

The Philanthropy Transformation Initiative Report

Enabling change, walking the
talk and creating the future



W I N G S
ELEVATING PHILANTHROPY

Credits and acknowledgements

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Table of Contents

04 Foreword

- A message from the Executive Director

07 Chapter 1: A Moment of Truth

- The love of humanity
- The paradox of institutional philanthropy
- The global polycrisis: A tipping point
- Philanthropy Transformation Initiative: A vision of the change we seek to create
- Report goals: Ideas to action
- Targeted audience
- Moving towards transformation

17 Chapter 2: Directions for Philanthropy in a Changing World

- Visions of a paradigm shift
- 10 principles to guide philanthropy action
 - Principle 1: Act with transparency, openness and accountability
 - Principle 2: View philanthropy as risk capital
 - Principle 3: Practice trust, distribute power and support local agency
 - Principle 4: Engage with relevant actors and sectors through multi-stakeholder partnerships and joint action
 - Principle 5: Invest in strengthening giving ecosystems, and grow philanthropic societies
 - Principle 6: Align governance, leadership, management and organisational culture with values
 - Principle 7: Embrace a systems change mindset and address the root causes of challenges
 - Principle 8: Leverage all our assets: investments, resources, influence, and expertise
 - Principle 9: Leverage the power of data
 - Principle 10: Keep humanity's future in sight and integrate the polycrisis lens

79 Chapter 3: Walking the Talk: From Reflection to Action

- Joining the movement: Steps you can take as a foundation
- Building the movement: The role of philanthropy support organisations (PSOs)

84 Conclusion: Road Ahead: Transforming Philanthropy Collectively

86 Acknowledgements

Foreword

As a philanthropist, have you ever felt like you were trying to put out a fire with spoonfuls of water? I often feel that way, and I assume that many of you do, too. At this point, you probably expect me to comfort you and highlight how small efforts will ultimately lead to greater change. But what if we acknowledge that is actually not true? What if all our efforts, energy and hopes may in fact be in vain?

I am a firm believer in the power of hope and love put into action, whether the outcomes are immediately tangible or not. Philosophically, our efforts to improve the world cannot and will never be in vain. However, as a species, we may well find ourselves in a situation that could jeopardise the continuation of our journey on planet Earth. The Anthropocene, marked by the climate emergency and mass biodiversity destruction, the exponential and unchecked acceleration of technological disruptions such as artificial intelligence (AI) and biotechnologies, the fertile terrain for global pandemics, and geopolitical instability and nuclear threat, are only the most visible manifestations of what is now increasingly understood as a global 'polycrisis'. This polycrisis is set to inflict ever-growing shocks to our societies, our lives and the lives that come after us – and is rooted in unsustainable and unequal economic and governance models, locally and globally. A crisis that can, indeed, turn all philanthropic efforts around the world into spoons.

As proponents of philanthropy and the love of humanity, we must act. Given the scale, complexity and urgency of the global situation, incremental change is no longer an option. Remaining too narrowly focused on our historical roles will not allow us to see how we can make the necessary existential difference in today's world. When the house is on fire, we need all hands on deck; we cannot simply continue doing what is comfortable and easy.

The time is now for our field to step up and truly commit to a transformational role in society and fully leverage our unique potential. All actors can involve themselves, regardless of size, geography and focus. There are infinite ways to unlock our power to create more just, sustainable, equitable, healthy and happy societies. This report illustrates some of these practices and their many levels, shapes and shades.

This initiative, Philanthropy's Transformation, is more than just another report on philanthropic effectiveness. It is, first and foremost, a collective and unified effort from philanthropy networks, advisories, support organisations, academic centres, and funders from around the world to challenge our own field to make a greater impact. This distillation of collective insights and global experiences brings together an incredible reservoir of our diverse community's collective wisdom. It reflects and

builds on a great number of debates, reports, guides, tools, and practices that our members and partners have developed in their respective spheres of influence.

Our aim is to make that intelligence accessible and consolidate it into one global framework, creating a shared common language that will inform and influence the norms that shape the field globally for years to come. It centres on a set of 10 principles that will guide philanthropic institutions on the transformation journey. From trust and humility in relationships, to collaboration with other sectors, taking risks and being bold, leveraging endowments, using data, or embracing big issues like climate, transversally, the WINGS Philanthropy Transformation Initiative (PTI) explores different levers and dimensions of the change that must happen in our field.

Ultimately, three key messages apply equally at an individual, organisational or field level:

1. Be an enabler
2. Walk the talk
3. Think about and create the future

The first is about the mindset shift we must embrace – from seeing ourselves as ‘achievers’, who deliver ‘our’ impact against targets we set for ourselves, to ‘enablers’ dedicated to serving others (actors, partners, communities, movements, but also other sectors, markets, and/or governments) contributing to change at a greater scale. The second key message highlights the incredible potential of leveraging philanthropy’s assets, beyond grants or operations, and bringing consistency across all dimensions of our work. It is about unifying behind values: leadership and culture, influence and connections, endowments and assets, programming, as well as the capacity to influence families and business practices in the way wealth is being created. The last message speaks to the necessity to keep the future of humanity in sight, alongside more immediate or visible needs, and reflect on the type of society we are contributing to building. This involves thinking long-term and anticipating what could greatly affect our children and grandchildren’s futures, and acting in line with that today.

