

WHEN IT COMES TO CREATING CHANGE,  
TRADITIONAL MODELS ARE NOT KEEPING  
PACE WITH TODAY'S CHALLENGES.

IT'S TIME FOR US TO  
TAKE RISKS, BE BOLD,  
AND FAIL FORWARD.  
IT'S TIME FOR US

**TO BE  
FEARLESS.**



**FEAR**  
**BE FEARLESS**

powered by: **THE CASE FOUNDATION**

## ABOUT THE CASE FOUNDATION

The Case Foundation, created by Steve and Jean Case in 1997, invests in people and ideas that can change the world, with the ultimate goal of making giving back a part of everyday life. We create and support initiatives that leverage new technologies and entrepreneurial approaches to drive innovation in the social sector and encourage individuals to get involved with the communities and causes they care about. For more information, visit [casefoundation.org](http://casefoundation.org) and follow the Case Foundation at @casefoundation on Twitter and on Facebook at [facebook.com/casefoundation](https://facebook.com/casefoundation).

**To Be Fearless is authored by Cynthia Gibson, Ph.D. and Brad Rourke on behalf of the Case Foundation.**

May 2012

Copyright 2012 by the Case Foundation.  
This paper may be distributed in its entirety,  
in print or electronically, without prior permission.

A downloadable PDF is available at  
[CaseFoundation.org/BeFearless](http://CaseFoundation.org/BeFearless).  
When using excerpts, please cite  
"To Be Fearless," The Case Foundation, 2012.

If you added up all the times you failed  
All the times you came up short  
Would you try again?

What if failure wasn't a limitation?  
What if taking risks was your status quo?  
What kind of world would you imagine?

When global challenges seem overwhelming  
We need to create unlikely partnerships  
Experiment with new thinking  
And set audacious goals.

To build a better world  
To make a real difference  
We have to take bigger risks  
Make bigger bets.

And if we fail, and fail again, we have to get right  
back up and dream even bigger.

To live in a world worth living  
We have to let challenge inspire us.

We have to take risks,  
be bold, and if we fail, fail forward.

**WE HAVE  
TO BE  
FEARLESS.**

# THE WORLD TO BE FEARLESS

When we look at the state of the world today, we see a mixed picture. Rapid innovation in an increasingly connected society is transforming the way we work, play, and live. But we also see global economic woes, civic unrest, and political stalemates. As a result, social issues that challenge communities are becoming more urgent and interconnected.

Meanwhile, those of us charged with finding or funding solutions to chronic social challenges—philanthropy, government, nonprofits—seem to be moving too slowly and are often operating with the same set of tools, concepts, and cautions of the generations before us. If we're going to keep up with the rapid pace of change and the daunting volume and complexities of these challenges, we must rethink traditional models. The old way of doing things is simply no longer effective in this new world. It's time for us to be bold, act with urgency, and resist the tendency to let caution be our guide. It's time for us to Be Fearless.

## WHAT DOES IT MEAN TO 'BE FEARLESS'?

The Case Foundation turns 15 this year, and as we approach that milestone we've been taking a hard look at our own evolution and the world around us. Looking back over the years, we found that we were most successful when we were fearless—when we explored and experimented—and the least successful when fear or caution somehow became a dominant driver of decision-making. But what exactly does it mean to Be Fearless?

To us, being fearless means setting audacious goals, acting urgently and boldly, being unafraid of risk, being willing to strike unlikely alliances, and accepting the possibility of failure while still pressing forward. We also define being fearless by what it's not: it's not reckless abandon, foolhardiness or arrogance, or presuming we have all the answers.

Earlier this year, we made a commitment to Be Fearless in all that we do at the Case Foundation—but we knew that we couldn't go it alone, or without exploring what this concept of being fearless truly means. We



# NEEDS US

## SS A NOTE FROM JEAN CASE CEO, THE CASE FOUNDATION

began with some basic assumptions, based on our work with our partners and looking at the landscape of some of the most effective social movements and philanthropic achievements of our time. We then asked Cynthia Gibson and Brad Rourke to test those assumptions, to scour the landscape and explore the characteristics of fearlessness so they could be discussed, debated and put into practice.

As a result we have identified five principles that go hand-in-hand with our definition of being fearless. It's important to note that these principles aren't "rules," but rather, a set of indicators we've found to be at play when operating with a fearless mindset. They don't always operate in tandem or sequentially, and one is not more important than another. We think of them as a set of markers that can help identify when decisions are being made fearlessly. Together, we believe they form a powerful way of thinking about effective philanthropy and change-making—one that we think will be important in meeting the challenges that confront us.

It is our hope that this effort will spark a dialogue about how other institutions, philanthropic investors, and individuals trying to drive social change view fearlessness; whether and how they're applying that concept to their work; and what they have learned in the process.

We're putting forward these principles in the hope that others can benefit from them. And we're not just talking about them; we're incorporating these principles into everything we do at every level of our organization. We believe that doing so will only increase our ability to be innovative and effective social investors. We look forward to being part of a conversation about what it means for our community to Be Fearless. We invite you to join us.

Together, let's Be Fearless.



Jean Case, CEO, the Case Foundation

A vertical panel with an orange background. It features a faded image of an astronaut in a space suit floating in space.

**1.**

**MAKE  
BIG BETS  
AND MAKE  
HISTORY**

A vertical panel with a teal background. It features a faded image of a hand reaching into water, creating ripples.

**2.**

**EXPERIMENT  
EARLY AND  
OFTEN**

A vertical panel with a green background. It features a faded image of a person's face wearing a blindfold.

**3.**

**MAKE  
FAILURE  
MATTER**

A small orange square at the bottom left corner of the page, featuring a faded image of a person's head.

**WHAT IT TAKES TO  
BE FEA**



**4.**  
**REACH  
BEYOND  
YOUR  
BUBBLE**



**5.**  
**LET  
URGENCY  
CONQUER  
FEAR**

**FRLESS**





# MAKE BIG AND MAKE HIST

Set audacious, not  
incremental, goals.



