



GROUP

L e a r n i n g f o r A c t i o n

Civic Ventures

Evaluation of the Silicon Valley Encore Fellows Pilot

Executive Summary

The Encore Fellowship has been one of the most impactful opportunities this organization has ever received.

Nonprofit Executive

May, 2010

Prepared For

Civic Ventures
114 Sansome Street, Suite 850
San Francisco, CA
(415) 430-0141
www.civicventures.org

Prepared By

LFA Group (formerly LaFrance Associates, LLC)
170 Capp Street Suite C
San Francisco, CA 94110
(415) 392-2850
www.lfagroup.com

Executive Summary

Founded in 1998, Civic Ventures is a think tank and program incubator helping society achieve the greatest return on experience. Through an inventive program portfolio, original research, strategic alliances, and the power of people's own life stories, Civic Ventures demonstrates the value of experience in solving serious social problems. In 2009, Civic Ventures launched the Silicon Valley Encore Fellows pilot: a program in which highly-skilled, executive-level fellows work for six to 12 months for a Silicon Valley nonprofit organization. The Encore Fellowships are paid, transitional positions where individuals bring significant skills and experience from their careers and apply them in social-purpose organizations, often leading to a sustained encore career. During the pilot year, ten former corporate employees were awarded fellowships.

Encore Fellowships: Serving Nonprofit and Encore Careerists' Needs

The Nonprofit Sector's Need for Encore Fellowships

- **Growing nonprofit sector.** Approximately 1.5 million nonprofit organizations registered in 2008; a 33% increase over 1998.¹ As corporations increase social responsibility, individuals increase charitable giving, and the demand for social services increases, the growth in the number of nonprofit organizations will likely accelerate.
- **Limited pool of senior managers.** Nonprofits will need 640,000 new senior managers by 2016²; this is 2.4 times the number of senior managers currently in the nonprofit workforce. A majority anticipates that it will be difficult to fill these managerial roles: six in 10 nonprofit employers are challenged to recruit skilled employees.³
- **Opportunity to utilize for-profit sector experience.** In a 2009 study of nonprofits, 73% of respondents reported that they value private sector skills and anticipate that 50% to 75% of the job openings will require traditional business skills such as finance, general management, marketing/communications, planning, evaluation, operations, technology, and human resources.⁴ Sixty-nine percent of nonprofits also recognize that late-career or previously retired workers (encore workers) have valuable experience that could benefit their organizations.⁵

Encore Careerists' Interests and Needs

- **Growing numbers of older adults want encore careers.** A 2008 survey of over 3,500 adults between age 44 and 70 reveals that millions of Americans are interested in encore careers.⁶ According to the study, 5.3 to 8.4 million older adults have already transitioned from midlife careers into encore careers in fields such as education, healthcare, government, and for-profit businesses that serve a public good.
- **Socially meaningful encore careers.** This generation of Americans is not just looking for means to fulfill economic needs or personal interests. They are looking for ways to combine "income and personal meaning with social impact." Nearly two-thirds (64%) of adults interested in encore careers are looking for ways to use their skills and experiences to help others.⁷
- **Help making the transition.** While there is strong interest in moving into an encore career, many adults have reservations or are unsure of how to go about making this transition. A majority of those interested in encore careers are concerned about being able to take time off (80%) and that they might

¹ National Center for Charitable Statistics (2009). Number of Nonprofit Organizations in the United States, 1998 – 2008. Retrieved on March 10, 2010 from: <http://nccsdataweb.urban.org/PubApps/profile1.php?state=US>.

² The Bridgespan Group, Inc. (2009). Finding Leaders for America's Nonprofits. Retrieved on March 10, 2010 from: <http://www.bridgespan.org/finding-leaders-for-americas-nonprofits.aspx>.

³ MetLife Foundation/Civic Ventures (2008). Survey of Nonprofit Employers. Retrieved on March 10, 2010 from: http://www.civicventures.org/publications/surveys/employerssurvey08/employsurvey_execsumm.pdf.

⁴ The Bridgespan Group, Inc. (2009).

⁵ MetLife Foundation/Civic Ventures (2008).

⁶ Ibid.

