

GOOD VENTURES: THE POWER OF INFORMED DECISIONS

*Thinking of yourself as a steward is really important, but can also bias you towards taking less risk—and that's a challenge. I need to balance our desire to be bold and take appropriate risks with that philosophy of being a steward of these resources.*¹

—Cari Tuna, Co-founder and President of Good Ventures

Cari Tuna and her future husband Dustin Moskowitz founded the Good Ventures foundation in May 2011. Moskowitz, a co-founder of Facebook, already had been supporting a variety of nonprofits, focusing on causes he found compelling and organizations that were led by individuals he believed were highly effective. Moskowitz wanted to scale up his giving and become more strategic. However, his focus at the time was on building Asana, a software company he cofounded in 2008 designed to help teams collaborate.

In 2010, with Moskowitz's encouragement, Tuna, a *Wall Street Journal* reporter, decided to leave her job to work full time on developing the couple's philanthropic strategy. Importantly, Moskowitz and Tuna set a goal of spending down the foundation's funds during their lifetime, a strategy being adopted by a growing number of foundations (as opposed to the more traditional strategy of preserving a foundation in perpetuity). Early on, they also established clear goals for their giving: increasing well-being as much as possible, promoting transparency, sharing ideas, and helping other philanthropists learn how to give more effectively.

Transparency and openness were particularly important objectives for Tuna. She saw that foundations had insights into how to give effectively, based on their successes and challenges, as well as information about a range of causes and issues. Tuna believed this information could be useful to other philanthropists, but saw that these insights were rarely shared publicly. By being

¹ Interviews with Cari Tuna, co-founder and president of Good Ventures, August 2014. Subsequent unattributed quotes of Cari Tuna in this case are from these interviews.

Sarah Murray and Lecturer Laura Arrillaga-Andreessen prepared this case as the basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation.

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as open and public as possible about what Good Ventures was learning through its grant making and research, Tuna believed she could increase the impact of the foundation's work.

However, while convinced of the case for giving and clear about the mission of the foundation, Tuna wanted to develop a strategy. After seeking advice and ideas from a large number of philanthropy professionals and experts, it became clear to her that she needed to embark on structured research as a means of informing her decision-making.

This realization, combined with a keen focus on transparency, led to an innovative partnership with GiveWell, a nonprofit that researched charities and made recommendations to donors to help them decide where to give. In 2014, the partnership became known as the Open Philanthropy Project, an effort to choose particularly promising focus areas for large-scale philanthropy, make grants, and discuss publicly the process and results—including challenges—to increase the quality of information available about how to give effectively.

Tuna and Moskowitz had substantial funds to disburse, a situation not many of the more than 80,000 private foundations in the United States could match. In 2009, an estimated two-thirds of these foundations had endowments valued at less than \$1 million.² And while Good Ventures in 2014 was still working on picking the initial focus areas, Tuna and Moskowitz envisaged large-scale grant making to disburse tens of millions of dollars a year for several years before increasing this to hundreds of millions of dollars annually.

Other foundations giving away these kinds of sums of money tended to have large numbers of staff. One study³ found that the most typical staff size for foundations with annual grant making of more than \$50 million was between 15 and 50. By contrast, when Good Ventures made grants in 2014 totaling \$39 million,⁴ the foundation had no full-time staff and was not seeking to fill set staff positions.

Instead, it opted to work with GiveWell, the Silicon Valley Community Foundation, and a handful of consultants and contractors. Good Ventures, which became a major funder of GiveWell,⁵ believed that rather than hiring program staff, collaborating with and giving philanthropic funding to GiveWell would be a better way to meet the needs and priorities of Good Ventures. Good Ventures would rely on the GiveWell team to research potential focus areas and grantees for itself, as well as other donor organizations. Meanwhile, Good Ventures realized it would be more efficient to tap the expertise of the Silicon Valley Community Foundation in setting up governance structures, payment logistics, and administration processes than hiring its own staff to do this. Responsibility for most of the grant-making decisions rested

² King McGlaughon, "Think You Know Private Foundations? Think Again," *Stanford Social Innovation Review*, January 4, 2014.

³ "Foundation Expenses & Compensation: How Operating Characteristics Influence Spending," The Foundation Center, The Urban Institute and GuideStar, 2006.

⁴ Grants Database, Good Ventures website, <http://www.goodventures.org/our-portfolio/grants-database?limit=10000> (January 29, 2015).