Philanthropy has incredible power in its hands, not because of its financial weight, which will always remain marginal in the face of enormous

challenges, but because of its independence and its ability to take risks and support what markets and governments will not. Beyond this, its flexibility and incredible potential to convene and be a bridge-builder between various players and enable others, exerts a positive influence and should be used to foster deeper connections.

With the Philanthropy Transformation Initiative (PTI), we call on all philanthropic actors and those who support them to join the movement: commit, learn from each other, keep evolving in uncertain times, and grow together. Together, we can build a global movement that is alive to change, will adapt and evolve to ensure it is relevant and effective, and addresses the key challenges and opportunities to transform ourselves and further transform the world. Some philanthropic actors may decide to embrace the whole framework and start improving across all dimensions, while others will pick only a few principles to start. My greatest hope is that we start the journey, put ourselves into motion from today, and grow a lively movement of transformation. For those that have already started to embrace elements of transformation, we call on you to share your lessons and wisdom, connect others, draw them in and help build a global movement.

More than forty members of the philanthropy ecosystem have contributed insights, reflections and experiences to this initiative. I thank them deeply for sharing their precious knowledge with WINGS and each other, as well as the PTI Team of Teams, our WINGS members, the University of Cambridge Centre for Strategic Philanthropy and the many incredible organisations and individuals that have made this initiative possible. This is just the start. We will continue gathering cases and resources, and fostering debates and actions with our global community in the years to come. We invite you to join us and own this initiative – the journey outlined here is only as strong as what you, and we, make out of it.



Benjamin Bellego
Executive Director, WINGS

Chapter 1:

A Moment of Truth

The love of humanity

The guiding principle of this report is that philanthropy – as a concept, as a practice, and as a sector – belongs to everyone. This may not always be apparent, as the word ‘philanthropy’ often conjures up images of big money donors or large nonprofit foundations. However, if we return to its original meaning, the “love of humanity”, it becomes clear that philanthropy is an intrinsic part of human societies: one expressed in a wide variety of forms across millennia, and reflected in rich and diverse cultures of generosity, solidarity and mutual aid around the world today.

Understood in this way, philanthropy can be seen as an expression of fundamental optimism about human nature – a belief that, at heart, we are driven to co-operate and help one another just as much as we are driven to compete. If we take this optimism as the starting point for the practice of philanthropy and embrace our natural impulse to help one another, we can use it as the basis for creating strategic yet human-centred approaches that help overcome the many interconnected concerns we all face.

The challenge, of course, is that as philanthropy has grown beyond its informal roots, it has become more structured and institutionalised – to the extent that philanthropy is now seen as synonymous with top-down forms of aid and charitable giving. Over the last century in particular, industrialisation, capitalist market models, and the construction of modern governments have created systems that favour entrenched power structures, transactional relationships, and siloed approaches, and the philanthropy created within these systems reflects these flaws.

In recent years, philanthropic organisations have recognised these challenges and many have committed to developing new approaches, tools, institutions and ecosystems that support a more holistic evolution of the sector¹. However, there is still a long way to go towards mainstreaming and

adopting such shifts in thinking and practice and, as a result, philanthropy continues to face widespread criticism and increasing distrust within society. The recurring — and perhaps inevitable — focus on the ‘big philanthropy’ of global elites brings further criticism to light and leads to questions which pose challenges to philanthropy’s legitimacy. Is philanthropy part of the solution to global inequality, or merely a symptom of it? Is it primarily a tool of tax evasion? Is philanthropy an inherently antidemocratic force that allows those with money to exert undue sway on public debate and policy? Are there inherent and problematic power imbalances between funders and recipients that make philanthropy incompatible with a desire for justice and equality? It is vital that those who believe in philanthropy’s potential as a force for good in our society continue to engage with these questions, and understand what they can tell us about how philanthropy needs to change.

This report, and WINGS’ broader Philanthropy Transformation Initiative, demonstrates that philanthropy is crucial. At an individual level, it is an expression of our basic humanity. At a more institutional level, it is a vital source of support for social change and for maintaining a strong, resilient and independent civil society – which is crucial to any healthy democracy. Philanthropy does many things: it fills important gaps left by the state and market, and further influences and enables markets to make important shifts. It helps elevate voices that have been marginalised within our societies, and drives innovation and change that leads to real progress towards a fairer and more equitable future.

