

April 3, 2014

Thank you, Nicole. It's a pleasure to be with you all and I can tell you that I appreciate completely the magnitude of the challenge that you all are facing over the next couple of days and it will be a very exciting, busy, engaging couple of days and you are going to dig into a lot of things very deeply, and so the organizers thought it might be beneficial to start off, not by kind of reinforcing the detail, but actually stepping back up and thinking a little bit more broadly about the phenomenon of scaling. So, I really want to do kind of two things this afternoon. The first is to give you a general sense of the challenge and the phenomenon of scaling what works and why it matters and why it's important for the administration. The second thing then is to give you some sense of some ways that it might be approached or ways you might think about it that hopefully are bigger than a lot of the specifics that you are going to be getting into and, so, I am intending to take about a half an hour and then we will have some time for back and forth now. It's always a challenge to get everything.

Okay, now to get everything off to exactly the right start, I want to provide some context by showing some wisdom from Gary Larson who we all miss I am sure. So this is one of my all time favorite cartoons. So you see here we have got a gathering, not unlike this one, although this gathering is entirely dinosaurs. Now at the podium you have a particularly impressive dinosaur not necessarily to be confused with me I am sure, and what this dinosaur says is the following: the picture is pretty bleak gentlemen. The world's climates are changing. The mammals are taking over and we all have a brain about the size of a walnut. Okay, now, what struck me as similar is that we have got a gathering here of really, you know, action-oriented people who are clearly confronted with some very substantial challenges. The difference, of course, is that we have very formidable brains that we are actually now being asked to use to a very compelling purpose which is scaling these programs that you have helped develop. So, again, so what's kind of similar? The

picture is pretty bleak in a lot of respects. We have got a lot of big problems out there including teen pregnancy. At the same time we have some disadvantages in terms of our ability to go after those programs. So we have community-based organizations experiencing really significant funding duress, we have the Federal Government and actually Government in all level is under pretty unprecedented fiscal constraints. On the other hand, we have some advantages. We are still, it's easy to forget, but we are still the richest society in the history of the world. So, if we cannot solve our problems, I would not want to think about who can. In addition to that, we have a long tradition of innovation throughout all of the US. This isn't something that resides, it is not a capability that resides just in Washington or just in our great universities, this is something that in every community across United States we have a long history of solving our own problems, and in fact, we have a lot of very effective solutions that have emerged out of these communities and we are all hopeful that that will include the programs that you all have developed. It certainly includes a lot of organizations that many of us are familiar with as well as you know hundreds and thousands of other ones that sit on very compelling evidence-based basis with respect to the impact that they are able to create, and so here are just some of the better known. Now, in fact, the scaling works phenomenon actually is to some degree a movement that has some definition and some character and has been particularly significant over the last decade and we have seen a lot of progress and I am going to focus mainly on those organizations that we were just looking at, but we have made some enormous progress in helping those organizations that have evidence of real impact to expand the numbers of people in need to whom they are delivering their intervention, and, so these are some examples. So, community and schools now is serving over a million people. This is Youth Villages which does foster care I suspect, may be known Youth Villages, so over 18,000 people teach for America about three quarters of a million students it touches each year, nurse family partnership 26,000, so you can see some of these others. The numbers vary, the nature of what they do varies, but all of these organizations have seen very significant growth and these

organizations that have models that have been tested and have been proven to have a very dramatic impact on people's lives. So, again, they are just the tip of the iceberg I guess going back to the theme here, and so, we know there are a lot of other great programs that have evidence. Now, so, what is the problem? The problem is that for all of the progress that we have made in the last many years in growing some of these outstanding interventions we stand far short of actually being able to deliver superior solutions to the entirety of the population in need. So even communities and schools has that, if you look it down here you can see this represents the percent of the market that we estimate that they have penetrated. Communities and schools with over a million students that they touch every year we estimate is serving less than 10% of the need-based market and then it just falls off from there to the point where you are talking about Bell or the centers for economic opportunity or year up that are serving, you know, less than 1% of the market in terms of people who we estimate have the need that these organizations are intending to address and have proven that they can address well, but do not have access to the services. Now, you know, and obviously there are other organizations besides these that do a lot of the same things, but the point remains that as a society, even though we have a lot of interventions that have been proven to be successful, we are a long way from being able to deliver those to even the majority of individuals' needs and so this kind of represents them in that gap. Now, must keep hope alive. So, that progress that we have made in the last decade and beyond, it's continuing and it continues today. I mean what you all are doing today is part of that same phenomenon of helping to try and close this gap. We want to suggest two broad approaches that as we look forward now that we think have the potential to actually enable us again as a society to bridge this gap. The second of these would be field strategies that actually start with the entirety of the need and so okay how many people are there out there and then what do we working backward, what are the kinds of things, policy changes and other things that we might contemplate putting in place that could help us close this gap. That is absolutely a very inviting rich avenue for action. But it is