# ITS ORY.

So many organizations have a natural caution that leads them to make incremental changes. They look at what seemed to work in the past, and they try to do more of it.

But taking the easy road can trap good organizations in an endless cycle of small steps when they should be striding forward. **Jim Collins** and **Jerry Porras** underscored this in their six-year study of high-performing companies, the results of which appear in their best-selling book, ***Built to Last***. Chief among their findings was that the most successful companies are those that set BHAGs—"big, hairy, audacious goals"—for themselves.

CONTINUED >

1





# MAKE BIG BETS AND MAKE HISTORY.

In the *Harvard Business Review*, Collins and Porras defined a BHAG “as clear and compelling, a unifying focal point of effort, and a clear catalyst for team spirit. [...] It has a clear finish line, so the organization can know when it has achieved the goal; people like to shoot for finish lines.”<sup>1</sup>

History suggests that the most significant cultural transformations occur when one or more people simply decide to try and make big change, rather than move incrementally. In the face of the Soviet launch of Sputnik, for example, **President John F. Kennedy** challenged America to shoot for landing on the moon—not just to improve its aerospace capabilities. **Thomas Edison** didn’t simply try to make a better candle, rather he proudly proclaimed his [audacious] goal to “make electricity so cheap that only the rich will burn candles.” The founders of our country didn’t stop at trying to negotiate their grievances; they chose to start a revolution that would honor their beliefs and that led to the establishment of a new nation.

The idea of placing such a clear stake in the ground is well-established in the business world, and many of today’s best companies have articulated their own big bets. **Amazon**, for instance, is well on its way to achieving its BHAG: “Every book, ever printed, in any language, all available in less than 60 seconds.”

Admittedly, it may be easier to make big bets and set audacious goals in the private sector, rather than in the social sector, because there are more financial resources and incentives to do so, and because the success measures are clearer. But that doesn’t mean the social sector can’t or shouldn’t try. In fact, given the enormous and complex challenges facing people around the world—poverty, global warming, illiteracy, and conflict—setting these kinds of BHAGs are more important than ever for those organizations working to end them.

## TODAY’S BIG BETS

Fortunately, there are people who straddle the private and social sectors who are comfortable with BHAGs—people like **Ray Chambers**, the United Nations’ special envoy for malaria. Ray Chambers has long been a quiet philanthropist, even though he is an acclaimed financial mind who is responsible for helping to rebuild his home city of Newark, NJ. His fingerprints can be found on the creation of some of the most influential social good organizations in the United States, including the National Mentoring Partnership, America’s Promise, and the Points of Light Institute. His humble but steadfast approach could easily be held up as an example for any of the Fearless Principles in this document, but his big bet on malaria is especially game-changing.

In some parts of the world, malaria kills a child every minute of every day. In Africa, it drains 40 percent of the continent’s healthcare resources, even though the disease is preventable and treatable. The only possible way to tackle a huge issue like this, Chambers thought, was to set an audacious goal that would activate exponential amounts of energy and resources. So, instead of just pledging to reduce the yearly number of malaria deaths, Chambers set out to eradicate all of them by 2015.

This unabashedly bold goal inspired a number of organizations to join together to form a new coalition dedicated to achieving it. Those organizations include **Malaria No More** (which Chambers co-founded), **Roll Back Malaria**, the **United Nations’ Nothing But Nets**, and the **Bill and Melinda Gates Foundation**. Along with other groups, this coalition has launched prevention efforts that so far have helped reduce malaria deaths in Sub-Saharan Africa by more than 33 percent since 2000, and it is on track to make even bigger gains toward total eradication of the disease.



# HISTORY SUGGESTS THAT THE MOST SIGNIFICANT CULTURAL TRANSFORMATIONS OCCUR WHEN ONE OR MORE PEOPLE SIMPLY DECIDE TO TRY AND MAKE BIG CHANGE, RATHER THAN MOVE INCREMENTALLY.

Another innovator who isn't afraid to take big risks is **Starbucks'** CEO **Howard Schultz**. Recognizing that government is an important source of support for low-income community development, but also that it often cannot react swiftly to urgent needs, Schultz partnered with the **Opportunity Finance Network** to launch the new **"Create Jobs for USA"** program. The initiative gives capital grants to select community development financial institutions (CDFIs), which then provide financing to support small businesses, housing development, and start-up enterprises in underserved communities.

Schultz also wasn't afraid to take a bold and public stance on the partisan gridlock in Washington, calling on his fellow CEOs and other donors to stop providing campaign contributions to either party until they put aside political posturing and focused on

finding common ground on long-term fiscal issues. Schultz sent a letter to the CEOs of the **New York Stock Exchange** and **NASDAQ**. Both CEOs supported the initiative and sent letters of support to the companies listed on their indices. Within a week, 100 other top executives had joined him, including **Tim Armstrong** of **AOL** and **J.C. Penney Co.** Chairman and CEO **Myron Ullman**.

It's too early to know what impact Schultz's actions will have, and his stance was certainly controversial. But while many disagree with his methods, he did make a bold move to try to change the conversation and upend the status quo.

While there is a time and place for incremental, safe moves, there is also a clear need for social investors to make big bets on big change.





A person's foot is shown stepping into a body of water, creating concentric ripples. The entire image is overlaid with a semi-transparent teal color. The text is positioned in the upper half of the frame.

# EXPER EARLY AND

Don't be afraid  
to go first.

