



Case Study: The Development Marketplace

The Development Marketplace (DM) competition aims to create a marketplace of ideas, talent, and resources that addresses poverty and development challenges. It nurtures the visions of social entrepreneurs whose work reaches beyond local communities, and it builds partnerships that foster dialogue, understanding, and truly sustainable solutions among the public, private, and civil society sectors. Since 1998, DM has awarded nearly \$30 million in start-up funds to 500 competitors. The proposals submitted from across the globe address a wide variety of issues, from sustainable development to information technology.

The Client

The World Bank fights poverty on a global scale—typically by funding large-scale infrastructure and institution-building projects in developing countries. But in 1998, the Bank began a concerted effort to identify and fund innovative, high-potential projects that might normally escape notice. That year, it held the first Development Marketplace (DM) competition—a venture capital fair for social entrepreneurs with big ideas, little capital, and the drive to demonstrate new ways of tackling global problems. One team empowered a community in Brazil to breed, harvest, and export dart frogs as pets to developed-country markets. Another team implemented motorcycle-based firefighting systems in Vietnam, helping first responders navigate the narrow streets of Saigon and contain fires more quickly. Normally outside the scope of the Bank’s large-scale work, these innovators were suddenly in the spotlight.

In a *Harvard Business Review* article analyzing the program, management guru Gary Hamel concluded that “the Development Marketplace has laid to rest the broadly held suspicion that large organizations are incapable of dramatic, grassroots innovation. Not only did the program lead to the funding of many radically new ways to combat poverty—for instance, vaccines for tropical diseases and insurance for post-disaster reconstruction—but it also taught the World Bank how to unleash the remarkable potential of its people and its clients.”

The Task

By 2004, the DM team had decided to push the program to the next level of excellence. “To guide our decision, we felt that we needed to take a step back and review—and update—our strategy,” said Michael Kubzansky, the program’s director. “We solicited four different consultancies to see who could best assist us with the strategic process and ultimately engaged GivingWorks to gather

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the relevant data, develop a set of strategic options, and help us think through the value and trade-offs of each.” A GivingWorks team mobilized to develop an analytical framework and sift through the evidence, while consulting with contestants, development experts, and social entrepreneurs—and developing its independent recommendations.

The Results

According to Kubzansky, “GivingWorks brought an immensely valuable outside perspective to the work. They generated data that were extremely useful in settling several core questions about how well the program achieves its objectives and engaged ably and quickly with the full range of our stakeholders. They also brought in a good analysis of how we fit into the broader field of social entrepreneurship that was important context for our overall decision making.”

“All these data inputs came together in several important ways: First, GivingWorks provided us with unvarnished perspectives, both positive and negative, about how the program was performing. This served as a valuable, fact-based reality check. And second, even more importantly, they synthesized the findings into a framework that was exceptionally useful in forcing us to think about the trade-offs of different objectives and strategic options. Third, the entire process served to spur us to make various assumptions we had about ourselves explicit, put them on the table. Once these assumptions surfaced, we were in a much better position to debate, refine, or reject them. It was a very healthy process and outcome.”

GivingWorks’s analysis and recommendations helped Development Marketplace shift its strategic focus. The GivingWorks team helped retool the strategy for the global competition, building on the program’s proven strengths but also releasing untapped potential. According to Kubzansky, “This will, in the long run, benefit the program’s results and effectiveness. GivingWorks’s collaborative style, responsiveness, and creativity played a significant role in grounding our thinking and ensuring that we had a process—as well as recommendations—that promoted success.”