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Tech for Good: Helping the United Kingdom improve lives and livelihoods

In the United Kingdom, the Tech for Good movement has been gaining momentum in recent years and has the potential to accelerate and build on the wave of solidarity we are seeing emerge across society.

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Among the devastating COVID-19 crisis, the

United Kingdom has seen an increased display of solidarity, and while measures to contain the virus keep people apart, they bring communities together in innovative and inspiring ways. For instance, the United Kingdom joined in a weekly clap for carers to show support for frontline health staff and other essential workers. A government call for volunteers to support the National Health Service saw over half a million people sign up double the target.¹ And community groups around the country are mobilizing to deliver support to vulnerable groups.

However, many social and economic challenges still lie ahead. On top of the loss of human life, <u>our recent assessment</u> shows that in the mid-point scenario UK GDP is expected to shrink by 9 percent, overall. The jobs that are at risk are highly skewed—people and places with the lowest incomes are the most vulnerable to job losses.² And this is without considering a potential resurgence of the virus.³

So the United Kingdom faces the twin challenges of managing the health recovery while supporting the economy recovery to the "<u>next normal</u>." There is a clear desire to "build back better" with increased support for the most vulnerable groups of people in society, and innovation focused on social welfare and environmental sustainability.⁴ And there are many Tech for Good entrepreneurs providing solutions for some of the UK's most pressing challenges.⁵ Especially as COVID-19 further accelerates <u>adoption of digital services</u>, the Tech for Good movement is one that can be accelerated across the United Kingdom.⁶

Tech for Good is a rallying cry in the United Kingdom

In last year's MGI Tech for Good discussion paper, we identified **six key well-being factors** where Tech for Good can, and is, playing a positive role in driving social change globally (exhibit).

The United Kingdom already has many structural advantages that can support the Tech For Good movement, such as excellent universities, access to talent, thriving tech activity, an active investor community and a favourable regulatory environment. It is no wonder then that there are already over 490 Tech for Good companies in the United Kingdom, valued at over £2.3 billion in 2018, with a combined turnover in excess of £732 million.⁷ UK tech companies aligned to United Nations Sustainable Development Goals have jointly raised £2.2 billion over the last six years, the highest in Europe.⁸

Many infrastructure players are also supporting the Tech for Good agenda, including organizations shining a light on UK Tech For Good start-ups (including techforgood.global, Tech For Good Summit, and Tech for Good awards); non-profit funders (the Tech for Good program by Comic Relief and the Paul Hamlyn Foundation); incubators (including Microsoft's AI for Good, Nesta, and the Social Tech Trust); and impact investors including Bethnal Green Ventures—recognized as being amongst the top impact investors in Europe. Many of these organizations also play multiple roles; for example, Bethnal Green Ventures runs the Tech for Good Meetup in London.

¹ Douglas Broom, "A pandemic of solidarity? This is how people are supporting one another as coronavirus spreads,"

World Economic Forum, March 16, 2020, <u>www.weforum.org</u>.

² COVID-19 in the United Kingdom: Assessing jobs at risk and the impact on people and places, McKinsey & Company, May 2020, McKinsey.com.

³ "UK warned of winter resurgence in Covid-19," *Financial Times*, July 13, 2020.

 $[\]frac{4}{2}$ The future is not what it used to be: Thoughts on the shape of the next normal, McKinsey & Company, April 2020, McKinsey.com

⁵ Tech for Good: Using technology to smooth disruption and improve well-being, McKinsey Global Institute, May 2019.

 ⁶ Survey: UK consumer sentiment during the coronavirus crisis, McKinsey & Company, June 2020.
 ⁷ "It pays to be good-new research shows £2.3bn strength in UK 'tech for social good," Tech Nation, April 24, 2020, technation.io;
 "Tech for social good in the UK," Tech Nation, technation.io.

⁸ UK Tech for a changing world, Tech Nation report, 2020, technation.io.

Exhibit

Positive tech-enabled use cases are already being realized across six key well-being factors.

NON EXHAUSTIVE SET OF USE-CASES

ŶŶ	1	Job security	 Career orientation and smart job matching platforms can reduce job search times by 40-50% Digital cloud based workspaces enable remote-working and complement geographic mobility Al augmentation complements employee skills, e.g., in front-line customer service roles
	2	Material living standards	Al powered tools can advise the vulnerable in financial decisions Food-donating mobile applications help match food insecure with donors 3-D printed construction materials can be used for affordable housing, e.g. social housing prototypes in France
	3	Health and longevity	 Al-driven drug discovery and tests can reduce time and cost by 4- to 5-fold Al-powered diagnosis tools improve accuracy, e.g., risk of breast cancer in histopathological images Maternal health applications and SMS platforms provide assistance to women in developing countries Smart pill bottles and ingestible sensors to monitor and promote adherence to doctors' orders
	4	Education	 Al powered tools to build personalized journeys and improve learning outcomes Online education platforms can provide students with a high-quality education at low cost Digital support and automation of administrative tasks frees up time and resources for educational professionals
(F)	5	Environmental sustainability	Al and IoT power automated traffic optimization helps to reduce emissions Al-driven reverse logistics infrastructure improves product sorting and recycling Second-hand market places reduce waste by extending lifespan of goods IoT monitoring in "smart grids" optimizes production, distribution, and usage of electricity
6jð	6	Equal opportunity	Al powered recruiting tools can reduce discrimination by surfacing human biases Speech generating devices (SGD) help people with speech disorders Digital platforms for disabled travelers provide better access Exoskeletons empower disabled people in their everyday life