# INVENT OFTEN.

**The world moves more quickly today than ever, and our responses have to keep up. To continue to respond creatively, we need to continue to experiment. Just when we think a certain intervention is working, that's when we have to look down the road to see what new tools or new dynamics will challenge our assumptions or provide an even better solution.**

It's this type of thinking that has kept companies like **Apple** and **Southwest** ahead of the game. Apple's iPod and iTunes disrupted the music industry. Then the company unveiled the iPhone, doing the iPod one better. That device recreated and dominated a new class of handheld device (the smartphone). But Apple didn't stop there. It used the iPhone as a launching pad for yet another new invention—the iPad. In fact, at time of print, a CNBC survey found that just over half of American homes have at least one Apple product, and nearly a third have two or more—the average American household actually has 1.6 products made by Apple.<sup>ii</sup>

CONTINUED >



# EXPERIMENT EARLY AND OFTEN.

**Southwest Airlines** experimented with new approaches in air travel—an industry whose models hadn't changed significantly in many years—with great results. Bucking the tradition of other airlines that increased fares during peak holiday seasons to maximize revenue, Southwest offered price cuts and sales during those same time periods. Now, other airlines routinely follow suit. Southwest also re-imagined the typical boarding process that most airline customers had accepted as the standard. By doing away with assigned seats, Southwest is able to balance operational efficiency with the need for customer satisfaction.

In recent years the airline sought to innovate on its own inventions by testing different combinations of assigned and non-assigned seats in sample markets in a constant search for balance and innovation before pledging to a permanent open seating process where customers are assigned a place in line as they check in.<sup>iii</sup> As with other innovative companies, Southwest knows that because today's answers will soon become yesterday's, it needs to restlessly pursue new ideas, rather than resting on its laurels.

## LEARN AND ADAPT AS SOON AS POSSIBLE

Organizations can maximize what they learn from innovations by pressing forward, sometimes even before it may be comfortable to do so. In business, this approach is called "minimum viable product"—a concept common in technology and coder communities and recently articulated by Silicon Valley entrepreneur **Eric Ries** in his new book, *The Lean Startup*.

Rather than testing a product or idea repeatedly until it's "perfect" and then rolling it out, Ries and the companies that have employed this strategy—including **Zynga** and **DropBox**—push out a newly-developed product (typically to a small subset of loyal

customers) as soon as it is viable, and then gather feedback as to how the product might be improved. They incorporate those ideas into the product, which is then reissued. It is quite common for new websites to be released to the public in beta form and stay that way for quite some time as the bugs are addressed and new elements integrated. **Google's** popular Gmail system, for example, was unveiled in 2004 and only left "beta" in summer 2009.

The emphasis is on the speed of this product revision loop and the quality of feedback. This not only allows learning and innovating to occur as soon as possible in the product design cycle, it also invites customers into the innovation process itself—an open approach that is increasingly the hallmark of successful ventures.

This concept is also the cornerstone of a newer technology-minded civic engagement organization—**Code for America**, which is led by **Jen Pahlka**, a former web and gaming industry executive. CFA, which its staff often refers to as a "Peace Corps for geeks," leverages the talents of volunteer coders and developers that work with municipalities across the United States over the course of a year to develop open source solutions to common challenges.

The apps that they develop—sometimes overnight—previously would have taken miles of red tape, reams of RFPs, and often overpriced solutions. Pahlka has set out to change the system, and in her TED Talk in 2011, fearlessly asked the audience, "Are we just going to be a crowd of voices, or are we going to be a crowd of hands?"

## FORWARD-THINKING PHILANTHROPY

In philanthropy, the **John S. and James L. Knight Foundation** has been similarly innovative and forward-thinking in its efforts to improve journalism. Instead of deciding for itself what the best ideas or approaches were, the foundation launched a competition, the **News Challenge**, to unleash creativity and innovative ideas from people outside the foundation doors. Funding ideas are proposed and commented on by the community before Knight makes its ultimate decisions. This keeps initiatives fresh and ensures that yesterday's good ideas are not just recycled.

Knight also tweaks its competition from year to year to reflect what it has learned from past experiences. Initial competitions, for instance, lacked a public comment component—one that would allow people outside of philanthropy to weigh in on good ideas and proposals. Giving up some control of the decision-



making process is never easy for foundations, but Knight decided to take the risk, which it found led to better and more informed funding decisions. In fact, the Knight Foundation has replicated the News Challenge model for several other program areas, including the Knight Arts Challenge and the Knight Community Information Challenge.

**EVERY NEW GOOD IDEA FEELS AS  
IF IT MAY BE THE LAST ONE.  
BUT EXPERIENCE SHOWS US THAT  
WE NEED TO KEEP  
LOOKING AROUND THE  
CORNER TO FIND THE  
NEXT ONE. BECAUSE  
TODAY'S IPHONE  
IS TOMORROW'S  
WALKMAN.**

With a similar mindset, in 2007 the Case Foundation launched the **Make It Your Own Awards** to promote a citizen-centered approach to civic engagement, while also testing a democratized approach to philanthropy. The program involved the public in every aspect of decision-making, including setting grant guidelines, serving as proposal reviewers, and voting on which proposals to improve their communities, submitted by thousands of people across the country, should receive grants.

This process caught the attention of *The New York Times'* philanthropy reporter Stephanie Strom, who said: "In a first, a major foundation is offering the public a direct role in deciding who

should receive some of its money, a process typically shrouded in mystery."<sup>iv</sup> MIYO resulted in 5,000 applicants and more than 15,000 voters, who used the latest web 2.0 tools to empower applicants to raise funds and supporters.

The Foundation's research on both the program and the process showed nearly 80 percent of people that applied took action. MIYO led to an explosion of citizen-centered philanthropy efforts from the Case Foundation's own **America's Giving Challenge** to the **Pepsi Refresh Project** to scores of "Giving Days" and open grant competitions.

## **A CORPORATE FIRST**

**Panera Bread's** attempt to get food more efficiently into the hands of hungry people was a truly unprecedented effort that let customers pay what they could afford, particularly in low-income communities. Rather than menus stipulating fixed prices, customers in pilot store locations were greeted with signs suggesting they pay what they could afford.