But we should never assume that philanthropy is perfect. Some criticisms levelled against philanthropy are justified and contain important lessons, even for those who believe in its positive potential, so it is vital that we take them seriously and consider what they might tell us about how we can do better in the future. Philanthropy practitioners, institutions and the sector at large are also questioning themselves and their practices, continuing to learn and exchange ideas on how to best improve. The transformation agenda is

1 Bellegy, B. (2021). [Professionals of Humility](#).

the result of an ongoing quest to be better and do better, and to move beyond simply responding to criticisms of philanthropy.

To help clarify what this means in practice, the report outlines 10 key principles to guide philanthropy's transformation:



Act with transparency, openness, and accountability



View philanthropy as risk capital



Practice trust, distribute power and support local agency



Engage with relevant actors and sectors through multi-stakeholder partnerships and joint action



Invest in strengthening giving ecosystems, and grow philanthropic societies



Align governance, leadership, management and organisational culture with values



Embrace a systems change mindset and address the root causes of challenges



Leverage all assets: investments, connections, influence, and expertise



Leverage the power of data



Keep humanity's future in sight and integrate the polycrisis lens

The report explores what each of these principles means in detail, and offers an extended catalogue of resources, recommendations, and insights to support anyone who wants to participate in this journey and realise philanthropy's full potential as a positive force in our world.

The paradox of institutional philanthropy

Embracing a basic love of humanity and the impulse to provide support is central to making philanthropy a positive force in our society. However, we have also noted that modern, institutionalised philanthropy more often than not reflects the inequalities and imbalances that are inherent in the global capitalist systems within which it operates. This forces us to confront a question right at the heart of the tension and unease shaping many of our current debates about philanthropy:

- 1 Is philanthropy a solution to society's challenges, or is it part of the problem?
- 2 Does philanthropy, by its very nature, reflect the existing systems and structures that have allowed wealth and power to be created – and, if so, does this limit its willingness or capacity to challenge the status quo at a fundamental level?
- 3 Can philanthropy make things worse, by offering solutions that only address the symptoms of problems, rather than their underlying causes, and in doing so inhibit efforts to push for deeper change?

WINGS believes that possibilities exist for solving this fundamental paradox – many of them are explored throughout chapters 2 and 3 – but they require transformation at both an individual and organisational level. In order for organisations to give up power, follow a vision of courage and take risks, individuals who constitute and lead them must reflect on their role in maintaining, challenging and changing the status quo. Different models and methods must be adopted rapidly and systematically across the philanthropy space if true systems change is to be achieved. Fortunately, many of the changes required are in line with shifts already taking place across wider society. In the private sector, for instance, new models of purpose-led or sustainable business which aim to serve as antidotes to harmful, extractive practices from the past have become increasingly commonplace. These take the place of

more traditional corporate philanthropy or corporate social responsibility approaches, which have long been seen as public relations-led strategies, rather than genuine attempts to tackle the root causes of social issues.

There is also a growing focus on models of social action that sit outside the traditional philanthropy sphere, including grassroots social movements, digital networks, mutual aid groups and peer-to-peer giving. Many of these are less formal and centralised than the approaches that have come to dominate the institutional philanthropy sector, and their growing prominence should perhaps act as a reminder to all of us that philanthropy does not simply involve funding mechanisms and operational programmes. Rather, it is about people coming together in a myriad of ways to share visions for how the world should be, and to drive their energy into actions that they believe will lead to societal progress. We should never underestimate the tremendous power of such individual and collective action, and we must find ways to ensure that traditional actors – including foundations, high net worth funders, and influential support organisations – can work alongside and learn from the emerging groups and networks.

The transformation agenda and framework laid out in this report is designed to help a wide range of actors work through these challenges, and understand how the apparent paradox at the heart of institutional philanthropy can actually be used as a catalyst for positive change.

The global polycrisis: A tipping point

Many experts now argue that we are in the midst of an ongoing global ‘polycrisis’, in which multiple systemic challenges and looming crises interact to create an existential threat to humanity (explored further in Principle 10). In this context, clearly, if philanthropy is to be part of the solution it must go much further. There is need for far greater urgency and boldness in our approaches if we are to address the challenges which will inflict increasing shocks on our societies, such as the climate crisis and biodiversity extinction, unchecked technological disruption, rising inequality and inequity, geopolitical instability and global pandemics.

Humanity has always faced sweeping issues of war, injustice and poverty, and philanthropy has often played a key part in how we have chosen to address these challenges. However, a growing number of experts believe that the current polycrisis presents a radically new situation – one that will force us all to rethink the short, middle, and long-term view of our existence on this planet. This requires us to make radical changes to the ways in which we think about philanthropy (and many other areas of our lives and societies). If we accept the pressing realities of the polycrisis, then it is clear that doing everything in our power to mitigate it is both a moral imperative and a rational choice for anyone engaging in philanthropy, since its impacts may preclude any other efforts to do good. In this sense, the polycrisis cuts across the traditional plurality of the philanthropic sector. Although funders and civil society organisations may traditionally have widely differing areas of focus, priorities and views about how best to address challenges, as practitioners embodying the love of humanity we cannot ignore existential threats, even if doing so may mean significant changes to what we do and how we do it in the short-term.

