WHAT IS SCALING?

Most nonprofits first establish themselves on a small scale. They start in one neighborhood or city, or with a particular program or constituency. Over time, organizations often develop programmatic best practices along with a network of relationships and broader insights that may make their work ripe for expansion into other geographic areas, communities, or even issue areas.

“Scaling up” or “scaling out” refers to the expansion of a nonprofit’s work so that its impact grows more and faster than the size of the organization’s budget or staff does. When done well, scaling a nonprofit’s activities can create up to 100 times its current impact, with only a doubling of the organization itself.¹

Not every organization is prepared to scale. If a nonprofit doesn’t yet have a demonstrated record of programmatic success, at least three to five years of financial stability, and the ability to learn and partner, donors risk growing failure instead of scaling success. However, with those fundamentals in place and the right support, scaling offers funders the chance for outsized impact.

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TYPES OF SCALING EFFORTS

There are many ways in which funders can help nonprofits scale their impact. Examples include:

- **Increasing the number of people served** by adding new audiences, expanding into new geographies, or adopting new approaches that reach disproportionately more people with the resources provided.

- **Expanding program breadth** by adding new functions or technical areas that increase impact, such as when a financial literacy program is coupled with an employment program, and together they create more lasting, positive change for their clients.

ABOUT THIS SERIES: Many donors are seeking advice about how to use their philanthropic funds most effectively—to achieve the largest impact. In response, the University of Pennsylvania’s Center for High Impact Philanthropy and Fidelity Charitable have collaborated to create a series of briefs that describe various philanthropic tools and how each can help funders do more good. We hope that they prove useful to you and help you to expand your philanthropic reach using proven best practices in the field.
• **Addressing national, or even international barriers to impact** by advocating for policies or standardizing procedures and rules, such as a policy that mandates parity for mental health coverage or outlines rules for fair use of natural resources.

• **Strengthening organizational capacity for scale** by building alliances, creating a ‘branch’ or ‘affiliation’ model, identifying new funding schemes, or building technical and management capacity of others through training. (See our related brief in this series on ‘Capacity Building’)

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**TIPS FOR SUPPORTING SCALING**

Once an organization is ready to scale, there are various ways for a funder to contribute to the process.

• **Serve as an ambassador.** Look within your own network for connections and knowledge that could strengthen your grantee. Consider making introductions to other funders, experts in the field, or potential partner organizations who can help in the scaling process.

• **Be willing to help fund any or all parts of a scaling operation.** At the outset, organizations need planning grants to analyze opportunities and determine where and how they are best positioned to expand. Launching the scaling effort will require funds for additional staff, space, and materials. Once the process has begun, grantees require resources to monitor and evaluate scaled programs to help them refine and course-correct as needed to achieve their intended impact.

• **Provide stable, multiyear funding, and be realistic about how long the process will take.** Exponentially increasing impact is far easier when the organization’s leadership is confident that the necessary resources will be available.

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**FOR MORE INFORMATION**


Stop Starving Scale: Unlocking the Potential of Global NGOs by Jacob Allen, Jari Tuomala, Jeri Eckhart-Queenan, The Bridgespan Group, 2013

In the early 2000s, a study by the National Institutes of Health revealed that a lifestyle intervention called the Diabetes Prevention Program (DPP) was more effective than the leading medication in preventing diabetes—with a 58 percent drop in incidence of the disease among at-risk participants. Public health officials saw an opportunity in the prevalence of YMCA facilities around the country. In 2010, the project was implemented in a handful of Y locations by training community health workers to deliver the program. Philanthropic investments in scaling yielded significant results, as DPP cost the Y 25% less than the original research method. By 2015, the program had reached over 28,000 participants at 1,100 Y’s in 43 states, dramatically impacting diabetes prevention rates, but with a relatively minimal burden on the organization.³ Read more at: https://www.bridgespan.org/insights/library/public-health/using-national-networks-to-tackle-chronic-disease

Nurse-Family Partnership is a home-visitation program that matches a low-income, first-time expectant mother with a nurse who provides counseling on healthy practices via regular home visits from early in the pregnancy through the child’s second birthday. The Robert Wood Johnson Foundation was an early supporter of the program, which has been proven to drive significant outcomes such as improved health and employment for the mother and fewer childhood injuries and better school readiness for the children, returning $5.70 in societal benefits for every $1 invested.⁴ In 1999, RWJF granted $10 million over three years to begin replication of the curriculum. The scaling of NFP has been a slow and deliberate process. It took a decade for the program to reach 28 states, and, as of 2017, NFP operates in 39 states and the U.S. Virgin Islands, and is being evaluated internationally. Read more at: http://cspcs.sanford.duke.edu/sites/default/files/descriptive/nurse-family_partnership.pdf See CHIP’s profile of NFP: http://www.impact.upenn.edu/opportunity-nurse-visitation

The Annie E. Casey Foundation has worked for the last 20 years on changing rehabilitation systems for juvenile offenders. Research showed that one practice—home-based rehabilitation—was the most effective option for decreasing recidivism and strengthening families, prompting Casey to invest heavily in scaling the intervention. Casey’s funding enabled the establishment of more than 200 such programs in 39 states, and the growth continues.² Read more at: http://www.aecf.org/resources/the-future-of-youth-justice
The Center for High Impact Philanthropy (CHIP) is the only university-based center with a singular focus on philanthropy for social impact. Founded as a collaboration between the School of Social Policy & Practice and alumni of the Wharton School, it is a trusted source of knowledge and education to help donors around the world do more good. To learn more, visit www.impact.upenn.edu.

The mission of Fidelity Charitable® is to grow the American tradition of philanthropy by providing programs that make charitable giving accessible, simple, and effective. The Giving Account®, a donor-advised fund, was introduced in 1991 when Fidelity Charitable® was founded. Today, we work with over 132,000 donors to support more than 219,000 charities and make more of a difference every day. www.fidelitycharitable.org

ENDNOTES