Source: McKinsey Global Institute analysis - Tech for Good Smoothing disruption, improving well-being, McKinsey Global Institute, May 2019.

Many Tech for Good organizations are already achieving impact across the United Kingdom

There is a large set of Tech for Good entrepreneurs and organisations across the United Kingdom using technology to develop and scale solutions to societal challenges. Here we highlight some example organisations that are achieving social and economic impact at scale—and have been winning recognition and awards for their work.

Job security

WhiteHat: harnessing technology to train and coach young people

WhiteHat describes itself as "a tech start-up democratizing access to the best careers." In the United Kingdom there are almost 800,000 young people who are not in employment, education, or training, and this can have a detrimental effect on physical and mental health.⁹ The platform sets out to solve this by matching non-graduate talent with apprenticeship opportunities at some of the United Kingdom's most exciting companies. WhiteHat delivers training, in partnership with world-class content providers, through a combination of one-on-one coaching and cutting-edge tech.

As Euan Blair notes, "WhiteHat exists because the push for university as a one-size-fits-all model is not working for employers or young people. We move beyond academics and work experience in assessing talent, and instead focus on character and potential in order to ensure we can provide access to the best opportunities for a really diverse group of future leaders."

Material living standards

Beam: helping homeless people find stable, paid work

Beam is a crowdfunding platform that supports homeless people in finding stable, paid work. Since its launch in 2017, Beam has helped 282 homeless people, 91 of whom have already started in their new jobs, with a larger number in training.¹⁰

Each person in the program receives dedicated support in developing a personalized career plan according to their abilities, strengths and interests—and is offered the training to make it real. Donations received through the platform are put towards training, childcare, travel, work tools, and other factors that may prohibit a homeless individual from entering the workplace." Beam focuses on creating a sense of caring by providing progress updates on participants to the donors through its transparency dashboard.

Alex Stephany from Beam says, "at Beam, technology helps to connect a group that really needs help and a group that really wants to help. When we facilitate the connection online, both sides benefit. And the group who is helping gets to see exactly where their money is being spent."

Health and longevity

Lifted: providing personalized at-home care for the elderly

Lifted offers support and personalized at-home care for the elderly, including live-in care, specialized care for those suffering from dementia, and respite for those needing short-term assistance. The online platform has recently introduced an app for families to conveniently arrange care for their elderly relatives, agree on tasks for the carers to complete, interact with carers through notes from visits, and arrange payment.¹²

⁹ WhiteHat, whitehat.org.uk.

¹⁰ Transparency dashboard, Beam, beam.org (as of July 20, 2020).

¹¹ Lucy Sherriff, "Crowdfunding employment training for the homeless," *Forbes*, February 19, 2020, forbes.com.

¹² Lifted, liftedcare.com.

Rachael Crook always wanted to elevate the role of carers in society. "Technology is helping us tackle the problem of at-home care at scale. We built a mechanism to digitally manage our workforce. Families can track carers, know what's happening with their loved ones in real time and review the quality of care they receive. Tech then also allows us to reward carers and incentivize them differently by incorporating reviews."

Education

Oak National Academy: supporting every teacher to support every pupil

The government-backed <u>Oak National Academy</u> has been built by over 80 state school teachers and organizations across the sector, all working together to help teachers support their pupils. The academy leverages a bank of high-quality video lessons, covering a wide range of subjects including maths, English, art and languages, to help support remote teaching in the context of the COVID-19 crisis. The objective is to provide free-to-use lessons enabling teachers to complement their own lesson planning until schools fully re-open and empower parents to support their children's home learning.¹³

The academy provides 180 sequenced video lessons each week for every group from reception through to year 10, and delivered 13 million lessons in its first two months of operation by June 2020.

Jonathan Dando from Oak National Academy explains, "school closures created real problems for teachers, parents and pupils. Teachers were working incredibly hard to support their pupils, but not every school had the resources to instantly move learning online. Oak National Academy was born out of combining the generosity of the teaching profession with the power of tech. Teachers created fantastic lessons for any child or teacher who wanted them, and simple, accessible technology meant we could reach millions of children unable to attend school."