Facing widespread incredulity about this "pay what you can" model, Panera proved the skeptics wrong. The first establishment in Clayton, Missouri was such a success that the company opened two more Panera "Cares" locations in Portland, Oregon and Detroit. Today, these eateries are breaking even, with up to 20 percent of customers paying more than the recommended amount and 20 percent paying less.

There have been some pitfalls. However, rather than walk away from people in need, Panera hired a community outreach associate who is available to all its customers in these locations and who is helping make the sites welcoming to everyone. In the meantime, Panera is busy opening similar cafes in other areas of the country, according to founder **Ronald Saich**, and several other restaurant chains are planning to follow suit with their own versions of this unique model.<sup>v</sup>

Experimentation in social change can be difficult for any organization. Every new good idea feels as if it may be the last one. But experience shows us that we need to keep looking around the corner to find the next one. Because today's iPhone is tomorrow's Walkman.





# MAKE FAILURE MATTER

Failure teaches.  
Learn from it.

# R.

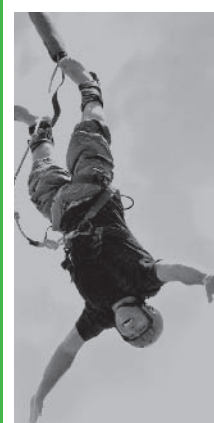
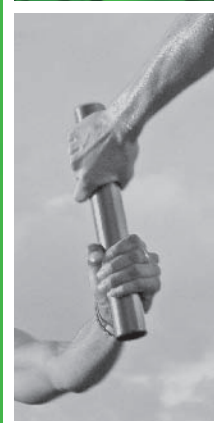
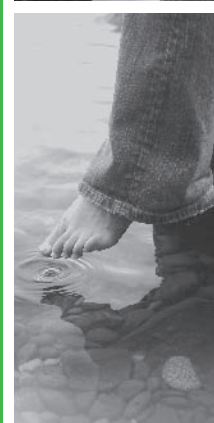
**With innovation comes the risk of failure. Every great innovator has experienced moments of failure, but the truly great among them wear those failures as badges of honor.**

**Thomas J. Watson**, longtime leader of **IBM**, famously said, "If you want to succeed, double your failure rate." **Oprah Winfrey** was fired from her first job as a television reporter.

**J. K. Rowling** (author of the *Harry Potter* series) and **Charles Schulz** (creator of *Peanuts*) both experienced years of rejection before they saw their work published. **Secretary of State Hillary Clinton** lost the Democratic nomination for president only to later to become the country's top global diplomat and the "most admired woman in America" according to Gallup.<sup>vi</sup>

In the business world, failure is the norm, writes **Shikhar Ghosh**, a senior lecturer at the **Harvard Business School** who has held executive positions at several technology-based start-ups: "If failure means liquidating all assets... then the failure rate for start-ups is 30 to 40 percent. If defined as not receiving a projected return on investment, failure rates rise to 70 to 80 percent. And if failure is seen as declaring a projection falling short, then the failure rate is a whopping 90 to 95 percent."<sup>vii</sup>

CONTINUED >





# MAKE FAILURE MATTER.

Being an entrepreneur, whether in the private or social sector, “is all about blazing new trails—something that simply cannot be done without its share of disappointments, embarrassments, and, yes, failures,” **Robert Sofia**—a marketing consultant to the Fortune 500—writes. Sofia thinks that failure can be a good thing because “the way in which we respond

to our failures has the power to shape us. If we sulk, falter, and permanently fail, we risk being shaped in a damaging way. If we take specific steps to overcome our failures, learn from them, and improve as a result, they will make us stronger. But, of course, everyone knows that. The challenge lies in actually doing it.”<sup>viii</sup>

Historically, the social sector has not been good at admitting failure. In philanthropy, funders have had little incentive to talk about their failures, in part due to the lack of public accountability and in part so as not to damage the reputations of grantees. Nonprofits, which receive funding from foundations and other philanthropic entities based on results, are understandably reluctant to discuss failures for fear that their funding will be terminated.

In recent years, however, there has been a small, but growing movement across the social sector to step up and admit where mistakes were made.

Websites like **Admitting Failure** ([admittingfailure.com](http://admittingfailure.com)) have been created, through which social sector organizations are able to share the hard lessons they’ve learned. The **Robert Wood Johnson Foundation** published an anthology, “To Improve Health and Health Care,” the first four chapters of which are devoted to a discussion of failure and learning from mistakes. The foundation also publishes this information on its website so that everyone has access to what it learned.<sup>ix</sup>

The 2010 meeting of the influential **PopTech** conference—which brings together innovators from various fields—was called *Brilliant Accidents, Necessary Failures and Improbable Breakthroughs*. It featured, among others, **Kevin Starr**, director of the **Mulago Foundation**, who discussed the role of failure in driving new innovation. Leaders at the **Bill and Melinda Gates Foundation** have commented in several venues about the disappointing results they saw from investments in small schools and early libraries initiatives.

## MOVING FORWARD AFTER FAILURE

Anticipating failure, admitting it, and then moving forward with new knowledge comprise what philanthropic consultant **Lucy Bernholz** terms “failing forward.”<sup>x</sup> Today, however, there is still more talk about failure than there are efforts to incorporate what was learned from those failures into philanthropic investments and, more importantly, sharing them with peer investors.<sup>xi</sup> This is in contrast to the private sector, writes Bernholz, particularly the technology world, where events such as **FailCon** (short for fail conference) focus solely on studying failures and applying lessons to prepare for future success.

