

TEMPLETON REPORT

NEWS FROM THE JOHN TEMPLETON FOUNDATION

April 29, 2009

“And the winner is...”

Prize-giving is hardly a new tool for sparking technological innovation and recognizing exemplary achievement. In 1714, the British Parliament established the Longitude Prize, which inspired the clockmaker John Harrison to develop the marine chronometer, thus greatly improving high-seas navigation. The Food Preservation Prize established by Napoleon resulted in the invention of the canning techniques that are still used today. And the Nobel Prizes have long set the standard for scholarly and humanitarian excellence.

What has changed, according to a newly published report, *“And the winner is...”: Capturing the promise of philanthropic prizes*, by McKinsey & Company’s Social Sector Office, is the breadth and ambition of the international prize-giving sector. The “use of this powerful instrument is undergoing a renaissance,” write the authors of the report, which was funded by the Templeton Foundation.



Today there are 219 prizes worth more than \$100,000, with a total purse of some \$375 million. More than a quarter of them have been created since 2000, in part because of the rise of younger philanthropists who made their fortunes during the high-tech boom and tend to be more entrepreneurial in their giving. “Prizes have been a major growth area for the social sector over the last decade,” said Tony Goland, the McKinsey partner who oversaw the report, “but important questions remain regarding how best to achieve significant positive impact from them. We were enthusiastic about conducting this research and codifying some frameworks and best practices that we hope will be useful for prize sponsors.”



McKinsey consultants interviewed dozens of academic experts, business leaders, and philanthropists, including the sponsors and administrators of the Man Booker Prize, the FIRST Robotics Competition, the Methuselah Mouse Prize, the Mo Ibrahim Prize, the Templeton Prize, and the X Prizes. The 123-page report identifies various prize archetypes, from those aimed at “point solutions” and market stimulation to those intended to recognize “exemplars,” generate participation, or create networks.



Whatever the model, the report concludes, successful prizes generally “match a clear goal with a relatively large number of potential solvers who are willing to absorb some risk.” The report also emphasizes the importance of prize design, the selection process, and post-award activities—steps too often overlooked by enthusiastic newcomers to the sector.



“And the winner is . . .” is the most comprehensive analysis to date of the global prize industry, but McKinsey recognizes that much more work remains to be done. The authors of the report recommend “continued investment” in “sector conferences to share best practices and address common challenges; academic research into the underlying economics of prizes and the interplay between competition, innovation, and collaboration; and philanthropic investment in the nascent industry.”

The Templeton Foundation itself gives out a number of prizes, but its primary interest in supporting the McKinsey study was to assist the whole prize-giving sector. “We believe that philanthropy can become more dynamic and innovative by drawing on top-quality business consulting for analysis and strategy development,” said JTF senior executive vice president Charles Harper. “We are delighted that the results of McKinsey’s report will be available to anyone who has a prize or is considering one.”

The report will be presented by McKinsey partner Paul Jansen at the “Incentive 2 Innovate” (i2i) Conference at the United Nations in New York in early June. The conference is being sponsored by the X Prize Foundation, with support from the Templeton Foundation. Scheduled speakers include UN General-Secretary Ban Ki-moon, X Prize Foundation CEO Peter Diamandis, the commentator and media entrepreneur Arianna Huffington, *Economist* writers Matthew Bishop and Michael Green, and Don Tapscott, author of *Wikinomics: How Mass Collaboration Changes Everything*. For registration information, visit the i2i website.

The full McKinsey report on prize-giving is available online here. Printed copies can be obtained, free of charge, by writing to the Templeton Foundation at communications@templeton.org. Questions about the report can be directed to Jonathan Bays at McKinsey & Company: jonathan_bays@mckinsey.com.

NOTEBOOK

New Templeton-Cambridge Journalism Fellows

Ten journalists from the United States, the UK, and Canada have been selected for the fifth annual Templeton-Cambridge Journalism Fellowships in Science & Religion. Among the news organizations represented are the *Washington Post*, the *Dallas Morning News*, the *Globe and Mail* (Toronto), the BBC, the *American Prospect*, Fox News, and *Time*. The two-month program, running in June and July, includes two weeks of intensive seminars at the University of Cambridge and five weeks of independent study and research into an area of specific interest to each journalist. The program finishes with oral presentations by the fellows. For more about the fellowship, see the June 11, 2008 issue of the *Templeton Report*.



The 2008 journalism fellows in residence at the University of Cambridge.

The Templeton-Cambridge program also recently inaugurated a shorter version of its summer fellowship. For five days in April, twenty journalists met at the University of Cambridge for seminars on “evolution and the brain” with the evolutionary paleobiologist Simon Conway Morris, archaeologist Colin Renfrew, anthropologist Harvey Whitehouse, neuroscientist Chris Frith, and theologian Keith Ward, among other faculty. Attendees included Kevin Berger of *Salon*, Michael Brooks of *New Scientist*, Nils Bruzelius of the *Washington Post*, Martin Redfern of the BBC, Sharon Schmickle of the *Minneapolis Star-Tribune*, Peter Steinfels of the *New York Times*, James Taranto of the *Wall Street Journal*, and Emily Yoffe of *Slate*. Two of the journalists in attendance blogged about the sessions: Steve Waldman on *Beliefnet* and Cathy Lynn Grossman at *USA Today*.

Being an American

“What civic value do you believe is most essential to being an American?” That question elicited more than 31,000 responses from high school students across the country, as the *Washington Post* recently reported. For the past three years, the Bill of Rights Institute, with the support of a major grant from the Templeton Foundation, has been running an essay contest to engage students in learning about the principles, rights, and responsibilities of American citizenship.

The *Post* interviewed several of the contest winners from Virginia and Maryland. Elena Kim Perry of Bethesda wrote about tolerance: “As we now find ourselves in the midst of a global war on terror, the need for religious and ethnic tolerance is as vital as ever.” She told the newspaper that she wrote the essay in part for the scholarship money (winners received cash prizes, as well as a trip to Washington, DC for an Oscar-style awards ceremony) but also because the question had “a lot of relevance to my life and everyone’s life around me.” Chris Weil, a Northern Virginia student who earned an honorable mention, wrote about the value of industry: “Stories of people rising up from ghettos and impoverished neighborhoods to greatness are examples of our core value system at work. Through hard work and industry, and perhaps a little bit of luck, anything is possible in the United States.”



Photo: Preston Keres/Washington Post

Elena Kim Perry on tolerance: “The myriad groups within our society retain their core individuality even as they interact and unite under one flag.”

For more information, write to communications@templeton.org.

JOHN TEMPLETON FOUNDATION
SUPPORTING SCIENCE-*INVESTING IN THE BIG QUESTIONS*