GiveWell

REAL CHANGE FOR YOUR DOLLAR

Review: Year 1 (4/1/2007 – 4/30/2008)

Summary

GiveWell started as a group of donors, trying to accomplish as much good as possible with our donations. It became a full-time project when we realized that no helpful public resources exist for doing so, and that the lion's share of U.S. giving comes from individual donors who likely face the same lack of information.

We hoped to address this problem using the following basic model:

- Using **grants as leverage** to get substantive information from charities, by asking questions in our grant application (regarding the specifics of their activities and evidence for effectiveness) that we could not answer from their publicly available materials.
- Carrying out **intensive, full-time research** in order to make informed recommendations.
- **Publicly publishing our recommendations, reasoning and sources** to the web.
- Building publicity and a reputation for quality in order to **get donors to use these recommendations**.
- **Financing our grants, salaries, and operating expenses** with direct donations from those most passionate about our work.

The **primary goal of our first year** was to determine whether the first three steps in this process were viable, and if so, to **establish a "proof of concept" for our model:** a website with useful, well-sourced recommendations for donors. Without such a "proof of concept" in hand, we had no way of getting support from people who did not know us personally, so we raised startup capital from our former coworkers to create it. We hoped that we would be able to create this website by December of 2007 (which we believed would be a particularly good time to get attention), and get preliminary information on its potential to affect donors, as well as publicity that would lead to useful contacts.

Our specific goals, in order of importance, were:

1. **Conduct quality research** using the "grants as leverage" model described above, while learning as much as possible about how to improve our research process for future years.
2. **Publish this research on a useful, readable website** that can inform individuals' giving decisions while making all our reasoning and sources clear.
3. **Secure enough publicity** to make useful contacts and get a preliminary idea of the potential of our model to engage donors.
4. **Clear the funding and logistical hurdles of starting our organization.** This includes raising the necessary capital for our first year, building a Board of Directors, completing various legal registrations, and establishing procedures for managing our finances and operations.

The table below provides a summary of our progress on these goals; more detail follows.

Goal	Importance	Successes	Concerns and shortcomings	Grade
Research	Very High	Successfully and cost-effectively got meaningful information from charities; generated substantive and useful information about where to donate.	Process took twice as long as expected; was often frustrating for charities. Overly narrow classifications of charities led to suboptimal allocation of grants.	B+
Website	High	We were able to publish nearly all our sources publicly. Website completed under budget; sufficiently usable to generate reasonable levels of engagement for a new website.	Website readability and usability still leaves much to be desired.	B
Publicity	Medium	Attracted significant positive attention in the nonprofit-centered and mainstream media. Saw significant spike in website traffic leading to many contacts and over $30,000 in donations to recommended charities.	Overly aggressive, inappropriate marketing called our judgment into question and damaged our reputation (justifiably).	C
Startup hurdles	Essential (but low time commitment)	Raised sufficient startup capital, secured US-recognized nonprofit status, completed all necessary registrations, set up payroll and accounting procedures, formed Board of Directors.	Did not establish a full set of policies and metrics for oversight purposes. Board members limited in availability and did not provide sufficient oversight. Little progress on finding potential staff.	B+

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Goal 1: Research

When GiveWell launched, there were many questions about whether our research model could work, i.e., whether we could find and process information to create substantive, useful recommendations for donors. Below is a summary of the main questions and our findings:

1. **Would many charities apply for our $25,000-40,000 grants?** Yes. Over 100 charities applied across our five causes, including most of the "household name" organizations we contacted.

2. **Would we find substantially more information using this process than we could as part-time donors?** Yes. We received program details from charities that weren't available elsewhere in the public domain, though we were surprised by the scarcity of rigorous evidence for effectiveness, and the degree to which we had to fill in missing pieces with publicly available academic research and other data.
3. **Would this information translate to better informed, and likely more effective, giving decisions?** We believe that we added significant value, broadly speaking. The extent to which we added value is highly subjective and varies significantly between causes; an appendix to this document presents our most important findings succinctly, so the reader can judge for himself/herself.
4. **Would we be able to share this information publicly?** Yes. There were relatively few cases where we had to withhold materials for confidentiality reasons.
5. **How long would it take us to conduct research and publish our reviews?** We started reviewing applications at the beginning of August; published reviews for Causes 1 (saving lives) and 5 (employment assistance) by early December; and will be publishing reviews for our remaining three causes by the end of May (though we had enough information to make our grant decisions at the end of February). This comes out to about 2 months per cause, and is roughly twice as long as we had aimed for; for our next round of research, we will need to do a better job matching the size of our project to the time allotted.
6. **How would charities react to our application process?** Organizations reported that our application was extremely time-consuming for a relatively modest grant; there were also justified complaints about our failure to make grants by the deadline we had set. We believe that we will be able to make the process less intensive, and set more reasonable deadlines, in the future.

Details follow.

1. Would many charities apply for our grants?

The full details of how we contacted charities, and which ones applied, are available at http://www.givewell.net/applicants. In brief:

- After reviewing a total of 3502 organizations' Form 990s (we purchased the a data set consisting of the most relevant form fields from GuideStar), we sent letters to a total of 1022, asking them to complete a brief online survey to give us more information about their eligibility for our grants.
- 320 charities completed the survey (we believe this is a strong figure, considering that many of those we contacted may not have been even remotely suited to our stated priorities). After reviewing the data and finalizing our five causes, we invited a total of 248 to apply (220 based on survey data, and 28 more that we invited without the survey, based on a strong reputation or referral).
- **136 of these 248 invitees ended up submitting Round 1 applications.**

High priority charities. Of the 33 charities we had marked in advance as “high priority” (i.e., charities we particularly hoped would apply either because they had a strong reputation or because their mission statement seemed particularly well suited to our values), 22 applied. So while our turnout was not complete, we believe that it was not systematically biased against “better fit” charities, and if anything was more likely biased in favor of them.