When the philanthropy and social sectors become so fearful of getting something wrong, they increase the danger of depriving themselves and others of needed lessons. As philanthropic consultant **Bob Hughes** notes, “Almost no foundation is alone in its aims; others can take lessons and build on the mistakes. To do that, reports of failures must go beyond noting that an initiative failed to explain why it failed.”<sup>xii</sup>

In their book *Money Well Spent*, **Paul Brest**, president of the **William and Flora Hewlett Foundation**, and **Hal Harvey**, president of the **ClimateWorks Foundation**, note it may be not that foundations want to *hide* their failures. Rather, they don’t spend enough on evaluation or set clear goals to serve as performance yardsticks, so they don’t know if they have failed.<sup>xiii</sup>

Organizations and individuals also tend to anticipate success, rather than failure, because it’s natural to be

# IT'S NATURAL TO BE AFRAID TO FAIL. NO ONE SEEKS IT. BUT IF EVERYONE COMMITTS TO SHARING LESSONS FROM FAILURE, THE SECTOR AS A WHOLE WILL BE STRONGER AND MORE PREPARED TO ATTACK THE NEXT CHALLENGE.

optimistic about a particular plan. As a result, organizations craft initiatives that, step-by-step, build each phase on the one before. In this way, they orchestrate their plans to fulfill their theories of change. But not everything goes according to plan. Fearless innovators know this, and when things don't go as hoped, they don't let it faze them. Instead, they're optimistic. They pivot and make course corrections that may lead to greater success.

## LEARNING FROM FAILURE: AN EXAMPLE FROM THE CASE FOUNDATION

The Case Foundation has observed that there are three common options that social sector funders choose when they find that an initiative isn't working:

1. Deny that there are problems and forge ahead;
2. Abandon the effort entirely; or
3. Acknowledge, retool and proceed.

Very often, funders choose the first or second option. But the Case Foundation has learned that when people adopt a fearless mindset, they tend to choose the third option: acknowledging that things aren't working and then asking, "How do we use what we've learned to shape what we do next?"

Like many social investors, the Case Foundation has had its share of failure. In the mid 2000s the foundation made a significant investment of money and time in an initiative called **PlayPumps**. PlayPumps were merry-go-round devices connected to water pumps. As children played on the merry-go-round, water was

pumped into a storage tank surrounded by billboard ads and then was available on demand in villages that needed it.

The concept seemed so simple—and so promising. Unfortunately, it didn't work as planned. Faced with unanticipated problems, the temptation to just push harder was great, as was the temptation for the Case Foundation to cut its losses and move on. Instead, the foundation swallowed hard and supported significant changes in the organization that would make it more effective. At the same time, the foundation committed to being transparent about the misstep and why the change was necessary. In fact, Case Foundation CEO Jean Case published a blog post on the foundation's website entitled "**The Painful Acknowledgement of Coming up Short,**" which detailed the challenges and the plans going forward.<sup>xiv</sup>

As funders, sometimes it's easier to back away when it looks as if things aren't going as planned. But it's important to be steadfast—and to find new and different ways to drive the social change you were seeking in the first place, and to be honest about what you learned so you or others will not make the same mistakes. When funders work with grantees and partners to solve problems as they arise, they increase the likelihood that both parties will succeed in reaching their goals. That means, however, that funders have to be open to—and anticipate—the need for course correction.

It's natural to be afraid to fail. No one seeks it. But if everyone commits to sharing lessons from failure, the sector as a whole will be stronger and more prepared to attack the next challenge.



# REACH BE YOUR BU

It's comfortable to go  
it alone. But innovation  
happens at intersections.





# YOND JUBBLE.

**There's no question that working with known or proven organizations is usually more comfortable than reaching out to entities that are unfamiliar. Philanthropy is no exception. It's still more common to see social investors "going with who they know"—reaching out to the same likely suspects—even when these organizations may not be the most effective.**

Partnerships with new players and across sectors tend to be few and far between. Sticking with the tried and true may help us sleep better at night, but it stifles innovation and makes it hard to make the big bets necessary to move the needle on the serious problems we face. A fearless approach embraces new people and unlikely partnerships, recognizing that innovation comes from new combinations.

CONTINUED >



# REACH BEYOND YOUR BUBBLE.

Reaching beyond your bubble involves doing more than adapting new ideas. It calls for forging new partnerships and collaborating within and across various domains, fields, and sectors. This idea has many different names—cross-sector collaboration, collective impact, shared value, and more—but at their core, all are professing a similar idea: That if investors want to leverage their impact—and that of their grantees—working in partnership is one of the most effective ways to do it.

It's not easy, since collaborating often requires giving up some measure of control, as well as the ability to set your own goals and then move to implement them in the ways you think are most appropriate. But, over and over, cross-sector partnerships that buck tradition have proven this African proverb to be true: "If you want to go fast, go alone. If you want to go far, go together." Even the **Gates Foundation** with its vast wealth, reach, and influence has entered into a wide range of partnerships to further any number of objectives.<sup>xv</sup>

## PUBLIC-PRIVATE PARTNERSHIPS

Another example is the **U.S.-Palestinian Partnership (UPP)**, which was launched in 2007 by the **White House**, the **U.S. State Department**, and global business and philanthropic leaders. UPP, of which Case Foundation CEO Jean Case served as founding co-chair, was focused on creating economic and educational opportunity for the Palestinian people. The Partnership was created out of recognition that the U.S. private sector was uniquely situated to contribute to addressing these goals, in a manner which the U.S. government, despite its wealth, could not do alone.

UPP led to a \$50 million cross-sector venture fund, **Sadara Ventures**, to build the Palestinian ICT community. It also led to a partnership with **Google** to train developers; the establishment of several youth centers that received coaching from the **Boys and Girls Clubs of America**; dozens of multinational corporate partnerships with companies like **Cisco**, **Intel**, **Microsoft**, and **Hilton** to support issues ranging from tourism to teaching; and regular investment and partnership conferences. UPP became the model for the Obama Administration's **Partners for a New Beginning** initiative, and together the efforts have collaborated to launch or expand more than 70 cross-sector social projects in 10 countries.

