



DETROIT FINANCIAL WELL-BEING
INNOVATION
CHALLENGE

DESIGN PROCESS & LESSONS LEARNED
FROM IMPLEMENTATION (2019-2023)

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United Way
for Southeastern Michigan

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For more information about the Detroit Financial Well-Being Innovation Challenge, visit UnitedWaySEM.org/FWBIC or contact Financial.Wellbeing@UnitedWaySEM.org.

Acknowledgements

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THE CHALLENGE TEAM



United Way for Southeastern Michigan

United Way for Southeastern Michigan, a member of the United Way Worldwide network and an independently governed 501(c)(3) nonprofit organization, works to advance equitable communities where households can become stable and children have the support they need to thrive. For more than 100 years, United Way has been a leader in creating positive, measurable, and sustainable change in communities throughout Southeastern Michigan. United Way works in partnership with donors, agencies, corporate partners and municipal partners to help families meet their basic needs of housing, food, health care and family finances, and to ensure children start school ready to learn and graduate ready for life. To give, advocate, volunteer or learn more, visit UnitedWaySEM.org.

University of Michigan's Poverty Solutions

Poverty Solutions is a university-wide initiative at the University of Michigan that aims to prevent and alleviate poverty through action-based research that informs policymakers, community organizations, government entities, and practitioners. Cultivating action-based research partnerships with community stakeholders and policymakers, Poverty Solutions aims to find what works in confronting poverty and use that evidence to be a part of positive change in communities.

Our Unique Collaboration

Over the past five years, United Way for Southeastern Michigan and University of Michigan's Poverty Solutions office have collaborated on multiple initiatives. This close partnership leverages the research expertise of the University of Michigan and the convening power and community-driven grant-making expertise of United Way to develop data-driven solutions to our region's most pressing challenges. The Poverty Solutions team led the research that inspired the Detroit Financial Well-Being Innovation Challenge, served as integral thought partners on the design and execution of the Challenge, and will conduct an evaluation on each of the projects chosen for the Pilot and Scale Stages.

INVESTING IN INNOVATION FOR ECONOMIC EQUITY

United Way for Southeastern Michigan is pleased to share an interim report on our Detroit Financial Well-Being Innovation Challenge, launched in 2022. In this report, we offer our lessons learned as a resource to funders, community organizations, and other stakeholders interested in bolstering innovation and economic equity within their communities.

United Way is a staunch advocate for policies and programs that support the ALICE (Asset Limited, Income Constrained, Employed) population — working households whose earnings exceed the poverty level but are not enough to cover the cost of rising living expenses. We invest more than \$40 million every year in local communities across Southeastern Michigan, funding a range of programs that help families deal with crises and move from surviving to thriving. These investments are a critical source of support to keep our social safety net intact and provide opportunities for economic mobility in our region. However, recognizing the systemic inequities driving widespread financial instability in Detroit, we needed to do more to address underlying barriers to opportunity.

The Detroit Financial Well-Being Innovation Challenge was created in response to a 2020 University of Michigan Poverty Solutions report, which found that a combination of low and volatile incomes and disproportionately high costs makes it challenging for Detroiters to maintain positive cash flow, build savings, and manage debt. A staggering 56% reported having just enough or not enough money left at the end of each month. Importantly, these financial disadvantages are largely the result of systemic forces and the legacy of discriminatory policies and market practices — not individual bad financial choices. The Detroit Financial Well-Being Innovation Challenge's focus on "game-changing" ideas supports the development of systemic solutions to these systemic problems.

United Way strongly believes that equity should be the foundation of community investments. Our commitment to practices that disrupt unfair systems and provide access to opportunity for all is one of our guiding principles; it is central to our work and embedded in our investments. As philanthropic funding grows more competitive, funding processes tend to favor proven models with established track records, inadvertently sidelining initiatives with unproven yet transformative potential. To combat the challenges of securing funding for innovative work, we set out to create a grant-making process to nurture new ideas, provide support to flesh out the details, and center community voice.

Two years after the launch of the Challenge, we are proud of our progress. We inspired 68 wide-ranging organizations to consider how they could contribute to a more equitable environment of financial opportunity in Detroit, supported the further development of 17 promising ideas, and invested in 6 pilot projects that are currently testing their models in the real world.

As we reflect on the journey so far, we are optimistic about the potential impact of this initiative on Detroiters' financial well-being and celebrate the opportunity to invest in equitable, innovative work in support of our communities. A heartfelt thank you to the community members, organizations, and funders who have participated in our process — without you, none of this work would be possible.



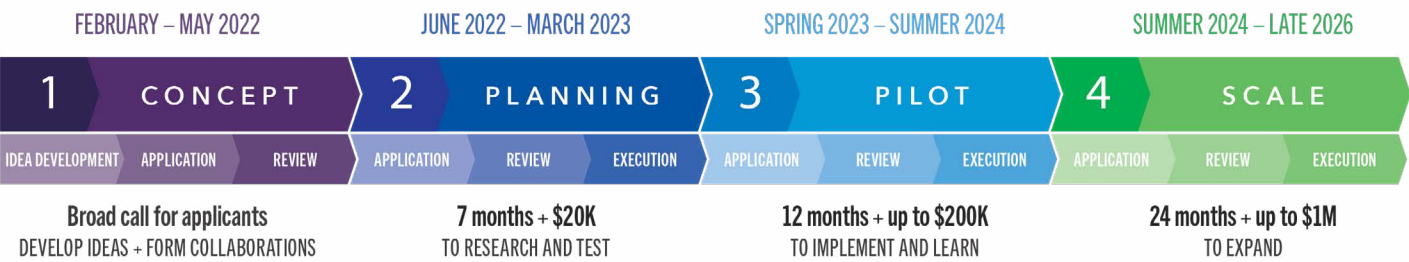
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THE DETROIT FINANCIAL WELL-BEING INNOVATION CHALLENGE TIMELINE



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CREATING THE CHALLENGE

ABOUT THE DETROIT FINANCIAL WELL-BEING INNOVATION CHALLENGE

The Detroit Financial Well-Being Innovation Challenge launched in February 2022 as a \$2.5+ million, five-year initiative to invest in innovative solutions to advance financial well-being in Detroit, where over half of residents are either financially insecure (32%) or in financial trouble (24%). This five-year competition provides seed funding for innovative pilot programs and initiatives that are focused on addressing the underlying structural and systemic barriers to financial well-being.

The Challenge, led by United Way for Southeastern Michigan in partnership with University of Michigan's Poverty Solutions, is an intentional departure from traditional approaches to economic mobility, which typically focus on coaching

individuals how to overcome systemic barriers. The initiative challenges the traditional approach of accepting systemic disadvantages as hurdles for individuals to overcome, and instead asks applicant organizations to propose bold, new solutions that would directly change the systemic context within which individuals operate.

In this report, the Detroit Financial Well-Being Innovation Challenge team will share lessons from the design and implementation of the first two stages of the Challenge. We will explore the ways in which the Challenge establishes a new structure for grant-making that supports and catalyzes innovation, with a heavy focus on learning from and with community residents and grantees.

PROCESS INNOVATIONS WITHIN THE CHALLENGE

- Going beyond the usual suspects to engage a diverse array of organizations, including but not limited to neighborhood block clubs, multiservice nonprofit agencies, and financial institutions.
- Providing in-depth, grantee-driven technical assistance before and after applications for funding are submitted, including support in the areas of human-centered design, research, program evaluation, financial analysis, and more.
- Partnering with a research institution, University of Michigan's Poverty Solutions, to bring original, place-based research to the center of the grant-making strategy.
- Using technology-based tools to enhance community engagement and capacity-building goals, e.g. video pitches, networking mixers, and interactive program design workshops.
- Establishing robust community and grantee feedback mechanisms to facilitate grantees learning from community residents and the funder team learning with and from grantee organizations.

WHY AN INNOVATION CHALLENGE?

In 2019, United Way for Southeastern Michigan approached our partners at University of Michigan's Poverty Solutions in search of local data on residents' financial well-being —

specifically, the local factors that were limiting or supporting economic mobility for Detroit residents. Localized data on the indicators of financial well-being are not often available,

given that census data does not capture an individual's savings or debt, how often they are late or behind on bills, or what their credit score is (all key indicators of financial well-being in the United States). Although national surveys may ask those questions, local conditions in Detroit are very different than national averages on most indicators. For example, the median household income for the years 2017-2021 was \$34,762 in the city of Detroit, compared to \$69,021 nationally.¹ According to United Way's 2021 ALICE report, which measures the ability to meet basic household needs, 65% of households in Detroit don't make enough to afford a basic survival budget.

In August 2020, Poverty Solutions researchers published the report, *The Financial Well-Being of Detroit Residents: What Do We Know?*² The research showed that Detroiters face deep and persistent financial disadvantages, more so than residents of peer cities. Among the factors setting Detroiters apart from residents of peer cities were higher rates of subprime credit, debt in collections, eviction, foreclosure, and bankruptcy. These disadvantages were not the result of individual failures, but of systemic and structural inequities, many of which stem from decades of racism, redlining, and disinvestment.

In January 2021, United Way and the University of Michigan co-hosted a virtual community conversation to present the findings of the report and announce the intention to create a Detroit Financial Well-Being Innovation Challenge. The report from the University of Michigan made it clear

that existing solutions were not doing enough to address structural inequities. To build and sustain solutions at the systems level, we needed innovation: creative and novel approaches, technologies, and methodologies to meet the evolving needs of our residents. However, innovation is often a difficult charge and entails a rocky path to progress, which also makes it difficult to fund through a traditional grant-making approach. Testing new ideas is risky: nonprofit leaders don't know if a new idea will work until they try it, and yet funders (including United Way), understandably would like some assurance that our investment is going to drive strong impact.

