



NEWPROFIT

Social Change as Shifting Systems

*Presented at Harvard Business School's
Nonprofit Board Summit*

May 13, 2020

Our Model: Catalyzing Breakthrough Social Entrepreneurs

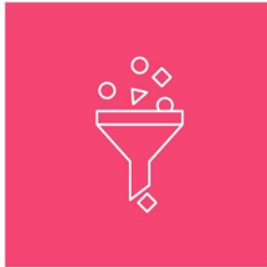
Portfolio Investing

Scale the impact of organizations led by visionary social entrepreneurs

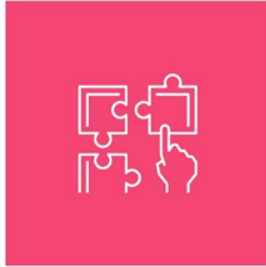


Ecosystem Building

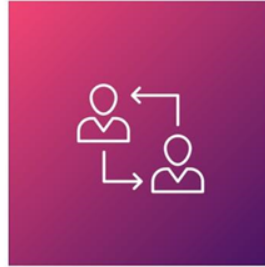
Transform how government and philanthropy pursue social change to ensure that all people can thrive



Find and select organizations



Fund, coach, and provide strategic support



Build community



Advocate for policy change



Influence philanthropy

New Profit's 20+ Year Track Record . . .



\$325M+ invested in network



100+ America Forward coalition members, that serve 9.5M+ Americans



165+ portfolio organizations



\$1.7B+ in public funding unlocked for social innovation through America Forward



31M+ lives touched by portfolio organizations



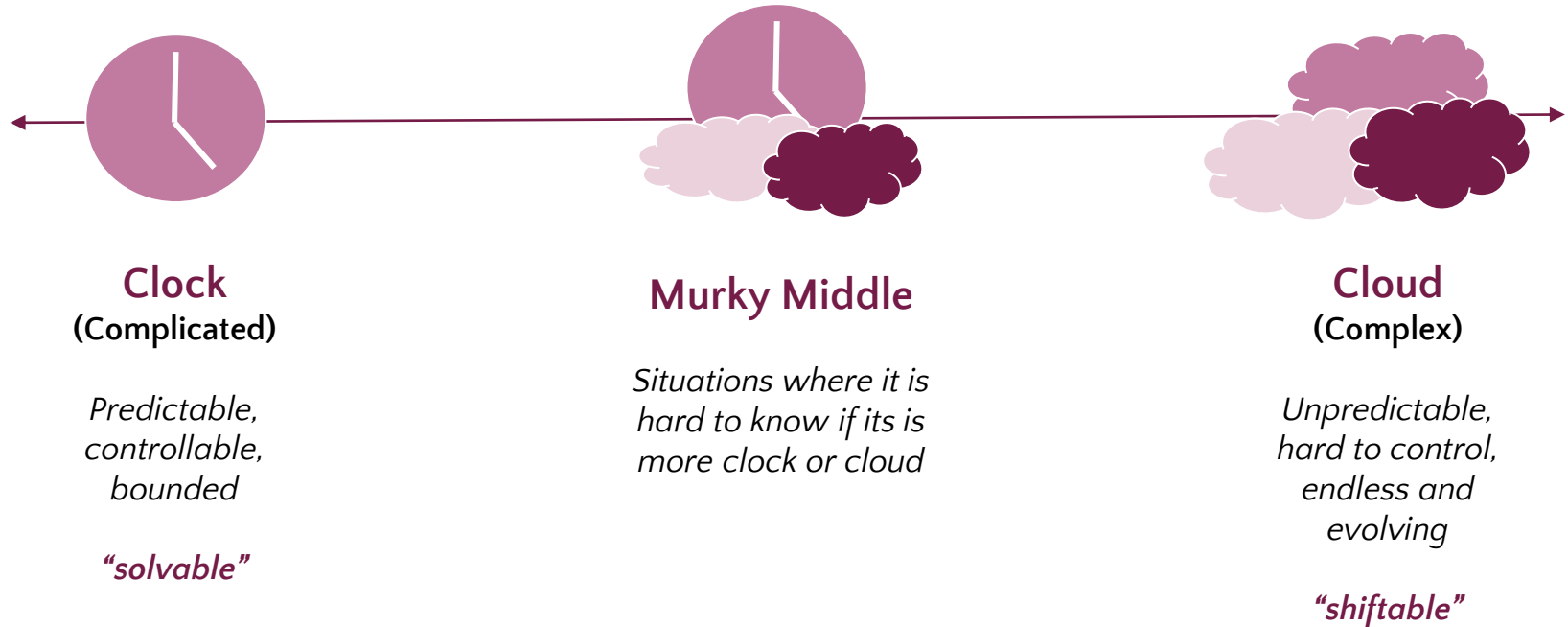
350+ individual and institutional investors