Reasons for not applying. We asked all 112 of the charities that declined to apply the following question: “may I ask why you're not applying, and in particular, whether you would reconsider if the grant size were larger?” 39 gave substantive responses to this question. Of these, seven cited the grant size, while others generally cited either an outright lack of fit with our priorities or a lack of the staff capacity necessary to complete our application regardless of grant size.

Of the seven charities that cited grant size as a factor in not applying, five said they would reconsider for a grant of $100,000+; the other two cited different numbers ($75,000 and $200,000).

In conclusion, **we believe that the relatively modest grant size of $25,000 is sufficient to get significant turnout** (and, as detailed below, find enough information to create significant value), but that participation – both in terms of how many charities apply and how much staff time we get from those who do – might be **substantially improved at the $100,000 mark.**

2. Would we find substantially more information using this process than we could as part-time donors?

In our experience, the information that is available on a charity’s public website generally consists of:

- Extremely general descriptions of the mission and work.
- Anecdotes (but rarely aggregated data) about results.
- General information about the organization (history, bios, etc.)
- Financial information **from an accounting, not program, perspective** (i.e., breaking down expenses by “type” – salaries, supplies, etc. – but rarely by region or by program).

When GiveWell was a part-time project, we were rarely able to get substantive information on *what charities do* (i.e., how funding translates to services) and *whether it works* (i.e., whether any data is available on outcomes). For more information on our past experiences and the type of information that is publicly available, see our startup business plan (plan.givewell.net) as well as a recent series of blog posts linked from http://blog.givewell.net/?p=234.

We were able to get substantially more information from charities as a full-time, grantmaking entity. Across the board, charities provided satisfactory information on whom they serve, what specific activities they carry out, and how their funds are allocated from a conceptual (not strictly accounting) perspective. They also often provided data on client outcomes that was not available on their websites, although this data was very rarely at the level of convincing "proof" of the model.

Typical applications

All application materials we received (aside from a relatively small number of materials we were asked to withhold) are available at www.givewell.net. Here we give one example of a "typical" organization and the difference between the information on its website and in its application.

East Harlem Tutorial Program applied for a grant in the cause of K-12 Education; the featured program was the two-week East Harlem University aiming to help young teenagers make an academically successful transition to high school. The organization's website provides a brief description of all services offered (http://www.ehtp.org/node/14), and the annual report (http://www.ehtp.org/files/EHTP-Annual06.pdf) provides a broad demographic breakdown of who enrolls in programs.

The application significantly supplemented this by providing specific information on program characteristics including length, the courses students take, and staff qualifications. It also provides some outcomes data for students that completed the program (number who registered for the SAT, number who applied to college) but didn't provide any "comparison group" to give context for these numbers. (All else equal, we'd expect that students who *choose* to enroll in a two-week academic program during the summer are likely more academically inclined, and therefore more likely to succeed academically, than their peers.)

The lack of a strong comparison group was a consistent reason we were unable to confidently evaluate the success of many developed-world programs.

Strongest applications

In some cases, our strongest applicants were the ones for whom our offers of grants were *least* relevant – because the most important information about their outcomes was already publicly available. In other cases, the grant application played a key role.

- **Population Services International** (winner, Cause 1 – saving lives in Africa) sent us reports detailing its activities, and impact estimates, all over the world for the last several years. This information was the primary factor in our awarding the organization, and was not available except through its staff. We also found important and relevant information through the list of publications on its website.
- **Partners in Health** (recommended, Cause 1 – saving lives in Africa) sent us an unpublished paper giving an extremely thorough and concrete sense of its value-added. This information was the primary factor in our recommending the organization, and was not available except through its staff. We also used data

from the WHO and Disease Control Priorities Project to estimate PIH's cost-effectiveness.

- **Interplast** (recommended, Cause 1 – saving lives in Africa) sent us detailed information on its surgeries performed and expenses worldwide and over time; this information was the primary basis for our recommendation, and was available only through staff.
- **Opportunity International** (winner, Cause 2 – global poverty) sent us some detail on its programs, such as the statistics on its loans over time and details about the structure of its products, that wasn't available publicly. However, our main justification for awarding it was based on independent analysis of the logical and empirical case for microlending.
- **Nurse-Family Partnership** (winner, Cause 3 – early child care) was awarded primarily on the basis of publicly available academic papers evaluating the program's outcome on children. The grant application process helped us to obtain non-public sample reports, as well as to get a clearer sense of the role of the national office vs. regional offices.
- **Knowledge is Power Program** (winner, Cause 4 – K-12 education) was awarded primarily on the basis of publicly available data, including academic papers and state test score data. We felt that the site visit, part of the grant application process, was very helpful in better understanding the KIPP model and theory of change.
- **Teach for America** (recommended, Cause 4 – K-12 education), **Children's Scholarship Fund** (recommended, Cause 4 – K-12 education), and **The HOPE Program** (winner, Cause 5 – employment assistance) were all evaluated almost entirely on the basis of publicly available data (a combination of academic papers and outcomes reports linked from the charities' websites).

The full reports on these organizations are available at www.givewell.net.