⁵ "Balancing Support from Good Ventures vs. Individuals," The GiveWell blog, September 17, 2013, <http://blog.givewell.org/2013/09/17/balancing-support-from-good-ventures-vs-individuals/> (February 20, 2015).

on Tuna's shoulders. The challenge for Tuna, therefore, was to find the most effective ways of making the right grant-making decisions and creating a strategic direction for Good Ventures.

FIRST STEPS AND FIRST PRINCIPLES

In late 2010, Moskowitz—who was, at one point, the world's youngest billionaire⁶—decided to sign the Giving Pledge. This initiative, launched in 2010 by Bill and Melinda Gates and Warren Buffett, invited wealthy individuals and families to pledge publicly to give the majority of their assets to charity. A letter Moskowitz and Tuna wrote to the Giving Pledge at the time (see **Exhibit 1**) explained how they viewed the wealth he had generated as cofounder of Facebook. "I view that reward not as personal wealth, but as a tool with which I hope to bring even more benefit to the world," the letter stated. While he was eager to develop his philanthropy, Moskowitz needed to devote much of his attention to building Asana.

Inspiration: *The Life You Can Save*

Meanwhile, the same year Moskowitz signed the Giving Pledge, Tuna read Peter Singer's *The Life You Can Save*.⁷ In the book, Singer (a philosopher, author, and academic) makes a moral case for how much individuals should give, and why people in rich countries should use their money to fight global poverty.

Inspired by Singer's arguments and with encouragement from Moskowitz, Tuna left her job as a reporter at the *Wall Street Journal*, where she was covering enterprise technology. Tuna and Moskowitz created Good Ventures, initially structured as a supporting organization⁸ at the Silicon Valley Community Foundation,⁹ through which they could pursue their giving strategy. (Later, the couple also created a private foundation, Good Ventures.)

Learning and Research

Drawing upon her background as a former journalist, Tuna embarked on an extensive research process to establish a direction for Good Ventures' philanthropic activities. As part of this process, she completed hundreds of informational interviews, read extensively, and audited Laura Arrillaga-Andreessen's strategic philanthropy class at Stanford's Graduate School of Business.

One of the most important moments influencing this approach had occurred in early 2011 when Tuna and Moskowitz were introduced to Holden Karnofsky, cofounder of GiveWell. GiveWell was conceived in 2006 when eight friends from the finance industry got together to figure out

⁶ "The World's Youngest Millionaires," *Forbes.com*, <http://www.forbes.com/profile/dustin-moskovitz/> (September 12, 2014).

⁷ Peter Singer, *The Life You Can Save: Acting Now to End World Poverty* (New York: Random House, 2009).

⁸ A supporting organization is a separate charitable organization that can be legally housed within another foundation or "sponsoring organization." Supporting organizations make grants supporting the work of the sponsoring organization, as well as to other nonprofits.

⁹ Silicon Valley Community Foundation, <http://www.siliconvalleycf.org/content/supporting-organizations> (October 22, 2014).

how they could donate more effectively.¹⁰ They were dismayed to find how difficult it was to determine where to give, even when they narrowed their search to those organizations working in health, education, and human services.

Responding to the lack of useful information about nonprofit activities and effectiveness, two of the friends—Elie Hassenfeld and Karnofsky—left the hedge-fund industry and created GiveWell in 2007, headquartered in New York City. The organization developed a research process and website informing donors about nonprofits with programs in global health and development that were especially cost-effective and had strong evidence of impact.

During their first meeting, Karnofsky had explained how, for example, investing in iodized salt production in developing countries could deliver health, social, and economic benefits by preventing iodine deficiency in children, which hampers early-stage brain development.

Tuna had been unaware of both the problem and the relatively low-cost solution. “It was a small, but defining moment for me,” she explained. “It made me wonder how many excellent causes I and other U.S. donors might be overlooking because we had never encountered them personally.”

Genesis of Learning Grants

The meeting was an inflection point in Tuna’s thinking. And while the connection would later lead to a close partnership between GiveWell and Good Ventures, the initial meeting also provided an opportunity for Good Ventures to make its first grants. In December 2011, the foundation made a grant of \$50,000¹¹ for general operating support to GiveWell and grants to the Against Malaria Foundation and the Schistosomiasis Control Initiative of \$500,000 and \$250,000, respectively. Both of these charities were at the top of GiveWell’s recommended charities list.

The grant to GiveWell was designed to make more high-quality information and analysis about giving opportunities publicly available to donors, thereby increasing the social impact of any donor using GiveWell’s research. And by making the gift unrestricted, a less common practice in institutional philanthropy, GiveWell would be able to decide how to deploy the funds so as to generate the greatest impact.

