


Scaling social impact sustainably: *inconceivable?*

Antony Bugg-Levine
CEO

Social Impact Exchange
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Is sustainable scale inconceivable?

No, but...



**I do not think
it means what
you think it
means**

What is “sustainable scale”?

$$\frac{\text{Repeatable and reliable revenue}}{\text{Ongoing operating costs}} > 1$$

+

Ability to fund periodic
investment in adaptation and
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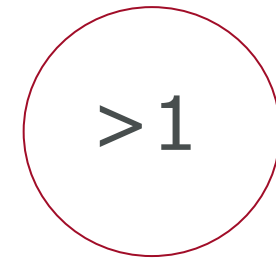
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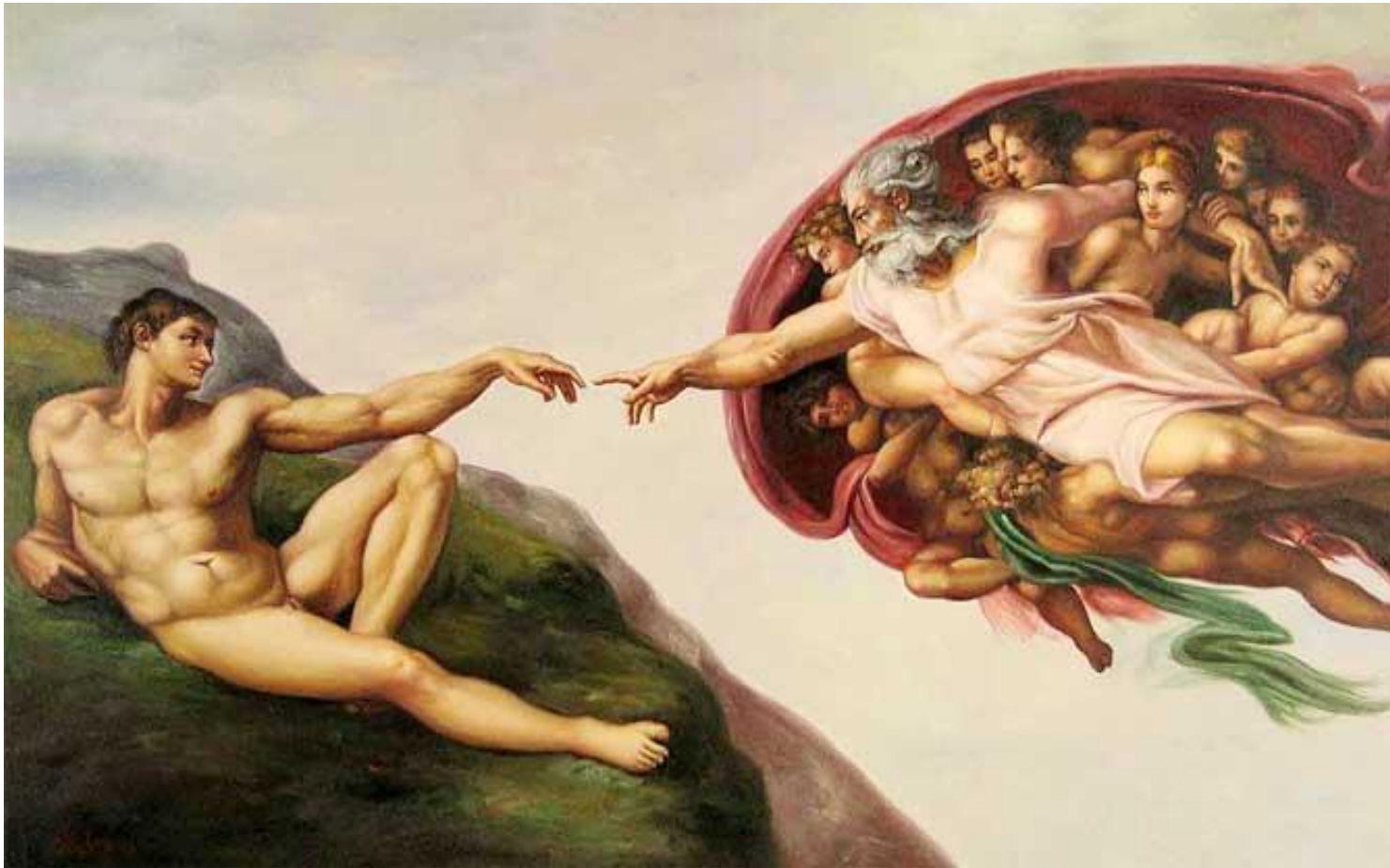
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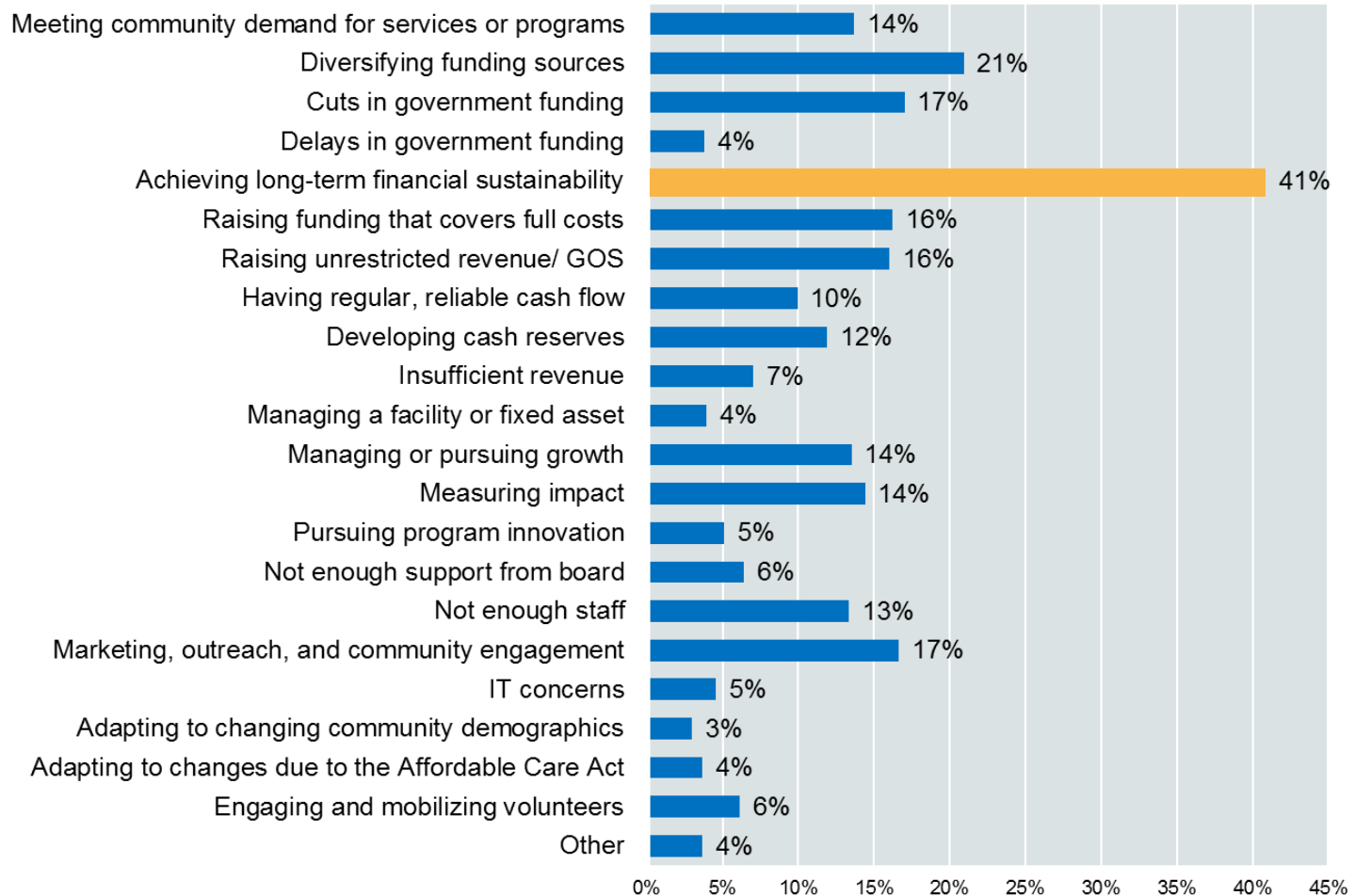
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And the organization was sustainable and behold it was very good. And we rested from this work.