The importance of independent research

Although our applicants provided much more information than was available on their websites, **much of the most useful information we found was by independently searching academic and other research.**

We had hoped that given highly open-ended grant applications, our applicants would steer us toward the most relevant research. By and large, this was not the case, and our independent searches turned up a significant amount of key information. For example:

- For Cause 1 (saving lives in Africa), we used the Disease Control Priorities Project heavily to supplement our knowledge of disease burdens and form our "lives saved" estimates.
- For Cause 2 (global poverty), we got most of our information about the empirical case for microfinance from a white paper by the Grameen Foundation, but the strongest study we found was published by Innovators for Poverty Action (and was not mentioned by any of our applicants).

- For Cause 3 (early childhood care), we conducted independent searches of academic literature for responses to and context for the Nurse-Family Partnership evaluations; we also put together our picture of the empirical evidence surrounding preschool from academic research that no applicants mentioned.
- For Cause 4 (K-12 education), we built the empirical case for KIPP mostly using academic papers that we found on our own, as well as by collecting and analyzing publicly available test score data. We also found significant amounts of independent research relevant to Teach for America and the Children's Scholarship Fund, beyond what the applicants had pointed us to.
- For Cause 5 (employment assistance), we used an independent paper to assess the standard of living in NYC.

3. Would this information translate to better informed, and likely more effective, giving decisions?

Appendices A and B give an overview of what we learned and why we made the recommendations we did; we ask readers to judge the value-added for themselves from these documents. For our part, we believe that we found substantial reasons to expect extreme variation in effectiveness (and cost-effectiveness) between organizations, and that the value of finding organizations we could be confident in (as we did, to varying degrees, for four of our five causes) is extremely high.

We do believe that we added substantially more value in some causes than others. We found no organization we could be truly confident in for Causes 2 and 5, although we do believe that the HOPE Program's outcomes data suggests its effectiveness much more strongly than other applicants' data. We feel reasonably, but not overwhelmingly, confident in KIPP (our Cause 4 winner), and are confident in the effectiveness and superiority of our winners in Causes 1 and 3. The full details of our reasoning are available at www.givewell.net.

Cause	Value-added
1: Saving lives in Africa	High
2: Global poverty	Low
3: Early childhood care and education	High
4: K-12 Education	Medium
5: Employment Assistance in New York City	Low

It's worth noting that we **failed to make the "apples to apples" type comparisons we had envisioned when originally dividing charities into causes.** We had originally grouped charities based on the idea that charities within one cause could be decided on by rough but consistent metrics: for example, we had planned to decide Cause 1 (saving lives) largely on the basis of estimating the "cost per life saved" for each applicant. The extremely disparate nature of different charities' activities meant that there were major limits to this type of analysis (we had anticipated some limits, but we encountered more). Even within causes, our choices of winners were based largely on intuitive arguments, though these arguments were better informed than they would have been without our research. The details of our decisions and reasoning are written up at www.givewell.net.

In addition, while we feel that our decisions were significantly better informed than they would have been without our research, we also feel that **we allocated our grant money suboptimally because of overly rigid and narrow definitions of "causes."** For example, all Board members agreed that we had high confidence in two of our Cause 1 applicants, but very low confidence in all of our Cause 2 applicants; yet we had to give equal size grants to the top applicant in each cause (and give nothing to the 2nd-place applicant in Cause 1) because of our prior commitment to give one grant per cause.

For these reasons among others, we plan to research "broader" causes in the future, giving ourselves more flexibility to grant the organizations that appeal to us most. Details are in the "Research methodology" section of our forward-looking plan, below.

4. Would we be able to publicly share the information we got through our process?

We made a concerted effort to be clear with applicants that all submitted materials would be considered public, unless they specified otherwise.

- The instructions we sent with our grant application (viewable at <http://www.givewell.net/files/Preliminary/Clear%20Fund%20Grant%20Application%20Process.doc>) repeatedly stated our intentions to publicly share materials.
- Every application form we sent out, whether for Round 1 or Round 2, included a "Confidentiality" section asking applicants to "be specific about any part of this application that you would like to remain confidential."
- When we posted our reviews, we initially restricted access to our applicants, and emailed them asking them to review our content and let us know if we had published anything they would like to keep confidential.

We honored all requests to make materials confidential. Many applicants requested that we *modify* files in order to hide either (a) salary information or (b) social security numbers and other information that could identify clients; we honored all such requests. Aside from these two types of information, confidentiality requests were the exception rather than the rule. To give a quantitative indication of this, we compiled figures for all our Round 1 applications (we haven't yet published all Round 2 reviews). In all, only 17% of applicants chose to keep a part of their Round 1 application (other than salary information and client-identifying information) confidential, and only 3% asked for confidentiality for their entire Round 1 application.

Cause	Applicants	Applicants requesting *something* be withheld	Applicants requesting *everything* be withheld
Developing-world causes	59	15	1
Early childhood care	14	1	0
K-12 education	50	6	2
Employment assistance	19	2	1

Total	**142**	**24**	**4**
Percentage	**-**	**17%**	**3%**

5. How long would it take us to conduct research and publish our reviews?

We started reviewing applications at the beginning of August; published reviews for Causes 1 and 5 by early December; and will be publishing reviews for Causes 2, 3, and 4 by the end of May (though we had enough information to make our grant decisions at the end of February). This comes out to about 2 months per cause, and is roughly twice as long as we had aimed for.

The table below provides a summary of what we did in our first year along with how long each step took.