Importantly, Good Ventures described the award to GiveWell as a “learning grant”—one designed to help Good Ventures find out more about the impact of a promising charity or grant-making strategy. For Good Ventures, learning grants were those made to organizations working in causes it found promising after undertaking basic but not extensive due diligence. These grants were a way to start learning about the activities of nonprofit organizations, what made them effective, and how to evaluate the impact of their programs.

¹⁰ “GiveWell: Real Change for Your Dollars,” GSB No. SI-122.

¹¹ Good Ventures website, <http://www.goodventures.org/our-portfolio/grants/givewell-general-support-december-2011> (September 13, 2014).

Tuna recognized that often it took multiple, detailed conversations to understand an organization's work and perspective, and it seemed inappropriate to ask for significant time from an organization without also being prepared to make a grant. Furthermore, Tuna found that potential grantees were more likely to spend time putting together relevant proposals when they knew funding was a significant possibility.

Making learning grants was to become an important way for the foundation to use its grant making as a means not only of supporting worthwhile causes, but also to advance its own knowledge. "We see making grants as an essential part of the learning process," said Tuna. "We've found it easier to learn about funding opportunities in an area after we've committed to making grants in that area."

For example, one of Tuna's long-term objectives was to learn about how policy-oriented philanthropy could effect significant change. Because Good Ventures had little experience in policy-oriented philanthropy, in 2012, Good Ventures made a number of learning grants supporting policy-related causes Tuna and Moskowitz found compelling at the time.

Among these compelling issues were marriage equality and drug policy reform. Both causes offered opportunities for Good Ventures to learn about fast-moving policy fields, particularly since initiatives for marijuana legalization and marriage equality were appearing on state ballots across the United States. In addition, Good Ventures had preexisting connections with organizations and other donors working on these issues. By spending time learning about the organizations they funded in these areas, they hoped to gain a clearer picture of the kinds of activities in which policy-oriented nonprofits engaged, what worked and what did not, and how to measure the impact of policy-oriented philanthropy.

After making these grants, Good Ventures published online details about the grants and its reasons for making them.¹² These grants gave Tuna a window into two U.S. policy causes with significant existing momentum, helping Good Ventures to understand what a policy cause looked like when it was starting to achieve its goals. This would prove helpful later on when she became interested in helping to build such momentum in areas with less existing advocacy infrastructure, where fewer advances had been made towards the stated goals.

Mission and Guiding Principles

In May and June 2011, Tuna wrote the first version of Good Ventures' mission statement and guiding principles. A letter from the couple later posted on the foundation's website laid out the vision and values that would shape their giving. Moskowitz and Tuna wanted to "quicken the pace of humanity's progress and mitigate the risks that threaten to derail it." They believed that their giving could "increase the human capital on which society has to draw" and "prevent unnecessary suffering" by focusing on people "who are most marginalized."

¹² Cari Tuna, "Learning Grants in Policy Advocacy," Good Ventures website, February 1, 2013, <http://www.goodventures.org/research-and-ideas/blog/learning-grants-in-policy-advocacy> (September 30, 2014).

The couple also recognized that they faced challenges in using philanthropy to bring about social change. “After all, our resources are finite, and the problems humanity faces, while possible to overcome, are immense and complex,” the letter stated, highlighting difficulties such as limited transparency in the field of philanthropy, challenges in measuring impact, and a lack of mechanisms to receive the feedback needed to adapt and make improvements.

Tuna and Moskovitz also acknowledged the importance of collaboration and the need to share what they learned “so that other donors can build upon our work.”

By 2011, Tuna had already recognized the principles that would shape Good Ventures’ giving strategy—research, transparency, and knowledge sharing. Her exposure to GiveWell’s transparency practices and use of research to maximize the impact of giving inspired and reinforced her belief in these principles’ importance. And she had established the learning grant model as a means of furthering her knowledge. But she had yet to develop a robust framework to use when selecting organizations and causes to support.

EARLY LESSONS FROM COFUNDING INITIATIVES

One route Good Ventures took as it worked to develop its grant-making strategy involved seeking to cofund projects. Tuna believed that by partnering with others in making grants, she could gain insights into the decision-making and evaluation processes of funders with large, full-time staffs while also encountering promising funding opportunities.

In searching for cofunding opportunities, Good Ventures approached both foundations and government agencies. These included the Bill & Melinda Gates Foundation, the Hewlett Foundation, the Open Society Foundations, and the U.K. government’s Department for International Development (DFID), among others.

