

## **EXECUTIVE SUMMARY**

To solve some of our greatest global challenges we need to accelerate how we use data for good. But to truly make data-driven tools that serve society, we must re-imagine data for social impact more broadly, more inclusively, and in a more interdisciplinary way.

This is easy to talk about, but harder to act on as we work to build a new field of data for social impact.

The field of "data for good" is not only overshadowed by the public conversations about the risks rampant data misuse can pose to civil society, it is also a fractured and disconnected space. There are multiple interpretations of what it means to "use data for good" or "use Al for good,"—creating duplicate efforts, nonstrategic initiatives, and confusion about what a successfully data-driven social sector could look like.

### Add to that funding.

Resources are scarce for a field that requires expensive tools and skills to thrive. These enduring challenges result in work being done at an activity and project level, but do not create a coherent set of building blocks to constitute a strong and healthy field that is capable of solving a new class of systems-level problems.

The 2023 Data for Social Impact report strives to bring clarity to the conversation by synthesizing our collective progress to date, outlining key trends and tensions affecting social impact efforts, and exploring what comes next as our global community continues to unlock data to achieve positive social impact.

We believe in data for social impact and this report has only affirmed our optimism in the promise of a field in transition.<sup>1</sup>

We sought to evaluate the field across three categories of opportunity, challenge, and risk as: PURPOSE, PRACTICE, PEOPLE. This study aims to do three things:

- Bring visibility to the nascent field of data for social impact and the ways in which it can transform global interventions and services and drive resilience.
- 2 Explore the potential to accelerate the strategic growth of this sector, particularly when it comes to increasing, sustaining, and nurturing the talent pool of interdisciplinary data professionals.
- 3 Offer recommendations for how to dramatically apply, govern, share, fund, and expand access to purpose-driven data around the world.

<sup>1</sup> Porway, J. (2021). "Charting the 'Data for Good' Landscape." data.org.

To achieve these goals, this report focuses on a few key questions:

### **PURPOSE:**

- How do organizations from small, local community-based organizations (CBOs) to large, international non-governmental organizations (NGOs) use data to drive their work?
- How does data inform theories of change and organizational and project goals?

### **PRACTICE:**

- How do organizations broach questions regarding data access and infrastructure?
- What tools and governance structures are widely in use?
- What incentives do they use to partner across sectors?

#### **PEOPLE:**

- How can we support people across their careers to develop and strengthen the diverse skills necessary to further establish the field of data for social impact?
- How can we help leaders understand the potential they can unlock if their organizations use data better to achieve impact?
- How can we ensure that the communities we seek to empower are involved from the ground up?



# What is Data for Social Impact (DSI)?

DSI is a nascent field that uses data, data science methods, and modern technologies to benefit people, communities, organizations, and the environment. DSI has already transformed and driven innovation across a wide range of industries, and delivered new ways to analyze giant datasets, advance predictive models, and harness machine learning for societal and environmental benefit.

## **Key findings**

PURPOSE examines how the DSI sector uses data to achieve social and environmental change.

- Opportunity: We found that despite a significant gap in global connectivity—a third of people do not have access to the internet—digital connectivity in low- and middle-income countries (LMICs) is on the rise due to web-enabled mobile phones and smartphones. This increase is driving the use of more and more data and Al-based interventions and solutions. And social impact organizations (SIO) are finding innovative ways to drive transformation around the globe.
- Challenges + Risks: Our research also found that SIOs are focusing on project-based interventions instead of advanced data strategies that focus on systemic solutions, risking the long-term impact and sustainability of their efforts. In addition, nonprofits struggle with data management across their internal operations. According to Salesforce, only 22 percent of SIOs have achieved high data maturity today and fewer than half make decisions "based on data and evidence as well as designing programs and services using information about and engagement with recipients."
- Path Forward: To improve and enhance how the DSI sector uses data to achieve social and environmental change, we recommend greater access to digital public goods, such as open source tools and software for data analysis and forecasting; an increased focus on capacity building, particularly increased talent, within organizations and collaboratively across the sector to help deploy advanced data strategies; and persuade funders of the need for long-term, sustained investment to scale systems-wide data projects along with foundational investments in infrastructure, capacity, and talent.

#### PRACTICE explores how the DSI sector collects, accesses, and uses data.

- Opportunity: We found that there are increasing opportunities to extract extraordinary insights through data sharing—insights that can drive action at an unprecedented and scalable level, particularly cross-sector data sharing. The integration of new and different types of information can be transformed into actionable intelligence that can build stronger communities and stronger solutions. But we must begin to think differently about how we can share data, share infrastructure, and potentially share talent at scale. If we do so, we can create small and large-scale networks to drive systems-change around the globe with illuminating outcomes.
- Challenges + Risks: But while the promise of innovation ecosystems, enhanced coordination, and shared services models are clear, they can be hard to achieve without aggressive investment and incentivization. And in today's resource-constrained environment that's challenging. Private sector organizations who want NGOs to use their solutions are often incentivized to deploy a specific product, not necessarily to build a suite of tools suitable for

multiple NGO partners. NGOs who may want to share work and findings more frequently are constrained by the constant need to seek more resources. And research and academic institutions guard their data's intellectual property and publish papers off its fruit. Add to this the lack of coordinated global governance and regulation around data and Al and you face both ethical risks and very real risks for human rights, including the rights to privacy, personal data protection, equality, and more.