⁷ Ibid.

not have time to do the things they need to do (71%). Other concerns include income, health benefits, difficulty finding the right job, and age discrimination.⁸

Silicon Valley Encore Fellows Pilot Model

In an effort to connect individuals looking for an encore career with nonprofits seeking experienced talent, Civic Ventures developed and launched the 2009 Silicon Valley Encore Fellows (SVEF) pilot, continuing Civic Ventures' efforts toward creating a new category of work: encore careers.⁹ The 2009 SVEF pilot aimed to test an experiential pathway through which high-level corporate employees can transition into a social purpose encore career. The work that fellows do is intended to be high-impact: building the capacity of the nonprofits in sustainable ways. Encore Fellows gain knowledge of and experience in the nonprofit sector and the program is intended to launch fellows into the next chapter of their careers in the social sector. The SVEF model is also intended to affect nonprofits' hiring practices by showcasing the potential of individuals with corporate backgrounds to integrate into social purpose organizations, thus increasing the potential pool of nonprofit leaders. The SVEF pilot furthers Civic Ventures' goal of broadening the cultural conceptions of retirement; adding the very idea of "encore career" to our common lexicon – a term possessing clear meaning and identity. Civic Ventures' stated aim is to develop, highlight, and promote the myriad avenues through which millions of baby boomers will be working in encore careers by 2020.

To conduct an evaluation of SVEF, Civic Ventures contracted with LFA Group¹⁰ (LFA, Learning for Action) an independent consulting firm that assesses and enhances the impact and sustainability of social sector organizations through highly customized research, strategy development, and evaluation services. Evaluators collected retrospective quantitative and qualitative information from key stakeholders involved in development and implementation of the SVEF pilot.

Phases and Components of the Silicon Valley Encore Fellowship Pilot Model

The SVEF model was shaped through local field research, extensive interviews across the corporate and nonprofit sectors, an in-depth examination of two dozen fellowships and related programs happening across the country, and local knowledge of the nonprofit community in Silicon Valley. The 2009 SVEF pilot model comprises the following components:

- **High impact engagements** – Encore Fellows engaged in high-quality, high-impact nonprofit assignments that were intended to fulfill critical needs and build the capacity of nonprofits.
- **Meaningful durations** – Encore Fellowships last six months (full-time) to 12 months (part-time) with the goal of providing an ample duration of time so that fellows can become integrated into nonprofits and achieve meaningful impacts. Fellows and nonprofits decide on a schedule that suits both of their needs and interests.
- **Stipend** – Encore Fellows received a stipend of \$25,000 paid by corporate and philanthropic sponsors. The stipend reinforces the value of the work that fellows perform and facilitates commitment from both the fellow and nonprofit.
- **Selection and matching of fellows and nonprofits** – Civic Ventures selected fellows and nonprofits according to specific criteria designed to maximize the benefits of the experience for both parties. The fellowships target highly-skilled individuals who are exiting their midlife careers and looking to transition into the nonprofit sector. The program matches fellows' professional skills with nonprofits looking for support. Encore Fellows gain knowledge of and experience in the nonprofit sector. The program is intended to launch fellows into the next chapter of their careers in the social sector.

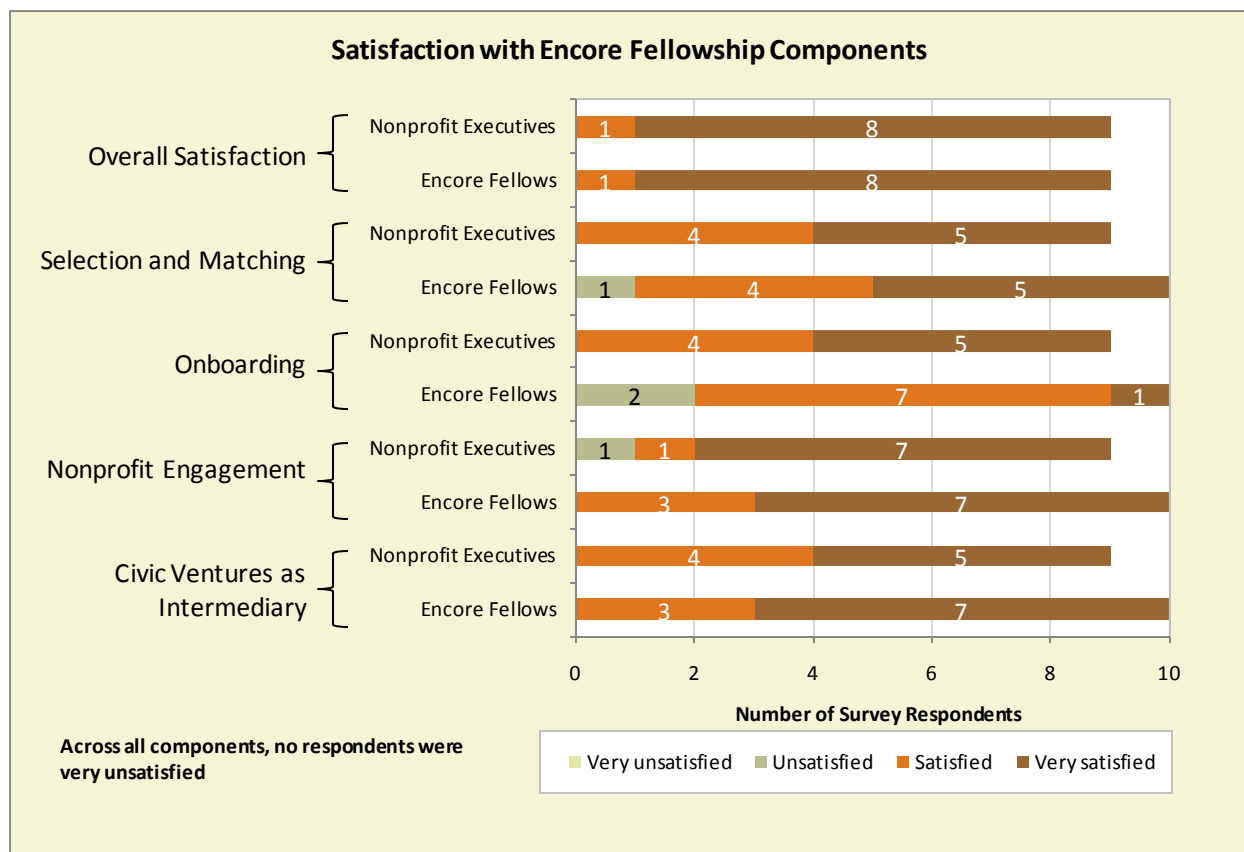
⁸ Ibid.