An important consideration when choosing projects to cofund was not only whether they had the potential to significantly impact people’s lives, but also whether they were underfunded. Tuna explained:

Initially, we sought conversations with program staff working on various aspects of global health and development. We asked questions like: “If your budget grew by \$1 million, how would you spend that money?” We hoped to find proposals that had “just missed the cut,” in other words, that those teams would have funded—or funded at a higher level—if they could have.

Good Ventures also looked for cofunding opportunities in projects that were likely to generate meaningful data within a reasonable time period in order to understand whether or not they were having an impact and meeting project goals.¹³ And when it came to cofunding partners, it looked for major funders whose work it admired for their impact or uniqueness, or that had significant overlap with Good Ventures’ areas of interest.

¹³ “Co-Funding with the Gates Foundation,” Good Ventures website, <http://www.goodventures.org/research-and-ideas/blog/co-funding-with-the-gates-foundation> (October 21, 2014).

Early Cofunding Grants

Several cofunding grants were made as a result. In December 2011, for example, Tuna met staff members running the Gates Foundation’s malaria, tuberculosis, and family health programs. She told them about her interest in cofunding projects that not only allowed Good Ventures to address a health challenge, but also to increase its knowledge.

In response, the Gates team presented Good Ventures with 10 potential funding opportunities in areas such as improving breastfeeding practices, creating markets for micronutrient additives for children, reducing infant mortality, tuberculosis control, and combating the emergence of drug-resistant malarial parasites.

Good Ventures selected a project designed to prevent the spread of anti-malarial drug resistance by replacing one type of malaria treatment (AMT) with another (ACT) in Myanmar. In August 2012, Good Ventures made a \$1 million grant to Population Services International, the global health organization that would implement the project, on top of funding that the Gates Foundation and DFID had committed.

The grant choice was based on the project’s potential not only to make a substantial impact on people’s lives, but also its likelihood to generate data on that impact.¹⁴ By November 2013, for example, the Myanmar project was providing insights into the ratio of AMT to ACT in the market (it fell from about 20:1 in 2012 to about 1:2 in 2013).

In another example of cofunding, in March 2014, Good Ventures made a \$500,000 grant to a World Bank project recommended and supported by the Hewlett Foundation. The project was designed to develop and promote use of objective measures of the quality of health and education services in Africa. This would help governments in Africa make long-term improvements in those services.

GiveWell helped Good Ventures produce a detailed report¹⁵ on the project’s planned activities and early progress, thereby helping strengthen the grant as a learning opportunity—that is, one from which Good Ventures could advance its knowledge of an issue and publish what it learned to spread knowledge more broadly. “These grants, and the conversations leading up to them, taught us a lot about how other funders operate and helped us build stronger relationships with them,” said Tuna.

However, not all of the discussions led to cofunded grants. For example, if a grant was unlikely to yield detailed insights, Good Ventures did not move ahead with the grant.

“Some foundations pitched us on large projects for which they were aiming to raise millions of dollars from other funders,” explained Tuna. “These projects may have been strong

¹⁴ Ibid.

¹⁵ Service Delivery Indicators Program, GiveWell website, <http://www.givewell.org/service-delivery-indicators#Evaluatingprogramsucces> (September 30, 2014).

opportunities for impact, but they seemed unlikely to give us an up-close look into the workings of other foundations.”

Moreover, the process of identifying cofunding opportunities and tracking the progress of the projects proved more time-consuming than Tuna had anticipated. At the end of 2013, as Good Ventures began conducting deeper research into potential focus areas for the foundation’s own grant making, Tuna decided to stop pursuing cofunding as a general strategy for learning, though Good Ventures would continue to be interested in cofunding within its areas of focus.

TRANSPARENCY AND RESEARCH-BASED FUNDING DECISIONS

Early on, Tuna had recognized the need to base the foundation’s giving decisions on knowledge and research. She also believed strongly that philanthropists could make their dollars go further by becoming more transparent and publishing details about their foundations’ work—both the successes and the lessons learned. This commitment to transparency and research would inform the way the foundation would develop its giving strategy.

Tuna therefore made knowledge sharing a core component of the foundation. To help others learn from its grant making, Good Ventures launched a blog on its website called “Give & Learn” and began the practice of reporting on its grant making.

When it came to research, Tuna learned that it was important to focus on issue areas, rather than searching for individuals or organizations to support in a one-off way. She cited the example of malaria control. A donor might want to know whether supporting a particular charity working to distribute bed nets in developing countries would be the best way to help reduce malaria. However, the donor would need to become familiar with a range of different bed net charities to understand whether the charity in question would be the best one to support. Also relevant would be whether distributing bed nets was the most effective way of tackling malaria compared with other interventions such as research, product development, or policy changes.