Organisations and the people that constitute them may need to transform themselves individually, whilst actively encouraging, promoting, and supporting broader sectoral change. This report provides important guidance on making this transformation journey possible for the philanthropy sector, featuring illustrative examples and best practices from large and small foundations alike. The WINGS Philanthropy Transformation Initiative more broadly exists to draw upon, and make this collective global wisdom accessible, practical and open to all.

Philanthropy Transformation Initiative:

A vision of the change we seek to create

Over the long-term, successful philanthropy transformation will mean that the sector has addressed the paradox of philanthropy, with philanthropy actors understanding how they can adopt models and methods that maximise their potential as a force for positive social change whilst minimising the capacity to cause unintended harms. If we are successful in transforming ourselves, organisations and the field, we can build a sustainable, resilient society that puts people and planet at the centre.

As a network of philanthropy support organisations (PSOs)², WINGS aims to elevate existing wisdom, tools, and practices to create global momentum around transformation, collective design, and inclusive process. Beyond supporting foundations and funders more broadly, the philanthropy transformation journey will involve PSOs ourselves. We will evolve to reflect the principles we have outlined so that we ‘walk the talk’, using this to advocate for change in more conservative or traditional philanthropy landscapes, and influencing our field and the norms that shape it. The transformation journey will need conscious, individual-level transformation to create broader change at an organisational and field level.

Through this initiative, WINGS encourages the building of a collective, and, moreover, co-owned movement towards philanthropy transformation which includes the diversity of philanthropy actors – one that is a living and evolving effort to dismantle harmful norms that hold philanthropy back from achieving its full potential. As part of this initiative, we aim to co-create a common global framework, underpinned by a broader set of values expressed as principles and language that can inform regional, local and contextual developments. The PTI movement aims to bring together the important work currently taking place in different organisations and pockets, harnessing this growing momentum and need for change to ensure we are not working in silos. This will further ensure that we are strengthening our collective action and have a shared understanding of the common change we seek to create.

Our participatory and collaborative approach includes desk research to identify and understand the work currently underway in the sector on this agenda, bringing together a diverse advisory group (see acknowledgments at the end) to guide and challenge our thinking on the transformation agenda. In parallel, we sought feedback from our network through individual discussions and online meetings where our members

² PSOs, sometimes referred to as ‘intermediary’ or ‘infrastructure’ organisations, include entities that provide a variety of services to support and strengthen philanthropy in a region or around a theme. PSOs usually do not directly fund or implement philanthropic programmes themselves, but rather provide services to support those that do. That said, some philanthropic funders do provide ecosystem support services, too, so the distinction is not always clear-cut.

consulted on the ambition, relevance and applicability of the principles in different contexts. They also helped identify other stakeholders and initiatives working in this space and provided insights on how we can collectively build this into a movement that lives, evolves and changes to ensure continuity, relevance and a commitment to transformation that serves society. Through this research and discussion, three key mindset shifts for the transformation of philanthropy have emerged:

1. Be an enabler

To shift the thinking of philanthropy actors from being achievers to enablers – enabling other actors, civil society organisations, peers and communities, but also other sectors, such as markets and governments, to contribute to social change at a greater scale.

2. Walk the talk

Philanthropy must be one and consistent with itself. Currently, there can be a disconnect between different parts of an organisation on how they understand and live its vision, mission and values. Philanthropy needs to align operations, endowments and programmes with its values, along with the way wealth is being generated in the first place.

3. Think about and create the future

The need for deep reflection and transformation of philanthropy has persisted for many years, but the realities of the polycrisis are turning this agenda into an urgent imperative transcending geography, culture or partisanship: the possibility of civilisational collapse or even of humanity's extinction.

As evidenced in this report, WINGS has partnered with the University of Cambridge's Centre for Strategic Philanthropy to consolidate our findings and discussions, highlighting the work currently underway by others, and providing tools for action.

Report goals: Ideas to action

This report, as one core pillar of the broader WINGS PTI, is designed to outline the change we seek to create in the sector (as well as broader society) and to act as a focal point for action that can help make this change happen. Over time, the principles identified and explored in chapter 2 should become recognised and adopted guidelines for best practice which:

- 1 Build evidence supporting transformation processes
- 2 Inspire wider action across the sector
- 3 Fuel healthy debate and dialogue on how to address systemic issues and the looming polycrisis.

This report serves as a crucial tool for philanthropy actors, particularly foundations, looking to create transformative change within their organisation and beyond. As already outlined, it is centred around 10 core principles. Many of these are not entirely new or original concepts. Indeed, by design, they reflect ideas, best practices, and recommendations that have been actively circulating through the philanthropy space for years. This report brings them together, and provides an actionable framework for using them to drive change. The chapters that follow highlight the groundbreaking and inspirational efforts of some of the organisations and activists that have led the philanthropy transformation charge up until this point. The report can be read as a whole, or can be referenced to focus on a particular principle. We recommend reading the foreword and the background content of the initiative to help ground the reading. One of our hopes is to use the PTI platform to expand the influence and impact of these existing efforts.

