

Executive Summary - The role of philanthropy in using data to address complex challenges: A global scan

Foundations all over the world are grappling with their role in the emerging field of big data. The field is fraught with potential controversy but also with possibility to help us work at a larger scale, be more efficient, and solve problems more effectively. Despite the potential, philanthropy is not engaging in this field fast enough. Very few feel that they have the capacity or technical knowledge to shape innovations or make sense of which ones to support, and they face complex challenges about transparency, ownership, and ethics.

SIX sought to address this gap by writing a global scan that aims inspire foundations by highlighting how organisations and sectors around the world are already using data to create positive societal change. Our goal is to catalyse a conversation on how foundations can use data to increase their impact.

Methods. Hundreds of organisations are beginning to use data for social good and systemic change. These innovations utilise four main groups of data analysis methods. **Predictive algorithms** can help improve human decision-making by providing recommendations based on predicted outcomes from large amounts of past data and similar cases. **Data warehouses** enable the amalgamation and analysis of vast amounts of data from different datasets; many government departments are using data warehouses improve service delivery and collaborate across departments and issue areas. **Artificial intelligence and machine learning** involve feeding large amounts of data to the algorithm and ‘training’ it to make a prediction - whether recognising a face or predicting who might be at most risk of a serious illness.. Finally, **real-time monitoring**, using satellites, mobile phones, social media, and Internet of Things technology, allows decisions to made with the most up-to-date information.

Role of Philanthropy. While philanthropy did not play a role in all initiatives we found in our scan, we highlighted seven ways foundations are engaging in this field already, and offered ways they could contribute further in the future.

- 1. Traditional grantmaking-** Funding social data projects through grants enables organisations to innovate and scale projects.
- 2. Creating enabling environments** - Funding social data infrastructures and capacity building, undertaking advocacy, and convening stakeholders across sectors to explore solutions for fairer and safer data use can spur growth of the field.
- 3. As a convenor** - Foundations can leverage their social capital and use their social capital and use their extensive networks to help coordinate and align different actors to form new partnerships.
- 4. Supporting new datasets** - New datasets created unilaterally or in partnerships help provide evidence to influence funding decisions, programme design, and policy.
- 5. Data philanthropy** - Donating datasets and pro bono data analysis expertise to foundations and non-profits is an emerging philanthropic practice within the private sector.

6. Supporting open data platforms - Open data platforms to show who is funding what helps identify gaps and opportunities, track progress, and explore successes to improve grant-making.

7. Integrating data into operations - Integration of data and analysis methods, like AI, into operations is helping improve effectiveness and reduce costs for foundations throughout the grant-making process.

Challenges. Many data for good projects have not yet scaled. Challenges include concerns around privacy and ethics, a dearth of data analytics capacity within social organisations, and a lack of resources to acquire both human capacity and the data and data infrastructure itself. This combined with a lack of infrastructure that facilitates sharing and lack of support for the full data lifecycle in many projects has hampered growth.

Partnerships. To address these challenges and harness more resources, many social data projects are collective efforts between different sectors. We found that building cross-sector partnerships in the new area of data collaboratives requires careful management as there are few templates and many uncertainties and complexities. Building trust, having a dedicated facilitator and partnership broker, and sharing goals and long-term commitment were key elements of successful cases.

Moving Forward. Philanthropy can offer the support data for social good needs to reach its potential. Beyond traditional grant making, it can fund enabling environments and capacity building, act as a convenor, create or give data, and fund open data platforms. Philanthropy can take the long-view and take risks where others cannot, which is what most data projects require at this stage.