

Why Compounding Impact Is a More Transformative Lens than Scale



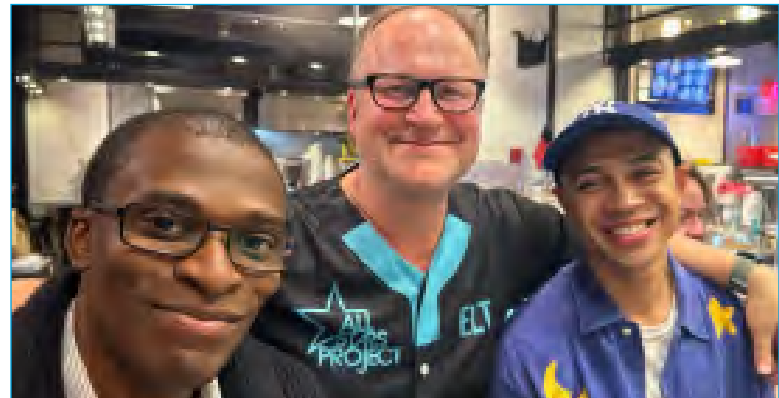
Chris Street

President and CEO at All Stars Project, Inc.

Thirty years ago, I joined the All Stars Project to help create opportunities that could expand horizons and growth opportunities for young people growing up in poverty in America.

Over the decades, the All Stars Project has grown from a single-city initiative into a national nonprofit with a presence in six cities. We have expanded our staff, budget, volunteer base, and the number of young people we reach each year. Growth has been an essential part of that journey. But I have also come to see the pitfalls of growth: staffing and management complexity, challenges to program quality, and sustainability pressures that intensify in times of economic downturns.

Those experiences have shaped my perspective. Today, while I remain deeply committed to expanding reach and impact, I have come to believe that scaling—at least in the way it is often described—is an incomplete lens for nonprofits. Instead, I have become convinced that compounding impact is a more powerful framework for organizations like ours.



Quality time with Developmentalists and community builders
Glenroy Wason & Reynaldo Piniella.

Scale Often Dominates the Conversation

The focus on scale in the non-profit world has emerged in the last 20 years. Scale is measurable, legible, and compelling: “we grew from 100 clients to 10,000 clients.” It promises efficiency and seems like the only way to match the magnitude of social challenges like poverty or educational inequity. But in practice, very few nonprofits ever “scale.” A 2007 Stanford Social Innovation Review (SSIR) study found that fewer than one in a thousand nonprofits reached \$50 million in annual revenue. SSIR refreshed the research and article in 2024 but the findings did not change significantly (Article “A New Look at How US Nonprofits Get Really Big” by Ali Kelley, Darren Isom, et al). Those that did typically relied not on replicating grassroots models, but on major external funding streams: government contracts or single dominant donors.

Scaling in that way is real—but it is not the path available to 99.5% of non-profit organizations.

Compounding Impact: A Different Lens

Compounding is a familiar concept in finance, where reinvested returns build upon themselves to generate exponential growth over decades. In the nonprofit context, compounding impact happens when developmental experiences, relationships, and cultural shifts layer upon each other across years and generations.

At the All Stars Project, compounding looks like this:

- **A young person gains confidence from performing, which helps them succeed in their first job interview.**
- **That young person later becomes a mentor, multiplying the impact for the next generation.**
- **A corporate executive who hosted an intern begins to see young people growing up in poverty differently and advocates for changes in their company's hiring practices.**
- **Families find hope in their children's success and change the way they talk about possibility.**
- **Young adults (alumni) begin to develop and launch their own non-profit and for profit efforts to improve the lives of their communities and change the world.**

Each moment builds on the last. The impact doesn't disappear when a program ends—it accumulates and strengthens.

Alumni and Partnerships as Engines of Compounding

Many of our graduates are now creating nonprofits and for-profit enterprises of their own, extending the developmental chain outward. Their leadership is living proof that impact multiplies when young adults carry it forward into the world. At our national staff retreat we spent some time with 3 dynamic alumni who are bringing values-based work to their passion projects (more specific highlights to come under a new series I will be creating titled Development Compounders), and we are talking to hundreds more about their focus and growth.

We also see compounding through strategic partnerships. When nonprofits, schools, corporations, and public-sector leaders find new ways to collaborate, the effects are larger than the sum of their parts. A performance workshop may open doors for a student, but when that workshop is integrated into a school partnership, reinforced by corporate internships, and supported by local government, the developmental ripples extend much further. The All Stars Project is helping build out such a system in Dallas, TX, where we are reviving the Mayor of Dallas's summer youth employment program, Dallas Works.

This is compounding—not by replication, but by weaving together networks of people and institutions whose combined efforts build something stronger and more lasting.

Why Compounding Fits the Nonprofit Reality

Most nonprofits won't become "really big." But that doesn't mean their impact is small.

Compounding offers a framework that is transformational:

- **Sustainability over speed.** Long-term investment creates lasting change, while chasing rapid growth often leaves organizations fragile.

- **Depth over breadth.** High-quality experiences create ripple effects that extend far beyond what’s visible in annual reports.
- **Partnership over replication.** Cross-sector collaborations generate compounding benefits no single organization could achieve alone.

This isn’t settling for less—it’s a recognition that transformation unfolds over time.

A Leadership Commitment to the Long Game

As the President & CEO of the All Stars Project, my focus is on creating the conditions where compounding can flourish. That means protecting program quality even as we grow, investing in people and relationships, and helping our stakeholders see the long arc of impact, not just the annual snapshot. It also means modeling patience: knowing that the real fruits of today’s investments may not be visible for years, even decades.

At the All Stars Project, we are committed to playing this long game. Our ambition is not simply to be bigger—it is to be stronger. We want to nurture alumni who lead change in their communities, foster partnerships that bridge divides, and create ripple effects that reshape opportunity for generations.

Scale will always have its place in the nonprofit conversation. But for the vast majority of organizations, compounding is the true lever of transformation.

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CLICK OR SCAN CODE for another Playing the Long Game article,
Why Breakthroughs Emerge from Stepping Stones



CLICK OR SCAN CODE for Chris’s CEO Newsletter, **Notes from the Field.**

The All Stars Project, Inc. is a privately-independently funded non-profit with a presence in six cities nationally. We have increased our revenue from \$129,000 in 1990 to \$13,760,000 in 2025 (a 100-fold increase). We have expanded from one program in one city, to ten different program models practiced from coast-to-coast. And we continue to promote and build new initiatives around a ‘development through performance’ approach with a heavy emphasis on afterschool programs and growth environments in partnership with the business and philanthropic sector. The author, Chris Street, began as a volunteer of the All Stars Project in 1992, joined the staff in 1993, led national fundraising from 2000-2019, and since 2020 has served as President and now President & CEO.