Beyond this report, WINGS will continue to grow and develop more resources over time, and facilitate active discussions, debates, and convenings to keep issues around philanthropy transformation relevant and accessible. Case studies on philanthropy transformation principles, like those found via the WINGS PTI platform³, will be sought from the global philanthropy sector, so that local, regional, and international foundations can share their stories and inspire change among their peers. WINGS is building an online library to host these cases and important stories, and further developing collective intelligence around the philanthropy transformation framework. We are also continuing to create important spaces for more innovation, risk-taking, and power-shifting in philanthropy.

³ Philanthropy Transformation Initiative (2023). WINGS. [Case studies](#).

Targeted audience

This report is primarily targeted at philanthropic funders and, within that, mainly foundations that provide resources to deliver social good, fuel social change and support civil society organisations around the world. It is also aimed at PSOs that play a key role in catalysing change within the sector, and includes specific starting recommendations and actions to assist PSOs in creating a broader movement for philanthropy transformation. However, although these are the primary audiences, many other actors within the broader philanthropy sphere – individual donors, companies, large and small-scale non-profit organisations, bilateral and multilateral organisations, local stakeholders and academics – will find important insights and inspiration in the report.

We aim to ensure that we are not merely preaching to the converted. There are many organisations that are already deeply engaged with the issues we address in this report, and we hope that the PTI can help to galvanise them further and provide a focal point for more collaborative activity around shared goals. However, genuine transformation within philanthropy cannot happen unless we bring all of the relevant actors along with us, so we must be very careful that this work is not exclusionary or ideologically divisive, and does not disregard, impose or distort the existing context expressed in language and practices. To that end, this report appeals to all types of philanthropic funders across the wide spectrum of social change activity – from those that already inhabit more progressive spaces, to those that hold more traditional ideals and approaches to giving. We hope that the common acknowledgement of the global threats to humanity can act as a unifying rallying point for the diversity of the field in challenging the status quo and finding new ways to do their work and create change.

Moving towards transformation

Addressing systems change, let alone tackling the global polycrisis, will feel daunting for many in the philanthropy sector. To help overcome any fear or inertia, the principles and recommendations found in chapter 2 break down actionable points and practices that any organisation can adopt to begin this journey. But first, before diving into the transformation work more broadly, there are a number of important and fundamental questions that foundations and philanthropy actors should ask themselves about their work:

- ✓ Who is your organisation accountable to and who must be accountable to the organisation?
- ✓ What is your current perception of risk and risk appetite across different parts of the organisation, for practices like providing flexible funding or taking a venture philanthropy approach?
- ✓ Does your organisation actively work to redistribute power, particularly to grantees, partners and local stakeholders?
- ✓ Is your organisation involved in any joint action or multi-stakeholder engagement with peer foundations, other sectors, or policymakers?
- ✓ Has your organisation engaged in efforts to develop the broader philanthropic ecosystem or giving community?
- ✓ Does your foundation have alignment across its staff, leadership, grantees, partners and governing body on the foundation's values? How is this reflected in processes and behaviours within the organisation?
- ✓ How can the organisation avoid working in silos and consider broader systems change efforts as a core part of its work? To what extent is your foundation leveraging all of its available financial and non-financial resources, influence, networks and power?
- ✓ How is the foundation using data collected from existing programming and can this be done in a more effective way to support long-term approaches?
- ✓ What are tangible steps your organisation can take in the coming months or years to actively engage with the polycrisis and resulting impacts on the communities you serve?

These questions present an important starting point for analysing the core transformation principles outlined in-depth below.

Chapter 2:

Directions for Philanthropy in a Changing World

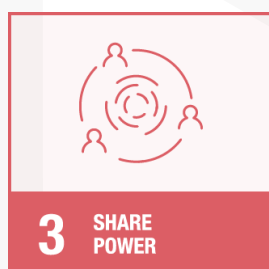
Visions of a paradigm shift

If we are to transform philanthropy for the better, we must start by acknowledging that pressing, widespread issues exist throughout our sector. Funders are in many ways, by virtue of their role and the assets at their disposal, ideally positioned to lead the charge for sustained, systematic change. But far too frequently the onus of transformational advocacy falls instead on local recipient organisations and grassroots actors. This may in part be because the change necessary to transform philanthropy feels more daunting for those organisations and actors firmly embedded in the status quo than it does for those who are already thinking more critically about their role in the sector. To help overcome this inertia, this chapter outlines a series of 10 principles which offer a curated, accessible approach for foundations looking to instigate or expand change.

The principles have been developed in consultation with numerous WINGS stakeholder organisations and provide a collection of resources and an evidence base, as well as inspiration for all philanthropic funders, and foundations in particular, to use along their journeys. While no individual or organisation can create transformation – or transform themselves – overnight, the principles, detailed guides and active online repository of transformation cases are designed to make it easier to take the next step. Whether your organisation serves as an operational foundation, grantmaking body, or one of the broader variety of funders, this chapter offers suggestions that can apply to philanthropic actors of all shapes and sizes.