Objectives of New Profit's Systemic Solutions Initiative

1. **Identify and invest in promising social entrepreneurs** who are implementing systems change strategies and have the potential to catalyze outsized impact
2. **Develop approaches, frameworks, and tools** needed to advise and grow high-potential systems change initiatives & support systems change leaders
3. **Foster a learning community of like-minded systems change actors** (e.g., funders, entrepreneurs, other practitioners) who can strengthen and elevate systems change work

I. What is systems change?

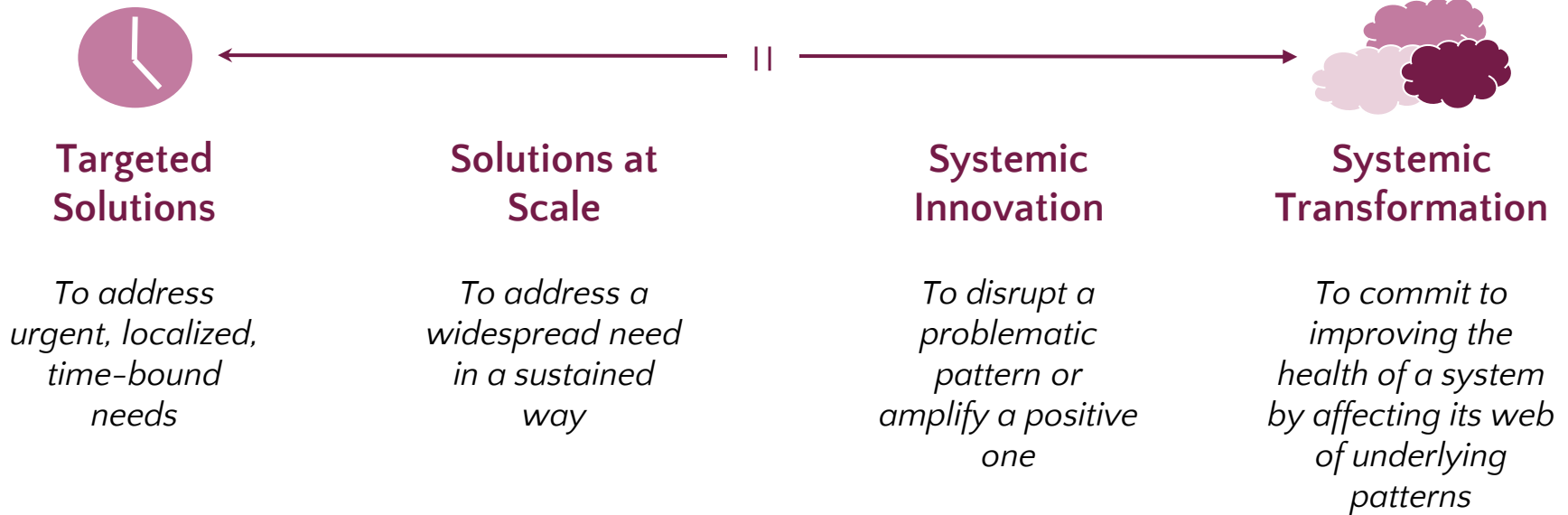
The Paradigm Shift: To shift systems and produce transformative change both clock and cloud approaches are needed . . .



Source: Rob Ricigliano, The Omidyar Group, Systems Diagnostics, 2019.