Ultimately, innovative ideas are less likely to be selected for funding when they are compared to long-standing programs with a track record of proven impact. Traditional grant-making processes often mitigate risk by investing in proven impact, which disadvantages the more innovative ideas that by nature require flexibility and the space to test and refine solutions before they can begin to prove impact. Given that we specifically wanted to catalyze innovation, United Way needed an alternative approach that would enhance the capacity of organizations to engage in an iterative learning and design process, while also building greater confidence that the investments would have a good chance of being successful and making an impact. Thus, we set out to design a multistage process of partnering with a diverse range of organizations to support them on their journey of taking their "Big Idea" from concept to reality.



DESIGNING THE CHALLENGE

The design process for the Innovation Challenge included intentional collaboration with various organizations from the region that advised and informed the structure of the Challenge. United Way developed a “core” Challenge team that included representatives from Poverty Solutions and United Way who contributed to the design process. In addition, United Way solicited input from key stakeholders.

KEY STAKEHOLDERS CONSULTED DURING THE CHALLENGE DESIGN PROCESS

- Frontline staff of local service organizations
- Local nonprofit organizational leaders
- Individuals with personal experience with financial instability

COMMUNITY LISTENING SESSIONS

Through a series of community listening sessions, United Way gathered in-depth feedback from these stakeholder groups, asking them to share their transparent thoughts about the draft Challenge design and components of grant-making initiatives that have (or have not) helped them to advance equity and impact. Three separate virtual sessions were held in July 2021, each targeted and tailored to a different group of stakeholders. Leaders at potential applicant organizations were asked to comment on what they found compelling or not compelling about the Challenge opportunity, what kinds of organizations might apply or should be applying but might miss out, considerations to keep in mind when creating the application, and what kinds of technical assistance would be useful to applicant organizations. Front line staff were asked to comment on their experiences with implementing new programs and services, and mistakes that could have been avoided. Individuals with lived experiences were asked to comment on the types of system changes they most wanted to see, the attributes of community-centered organizations and well-designed programs, and how to structure community feedback and participation during the Challenge.

Among several themes to come out of the feedback were:

- Grant applications are often coded in “grant speak.” To open access to nontraditional and less experienced grant seekers, initial applications should be low-barrier and be paired with technical assistance.
- Local organizational leaders observed a complex tension between United Way’s stated goals of wanting to catalyze systemic, transformative change and also wanting to engage with small, underfunded, closer-to-the-community groups.
- Hands-on grant oversight allows the funder to become more responsive and remain in touch with partner organizations’ needs and challenges throughout the design and implementation process.

In response to the insights gathered from the community listening sessions, United Way developed the following structural additions to the implementation plan:

- Three early-stage mixers designed to facilitate connections and collaboration amongst interested organizations (especially between grassroots organizations and larger organizations) and to share complementary skills and resources.
- Intentional and consistent opportunities for Detroit residents to contribute ideas and feedback to applicant organizations in every stage of the Challenge.
- Simplification of application materials and clearly communicated expectations regarding the evaluation criteria to lower the barrier to entry for nontraditional or inexperienced grant seekers.
- Consistent feedback and dialogue opportunities with a dedicated Challenge manager, who works with interested organizations to identify opportunities and make connections for collaboration.

“In rolling out a new program, the most important thing for us was being able to apply a human-centered design lens to the implementation process, and just knowing that there were going to be iterations, constantly kind of looking for the fullest type of feedback that we could get — through focus groups and live conversations, rather than just surveys — and being prepared to pivot based on the feedback we collected.”

– Frontline worker

“I participated in a grant challenge where, in order to move ahead into the [planning] phase, you were asked to attend educational sessions. I developed a network with other applicants, and we got to learn together, really fine-tuning our applications to be more clear and precise about the information the funder was looking for. I picked up a lot of new skills that helped me understand how to pitch complex ideas.”

– Local organizational leader

“We had to do a presentation to community members that were going to be affected (or at least those who were intended to be impacted by the program). The community members had some say in the selection process, and so it was almost as if we were pitching the community and not just the funder.”

– Local organizational leader







“Detroiters should be selected to participate on grant review panels — not people who live outside of Detroit, in the suburbs — this is our community.”

– Resident



CHALLENGE DESIGN PRINCIPLES

Using insights gathered from Poverty Solutions and the many individual advisors who participated in the listening sessions, we adopted several design principles to be centered throughout our Challenge design process.

	DESIGN PRINCIPLE	RATIONALE	METHODOLOGY
I.	 Invest in innovative and scalable systems change	Existing solutions have not been successful in addressing systemic and structural inequities hurting Detroiters' ability to reach financial stability.	Prioritize ideas that are new to Detroit, focus on changes to systems of financial opportunity rather than individual behavior, and have strong potential for scale.
II.	 Invite participation from a wide range of organizations and encourage collaboration	Different kinds of organizations across sectors have different and valuable perspectives and ideas to contribute. Grassroots organizations may have the clearest understanding of the problem, whereas larger institutions may have more influence on systemic factors.	Intentionally lower barriers to entry into the process, and intentionally recruit system players and nontraditional grant seekers.
III.	 De-risk the innovation process for both organizations and funders	Innovation is risky to engage in and to invest in. Organizations must feel like they have the space to experience trial-and-error testing to find the best solutions, whereas funders want confidence that their investment will lead to meaningful impact.	Support an iterative program design process for applicants through a multistage Challenge design process that starts with small investments in a larger number of projects and progressively makes larger investments in fewer projects that are most ripe for implementation and scale.
IV.	 Embed research and data in the design and implementation process	Underresourced organizations may have limited resources and capacity to dedicate to conducting and responding to research and data. New implementations can benefit greatly from up-front desk research to inform the program design, and from third-party evaluations to measure success.	Provide built-in exploratory research support during early stages and evaluation support during later stages from Poverty Solutions.
V.	 Design with residents in mind	New programs often suffer implementation challenges that are avoidable in retrospect, often because the program design team did not fully understand how the new program would fit into the context of residents' lives. Residents can preemptively solve implementation barriers and challenges if they are included in the design process.	Support organizations to thoroughly consider the context, needs, and user experience of their target audience throughout their planning process. Develop consistent and meaningful opportunities for Detroit residents to share their ideas and feedback.
VI.	 Support organizations holistically in the process of innovation and move from "funder" to "partner"	Financial resources are necessary to launch new initiatives, but they should be coupled with technical assistance resources to help organizations navigate anticipated and unforeseen challenges. This can help organizations to build capacity to be able to identify and respond to challenges in real time.	Hire a dedicated Challenge manager to work directly with applicant organizations and surface their needs for technical assistance.

FUNDING THE CHALLENGE

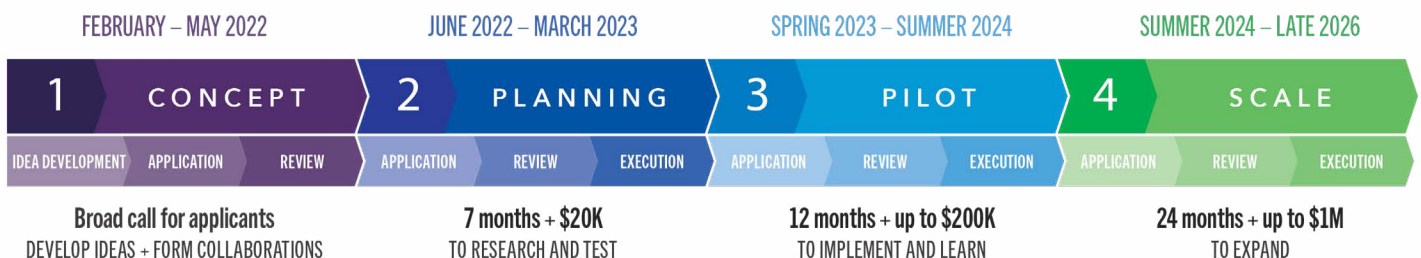
United Way’s unique organizational positioning as an intermediary and convenor at the intersection of philanthropy and community contributed in many ways to our ability to conceive and host the Challenge. Unlike a traditional philanthropic foundation or a corporate philanthropic office, United Way has wide and deep networks of community-based organizations that are well positioned to offer Big Ideas to the Challenge. And unlike a traditional funder, United Way is an aggregator of funding from other sources, and was not in a position to simply make a decision to fund the Challenge from existing resources.