“Once you have learned about all the ways you might work on malaria, you’re not only able to evaluate that bed net charity, but many dozens of giving opportunities,” said Tuna. “And you can discover giving opportunities that you would not have discovered if you hadn’t gone deep into an issue area.”

Developing Focus Areas

Tuna’s work as a reporter helped her to research a wide variety of possible focus areas in preparation for making long-term commitments to causes. “What served me well in journalism was an ability to get interested in just about anything,” she said. “That contributed to my excitement about undertaking a broad scan of possible focus areas.”

Together, Tuna and GiveWell developed three criteria for selecting focus areas. These included:

- Importance: What is the problem, how many people does it affect, and how deeply does it affect them?

- Tractability: What are the possible solutions and do opportunities exist to make tangible progress?
- Crowdedness: Who else is working on the issue? Is it an area that is underfunded (rather than more “crowded” with donors) where Good Ventures therefore could have a bigger impact?

“Funnel” Approach to Research

In addition, Good Ventures and GiveWell developed a multi-step approach to the research process that Tuna described as a “funnel” (see **Exhibit 2**). They called these “cause investigations” and published the results on the GiveWell website.¹⁶

The first level was “shallow” investigations of dozens of potential focus areas. This generally involved having conversations with one to three experts in each field. After that, promising areas were prioritized and explored through “medium-depth” investigations—generally including conversations with between 10 and 30 experts. As a result of this second level of research, areas emerged that seemed particularly promising for further investigation. This third and “deep investigation” level would include making learning grants.

Commitment to Transparency

In addition to research, Tuna held a strong belief that philanthropists could make a bigger impact by being as transparent as possible, not only about the recipients and amounts of their grants, but about the thinking that lay behind their grant-making decisions as well.

This philosophy had been powerfully reinforced in 2011 when they learned about GiveWell’s approach to transparency. “We were really impressed by the level of self-reflection and healthy skepticism that they bring to the practice of philanthropy and also by their deep commitment to transparency and accountability,” said Tuna. “That means sharing as much as they can about what they’re learning so their donors can hold them accountable.”

In fact, GiveWell played an important part—both as a role model and in practical terms—in helping Good Ventures turn its belief in transparency into tangible forms of information sharing. In 2012, Tuna began taking notes during her information-gathering conversations with nonprofits and foundations so that they could be posted online (with the discussants’ permission) to inform others—a practice she learned from GiveWell. And in 2013, the launch of the Good Ventures website¹⁷ created a place to host a grants database and a blog. Meanwhile, GiveWell began to document in detail and post on its blog the reasoning behind the organizations’ joint research and the Good Ventures grants that resulted from it.

Good Ventures’ commitment to transparency did create some barriers to giving, however. For example, when it was searching for projects to cofund, potential partners did not always want to talk publicly about their activities. In one case, for example, a foundation had invited Good

¹⁶ “Open Philanthropy Project cause investigations,” GiveWell website, <http://www.givewell.org/labs/causes> (October 21, 2014).

¹⁷ Good Ventures website, www.goodventures.org (October 21, 2014).

Ventures to cofund a project in a developing country that would be undertaken in partnership with the government of that country. However, the other foundation did not know whether the government would permit public discussion of the project, and it was not easy to ask government officials for their views on the matter. Tuna thought it unlikely that it would be easy to share information about the cofunding opportunity, which limited its learning value in her view. As a result—and because the project had sufficient funding to go ahead regardless—Good Ventures decided not to participate. Tuna explained:

That's not to say we wouldn't fund a project if we weren't able to discuss it publicly. If we saw an outstanding giving opportunity where the costs of transparency significantly outweighed the benefits—or where transparency was not possible—we would take the opportunity and refrain from discussing it. But because we believe the benefits of transparency are significant, we would set the bar high.

Tuna also remained firmly committed to providing open communications about the foundation's work as a way of furthering the philanthropic field and providing lessons from which others could learn. “We believe philanthropy could be more impactful by becoming more transparent,” she said. “So we work hard to make it easy for new philanthropists and outsiders to learn from and critique our work.”

At the time, however, Good Ventures didn't yet know whether its commitment to knowledge sharing would lead to great impact. “It's an aspiration and an untested hypothesis, but we believe being as open as we can be will help other donors learn more quickly,” she said. “And just knowing that the information is there and people can dig down on any aspect of our work and learn from it is important to me.”

