SVP SOCIAL VENTURE PARTNERS PORTLAND

Social Venture Partners: A Unique Approach to Philanthropy

"Engaged venture philanthropy has the capacity to help solve our most entrenched problems." Social Venture Partners Portland executive director Lauren Johnson discussed with us why Social Venture Partners' innovative model is uniquely suited for achieving transformational impact in the community.

"We mimic the process of venture capital, but in the social sector," she explains. "Rather than investing in start-up businesses, venture philanthropists invest in nonprofit organizations and community causes. And as an engaged community of professionals, we leverage our social capital — connections and influence, as well as dollars — to really magnify the impact we can have in our community." Venture philanthropy brings the whole philanthropist to the table, calling upon their passions, goals, skills, time, and social influence. SVP's 130 investor partners are all involved at different levels, from simply making financial contributions to lending their time and expertise in profound ways.

Understanding a little of SVP's history is important context for understanding the organization's innovative approach. Social Venture Partners International was founded in the late 1990s, with the goal of cultivating effective philanthropists and investing in collaborative solutions. Seattle was the first affiliate; SVP now operates in more than 40 cities and they have collectively invested \$70 million in over 3,900 nonprofits.

The Portland affiliate was founded in 2000; several late clients of Arnerich Massena were involved early on as cofounders and board members. The budding organization experienced an interesting trajectory. "We thought of it as failing broadly, one success at a time," Lauren remarks. The venture philanthropy



group took on a number of projects and had great success building and supporting individual organizations. But despite their successes, studies were showing that overall outcomes in the community were not only not improving, but worsening. This was back in 2012, and that was when the SVP Partnership crafted the approach that now has made them a huge catalyst for change in the community.

"It took some humility to step back and examine our process, but we wanted to really move the needle," Lauren says. "And we decided that we would be more effective by targeting a single focused goal." After doing some research, SVP settled on early childhood education as their focus. "Extensive data shows that

you have to start early if you want to change the trajectory of a child's life. When children get behind, research shows there is only a 13% chance they'll be able to catch up. The return on investment is very high at that early stage."

SVP Portland launched their "Ready for Kindergarten" goal to

begin changing and expanding the opportunities for young preschoolers in Multnomah County. They stepped into a leadership role among other community organizations, guiding "Ready for Kindergarten Collaborative." Along with investor and community partners, SVP worked to better understand the key areas that really make a difference in young children's lives, from prenatal care and family support & empowerment, to workforce development and early care & education, which led to one focused strategy.

Their current focus is ensuring that all children have access to high-quality learning experiences in Multnomah County. They have been working with a coalition of 30 leaders from public, private, and social sectors, led by County Commissioner Jessica Veda Pederson, to make universal preschool a reality. The Task Force just issued the *Preschool for All* Report, outlining their ecommendations for implementation. Read the press release here.

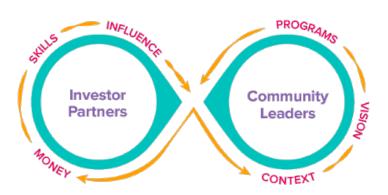
How does SVP Portland accomplish all this? They apply their Investor Partners' resources — whether that be financial resources, time, skills and expertise,



Arnerich Massena www.arnerichmassena.com



Social Venture Partners: A Unique Approach to Philanthropy (cont.)



(Direct SVP Grants + Leveraged Funds + Value of Partner Time) Direct SVP Grants

Return on Investment

social connections and influence - and invest those resources in working with their community partners and nonprofits to make sure they have all the tools they need to be successful in their missions. This may involve assisting with strategic planning, human resources, organizational infrastructure, leadership development, marketing, financial management, or providing funding support. They help to coordinate community-wide initiatives involving multiple organizations.

All of this is made possible by SVP's Investor and Business Partners, the engaged philanthropists who make the entire endeavor work. Every partner of SVP has a different experience, based on their unique goals, vision, and

"Most foundations just want to buy your product by writing a check. SVP is very different and unique in their approach to philanthropy. We said that we wanted to make a bigger difference in early learning. SVP believed in our vision, worked in partnership with our leadership, and brought valuable technical knowledge and skills in research and business planning. When some doubted whether our innovative, culturally-specific approach was effective, having SVP as an investor signaled that we know what we are doing. SVP helps its Community Partners be the best we can be."

~ Lee Po Cha, IRCO (Immigrant and Refugee Community Organization) Executive Director

capacity. Partners are provided with formal onboarding to help understand what venture philanthropy is and the opportunities available for engaged, such as direct volunteering, committee work, or helping make connections. Then they work individually with SVP Portland's Director of Investor Partnerships, Matt Little, to share their hopes and objectives and find the best ways to leverage their knowledge and abilities toward SVP's mission. There is no expectation of partners to contribute time or skills, but for those who want to be engaged, there are virtually unlimited opportunities. Finally, ongoing training and education is available on a variety of topics for members, such as: great nonprofit boards, building organizational capacity; building trust and communicating effectively in the nonproft sector; managing change; and diversity, equity, and inclusion.

"When you aggregate the dollars invested with the hours contributed and along with the multiplier effect of social influence, we are able to generate a return on investment of an average of 15 to 1," Lauren states. "That remarkable impact is possible because the whole is greater than the parts. Our model makes it possible to achieve tasks collectively that we couldn't do individually, and we leverage that to exceptional effect."

"Most foundations practice the act of giving but we focus on the impact of giving," states the SVP Portland website. "One specific impact at a time, in fact. This focus on one audacious community goal is unique in the world of philanthropy."

For the audacious and engaged philanthropists out there, whether individuals or businesses, you can join Social Venture Partners' community of Partners for Good and be part of the early venture philanthropy movement. It's a new way to make enduring change, and SVP Portland is at the leading edge.

Learn more about Social Venture Partners Portland

To learn more or get involved with Social Venture Partners, contact:



Director of Investor Partnerships 503.222.0114 matt@svpportland.



Lauren Johnson, **Executive Director** 503.222.0114 lauren@svpportland.

You can also visit SVP Portland online at www.svpportland.org or email info@svpportland.org.

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