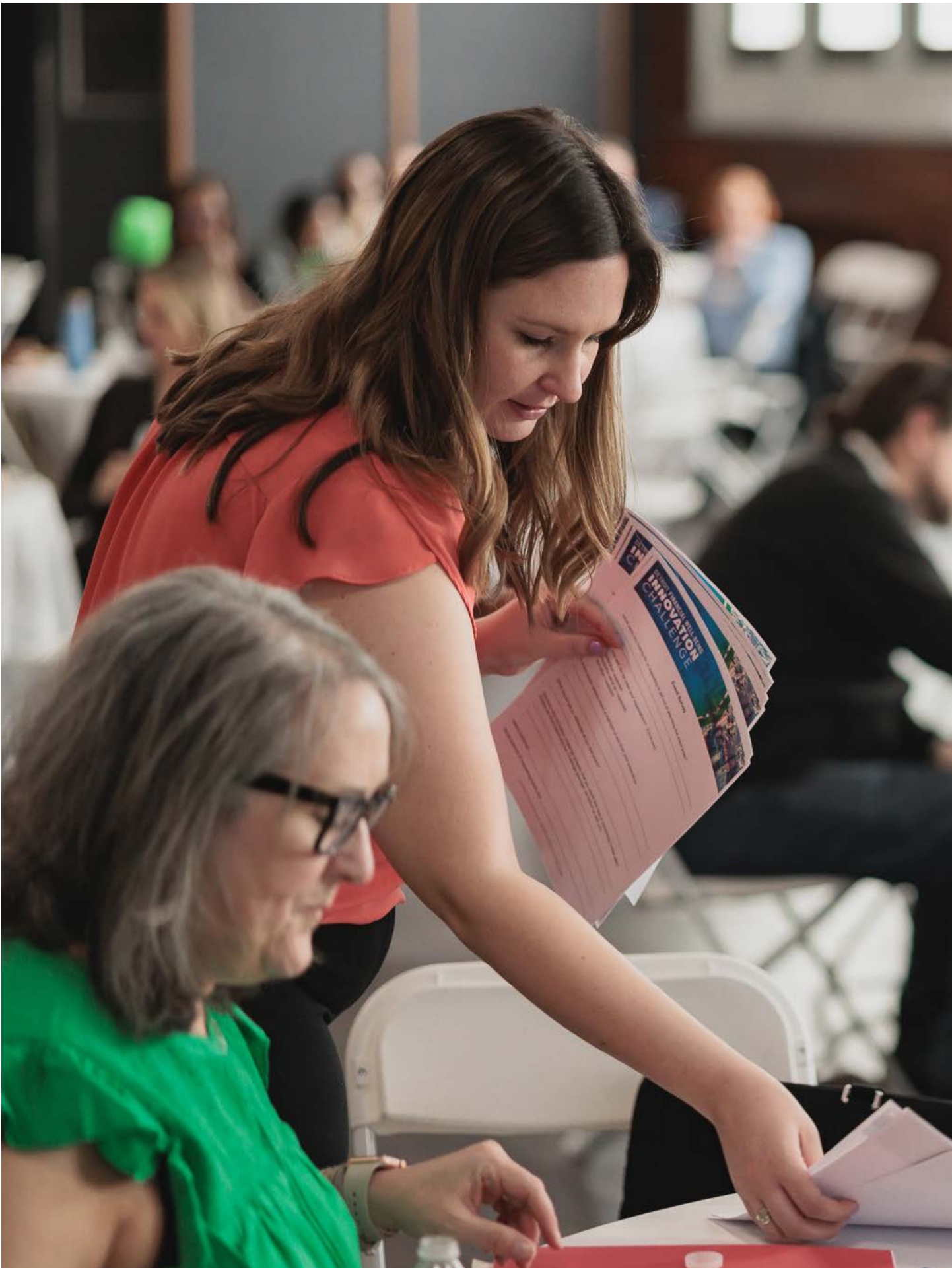
In fundraising for the Challenge, the United Way team faced some of the very same challenges that the Challenge was designed to solve for applicant organizations: We were asking funders to take a chance on an innovative model — in this case, the very idea of the Innovation Challenge — which was as of yet unproven. This was a tough sell for some funders, who wanted more information about the specific projects they would be funding before making a decision on whether to fund, but United Way needed firm funding commitments upfront in order to be able to launch the Challenge. We had to do our best to demonstrate that we had designed a thoughtful and rigorous process that would inevitably lead to exciting projects and valuable outcomes for Detroit residents. We are very grateful to General Motors, JPMorgan Chase, and Comerica for choosing to trust that process and providing upfront funding commitments that allowed us to launch the Challenge.

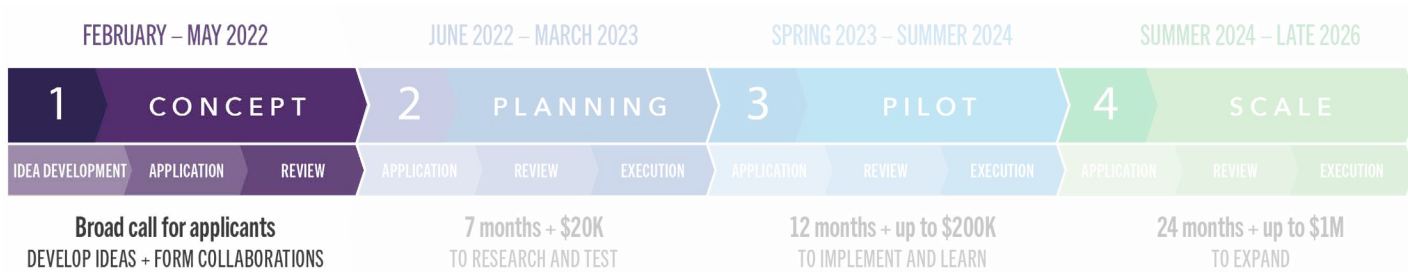


THE FINANCIAL WELL-BEING INNOVATION CHALLENGE TIMELINE

The four-stage Challenge timeline was explicitly designed to support design principle III: **De-risk the innovation process for both organizations and funders**. The staged funding structure simultaneously supports needed innovation capacity for organizations while building evidence in support of previously untested models for funders.







CONCEPT STAGE

PURPOSE	TIMELINE	PARTICIPANTS
Broad call for ideas	4 months February 2022 – May 2022	68 organizations expressed interest

DESIGN PRINCIPLES



Invite participation from a wide range of organizations and encourage collaboration.

HOW WE DID IT: Increased accessibility in the application process for nontraditional and less-experienced grant seekers, using a carefully crafted outreach strategy combined with a focus on networking and collaboration.



Design with residents in mind.

HOW WE DID IT: Asked applicant organizations to first pitch their ideas to Detroit residents with firsthand experience with financial instability, and to respond to their feedback before submitting a formal grant application.

CALL FOR IDEAS

The first stage of the Innovation Challenge began with an open call to organizations interested in exploring a new idea for systems change that would ultimately enhance the financial well-being of Detroiters. Intentionally, the target audience for the Challenge included nontraditional grant seekers such as small grassroots organizations, large financial institutions, and local government agencies with the unique opportunity to affect and sustain systems change efforts. To reach a wide breadth of organizations, the Challenge team took a thoughtful and thorough approach to outreach and solicitation of proposals beginning in January 2022 and continuing throughout the Concept

Stage. To identify over 200 prospective applicants, we leveraged the United Way network beyond currently funded partners to include community members, peers, former colleagues, and other networks directly or indirectly connected to United Way in our outreach. We implemented a customized invitation strategy to reach out to each organization (or network of organizations) we hoped would consider joining the Challenge. In response to this outreach, more than 300 individuals attended the launch event in February 2022.

A WIDE RANGE OF ORGANIZATIONS ATTENDED THE LAUNCH EVENT

- State and local government
- Corporations
- Financial institutions
- Grant-makers and nonprofit funders
- Grassroots and neighborhood-based organizations
- Single and multiservice nonprofits
- Economic development organizations
- Religious groups

Over the course of the four-month Concept Stage, 68 organizations expressed interest individually or with a coalition of other organizations. The types of organizations varied and included large multiservice nonprofits, small neighborhood block clubs, major financial institutions, corporations, and others. Within this mix, most organizations reported having less than five full-time employees and

many were nontraditional or inexperienced grant seekers. The pool of interested organizations also reaffirmed the importance of United Way's commitment to providing a low-barrier application process in order to support the diversity of organizations in our process.



"I'm here today because I believe we're 100% worthy and capable of passing down wealth, advantages, or privilege to our future generations. I also feel that we can build the life we want to live — and I'm not talking about surviving, I'm talking about thriving."

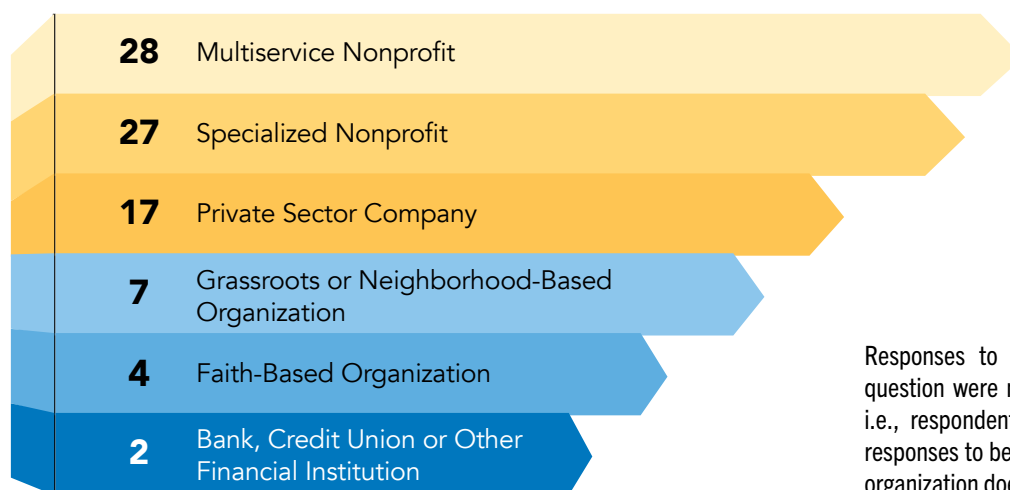
— Richard Grundy, JOURNi

"We can stop the cycle of punishment and poverty. Functional sentencing seeks to use misdemeanor sentencing as an opportunity to steer people towards community-based resources that keep them out of poverty and consequently out of the criminal justice system."