not the only one. There is another very important avenue for action which has to do with organizations like yours. From wherever they start making incremental progress that steadily over time, as we serve more and more people with these interventions that actually have evidence of being effective, can help us close that gap and that in short is why the work that you are here to do and why scaling per se is so important, because when we think back to the beginning the dinosaurs, when we think about these enormous challenges that we as a society face and that for all the resources we have we are still constrained. We have one absolute imperative coming out of that that pertains to this thing and that is to ensure that as much of our resource as possible is concentrated on interventions that work as opposed to ones that don't or don't have evidence of being affected and so that is an enormously important pathway to us getting the upper hand on the problems that we face. Not surprisingly that observation was made early on in the administration by President Obama and I want to share with you this is a quote, a direct quote that he made in a speech where it had happens he was introducing the social innovation fund, the organization that I used to run, but it's as pertinent to your work as it was to the self. So you see the bottom line is clear, solutions to our challenges are being developed every day at the grassroots. The government shouldn't be supplanting those efforts, it should be supporting those efforts. Instead of wasting tax payers' money on programs that are obsolete or ineffective, government should be seeking out creative results-oriented programs in helping them replicate their efforts across America. So, that is why you are here and if you didn't know it already it is important to reinforce that your work is, I mean, it's crucial to the organizations, it's crucial to the people you serve, but it is also a crucial element of a major emphasis that this administration has placed on finding the best things that actually are effective in helping them grow so people in need get access to the best possible solutions, and in fact, while that may sound like something that is pertinent to virtually everything Government does, at least as of 2011 the last time I happened to be directly focused on this particular question, OMB could tell you that there were in fact only six

programs in the entire Federal Government that they considered to be evidence-based initiatives, which is, on one hand it's pretty depressing. On the other hand, you are part of it, because one of those programs is teen pregnancy prevention. Social Innovation Fund was another. In fact, the two of us happened to be the smallest of the six but not to, you know, not to lament, we have got to do our work, we have got to show we can use our resources well and we have to have confidence that if we do that we will be rewarded, but it's a pre-verified group. So, again the work that you are doing is important to a lot of different people. It is also important to the Government and to this broader effort to demonstrate to our society the power of funding interventions that actually work.

Now, I want to talk a little bit about the scaling phenomenon if you will and I am going to kind of touch this from two different angles. First, briefly I just wanted to acknowledge some prerequisites to effective scaling and these are things that should be in place before you actually, you know, focus on the challenge of executing a scaling plan and I will talk a little bit more about the process. So, four crucial things, all of which, you probably know because there's really there's nothing about this whole process that isn't fundamentally intuitive, but the first, and actually the most important, is evidence. You need good evidence of strong results. Why? Because as wealthy as our society is, we do not have the resources to spend on interventions that don't work as opposed to ones that do and so, evidence is the only meaningful way that we can tell the difference between those two. As much confidence as we may have in our own opinions, evidence really is the only thing that we need to rely on. Let's call that scale worthy. If you don't have evidence, you are not worthy of scaling. The rest have to do with being scale ready. So, a program model whose key elements can be standardized and reproduced. So, if you have got a great intervention but you can't break it down into something that says, now over here, now we are moving to the next block or we are moving across town or we are moving to a neighboring city or a neighboring state, if you can't know what to transport then, you know, you don't have any realistic

probability of being successful in growing your program. Third would be organization and sufficient capability that is sufficient to actually execute the plan. Scaling cannot be a solution to weaknesses or problems experienced by the scaling agency. You can't do that because they introduce this as another entire level of complexity and so your organizations need a fundamental level of organizational stability and capability and financial resource that really undertake this well. And the final thing that I throw in there is determination. You know this is all discretionary. I mean there is no law that says Agency X has to move from five locations to 10. This is all about the passion that you have and the determination that you have to serve the people who are relying on what you do. So, there are going to be myriad challenges out there and if you haven't already tasted them, you are certainly going to get a taste from today and tomorrow and moving forward, myriad challenges. You have to be absolutely determined to take the programs that you have developed that have strong evidence and share them because without that determination it won't happen and if it doesn't happen then people who could benefit from the programs that you have developed will not get that benefit and we collectively will be worse off.