Date	Employees	Total hrs per wk	Focus
Jun-07	Holden	60	-Created cause-specific applications -Contacted charities
Jul-07	Holden	60	- Independent research
Aug-07	Holden/Elie	120	-Selected finalists in all causes -Created applicant-specific round 2 applications
Sep-07	Holden/Elie	120	-Completed most of Cause 5 evaluation
Oct-07	Holden/Elie	120	-Finished Cause 5 reviews -Began Cause 1 evaluations -Created GiveWell website
Nov-07	Holden/Elie	210	-Published Cause 5 reviews -Built website -Finished Cause 1 evaluations
Dec-07	Holden/Elie	160	-Published Cause 1 evaluations -Began work on Causes 2-4
Jan-08	Holden/Elie/Teel	160	-Continued work on Causes 2-4 -Handled administrative loose ends and contacts from the end of 2007
Feb-08	Holden/Elie/Teel	160	-Completed recommendations (though not writeups) for Causes 2-4
Mar-08	Holden/Elie/Teel	160	-Focused on writeups for Causes 2-4; Holden and Elie each took 1 week of vacation
Apr-08	Holden/Elie/Teel	160	-Focused on 2007 review, 2008 plan, fundraising materials -Began work on financial audit

We feel that the main reason our research took longer than expected was simply that we had had no idea of what to expect. However, the following issues added inefficiency:

- Researching a variety of disparate causes at once made our process unnecessarily inefficient. We often kept applicants on hold for weeks at a time (while reviewing other causes) and then requested quick turnarounds when we did get back to them. This is one of the reasons that we plan to research broader causes in the future.

- Elie struggles with writing clearly and precisely, which often left Holden as the "bottleneck" to publishing reviews – particularly problematic since Holden also currently handles all administrative and accounting functions. We have slowly been transferring administrative functions to Elie, and hope at some point to add staff who can better complement us.

6. How would charities react to our application process?

We repeatedly asked applicants to give us feedback either personally (by email or phone) or via our discussion forum at http://discussion.clearfund.org. Most activity on this forum was early in the process, as applicants who worked longer with us (i.e., finalists) generally gave us feedback in person. The general themes in feedback were:

- **Applicants were justifiably upset at our failure to make all grant decisions by the date we had set.** In the future, we will need to set more realistic expectations.
- **Applicants encouraged us to put more of our time into personal visits**, so that we could "get to know" organizations rather than thrusting pre-defined questions on them. We believe this is good feedback, and in general **we found site visits extremely useful in forming a picture of an organization and determining the most relevant questions for it.** We plan to conduct more site visits (and conduct them earlier in our process) next year.
- **Applicants told us they were impressed with our close attention to their materials**, and the highly specific and thorough questions that resulted.
- **Applicants found our process to be extremely intensive and burdensome, particularly given the size of the grants.** In the future, in addition to offering larger grants, we hope to put more time up front into (a) independent research and (b) site visits, and make the questionnaires we finally send far less open-ended and more targeted. We hope that doing so will improve our ability to collect information, and lower the burden on applicants.

Conclusions regarding research

Broadly, we feel that we've established the viability of our research model, but we've also learned many things that will lead to changes in the details of our process. We discuss these details in the "Research Methodology" section of our forward-looking plan.

Goal 2: Publicity

Note: we discuss this goal before the higher-priority goal of building a website, because it helps provide context on interpreting our web traffic and other statistics.

We attempted to draw visitors and make contacts, particularly in December, using the following methods:

1. Maintaining a blog (blog.givewell.net), updated twice per week throughout 2007.
2. Disseminating a press release on December 6, 2007 (see <http://www.mmdnewswire.com/leaving-finance-for-philanthropy-at-age-26-2649-2.html>).
3. Contacting various publications directly to tell them about our project.
4. Advertising via Google AdWords during the month of December.
5. Posting comments in public forums, and sending emails to prominent bloggers, throughout November and December.

Positive publicity

- The **Chronicle of Philanthropy**, having followed and periodically linked to our blog for several months, ran a feature on us for its December 13 issue consisting of an appearance on the cover, two articles in the publication, and an online discussion event.
- The **Chicago Tribune** ran a feature on us on December 17, after a friend at the paper forwarded our press release.
- The **New York Times** ran a feature on us on December 20 that became the 3rd-most emailed NYT story of the day. The reporter behind the story had been referred to our blog by a board member.
- The **Wall Street Journal** featured us prominently in a December 20 article on resources for donors that go beyond financial data (the first mainstream media article we had ever seen on this topic). We had emailed one of the reporters a month prior, and she had expressed interest in writing about us.
- We appeared in short features on **CNBC** (December 20), the **Fox Business Network** (December 23), and **National Public Radio** (December 24 and 26). All of these had encountered us through the New York Times.
- "GiveWell" was the 12th-ranked term on **Google Trends** on December 20th. (http://www.google.com/trends/hottrends?q=*&sa=X&date=2007-12-20)

Links are available via www.givewell.net/press.

Note that nearly all of this positive publicity came directly or indirectly from personal connections or connections made through our blog.