— Jayesh Patel, Street Democracy

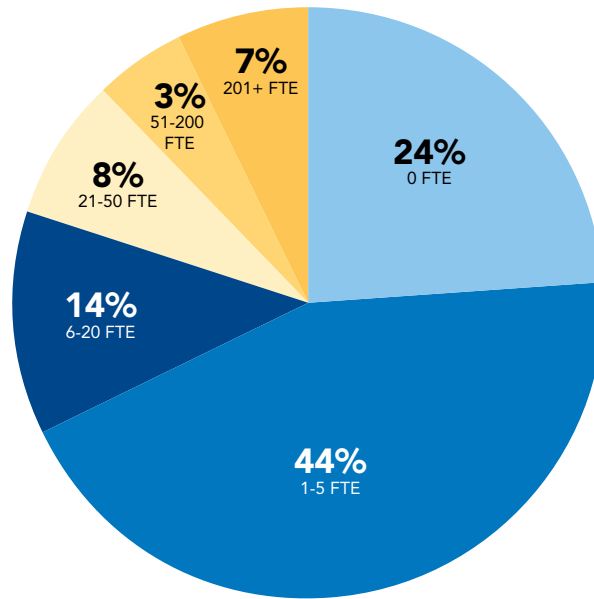


A MAJORITY OF ORGANIZATIONS IDENTIFIED AS MULTISERVICE NONPROFITS



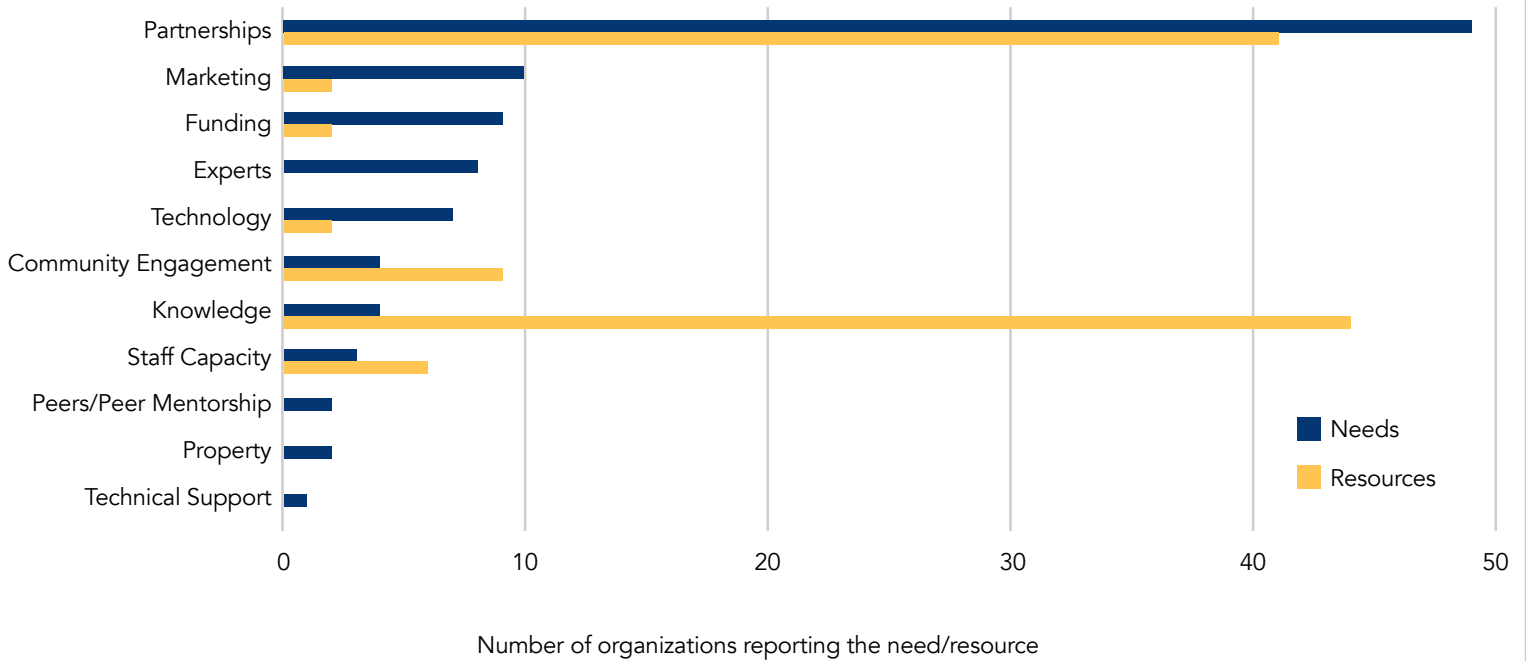
Responses to the organization type question were not mutually exclusive, i.e., respondents could pick multiple responses to best represent what their organization does.

MOST ORGANIZATIONS REPORTED HAVING LESS THAN 5 FULL-TIME EMPLOYEES (FTEs)



STRONG OVERLAP BETWEEN REPORTED NEEDS AND RESOURCES

Partnerships were the top need and also the second most-reported resource



APPLICATION PROCESS

Over the course of the four-month Concept Stage, interested organizations were asked to complete four steps.

1 SUBMIT AN EXPRESSION OF INTEREST TO UNITED WAY

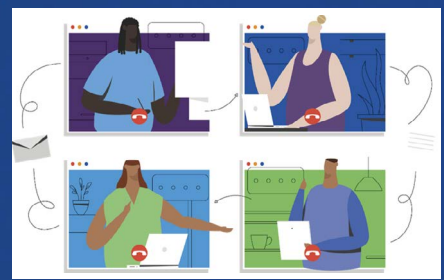
The expression of interest form provided a short and simple way for organizations to enter the process, gain access to technical assistance, share their ideas with United Way, and state their interest in collaborating with other organizations.

In addition to serving as a formal entry into the Challenge process, the Challenge manager used this information to identify common points of interest — among organizations interested in collaborating with others — to inform the facilitation of introductions among applicant organizations.

2 NETWORK WITH OTHER APPLICANT ORGANIZATIONS DURING CURATED COLLABORATION MIXERS

After submitting an expression of interest, organizations gained access to collaboration mixers and workshops with other applicant organizations. The goal of these collaboration mixers was to provide a space for organizations with good ideas to connect to other organizations with similar ideas or resources that might help bring the idea to fruition. Through the virtual collaboration mixers and e-introductions curated by the Challenge manager, about five partnerships and coalitions were formed among 12 interested organizations.

Given that this stage of the Challenge occurred as the local community was still considering a larger transition back to in-person convenings in the spring of 2022 (less than one year after the first COVID vaccine was openly available to Detroit residents), all collaboration mixers were hosted on a virtual networking platform called Airmeet. This virtual platform allowed participants to join the mixers via audio/video, engage in speed networking sessions, network with other interested organizations, and ask questions about the Challenge process.



3 PITCH THEIR IDEAS FOR INPUT AND FEEDBACK FROM DETROIT RESIDENTS EXPERIENCING FINANCIAL INSTABILITY

In keeping with our design principle of **design with residents in mind**, before submitting their formal Concept Proposals to United Way, applicant organizations had the unique opportunity to pitch their ideas to Detroit residents and incorporate that feedback into their final proposals. Each applicant was asked to create a two-minute video pitch describing their idea to a resident, including the problems they hoped to solve and how their approach differed from existing interventions.

To do this, each organization was provided with a paid membership to an online platform called Pitchtape, which made recording video pitches both easy and simple — and eliminated the need for video editing expertise. United Way then partnered with about 25 “community consultants” (i.e., residents with firsthand or secondhand experience with financial instability in Detroit) who participated in the review and feedback process.

“Back in 2015, I had the dream to see my neighborhood transformed and developed through grassroots efforts. My Big Idea involves directly servicing neighborhoods by partnering with other neighborhood organizations who have strong roots in the community.”

– Tammy Black, Manistique Community Treehouse Center



Common themes from resident feedback included:

- **The population that would benefit from the idea is too narrow or niche, and perhaps not the segment most in need.** The impact may be limited because it reaches only a small population, or because the idea is relevant only to a small segment of the population, which the reviewer does not think is a segment that should be prioritized.
- **Lack of clarity about exactly how an idea would work, and whom it would benefit and how.** In some cases, there is a disconnect between how the pitching organization perceives an issue to be versus what the reviewer understands about the issue — e.g., the pitching organization perceives home repair issues are a result of a shortage of contractors, while the reviewer sees the cost burden of hiring a contractor to come to Detroit for home repair as the most important element to be addressed. The two may be related, but that connection hasn't been clearly identified nor acknowledged by the team.
- **Idea isn't new and doesn't differ from existing programs.** It is unclear how the idea presents a new solution that isn't provided by current programs.
- **Tenuous connection to helping Detroiters make ends meet.** Some ideas were perceived to bring about minor changes, and to lack the true potential to affect Detroiters' financial lives in a big way.

4 SUBMIT AN OFFICIAL APPLICATION (CONCEPT PROPOSAL) TO UNITED WAY TO JOIN THE CHALLENGE

At the end of the Concept Stage, the Concept Proposal served as a formal application process to officially join the Innovation Challenge. Applicant teams were asked to refine their ideas using feedback from Detroit residents and the Challenge team before submitting an application describing their "Big Idea" in-depth.

View the list of organizations who joined the Concept Stage at unitedwaysem.org/Concept-Stage.