Partnerships within a particular sector can also be incredibly valuable. When the opportunity arose to partner with the **Ewing Marion Kauffman Foundation** to create a cross-sector effort supporting job creation through entrepreneurship, the Case Foundation took a leap, even though it hadn't traditionally been involved in domestic economic development issues and had not worked with the Kauffman Foundation before. With the realization that no amount of philanthropic investment could replace a healthy economy and Americans at work, the Case Foundation enthusiastically combined its expertise in public-private partnerships and its entrepreneurial roots with the Kauffman Foundation's deep expertise in entrepreneurship education and grantmaking to create the **Startup America Partnership**.

Since launching in 2011, the Startup America Partnership has secured more than a billion dollars in resources from the private sector to support startups, launched 20 statewide partnerships, and jump-started a deeper national conversation about the importance of entrepreneurs in growing the economy and creating jobs.

Similarly, **Taryn Higashi** and **Geri Mannion** recognized the value of collaboration when they founded the **Four Freedoms Fund** in 2003 to work on immigrant rights at a time when most were skittish about taking on this issue. Higashi, who was at the **Ford Foundation** at the time, and Mannion, at the **Carnegie Corporation of New York**, saw that no single funder had the breadth and scope to tackle the issues surrounding new immigrants. Working alone, their organizations would likely have duplicated efforts and diluted impact. Working together, they built a coalition of diverse funders that has since awarded \$47 million to 167 grantees across the country, especially in new immigrant-receiving communities.

## NETWORKING BEYOND YOUR BUBBLE

Recent and ongoing technological innovations—especially tools that allow people to more easily visualize, communicate with, and act on existing personal and professional networks (and connect with new ones)—promise to fuel even more collaboration in the social sector.

Behind the mechanics of technology, however, is something more important: a fundamental shift in the way people think, form groups, and do their work. The **Monitor Institute** calls this “working wikily,” an approach characterized by greater openness, transparency, decentralized decision-making, and collective action being fueled by social media tools that are engendering a new, networked mindset.<sup>xvi</sup>

The **Full Frame Initiative**, for example, has developed a learning network to share best

practices among grassroots social service agencies supporting marginalized people. A central part of the initiative’s network is an online space where agencies from around the country can connect, support one another, and build collective knowledge that helps to fuel group learning. This helps to increase the effectiveness of individual participants, as well as produce benefits for their shared fields of practice. As the Monitor Institute notes, these social innovators are pioneering the practice of co-creating knowledge, as they grapple with challenges like building trust (in some cases, among people who have never met in person) and keeping people engaged in spite of information overload.

Reaching beyond your bubble is not collaboration for its own sake. It is a fundamental part of being fearless. It spreads risk, but more importantly, it spreads knowledge and deepens impact.

“IF YOU WANT TO  
GO FAST, GO ALONE.  
IF YOU WANT TO  
GO FAR, GO  
TOGETHER.”

—AFRICAN PROVERB





**LET  
URGEN  
CONQUER  
FEAR.**

Don't overthink  
and overanalyze.  
Do.



# 5

**It's natural to want to study a problem and look at it from all angles before taking action. What if we are wrong about our intended solution? What if there is a better way that we have not considered? Have we done our due diligence?**

These are important questions in philanthropy, and they should receive consideration. It's easy, however, to get stuck in a spiral of contemplation where perpetual study replaces action. This is the well-known concept of paralysis of analysis. That doesn't mean organizations shouldn't take the time to assess the data and review the research, but sometimes in philanthropy and nonprofits alike, this becomes an end unto itself, rather than a means to meet needs that often can't wait for a five-year, double-blind study.

CONTINUED >



# LET URGENCY CONQUER FEAR.

This principle describes a key mindset that can help drive action. A sense of urgency is the magic ingredient that can push the other principles forward in the face of resistance.

## THE URGENCY OF NOW

Recognizing when there is urgency around a particular issue or getting an initiative off the ground is only one part of the equation. The other is acting on it. This is particularly difficult when there are large investments being considered and where taking the time to collect evidence, conduct evaluation studies, and test hypotheses can be extremely helpful in making effective philanthropic decisions.

But when the issue is grave enough, it's essential that we find the will to act. In 1963, **Martin Luther King, Jr.** called this the "fierce urgency of now," when speaking on the steps of the Lincoln Memorial about the need to end segregation. As he said, "This is no time to engage in the luxury of cooling off or to take the tranquilizing drug of gradualism." For so many important issues, these words still ring true.

One of the Case Foundation's own experiences of acting with urgency is most readily demonstrated by its partnership with **Accelerate Brain Cancer Cure** (ABC<sup>2</sup>), an organization founded when Chairman Steve Case's brother, **Dan Case**, was diagnosed with brain cancer. Dan, Steve, and their families found that many approaches to brain cancer research were limited, isolated, or shockingly slow, so they decided to create a nonprofit that would use entrepreneurial approaches to attack the problem.

ABC<sup>2</sup> hastens the drug discovery process for promising brain cancer treatments by bridging the gap between academics that do research and the companies that bring treatments to patients. In 2004, ABC<sup>2</sup> discovered an experimental drug, Avastin, that seemed to be exceptionally promising but hadn't yet been subject to in-depth, long-term testing. ABC<sup>2</sup> helped to push for the clinical trials to be moved up and expedited. Those efforts resulted in FDA approval of the drug in 2009 for brain tumor patients—the first such approval in a decade.

The Avastin discovery was one step toward finding solutions that will extend the lives of people with brain cancer. But ABC<sup>2</sup> CEO **Max Wallace** is pushing even harder. He wants ABC<sup>2</sup> to be the "Seal Team Six" of brain cancer research organizations: laser-focused and attacking the hardest parts of a problem. He has a goal to extend the lives of people living with brain cancer from 15 months to five years by 2015. He says, "You don't waste lives. You don't waste time. You attack the problem."