⁹ The SVEF pilot was sponsored by The David and Lucile Packard Foundation and the Hewlett Packard Company and the evaluation of the pilot was funded by the Packard Foundation.

¹⁰ Formerly LaFrance Associates, LLC

- **Onboarding** – Civic Ventures provides guidance and support during the fellows’ onboarding period. Through this process, fellows and nonprofits work together to define the fellows’ projects for maximum leverage of fellows’ skills in the service of filling the nonprofits’ critical capacity needs.
- **Learning community** – Concurrent with nonprofit engagements, fellows and nonprofits participated in an ongoing learning community. This provided opportunities for Encore Fellows to interact with each other and share experiences and lessons learned. It also provided professional development activities and opportunities to deepen fellows’ knowledge and understanding of the nonprofit sector as well as outside expertise and resources to support them in transitioning into encore careers.
- **Intermediary** – In the pilot year, Civic Ventures served as the intermediary. With foundation partner support, Civic Ventures convened corporate sponsors, nonprofit sponsors, and qualified candidates for fellowships; facilitated the matches between Encore Fellows and nonprofits; provided ongoing support throughout the fellowships to fellows and nonprofits; organized regular convenings; and provided transitional support to fellows interested in pursuing encore careers.

Nonprofit leaders and fellows report very high levels of satisfaction with their Encore Fellowship experiences. The chart below shows executives and fellows’ satisfaction with the core SVEF components.



High-Impact Engagements

The SVEF model supports high-quality engagements, in which: projects the fellows undertake have a high impact on the organization; nonprofit executives become more open to hiring from the private sector; and fellows confirm or increase their commitment to the social sector.

Silicon Valley Encore Fellows Pilot: Profile of the 10 Encore Fellows

Corporate Experience	Nonprofit Experience	Educational Experience
9 people management	6 volunteer or community service experience	2 Business administration
8 strategic planning	4 served on boards of directors for nonprofits	2 psychology/sociology
8 communications	2 worked with nonprofits as program evaluators	2 Engineering/Computer Science
7 marketing	1 served in the US Peace Corps	1 Marketing
7 research and evaluation		1 Education
5 project management		1 Microbiology
5 business development		1 Industrial relations

*Please note, totals do not add up to 10 since fellows had experience in more than one category.

Impacts on the Encore Fellows

The SVEF pilot provided unique opportunities for fellows to take meaningful action within the social sector. The fellowships also served as an experiential pathway for fellows to transition into the next phases of their careers. High-level examples of the types of impacts fellows experienced are shared below. More information on these, and other findings, can be found in the full report.

- **Gains in fellow’s social sector knowledge and experience:**

- Increased fellows’ overall awareness and knowledge of the sector
- Increased their understanding of nonprofit culture, governance, field areas, program implementation, and the challenges facing the sector
- Eye-opening experiences, offering a strong foundation of knowledge about the social sector onto which they can continue to build

- **Shifted fellows’ attitudes toward nonprofits:**

- Increased fellows’ respect for nonprofit culture and staff.
- Increased their understanding of nonprofits as high-performing, results-focused organizations, albeit in a resource-strapped environment.