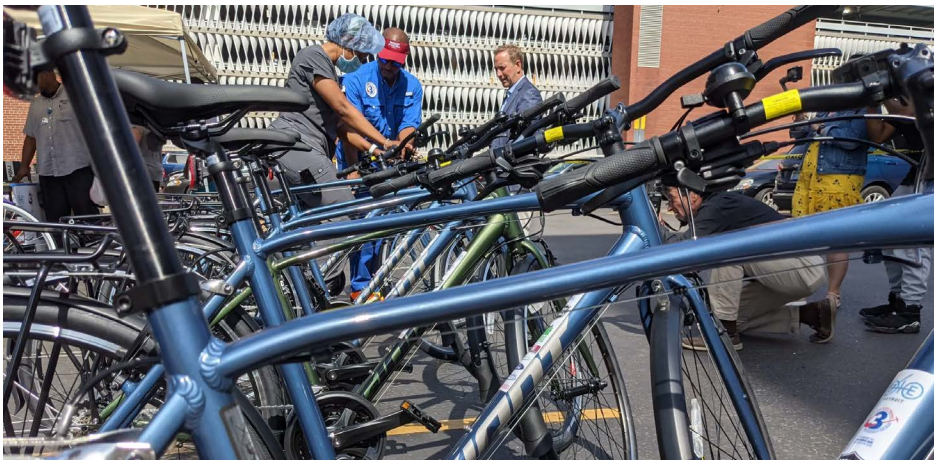
Bikes4Employees

A lot of people in Detroit don't have access to reliable transportation, which makes it difficult to get to school, work, or really anywhere, and people without transportation have a hard time making money or building a career.

When we began the Detroit Financial Well-Being Innovation Challenge, we intended to take an idea that we'd already seen success with — providing bikes for essential workers to get to work — and expand it to reach more people.

What's happened during the planning process is beyond anything we had imagined. We now have a much more well-rounded understanding of what the problem is and the solutions to solve it. The United Way team has brought so many resources to bear — such as research, technology and new connections. We never would have been able to dig into this completely if it wasn't for the team.

The feedback process was great. It was really helpful to hear the various critiques — even though they might not be what we want to hear, it's important for us to hear them. That's the path to true innovation — the power to transform how the city thinks about transportation.



CENTERING COMMUNITY VOICE DURING THE CONCEPT STAGE

Traditional grant-making processes often fail to involve community members or residents who are most affected by the issues being addressed. As funders work to support progress on complex issues within their communities, they may unintentionally contribute to inequities as a result of leaving out the critical perspectives of those being served. Building on these lessons from United Way's *Centering Community Voice: A Blueprint for Incorporating Lived Experience into the Grantmaking Process*³ published in 2021, the Challenge team aimed to prioritize the meaningful engagement of Detroit residents — and particularly those experiencing financial instability — throughout the Challenge design and implementation process.

Contributing ideas. To support the call for ideas in the Concept Stage, the Challenge team leveraged various social media platforms to ask Detroiters to share their ideas or requests for systems change. Although the hope of this outreach was to specifically appeal to Detroit residents, the lack of control over who could interact with the post made it difficult to separate the ideas submitted by Detroit residents from those submitted by other residents served by United Way across Southeastern Michigan, or indeed from social media users with no connection to the region. As a result, we gathered a long list of ideas without certainty that these were ideas resonating most with the residents we aimed to serve. Ultimately, we did not feel comfortable promoting an unvetted list of contributions as “resident ideas” and therefore chose not to share the list with interested organizations.

Providing feedback. United Way worked to recruit a diverse group of Detroit residents to participate in the video pitch process, focusing specifically on individuals with firsthand or secondhand experience with financial instability in Detroit. Through targeted newsletter outreach and personal outreach to partner organizations, nearly 50 residents submitted an application to join the review process. Ultimately,

about 20 individuals representing a variety of identities and perspectives were chosen to participate.

Participating in the decision. In order to pair both lived and learned experience in the Concept Proposal review process, residents with firsthand experience with financial instability were invited to participate in the review process alongside representatives from United Way and University of Michigan's Poverty Solutions. Residents joined discussions with the rest of the review team and were encouraged to lean on their lived experience — especially when that experience didn't align with the perspectives of those with “learned” expertise. The role of the resident reviewers and Poverty Solutions representatives was framed as important advisors and influencers in the decision-making process. Although final decision-making power was retained by United Way as the fiduciary of the Challenge, the selections reflected heavy input and feedback from the full review team.

Understanding fair compensation. In an effort to recognize the critical value of resident feedback in our Challenge, we worked directly with residents to understand what they considered fair compensation for involvement in the feedback process. Although most residents shared that their interest was more about playing a role in positive change for their community (and not about compensation at all), several also shared that the small incentives offered by organizations soliciting their feedback often didn't cover their transportation, childcare, or other needs for participation. Given this feedback, it was important to recognize the value of the time we were asking for. We worked collectively with residents to determine that \$50 per hour was appropriate compensation for their time and lived experience. Community consultants were given the option of payment via gift card, check, or direct deposit.

TECHNICAL ASSISTANCE

The Innovation Challenge was built in part to bring together different organizations, including traditional and nontraditional grant seekers, who could develop strong solutions to deeply embedded systemic problems — problems that often require involvement from stakeholders who are not usually engaged by traditional grant-making opportunities. To support the design principle of **invite participation from a wide range of organizations and encourage collaboration**, Concept Stage technical assistance focused on creating an accessible application process that met applicant organizations in their space of need.

KEY GOALS FOR CONCEPT STAGE TECHNICAL ASSISTANCE

- Building capacity for nontraditional or inexperienced grant seekers to be successful in United Way and other grant selection processes
- Creating spaces and opportunities for interested applicants to meet each other and collaborate

1 DIGITAL FORUM FOR APPLICANTS AND LIVE OPPORTUNITIES TO NETWORK WITH OTHER TEAMS

Immediately upon submitting their expression of interest, each interested organization was provided access to an online forum for project teams (hosted on Microsoft Yammer), in addition to receiving invitations to collaboration mixers. The Yammer forum aimed to establish a sense of community amongst applicants, providing a space for them to ask questions, solicit resources, and invite others to join their project. Ultimately, most applicants in this stage remained acutely aware of the competitive aspect of the Challenge and hesitated to share their ideas for fear that their hard work could be co-opted by competitors. As a result, use of the Yammer network was not widely adopted by applicant organizations. Instead, strategic introductions facilitated by the Challenge manager were more likely to bridge stronger connections between applicants working on similar or related issues or solutions. Applicant teams preferred to collaborate using their own platforms, rather than using one provided by, and with oversight from, United Way.

2 HUMAN-CENTERED DESIGN WORKSHOPS

At the core of the Challenge design principle, **design with residents in mind**, is the recognition that the best solutions center the perspectives of the intended beneficiaries at every step of the design and implementation process. To support applicant organizations in applying a human-centered approach to their design and execution process, four workshops were held during the Concept Stage.

LEARNING OBJECTIVES FOR CONCEPT STAGE WORKSHOPS

- Explore, understand, and learn from the perspectives and realities of the population to be served.
- Distill insights gleaned from user research and community feedback, and incorporate those insights into initiative design and execution plans.
- Develop a basic theory of change outlining the logic of how the idea will improve financial opportunity in Detroit.
- Uncover and clarify assumptions that may be implicit in ideas, and develop plans to test those assumptions.
- Develop plans to test and prototype critical components of the idea, gather feedback and iterate.

Beyond a hesitancy to share ideas openly with other applicants, organizations' interest and willingness to participate in workshops were further limited by a lack of capacity to commit the necessary staff time to engage in learning sessions, and a reluctance to engage in conceptual design processes after having already developed an idea on their own.

Furthermore, although technical assistance was largely designed with program staff in mind, the Challenge team observed that development staff were more likely to participate in collaboration and technical assistance opportunities — which is likely a result of the traditional dynamic practiced by most nonprofits, in which development staff take ownership over the application and grant procurement process, before transitioning to program staff after the grant has been secured.

As a result, there was low-to-moderate uptake on the workshops (as well as other Concept Stage events), with about 30-50% of applicant organizations represented at each session. However, those who attended workshops found them to be a helpful resource, with about 65% of survey respondents rating human-centered design support as one of the most valuable resources offered in the Concept Stage.

TECHNICAL ASSISTANCE PARTNER: HENRY FORD LEARNING INSTITUTE

To develop and facilitate human-centered design workshops, United Way partnered with the Henry Ford Learning Institute (HFLI). HFLI is a nonprofit organization designed to be a strategic ally for organizations dedicated to cultivating equitable learning, thriving and leading through immersive and culturally-responsive learning experiences.

United Way worked with HFLI to co-design workshop content with the goal of supporting applicants (in the Concept Stage) and grantees (in the Planning Stage) to ensure that the voices and perspectives of residents were central to the design and implementation process.

To learn more about the Henry Ford Learning Institute, visit HFLI.org



3

APPLICATION ASSISTANCE

To assist organizations with limited capacity or experience in preparing grant applications, multiple types of responsive application assistance were available to applicant organizations.

- Access to an international database of skilled volunteers who provide pro bono assistance across areas such as finance and operations, marketing and communications, technology, human resources, and more.
- Feedback and prompting questions from the Challenge team, in response to the expression of interest form.
- Coaching and advice from program evaluators and researchers from Poverty Solutions, specifically as applicants developed an initial theory of change to include in their application.
- Third-party draft proposal reviews coordinated by United Way for applicants to gather feedback before submitting their application.