GOOD VENTURES AND GIVEWELL: A MEETING OF MINDS

From the outset, the relationship between Good Ventures and GiveWell was a close one. Tuna and Moskowitz had immediately been impressed upon meeting Karnofsky and learning about the GiveWell approach to research, transparency, and knowledge sharing. The relationship was to play a key role in the development of Good Ventures' grant-making strategy. It was also to evolve from an informal meeting of minds to a more strategic partnership. “I've been talking to more and more people and have learned a lot from a lot of different parts of the philanthropic sector,” said Tuna. “But I've just kept coming back to GiveWell for advice.”

Promoting Shared Knowledge

Gradually, GiveWell and Good Ventures started to work more closely to promote philanthropic knowledge sharing. In 2011, in the first step in this evolving relationship, Tuna joined the GiveWell board. Her decision was based partly on the fact that she believed she could learn a lot from GiveWell's approach, but also that she could contribute to the organization's development.

Meanwhile, GiveWell began to recognize that it was taking on a larger role as a major funder. While not a grant maker in the traditional sense—GiveWell's main role was to provide individual donors with the information they sought on nonprofits—some of those donors made

their gifts to GiveWell, which would re-grant the funds to the charities it recommended. And whether donors were giving to these charities independently or through GiveWell, the organization was directly influencing the allocation of increasingly large numbers of philanthropic dollars. In this sense, GiveWell recognized that it was becoming like a major donor and wanted to learn with Good Ventures about giving strategically at a large scale.

Since both organizations were interested in learning how to give effectively as major philanthropists, Good Ventures and GiveWell decided to work together—rather than replicate each other’s efforts—to research and select areas where additional philanthropy could make an especially big difference, to make grants in those areas, and to write publicly about the process and results.

Together the two organizations developed a research agenda, which became the main source of information supporting Good Ventures’ grant-making decisions. For example, GiveWell’s research on the history of philanthropy and analysis of current trends in large-scale giving had a significant impact on the way Tuna thought about Good Ventures’ giving strategy—particularly since this research found that many of the philanthropic sector’s most impressive achievements came from influencing government policy or funding scientific research.

In September 2011, in part with the support from Good Ventures, GiveWell launched a new research arm called GiveWell Labs. This became the moniker for the collaborative work between the two organizations.

“Over time, as we realized that our longer-term priorities were highly aligned, we started to collaborate more closely to work out what might be the next priority areas for both GiveWell and Good Ventures,” explained Alexander Berger, senior research analyst at GiveWell.¹⁸

Towards Closer Collaboration

In January 2013, GiveWell moved its operations to San Francisco and started to share office space with Good Ventures, with Good Ventures holding the lease on the office space and donating GiveWell’s share of the rent. On occasion, staff members from one organization were authorized to represent the other organization in meetings. They also shared work activities, including the assessment of giving opportunities and recruitment activities.¹⁹

Even so, Good Ventures and GiveWell remained separate legal entities with separate boards of directors and independent decision-making processes. Both organizations retained complete control over their own funds and continued to be able to pursue projects outside their mutual areas of interest.²⁰

¹⁸ This section is based on an interview with Alexander Berger, senior research analyst at GiveWell, August 19, 2014, unless otherwise noted.

¹⁹ “Policy on working arrangement between GiveWell and Good Ventures,” August 20, 2014, GiveWell website, <http://www.givewell.org/about/official-records/gw-gv-working-arrangement-policy> (October 21, 2014).

²⁰ Cari Tuna, “Teaming Up With GiveWell,” Good Ventures blog, June 28, 2012, <http://www.goodventures.org/research-and-ideas/blog/teaming-up-with-givewell> (October 21, 2014).

However, maintaining a shared list of priorities and considering funding opportunities together allowed the two organizations to divide the labor, rather than double up on work. In 2014, four GiveWell employees worked full time with Tuna on GiveWell Labs activities. The GiveWell staff acted like program officers—conducting research into causes that Good Ventures (or other donors) might fund—while Tuna worked with them to set the broad strategic direction of the project.

For GiveWell, the advantage of the partnership went well beyond the funding it received from Good Ventures. Just as important was the ability to make new connections by tapping into Good Ventures’ network of advisors, experts and friends. “We are able to learn a lot more because we can leverage their network,” said Berger. “That access has been hugely valuable.”

By 2014, the two organizations had become used to referring to themselves as “we” in many of their public communications. “We’re committed to being very transparent about the partnership,” said Berger. “We are really deep partners—we see ourselves as playing on the same team.”

