



# World Vision Water: Scaling to Reach Every Child

A TEACHING CASE FROM  
THE UNIVERSITY OF  
NORTH CAROLINA'S  
KENAN-FLAGLER BUSINESS  
SCHOOL

*"If you're really going to solve poverty," a World Vision employee explained, "you need to bring a range of services to leave a community in a self-sustaining mode – food security, health education, economic development...and most fundamental to that is water. Without water, kids are dying of diseases, and can't go to school. The whole thing falls apart without water."*

## Every Single Child

Dr. Greg Allgood coughed. He had contracted malaria and a mild case of pneumonia in Ghana. It was early March, 2014, and the start of Allgood's seventh month as vice president of World Vision Water, a segment of the international non-governmental organization (NGO) World Vision. Allgood had spent most of February traveling with key partners to water projects in West Africa. Such trips were part of his overall responsibility to cultivate partnerships with corporations, foundations, and individuals. Health incidents sometimes just came with the territory. Today Allgood was back at World Vision's U.S. headquarters outside of Seattle, Washington.

Despite his lingering wheeziness, Allgood was buoyed by the seminal commitment World Vision's stakeholders had made at the

©2014 Center for Sustainable Enterprise, Kenan-Flagler Business School, University of North Carolina at Chapel Hill. This case was written by MBA candidate Bridget Brennan under the supervision of Dr. Carol Hee and Dr. Lisa Jones Christensen. This case is intended to serve as a basis for class discussion, rather than to illustrate the effective or ineffective handling of an administrative situation. No part of this may be reproduced, stored in a retrieval system, used in a spreadsheet, or transmitted in any form by any means without permission.

recent annual meeting in Dakar, Senegal. World Vision Water leaders from throughout the world, including major donors and partners, had agreed on the vision that *every* child deserves clean water.

Despite World Vision Water's superlative work over decades, public awareness of their efforts was low—they were recently ranked 14 out of 15 in a survey identifying NGOs doing outstanding work in water.<sup>1</sup> Allgood knew that their water teams in the field in Africa were world-class, but the lack of awareness of their work and resulting lack of resources prevented the expansion needed to fulfill their vision. Allgood contemplated his next step with World Vision senior leadership. He coughed again and jotted down some notes...

*We're already reaching one person every 30 seconds...but we have to reach every child. Can we do that best if we invest in broader awareness (since people just don't know how strong our water-related efforts are)? Or should we target big companies and donors? How do we attract new support without confusing the base that identifies with our history of child sponsorship? If partners can help us leverage our work, which partners and why?*

### **Dr. Greg Allgood**

Dr. Greg Allgood's first six months at World Vision kicked off quickly. On August 5, 2013, during his first few days on the job, Allgood welcomed former President Bill Clinton and his daughter Chelsea to a World Vision project site in Rwanda. The occasion felt serendipitous, given that Clinton's words in a previous meeting had helped drive Allgood to World Vision in the first place. Prior to joining World Vision, Allgood had been working for Proctor & Gamble (P&G), the \$80 billion dollar consumer products company. He had applied his background in water quality and public health to create the Children's Safe Drinking Water (CSDW) Program, a P&G non-profit

---

<sup>1</sup> Philanthropedia. "Ranked Nonprofits: International Water, Sanitation, & Hygiene 2011." International Water, Sanitation, & Hygiene 2011 Top Nonprofit Ranking. <https://www.myphilanthropedia.org/top-nonprofits/international/water-sanitation-hygiene/2011> (accessed June 3, 2014).

initiative. Under Allgood's leadership, CSDW grew to providing 1 billion liters of clean water annually by providing water purification packets to communities in need.

During a CSDW event, Bill Clinton had praised P&G's work and called on the audience to just imagine the possibilities if every organization did what P&G was doing but on a level pro-rated to its size; doing so, he urged, would solve many of the global priorities, including the water crisis. With his retirement from P&G approaching, Allgood had taken Clinton's challenge to heart. Through his CSDW work, Allgood understood that poverty was extremely complex. Reliable access to clean, safe water was absolutely fundamental, but it was only one piece of the poverty puzzle. Pondering the best way to "pro-rate" his individual impact, Allgood considered whether any CSDW partners were working to comprehensively address poverty and at a scale that would make a difference in solving the global water crisis. He immediately thought of World Vision and its commitment to address the root causes of poverty, including lack of access to clean drinking water. Now, after joining World Vision, Allgood found himself again with Clinton, this time in Rwanda. In his new role at World Vision, Allgood had to make some decisions.

### **World Vision**

World Vision was founded in 1950 by Bob Pierce, an American Baptist minister and missionary who was committed to raising awareness and funding for impoverished children. In 1953, he had the idea of providing donors with a photograph of the child that their contributions were "sponsoring," and thus World Vision's signature "sponsor a child" program was born. Through the decades, World Vision evolved to encompass a mission that included community development, disaster relief, and advocacy. Today,

the World Vision Partnership<sup>2</sup> is a global federation of 53 national offices with a common mission, founded in Christian values, to overcome poverty and injustice by working with children, families, and communities. In 2012, World Vision's more than 40,000 global staff members deployed \$2.1 billion to projects in nearly 100 countries where they reached over 100 million of the world's poorest people. World Vision's scale put it in a small set of peers. Since 1970, only 144 of the 200,000 nonprofits launched in the US have achieved annual revenue more than \$50 million.<sup>3</sup>

World Vision's work is based on an understanding that change takes time and commitment. World Vision typically works in a geographical district (referred to as an Area Development Program, or ADP) for 10-15 years, unlike many development projects which may last 1-3 years. Additionally, World Vision staff members live and work in the ADP communities. World Vision focuses on 5 sectors: 1) health and nutrition; 2) food security and environment; 3) education and child protection; 4) economic development including microlending; and 5) water, sanitation, and hygiene (WASH). Efforts in these sectors occur through "co-creation" with community members, an approach facilitated by the fact that 98% of World Vision's staff are from the country in which they work. Even with work focused on other sectors, providing access to clean water is almost always part of the projects and is increasingly the very first engagement.

Another signature feature of World Vision Water is a culture of learning that fosters continual improvement. Over 25 years, World Vision Water built a significant

---

<sup>2</sup>According to the World Vision 2010 accountability report (<http://www.wvi.org/accountability/transparency>), "The word 'Partnership' is used in a broad, informal sense, rather than a legal sense. It is based on the principle of interdependent national entities held together by voluntary commitment rather than legal contract."

