Case Study: Social Venture Partners India

Social impact through enhanced collaboration

Origins and Chapter Expansion

Social Venture Partners India was founded in Bangalore in 2012 as a member of the global SVP network. The first American chapter emerged in Seattle in 1997 from the desire of successful technology professionals to improve the impact of their charitable giving by leveraging their professional skills and business networks. This model of hands-on grantmaking by committed individuals (*partners*) was the foundation for a network of chapters that grew rapidly in the United States and Canada. In 2005 the network began to expand internationally. By the end of 2013 SVP had 27 chapters in North America, an established chapter in Tokyo, and initiatives starting up in Ireland, India, China and Australia.

Ravi Venkatesan, SVP India's founding chairman, is a Microsoft veteran who was encouraged by his colleagues in the company to explore how the SVP model could be adapted for India. With encouragement and financial support from partners in Seattle, an SVP chapter in India started to take shape in 2012. From the start, it aimed to be a significant force in philanthropy rather than an isolated local effort. "You start small and insignificant," said Venkatesan, "but particularly after my experience of Microsoft, I knew we had to plan for scale — to be one of the largest and most influential organisations on the Indian philanthropy landscape."

In July 2013, SVP India gained legal registration as a Section 25 nonprofit company under which individual city-based circles became local chapters, and the chairman of each chapter taking a seat on the SVP India board to help steer countrywide strategy. Livelihood, including job creation and vocational training, is an overarching national focus area for all chapters. Each group would then choose to tackle additional localised social and environmental challenges that threaten the well-being of their particular communities.

Over four years the Indian network has established active chapters in Bangalore, Pune, Mumbai and Delhi, with others in the pipeline. SVP India chapters have mobilised 180 business leaders, philanthropists and active citizens to become one of the largest networks of engaged donors in India. During this time chapter partners have funded or advised 18 nonprofits, guiding their growth and steering the delivery of increased social impact with US$460,000 and more than 17,000 volunteer hours.

The Evolving Journey[10]

SVP India began by adopting the tried and tested grantmaking processes of SVP chapters around the world, assisted by SVP's network office and close personal ties with chapters in Seattle, Portland and other U.S. cities. But the scale of India's social problems coupled with the entrepreneurial fibre of those who joined the Indian chapters raised many questions about scale and impact.

Making small grants to nonprofit organisations in the classical SVP style was a necessary and appropriate starting point for a group of people addressing social problems through collective action. But several partners realised it was not enough to move a few out of poverty and into employment by

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[10] One important document that describes the process of experimentation and learning that led to the Million Jobs Mission is *Our Evolving Journey* by Ravi Venkatesan, the preface to the SVP India 2015/16 Annual Report, SVP Philanthropy Foundation, Bangalore, India.

funding small initiatives, but rather to "invent new models that can scale efficiently, attack structural impediments, and even influence policies," as Venkatesan wrote to all chapters in 2016. SVP India's early collective experience of small grants and capacity building support for nonprofits that created scores of new jobs has given rise to other pathways the network could take for scaling social impact.

"A second pathway is to find more established organisations and work with them to help scale their impact. If they are on a trajectory to impact 25,000 lives over a period of time, our engagement would aim to scale this to say 100,000," explained Venkatesan. The chapters' support of LabourNet, Vrutti and Pune City Connect exemplify this additional pathway, with individual partners adding value to grants by advising senior managers at nonprofits on business strategies for sustainable growth, mobilising third party funding, assisting with access to technology solutions, or introducing nonprofits to potential corporate partners. "This is the true power of SVP – leveraging the incredible network of our partners," Venkatesan added. In 2017 this *second pathway* is being expanded as SVP India's strategic engagement with five nonprofits is set to grow to 15.

The third pathway envisaged by Venkatesan is the creation of a "livelihoods platform" by SVP that would encourage the flourishing of the ecosystem for sustainable job creation. This ecosystem comprises diverse stakeholders including nonprofits, skills agencies, donors, investors, employers and government who often operate in silos without cross-institution collaboration. SVP India envisaged a platform that would bring stakeholders together, connecting them for new partnerships with shared objectives and efficiencies.