Negative publicity

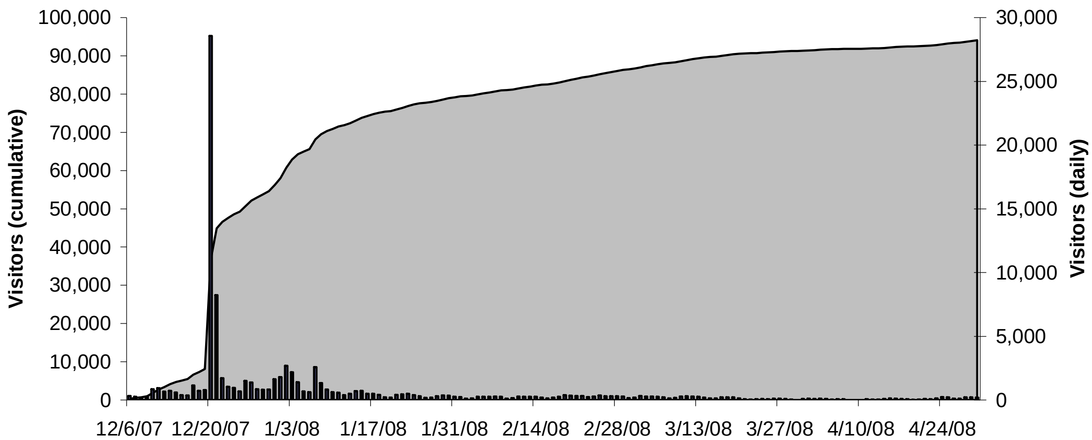
Our execution of technique #5 above (posting comments in public forums, and sending emails to prominent bloggers) demonstrated extremely poor judgment. We did not adequately disclose our identities in the comments we posted, usually posting simply as "Holden" or "Elie," and in several cases we used identities that deliberately obscured our affiliations, posting praise for GiveWell from seemingly unaffiliated sources in the hopes of drawing more visitors.

We were caught and publicly criticized for the latter, and issued a public apology on December 31. Our Board of Directors rightly penalized staff for this behavior. A full account of the episode is available at http://www.givewell.net/node/144.

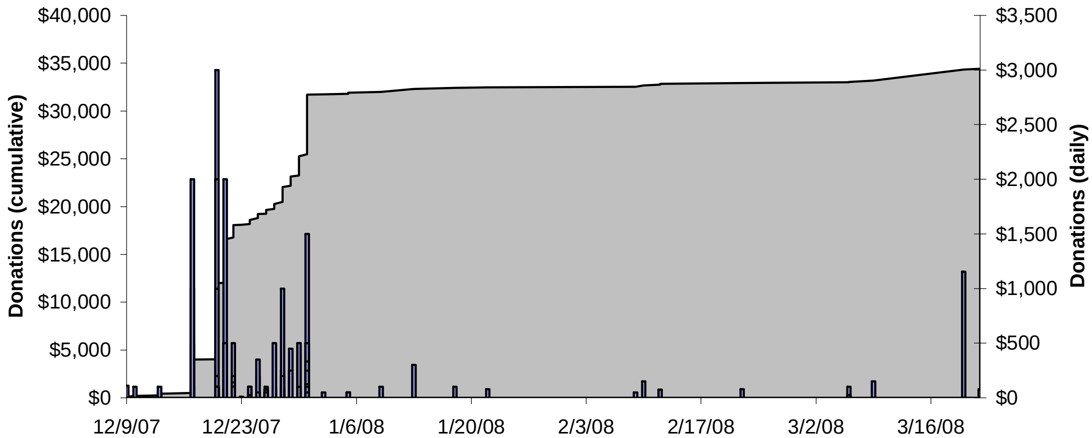
Given the nature of our work, it is essential that we hold ourselves to the highest standards of transparency in everything we do. Our poor judgment rightly damaged our reputation, causing many people who had not previously encountered GiveWell to become extremely hostile to it.

Effect of publicity on website traffic

The chart below shows visitors to our website over time. Traffic spiked on 12/20/07, the day of our features in the New York Times, Wall Street Journal, and CNBC.



The next chart shows donations made to our recommended charities - through our website – over time. (More below on exactly what this number represents.) Donations spiked not only on 12/20/2007 but also on 12/31/2007, and leveled off after the new year; we believe this phenomenon is related to the fact that 12/31 was the last day for a charitable donation that was tax-deductible for 2007.



The following table gives more detail on our top sources of visitors over different time periods. In general, most of our visitors came directly to GiveWell (through the browser or a Google search), but we have highlighted exceptions:

- Over the 12/20-12/31 period, nearly half our visitors came directly from the New York Times online, and we would guess (based on the huge spike in overall traffic) that many of those who came directly to GiveWell.net had been referred there by the print edition or by CNBC. Very few visitors came from the Wall Street Journal.
- 17% of our January visitors came from MetaFilter, an online community that publicly criticized us for our inappropriate marketing techniques (see above).
- We advertised using Google AdWords during the month of December, and stopped afterward (although we continued to spend a small amount on ads specifically for the word "GiveWell," to help people searching specifically for us).

Date range	12/6-12/19	12/20-12/31	1/1-1/31	2/1-2/29	3/1-3/31	4/1-4/30	Overall
Total visitors	**8,117**	**48,118**	**22,933**	**7,174**	**4,972**	**2,747**	**94,061**
New York Times	1.7%	***48.0%***	4.0%	2.6%	1.6%	0.9%	26.0%
Direct (typed givewell.net)	18.1%	18.1%	19.6%	29.2%	24.3%	15.3%	19.5%
Givewell.net	6.5%	6.0%	11.2%	8.9%	9.7%	12.3%	7.9%
Google search	14.1%	10.8%	20.0%	28.1%	27.9%	30.3%	16.1%
Google AdWords	***31.9%***	5.2%	0.1%	0.1%	0.0%	0.0%	5.5%
GiveWell Blog	3.4%	0.8%	2.8%	3.2%	5.7%	2.1%	2.0%
Chronicle of Philanthropy	6.6%	0.4%	2.3%	2.0%	1.5%	3.0%	1.6%
MetaFilter	0.0%	0.8%	***17.1%***	1.4%	1.0%	1.9%	4.8%
Tactical Philanthropy blog	0.9%	0.1%	0.6%	1.7%	1.7%	2.3%	0.6%
Marginal Revolution blog	0.0%	1.8%	0.1%	0.1%	0.0%	0.0%	0.9%
Partners in Health website	0.0%	0.3%	1.0%	2.4%	1.8%	0.9%	0.7%

Goal 3: Publishing our research

We completed the "preview release" of our website on December 6, 2007, in collaboration with two overseas contractors (one designer and one programmer). Though minor changes have been made since then, it was substantially the same website as what is currently at www.givewell.net .