Transformation is a journey and not an outcome in itself and, as such, we will continue to build on this work, engaging in the discourse and challenges in realising these principles, and ensuring that the principles themselves are relevant and responsive to the changing landscape. Our hope is that over time this can facilitate genuine and important progress across the philanthropy ecosystem.

10 principles to guide philanthropy action



1

ACT WITH TRANSPARENCY, OPENNESS AND ACCOUNTABILITY



A commitment to transparency and accountability in philanthropy serves as a commitment to being open with key stakeholders and responsive to their views. The WINGS Transparency and Accountability Toolkit⁴ defines transparency and accountability as follows:

Transparency

The state that results from making information available from inside an organisation to a wider public, either through proactive publication or by responding to requests for information.

Accountability

A readiness to take responsibility for actions, which is achieved by being transparent about those actions against a predefined framework of values and indicators and responding to the findings of any evaluation and/or the feedback received from stakeholders.

This principle applies to a wide range of activities: from operations, funding distribution and decision-making, to financial management and programmatic impact. Embracing it requires organisations to communicate clearly and honestly with their stakeholders, even when things have not gone as expected.

In the philanthropy world, transparency and accountability have traditionally been seen as duties that grantees owe to funders. However, if we are to transform philanthropy for the better, we must take a more expansive view – one which sees these demands operating in a broader range of dimensions across a much wider group of stakeholders. Yes, grantees will need to be accountable to funders and their constituents, but funders must also be accountable to their partners, grantees and the communities that they serve. Moreover, both should be accountable and open to other potential stakeholders, such as government, supporters or the general public. Transparency and accountability are also important within organisations, as organisational staff, founders, volunteers, trustees and advisers may all bear responsibilities of this kind to one another. This requires a change in the mindset, culture and leadership style that will provide internal stakeholders of an organisation access to transparent information. It further entails the adoption of policies that will define the framework of transparency and accountability, and practices for sound implementation.

Operating with openness and accountability is vital for philanthropic funders to ensure that they continue to have the trust of the people and communities they serve. It is also a key element of maintaining the wider legitimacy and social licence to operate philanthropically. This is particularly important in contexts where formalised philanthropy is still an emerging practice, or in places where the sector has previously been viewed with scepticism or suspicion. Furthermore, organisations should also see transparency and accountability practices as an opportunity for continuous improvement, as they can learn from past successes and failures (both their own and those of others), which ultimately leads to greater impact.

⁴ WINGS (2023). [Moving from Reflection to Action: A Guide on Transparency and Accountability for Philanthropic Organisations](#).



Currently, however, levels of openness and transparency in philanthropy are not very high, with only a few organisations willing to share large swathes of information widely. As the Centre for Effective Philanthropy reported, American funders are most transparent about their goals, strategies, and grantmaking, but much less so regarding how they assess their own performance and lessons learned⁵. Information must also be easily accessible and crafted in ways that are simple to understand – something that may be deeply challenging particularly for organisations based in regions where transparency around philanthropy is uncommon. These realities highlight the difficulty many organisations – foundations in particular – face when it comes to moving beyond conceptual discussions, to actually listening to feedback from stakeholders, including their grantees and community networks, and implementing this principle.

⁵ Centre for Effective Philanthropy. [Sharing What Matters: Foundation Transparency](#).

Sometimes there are genuine tensions between the drive for transparency and a legitimate need for privacy and confidentiality. On the one hand, enhanced transparency might allow interesting and perhaps unexpected third parties to use the organisation's data to craft new, innovative tools that increase the broader impact of an intervention. Conversely, there could be very valid reasons for protecting the privacy of communities, grantees, employees, or other stakeholders, like situations where the disclosure of information could put a party at risk, violate their rights to privacy, or compromise the security of organisations and their operations. Organisations may also need to navigate cultural norms and nuances across countries and communities. For instance, in many cultures, openly discussing financial matters is considered inappropriate or perceived as a 'Western' value. To address these tensions, organisations should carefully strike a balance between the need for transparency and local pressures for privacy, safety and cultural sensitivities.

Recommended practices for implementation:

How to get started:

- ✓ Review the alignment between your mission, vision and programmes, to ensure clarity.
- ✓ Take a broader view of internal and external stakeholders and map out their information needs.
 - Map and prioritise stakeholders based on your organisational strategy and values, and the level of influence each stakeholder has on the success of your activities.
- ✓ Identify and prioritise which particular issues, policies and outcomes your organisation must be held accountable for by your stakeholders.
 - Engage in dialogue and feedback loops with your stakeholders, beginning with your partner organisations and/or grantees, organisational staff and governing body, to understand their priorities, and reflect on your theory of change to consider which factors matter most.
- ✓ Ensure your programmes and activities are compliant with local and national laws.
- ✓ Develop both qualitative and quantitative indicators for programme or project evaluation, and engage internal decision-makers, such as risk and finance teams.



