Ford Foundation and Omidyar Network
Request for Proposals: Applied research on the relationship between responsible technology practices and financial performance
April 2025

Context

Ford Foundation and Omidyar Network have a shared interest in advancing a responsible tech future. We believe investors have a critical role to play in shaping this future – by providing capital to the companies and technologies that have the potential to advance human flourishing while delivering strong returns *and* by managing technology and ethical risks that could harm portfolio performance and contribute to societal harms.

The emergence of generative AI represents a significant transformative force in financial markets and investment strategy. However, institutional investors are still in the early stages of understanding its implications for portfolio management, returns across sectors, and responsible investment practices. Critical questions remain about how technology will affect businesses' financial performance, which risks are most material to investment objectives and fiduciary responsibilities, and how AI development and deployment should be evaluated within investing frameworks.

Objective

Our objective is to fund *applied*, publicly available research and/or programming that would substantively advance evidence that establishes the empirical relationship between responsible technology practices and financial performance. We aim to support organizations that will engage with and support institutional investors with actionable evidence to support their investment decision-making, due diligence, and engagement with asset managers or portfolio companies on technology risk management. In particular, we are focused on how technology risks and associated governance practices are materially significant to company valuation and long-term financial performance, thereby assessing the fiduciary case for technology risk management.

We are interested in research and programming that demonstrates both the financial upside of responsible technology practices through value creation and competitive advantage, as well as evidence of how failures in responsible technology practices can lead to material negative impacts on company performance and valuation or on portfolio returns (i.e., arguments on systemic risk/materiality).

The primary audience for this work comprises institutional investors (e.g., pension funds, asset management firms, endowments, insurance companies), service providers (e.g. investment consultants and advisors, outsourced CIOs), and/or investment networks and advocacy groups. This audience requires rigorous evidence that can withstand scrutiny and support investment decision-making within their fiduciary obligations. We are particularly interested in applied research proposals that both involve research and data analysis, but also recommend and/or pilot publicly available solutions and frameworks *directly* with investors.

Scope

Technology: We are primarily interested in research that focuses on generative AI and machine learning technologies, given their transformative impact and growing deployment across sectors. We will also consider research examining other digital technologies where findings could inform understanding of technology risk materiality more broadly. We welcome proposals that may take a cross-sector approach to examine technology risk materiality; focus deeply on a specific sector (e.g., healthcare, financial services); or compare and contrast risk materiality across multiple sectors.

Potential issues areas: Proposals may address materiality considerations associated with one or several responsible technology risk factors or attributes, including but not limited to:

- *Labor and workforce impacts*: Effects of AI deployment on worker health and safety, worker exploitation, workplace monitoring, employment patterns etc.
- *Environmental impacts:* Management of energy intensity and efficiency of AI systems, direct and indirect greenhouse gas emissions from model training and deployment, and water consumption for cooling data centers and computing infrastructure.
- *Responsible/ethical AI risk factors:* Risks associated with AI model development and use, including safety and security, algorithmic bias, data privacy, and data provenance and intellectual property/copyright.

Investor use case: We are particularly interested in *applied* research that provides evidence and recommendations that investors can use to make decisions on market or sectoral level investment strategies; responsible or ethical investing policies; manager or company/security selection; manager and/or company due diligence; manager and/or company engagement; and integration of technology into existing investing frameworks.

Potential research questions:
- *Financial materiality:* What is the quantifiable relationship between responsible technology practices and key financial metrics, including stock price performance (or other measures of financial performance in private capital markets), earnings volatility, and cost of capital? How could technology risks be material at a portfolio level, or through the lens of systems-level investing practices?
- *Risk assessment:* Which technology risks have demonstrated the most significant financial and reputational impact on portfolio companies over the past decade? What are the costs of not considering climate or labor impacts in tech investments? How might business models that rely on exploiting user or copyrighted data, natural resources, energy, or workers perform in the longer term?
- *Investment implications:* What data and case studies are examples to indicate which investor engagement strategies have proven most effective in improving portfolio companies' technology risk management practices?

Eligibility

We invite proposals from academics and researchers, consultancies, networks or trade associations, nonprofits, journalists, companies, and asset owners and managers who may have

relevant technology-specific research, data, or other projects they want to pursue. Proposals that involve coalitions of multiple organizations/researchers are welcome. Applicants should be well networked in the investor community and have an understanding of technology's social risks, either through direct expertise or strong partnerships with civil society.

Amount and Structure

We anticipate most research awards will be in the range of $75,000-$150,000 for projects that could be completed over the next 6 months to 1 year (flexible). We may support multiple projects with complementary focus areas.

Submission Details

Interested organizations are asked to submit a proposal of 3-8 pages (with option of limited appendices) covering the following:
- Proposed research question and scope
- Research methodology/data sources
- Relevance to the target audience; how the research can be practically applied by investors
- Approach to stakeholder engagement in both research design and subsequent dissemination
- Team and core qualifications

Please submit your proposal directly to this [form](#) by COB Friday, May 16, 2025.

Evaluation Criteria

Proposals will be evaluated based on the following criteria:

- **Practical relevance and usability:** clear demonstration of how findings will be directly applicable to institutional investors' decision-making processes with concrete deliverables that can be integrated into existing investment frameworks.
- **Research strength:**
  - Robustness of quantitative and qualitative analysis methods; quality of/access to data sources; plan for addressing data limitations and potential biases.
  - Demonstrated understanding of existing literature and research, clear articulation of how the research will advance current knowledge.
  - Team shows strong record of delivering similar projects; expertise in technology risk assessment, institutional investments, and technology's social impacts.
- **Engagement and dissemination strategy**:
  - Strong network and ability to engage with institutional investors in the research process.
  - Clear plan for reaching target audience; strategy for supporting research adoption and practical application, including piloting best practices adoption (applicants should identify a proposed approach to dissemination to target audience, but it is at applicants' discretion on whether to allocate any budget to dissemination activities).