Features of the website include:

- Writeups of our recommendations and reasoning in each completed cause, along with links to all relevant non-confidential materials.
- Information about our organization including a Principles page, an FAQ, a page that takes direct donations, and a Board Records page with links to the materials from each Board meeting.
- A “charity response” feature that allows each reviewed applicant to have full editorial control over a special, prominent section of its review. (See http://www.givewell.net/node/7 for an example.)
- A discussion forum.
- An invitation to readers to express their preferences for the direction of future research – as well as their opinions on the quality of our website – through an online survey.
- Forms for readers to submit recommended charities, volunteer to help GiveWell, and sign up for alerts on new research.
- “Donate now” links that allow readers to give directly (using Network for Good) to any recommended charity, while giving us information on the timing and size of the donation.

The heavy traffic we got in December (see above) gave us an opportunity to do a preliminary assessment of this website in terms of its ability to engage readers and move them to action (submitting surveys as well as making donations to our recommended charities).

- Website engagement statistics (such as time spent on site) indicate roughly “average” performance for our site among “cold visitors” (those who came to us from advertisements we placed, rather than trusted recommendations). Visitors who found us through the New York Times were significantly more engaged.
- A total of 2,572 surveys were submitted, 1,619 of them giving us general permission to contact the submitter.
- Those who submitted surveys gave us high marks for transparency and clarity, and lower marks for usability.
- Over 150 visitors donated close to $35,000 to our recommended charities.
- Visitors made practically no use of our discussion forums, and did not generally give substantive feedback on our research.

Engagement with our website

We measure traffic and engagement using the following metrics:

- **Visits**. Tracked through Google Analytics.
- **Average pages viewed per visit.** Tracked through Google Analytics.

- **Bounce rate –** the percentage of visitors who navigate to another site immediately after loading GiveWell.net (i.e., they never get past the front page). A low bounce rate is desirable. Tracked through Google Analytics.
- **Average time on site per visit.** Tracked through Google Analytics.
- **Donations made to our recommended charities.** We track the date, amount, and charity for each donation made using the "Donate now through Network for Good" links on our site (see www.givewell.net/cause1 for an example). These numbers measure only donations made *in this way*; they do not include donations made directly to GiveWell, or other donations that may have been influenced by our research.
- **Surveys submitted.** This adds the submissions of three different surveys on our website:
  - The "Get involved" survey (www.givewell.net/getinvolved) for people interested in helping GiveWell directly.
  - The "Feedback" survey (www.givewell.net/survey) that solicits feedback on our website and input on what cause(s) we should research next.
  - The "New research alert" survey (currently inactive) that displays for causes we haven't yet written up, giving donors the option to sign up for alerts when we release new research.
- **Contacts.** Each of the surveys described above includes an option to be contacted for "general updates about GiveWell." The "Contacts" column below refers to the number of people who submitted a survey with this option selected, giving us general permission to contact them.

Period	Visitors	Pages per visit	Bounce rate	Avg time on site (mins)	Donations	Surveys submitted (% total visitors)	Contacts (% total visitors)
12/6/07-12/19/07	8,117	3.6	41.6%	3:33	$4,011 (9)	161 (2.0%)	112 (1.4%)
12/20/07-12/31/07	**48,118**	**3.9**	**29.8%**	**3:19**	**$27,693 (142)**	**2005 (4.2%)**	**1313 (2.7%)**
1/1/08-1/31/08	22,933	2.5	51.6%	3:12	$780 (8)	142 (0.6%)	86 (0.4%)
2/1/08-2/29/08	7,174	2.9	50.0%	3:01	$430 (5)	169 (2.4%)	57 (0.8%)
3/1/08-3/31/08	4,972	2.7	53.1%	2:54	$1,510 (5)	55 (1.1%)	28 (0.6%)
4/1/08-4/30/08	2,747	2.3	58.2%	2:08	$90 (2)	40 (1.5%)	23 (0.8%)
Overall	**94,061**	**3.4**	**39.7%**	**3:14**	**$34,514 (171)**	**2572 (2.7%)**	**1619 (1.7%)**
AdWords	*5,114*	*3.2*	*42.0%*	*2:38*	*$00 (0)*	*77 (1.5%)*	*49 (1.0%)*

Note that:

- The "high-intensity period" of 12/20 to 12/31 saw not only the highest traffic, but easily the highest levels of engagement and interaction with the site, by all metrics.
- **Visitors who came to us through Google AdWords** (which we ran throughout December of 2007, and terminated after the New Year) spent less time on our site and viewed fewer pages than our "average" visitor – and they **were less than half as likely to take a more committed action** such as submitting a survey or making a donation. (In fact, we believe that not a single donation was made from someone who found us through AdWords, although this may be a function of an inadequate tracking system.)

- Visitors during January of 2008 had particularly low engagement with the website; we believe this is because many such visitors had found us through our negative publicity (on which more below).
- Traffic, and traffic quality, have been steadily declining and have reached particularly weak levels in the last month. This is not particularly surprising, as our site has remained largely static and we have not advertised or been featured in major media.
- Google Analytics gives benchmarks for "sites of similar size" on pages viewed per visit (3.67), bounce rate (45.7%), and average time on site (2:30), which imply that our site's performance on these metrics is roughly "average" overall. Such comparisons are very rough; we have not been able to find benchmarks for websites in our "industry." We plan, however, to use the statistics above as benchmarks when we focus on improving our website (though this is not a priority for the next year; more on this in our forward-looking plan.)