<sup>3</sup> Elkington, John, and Pamela Hartigan. "Creating Successful Business Models - Lessons from Social Entrepreneurship." *The Power of Unreasonable People: How Social Entrepreneurs Create Markets That Change the World*. Boston, Massachusetts: Harvard Business Press, 2008. Page 4.

knowledge base by ending each project phase with an evaluation conducted by a multi-disciplinary team of professionals and by feeding recommendations for improvement into subsequent projects. Partnerships have been important to fostering improvement as Dana Dornsife, a major World Vision donor, explained, “We stuck with World Vision because they stuck with us – World Vision has always responded to feedback and demonstrated a willingness to improve.” The Conrad N. Hilton Foundation, another major partner and source of funds, demanded extensive evaluations for any Hilton-funded projects and challenged World Vision staff to keep improving and refining their model. A World Vision Water program manager commented, “You couldn’t have started back then in 1985 and created a blueprint that did this. The blueprint results from iterative learning.”

### **The Global Water Crisis**

A 2012 study found that the numbers of people *without* regular access to microbiologically safe water (versus access to any improved water source) is close to 1.8B people, a full 28% of the world’s population.<sup>4</sup> Children are especially vulnerable to water access issues. One of Allgood’s early contributions at World Vision was to help distill the magnitude of the global water crisis to a simple message: Every single day, more than 1,600 children perish from diarrhea caused by unsafe water, poor sanitation and hygiene—more than the effects of AIDS and malaria combined.

Of late, however, the international development community had become increasingly optimistic about eradicating extreme poverty and achieving universal access to clean water. World Vision Water’s stated objective of reaching every child sought to ride the momentum of this trend. Allgood frequently told his colleagues, “I believe that the

---

<sup>4</sup> Onda K, LoBuglio J, Bartram J. Global Access to Safe Water: Accounting for Water Quality and the Resulting Impact on MDG Progress. *International Journal of Environmental Research and Public Health*. 2012; 9(3):880-894.

global water crisis can be addressed during our lifetime. World Vision won't do it alone, but we will be a significant part of it."

Years of experience collaborating with communities had given World Vision an understanding that water was a fundamental building block for the overall development of communities. "If you're really going to solve poverty," one World Vision employee explained, "you need to bring a range of services to leave a community in a self-sustaining mode—food security, health education, economic development—and most fundamental to that is water. Without water, kids are dying of diseases and can't go to school. The whole thing falls apart without water." As another employee put it, "Once water goes in, you can jump to the end and focus on community economic development. In one community I went to, women and girls were walking four hours a day just to get water; they couldn't even begin to think about investing in a small business."

### **Water at World Vision: The Five Finger Analogy and the Baby Metaphor**

At the time Allgood started his role, World Vision had been executing large-scale water projects for nearly 30 years (see **Exhibit 1** for a timeline). World Vision employees describe water projects in terms of "hardware" [the technical aspects of water projects including drilling, pumping, and quality testing] and "software" [the community engagement, environmental conservation, and behavioral change aspects]. Having worked with them during his time at P&G, Allgood knew that World Vision had an impressive story to tell on both topics.

#### *Hardware: People and Equipment*

World Vision Water had strong expertise in water hardware, with both human capital (hydrogeologists and engineers) and equipment at its disposal. Water access, like most infrastructure, requires significant capital expenditures. Through the years, World

Vision had made investments in technical excellence and efficiency. In the late 1980s, World Vision invested in two rigs (at \$1M each) to facilitate direct drilling and now has a fleet of 27 drilling rigs. Vision Water also maintains a focus on innovation and has recently expanded its toolbox of water pumps to adapt for different geologic conditions.

*Software: Keeping the Hardware Viable*

While water hardware makes lasting change a possibility, World Vision employees unanimously agree that it is software which makes change a sustained reality. World Vision employee Dr. Emmanuel Opong is credited with championing World Vision's software approach. A native of Ghana, Opong understood the challenges of water access intimately; he explained, "Growing up in the village where we had no water, I lost my junior sister. We lost our sister because of diarrhea. It was later during my nursing degree that I realized that it was due to bad water that she died. That is why I am passionate about what I do."

Opong knew that obtaining buy-in from the community depended on sincerely listening to them. As a teenager, he had been brushed aside by water researchers working in his village, "They were doing some calculations, and I offered to help them. They said, 'Get away village boy! What do you know?' I told them that I had graduated from a top high school and was headed to college. And so I adopted the nickname 'Village Boy.' It is a reminder that when we go to the village, we need to listen, question, reflect, and learn as a way of engaging the community and supporting them."

In 1990, Opong agreed, with some reluctance, to become manager for water capacity-building and community engagement. He developed a software model that he called the "Five-Finger Approach," comprised of the following:

- Technological Sustainability: Before implementing a new technology (bore hole, spring development, etc.), spend time with the community to understand the best type of technology for the environment from both a social and technical perspective (considering issues like safety, reliability, quantity, and cost). Confirm that the community can understand the technology and has the skills to maintain it. Work with the government to ensure that supply chain systems for spare parts are present and accessible.
- Community Ownership: An institutional framework is needed to maintain a technology; for example, municipalities in the United States have water departments or agencies. Therefore, establish a water committee with responsibility for oversight and upkeep of the technology.
- Financial Sustainability: Maintenance requires financial resources, to buy spare parts, for example. Charge a small fee for the water to ensure available funds for when the water points need maintenance and repair.
- Social Inclusion: Because women typically bear the burden of water collection,<sup>5</sup> they have an important stake in sustaining water points; they need to participate in the water committee. The most vulnerable, such as the elderly and disabled, also need to access to water, sanitation, and hygiene resources, not only out of a moral obligation, but also out of concern for public health. Anyone without a toilet or clean water is a problem for the whole community. Opong explained, “[Disease-carrying] flies don’t discriminate.” Ensure that even the most marginalized individuals are included.