Nonprofit leaders want to focus on sustainability...

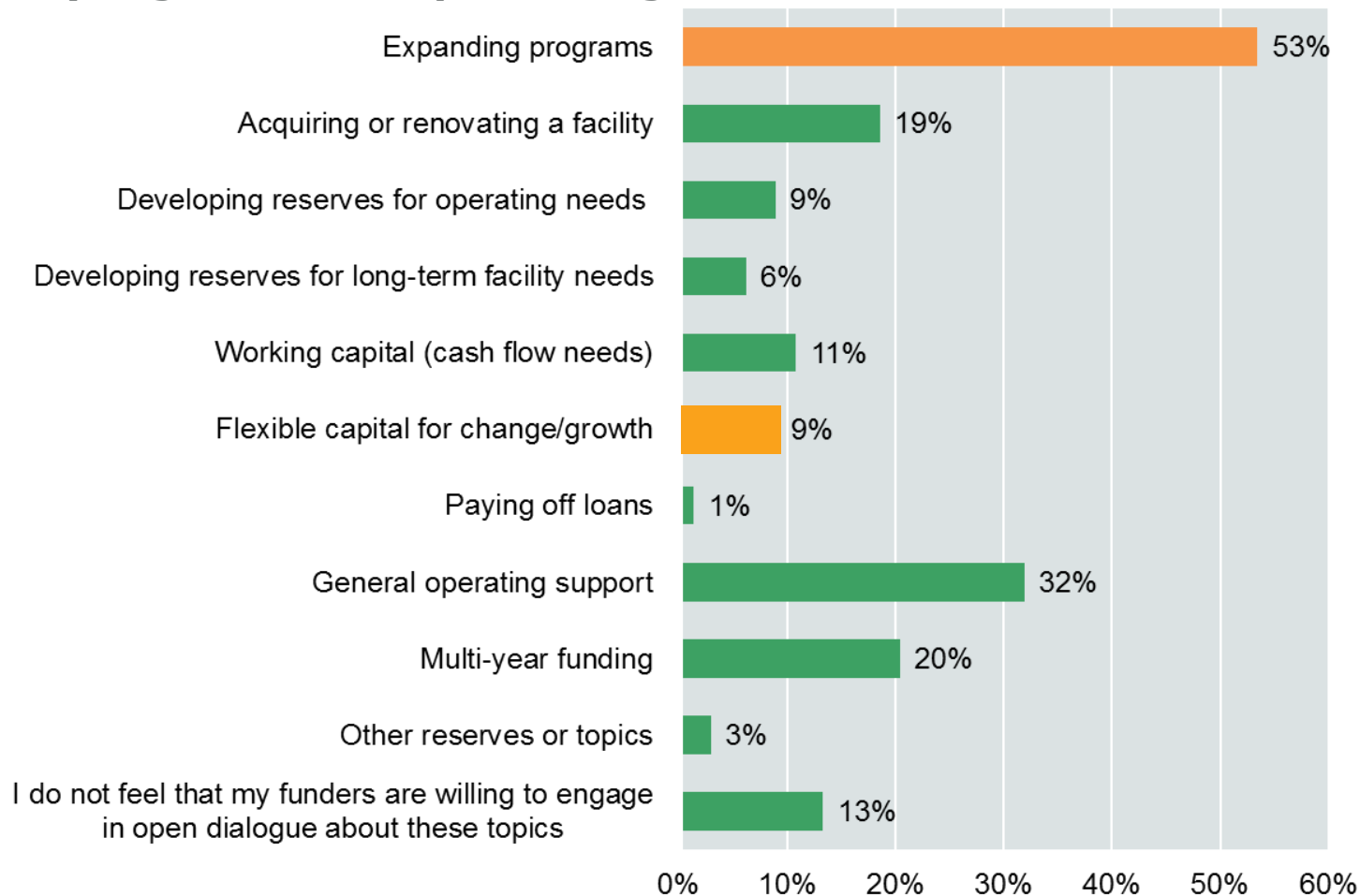
Top challenges that nonprofits are facing