- **Accelerated fellows’ journeys into the social sector:**

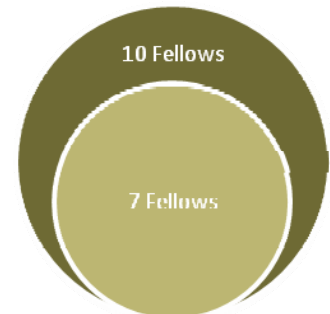
- Increased confidence in fellows’ ability to transition into the social sector, and reinforced their desires for pursuing encore careers.
- After participating in the fellowships, all ten fellows reported that they are likely to pursue encore careers in the nonprofit sector (an increase from seven fellows at the start of the fellowship).
- Fellows gained direct connections and networks within the sector that will facilitate future opportunities.
- Nine fellows were offered jobs at the organizations in which they spent their fellowships and all ten pursued temporary or permanent positions in the social sector upon completion of the fellowship.

[The fellowships] change you very fundamentally. There is no question that I want to spend the majority of my remaining working life in the nonprofit sector.

I have learned a tremendous amount about the [nonprofit] sector and the players in it, and have gained a lot of respect for people in the [nonprofit] sector.

Encore Fellows

Encore Fellows Likely or Very Likely to Pursue Encore Career



Encore Fellows Prepared or Very Prepared to Transition into a Social Sector Career



● Before fellowship ● After fellowship

Impact on the Nonprofits

Encore fellows' expertise and experience were brought to projects and activities that affected the overall organizational capacity of the participating nonprofits.

▪ Increased the capacity of nonprofits and staff:

- Fellows provided new and useful tools and approaches to work
- Served as mentors, management or leadership coaches, and thought partners for nonprofit executives as well as the overall development of staff
- Raised the performance bar and pushed nonprofit executives and their staff to produce at higher levels.

We have a clear objective for the organization, we have a clear focus on what we will do, and we have a partnership model template that we didn't have before. That's led to an increase in fundraising, outreach, and community impact.

Nonprofit Executive

▪ Reinforced strategic thinking, approaches, and processes and increased organizational capacity:

- Supplied business-minded approaches that enhanced the nonprofits' abilities to achieve their missions.
- Emphasized a degree of discipline and project management that increased organizations' capacity to see results – nonprofit executives were impressed by the rigor, speed, and independence that fellows displayed.
- Created strategic alignment between all of the various departments.

▪ Lasting and sustained impact:

- Established tools including: marketing plans with messaging and branding strategies; frameworks for developing and expanding partnership with other organizations; electronic data management systems, structures and guidelines for board management and governance; human resource proposals; and financial management proposals.
- Developed transition plans to hand over the projects and tasks to internal staff (or new hires) to continue implementing
- Laid foundational strategies and processes that will continue to live and influence organizational operations.

I made sure what we built was sustained. "I'm going to do it first, then we will do it together, then you do it." That's really important when you can do the handover.

Encore Fellow

▪ Shifted nonprofits' attitudes toward corporate executives:

- Increased nonprofit executives' willingness to hire former corporate executives
- Prove the value of and transferability of skills and experience of former corporate executives
- Proved that, given the right combination of people, these two seemingly different sectors can be successfully coupled to achieve positive social impact.

Nonprofit Executives Likely or Very Likely to Hire Former Corporate Executives



Value Proposition

In evaluation surveys, all nonprofits executives (and almost all stakeholders interviewed) believe that a \$25,000 investment in a fellow's stipend garners a much greater return than a \$25,000 grant. SVEF stakeholders and participants feel that the value of a fellow's work exceeds the \$25,000 that it costs. Three representatives from the same foundation made the point that a capacity-building grant still has its place, and may be what a nonprofit actually needs, rather than a resident fellow. This is especially the case when a nonprofit has a specific capacity area that needs building (for example, governance, an HR system, marketing, or a strategic plan), and the fellow may not have expertise in this area.

Even though the fellows are costing \$25,000, they are doing \$100,000-\$200,000 worth of work.

Nonprofit Executive

A majority of the eight nonprofit executives estimated the work of their Encore Fellows to be worth a full-time annual salary of \$100,000 or more. Their view of a hypothetical salary was manifested in actuality as well: four fellows were offered full-time jobs at salaries of \$100,000 with benefits and five were offered part-time consultancies at FTE rates of \$125,000-\$175,000.

Next Steps

The pilot of SVEF provided early proof points for a program that can potentially make important impacts on nonprofit capacity, deepen the talent pool available to nonprofits, and provide a new career path to encore careers. In order to replicate the model so that it can have such impacts at a much greater scale, Civic Ventures has plans to catalyze scaling through a network strategy. Civic Ventures has established the Encore Fellowships Network (EFN), which is designed to support replication of Encore Fellowship model with information, tools, and connections. The network will build on the early success of the SVEF pilot which created a marketplace for high-level, for-profit employees to bring their expertise and experience to bear in a meaningful way within the nonprofit sector by creating a transitional pathway for individuals to move across sectors into an encore career.