for replication as a means of scaling impact (who, me? Biased?). Duke University's Center for the Advancement of Social Entrepreneurship (CASE) is at the forefront of developing frameworks and tools for scale with their impressive Scaling Pathways and Smart Impact Capital. The Miller Center's Last Mile Distribution Playbook, Bridgespan's Transformative Scale, DIYToolkit, and SCALERS are a few other great tools I've come across. Still, we need more. And we need help marketing and testing them so throngs of ventures can use them, refine them, and help share the best ones.

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Intermediaries and hubs: One of the most common questions I've heard working in the scale sector is, "Who else is providing scale support?" Umm … I don't know. I listed a few above, but it's slim pickings for social ventures. What if accelerators created "alumni accelerators" focused on scale? What if there were scale-focused competitions and prizes? What if we created a scale platform to share resources, host webinars, create forums, or write case studies? Maybe we can even persuade the Vatican, which puts on the creatively titled "Vatican Impact Investing Conference", to host a gathering. Call it the "Vatican Scaling Impact Conference." I'll bring the wine.

Specialization and context: Principles and frameworks can be used across sectors and locations with incredibly impactful and comparable results. This is great, but we need more scale-specific specialization. For example, the Roberts Enterprise Development Fund (REDF) provides money, advice, connections, and ongoing support to one sector in one geographic area: employment enterprises in the United States. The Shell Foundation only supports access to energy and sustainable mobility ventures. With more scale-specific specialization in sectors and geographic areas, we can give more targeted, practical help to ventures where they are and in the way they need it. There are numerous examples of specialization in the fields of impact evaluation and impact sustainability. We should follow their lead.

Integration: Finally, we need integration of everything I've described, particularly integration of scalability into impact evaluation and sustainability. How can we work with organizations like the Abdul Latif Jameel Poverty Action Lab (J-PAL) and Innovations for Poverty Action (IPA) to scale up the truly effective impact interventions? How can foundations better assess the scalability of a venture before giving a grant? How can impact investors provide better scale support to a venture after they've invested? How can incubators and accelerators bring these lessons to their cohorts early on?

Working across the spectrum of scale supporters to learn and integrate is the only way we'll be more effective and efficient as an industry. A nuanced example of this is the Global Impact Investment Network's (GIIN) Impact Toolkit, which spotlights J-PAL's "curated collection of practical resources for conducting impact evaluations". The GIIN shows their main constituent group, namely impact investors and enterprises, how they could use it: "Asset owners/managers and enterprises can refer to these resources for guidance if interested in developing and conducting randomized evaluations as part of their evaluation strategy for their investments and businesses/ programs." If I may, the GIIN is saying, "Hey, impact investors, if you want to actually see if your portfolio enterprises are achieving their intended impact, actually assess their impact. Or better yet, get another specialized group to do it. Matter of fact, here, check out J-PAL's resources. They can help." And this is just the GIIN spotlighting J-PAL's resources in an informal way! Imagine if groups like the GIIN and J-PAL formalized partnerships like this, and scaling up joined impact sustainability and impact evaluation at the party. Would it be difficult and messy? Yes. Would the returns potentially be incredible? Yes.

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Be like Oprah, Steve, and Ariana

Think about the most successful entrepreneurs in the last century—Oprah Winfrey, Steve Jobs, Coco Channel, Phil Knight, Henry Ford, Ariana Huffington, Larry Page, Sergey Brin, Jeff Bezos, Michael Bloomberg, and Bill Gates. Were they innovative? Yes. Are their innovations why their names are household commodities? No. We know them because they took their innovations and scaled them up.

The do-good industry needs to follow their example, or excellent social innovations will fail to reach millions of people. I hate to say it (again), but I need to: Innovation is a dime a dozen. Scaling innovation is the diamond in the rough. But it doesn't have to be.

It's time to scale scaling up.

Greg Coussa (@GregoryCoussa) is an independent strategy and operations consultant. Previously, he founded and ran Spring Impact's operations in the United States. More importantly, he loves apologetics, his family, burning his mouth with hot sauce, and getting lost in new countries. He dedicates this article to Jason Spindler, who tragically lost his life in the Nairobi terrorist attack in January 2019.