## UNPOPULARITY

Sometimes, having an attitude of urgency takes the form of championing an unpopular cause that has not captured public attention or support, but that demands immediate attention. That's what prompted the launch of two new organizations to support veterans of the Iraq and Afghanistan wars: **Iraq and Afghanistan Veterans of America** (IAVA) and **Give an Hour**, led by Iraq Army veteran **Paul Rieckhoff**, and psychologist **Barbara Van Dahlen**, respectively.

In 2004, Rieckhoff, who served in Iraq prior to founding IAVA, saw that veterans faced a range of issues when they returned home, such as finding civilian jobs, going back to school, accessing mental health services, and connecting with vets and others in their communities. While many policy experts and reporters talked about these issues, few were doing anything about the problems. Rieckhoff established IAVA, the country's first and largest organization for Iraq and Afghanistan veterans, which has since grown to more than 200,000 members who now have new tools and platforms to join the national conversation and advocate for their rights.

Van Dahlen, a psychologist, noticed that many veterans were suffering from posttraumatic stress





# **“THIS IS NO TIME TO ENGAGE IN THE LUXURY OF COOLING OFF OR TO TAKE THE TRANQUILIZING DRUG OF GRADUALISM.”**

**—MARTIN LUTHER KING, JR.**

disorder and other mental health challenges. She found that it was not only difficult for veterans to access affordable mental health services when they needed them, but also that there was a stigma attached to mental health issues in the military that prevented many people from getting help when they needed it. The need for additional support was, and remains, incredibly urgent; some studies report that one in five veterans of Iraq and Afghanistan suffer from traumatic brain injury or posttraumatic stress disorders, and for every soldier who dies on the battlefield this year, 25 veterans will kill themselves.

Van Dahlen founded Give an Hour to provide a platform that allows mental health professionals to donate their time to the many veterans in need. Since its founding,

the network has grown to over 6,000 service providers who have donated more than 50,000 hours of free counseling services to veterans and their families.

Both Rieckhoff and Van Dahlen were observant enough to recognize a problem. Perhaps more importantly, they recognized that someone needed to start to solve it quickly, even if many denied that there even was a problem. Neither waited for permission nor tried to build a program within an existing slow-moving institution. They acted, and the rest of the community is now following their lead and their example.

An attitude of urgency does not mean being headstrong. It means adopting a bias for action. There is just too much work to be done to hesitate.



# THE CASE FOUNDATION'S

# INV

We hope that reading these five principles has left you inspired, challenged, and fired up. Philanthropy and the social good sector have been given a great privilege and an equally great responsibility to make society the best it can be, while changing the world and transforming lives in the process.

~~FEAR~~

BE FEARLESS

Much of the time we get it right. Some of the time, in the case of people like Ray Chambers, Max Wallace, Barbara Van Dahlen, or Paul Rieckhoff, we exceed expectations; but in most cases we at least approach our work with the best intentions and true faith to make a difference.

We hope to spark conversation around the idea that the old way of doing things is simply no longer effective. Our best intentions, hopes, and desires are not enough when needs are outpacing resources and challenges are becoming more complex by the day.

The social sector, and especially philanthropy, does not have natural market forces like customers and groundbreaking products from competitors that ensure the status quo is disrupted. This means we have to hold ourselves and each other accountable to acting with a mindset towards disruption, big bets, experimentation, failing forward, unlikely alliances, and urgency. We need to ensure that we stay ahead of the curve, and demand that today's challenges and fears are the building blocks of tomorrow's solutions and dreams.

## WHAT'S NEXT?

We and our partners have learned a lot during the past 15 years, and we know we still have much to learn as we move forward in our work.

Here are some suggestions for getting started with us:

# IMITATION TO YOU

## STEP ONE: HAVE A CONVERSATION

We believe that the best place to start is by having a conversation in your own organization or community about what “being fearless” means to you. Below is a set of questions that might help spark a thoughtful discussion at your next staff event, retreat, or conference. First, ask internally, and then ask the same questions to partners and constituents you know will be honest.

### 1. MAKE BIG BETS

- Can we categorize our work into ‘big bets’ versus ‘small ones?’ Have we noticed a difference in effect when we’ve funded one or the other?
- What is our riskiest initiative? What do we hope to gain from it?
- If fear wasn’t an option, what are some big bets we would take in respect to our work?

### 2. EXPERIMENT EARLY AND OFTEN

- Could we apply the minimum viable product concept to the tools or programs we develop?
- Are there changes we can make that allow our nonprofit partners to experiment more freely?
- What processes and procedures do we have in place that encourage or impede experimentation? What policies could we put in place to make experimentation the norm?

### 3. MAKE FAILURE MATTER

- Do we honestly talk about failures?  
How do we respond to them internally and publicly?
- As social sector funders, do we give our grantees permission to fail, talk about failure, and course correct?
- How could we create a regular forum for staff and grantees to discuss and learn from failure?

### 4. REACH BEYOND YOUR BUBBLE

- Which organizations do we admire in our sector and in other sectors? How can we partner with them?
- What are our most common areas in need of improvement? What partners can help fill those gaps?

### 5. LET URGENCY CONQUER FEAR

- What are the most important issues for us right now and why? Where could we streamline?
- How could we balance tested solutions with meeting immediate needs?

## STEP TWO: COMMIT

At the Case Foundation, we are committed to letting these ideals drive our decision-making. We invite others to consider the same thing. Go to [casefoundation.org/befearless](http://casefoundation.org/befearless) and join with other social sector leaders who are pledging to do their best to be fearless. There is strength in numbers, and this is one way to make those numbers visible.

## STEP THREE: EXPERIMENT AND SHARE

Being fearless means going beyond just talking about it; it means experimenting with taking risks, going beyond your bubble to collaborate, making big bets, and failing forward. And, we should all act now. We want to hear about what you’re doing to be fearless so we can share it. Communicate with others and share what you’ve learned. And use what you’ve learned to become even more fearless.

The more we all work together to challenge ourselves and overcome our fears, the more impact we will have.



