Kerrin: Hello, and welcome to the Untapped Philanthropy podcast. I'm your host and Fluxx co-founder, Kerrin Mitchell. I've spent my career exploring technology's role and amplifying impact within our social sector, and more specifically, helping funders to learn to leverage technology and data to connect and better serve our collective causes, constituents, and communities.

In this podcast series, my team and I will profile social sector leaders, public figures, philanthropists, and industry futurists to explore this fascinating intersection of funding, technology, and policy. We're here to analyze the most critical and formative topics and trends that shape philanthropy both today and tomorrow. We hope this series leaves you inspired to think and act through a more collective and visionary lens.

The Human Genome Project was an international scientific research project with the goal of determining the base pairs that make up human DNA and sequencing all the genes of the human genome, and no, The Untapped Philanthropy podcast is not making a sudden pivot to become a science podcast. But we thought it might be fun to remind listeners of how this famous Human Genome Project worked, because the next guest is taking a similarly scientific approach to philanthropy, looking to analyze the DNA of impact programs to determine what is and isn't working.

We are joined today by the Executive Director of the Center of Impact Sciences at the University of Chicago and the co-founder of the Impact Genome Project, Jason Saul. Jason, how are you?

Jason: Great to be here Kerrin. Thank you.

Kerrin: And give us a little bit of maybe the elevator pitch of the Impact Genome Project for those that may not be familiar?

Jason: Sure. So, the Impact Genome Project is an impact registry, sort of like the way we cataloged all the DNA from the human genome, or like other registries, where we register a bunch of information in a standardized structured way. And that allows us to be able to learn a bunch of things about information.

So, the elevator pitch on the genome is basically an impact registry that enables nonprofits and funders to standardize, verify, and report their social outcomes. And like a carbon registry or like other registries, this is a public/private partnership. It's an initiative that was funded by a lot of philanthropies and governments in developing collaboration bleeding like social scientists, economists, statisticians, data entrepreneurs. The guy I founded the impact genome project with is an amazing visionary named Dr. Nolan Gasser.

Nolan was one of the early developers of Pandora Music Radio and was the inventor of Pandora, the Music Genome Project for Pandora which coded every song in the world and developed genes for music so that was really cool. I was listening to music one day and I was thinking why is it playing a Taylor Swift song? So, I looked up why I liked this song, and it's explaining the genres and I'm like, oh my god, if you can predict what song people like, why can't we predict what other outcomes are? What program is going to work? Or what programs are going to work for your goals? So anyway, I literally just emailed Nolan out of the blue, and said “hey, Nolan, would you be willing to help me do for the world what you did for music?” And within a couple of hours, he's like, let's go.

Kerrin: What's so interesting about it is what better industry to be in. We are in a collaborative industry, we're in a cooperative game economy. And, when you create common denominators, common taxonomies, things of that nature, you open the ability for people to share, collaborate and move forward together. So, you know, as much as that collective set of knowledge is there, what it forges is better relationships between givers and doers. And it highlights nonprofits that may be offering to come on the radar as high impact potential.

And meanwhile, it helps the grantee and reduces the burden of trying to report because they know what's being asked, they can work with the same common denominator across all their funders instead of unique snowflake metrics of each foundation. So, it's a really interesting item. And I think one of the coolest parts about it, too, is the fact that it's kind of a first move and a pioneer of this kind across technology partnerships. What's really compelling to me is the flip side of the house because it's something that just feels like it has so much potential, it's such a no-brainer for philanthropy. So, with that in mind, where do you see momentum building? Partnerships?

Jason: What's so interesting in the philanthropic space is that we are inherently a collaborative undertaking. I think it's a very atomized, fragmented, and kind of siloed marketplace. A lot of nonprofits don't collaborate, and a lot of the technology companies don't collaborate. And a lot of the reason why I think the grants management systems are the way they are is that they don't really need to collaborate. They're all doing the same thing in different ways. But one grants management system doesn't need to collaborate with another.

But if you think about where collaboration does make sense — it's in solving a common problem. So, if you go all the way back to the early days of grants management, software vendors, pretty much everybody has tried to solve the impact measurement problem, either by inventing their own version of how to solve it, or by being hired by foundations to develop customized data architectures and code bases to measure their way. So, it's really a commonly shared problem across every major grant platform. And grants management software development firms aren't really experts in measuring impact, and frankly, neither are nonprofits.

So, it was a ready-made opportunity for a third party to come in and say, hey, here's a universal solution. Here's a universal plug-in point. I'll give you an analogy, right? It's much like if you've ever applied for a mortgage, like every bank, competes with every other bank, but they all use the same shared resource like Experian, Equifax, or TransUnion, for credit scores. They don't need to recreate the credit score on you. They have a credit committee, but they can pull the data from a central place. And it certainly doesn't make sense for you to re-deliver all your personal financial information over and over again, to every single mortgage company that you apply to or every car loan you would meet.