Source: NFF 2014 State of the Sector Survey

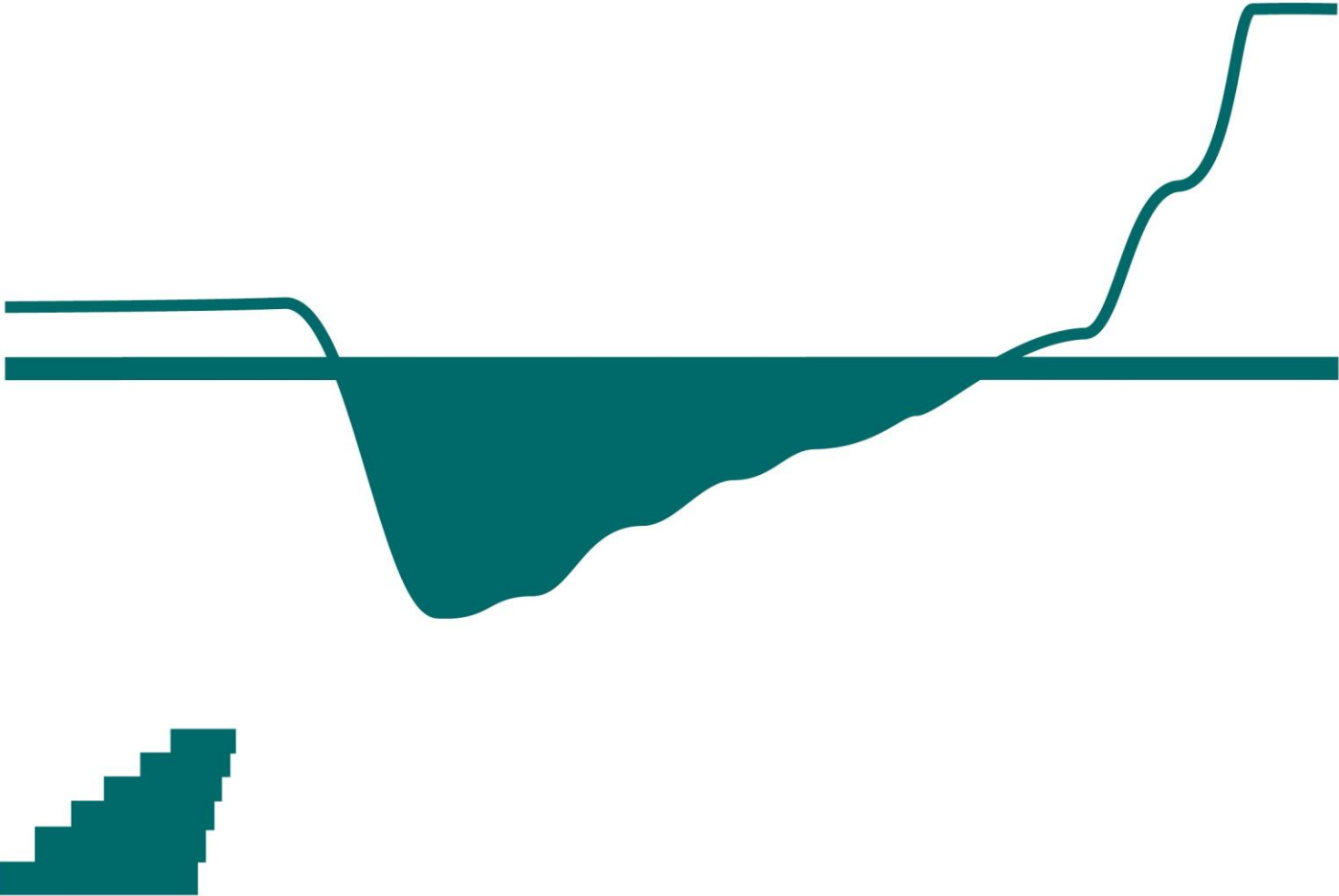
...but can only have open dialogue about expanding programs

My org can have open dialogue with funders about:

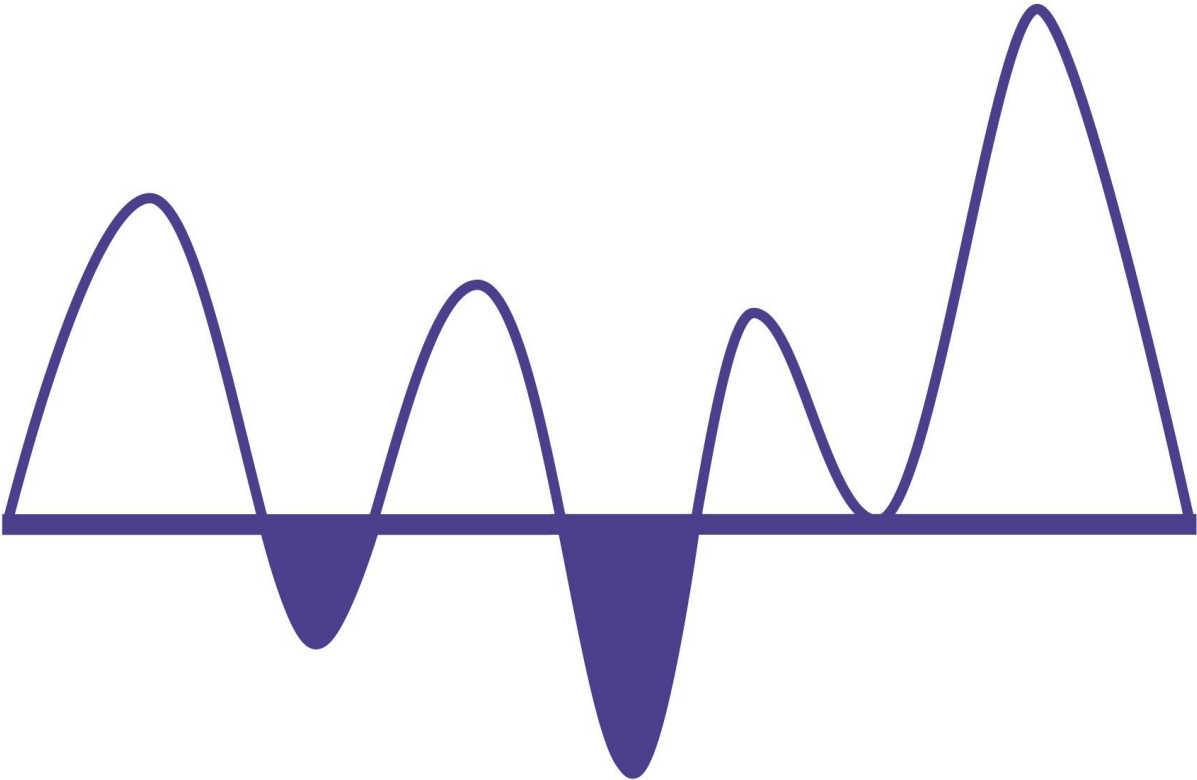


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