Google Finds It Hard to Reinvent Philanthropy

By STEPHANIE STROM and MIGUEL HELFT

JUST before Google first sold its shares to the public in 2004, Larry Page, one of its founders, excited the nonprofit world with a bold commitment to philanthropy.

He vowed to dedicate about 1 percent of Google's profits, 1 percent of its equity and a significant amount of its employees' time to the effort, which became known as Google.org, or simply DotOrg. “We hope someday this institution may eclipse Google itself in terms of overall world impact by ambitiously applying innovation and significant resources to the largest of the world’s problems,” Mr. Page wrote in a letter to potential investors.

Although Google intended to tackle major problems like climate change, global poverty and the spread of pandemic diseases, it declared that DotOrg would not be “conventional” — a four-letter word in Google-speak. For starters, the organization would operate in part as a business, thus freeing itself from various constraints placed on nonprofit groups.

Google hired Larry Brilliant, a public health expert and Silicon Valley entrepreneur with no experience running a major philanthropy, to lead DotOrg, which was set up as a business unit within the company. It then poached prominent experts in development, energy and public health from prestigious institutions like the Aga Khan Foundation, Goldman Sachs and the International Water Management Institute.

“Google.org can play the entire keyboard,” Dr. Brilliant said in an interview with The New York Times shortly after his appointment. “It can start companies, build industries, pay consultants, lobby, give money to individuals and make a profit.”

Nearly five years later, however, the hyperbole looks more like hubris. DotOrg has narrowed to just one octave on the piano: engineering-related projects that often are the outgrowth of existing Google products. Dr. Brilliant was sidelined in early 2009 after his loose management style created much disenchantment in DotOrg’s ranks.
The company’s top executives rarely mention DotOrg, which is now run by Megan Smith, a business development executive who devotes only part of her time to the organization.

Although Google gives tens of millions of dollars to charity each year and says the overall company is meeting its 1 percent giving goal, DotOrg itself is no longer making grants to nonprofit groups or financing new companies. Instead, it focuses on projects like using Google Earth to track environmental changes and monitoring Web searches to detect flu outbreaks. Most of the experts it initially hired have left, and Google, a company obsessed with numbers and metrics, struggles to measure DotOrg’s accomplishments.

Google says it has changed its approach to philanthropy, but not its scope or ambition. Ms. Smith readily acknowledges that the organization has yet to prove itself, but she says it has already had a positive impact in various areas, such as public health and the environment.

“We are a start-up,” Ms. Smith said in a recent interview. “The aspirational goals in the founding of DotOrg are long term. Our hope is to get to that point where we could have the impact that our founders hoped.”

In the philanthropy world, many people have a more skeptical view of Google’s experiment.

“I think there were from the beginning two competing ideas about what DotOrg would be,” said Joshua Cohen, a professor of law, politics and philosophy at Stanford who, after DotOrg was formed, was hired to create seminars to educate Googlers on issues bedeviling developing countries. “The first was a Googley idea that DotOrg would completely reinvent philanthropy and, in doing so, reinvent the world and address a hugely important set of problems with solutions only Google with its immense intellectual talent and resources could find.”

The second idea, Professor Cohen said, was more modest: “that DotOrg could make some headway, maybe a little, maybe a lot, in addressing these really big problems by doing what Google as a company is really good at doing, which is to say, aggregating information.”

“The second idea,” he continued, “won out.”

NOTHING illustrates DotOrg’s approach better than Google Flu Trends, an innovative tool that uses data collected from searches about flu symptoms to predict the location of flu outbreaks. In April 2009, Dr. Brilliant said it epitomized the power of Google’s vaunted engineering prowess to make the world a better place, and he predicted that it would save untold numbers of lives.

Public health officials say the tool is undoubtedly useful.
But “on an individual basis, does Flu Trends save lives? No,” said Ashley LaMonte-Fowlkes, an epidemiologist at the Centers for Disease Control and Prevention, which helped Google test and develop it.