Kerrin: To your point, technologists can't own this because it's got that innate bias, so it has to be a third party.

Jason: Exactly, because otherwise it compounds the whole problem. So, that was sort of an organic opportunity to really do this. And I think it also was just a brain-bending challenge — how do you figure out a common way to measure everything in the whole world? There are millions of different charities, literally 1.4 million charities in the US. There are 50,000 new charities being created every year.

There are millions of different ways of solving a problem and beneficiaries everywhere, it's seemingly a mess from 50,000 feet up, it just looks chaotic. But as you get closer down to ground-truthing you start to realize that while there are so many different charities and millions of different grants they're all aiming at the same finite set of goals or outcomes. There are only so many good things you're trying to do in the world: graduate kids from high school, get them to go to college, create jobs, reduce domestic violence, increase access to healthcare or get people into affordable housing. But the outcomes are quite common. So, we realized that we could come up with a way to solve this problem for everybody by creating a universal standard in the impact genome.

Sort of like gene sequencing, we “sequenced” 70,000 different outcomes from over 11,000 different grants.

Kerrin: Yeah, exactly.

Jason: So, we literally D dupe those 70,000 different outcomes down to 132 common outcomes. That's all there is. And I published an article in the Stanford Social Innovation Review in 2016 called Cracking the Code on Social Impact. It was about the Impact Genome Project and sharing that we've cracked the code. And once you have that set of standards, and a common centralized registry, then everyone could just report on it.

Kerrin: Absolutely. What's interesting about it is the opportunity cost of not doing this is that everyone believes that their efforts are so unique that they forget to intertwine them or understand or even see the connections of people doing like-minded things in like-minded places for like-minded efforts. Even if one is programmatic and one is policy, those innately have to work together to be able to affect what they need to. So, a no brainer in philanthropy. And I'm curious to hear from you, what are some of the most exciting or maybe the most shocking things that you've seen when you discovered all this data and got into the implementation of it? What are some of the interesting things that have come forward?

Jason: Oh my God, it's just so fascinating. I mean when you look at the world topographically at all the millions of charities through the lens of outcomes it becomes extremely ordered and sensible. And you come up with some really obvious observations. First off, there are only 132 common outcomes and yet there are 1.4 million charities. So, basically that's about 10,000 charities for every outcome. For every problem. There are 10,000 different nonprofits working on the same problem. There are 700 breast cancer research organizations in this country, which one is producing better outcomes? Who is effective? How are they doing it?

So, there are 10,000 nonprofits for every outcome — that was the first aha. The second aha was that everybody is using similar DNA. So, while humans have something like 99% of the same genetics as a mosquito or whatever, we all have the same basic DNA. It’s the same thing with social programs, they're all using a certain dosage, a certain frequency, a certain duration. Many of them are using either mentoring or financial incentives or integrating with the school or using parental engagement. When you name the genes or the DNA elements of interventions. Those two are very finite. And so many of those cross what we call genomes, like health and education, economic development, but the interventions they use are very common. So that was also a really fascinating aha.

And then, I think the last thing that was really interesting was we realized that you could benchmark charities. I'd written a book Called Benchmarking for Nonprofits. And I envisioned a

world where we can actually compare one charity to another, not just on their overhead, but on their outcomes and efficacy. And we realized that you can now actually match charities by their DNA. So, you can look at a charity like you would 23andMe and you can have a charity spit in a digital copy, as I call it, choose their DNA, choose from the list of all the genes and the genes are presented based on the outcomes you say you're working on. And then we can actually find the closest matching charities that are just like you, and we can find the closest matching evidence and research that shows what you're doing is more or less effective. And we can also help you find the charities that are doing things you might be missing.

For example: I really need to add in some financial literacy training in order to produce this outcome of financial health, or I need to be able to introduce the genes of mentorship. So, let me find someone who's able to do some mentoring and deliver this for my population. So, it allows you to organize the sector and to match and predict and integrate partnerships in a much more scientific and directive way.

Kerrin: I think that's interesting because from the perspective of Fluxx as a grants management solution, a lot of times our funders will come in and say, “how do I find folks like this?” I think this idea of matching impact it's saying, I have a theory of change. As a program officer, I'm trying to enact certain changes. This idea of an impact registry is where that information floats forward. And it's just so compelling. So, I think that's something I'm excited to be able to see on both sides. Because then suddenly, we make space for folks to find each other in a bi-directional manner.