---

<sup>5</sup> The water burden on women was widely recognized by World Vision employees interviewed for this case, consistent with surveys in 45 developing countries which found that women or girls performed water collection in 72% of households. The surveys were conducted by the WHO/UNICEF 2010 Joint Monitoring Programme (JMP) for Water Supply and Sanitation, [http://www.wssinfo.org/fileadmin/user\\_upload/resources/1278061137-JMP\\_report\\_2010\\_en.pdf](http://www.wssinfo.org/fileadmin/user_upload/resources/1278061137-JMP_report_2010_en.pdf)



- Environmental Sustainability: Nurture an understanding that environmental degradation will have a corresponding negative effect on the supply of water. Train the community to manage aquifer recharge and other environmental factors.

When speaking with communities about water points, World Vision staff members use the analogy of a baby. Like a baby, a water point needs a family to support it (the water committee); like a baby, the water point will “get sick” and the family will need to have savings to afford treatment (tariffs). Through this analogy, World Vision has been able to garner strong community buy-in.

*Demonstrated success but limited awareness — WHY?*

In October 2013, preliminary results were released from a 2011 study conducted in Ghana’s Greater Afram Plains.<sup>6</sup> The study examined over 1,500 water points, approximately 900 of which had been implemented by World Vision. Findings indicated that 79% of World Vision’s water points were functional (compared to an average of 30-50% functionality in sub-Saharan Africa).<sup>7</sup> Functionality was found to be 200% higher at locations where a water committee was in place and 42% higher when a fee was collected. Most tellingly, World Vision water points had no demonstrable decrease in functionality over time, including those that were nearly 20 years old, even though World Vision water points did in fact break down as often as non-World Vision Wells. It baffled World Vision employees that despite their impressive results, awareness of World Vision Water work was so low. “We need to stop being so darn meek!” one employee exclaimed. (See **Exhibits 2 and 3** for information on the performance World Vision water points and WASH interventions.)

---

<sup>6</sup> Fisher, M.B.; Leker, H.; Samani, D.; Apoya, P. Sustainable Water services Delivery Project Report. 2013. WSA, Ougadougou, Burkina Faso and the Water institute at UNC, Chapel Hill, NC, USA.

<sup>7</sup> Baumann, E. (2005) Common RWSN context, Discussion Paper, St. Gallen, SKAT/RWSN.

## Challenges to Growth

World Vision Water had set its sights on an ambitious goal. Eventually reaching every child lacking safe drinking water would involve tens of millions of people, perhaps totaling as many as 50 million. Allgood felt that the ability to continue supporting World Vision's growth rested on three primary issues: fundraising, marketing, and partnerships. All were important, but what should be prioritized?

He knew he couldn't map the future without understanding better what had worked in the past.

### *Fundraising*

In late 2009, major grants supporting World Vision's water, sanitation, and hygiene (WASH) programs were set to expire, posing the risk that WASH efforts might need to scale back. Instead, Rich Stearns (President of World Vision U.S.A.) and David Young (COO of World Vision International) convened a meeting to challenge the World Vision leadership to extend WASH capacity. Larry Probus, CFO of World Vision U.S.A., was designated as the "Accountable Executive" to follow up on the issue. Probus admits his first reaction was to question whether World Vision should even be doing work in WASH, "I said, this water stuff seems to be pretty expensive and hard to manage; maybe we shouldn't even be doing this! From a purely financial point of view, it seemed to have a lot of risk. That was before I saw the work we did which made me change my perspective."

In February of 2010 Probus made a trip to Africa with David and Dana Dornsife, long-time World Vision donors. They visited World Vision WASH sites in Ghana, Niger, Mali, and Ethiopia. The Dornsifes knew that World Vision had a first-rate WASH team in place, but no immediate ability to grow. They asked Probus what would be possible if funding were not an issue. They were willing to commit \$35M over 5 years; however,

their donation would be contingent on World Vision developing a clear strategy and detailed implementation plan, as well as reporting each year on how the gift was leveraged to make progress on the plan.

Probus quickly convened a conference with WASH leadership from the United States and 10 countries with WASH programs. In April, 2010, the leadership met in Accra, Ghana. “The starting point was identifying metrics that we could measure across countries in similar ways to even understand what our situation was,” Probus explained. (See **Exhibit 4** for the standard adopted.) Sean Kerrigan, global Senior Director for WASH, went on, “There was a perception among the leadership that we were close to being ‘done’ with water in our ADPs. But, only around 40% of our programs in 10 countries had access to water and only 19% to sanitation. That was a real ‘aha’ moment.”

He described the experience, “Previously, water had been managed on a national office level. WASH has the characteristics of a classic business challenge—big investment, logistics of organizing teams and material, cross-organization communication. The challenge was ‘how do we bring people from different countries and cultures and put together a cohesive business plan to extend WASH capacity across the whole world?’” The process of writing the business plan helped Probus gain buy-in from the in-country leadership, particularly because all parties involved agreed to keep decision-making as close to the field as possible. Kerrigan explained, “Often in development, it’s easy to make decisions where the funding originates. We made the strategic choice to base my role in Ethiopia and to split my time between the U.S. office and the national offices to facilitate coordination.”

Having Probus as CFO of World Vision U.S.A. so closely involved with World Vision Water after that meeting helped bring other financial backing. “We made a conscious

decision that we would fund work and purchase equipment in advance of actually having received the funds because we had the security of multi-year funding commitments from donors like the Dornsifes,” Probus explained. He went on, “So for the first couple of years we actually worked on a deficit basis and are now paying that back. Our donors realized that in order to get this program up and running, we needed sustainable funding, including up-front investment in equipment and people. That was contrary to the way we, and most NGOs, normally operated. Because of our Child Sponsorship funding, I also had confidence that even if the world had fallen apart and our donors didn’t stick with their commitments, we still had predictable cash flows to fund the most important element of our work...providing clean water.” The move constituted a fundamental cultural shift. Will Randolph, Chief Information Officer, noted, “We had a long history of expecting our national offices to deliver on demand if money came available. We really reversed the risk equation by guaranteeing we’d close the gap if funding fell short.”