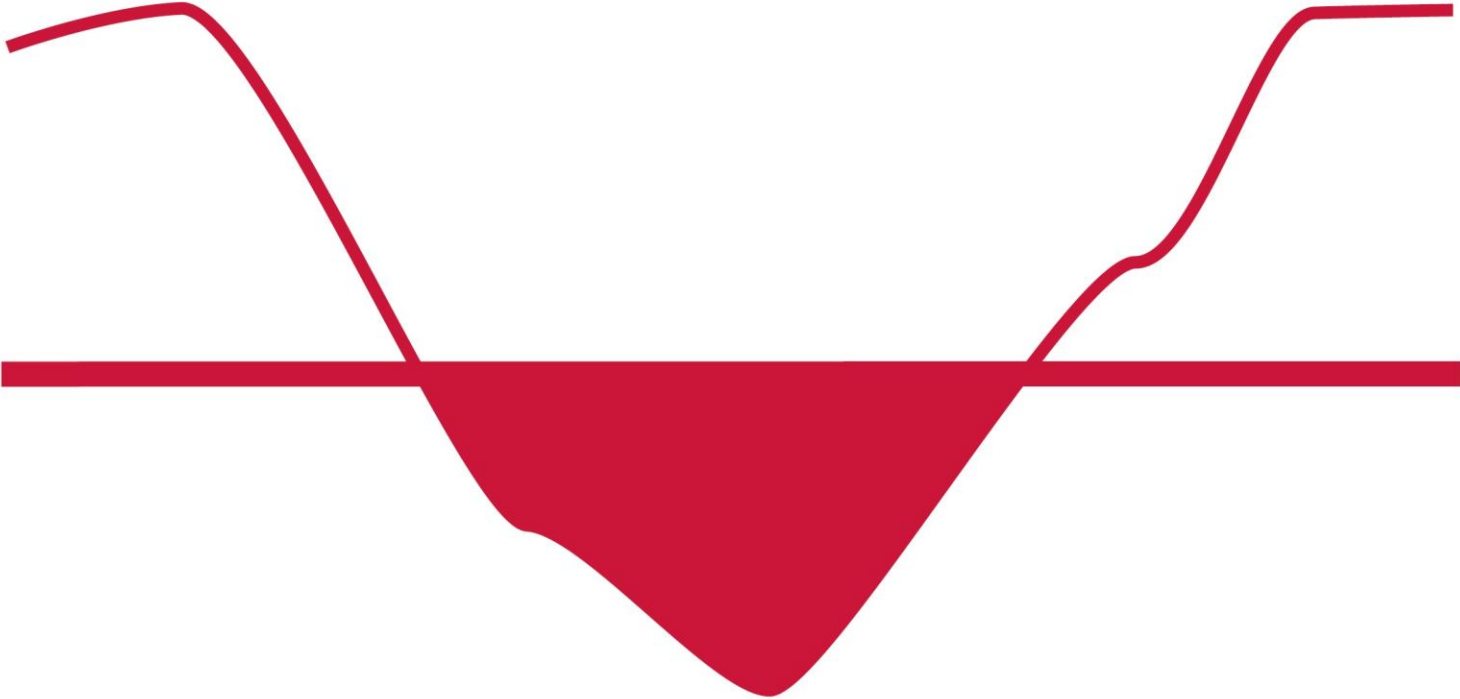
Change Capital