Instead, she described it as “a really nice adjunct” to other tools that the agency uses to understand the spread of flu. One major shortcoming of Flu Trends is that in poor regions of the developing world, where devastating pandemics are most likely to start, computers are not widely available, so Google has little data to feed into the tool. Even in the United States, during the swine flu outbreak of 2009, Flu Trends had difficulty detecting the relatively small number of H1N1 infections.

Some veterans of DotOrg say Flu Trends is an example of how Google’s engineering-centric approach frustrated and limited them.

“We concentrated on complicated engineering problems rather than large development challenges,” said a former executive of DotOrg, who left the organization after a couple of years and requested anonymity because he did not want to damage the relationship between his current employer and Google. “That meant we were creating solutions that were looking for problems rather than the other way around.”

Those solutions also had to be something that Google engineers, who represent the cream of the world’s elite universities, believed that only they could create.

For instance, in early 2008, some DotOrg staff members with traditional nonprofit backgrounds proposed a system to track drugs for diseases like malaria and tuberculosis through the supply chain, in order to combat drug counterfeiting and theft. Fake drugs, which can be toxic, are an enormous problem: the World Health Organization has estimated that more than 30 percent of drugs sold in developing countries in Africa and parts of Asia and Latin America can be counterfeit.

The team’s idea was to engineer a FedEx-type system, relying in part on text-messaging, that would track drugs from the moment they left a manufacturer’s control until they reached a patient.

The plan never went anywhere, however, because text-messaging was not sophisticated enough to challenge Google’s engineers, several former DotOrg executives said. The culture clash between the engineers — caustically referred to by former DotOrg executives as “the Brahmin” — and those from development organizations was exacerbated by DotOrg’s leader, Dr. Brilliant, according to a dozen former employees of DotOrg.

Even Dr. Brilliant’s fans — and they are legion in Silicon Valley and the global health arena — say he lacks management skills. A spokesman for Dr. Brilliant’s current employer, the Skoll Global Threats Fund, said
last week that he was unavailable for an interview because of a death in his immediate family. Dr. Brilliant did respond to some questions by e-mail, though he did not reply to a question about his management.

He was hired on a whim after he won the coveted TED Prize, awarded annually to someone with a world-changing “wish,” in 2006 for his idea to build a global early-response system to identify new diseases and disasters as soon as they emerge, thus heading off pandemics. Dr. Brilliant was invited to speak to Google employees about his idea, and Mr. Page and his Google co-founder, Sergey Brin, happened to attend.

They were smitten, and Dr. Brilliant was hired almost immediately. It took DotOrg almost two years to define the five areas in which it would work, and they were announced with much fanfare in January 2008: predicting and preventing diseases; growing small and midsize businesses; increasing access to information and public services; developing renewable energy; and helping to commercialize plug-in hybrids. Google.org vowed to spend $175 million in those areas over the next three years.

It troubled several DotOrg executives that the largest grant announced that day, accounting for 20 percent of the $25 million committed at the time, went to InStedd, the organization that Dr. Brilliant had founded with his TED prize money.

“No one seemed to understand that this looked like a tremendous conflict of interest,” said one former DotOrg employee who oversaw programs and asked for anonymity because Google’s severance contract included a confidentiality clause.

During Dr. Brilliant’s tenure as executive director of DotOrg, InStedd received $11 million from the institution, while the Seva Foundation, another nonprofit that he had co-founded, received $2.5 million.

In an e-mail, Dr. Brilliant said the grant to Seva illustrated Google’s “don’t be evil” mantra: Mr. Brin ordered it up to make Seva whole after Google hired Dr. Brilliant away.

As for the grants made to InStedd, Dr. Brilliant wrote that “the quest for an early-warning system or systems to predict and prevent pandemics, whether done inside DotOrg or through creating another organization to do the work, like InStedd, didn’t represent a conflict of interest.” He added that “it was one of the reasons Google hired me.”