Nevertheless, in Dakar, several WASH leaders expressed their concern that the greatest limiting factor to World Vision Water’s growth was funding. More concerning than the issue of determining how much funding was needed was the issue of determining from where the funds would come. Through World Vision’s long-standing child sponsorship<sup>8</sup> program, donors (typically individuals or families) contribute a certain amount each month (currently \$35) for the duration of an ADP project (15 years, on average). This “subscription” model has been critical to World Vision’s longevity in communities and has ensured a level of cash flow reliability that is unusual in the non-

---

<sup>8</sup> World Vision’s website (<http://www.worldvision.org/sponsorship/how-sponsorship-works>) explains how sponsorship money is deployed: “World Vision child sponsorship is an amazing model that allows for a one-on-one relationship with a sponsor, while pooling the gifts of all sponsors who support children in the same community so that we are able to provide long-term resources for lasting change. A child does not receive direct cash benefits like a welfare system. Giving the family of the child money does not ensure responsible spending or that the community will be able to sustain itself once World Vision is no longer working in the area.”

profit sector. However, sponsorship funding is tightly designated for particular programs and is difficult to scale quickly. In recognition of these limitations, World Vision launched the U.S.-focused “For Every Child” campaign in 2010. The campaign aims to raise \$500 million<sup>9</sup> by the end of 2015 with the goal of enabling large, flexible investments in the five sectors.

By November 2013, “For Every Child” had raised \$367 million, the vast majority of which was provided by individuals (see **Exhibit 5**). Allgood studied the numbers. He wondered if there was an unmet opportunity among corporations or foundations. What value proposition did World Vision Water offer companies, if any? On the other hand, World Vision clearly excelled in the individual donor channel; perhaps it made sense to redouble efforts there because providing clean water was one of the main areas World Vision focused on when appealing to individual donors since the 1980s. Allgood also looked at the sources of funds by geography. The contribution from World Vision U.S.A. for WASH efforts grew from approximately 40% prior to 2010 to over 50% in 2014 (see **Exhibit 6**). World Vision fundraising teams looked a bit different from country to country, but in most countries fundraising staff dedicated to water were few or non-existent. Allgood had conferred with Amy Thompson, a World Vision fundraising director based in Houston, on the question. She’d told him, “I go back and forth about whether we need water fundraisers; I’m still thinking and praying about that one. You need people who really understand the program that can get out there quickly and have targeted lists for water. I mean, it’s a big goal that we have out there. We have a ways to go.”

---

<sup>9</sup> Allgood had heard that Kent Hill, World Vision Senior Vice President, mentioned this goal while speaking at a development conference. The conference chairperson corrected him, thinking that Hill had misspoken and meant \$50M. Allgood took this as an anecdote as an indication of the goal’s audacity.

Thompson's thoughts pointed to a fundamental issue with raising WASH-specific funds: How could the team go about it without cannibalizing funding for other programs? Many of World Vision's donors, though not all, gave out of a sense of Christian obligation. However, often donors were also savvy business people who considered themselves impact investors. Water offered a well-defined R.O.I.; dollars and cents could be directly attributed to drops of water accessed and number of hand-washing stations used. Yet World Vision's other, less quantifiable work, such as Child Protection, was extremely important. As one employee put it, "We don't want to rob Peter to pay Paul."

### *Awareness*

Many on the World Vision Water team saw the issue of awareness as more foundational than funding. In Dakar, Dana Dornsife had adamantly stated, "We *must* increase awareness in order to achieve our goals. How can you entice people to donate if they don't know about you? World Vision Water needs to communicate more proactively." World Vision had already established the brand and logo for water: "World Vision Water." It was determined that this would be an extension of the World Vision brand, a so-called "little orange" and not a stand-alone brand. The decision was based on a belief that separating it out entirely would have been misaligned with World Vision's comprehensive approach to all the pieces needed in the poverty "puzzle." The team had settled on "World Vision Water" rather than "World Vision WASH," after much discussion in order to avoid the confusion an acronym could generate. Now the Dakar meeting had set the vision and positioning behind the logo, it was time to execute on it all.

David Shaw, World Vision U.S. VP of Communications & Brand Strategy, had shared with Allgood his thoughts about how to best increase awareness of World Vision's

water efforts. Just like for-profits, non-profit enterprises need to commit to an investment level to build and maintain awareness (**Exhibit 8**). Awareness can boost immediate results but can be more of a lagging indicator, meaning that a significant investment today in building awareness will manifest results next quarter or next year as more potential donors begin to consider World Vision and then take action over time. As Shaw put it, “Awareness has to be measured over time, and the stubborn thing is that it’s like a hot air balloon. You have to keep the pressure on or it will slowly decline again.” Non-profits are in a particularly difficult position on this matter because their expenditures on overhead are heavily scrutinized. For example, charitynavigator.com looks at program expenses, administrative expenses, and fundraising expenses in its charity evaluation metrics.<sup>10</sup> (See **Exhibit 8** for fundraising and advertising expenditures for World Vision and its peers.)

Shaw did feel confident that World Vision had very strong direct response marketing abilities. “Over 60 years, we have gained expertise about developing marketing channels and maximizing them. We’ve worried more about converting people who are considering us.” World Vision has an extremely loyal donor base. In earlier years, World Vision made the strategic choice to focus marketing on a core segment of Christian donors who give out of obligation. Now there was concern that discontinuing broad-scale marketing to focus on a narrow core had resulted in decline in national awareness of World Vision.

Many at World Vision had also observed a trend in charitable giving towards sponsoring a single, more specific issue, such as reproductive health in Africa or education in the United States. While hard data on the trend was lacking, there was strong anecdotal evidence. Keith Kall, Senior Director of Strategic Alliances at World

---

<sup>10</sup> Charity Navigator. "Charity Navigator - America's Largest Charity Evaluator." Charity Navigator. <http://www.charitynavigator.org/index.cfm?bay=content.view&cpid=35#.U43fcPIGHnh> (accessed June 3, 2014).

Vision, noted that very targeted groups like Invisible Children and International Justice Mission had recently outpaced more general groups such as World Vision and its peers. Kall shared his perspective, “With the rise of social media, humanitarian causes have become such a part of a community dialogue that people are wearing them—right, wrong, or indifferent—as a part of their identity. A more precise focused organization allows people to associate more closely and define with a certain activity which falls in line with their world view.”