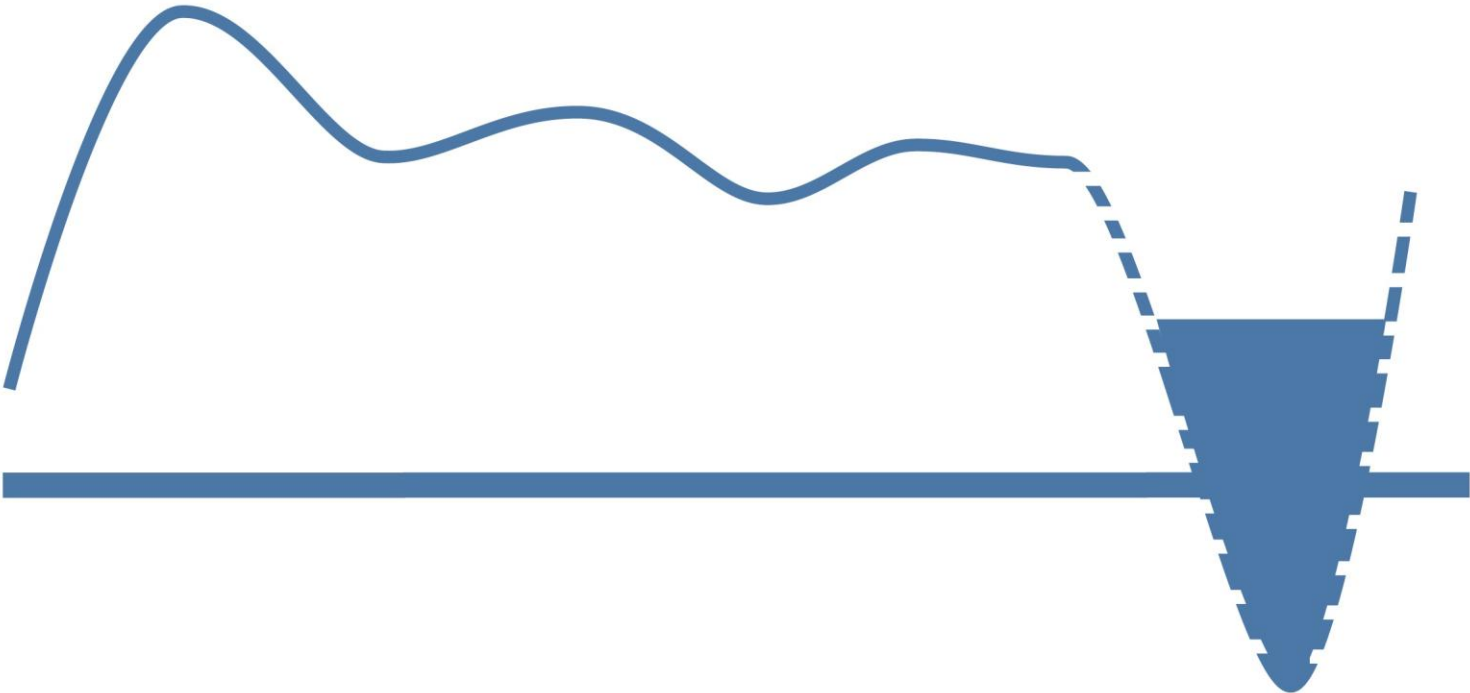
Working Capital



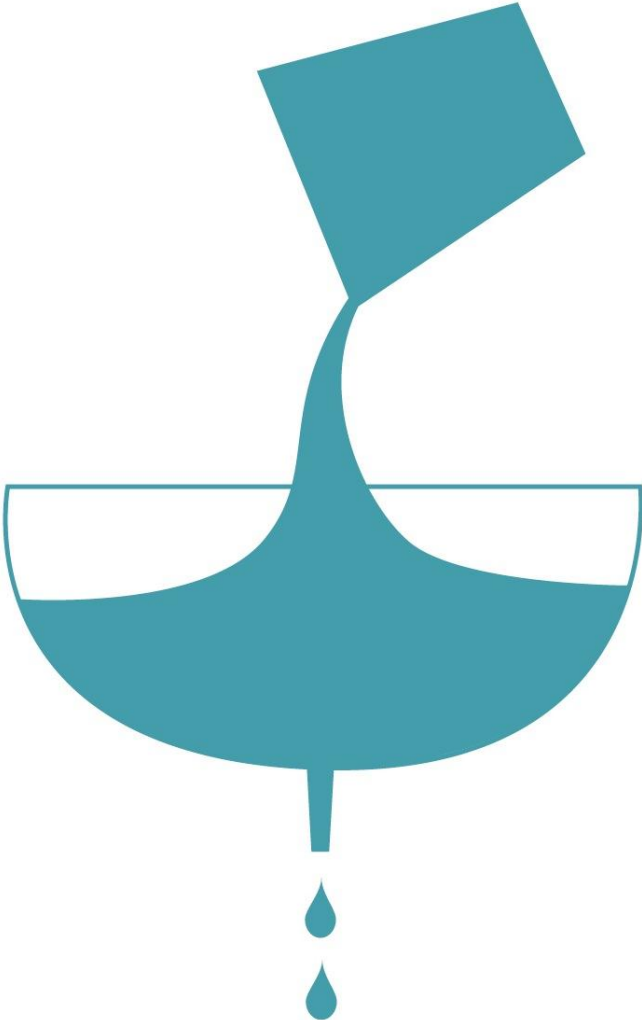
Recovery Capital



Risk & Opportunity Capital



Endowments





5 ways you can fall off the cliff

Funders

- Forget we need both builders and buyers
- Confuse general operating support for change capital
- Don't trust your grantees
- Insist organizations follow rigid plans
- Start when you're readying to stop

Nonprofits

- Try to make up in volume what you lose on each unit
- Use change capital to keep unsustainable activity going
- Don't ask for what you need
- Create plans through analysis not market experiments
- Stop when things are looking good



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Antony Bugg-Levine, CEO

1-212-857-4719

abugglevine@nff.org

Twitter: @ABLImpact