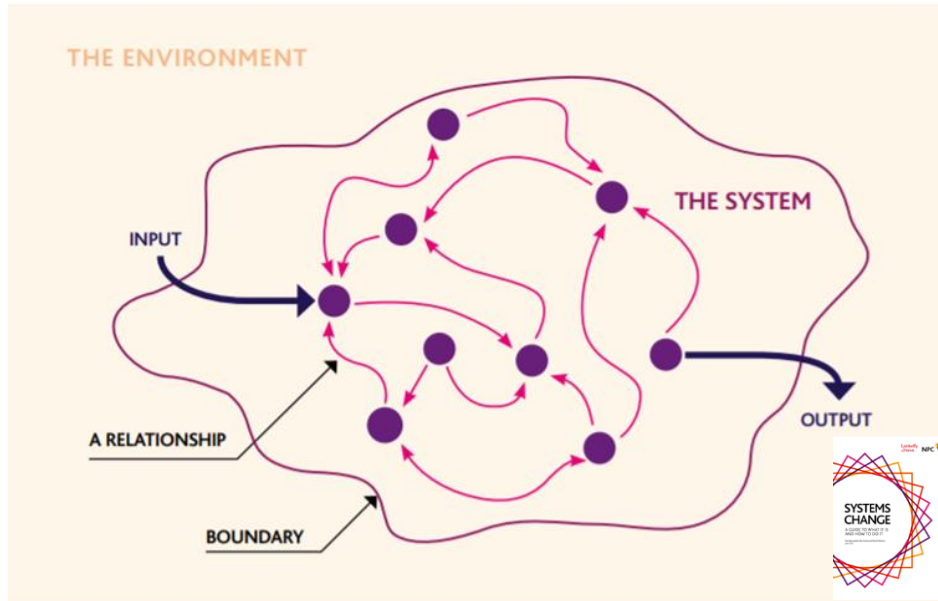
The Complexity Spectrum

(a range of social impact approaches)



Source: Rob Ricigliano, The Omidyar Group, Systems Diagnostics, 2019.

What is a system?



Broadly speaking, systems consist of three interrelated elements:

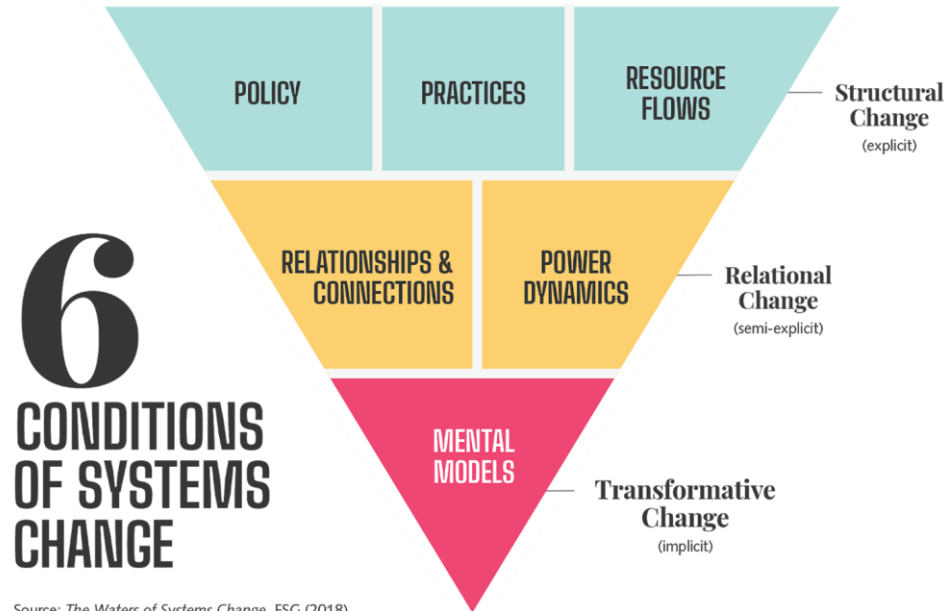
- **Boundaries** - domain, geographic, scale, etc.
- **Agents/Actors** - organizations, people, networks, etc.
- **Relationships** - tight-loose, hierarchical-distributed, power, legitimacy, etc.

AND...

- **No one framework/perspective captures everything** we'd want to know about a system
- Systems are **"Useful Fictions"**

Source: <https://lankellychase.org.uk/news-story/systems-change-a-guide-to-what-it-is-and-how-to-do-it/>

Systems change shifts the conditions that hold social problems in place . . .



New Profit's emergent perspective on effective systems change . . .