Water access was one such “single issue” that had recently been gaining popularity, as evidenced by the meteoric rise of charity:water, a World Vision partner, and water.org. The trend created an opportunity for World Vision Water to distinguish itself, and donor Dana Dornsife urged the team to seize it: “World Vision needs to carve out water. We have done what no one else has. When you muddy the waters with other agenda items, you lose focus. It’s imperative that we carve out water to be taken seriously.” In September, 2013, a social media campaign called “Flash Flood for Good” had demonstrated the potential momentum a focus on water could generate. The campaign, done in partnership with P&G and the CGI, asked global leaders, celebrities, academics, corporations and the public to make two social media mentions (Tweets or Facebook posts) in a 72 hour period. The campaign goal was to reach 200 million people; it reached 500 million. Despite the success of that campaign, there was, as with fundraising, the concern that highlighting water would diminish the other work that World Vision did and that focusing too narrowly could detract from World Vision’s comprehensive approach to solving poverty. No one in the debate, however, could deny that solving poverty is complex and requires complex solutions, nor that communicating about the details was also complex. On the other hand, no one wanted to create a message that was overly simplistic.



Not only was the messaging complex, but Allgood had found that World Vision's communication channels posed a challenge. World Vision had established a wide variety of communication channels and built expertise communicating about child sponsorship through those channels. However, communicating about a specific issue like water on an ongoing basis and cultivating a broad-scale donor base had not been done before. Allgood suspected that people who would become donors for water would not necessarily be interested in child sponsorship or World Vision's other sectors. An efficient channel to focus on water for new donors would have to be built from scratch. World Vision's organizational structure further complicated communication channels. The "federation" structure meant that each office functioned independently with its own programs. While there was certainly inter-office collaboration, building a branding and awareness campaign in this environment would be a challenge.

### *Partnerships*

World Vision Water leadership felt that partnerships were critical to the water work because water touched so many other aspects of development, making it extremely difficult or ineffectual to sustain a water program in isolation. However, Kall cautioned that "partnership" was an abused term. "It's not just a funding relationship. It is shared vision, joint equity, and trust. The value of the combined working organization is more than each unique interest of each group, and the value goes both ways." World Vision Water had engaged many partners through the years. One of the most important was the Conrad N. Hilton Foundation and the West Africa Water Initiative. From the latter, World Vision had learned that the return on the partnership did not necessarily grow with the number of partners, and that it was critical to align all partners on common objectives.

More recently, World Vision Water had focused on partnerships that offered the opportunity to learn, improve, and innovate. In 2013, World Vision was the second largest implementing partner for charity:water, a fundraising and marketing tour de force. (In December 2013, charity:water's New York City gala raised \$4M in the space of just a few hours.) Partnering with the Desert Research Institute (DRI) had enabled World Vision to better identify locations to drill, vastly improving efficiency. World Vision has also partnered with Water4 on a pump effective up to 30m below the surface, replacing the hand pumps that many projects use practically by default, but which are not necessarily cost effective or useful if water is closer to the surface. Partnerships with academic institutions like Drexel University, Cornell University, the University of North Carolina, and Messiah College had brought academic rigor and insight. P&G was World Vision's largest corporate partnership, with P&G's water purification packets acting as a bridge to provide clean drinking water while infrastructure is being implemented. Major donors also very much considered themselves partners. The Dornsifes liked to talk about giving "time, talent, treasure, and trenches," as they were committed to working side-by-side in the trenches to offer guidance and expertise. Some partnerships, however, were based on augmenting capabilities; for example, the water program had partnered with another NGO on drilling bore holes. (See **Exhibit 9** for a list of key partners.)

Now the team wondered what types of partnerships would be optimal for their new vision. Given the scope of their ambitions, larger corporate partnerships or strategic alliances with other sizable NGOs may be the fastest route to scale. Alternately, small, nimble complementary organizations may present better opportunities, even if they couldn't bring instant scale. Then of course there was the matter of how many partners to engage and how to manage them in a coherent way.

By 2014, World Vision Water had not only increased its number of beneficiaries five-fold, from 200,000 per year to 1 million per year; the team had also significantly reduced the cost per beneficiary from over \$100/person to less than \$50/person (**Exhibit 10**).

Allgood reflected, “With the same amount of money we’re able to do more and plus we’ve increased the amount of money a lot. This scale allows us to be one of the most efficient out there...what’s next?” Allgood attempted a deep breath and closed his notebook.

### **Next week’s meeting with World Vision U.S. Senior Leadership**

Allgood knew that World Vision needed to make some big changes if they were going to fulfill their vision. Allgood prepared for a meeting with senior leadership and reconsidered the questions at hand to make sure that he had thought through all the factors...

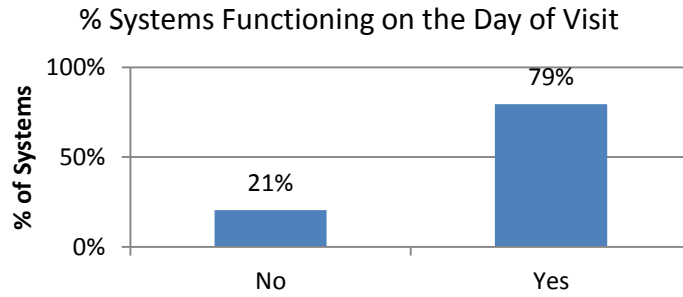
*We’re already reaching one person every 30 seconds...but we have to reach every child. How can we attract the needed funds? What should we do to build our brand? What partnerships should we focus on?*