• Path Forward: To improve and enhance how the DSI sector collects, accesses, and uses data, we recommend increased investment in innovation networks and the co-creation of shared data ecosystems with community partners; a focus on innovative, diverse, collaborative partnership models to meet the demand for data for social impact vs. traditional funding methods that are project based; tailored incentives depending on the type of organization, the project, and even the individuals involved to increase data partnerships and sharing; and establishing a global framework to implement ethical AI technologies, starting with collaboration around best practices and common language.

## PEOPLE examines how to grow and support the talent, leaders, and training propelling the DSI sector.

- Opportunity: Data capabilities are the most in-demand skills globally and there exists a significant opportunity to create and support a talent pool of over 3.5 million data for social impact jobs in developing countries over the next decade. Creating a workforce of highly-skilled, diverse, interdisciplinary data practitioners could advance our sector toward more effective and scalable solutions. Our research identified numerous small- and large-scale training hubs, sharing knowledge and resources with other hubs around the globe. However, nurturing the entire pipeline—beginning with education to new, existing and emerging talent to leadership—is critical to filling the growing demand.
- Challenges + Risks: It can be difficult for SIO leaders to understand the important role data can play in advancing their work. Even those that do understand the value of data struggle to justify allocating existing limited resources toward data professionals instead of those on the front lines. We also risk doing more harm than good if we don't involve the communities we seek to empower. When a solution is dropped onto a community, rather than built with them, data, AI, and other technologies we deploy may be creating new or exacerbating existing problems. Part of the solution lies in greater localization, particularly in low- and middle-income countries where solutions have been historically uninformed by local understanding and context.
- Path Forward: To improve and enhance how the DSI sector grows and supports talent, leaders, and training, we recommend sustained and intentional investment in the entire workforce pipeline, starting with education of new talent to existing and transitional talent to leadership; investment in constant training to get the best talent to do the best job; eincluding data

scientists in decision-making within social impact organizations to build knowledge; and data infrastructure and solutions informed by and supported by the local community. We know that we must prioritize IDEA, investing in the growth of diverse data practitioners with interdisciplinary skills and lived experience. This investment will enhance their creativity, capabilities, trust, and sustainability and strengthen the sector as a whole.

## Recommendations for advancing the field

1. Improved data strategies through common governance and tools, data sharing, aligned incentives, and cross-sector coordination.

Our research found that so long as shared services and shared data collaboratives remain the exception, sector inefficiencies will remain. However, the very prevalence of this issue indicates an opportunity to evolve from project-based data projects to systems-level strategies. Improvement lies in better coordination between diverse partners and actors, and long-term, well-resourced multi-sector (public, private, academic, SIO, philanthropy) partnerships based on honest and clear conversations about our diverse incentives.

## 2. More diverse and interdisciplinary purpose-driven data practitioners who can drive change locally.

The Workforce Wanted report identified an opportunity for 3.5 million jobs in the data for social impact space in developing countries over the next 10 years.<sup>2</sup> To meet this opportunity head on, we need to train diverse, interdisciplinary data practitioners from the communities we seek to support. We must also inspire leaders, organizations, funders, and intermediaries to proactively invest in the time, tools, and efforts required to build a workforce that can learn from the local context and embed subject matter expertise into the data lifecycle.

## 3. Stronger funding models with longer time horizons, more flexible funding, and better coordination.

The DSI sector is largely supported by grant-based funding from philanthropic, government, and NGO organizations. As our research has shown, many grants are narrow in scope, focused on short term objectives, and constrained by only supporting what can be measured by sometimes outdated frameworks. We must move to a more collaborative funding model, increasing coordination both across verticals within individual funding organizations and across funding partners, more generally. To achieve this vision, we also must persuade funders of the need for long-term, sustained investment in talent and technology ecosystems.

<sup>2 2022. &</sup>quot;Workforce Wanted: Data Talent for Social Impact." data.org

At data.org, we are committed to driving progress in the data for social impact sector across all of these areas. We are investing in coordination and supporting activity and energy in the sector to accelerate impact with alignment. We are partnering with innovation, education, and social impact organizations to increase talent across all four powerful pathways. And we are focused on funding, working with philanthropy, private sector, and other funding partners on practical approaches for longer horizon investment.

Join us.