70%

of Concept Stage survey respondents reported

Access to **feedback** from the Challenge manager and team was the **most valuable assistance** received

“We found the process to be very organized. We felt fully supported throughout the process. The element we appreciated the most was feedback on our draft proposal. This process has improved our grant development and writing skills for future opportunities.”

“The Concept Proposal was the most difficult proposal that I have ever participated in. It required deep and critical thinking about my city and its needs. I believe in this concept. It will work. It’s going to take multiple partners for it to be effective. I am delighted and excited about it being a five years initiative because it takes time to change behaviors and attitudes.”

“I really like the Challenge idea and that the application is open to all sizes and types of organizations. I appreciate United Way offering technical assistance, video support and guidance as we apply. I understand the premise behind tiers/phases of the project, but to be honest, it feels intimidating and tedious for applicants to have to go through so many steps to receive money.”

“I think it is a nice change from other grant submission styles, and I like the fact that there is an opportunity to network and build supports. What was most helpful was the feedback during the process.”



KEY RESIDENT AND APPLICANT ENGAGEMENT LESSONS FROM THE CONCEPT STAGE

- Using social media as a platform for soliciting resident ideas requires careful thought and entry into existing social networks, rather than broad calls for input that may result in unregulated participation from individuals outside the target audience.
- Development staff are more likely than program staff to participate in collaboration and technical assistance opportunities before a grant application is submitted.
- Open forums (virtual platforms and live events) were not always as effective as curated one-on-one introductions at encouraging collaboration, in part due to the sense of competition among some applicants.
- Receiving anonymous feedback from community members and other stakeholders is valuable, but it can lead to more questions than answers. Creating opportunities for two-way dialogue between those seeking feedback and those providing feedback allows for a richer exchange of ideas to unearth new and creative solutions to pressing problems.

SELECTION PROCESS

At the end of the Concept Stage, organizations who had participated in the video pitch process were invited to move forward in submitting a Concept Proposal to United Way. Each Concept Proposal was vetted against the following scoring criteria, which was intentionally written in accessible language and shared publicly.

CONCEPT STAGE SELECTION CRITERIA

- **New:** The idea could be completely new — never done before. It could be an idea that has been tried in another area of the country but would be new to Detroit. Or, it could be an idea that builds on something already happening in Detroit or elsewhere but reimagines or adds to that work in a new and inventive way.
- **Game-Changing:** The financial deck is stacked against Detroiters. The idea should help unstack that deck and rewrite the rules of the game so more Detroiters have a fairer chance to make ends meet and improve their financial situation.
- **Informed:** The idea, although new, should be well-informed. Insights from research, community feedback and experiences with similar problems or approaches in different contexts will help give your idea the best chance of success.
- **Doable:** Any new, game-changing idea is going to be a bit of a leap of faith. But it does need to be at least possible to implement. Think about what needs to go right for your idea to work and what might get in your way. If the idea is selected to move to the Planning Stage, the team will receive funding and support to test these assumptions and refine your plans.
- **Scalable:** This challenge aims to support big ideas that will help lots of Detroiters achieve better financial lives. The idea should have a path to growth so that as many people as possible can benefit.
- **Equitable:** The idea should help move the needle on economic equity in Detroit. That means it should help create an environment that makes it possible for people currently facing economic disadvantages to meaningfully improve their financial situation in lasting ways.

View the detailed scoring rubric in the technical appendix online at UnitedWaySEM.org/FWBIC-ProcessReport.

The selection team was led by United Way and included:

- Four representatives from United Way, including the Challenge manager and respective directors of economic mobility, basic needs, and social innovation and equity partnerships
- Two representatives from University of Michigan's Poverty Solutions
- Five community members who brought personal experience and history with financial instability in Detroit

The selection process included individual scoring of each application against the rubric and group debates and discussions amongst reviewers. A total of 31 proposals were received, of which 19 were selected for having the most potential to meet the Challenge criteria. These 19 organizations were invited back to apply for admission to the Planning Stage.





PLANNING STAGE

PURPOSE	APPLICATION TIMELINE	EXECUTION TIMELINE	INVESTMENT
Refine ideas, test assumptions, plan for implementation	3 months June 2022 – August 2022	7 months September 2022 – March 2023	17 teams awarded \$20,000 each

DESIGN PRINCIPLES



De-risk the innovation process for both organizations and funders.

HOW WE DID IT: Provided time and resources via a dedicated Planning Stage to check critical assumptions and prototype elements of the idea prior to launching a pilot.



Embed research and data in the design and implementation process.

HOW WE DID IT: Provided proactive research capacity and guidance on developing success indicators and on preparing for program evaluation throughout the planning process.

The second stage of the Innovation Challenge was designed to support organizations in doing the hard work of figuring out how to turn their “Big Idea” into reality. Over the course of the seven-month Planning Stage execution period, partners were expected to check critical assumptions, develop partnerships, gather feedback from potential participants, design program workflows and materials, prototype elements of the idea, and define indicators by which to measure their success.

APPLICATION PROCESS

The Planning Stage application sought to help each applicant clarify their key objectives for the seven-month Planning Stage to support the goal of launching a pilot implementation in late summer 2023. Applicants were asked to explore:

- The path to implementation, including critical assumptions, challenges and risks
- How they would research and/or test critical assumptions and elements of the idea prior to launching a pilot
- Critical tasks to be accomplished prior to implementation, such as securing partnerships and creating necessary documentation
- A first draft of indicators for measuring success
- How grant funds would be used to advance the idea

During the application period, United Way and Poverty Solutions continued to offer tailored technical assistance to applicant teams. For example, to better equip applicants to identify critical assumptions, challenges, and risks that would need to be investigated during the Planning Stage, each team was provided thorough feedback in response to their Concept Proposal. Overall, the feedback emphasized the importance of collaboration, thorough planning, and addressing key challenges and testing key assumptions during the Planning Stage in order to enhance the proposed ideas and increase their potential for success and impact. Common themes in the feedback included:

- **Partnership and collaboration:** Explore collaborative exchanges with other organizations or entities that have complementary expertise and capacity to the idea being proposed. Consider partnerships with other applicants to join resources and enhance the impact of the proposed ideas.
- **Theory of change and critical assumptions:** Further clarify the logic underlying the idea and identify key assumptions and questions that could impact the success of the idea. Develop plans to test key assumptions and investigate key questions during the Planning Stage.
- **Scalability and funding:** Be mindful of the importance of scalability and long-term funding sources to support the idea. Plan to explore various funding sources and revenue models beyond philanthropic capital.

In addition to feedback from United Way and Poverty Solutions, applicants had access to three application phase workshops led respectively by the Henry Ford Learning Institute and University of Michigan's Program Evaluation Group, which were designed to build capacity for robust program design. Workshop learning objectives included:

- Identifying key questions and assumptions related to the idea that must be explored prior to launching a functional pilot.
- Exploring who (individuals and organizations) will interact with the program or service once operational, and identifying the documents, resources, and other preparatory work needed to support those interactions.
- Drafting a basic evaluation plan that identifies indicators of success that will help to measure the success of the Big Idea at various stages of implementation.

INCORPORATING GRANTEE FEEDBACK INTO THE PROCESS: SUPPORTING CAPACITY TO ENGAGE IN A THOUGHTFUL APPLICATION PROCESS

At the end of the Concept Stage process, several applicants commented that the capacity needed to participate in the Challenge (engaging in technical assistance workshops, events, and completing applications) was far exceeding their perceived understanding of what would be expected of them in this process, and resulted in high costs of (unbudgeted) staff time to each organization.

In order to better equip organizations to participate in the Planning Stage application process, each organization invited to submit a Planning Stage application was awarded a \$2,000 mini-grant (with no reporting requirements) to offset the cost of engaging in the application processes. Organizations who received a mini-grant were not required to apply to the next stage. However, 100% of organizations that were offered this grant did move forward in submitting a Planning Stage application.



SELECTION PROCESS

The Planning Stage selection process was led by United Way and included:

- Two representatives from United Way, including the Challenge manager and the director of economic mobility
- Two representatives from Poverty Solutions

The selection process for a Planning Stage grant of \$20,000, and continued technical assistance over seven months, focused on identifying applicant teams that had thought critically about their learning goals and the work it would take to demonstrate their idea's potential for success. The scoring criteria was made public to all applicants.

PLANNING STAGE APPLICATION: SCORING CRITERIA

STRENGTH OF THEORY OF CHANGE (OF THE BIG IDEA)	Looking ahead to the future implementation of a pilot, how likely are the organization's proposed activities to lead to the intended outcomes and long-term goal?
CLARITY OF PLANNING STAGE OBJECTIVES	Does the organization identify key questions, tasks and milestones that demonstrate a strong understanding of the work ahead in the Planning Stage?
FEASIBILITY OF PLANNING STAGE OBJECTIVES	Can the organization accomplish the Planning Stage objectives as outlined within the timeframe of the Planning Stage?
EVIDENCE	Has the organization adequately identified the evidence and information they need to gather during the Planning Stage?
ASSUMPTIONS	Has the organization identified critical assumptions to check during the Planning Stage, and a method for checking those assumptions?
RESOURCES AND PARTNERSHIPS	Does the organization have a clear pathway to get the necessary resources and partnerships to be able to implement their Big Idea?
COMMUNITY CENTEREDNESS	Does the organization have plans to incorporate community voices and/or involve community members into the further development of their Big Idea during the Planning Stage?
SUCCESS MEASUREMENT	Has the organization identified clear success indicators and methods of data collection that are appropriate to the goals of the Big Idea?
BUDGET	Does the organization's proposed budget align to the objectives and work to be accomplished during the Planning Stage?