## Exhibit 1: History of World Vision's Water Efforts

- Early 1980s: Small-scale water projects.
- 1985: Launch of Large Scale Water Projects, including the Ghana Rural Water Project (GRWP), as a result of famine in sub-Saharan Africa and Ethiopia that killed over 1 million people. Ghana, Senegal, Malawi and Ethiopia launched multi-year efforts through 1990.
- 1990: Beginning of World Vision's partnership with the Conrad N. Hilton Foundation.
- 1991: Ghana Rural Water Project, extended through present, was refined with Water Sanitation district based coverage goals for safe water access, latrines and health education. WATSAN committees in villages proved effective in sustaining hardware and software in a rudimentary way. WASH evolved from this methodology through the present.
- 1991: Conrad N Hilton Foundation granted \$1 million matching funds in five year terms that continued annually through FY2014. Success of the deep engagement by the Hilton Foundation proved vital to the growth of the World Vision footprint to Mali, Niger, and Ethiopia.
- 1990s: Ongoing work in GRWP and Hilton Foundation footprint.
- 2002: Formation of the West Africa Water Initiative (WAWI), an expansion of the Hilton/World Vision partnership with 12 additional partners and modeled after the GRWP.
- 2002-2008: WAWI Phase I - grows into a \$56M public-private partnership, which met its goals in improving access to safe water and sanitation and made significant contributions. However, strategy and status differences among the partners led to challenges with harmonization of approaches and ability to leverage complementary abilities.
- 2009-2010: WAWI Phase II - to improve effectiveness/coordination, WAWI partnerships reformed into smaller "clusters," World Vision partners with the Desert Research Institute, the Cornell International Institute for Food, Agriculture and Development, with ongoing funding from The Conrad N. Hilton Foundation.
- Early 2010: Strategic planning process with WASH Africa leaders driven by World Vision CEO, World Vision CFO, and major donors.
- June 2010: Launch of For Every Child Campaign.
- Summer 2010: WASH business plan completed.
- October 2010: Launch of WASH business plan, empowered by a 5 year commitment from the Dornsifes to impact 4M with access to WASH in 200 districts in 10 countries in Africa. Goals/results increased to 7M in 10 African countries, plus India and Honduras, by 2015.
- 2011- 2014: Implementation of strategic plan, including opening of Regional Learning Centers and expansion to serve 12 countries total.
- 2014: 5-fold increase in number of beneficiaries since 2011 recorded, from 200K to 1M.

*Source: Interviews with World Vision employees*

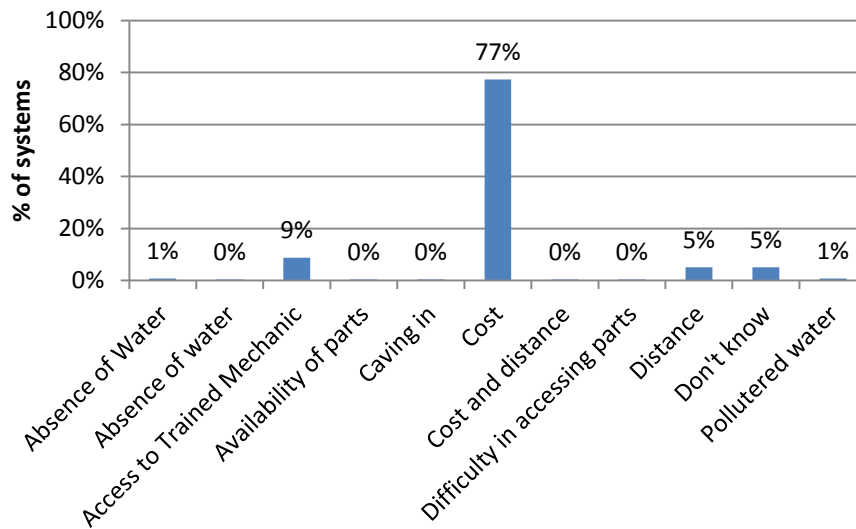
**Exhibit 2: : UNC Study Results**



*10a – Functionality of systems*

Tariff	Management Structure	
	Yes	No
Yes	83.6% (A)	61.9% (AB)
No	77.4% (A)	55.7% (B)

*10b – Functionality vs. tariff collection and presence of an identifiable management structure. Groups with no letters in common are significantly different at the 95% confidence level.*

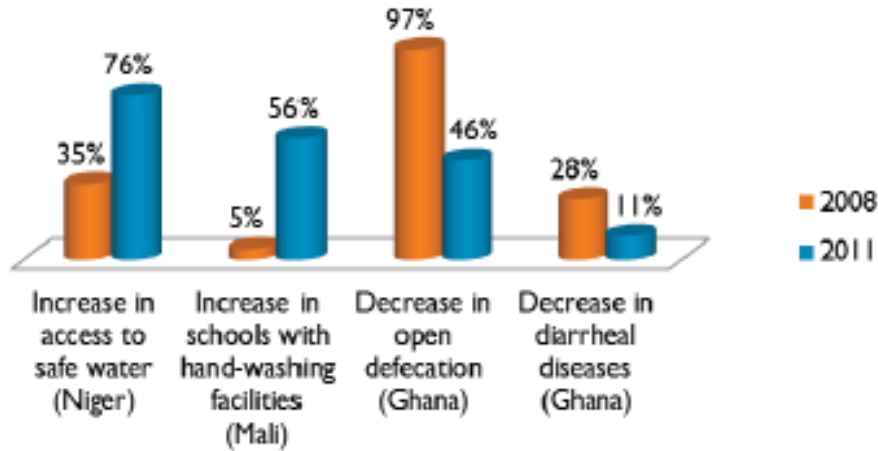


*10c – Barriers to repairing systems*

*Source: Fisher, M.B.; Leker, H.; Samani, D.; Apoya, P. Sustainable Water services Delivery Project Report. 2013. WSA, Ougadougou, Burkina Faso and the Water institute at UNC, Chapel Hill, NC, USA*

### Exhibit 3: Study Findings Related to World Vision WASH Interventions

Hydroconseil (independent consultancy) findings from World Vision’s 2009 and 2010 interventions in Ghana, Mali, and Niger



Findings from the 2012 study conducted by Bahir Dar University, Ethiopia, and Cornell University, U.S. on World Vision WASH programs between 2004 and 2011.

- Access to WASH facilities significantly increased - more than 13,640 households gained
- access to clean water, and water supply coverage in the areas visited averaged 75%
- Water consumption by each household increased an average of 70%, allowing families to access water not just for drinking, but also for cooking, bathing, and hygiene
- The time required to fetch water was reduced from four hours in some cases to a maximum of approximately 30 minutes.
- Access to sanitation increased due to the construction of pit latrines at the household level after implementation of Community-Led Total Sanitation and Hygiene.
- In about 67 percent of WASH projects visited, the beneficiaries contributed locally available building materials such as sand, building stones, and fencing materials, thus contributing to community ownership of the WASH infrastructure.

Source: *Evaluation Results: World Vision’s Water, Sanitation, and Hygiene Programs. (2012). Accessed at <http://www.worldvision.org/our-impact/clean-water>, December 21, 2013.*

## Exhibit 4: United Nations Definition of Water and Sanitation Access

Goal 7, target 10 of the Millennium Development Goals aims at halving by 2015 the proportion of people without sustainable access to safe drinking water and basic sanitation.