Jason: You're right about the lack of precision in search that we have today. I mean most of the evidence bases are researched; you must do a Boolean search. And if you want to be able to search for nonprofits that are working on racial equity in Kenosha, Wisconsin, you literally must hope that the word racial equity is in their name.

So, but that's not the way it should be. Like we should be able to search with tremendous precision and detail. So now, with the Impact Genome Project you can search by outcome. If I care about domestic violence, that's an outcome and that's a category. Do you want to be able to prevent domestic violence by teaching kids about healthy relationships? That's one outcome which is different from the outcome of reducing recidivism of perpetrators of domestic violence, which is also different from helping survivors of domestic violence become financially independent.

So, the ability to search with precision, to find exactly what you're looking for, to achieve your theory of change, just allows us to be able to invest better. To get better ROI and make less mistakes in our investments by finding exactly what we're looking for.

Kerrin: And to learn from that collective. Yes, it's right back to that whole concept of that economy that learns together grows together — it's a non-competing environment. Therefore, let's make sure that we're highlighting those places where we can augment and amplify certain aspects. So, I'm obviously a big fan of it.

And of course, I'd be remiss not to continue this conversation without sharing some incredible news from both of our organizations — from both Jason and I. Fluxx will be partnering with the Impact Genome Project to develop an integration directly with the Fluxx grants management platform. It's going to be an impact registry for nonprofits. And

folks that use Fluxx will have that broader philanthropic community lens that we were just talking about to help them better understand all the programs and outcomes.

We're so excited. When I think back to the early days of Fluxx the idea of impact was the Holy Grail. So, Jason, I'm thrilled. I don't know if you have any comments on this partnership.

Jason: I do. This is what I admire so much about you and Kristy and the team at Fluxx. You really see the market need that customers and clients have to measure impact all the time. We've had a few of these conversations ourselves at some big philanthropies. But you're also willing to figure things out and get your hands dirty and start to figure out how to push the world forward. And I think that's why Fluxx was born in the first place. And I think that's what represents your DNA, which is innovation and pushing the field forward. So, I'm excited to pursue it together.

Kerrin: Yeah. Obviously Smart Simple announced something similar. And this sort of idea of partnering with technologies and furthering the work is important. So why now? Why are these partnerships so critical to your point in your trajectory?

Jason: Well, I think there are two converging reasons. One is the maturity of the model. So, being able to basically create a standardized way to measure every social impact has taken a good six years to figure out. So, the research had to cohere. And we had to develop the way to do it, and then pilot it with lots of funders and millions of nonprofits to be able to run through the system and code them.

So, I think it's the maturity of the work on the one hand and the state of the market. The intersection of things like trust-based philanthropy, where nonprofits want to own their own data, and they should, and have within their control, was important. So, I think that the trends of trust-based philanthropy, the trends of equity, where not every nonprofit can afford a fancy evaluator.

I think the demand by impact investors, funders, and governments for data, all this stuff is converging now. And it can't be “let every nonprofit measure whatever they want forever, because that just puts more burden on everybody, and more burden on the funders to make sense out of it. And it can't be let's hire a PhD for everyone. So, I think the convergence of demand and supply coming together was huge. People really want to know what works, they want to know what outcomes they're getting, and they want to be able to study and learn. So, I think that convergence of those things coming together along with the equity lens has really made this the opportune time to make it happen.

Kerrin: So, play this up for me. The adoption is growing, there's an openness to funders, private, corporate and even government for a conversation of how to bring this information into their discussions and their theories of change. But if we're to see this arrive to full potential, what does that look like? And what type of change do you think is really possible? What are the things that really inspire you about eradicating issues?

Jason: It’s such a great thought experiment, right? If you look at the great efforts in history, to standardize information and drive toward a shared outcome, looking at things like the Human Genome Project and sequencing DNA to drive better understanding and achieving health outcomes, and all of the data that has been cohered to strive for a shared outcome of reducing greenhouse gas emissions; there are great efforts that have used structured data to be able to

help people achieve an outcome much more efficiently without guessing. And that's the anatomy of what we're trying to do here.

So, I think very much like those efforts, we are going to help people get to the outcomes faster. If we want to eradicate homelessness in a community, maybe it's San Francisco, maybe it's Vancouver, there is a lot of interest in that outcome, both socioeconomically for the community, financially for the cities that have depressed property valuations and investors, everybody wants to solve the problem, but we're just throwing money at it. Instead, if you could just buy the outcome, find the people that are most effective at producing the outcome that would be huge. And I'm going to be able to find a way to be able to figure out what are the genes that are most effective, and I'm going to be able to benchmark them. And then I'm just going to fund the programs that are producing those outcomes, it will happen.