Results of feedback survey

Below we summarize the results of our feedback survey (www.givewell.net/survey); this does not represent a "random sample" of the population, but rather the set of all users who were engaged and interested enough to submit the survey.

Use of the site

Survey respondents expressed support for GiveWell's goal in the abstract, but only 32% claimed the site had actually affected their giving.

Did/will this site affect your giving for the year?	
Yes	183 (32%)
No	394 (68%)
Did you or will you give directly using our site, through a "Donate Now Through Network or Good" button?	
Yes	130 (24%)
No	411 (76%)
Could this site affect your giving in the future, if we cover your favorite cause and cover it well?	
Yes	587 (96%)
No	25 (4%)
Would you give more if you had more confidence that you were picking the best charity/ies?	
Yes	494 (74%)
No	178 (26%)
If so, how much?	
A little more than I give now	302 (67%)
Significantly more than I give now	122 (27%)
More than twice what I give now	25 (6%)

We were rated between "Adequate" and "Excellent" (a "4/5") on each of the areas we asked for feedback on; we believe the most likely explanation for why we didn't influence more people's giving is **the fact that we have researched relatively few causes** ("Cover my favorite cause" averaged around a "4/5," between "Important" and "Essential," whereas other proposed improvements to our website averaged closer to "3/5").

Please rate this site on the following:	
Overall usefulness	3.8
Clarity and readability	4.1
Transparency and honesty	4.2
Intelligent and reasonable analysis	4.1
What could we do to make this site more likely to affect your giving?	
Cover my favorite cause	3.9
More engaging/usable website	3.1
Clearer/more readable analysis	3.4
More intelligent analysis	3.4

Information about respondents

We also collected a variety of information about users' charitable budgets and preferred causes. Developing-world direct aid appears to be the most popular general category with respondents, followed by environmental causes; the developed-world causes we listed were not rated as highly. (Note that the popularity of developing-world aid could be related to the fact that the New York Times feature on GiveWell discussed our Africa-related research.)

How likely would you be to donate for each of the charitable causes below? Developing world	
Save lives (AIDS, malaria, etc.)	3.5
Fight poverty (microfinance, irrigation, etc.)	4.0
Improve education	3.9
Work against child slavery	3.6
Developed world	
Early childhood care	3.0
K-12 education	3.1
K-12 extracurricular (focused on character/self-esteem)	2.9
Job training for adults	3.0
Substance abuse programs	2.5
Cancer research	2.8
Other disease research	3.0
Global warming	3.5
Other environment-related	3.6
Animal welfare	2.5

About half of survey respondents had no preference for particular regions, either within the developing or developed world.

Do you prefer your giving to benefit the:	
Developing world	431 (46%)
Developed world	497 (54%)
Within the developed world, what city/region would you most like to see us cover?	
No Strong Preference	525 (47%)
San Francisco	191 (17%)
Other	180 (16%)
New York City	101 (9%)
Chicago	44 (4%)
Los Angeles	37 (3%)
Boston	26 (2%)
Houston	11 (1%)
London	4 (0%)
Within the developing world, what region would you most like to see us cover?	
No Strong Preference	558 (50%)
Africa	294 (26%)
Latin/South America	119 (11%)
Asia	69 (6%)
Other	55 (5%)
Eastern Europe	24 (2%)

Most respondents report giving between $100 and $100,000 per year, which is roughly in the range that we aim to focus on (enough to make some research worthwhile, but not enough to hire a private philanthropy advisor or create a staffed foundation).

How much did you or will you give to charity this year?	
$1-99	42 (7%)
$100-499	131 (21%)
$500-999	99 (16%)
$1,000-4,999	203 (33%)
$5,000-9,999	63 (10%)
$10,000-99,999	73 (12%)
$100,000+	6 (1%)

We repeated all of the above analysis for donors who give $5,000+ per year and found very few differences between these donors' survey responses and other donors' responses.

Donations made through our website

Below is a summary of the donations made through our website. Every charity we recommended received at least one donation; the majority went to the organizations that received the strongest reviews.

Organization	Amount raised
Population Services International	$16,721
Partners in Health	$7,318

Other	$10,385
Total	**$34,424**

We have also received a total of 25 donations – totaling $18,484.00 – from people who had no prior connection to GiveWell or communications with us, despite the fact that our page for donating directly to GiveWell (www.givewell.net/donate) is not prominent on our website.

Critical engagement with our analysis

We received very little critical engagement with our analysis. Our discussion forum (http://discussion.givewell.net) went practically unused, despite being linked from the top of every review page. We received many emails offering general support or asking us to consider a particular charity, but the number of people who have critiqued the content of our reviews – through email, survey, discussion forum, or our blog – remains very low. Our site is designed so that people can take quick action based on our recommendations, or dig into the details of our reasoning; we suspect that many people opted for the former, and very few opted for the latter.

From informal conversations, we believe that we may be able to prompt more critical engagement by presenting the *details* of our research in a more engaging, readable way. This sort of improvement will not be a major priority over the next year, as we focus on more personal fundraising, but we will attempt to improve our website's clarity and usability.

Goal 4: Starting our organization

We put a significant amount of time and expense into the logistical issues of starting up our organization. Having largely cleared these hurdles, we expect to be able to focus our time more on our core goals next year.