### What does sustainable access to safe drinking water & basic sanitation mean?

WHO and UNICEF provide the UN system's monitoring of progress on MDG target 10. The JMP defines safe drinking water and basic sanitation as follows:

- *Drinking water* is water used for domestic purposes, drinking, cooking and personal hygiene;
- Access to drinking water means that the source is less than 1 kilometer away from its place of use and that it is possible to reliably obtain at least 20 litres per member of a household per day;
- Safe drinking water is water with microbial, chemical and physical characteristics that meet WHO guidelines or national standards on drinking water quality;
- Access to safe drinking water is the proportion of people using improved drinking water sources: household connection; public standpipe; borehole; protected dug well; protected spring; rainwater.

*Basic sanitation* is the lowest-cost technology ensuring hygienic excreta and sillage disposal and a clean and healthful living environment both at home and in the neighborhood of users. Access to basic sanitation includes safety and privacy in the use of these services. Coverage is the proportion of people using improved sanitation facilities: public sewer connection; septic system connection; pour-flush latrine; simple pit latrine; ventilated improved pit latrine.

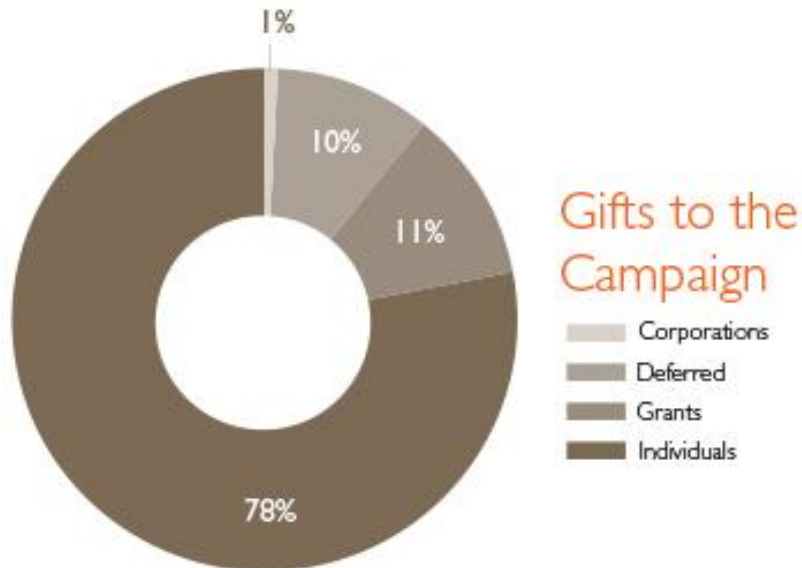
Source: World Health Organization. "Health through safe drinking water and basic sanitation." WHO. [http://www.who.int/water\\_sanitation\\_health/mdg1/en/](http://www.who.int/water_sanitation_health/mdg1/en/) (accessed June 6, 2014).

**Exhibit 5: Key water, sanitation, and hygiene project locations targeted by the *For Every Child* Campaign**



Source: World Vision. "Water, Sanitation, and Hygiene." World Vision's Campaign For Every Child. <http://wvcampaign.org/water-sanitation-and-hygiene> (accessed June 6, 2014).

**For Every Child Campaign Status as of November 2013**



Source: World Vision. "Campaign Status." World Vision's Campaign For Every Child. <http://wvcampaign.org/campaign-status> (accessed June 6, 2014).



**Exhibit 6: World Vision WASH Beneficiary and Cost Data<sup>1</sup>**

	Actual		Forecast
	2010	2013	2014
<b>WASH Beneficiaries<sup>2</sup></b>			
Ten FEC countries of Africa <sup>3</sup>	151,000	} 1,267,000	1,380,000
Additional ten Africa countries <sup>4</sup>	N/A		
Rest of world <sup>5</sup>	N/A		
	N/A	N/A	N/A
<b>WASH Program Cost<sup>6</sup></b>			
Ten FEC countries of Africa	\$15.5m	} \$60.8m	\$65.0m
Additional ten Africa countries	N/A		
Rest of world	N/A		
	N/A	\$21.4m	\$22.0m
		\$82.2m	\$87.0m
<b>Cost per Beneficiary<sup>7</sup></b>	\$103	\$48	\$47
	<i>Prior to 2010</i>	<i>2010-2013</i>	<i>2014 (YTD)</i>
<b>Sources of WASH Funding<sup>7</sup></b>			
Government Grants	23%	18%	15%
Multilateral (e.g. UNICEF)	4%	1%	1%
Major Donors/Foundations/Corporations	54%	58%	66%
Sponsorship	19%	23%	18%
<b>Sources of WASH Funding (Geographically)<sup>7</sup></b>			
United States	42%	48%	54%
All Other Funding Offices	58%	52%	46%

**Average Funding Allocation to water: 73%**

N/A Data not currently available.

- (1) Fiscal Years Ended September 30
- (2) Represents water access beneficiaries only, most of whom also receive sanitation and hygiene benefits. While we track number of individual beneficiaries for sanitation and hygiene, we do not know how many of those individuals overlap with those receiving water access. Total number of beneficiaries for both sanitation and hygiene approximate number of beneficiaries for water access.
- (3) Ghana, Mali, Niger, Ethiopia, Kenya, Rwanda, Uganda, Malawi, Mozambique, Zambia
- (4) Burundi, South Sudan, Sudan, Tanzania, DRC, Swaziland, Chad, Mauritania, Senegal, Sierra Leone
- (5) Largest programs: Somalia, Cambodia, Haiti, Jordan, Pakistan, Timor, Sri Lanka, Angola, Lesotho, Zimbabwe
- (6) "Primary" WASH costs. . . excludes "secondary" costs (such as irrigation projects typically classified as agriculture, etc.)
- (7) Total primary costs for water access, sanitation and hygiene.

Source: World Vision US

**Exhibit 7: The Marketing or Purchase Funnel Framework**



Source: Cohen, Adam. "A Thousand Cuts." <http://adamhcohen.com/the-new-marketing-funnel/> (accessed June 6, 2014).