To reflect this joint ownership of their research and grant-making agenda, in 2014 they gave a new name to the GiveWell Labs collaboration: the Open Philanthropy Project. “We’re shifting towards separate brand identity for this new line of work,” said Berger. “We don’t want it to be the same brand as the one that’s identified with our top charities but we also wanted something that was not GiveWell specific.” Berger added that the long-term aspiration was to have additional partners participate in the collaboration.

As the Good Ventures website explained, the new name did not represent a change in direction. Rather, it was an improved means of communicating about their work and their mission to “learn how to give as effectively as we can and share our findings openly so that anyone can build on them.”²¹

SCALING UP TO SPEND DOWN

By 2013 (the same year that GiveWell and Good Ventures started sharing office space), the two organizations had aligned their efforts. They had begun identifying long-term focus areas by conducting research into diverse causes within four major categories—U.S. policy, reducing global catastrophic risks, scientific research, and global health and development. “These are not focus areas themselves,” said Tuna. “These are broad categories where we think well-placed philanthropy could do a particularly large amount of good.”

The long-term goal was to pick issue areas through the Open Philanthropy Project and fund promising work in those areas. In 2014, the foundation wanted to pick initial focus areas within

²¹ Cari Tuna, “Introducing the Open Philanthropy Project,” Good Ventures website, August 20, 2014, <http://www.goodventures.org/research-and-ideas/blog/introducing-the-open-philanthropy-project> (October 21, 2014).

two of these broad categories—U.S. policy and reducing global catastrophic risks. As of late that year, the top contenders included:

- U.S. criminal justice reform (reducing mass incarceration while maintaining or increasing public safety)
- Labor mobility (helping to facilitate the movement of people from low-income countries to high-income countries to access economic opportunity)
- Bio-security (preparing for pandemics and bioterrorism)
- Geo-engineering research and governance (studying the potential benefits, risks, and governance of geo-engineering technologies that might be deployed as an emergency response to climate change)

The foundation then planned to spend 2015 selecting initial focus areas in its other two broad categories of interest—scientific research and global health and development.

Plans were being put in place to evaluate the grants that would be made through the Open Philanthropy Project rubric. In the meantime, the foundation was tracking its own progress by using indicators such as:

- The number of the four broad categories that had been explored thoroughly
- The number of specific possible focus areas within those categories that had been investigated
- The number of public write-ups of possible focus areas the Open Philanthropy Project had published²²
- The number of possible focus areas in which the foundation was making grants
- The foundation's progress towards the goal of committing to focus areas by the end of 2014 and 2015

Eventually, the foundation also envisaged measuring:

- The impact of its grants in its chosen areas of focus
- The number of philanthropists and foundations that publicly and substantively discussed their decisions and lessons learned (something the foundation hoped to encourage by setting an example as well as proactively encouraging other donors to share knowledge)
- The number of philanthropists and foundations that cofunded projects with the Open Philanthropy Project or otherwise reported benefiting from the research of the Open Philanthropy Project when making giving decisions

To scale up, the Open Philanthropy Project set a goal of making substantial commitments—millions or tens of millions of dollars a year from Good Ventures, and significant staff time (that is, of GiveWell employees working on the Open Philanthropy Project) for multiple years—to these areas. In the areas that demonstrated the most progress, it planned to scale up its support

²² Write-ups were published online at: <http://www.givewell.org/labs/causes> (October 21, 2014).

even further. It also started looking to external advisors—by building a science advisory board and by working with external consultants—to help evaluate potential focus areas.

Giving With a Sense of Urgency

With a goal of spending down the foundation's funds during the couple's lifetime, Tuna envisaged scaling up Good Ventures' philanthropic activities, giving tens of millions of dollars a year for several years before increasing this payout to hundreds of millions of dollars annually in the coming decades. "Over the next few years we're going to scale up in a pretty big way," explained Tuna. "And then in the next five to 10 years, in an even bigger way in the areas where we see the most opportunity for doing good."

Moreover, for Good Ventures, the idea of scale went beyond its own activities. "By sharing what we're learning publicly and in detail, we hope to influence where and how other philanthropists choose to give," said Tuna.

For Tuna, the foundation's plans were accompanied by a sense of urgency. "We fundamentally believe that the world is improving and we are optimistic about the future, and one hopes that today's giving opportunities are better than giving opportunities will be tomorrow," she said. "So we'd like to scale up our giving as quickly as possible, as long as we can do so confidently."