Dr. Brilliant also had to deal with other issues. On a personal level, he was distracted during part of his time at DotOrg because two family members were critically ill.

It didn’t help that Sheryl Sandberg, a Google executive who was the architect of DotOrg as it was first conceived, left to join Facebook in early 2008. Ms. Sandberg’s first job out of college was with the World Bank in India, and many DotOrg executives considered her their champion.
When she left, DotOrg became isolated. It operated out of San Francisco, rather than from Google’s campus in Mountain View, Calif. And with its executives spending most of their time in the developing world and thus unable to cultivate allies at the company, DotOrg all but ground to a halt.

Dr. Brilliant lacked Ms. Sandberg’s access to the Executive Management Group, which comprises about a dozen senior Google executives close to Mr. Page, Mr. Brin and Eric E. Schmidt, Google’s longtime chief executive, who is moving to a new role as executive chairman in April. (Mr. Page, meanwhile, will become C.E.O.) Members of this group were usually too busy to attend meetings where grants were presented for approval, so Dr. Brilliant worked out a system of e-mailing the proposals to Mr. Page and Mr. Brin. If they did not respond within 48 hours, he made the decision himself.

“Larry and Sergey treated DotOrg like any other part of Google,” said a former senior Google executive who was involved in a later review of DotOrg and asked for anonymity to avoid endangering his relationships with the company. “It is always hard to get their attention. When it was about reviewing grants, they were not so excited.”

LAURENCE SIMON, a professor at Brandeis University and a friend of Dr. Brilliant’s who took a sabbatical to work at DotOrg in 2007, said that in his view, Google’s top executives grew frustrated with DotOrg when they were not being presented with clearly defined problems and solutions.

“I think they expected there would be the same kind of ‘launch early and often’ approach demanded on the business side, but that’s not the way development works,” Mr. Simon said.

When the Google founders did attend a meeting about DotOrg, they spent most of their time fiddling with their BlackBerrys. At one meeting, former DotOrg executives said, they were stunned when Mr. Brin dropped to the floor and started doing push-ups.

“DotOrg was like quicksand — every time you thought you’d found your footing, a sinkhole opened,” the former Google.org program officer said.

Jacqueline Fuller, a spokeswoman for DotOrg, said Mr. Brin, Mr. Page and Mr. Schmidt were not available to discuss the organization.

By the end of 2008, many of the DotOrg executives hired from the outside had left in frustration, and morale ratings were among the lowest in the company, according to an employee survey. Mr. Schmidt was prodded by other Google executives to review and restructure the operation.
After the review, Google suspended all grants that were not quite final. Grants were canceled to institutions like Harvard and Stanford for research projects in Africa even though Google’s senior management had approved them and they lacked only a final signature on the contracts.

“That may be the way things are done in business, but it’s not how grants are made in the nonprofit world,” said the former Google.org executive. “It was embarrassing.”

Mr. Schmidt moved DotOrg to the Mountain View campus in early 2009. That February, Dr. Brilliant was given the title “chief philanthropic evangelist,” and left the organization soon after to join the Skoll Global Threats Fund. Ms. Smith took over DotOrg.

Engineers from outside DotOrg were assigned to review all of the grants it had made. Not surprisingly, they wanted to know why there wasn’t more engineering in, say, a grant made to assess the quality of basic education in Tanzania’s schools. They also wanted to know why DotOrg wasn’t working more to “scale” up small projects to have a broader impact.

“They never understood that technology is a means to an end, and that in the developing world, sometimes basic technology, like the collection and compilation of data, can have enormous impact,” said another DotOrg program officer, who resigned after the reorganization.

In the end, many grants were labeled “legacy” and discontinued when they expired.

“I believe DotOrg was under pressure to come up with what was called game-changing strategies,” said Professor Simon, who also serves as director of Brandeis’s sustainable international development programs. “They were looking for something like a new algorithm — but there isn’t any algorithm that’s going to eradicate guinea worm.”