Environmental sustainability

OLIO: sharing good food, reducing food waste

<u>OLIO</u> is a sharing service aimed at reducing waste. The platform connects neighbours with each other, and volunteers with local businesses, so that surplus food can be shared. Since its launch in 2015, OLIO has grown its presence to 49 countries and has over 2 million users. OLIO has also added the option to share non-food items, and in 2018, received the climate action award at the UN Climate Change conference.

Saasha Celestial-One from OLIO notes, "UK households throw away almost a quarter of their weekly grocery shopping on average. We simply use technology to facilitate sharing. The biggest impact of technology is on scalability. There is so much good stuff that's happening all around the world at the hyper-local level. If you can bring in technology to make those connections so that you can scale, then you can have much, much bigger impact."

Equal opportunity

Chatterbox: training and employing refugees to teach their languages

<u>Chatterbox</u> is an online language learning platform designed and delivered by refugees. The digital platform combines Al-powered self-study courses and refugee coach-student pairing, based on shared professional backgrounds and interests, achieving relevance in learning.

More than 6,000 Chatterbox classes have been taught at universities and businesses around the world and over 1,500 learners have connected with refugees on the platform since 2018.¹⁴ The social impact is twofold: while Chatterbox clients learn, the platform enables refugee coaches to earn a living, improve their employability, and reclaim their professional identities.

¹³ Oak National Academy, <u>thenational.academy.com</u>.

¹⁴ Refugee Investment Network, https://refugeeinvestments.org/opportunities/chatterbox/; Chatterbox, https://www.chatterbox.io/for-you.

In Mursal Hedayat's view, "Technology allows us to leverage the skills and experiences of incredible individuals from the refugee community who are otherwise massively undervalued in the labor market."

Unlocking the full potential of Tech for Good

Tech for Good is well positioned to continue growing in the United Kingdom. However, there is potential for a step-change in accelerating impact—through concerted action from investors, private-sector organizations and government entities. As <u>Bethnal Green Ventures</u>' Founder and CEO Paul Miller comments: "After the COVID-19 crisis, we need to rebuild - but better. Tech for Good has the advantage that it can deliver substantial economic growth but also solve major social and environmental problems. If we get serious about growing the ecosystem of people and organizations creating and investing in companies that intentionally set out to use tech for good, then millions of people will benefit."

Investors

While investing is growing rapidly, there is still opportunity for increased investor focus on the potential for Tech for Good.

Traditional investors also have an opportunity to rethink how they assess social impact criteria when determining which investments to make, and when managing their portfolio companies. We see a renewed <u>drive for purpose</u> amongst organizations,¹⁶ and translating that into an investment strategy is a natural next step. Alex Stephany of Beam shares his belief that "as long as you keep a very tight correlation between the social and financial outcomes and KPIs, then I see a very clear path to growing an organization that is both a very successful business but firstly has a massive positive social impact."

Private-sector organizations

Larger private-sector organizations can also support Tech for Good startups—beyond direct investments—by sharing their talent base, resource pool, and their distribution strength. Some organizations are encouraging their employees to take on volunteering roles, or to support a startup as a personal project. Others have been developing full-blown incubator-like environments for startups. For example, Vodafone has partnered with Social Tech Trust to launch Vodafone TECHstarter, a social innovation award that provides UK-based social tech startups the chance to secure funding and mentoring.¹⁶

Corporations could also extend their products, services and customer scale in broader partnerships with Tech for Good players, for example, embedding a Tech for Good service on their own existing channels to their customer bases.

Public sector entities

The public sector could also play a critical role in convening investors, corporates, and Tech for Good startups to provide exposure, support connectivity between various stakeholders, and drive the range of ongoing efforts forward in a concerted, structured manner. The French government, for example, prioritizes the Tech for Good agenda both at home and abroad—including hosting the global <u>Tech for Good Summit</u> annually. Moreover, public sector entities, for example, city councils, could also directly partner with Tech for Good entrepreneurs to further their social agenda.

Tech for Good startups

Finally, while Tech for Good entrepreneurs are laserfocused on growing their impact, they also have a potential role in supporting each other and the ecosystem. This includes championing social and environmental causes in their own organizations and ways of working. It can also include providing mentorship, access to each others' networks, and if possible, resources—even though the last is often limited.

¹⁵ Demonstrating corporate purpose in the time of coronavirus, McKinsey, March 2020.

¹⁶ Vodafone, <u>https://www.vodafone.co.uk/mobile/vodafone-techstarter</u>.

Tech for Good innovations offer exciting paths for the United Kingdom to drive sustained and inclusive growth over the next decade, while innovating in key aspects of welfare—including job security, material living standards, health, education and environmental sustainability. Scaling such innovations to unleash their full potential would require doubling down on an integrated approach across investors, private and public-sector organizations, and the startup community—with bold steps to be taken by each.

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