Now, if you already don't agree with my point about evidence, I just want to take just a moment here to illustrate how seductive superficial appearance can be. So, if the question, hopefully we have got some baseball fans out there, So, if the question really were like who is truly the best that ever was, and I were to just give you these pictures. Come on, I mean, who do you think is going to be able to really kick some butt out there. But, of course, it is not about appearances. It's about the evidence. Baseball happens to be a very evidence rich, you know, context, so there is no one out there actually discussing whether Robert Redford was in the natural was as good a player as Babe Ruth. No one is talking about that and the reason they are not is because the evidence stands on its own and that is something that all of us should aspire to in this context that the evidence is so compelling that the superiority and the scale

worthiness of the programs that you are developing is beyond dispute. Now, looking forward then in terms of assuming you have met these conditions, then I want to give you a sense of some issues that a Bridge Span would say and that I would say from the safe and other things are really important for you to have on your minds and, you know, you will be working through these, and actually for the remainder of my time the next 10 minutes or so I am only going to focus on one of them and that's number two but just to touch on the other. So, first, you know, what is the ultimate purpose of your scaling and it is really important that you know the answer to that. There is not a single right answer but you need to know what the answer is and possible answers could be things like the purpose is to, you know, to deliver, to address a certain problem that you see among a very specific segment of your relevant society. It could be that scaling this program is not only fundamental to serving the needs of particular individuals but also enables you as an organization to broaden the mix of services that you offer in a way that then has a compounding effect. You know at the opposite extreme the answer to that the purpose of your scaling could be to meet the requirements of a grant that you got from HHS. That could be a very legitimate answer. It is not a particularly noble answer but it could be a legitimate answer and, again, you all need to know what the real truth is about this because it's going to affect everything else we have talked about, it's certainly going to affect your determination. Which pathway will you use, in what locations and by that what we mean is kind of your basis scaling strategy and again I am going to develop that a little bit more and give you some thoughts on that. Then, how would you deliver the key central functions? Again, we won't talk about this. I won't more today, but I am sure you will in a next couple of days because no matter what strategy you embrace for actually expanding the number of locations in which you deliver your programs, there are going to be some fundamental needs that have to be accounted for that don't relate to the little challenge of executing the program. They relate to your potential role as the manager or the overseer that process and that would include first and foremost ensuring that the programs that are the expanded programs, that

are at the new locations, not the ones right under your, you know, under your thumb and control, how effectively and with what fidelity are these models actually implemented. But there are the things too, so, ensuring ongoing quality control both in terms of the services and, you know, what then captures that, the brand, your brand, your reputation, training people at these new sites, managing the knowledge that comes from multiple sites and one of the strongest benefits of having multiple sites is that it increases your ability to be learning things about the needs of the people you serve or about the particular best ways to go about delivering a program or whatever, not to mention, you know, last but not least, performance measurement and then the final thing I just highlight is how do you fund the center and the sites that you may be thinking okay. That's actually the only thing I really want to talk about and you have already that you are not going to talk about this too much but it's, you know, so it's obviously a big issue but that is not what I am going to talk about for the remainder of this. So, I am going to come back to this question of the pathways. Now, I don't expect you to see this slide, I mean, I guess there is another one back there but I will describe what this is and I will make copies of this one and there are a couple of others available to you. But the gist of it is now, as you think about and so I have got a program, it's got evidence, I am ready to get after it. So now the question is like what are your options in terms of how it is that you would actually enable the services that you've defined to be delivered in other places and broadly speaking we would say you have three choices. Branching, i.e. do it yourself. So, spread through local sites managed by a large organization. So, you know these programs, so you do them in site 1 and you take that same program to site 2. The second would be affiliation where you don't do it yourself but you spread through a formal relationship with a partnering organization. So, you do site 1 but for site 2 you may work with some other organization in a very kind of formalized way to do that. The third would be much more hands off, what we refer to is dissemination where you are helping others understand the specifics of your program and how to do it but you don't necessarily have a formal relationship with them and in each