The challenge for Tuna as she looked ahead was determining how the Open Philanthropy Project should structure its work on these focus areas, and how to most effectively share what she'd learned with other donors, particularly within the Bay Area technology community. Fortunately, in GiveWell, Good Ventures had found a partner to help tackle these questions.

STUDY QUESTIONS FOR GOOD VENTURES

- What were the advantages and disadvantages to Good Ventures of pursuing cofunding opportunities and learning grants? What lessons were learned from these practices?
- What are the pros and cons of conducting analysis at the issue level rather than by focusing on individuals or nonprofit organizations?
- What specific influences did the relationship with GiveWell have on Good Ventures' giving strategy? How might this relationship evolve in the future to have even greater social impact and philanthropic influence?

Exhibit 1 – Giving Pledge Letter

Dustin Moskovitz & Cari Tuna

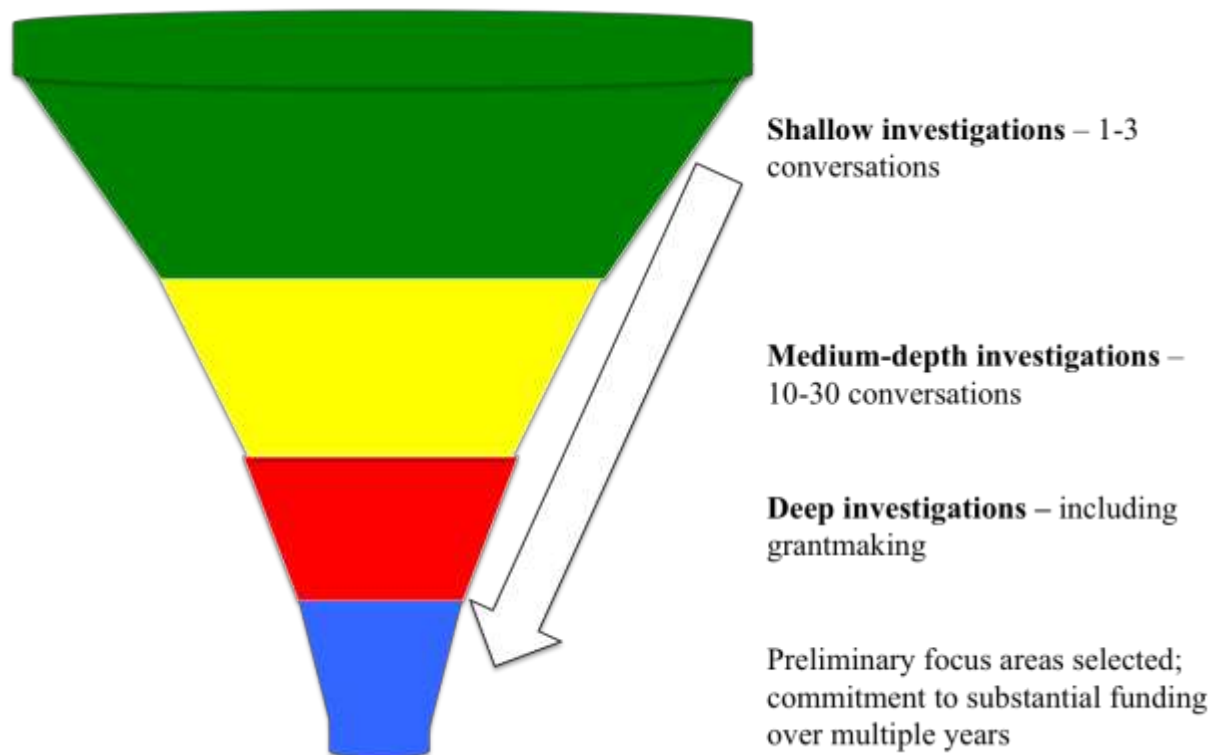
In 2004, I had the extraordinary opportunity to help create Facebook, which has grown to connect half a billion people, dramatically increasing communication and transparency worldwide. As a result of Facebook's success, I've earned financial capital beyond my wildest expectations. Today, I view that reward not as personal wealth, but as a tool with which I hope to bring even more benefit to the world.

I'm grateful to my friends and family for shaping my understanding of effective philanthropy, educating me on areas of need, and demonstrating time and again the power of a good idea, well executed.

I'm especially thankful to have found a partner in Cari who shares my priorities and commitment to this humbling work. Over the next few years, we will begin to identify the causes to which we can make the most leveraged contributions. We will donate and invest with both urgency and mindfulness, aiming to foster a safer, healthier and more economically empowered global community.

Source: Good Ventures

Exhibit 2 – Research “Funnel”



Source: Good Ventures