View a copy of the Planning Stage application and full scoring rubric in the technical appendix online at UnitedWaySEM.org/FWBIC-ProcessReport.

PLANNING STAGE AWARDEES

The thorough review and selection process included individual scoring of each application against the rubric and group discussions amongst reviewers. Of the 19 proposals submitted, 17 applicants who demonstrated the strongest understanding of the work ahead were selected to move forward to the Planning Stage.

- **Bikes4Employees**
Lead organization: Detroit Greenways Coalition
Breathing better, losing weight, saving money, feeling free, and commuting without stress were common outcomes for initial Bikes4Employees (B4E) bike recipients in 2020 and 2021. B4E works with employers to give high-quality bicycles to employees who lack reliable transportation.
- **Black Worker Center**
Lead organization: National Black Worker Center
A Detroit Black Worker Center will aim to close the wealth gap, increase the median income of Black workers, and reduce unemployment rates. Centering on the unique needs of Black workers in Detroit, the Black Worker Center will facilitate member-driven strategies while building authentic leadership.
- **Common Grounds**
Lead organization: GenesisHOPE
Over three years, the Common Grounds project will prepare for the launch of a viable, community-governed, economically inclusive community land trust that gives residents a stake in the housing developments taking place in their neighborhoods.
- **Community Investment Trusts**
Lead organization: Doing Development Differently in Metro Detroit (D4)
Doing Development Differently in Metro Detroit aims to proliferate the use of community investment trusts (CITs) in Detroit. As an emerging tool to encourage community ownership of real estate, CITs will help to build wealth in low-income communities of color and increase resident retention in neighborhoods.
- **Credit Escalator**
Lead organization: GreenPath Financial Wellness
Credit Escalator's overarching goal is to systematically change the banking systems for communities of color, starting in Detroit. This new service will combine financial coaching and a personal loan to pay charged-off debt, without a credit check. As the personal loan is repaid, the credit line will "escalate" to improve the person's credit score.
- **East Chadsey Condon Alliance (ECCA)**
Lead organization: Southwest Economic Solutions Corporation
Designed for Detroiters of all income levels, ECCA's Diversified Community Investment Fund (DCIF) gives residents direct opportunities to invest and participate in community development projects, putting community economic development in the hands of the community.
- **Family Mobility Savings Program**
Lead organization: Communities First, Inc. (CFI)
This savings program will help Detroiters meet their immediate needs while simultaneously setting the foundation for their financial futures. As participants engage in mobility coaching to reach their personal and professional goals, CFI makes financial contributions to encourage savings.
- **Functional Sentencing**
Lead organization: Street Democracy
Functional Sentencing aims to remove the barriers that criminalize and exacerbate poverty, using misdemeanor sentencing to propel justice-involved people toward a better financial future. Defendants can complete a self-directed action plan of services — like signing up for a GED course or seeing a doctor — instead of receiving fines or incarceration.
- **Home Repair Clearinghouse**
Lead organization: Doing Development Differently in Metro Detroit (D4)
The Home Repair Clearinghouse will serve as a hub connecting home repair customers to contractors and streamline the process for the benefit of low-income Detroit homeowners. The Clearinghouse will prioritize homeowner advocacy and support, and use strategic project bundling to efficiently engage skilled tradespeople for better community outcomes.
- **LevelUp**
Lead organization: Higher Ground Abodes
LevelUp will create a hybrid of two affordable housing models — a community land trust (CLT), and cooperative living — to support emancipated foster youth on the path to financial stability and competency.
- **Partnership for Economic Independence 3.0**
Lead organization: Eastside Community Network
Partnership for Economic Independence 3.0 will empower Detroit residents living below the poverty line and dealing with chronic instability to develop the personal and professional skills needed to access economic and employment resources, develop support networks, and achieve and sustain financial independence.
- **Passport to Self Sufficiency**
Lead organization: Coalition on Temporary Shelter (COTS)
COTS will partner with Cinnaire's Single Family Lease Purchase program to provide accessible financial products, coaching support, and targeted resources to help very-low income homeowners build intergenerational wealth.
- **Pitchtape Connect**
Lead organization: Pitchtape
Starting in Detroit, Pitchtape Connect aims to make entrepreneurship more accessible by removing barriers between entrepreneurs and the resources they need to innovate. An all-in-one technology platform, Pitchtape Connect will help entrepreneurs connect with the right funders and mentors to help them grow.
- **Redefining Re-Entry**
Lead organization: Wayne Metro Community Action Agency
Wayne Metro aims to improve the financial well-being of all Detroiters by improving access to basic needs services for people with past convictions. Informed service delivery improvements and collaboration with agency peers will create and sustain systems changes to improve the financial well-being of justice-involved people.

- **Safe Upgrades and Renovations for Efficiency: Detroit**
Lead organization: The Heat and Warmth Fund (THAW)
THAW will create a cluster of upgraded homes to help stabilize a neighborhood, increase property values, and decrease energy costs.
- **Solar Power for Detroiters**
Lead organization: Manistique Community Treehouse Center
The Manistique Community Treehouse Center will provide low-income homeowners with roof repair, solar panel installation, and multiyear services to support long-term economic self-sufficiency.
- **Warrendale Equity Investment Fund**
Lead organization: International Institute of Metro Detroit (IIMD)
The Warrendale Equity Investment Fund is a nonconventional, community-driven investment fund that aims to reinvest in the neighborhood through zero-interest loans and a pay-it-forward approach.

NATIONAL BLACK WORKER CENTER

We got involved in the Detroit Financial Well-Being Innovation Challenge to bring a Black Worker Center to Detroit. This would be the ninth center in the United States to open and advocate specifically for Black workers who have historically been marginalized and face higher rates of unemployment, lower pay, and discrimination.

We're excited to see the shift that United Way is making in terms of embracing systems change and offering nontraditional funding. During the Challenge, we learned quickly that the standard incubation process established by the National Black Worker Center doesn't fit neatly into the Challenge stages. In some cases, they wanted more answers than we were able to provide. Even going into the Innovation Challenge Showcase event, we knew that people were going to ask us, "So what is this center going to do?" And we were going to say, "We don't know."

We're not a national organization coming into a city and saying, "This is what we're going to do." We're a national organization bringing in a process that has worked in other areas, but it's going to be shaped by the workers in Detroit. Our work is empowerment and power

building, and that looks different in different areas.

In New Orleans, transportation was a barrier, and after listening to Black workers, we learned that there was a pattern of criminalizing poverty where people were being assessed steep parking fines and tickets that left them with massive debt, revoked licenses and impounded vehicles. We partnered with a judge to hold a warrant and traffic clinic where people could have their records expunged and fines drastically reduced. In Washington, D.C., affordable housing was a major problem for workers who were being displaced, so we worked with the city and developers on a solution.

In Detroit, we're collecting information and themes that we can use to determine how the Black Worker Center can make the biggest local impact and change systems that are creating barriers and contributing to the city's wealth gap. The research we received from Poverty Solutions was helpful, and we've had two listening sessions where we've started to unpack the needs of Detroiters. The next phase is about building trust and establishing a community presence.



NATIONAL BLACK WORKER CENTER



TECHNICAL ASSISTANCE

To support grantee partners in moving the planning process forward throughout the seven-month execution phase, a variety of built-in (required as part of their participation) and opt-in (optional to take advantage of, as needed) technical assistance opportunities were provided to all partners.

1 MONTHLY CHECK-INS WITH THE CHALLENGE MANAGER

During monthly check-ins throughout the Planning Stage, each project leader met with the Challenge manager and research coordinator from Poverty Solutions to discuss progress towards milestones and new information that impacted plans for implementation. During these check-ins, project leaders were encouraged to share emerging needs for support or assistance (particularly data and research needs) with the Challenge manager and research coordinator.

2 HUMAN-CENTERED DESIGN AND EVALUATION PLANNING WORKSHOPS

Led by the Henry Ford Learning Institute and University of Michigan's Poverty Solutions.

A total of three required workshops were held during the Planning Stage, which focused on outlining how the design process would be carried out. Learning objectives included:

- Considering methods for testing identified assumptions and how new feedback and lessons learned will inform the design process
- Utilizing a service blueprint to clarify how individuals will interact with the new program or product and identify documents, resources, and preparatory work needed at each stage of interaction
- Developing initial plans for measuring success of the idea, clarifying how short-, medium-, and long-term outcomes will be measured at each stage



3 CURATED EVENT TO DEVELOP RELATIONSHIPS WITH POTENTIAL PARTNERS

At the end of the Planning Stage, all grantee partners were invited to participate in an in-person showcase event in Detroit designed to facilitate new connections necessary to advance their work. Hosted in partnership with GreenLight Fund Detroit, the showcase event leveraged our combined convening power to enable partners to share their progress and develop meaningful relationships with stakeholders and other organizations that have the potential to help move their work forward.

The showcase event sought to curate a space conducive to relationship building and to provide exposure to as many potential stakeholders and supporters as possible. Given these goals, the event was structured as a series of roundtable discussions on a Friday morning. Over the course of four 25-minute discussion rounds, event attendees had the opportunity to engage in deep conversations with the leaders of one of the 17 Innovation Challenge projects, per round. At the end of the showcase, almost all participating teams reported making a connection to at least one individual or organization with whom they planned to follow up after the event.