- We believe that equity is **inextricably linked** to effective systems change in principle and practice. Effective systems change approaches consider how systems disadvantage some communities, and advantage others, and clarify how emerging solutions will work to dismantle barriers to equity and opportunity.
- We believe that **equitable systems produce increasingly equitable social outcomes**; that is, they ensure that where a person ends up in life is not predictable based on where they start.
- We believe that systems change results from **a fundamental shift** among key system actors such that a system operates differently at the structural, relational, and transformative levels.

II. New Profit's Emerging Insights on Systems Change

Leverage points are places within a complex system (a corporation, an economy, a living body, a city, an ecosystem) where **a small shift** in one thing can produce **big changes** in everything.

– Donella Meadows

Social entrepreneurs pursuing systems change are using “systems thinking” to understand their context and advance their work . . .

Systems Thinking *can be described as the ability for social change leaders to:*

- **See the interconnectedness** of different issue areas/parts of a system, and look for indirect and non-obvious causes for social problems as they work to identify solutions
- **Recognize that all systems actors** (including SEs and funders) contribute – often unwittingly – to the status quo, so all have a role in creating change
- **Address problem solving as shifting the relationships, behaviors, or actions** within and among different parts of a system, not just optimizing individual parts in isolation
- **Understand that a few key, coordinated changes sustained over time will produce population-level change** in a way that tackling many independent initiatives simultaneously cannot

Emerging Systems Impact Approaches

To date, we see social entrepreneurs employing three system impact approaches, focusing on a different leverage points to spark shifts in the deeper conditions holding a problem in place.

Fostering an Ecosystem

Supporting a set of interdependent actors (often cross-sector) in making progress towards a common goal by helping players collaborate and co-create in mutually reinforcing ways

Building a Movement

Strengthening agency amongst a group of individuals (often marginalized) who share common cause so that they have greater personal and collective capacity to change oppressive systems and achieve their goals

Changing Government Systems

Catalyzing and supporting holistic change in government that results in transforming the quality and the scale of positive outcomes influenced by government

EXAMPLES



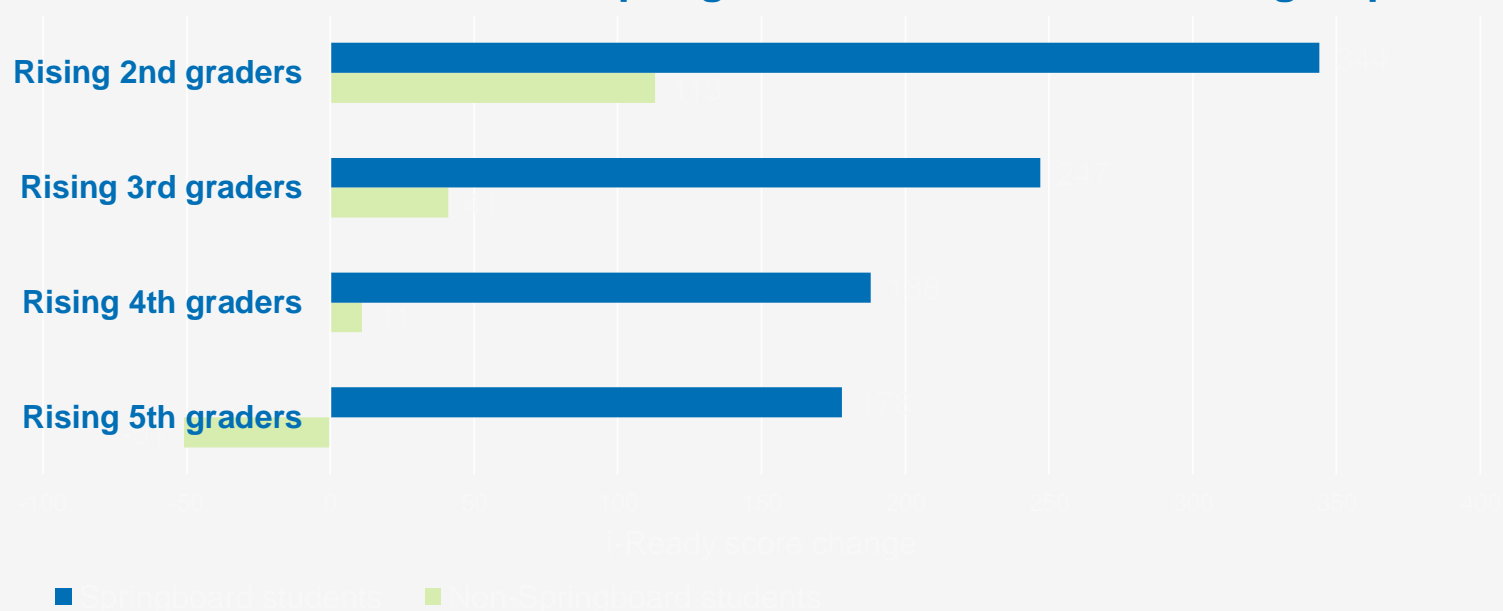
Social entrepreneurs pursuing systems change are also bringing a unique set of capabilities to their work