The other element that this brings forward, and I think it's so important that we learn this through the carbon markets over the years, is that if you don't put a price on something, people don't value it. So, in addition to standardization and being able to search, the other benefit of having a registry is that we can understand the cost per outcome. And finally, we can replace the overhead ratio with a much more meaningful ratio, which is what is the cost per outcome? What is the cost per unit of social impact?

I don't care what you pay your executive director, I don't care if you have brand new computers, who cares how nice your offices are, all we care about is how many units of impact can you produce at what cost? And if you're really good at it, you have more power to have nice offices and make a good salary. We don't care. That's none of our business. None of us worry about how much the CEO of a major tech company gets paid or even a healthcare company or hospital, all we care about is whether they produce good results and good outcomes.

And so. the ability to have everything centralized in a registry. When we add to that the cost data, we can now understand cost per outcome benchmarks, we can finally understand what the real freight is to be able to produce a unit of social impact. Why does that matter? Well, first, it matters because if we ever want to really solve social problems in our lifetime, like I was talking about homelessness, we actually have to know what it costs. And we need to be able to allocate the true cost. We need to be able to benchmark different alternatives to figure out what's most effective, and then identify what are the intervention components of the most effective programs so that we can lower the cost of all the other programs. So, I think that we will solve major problems in our lifetime by using a registry and by standardizing data. And the registry isn't just for nonprofits, it should also be for all the impact investments that we're making. And frankly, for all the research that we're doing, all that stuff can be learned from so that we can solve problems better.

Kerrin: I love it. So, Jason, when we're talking about this whole ecosystem, it's obviously not just about the funders and things tell us what's in it for the nonprofits?

Jason: Frankly, we did this for the nonprofits back in 1994. I started my first nonprofit called the Center for What Works. And I was just out of the Kennedy School of Government, I was like, I want to figure out how to measure what works. And what I realized was that most nonprofits don't have the capacity to measure what works, they can't afford the evaluators, they don't have the data. So, what's in it for nonprofits is really to level the playing field so that all charities can equally measure their results and do it in a common standardized format, so it dramatically

reduces the burden. Instead of doing a different final report for every single different donor, or funder, which is mind-numbing, now they could just do it once for everybody.

And finally, I think it's really important to democratize the tools of valuation so that nonprofits can be able to benchmark and learn, figure out how evidence-based they are, find more effective interventions, designed programs, all that stuff should be at their disposal and shouldn't be out of reach. There's a lot here for them.

Kerrin: Say someone's interested in partnering up. How do they get involved if they're interested? How do we help them learn more?

Jason: There are three ways. First, come work for us. Come work with us. Help us. Help us on the research side, help us on the technology side, there are tons of opportunities to plug into the work. I work with a lot of students all over the world — public policy students, MBA students, researchers, academics, and all kinds of folks, so work with us. The second way you can help is if you're a nonprofit or a social program, report into the genome! It's free for any charity to register with the impact genome, just go to impactgenome.org. You can register your program and tell us about your program. And we will help you articulate your outcomes. And you'll be able to be registered so that all these donors can find you. And the third is, if you're a funder, use the genome. So, if you're a Fluxx client, partner with us and integrate it so that all your program officers and all your grantees could benefit from not reinventing the wheel. So, I think there are opportunities for everyone to plug in.

Kerrin: And Jason and I are both very available, we'll make sure that all his contact details are placed into our blog and the posting of this podcast. Please always feel free to reach out to me directly as well. So, there are a lot of opportunities here. And we are so excited about where this can really take us. And this is indeed the holy grail that I always thought of. I'm really excited about this.

And Jason, I'm so honored that you were able to join us. So, we're going to end this podcast on a rapid-fire note and then run through a series of short, quick questions, and you just answer it with whatever comes to your mind. Just spit it out.

If you could wave a magic wand and disrupt grantmaking entirely, what would you do?

Jason: I would turn it into a market where you can buy and sell outcomes. I don't even know why we have grants, just do a financial transaction.

Kerrin: After the conversation we just had I see I see the vision for them. All right, what is your favorite aspect of working in academia?

Jason: My favorite aspect is hanging out with economists. Frankly, I've learned a lot from them. And they bring a totally different skill set to the social impact space.

Kerrin: Nice. And lastly, just for fun. What book are you reading right now? When would you recommend it?

Jason: I'm reading two books right now. One is The Voltage Effect by my partner John List at the Center for Impact Sciences. It's about how to make good ideas great and great ideas scale.

It's brilliant. And the second is Rocket Fuel by Gina Whitman. It's all about how visionaries need to be able to make their ideas scale.

Kerrin: Jason, thank you so much for joining the podcast today and sharing more about yourself and your work in the Impact Genome Project. Our listeners can learn more about the impact genome project at impactgenome.org