case there are some you know different flavors of how those might be developed. So, like with branching, you know, you grow in new locations versus growing in existing locations, affiliations, you could have, you know, partnership, explicit partnerships and joint ventures or you could distribute through existing networks that someone else controls or you can provide certification or TA or whatever, so you see how this works, dissemination, you could set up a program and then pass it onto someone, you could provide training or TA or something like that but not actually have a formalized relationship or at the far extreme you could even be posting things on the web or whatever, how to's, very specific kinds of informations with the hope that the posting becomes, that somebody digesting that content is then able to take proactive steps that help implement your program. You will notice that these programs kind of run in a continuum here along two really fundamental and conflicting dimensions so if we look at this bottom thing here so as we move from left to right we see the level of control that you would actually have over implementation decline. So, if you are doing it yourself you control it, you get to hire, you get to pick the sites, you get to make sure that the quality is monitored, you get to measure it, you get to feedback, etc. At the opposite extreme, you basically have control over almost nothing and so there are a lot of steps in between. So, the control is a crucial thing for you to think through. The other thing of course, so if that sounds like a no brainer I want more control over where it gets fun is that there is another dynamic that works exactly the opposite and that is economies of scale. So, up here, this is really costly, especially to you, that staff you've hired you've got to pay, that site you leased you've got to pay, etc. Now, here on a cost per beneficiary basis, you know, it's really compelling, post something on the site and pray, alright. So, who knows, but so anyway that is the basic dynamic and what I want to do next is I want to pick off just a couple of these and give you some examples of some organizations that have done that I am going to start with distributing via another formal network that you don't control but in partnership with someone then I am going to look at these green I am going to lump them altogether in terms of how you help enable others

to actually do this and then I am going to touch on the far right, they are actually using technology to enable others but where you are not actually you don't necessarily even know who they are and you are not really helping them through any means other than just making the information available. So now first thing is distributing through other networks. I am going to give you an illustration that is based on the YMCA. Now, the YMCA, you know, we are all familiar with, YMCAs are fascinating because this is an organization that is over 100 years old, they have thousands of outlets around the country. In fact 60% of the population of the United States lives within 3 miles of a Y. So if you are thinking about like when Nicole asks you at the end like what did you learn over the last two days, one of the things you should remember is 60% of the American population lives within 3 miles of a Y but, you know, the Y has had its own kind of thing going. Well interesting enough about 10 years ago they encountered a program and this could be very relevant to some of the things you guys are thinking about, they encountered a program related to diabetes, Type II diabetes prevention by ways to enable people to change their diet and other kinds of behaviors that made them more susceptible to Type II diabetes. Very specific interventions they were proven to reduce the incidents of Type II diabetes by 60% and starting about three years ago the Y began to test this program in Indianapolis I think and then slowly over the last three years implement that program in several of their sites so they are now in almost 400 sites. Okay, now that is still a long way from serving the entirety of the population but it's an enormous start for a, you know, for a disease that has not only the problems for the individuals that suffer from it but has the implications for the, you know, the health of the US healthcare system and it's preventable, substantially preventable. So, this is one illustration of how a program can be taken by an existing organization. Now, the good news is that something like that provides just a distribution, you know, a distribution system that could be just unparallel. The bad news is if you will that working in partnership with anybody including something like a Y would require a sacrifice of control, I mean, so, there are certain things that you would want them to do but it is a good

illustration of one type of thing to think about. At the Social Innovation Fund we had some examples similar to this one of which is I think worth mentioning because it is a little different, it's not going through one entire national network the LISC (Local Initiative Support Corporation) has a program called financial opportunity centers and what they are doing is they are picking large service providing non-profits in major metro areas and they are partnering with them. So it's not a big network but they are still partnering explicitly with someone else who has other capabilities and staff to deliver a discrete, well defined intervention at greater scale. Okay, the next category would be to enable others and there are a lot of different ways that you can anticipate that. So, let's say you are not going into formal agreement with, you know, with the Y or something like that but you are explicitly finding ways to enable other organizations to execute your program and the one example that I want to give you here is from an organization called You Are Up that does workforce developments so they teach disadvantaged high school grads computer skills and they have got a phenomenal record of success and they have grown. Their scaling story is really interesting. They started about 13 years ago I think with 22 students. They are now serving 1,900 every year in 10 cities. Okay, sound impressive? You know how many students there are out there that could benefit from this. It's hundreds of thousands if not millions, so there you see the whole gap phenomenon. So, one of the things that you're up has chosen to do in order to bridge this gap is to work with community colleges. So they have an explicit program they are developing now where they will teach community colleges how to execute the You Are Up program. So, community colleges being organizations that already have the students. They have the infrastructure of trainers and classrooms and so forth. What they need is they need that, you know, that secret sauce, they need the program. So again, an example that hopefully would be, you know, relevant to you and so you can see, you know, as we illustrate how they might be able to bridge that gap through these kinds of partnerships increasingly focused and well delivered. The third example I wanted to touch on I will draw it from an organization called KaBOOM which is actually