- We raised just over $300,000 in startup funds.
- We formally incorporated and secured status as a US-recognized tax-exempt 501(c)(3) public charity; registered with the New York Attorney General; established accounting procedures; registered with all necessary tax agencies; secured all necessary insurance; set up payroll; and established bank and brokerage accounts.
- We formed relationships with legal firms and applied for a trademark (pending) on the name GiveWell.
- We assembled a six-person Board of Directors including major supporters of the project as well as people with significant nonprofit experience.

We did not establish a good process or protocols for oversight during 2007. We had only two Board meetings, and did not formally establish clear metrics or clear enough guidelines on issues such as communication. In early 2008 we began meeting more frequently, as well as submitting biweekly reports to the Board; one of the goals of next year is to build our Board's capacity for oversight.

Personnel

We had hoped (as a low priority) to find potential future employees, particularly researchers, for GiveWell. We participated in volunteer partnerships with NYU-Stern and Harvard Business School, and made brief trips to Harvard, Columbia and NYU hoping to recruit volunteers.

From these trips and personal connections, we found many people willing to volunteer in the abstract; a few who have done significant useful work for us, including providing feedback on our writing and helping us to make contacts; but only two who did any significant amount of work on *research.*

We hired our strongest volunteer in January but are terminating the relationship at the end of May. We have mutually agreed to terminate the relationship after determining that, at this stage of our development, we can't provide the training and management necessary for someone of his skill set to add significant value.

We have consistently struggled to find people who are interested in the details of the academic and other research pertaining to which philanthropic methods are most likely to work. We have been able to find few such people through nonprofit connections, online (see "Critical engagement with our analysis" above), or through any other method. This is a long-term concern that is discussed more in our forward-looking plan.

GiveWell Year 1: Timeline

April 1: Holden Karnofsky and Elie Hassenfeld, still employed full-time in the hedge fund industry, complete the GiveWell business plan and begin fundraising.

June 1: Holden begins full-time work for GiveWell, focusing on organizational startup and other logistics.

June 11: Letters of inquiry mailed to charities, for purposes of finding potential applicants.

June 22: First major meeting of Board of Directors; research areas and budget approved. (see www.givewell.net/board-meeting1)

July 5: Grant applications sent out to charities.

August 3: Due date for first-round grant applications. Elie Hassenfeld begins full-time work for GiveWell.

September 8: Round 1 evaluations completed and announced; finalists named (see <http://blog.givewell.net/?p=137>).

November 12: Cause 5 research and recommendations published to www.givewell.net (website still only partially completed).

December 6: Cause 1 research and recommendations published to www.givewell.net , along with many other website changes including a new front page.

December 17: Board of Directors meets and awards grants in Causes 1, 2, and 5, postponing research in Causes 3 and 4 (see www.givewell.net/board-meeting2).

December 20: GiveWell receives major media exposure (see above).

December 31: GiveWell staff publicly apologizes for inappropriate marketing (see above).

January 1: Teel Lidow begins full-time work for GiveWell.

January 3: Board of Directors meets and penalizes staff for inappropriate marketing (see www.givewell.net/board-meeting3).

March 4: Research on Causes 3 and 4 completed; Board of Directors meets and awards grants (see www.givewell.net/board-meeting4). Focus turns to completing writeups, preparing for financial audit, and creating expansion plan.

GiveWell Year 1: Budget

Expenses through 12/31/2007
Approved at 6/22/2007 Board meeting (see www.givewell.net/board-meeting1)

Category	Includes	Initial projection	Actual
Accounting	Budget development process; software; payroll assistance	$5,459	$3,715
Advertising	Press release dissemination; Google Adwords	$5,000	$3,699
Finding applicants	GuideStar data set; mass mailing	$3,456	$3,456
Grants	$25,000 for each of five causes	$125,000	$140,000
Insurance	Directors & officers; disability; workers' comp (no general liability)	$2,500	$632
Misc admin	NPCCNY membership; mailing expenses; NYU course; copies, office supplies, business cards; campus expenses for recruiting volunteers	$2,879	$1,858
Salaries & benefits	Holden 7mo, Elie 5mo @ $65,000 ann. plus payroll taxes & health insurance	$62,883	$73,959
Startup (legal)	Incorporation, 501c3 application, registrations	$1,220	$1,265
Trademark	Filing; substantive response regarding GiveWell.org	$3,275	$2,000
Website	Domain names; hosting; programming; design	$10,164	$4,091
Total		$221,836	$234,676

Note: Elie Hassenfeld was originally slated to work only through November (and we projected paying him only 4 months' salary); he has now committed to the project full-time.

Expenses through 4/30/2008
Approved at 12/17/2007 Board meeting (see www.givewell.net/board-meeting2)

Category	Includes	Initial projection	Actual
Accounting	Audit; audit preparation; payroll processing fees	$13,560	$12,856
Salaries & benefits	Holden and Elie: 4mo @ $65,000 ann. Teel: 4mo @ $35,000 ann. plus payroll taxes and health insurance	$62,160	$59,992
Other	Web hosting & further website improvements; mailbox and other office supplies	$10,164	$2,005
Total		$85,884	$74,853

Note: Holden's and Elie's salaries were lowered by $5,000 each for 2008 (pro-rated) in reaction to their inappropriate marketing (see above).

Revenues and balance as of 5/1/2008

Donations	
Given before 12/1/2007; unrestricted	$241,083
Given before 12/1/2007; restricted	$70,314
Given after 12/1/2007; unrestricted	$104,630
Given after 12/1/2007; restricted	$72,984
Pledged; unrestricted	$75,000
Total	$564,010
Total expenses	($309,529)
Balance (available for next year)	$254,481

Notes:

- *Restricted funds are generally restricted for use as grant money. These have not posed a major constraint to this point.*
- *Balance includes all accounts payable and pledges (does not match bank balance).*