Aparna Sanjay, the general manager of the Bangalore chapter, recalled that it took an "evolving journey" with key milestones to build the eco-

system platform. From late 2014 the chapter had two important relationships with nonprofits that were formative in the partners' understanding of how to achieve the most social impact with modest resources. LabourNet received a grant from the chapter for its work in vocational skills and rural enterprise, and had requested support with human resources and other internal organisational processes. One of the Bangalore partners brokered a pro bono assignment by Infosys consultants that helped LabourNet understand the inefficiencies of its management systems and recommended a technology platform to address these problems.

Sanjay said this engagement helped the chapter "realise that consulting advice was a huge contribution to the organisation, underscoring our *venture philanthropy* approach." This was the first time that consulting advice was focused on the internal management processes of the nonprofit, rather than its projects.

A second key learning came when the Bangalore chapter assisted Vrutti, a social development organisation, in the nonprofit's work with farmers. Over two years the Bangalore partners became deeply involved in helping transform Vrutti's business model and designing a low-cost technology platform with assistance from Mindtree. "The deep engagement of five or six of our partners with Vrutti was transformative but involved no grant," said Sanjay. "Transformation came by bringing the right people together," he added.

During this time of experimentation and learning, there was intense discussion among the partners about the scale and depth of social impact the chapters could facilitate given the small pool of resources at their disposal as measured against an ocean of need in India. Fulfilling the moral imperative to achieve greater impact required SVP India to "come up with creative solutions, not live in a silo doing our own things," said Sanjay. SVP's partners

in India could lean on a large body of experience and insights from U.S. chapters, but ultimately they had to find an "Indian way" forward that worked effectively in the local cultural context using "frugal innovation."[11]

Go Big or Stay Small

The chapters debated the risk of "mission drift" by straying from SVP's traditional, grantmaking model that originated in North America and was gradually adapted internationally. Several partners in India were also cautious that a focus on scale might undermine the hands-on, experimental nature of SVP engagement with nonprofits. The outcome of this "Go Big" or "Stay Small" debate was to pursue both alternatives simultaneously, as mutually supportive strategies. This would allow SVP India to continue supporting small nonprofits through the traditional model while engaging with larger nonprofits on scalable solutions to intractable, mass social problems.

In 2016 Venkatesan publicly announced SVP India's commitment to help create a million sustainable jobs although at that time plans for how such an ambitious goal would be achieved were still sketchy. Indian partners drew on the experiences of several U.S chapters that ran *Fast Pitch* events at which nonprofits would be given slots to pitch their work to partners. This event idea was coupled with the convening of ecosystem stakeholders at the inaugural conference (*conclave*) of the Million Jobs Mission (MJM) held in New Delhi in January 2017. MJM will be a platform for multi-stakeholder collaboration that will support nonprofits with the potential to create jobs and enhance incomes at scale.

In the first year SVP India envisages working with 15 pre-selected nonprofits, termed *Design Partners*, that could demonstrate the ability to create at least a cumulative 100,000 sustainable livelihoods each in the next five years. At the conclave,

the Design Partners presented their livelihood models to a wide range of private and corporate foundations, impact investors, multilateral agencies, national and local government representatives, professional service firms, and academics (*consortium partners*).

At the time of writing, the MJM was in the early stages of its institutional development with key ecosystem actors being prepositioned, and a high profile conclave event having given the initiative visibility and media attention. Riding on this momentum, SVP has spent the last few months creating a *backbone* organisation needed to provide its chapters and consortium partners with the secretariat support of the sort associated with the *Collective Impact* framework.

Lead Partners from SVP provide significant amounts of time mentoring and guiding the design partners to achieve their goals even as the secretariat engages with other large players (government agencies, donors) for long-term institutional support. The movement will only grow as similar conclaves are being planned every year, each adding a further 10-15 design partners into the mix in addition to a larger number of consortium partners, swelling the ecosystem even further.

"As in any large multi-stakeholder effort, the contours of the solutions are fuzzy and may call for many simultaneous experiments before a definite path or paths is decided upon. Just getting all players to think about the problem in a collaborative fashion would be a huge step forward. SVP India sees this as a tremendous opportunity to successfully demonstrate the power of collective action in solving a very challenging social problem for India," Sanjay concluded.

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[11] Frugal innovation or *Jugaad* (a Hindi word meaning an intelligent way to find a low-cost solution to a problem) has developed into the realm of management, innovation and strategy.