headquartered here in Washington and what they do is kind of simply and superficially they build playgrounds. In fact they do more than that, but let's just think about they build playgrounds and their main program is to actually work with communities to build these coalitions to actually literally build a playground and over the last many years they have done a 150 to 250 of these a year in communities around the country. Well, one of the things they decided to do is they were thinking, well, Gosh and we have got this gap, what if we enabled others to build playgrounds by delivering on the web the entire how to about, you know, finding the materials, building your coalition, getting people together finding sites, all of that stuff and in fact so then they developed a very successful website and they are on their way to increasing by an order of 10 times the number of bills they get a year, pretty impressive, yes. However as sort of a good, you know, kind of a case study here while they are really enjoying the fact that they have expanded the numbers so much they are also very mindful of a couple of tradeoffs that they are saying because they are reliant on others to come to their site and do it. One thing they have discovered is, they followed up is, that what is fundamental to their own mission of serving low income populations in low income communities is not being advanced by the computer process because the builds, the playground builds that have come through the computer tend to be in middle class neighborhoods. Now, you know, middle class kids need a good place to play too. So that is not to say there is no value but it is to say that KaBOOM has got to be asking itself, you know, they have got to focus on their mission, another thing they have recognized is that the real community of collaboration aspects of their main model, you know, don't really obtain there, so they are tradeoffs. You are not necessarily and I know we are kind of skipping way down there but as you think about how you rule out your programs, you know, some of these things in fact are not mutually exclusive. So, KaBOOM, for example, they still do their 200 a year builds in communities where they are bringing the coalitions together and that sort of thing, so this is an add on. I don't expect you to be able to read this one either. I will make this available but what this is intended to

do is take each of those kind of strategies and give your sense of having some thoughts around three questions here, I mean, what do you have to believe to think that this would be the right path, now, that doing it yourself, versus formal affiliation with other partners versus you know I much more sort of (inaudible) dissemination and the second question would be then what are the pros and the third question what are the cons of this. So again it will just something to kind of help jot your thinking in a lot of instances I mean you all could predict the contents of the slides. Okay it is people with brains, so don't get me wrong, people with brains have done this but you will find that their brains aren't necessarily any bigger than yours are but hopefully that will be helpful. So I want to leave you with some quick thoughts on just three topics here. First, impact. You know I don't want to be presumptuous of where you all are but I will tell you that in my various meanderings whether trying to run this federal program or trying to serve clients through the Bridge Span group or, you know, whatever else I have done, you see there is only one way to stay focused. When all else fails there is only one way to stay completely focused and that is by rigorously channeling your attention to this question of the impact that you are trying to create for the people that you are there to serve, that is it's going to be the best way for you to cut through conflicts, to prioritize, whatever. In the end, this is all got to be about helping improve the lives of the people you serve. You do that well your organization will benefit, other good things will happen. It's got to be about impact. Second is just you will all know this that you probably know all this, so let's just think about this in terms of like emphasis and reminders. Execution is crucial and it is not something that non-profits necessarily tend to excel at because oftentimes, you know, we are more enamored of, you know, of the mission and the good satisfying fulfilling aspects of our work and don't sometimes know aspersions on any view but certainly I have seen this in myself that sometimes it's not that easy to really get up for executing relentlessly consistently every day but the success of our programs requires that and it is hard enough to do that in an environment that you have controlled. It's just tremendously

more complicated to do that in a location that you haven't controlled and may not control. So just execution, execution and then the third thing is the lack of a better term sustainability I just urge you to just keep in mind that this yes your part of a grant program, yes the grant program has a time line, it's got requirements and, you know, it's got all that stuff and those are really important and they have to be met but in the end we would all want to hope that this isn't about executing a book grant program but what you really trying to do is you are trying to build a capability for your organization and your community that is sustainable over time because if you do that well, if you focus on impact, if you execute like crazy and if you do this in the context of what is required to make it sustainable, we actually have the chance together to bridge this gap and when we do we will be leaving this world in a place that is much better than we found it and we can all feel tremendously satisfied and I want to just leave you then finally with one illustration of that phenomenon where, you know, each of us in our own little way, you know, we actually have a big lever here in terms of the opportunity that we have to participate in programs like this that create a sense of community like the one you have here that connect you to a department like HHS and its resources and its capabilities that is connected to the rest of the US Government and a lot of other people out there that are trying to do great things that themselves are connected to all of these communities and people and other organizations that you work with that are not part of this program but all represent ways that our efforts can be effectively leveraged to change the world. So good luck for these two days and do you have some time for questions or comments or whatever if you would like but I really appreciate your thoughtfulness. Thanks.