- When starting out, focus on relatively simple, accessible data that can be realistically gathered given your organisation's time and resource constraints.
- Proactively engage all crucial stakeholders, particularly grantees where relevant, to understand their needs and expectations.



Begin fostering a culture of accountability and transparency by aligning your organisational values through internal policies and processes – including proactively training staff, volunteers and board members to further embed these practices.



Establish regular feedback loops between your organisation and stakeholders.

To go beyond:



Cultivate spirited, informed public debate about philanthropy, both within your organisation and externally (where relevant), including on whether your Board and other structures are representative of the communities you are serving (see Principle 6 for more details).



Establish an independent accountability panel or adviser(s) to direct and oversee accountability and transparency efforts within your organisation.



Expand your set of measured indicators beyond inputs and outputs, to include longer term outcomes.



Ensure that your organisation regularly publishes crucial information in an easily accessible and understandable way – publicly, where possible.

- Beyond simple annual activity reports, use this as an opportunity to openly share information about decision-making processes and lessons learned within your organisation, and encourage other foundations to do the same.



Promote reflection and critical thinking within your organisation – no matter how well-intentioned, all actions have potential limits and unexpected outcomes.

- Use feedback flows from stakeholders to inform critical assessment of past decision-making processes for future actions.
- Where possible, embed upward and downward feedback flows into your organisational culture to account for inherent power asymmetries (see Principle 6 for more details).



Consider the natural and cultural environment as an extended stakeholder in your organisation's work. While historically ignored, preservation of natural and cultural systems is increasingly becoming a priority across public and private sector stakeholders, so focusing on environmental preservation can represent a commitment to future generations.



Potential obstacles

Suggested solutions



Different stakeholders within a particular organisation will have conflicting views on how to best implement transparency and accountability. Power dynamics within an organisation, across departments and levels can also cause unwillingness to be transparent and accountable within the organisation, and towards other stakeholders.



Create coherent, strong and regular feedback loops among stakeholders, to ensure that all views can be taken into account, ideally using an inverted pyramid model where the hierarchy of importance prioritises the needs of your grantees and/or local communities that your organisation serves. Identify and understand stakeholder motivations, including extended spheres of decision-makers, such as finance, legal and risk management teams. Encouraging a feedback culture will require deliberate and intentional personal reflection and organisational cultural change.



Organisational staff and advisers want to adopt greater transparency practices but are concerned about their vulnerable community stakeholders and possible negative ramifications.



While public transparency is often encouraged, in certain cases (e.g. human rights funders, environmental activists) full transparency may be detrimental to success or safety. In these cases, individual and community safety should be prioritised, while considering alternative options to maintaining a broader commitment to transparency (e.g. confidentiality, anonymisation).



Enhancing transparency and accountability may lead to difficult reckonings and enhanced risk aversion within the organisation about programme effectiveness or impact.



It is crucial for philanthropic organisations to course-correct if their programmes are less effective than they could be. Frame better transparency and accountability measures as an exciting opportunity to ensure the organisation is a valuable asset to its stakeholders (rather than a stressful auditing process). Create the right incentives to support this internal cultural change amongst staff, ideally visibly led by leaders within the organisation.



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2 VIEW PHILANTHROPY AS RISK CAPITAL



Philanthropy undoubtedly has the power to bring about significant social impact and address some of the world's most pressing challenges, but this can only happen at full scale if we are able to take risks. In many ways philanthropy functions as society's risk capital, by providing resources without the need for financial return which do not have to follow risk-averse bureaucracies. Several of philanthropy's most unique and precious values include its ability to fail, support what markets or governments will not, test new approaches and innovations that can be scaled and trust those who are closest to the needs.

In this sense, philanthropy as a whole has the potential to adopt a positive risk mindset. This means being open to supporting causes or issues that may be perceived as risky in terms of reputation – for instance for corporate and family foundations, there may be times when their philanthropic work does not correspond to what their audiences or authorities expect from them. In many parts of the world, funders shy away from some of the more critical issues that surround them, such as land rights, gender-based violence, or civil society advocacy. While in some cases there may be genuine reputational dynamics that should be dealt with carefully, such perceptions are often overestimated while the potential to build new positive narratives tends to be overlooked. Oftentimes, foundations must revisit assumptions and perceptions of risk, asking themselves “will the absence of our intervention be a risk to that community?” rather than “will this intervention be risky for my foundation?”

Beyond the choice of cause, a positive risk

mindset applies to the types of projects or approaches being supported. To tackle the big issues we all face, we must be willing to scale best practices and look for new approaches and, in particular, seek novel solutions that address root causes rather than just symptoms (see Principle 7). This requires substantial resources, and philanthropic organisations are in a uniquely strong position to mobilise large amounts of financial, technical, and social capital that is more risk tolerant, and thus able to drive innovation and impact in ways that are difficult for other sectors.