4 OPTIONAL TECHNICAL ASSISTANCE IN RESPONSE TO GRANTEE FEEDBACK

Several optional opportunities were provided for technical assistance during the Planning Stage. Many of these opportunities were developed ad-hoc during the Planning Stage in direct response to input from grantee partners. Optional technical assistance included:

- Interactive workshops featuring regional experts on survey design, marketing, and communications.
- Warm introductions to partners within the United Way and Poverty Solutions networks.
- Consultation and coaching sessions with the Henry Ford Learning Institute and Poverty Solutions.
- Coordination of focus groups to gather feedback from Detroit residents, including recruitment, participant incentives, and facilitation of focus groups.
- Pro bono legal services from Gunderson Dettmer Law Firm.
- Pro bono consultants with expertise in financial analysis and budgeting.



INCORPORATING GRANTEE FEEDBACK INTO THE PROCESS: PROCESS STRUCTURES THAT RESONATE WITH OUR PARTNERS

United Way shared the concept of the showcase event with grantee partners at the outset of the Planning Stage, describing it as an opportunity for grant recipients to share their progress with one another at the end of the grant period. During the first three months of the Planning Stage, it became clear — through the interactive workshops and monthly check-ins — that grantee partners did not see a real value in sharing their ideas with the teams they would compete against in the next selection process. While there was curiosity and interest in becoming familiar with one another's work, they were significantly more interested in sharing their progress with a broader network of stakeholders and potential partners.

Given this feedback from our grantee partners, we quickly restructured the showcase event to instead leverage United Way's network to help bring new perspectives to the Challenge discussions.

5

**DEDICATED RESEARCH CAPACITY
PROVIDED BY UNIVERSITY OF MICHIGAN'S POVERTY SOLUTIONS**

As part of their Planning Stage grant, project teams were allotted up to five hours per week of additional research capacity from a University of Michigan research assistant to explore key questions and gather additional data and evidence needed to support the project. Project teams had the opportunity to submit research needs at the start and midpoint of the Planning Stage grant, and then worked with the Poverty Solutions research coordinator to scope research deliverables to fit the short timeframe.

In addition to carrying out the identified scope of work, Poverty Solutions participated in monthly check-ins to play a thought partnership role in the Planning Stage process, identifying areas for further research exploration, and sharing early findings to engage grantee partners in discussion about those findings. Notably, having open space to think about research findings resulted in some leaders becoming more engaged in addressing and responding to those findings.





RESEARCH SUPPORT FROM UNIVERSITY OF MICHIGAN'S POVERTY SOLUTIONS

A key goal underlying the research support provided in the Planning Stage was to help project teams build the capacity to leverage research to enhance their planning and design process. To do this, Poverty Solutions created a structured process for introducing research opportunities and working with teams to prioritize and define research objectives. Although project teams were not required to use the added research capacity, teams were highly encouraged to make use of this resource.

The structured process for identifying research objectives included clear definitions and boundaries set around what kind of work a research assistant (RA) could do to support the team. Appropriate research assignments included:

- Desk research, such as literature reviews (including articles from academic journals that required paid subscriptions)
- Research on best practices
- Landscape and comparative analyses of similar programs
- Analysis of qualitative and quantitative data provided by project teams

To help teams envision how research support could be leveraged to support their Planning Stage objectives, Poverty Solutions provided a pre-filled research request form to each project team. These forms included sample research questions for RAs to explore, focused on what would help test specific assumptions underlying each team's Big Idea. Project teams had the opportunity to modify and refine research objectives before sharing them again with the Poverty Solutions team to inform the finalized scope of work for the assigned RA.

The Poverty Solutions research coordinator, Leonymae Aumentado, worked to recruit students from the University of Michigan for RA roles, intentionally taking into account the unique needs for research support. Leveraging connections with the schools of business, policy, and even architecture, the research coordinator identified students with applicable experience to serve in each supportive role. "The goal for the research assistants doing this work is to support the organizations," said Aumentado. "I also saw it as an opportunity for the research assistants to build a set of skills that are going to be useful to them if they want to work in this type of space." Working with students comes with its own set of unique opportunities and challenges, and this case was no different — Aumentado learned quickly that some RAs were unfamiliar with writing short-form policy briefs, and would often resort to lengthy, in-depth reports that took more time to produce and ultimately delayed many research deliverables in the first half of the Planning Stage. Aumentado quickly pivoted to offer more guidance and parameters for expected deliverables, working closely with RAs to ensure adherence to deadlines in the second half of the Planning Stage.

Ultimately, project teams appreciated this added capacity, some commenting that the academic approach to understanding certain issues was a helpful complement to the people-focused efforts to engage and learn from the communities they aimed to serve. "It was really helpful and gave us different eyes to look at things," said Ashley Strozier, family mobility coordinator at Communities First. "I'm not a data person. I'm person-to-person. The data gave me different things to aim for."



LOOKING FORWARD TO THE PILOT STAGE

On August 9, 2023, United Way announced the investment of more than \$1 million in six projects selected to move forward into the third stage of the Innovation Challenge. We look forward to sharing more about the Pilot Stage selection and implementation process in 2024-2025.

Visit UnitedWaySEM.org/FWBIC to learn more about these projects.

Bikes4Employees

Lead organization: Detroit Greenways Coalition

Bikes4Employees connects Detroiters in need of reliable transportation with high-quality bicycles, reducing daily expenses and enhancing physical health. It explores an expanded partnership model that allows employers and social service organizations to subsidize bicycles for employees, clients, and students.

Community Investment Trusts

Lead organization: Doing Development Differently in Metro Detroit (D4)

Doing Development Differently in Metro Detroit (D4) aims to proliferate community investment trusts (CITs) in Detroit, empowering community ownership of real estate. CITs will build wealth in low-income communities of color, enhancing resident retention in neighborhoods.

Credit Escalator

Lead organization: GreenPath Innovation & Design

Addressing old debts impacting credit scores, Credit Escalator combines financial coaching and a personal loan to pay charged-off debt without a credit check. Repaying the personal loan escalates the credit line, improving the individual's credit score.

East Chadsey Condon Alliance (ECCA)

Lead organization: MiSide (formerly Southwest Economic Solutions Corporation)

The ECCA's Diversified Community Investment Fund (DCIF) offers residents direct investment opportunities in neighborhood development projects, fostering wealth-building and community economic empowerment. Residents and interested investors provide input during design and receive training to manage the DCIF.

Family Mobility Savings Program

Lead organization: Communities First, Inc. (CFI)

This program jumpstarts emergency savings, providing a financial cushion for handling unforeseen expenses. As participants pursue personal and professional goals through coaching, CFI contributes directly to participants' savings accounts.

Home Repair Clearinghouse

Lead organization: Doing Development Differently in Metro Detroit (D4)


The Home Repair Clearinghouse addresses gaps in the home repair ecosystem in Detroit by connecting home repair needs to vetted contractors. The Clearinghouse will ensure sustainable, efficient, and cost-effective repairs for Detroit residents.

KEY LESSONS LEARNED


Since launching the Innovation Challenge in February 2022, the Challenge team has gleaned several key lessons that will inform the implementation of the next two stages of the Challenge.


 **Meaningfully engaging residents in the grant-making process takes more than staff capacity and funds.**

Funders should recognize their own limitations in terms of connection to community, and work to identify community partners who can support the recruitment of residents for feedback opportunities.

 Departing from traditional grant-making processes requires more than a change in process or philosophy from the grant maker. **Organizations on all sides of a grant-making relationship have unspoken assumptions**

about what is expected. Grant makers must be exceptionally clear in their communication in order to dismantle those assumptions and be open to feedback from applicants and grantees about the capacity required to participate in innovative grant-making processes.

 Leveling the playing field for nontraditional or inexperienced grant seekers requires a nuanced and tailored approach. **Required, “one size fits all” technical assistance risks missing the mark in all directions.**

 Bridging the gap between human-centered design philosophy (which prizes lived experience) and traditional human-centered design techniques (in which the designer is assumed to be external to the population to be served) is vital. If not framed carefully, **human-centered design approaches may be incorrectly perceived by community-embedded leaders** as suggesting that they must set aside their lived experience in order to design an effective solution.



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Alena Farooq
Manager, Financial Well-Being

Alena Farooq has served as the Challenge manager since the launch of the Challenge in February 2022. Native to Southeastern Michigan, Alena is passionate about finding new solutions to old problems — especially when those problems unfairly disadvantage people of the global majority (aka “people of color”). Alena has managed the day-to-day aspects of the Challenge since its launch, working closely with applicant and grantee organizations to offer support and coaching throughout the Challenge process, and restructuring resources to meet the emerging and evolving needs of each partner. Alena holds a B.A. in Social Entrepreneurship from Albion College and is looking forward to beginning a master’s program in the same field in 2025.



Megan Thibos
Director, Community Impact Innovation

Megan Thibos developed the initial vision for the Challenge in collaboration with the Poverty Solutions team. As director of community impact innovation, she leads United Way’s strategic vision to increase economic mobility and equity in the Detroit metro region. Megan is an innovator who loves to dream big while also getting things done. In her five years at United Way, she has launched more than a dozen pilot programs, partnerships, and other initiatives to create sustainable pathways to economic prosperity for those who lack such access. In 2022, she was recognized by Crain’s Detroit as a Notable Women in Nonprofit honoree. Previously, Megan has served in the Mayor’s Office at the City of Detroit, in the federal Consumer Financial Protection Bureau, at the U.S. Department of Housing and Urban Development, and at nonprofits serving low-income populations. Megan holds a master’s degree in Public Policy from the Harvard Kennedy School, where she focused on the economic and social forces that perpetuate poverty.



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