Systems Change Capabilities We Are Observing . . .	
Orientation	<ul style="list-style-type: none">• Intentionally reducing system barriers that are preventing social progress and producing inequitable outcomes
Leverage Points	<ul style="list-style-type: none">• Diagnosing and shifting conditions that are holding a problem in place
Accountability Metrics	<ul style="list-style-type: none">• Measuring social impact at the target population, community, and individual-levels• Catalysing fundamental shifts in system conditions (e.g. policy, practices, resource flows, relationships, power dynamics, mental models)• Incorporating ongoing learning and improvement feedback loops to advance work
Leadership Capacities	<ul style="list-style-type: none">• Strong clarity of purpose• Helping <i>others</i> understand the complexity and root causes of the problem• Fostering relationship building and dialogue that leads to collaboration across the system• Guiding co-creation of shared agendas

IV. Insights from the Field

Results

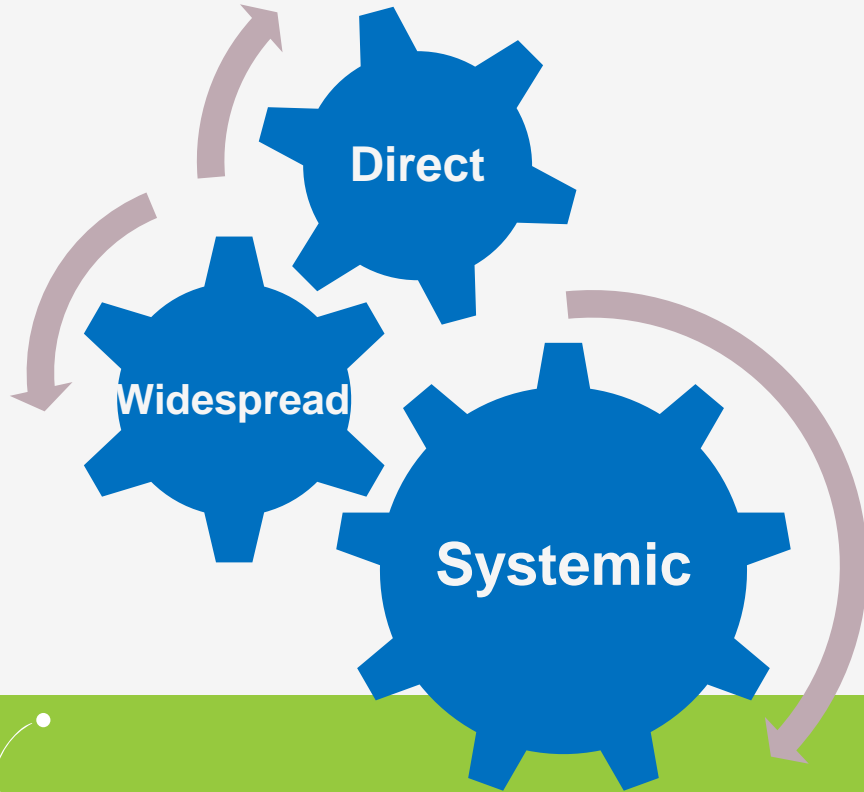
Growth of Springboard students vs. control group



info@springboardcollaborative.org



Spheres of impact



Our ambition is to solve the problem at the scale at which it exists. Thus, we challenge Springboard to 10X impact every 5-7 years.



Systemic impact



FELA

*Making the FELA method
standard practice in education*

	Supply-side	Demand-side
Grasstops	<ul style="list-style-type: none">National partnerships to leverage existing distribution channels	<ul style="list-style-type: none">Policy change
Grassroots	<ul style="list-style-type: none">Software as a service (SAAS)	<ul style="list-style-type: none">Parent-driven demand

V. Question & Answer with Session Participants