# ENDNOTES

<sup>i</sup> Collins, J. & Porras, J. (1997). *Built to Last- Successful Habits of Visionary Companies*. New York: Harper Business

<sup>ii</sup> Clark, S. *Apple Products Now in Half of American Homes*. WebProNews. March 28, 2012.  
<http://www.webpronews.com/apple-products-now-in-over-half-of-american-homes-2012-03>  
 Retrieved May 17, 2012

<sup>iii</sup> Kelly, G. *To Assign or Not to Assign, That is the Question*. Nuts about Southwest. September 19, 2007.  
<http://www.blogsouthwest.com/2007/09/19/to-assign-or-not-to-assign-that-is-the-question/>  
 Retrieved May 17, 2012

<sup>iv</sup> Strom, S. *Foundation Lets Public Help Award Money*. The New York Times. June 26, 2007.  
<http://www.nytimes.com/2007/06/26/us/26charity.html?ex=1340596800&en=d206ba9e761fda30&ei=5124&partner=permalink&exprod=permalink>  
 Retrieved May 17, 2012

<sup>v</sup> *Panera Bread to open two pay-what-you-can cafes*. LA Times. February 23, 2012.  
<http://articles.latimes.com/2012/feb/23/business/la-fi-mo-panera-paywhatyoucan-cafes-20120223>;

*Pay what you want means zero*. San Francisco Grub Street. September 29, 2011.  
<http://sanfrancisco.grubstreet.com/2011/09/pay-what-you-want-means-zero.html>;

*Panera Bread lets diners pay what they can*. Christian Science Monitor. May 17, 2011.  
<http://www.csmonitor.com/World/Making-a-difference/Change-Agent/2011/0517/Panera-Bread-lets-diners-pay-what-you-can>.  
 Retrieved on April 25, 2012

<sup>vi</sup> Jones, J. *Barack Obama, Hillary Clinton Again Top Most Admired List*. Gallup. December 27, 2011.  
<http://www.gallup.com/poll/151790/Barack-Obama-Hillary-Clinton-Again-Top-Admired-List.aspx>  
 Retrieved April 25, 2012

<sup>vii</sup> Ghosh, S. *Why Companies Fail and How Their Founders Can Bounce Back*. Harvard Business School/Working Knowledge. March 7, 2011.  
<http://hbswk.hbs.edu/item/6591.html>  
 Retrieved on April 25, 2012

<sup>viii</sup> Sofia, R. *Can Failure Be a Good Thing?* Portfolio.com. January 27, 2012.  
<http://www.portfolio.com/resources/2012/01/27/robert-sofia-on-why-failures-can-be-good-for-entrepreneurs>.  
 Retrieved on April 25, 2012

<sup>ix</sup> Schimmelpfenneg, S. *Following Up on Failure*. Chronicle of Philanthropy. March 7, 2011.  
<http://philanthropy.com/blogs/world-view/following-up-on-failure/173>  
 Retrieved on April 25, 2012

<sup>x</sup> Bernholz, L. *Failing Forward*. P2173. July 27, 2011.  
<http://philanthropy.blogspot.com/2011/07/failing-forward.html>  
 Retrieved on April 25, 2012

<sup>xi</sup> Gibson, C. *Innovation and Impact: Enough Talk, More Do*. Nonprofit Quarterly. October 27, 2011.  
[http://www.nonprofitquarterly.org/index.php?option=com\\_content&view=article&id=17121](http://www.nonprofitquarterly.org/index.php?option=com_content&view=article&id=17121)  
 Retrieved on April 25, 2012

<sup>xii</sup> Hughes, B. *Can Failure Be the Key to Foundation Effectiveness?* Center for Effective Philanthropy. January 11, 2010.  
<http://www.effectivephilanthropy.org/blog/tag/learning-from-failure/>  
 Retrieved on April 25, 2012

<sup>xiii</sup> Ibid. Also see Brest, P. & Harvey, H. (2008). *Money Well Spent: A Strategic Plan for Smart Philanthropy*. Bloomberg Press.

<sup>xiv</sup> Case, J. *The Painful Acknowledgement of Coming Up Short*. The Case Foundation. May 4, 2010.  
<http://www.casefoundation.org/blog/painful-acknowledgement-coming-short>  
 Retrieved May 17, 2012

<sup>xv</sup> Gibson, C. & MacKinnon, A. (2010). *Funder Collaboratives: Why and How Funders Work Together*. Ford Foundation/Grantcraft

<sup>xvi</sup> Searce, D., Kasper, G. & MacLeod-Grant, H. (Summer, 2010 ). *Working Wickily*. Stanford Social Innovation Review

## ABOUT THE AUTHORS

### CYNTHIA GIBSON, PH.D.

Cynthia M. Gibson is founder and principal of a consulting firm that provides custom support to improve capacity and program effectiveness for leading national foundations and nonprofit organizations through public policy research/analysis, program development, strategic planning, evaluation, and communications. She is also a widely published author and blogger on issues affecting the nonprofit and philanthropic sectors. In 2007, for the Case Foundation, Gibson authored *Citizens at the Center: A New Approach to Civic Engagement* which served as the frame for a new "open source" approach to grantmaking that she helped to develop and that was highlighted in the *New York Times* and the *Chronicle of Philanthropy*. Previously, she served as a program officer at Carnegie Corporation of New York in the area of Strengthening U.S. Democracy, where she authored two publications that became standards for the civic learning field and was named one of the *Nonprofit Times*' "Top 50 Power and Influence." Gibson also is a senior fellow at the Philanthropic Initiative and Tufts University.

### BRAD ROURKE

Brad Rourke is a writer, consultant, and essayist based in Rockville, MD. He is a leader in understanding how public-facing organizations can engage better. His clients have included most of the civic engagement groups in the United States as well as foundations and other similar institutions. He is executive editor of the Kettering Foundation's issue book series.



CASEFOUNDATION.ORG/BEFEARLESS