**Exhibit 8: Fundraising and Advertising Data for World Vision and Peers**

	<b>Total Revenue</b>	<b>Total Fundraising Expenses</b>	<b>Total Advertising Expenses</b>	<b>% of Ad Expense used for Fundraising**</b>
Water Aid America Inc.	\$5,214,516	\$400,774	\$78,557	53%
Water.org	\$9,164,403	\$0	\$2,610	6%
CARE USA, Inc.	\$557,527,133	\$22,022,712	\$2,237,729	66%
Save the Children Federation, Inc.	\$576,463,006	\$28,598,325	\$623,609	86%
Plan International USA, Inc.*	\$88,325,216	\$7,547,308	\$3,010,239	100%
United States Fund for UNICEF	\$211,643,386	\$32,888,007	\$0	0%
American Red Cross	\$3,154,538,043	\$172,405,472	\$21,581,289	5%
World Vision Inc.	\$1,009,722,239	\$106,976,873	\$9,365,789	94%
Charity:Water	\$32,793,153	\$1,984,636	\$0	NA
Living Water	\$20,259,914	\$3,090,116	\$31,013	98%
Water for People	\$11,188,707	\$884,771	\$3,890	12%

\*FY 2010-2011

\*\*other advertising expense categories are program service and management and general expense

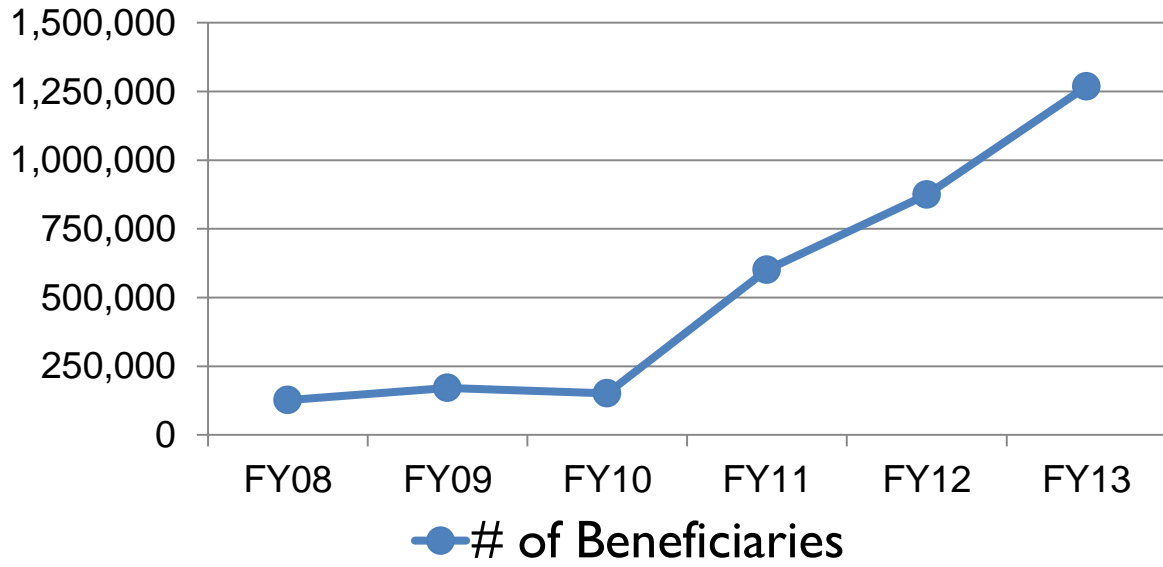
Source: United States Internal Revenue Service 990 filings for FY 2011-2012

**Exhibit 9: List of Key Partnerships**



Source: World Vision

**Exhibit 10: World Vision Clean Water Beneficiaries**



Source: Dr. Greg Allgood

## References

- Allen, Nancy J. *WAWI: A Preliminary Assessment*. Prepared for the Conrad N. Hilton Foundation, 2007 (conclusions updated 2008).
- Allgood, Greg. Personal interview. 5 and 6 Nov. 2013, 10 Jan. 2014., 10 Mar. 2014.
- Christopher, Bartlett A, and Curan F Daniel. *World Vision International's AIDS Initiative: Challenging a Global Partnership*. Cambridge, MA: Harvard Business School , 2005 and accompanying Teaching Note, revised 2010.
- Covell, Jeffrey L. "World Vision International, Inc." *International Directory of Company Histories*. Ed. Jay P. Pederson. Vol. 93. Detroit: St. James Press, 2008. 494-497. *Gale Virtual Reference Library*. Web. 23 Dec. 2013.
- Dornsife, David and Dana. Personal interview. 18 Feb. 2014.
- Hydroconseil. *West Africa Water Initiative Phase II:Water, Sanitation, and Hygiene for Human Development*. Châteauneuf de Gadagne, France: Hydroconseil, 2011.
- Jackson, Sam. Personal interview. 22 Jan. 2014.
- Jones Christensen, L., & Seagle, C. (2010). Procter & Gamble's PUR Purifier of Water: How Global Corporate Philanthropy Builds Shareholder Value. Chapel Hill, NC: UNC Kenan-Flagler Business School Center for Sustainable Enterprise.
- Jones Christensen, L., & Thomas, J. (2008). Procter & Gamble's Pur Water Purifier: the Hunt For a Sustainable Business Model. Chapel Hill, NC: UNC Kenan-Flagler Business School Center for Sustainable Enterprise.
- Kall, Keith. Personal interview. 7 Feb. 2014.
- Kamate, Jean-Baptiste. Personal interview. 05 Feb. 2014.
- Kerrigan, Sean. Personal interview. 10 Feb. 2014.
- Opong, Emmanuel. Personal interview. 24 Jan. 2014.
- Probus, Larry and Will Randolph. Personal interview. 24 Jan. 2014.
- Riverson, Dr. Joe. Personal interview. 14 Feb. 2014.
- Shaw, David. Personal interview. 29 Jan. 2014.
- Smoke, Jordan. Personal interview. 06 Feb. 2014
- Strash, Randy. Personal interview. 31 Jan. 2014.
- Tanvi, Nagpal, Ph.D. *Providing Access to Safe Water Lessons Learned from Two Decades of Philanthropic Investment in the Rural Poor*. Conrad N. Hilton Foundation, 2012.
- Thompson, Amy. Personal interview. 29 Jan. 2014.
- World Vision US 2013 Annual Report Brochure and Consolidated Financial Statements
- World Vision for Every Child Campaign FY 2013 Semiannual Report.