Ms. Sandberg said DotOrg got off to a good start. “Problems like global poverty, climate change and global health don’t get solved overnight,” she said. “There is no way to know what its strategy would have accomplished over time because the strategy was changed.”

IN devising what DotOrg would become after Dr. Brilliant, the company went back to the Flu Trends model. It has developed a series of tools based on existing Google technologies, including PowerMeter, which lets people track their home energy use in real time, and Earth Engine, which uses Google Earth and satellite imagery to monitor aspects of the earth’s environment, including deforestation.

So far, PowerMeter has failed to gain widespread adoption, in part because there are a number of competing products and many utilities did not get behind the idea.
Earth Engine, which Google released last month, offers more promise. It includes years of satellite imagery of the planet, and lets scientists use Google's cloud-computing infrastructure to analyze it.

“You are going to see global-scale, timely information on the way our earth is being modified in a way that we haven’t seen before,” said Matthew C. Hansen, a professor of geography at South Dakota State University, who worked with DotOrg to demonstrate how the tool could be used. “It's a quantum leap forward.”

DotOrg’s projects related to green energy have received more attention from Google’s top brass, since they are pet projects of the founders and fit with the company’s broader, for-profit investments in clean energy technologies.

The organization’s engineers are working on technology that would make solar energy less expensive and more efficient as part of an initiative to develop renewable energy cheaper than coal. Another effort, to accelerate the development of plug-in cars, has its roots in the original DotOrg. The company worked to modify a fleet of hybrids to draw power from the grid and set up charging stations on its campus.

Google says it cannot easily separate the impact it has had in bringing plug-in hybrids closer to reality from that of others, like General Motors and Toyota, that are also promoting the technology. “Google was one of the entities helping to create the meme that plug-in hybrids are coming,” Ms. Smith said.

DotOrg has also developed tools to respond to disasters, such as a database to track missing people after the earthquake in Haiti. There is also Resource Finder, a map-based tool set up after Pakistan’s floods that helps relief workers locate available hospital beds.

Just as important as the projects themselves, Ms. Smith said, is the formal process for reviewing DotOrg proposals. The ideas, which can now be proposed by any Google employee, are handled very much the way Google handles any idea from its staff — with a rigorous product review. The process lays the foundation for many more projects in coming years, she said.

Google says that when considering all grants and charitable activities by the company, it is meeting the goal set by Mr. Page of devoting 1 percent of the company’s equity at the time of the initial public offering, 1 percent of annual profit and 1 percent of employee time to philanthropy, though Google officials emphasized that the formula was a flexible guideline to be averaged out over the two decades after the I.P.O. (For those interested in the math, Google says it set aside three million shares at the I.P.O. for philanthropic endeavors and spends roughly 1/20th of the current value of those shares every year, along with 1 percent of the previous year's net income. Employee time is harder to measure, officials say.)
Google puts its overall giving last year at $184 million, including in-kind contributions. Roughly half that amount went to nonprofit groups as cash. An additional 20 percent went to universities under a program that also gives the company an inside track on promising young engineers and research. Just 15 percent went to DotOrg projects.

“We have ramped up our charitable giving, but it is now being done outside of DotOrg by other teams, which has allowed DotOrg to focus on developing engineering solutions,” said Ms. Fuller, the DotOrg spokeswoman who was recently named Google’s director of charitable giving, in an e-mail.

THE reorganization has made it hard to assess whether Google is living up to its original promise. Many of the grants Google makes to organizations like Citizen Schools, Landesa, Ashoka and Unicef seem more like conventional corporate philanthropy than the revolutionary social innovation that Mr. Page pledged.

Indeed, Ms. Fuller measures the philanthropic success of Google by comparing its giving with that of other companies. “I think the big picture is that relative to its peers, Google has been generous with its time and resources,” she wrote.

Yet for now, the high bar set by Mr. Page remains little more than a tantalizing target for DotOrg. “It is a pretty tall order to try to exceed the impact of Google,” Ms. Smith said. “But we are going to try.”