Risk-taking is a key unique selling point of philanthropy. However, risk appetite varies within and across organisations, and risk aversion limits the ability of philanthropy to confidently play its role in addressing key societal challenges. There are also different kinds of risks that should be considered, such as financial, reputational, governance and impact risk⁶. Understanding how risk is embodied within an organisation, identifying the risk culture and the risk management strategies are important to ensure impact is prioritised. There can be no ‘zero risk’ and, in order to address the urgent, complex challenges we face, philanthropy should be willing to take on more organisational risks against the needs and potential benefit to society.

This principle encourages funders of all sizes and capacities to broaden their appetite for taking calculated risks that go beyond the financial and being willing to experiment with new ideas. With risk, there is also a chance of failure, so a vital part of adopting this principle is finding



better ways to understand, accept and talk about failure in philanthropy. Funders should shift their mindset from one in which ‘risk’ and ‘failure’ are things to be avoided at all costs, to one that acknowledges that some forms of risk and failure are unavoidable elements of genuine social progress. Furthermore, we must find ways of ‘failing well’, so that interventions and activities that do not produce desired results are not wasted effort, but can be used as the basis for learning, towards more effective solutions. Many donors are understandably hesitant to invest in untested initiatives or organisations, fearing that the money will be wasted, but a few major funders⁷ have started to release reports and insights on their experiences with risk-taking, failure and learning, that other foundations may look to emulate.

Taking a ‘portfolio view’ of funded initiatives – where it is accepted that a proportion of the portfolio may fall short of its goals – could be one useful method. A risk capital approach views this not as a failure, but rather a natural consequence of pushing boundaries to uncover opportunities for outsized impact. Embracing a structured approach to risk-taking, which may include methods like setting up experiments, testing hypotheses, and using data to inform decision-making, can bring significant rewards for philanthropic organisations. By breaking down large, complex interventions into a series of iterative experiments, pilots and scale-up phases, organisations can continuously learn, innovate and adapt their approaches over time.

Taking the principle of risk capital further may also include adopting elements of a ‘venture philanthropy’ approach, which harnesses certain practices from the for-profit venture capital sector. By investing philanthropic resources and, where possible, non-financial support and guidance into social enterprises or social

purpose organisations, philanthropists using this method can assist the development and scale-up of novel innovations for social impact.

Embracing a risk capital approach can also yield benefits when philanthropy works alongside private and public sector funding. Philanthropic capital plays an important role in de-risking financial investments and early-stage innovations that may be difficult or even impossible for companies and governments to take on otherwise. This includes identifying and validating promising, breakthrough solutions that can be further scaled through private and public funding at a later stage. De-risking can also validate, test and improve learning in the field, supporting further solution development and demonstrating impact potential. Philanthropic organisations may want to leverage their social capital to de-risk, by encouraging their network of partners to provide further funding and technical support, or by lending their own reputation to increasing the legitimacy of new projects. This is particularly crucial to help bridge the funding gaps often experienced by small or medium-sized organisations, and can support traditionally underfunded or marginalised communities and movements. It is important to note that venture philanthropy and certain risk-taking approaches may not be suitable for all types of foundations, particularly those working with causes that are difficult to quantify through future financial returns or material evidence (e.g. social movement building). Concerns about the dangers of using philanthropic funding to subsidise financial returns should also be taken into account if a foundation is considering implementing this approach.

Recent studies, including a 2022 report from the Cambridge Centre for Strategic Philanthropy, suggest that there is growing interest from philanthropic organisations in new financial and technical instruments, including impact investing, platform philanthropy (crowdfunding)

⁷ Shell Foundation (2015). [Redefining failure: The Evolution of the Shell Foundation Strategy](#).



and blended finance, particularly to and within the Global South⁸. For example, Hivos Foundation, one of the largest Dutch funders for international development, has historically embraced traditional models of grantmaking and local partnership. In recent years, however, the Foundation launched Hivos Impact Investments⁹ as a way to support early-stage African companies and develop sustained economic impact in local communities.

Recommended practices for implementation:

How to get started:

- ✓ Examine your current practices to assess risk appetite and tolerance within your organisation, such as attitudes towards innovation, failure, flexibility or tensions between core propositions like safe, secure and speedy donations, and the risk profile of existing portfolios.
- ✓ Engage with organisational stakeholders about their expectations and interest in adopting a more positive risk mindset and approach, and emphasise the value of organisational learning and feedback culture.
 - Consider important stakeholders often left out of these engagements, including internal departments like human resources.
- ✓ Generate awareness about the potential impact of risk capital approaches, such as sharing success stories.
 - Lead by example and share stories of failure, learning and adaptation within your existing programming (see Principle 1).
 - Examine how biases, perceived risks, or imposed limitations may obstruct the realisation of social impact in your organisation's current work and how this filters from the Board and leadership to the rest of the organisation. Encourage collaboration and partnership with other donors and organisations to share risk and maximise impact.
- ✓ Incorporate evaluation into practices, while allowing for regular reflection and learning loops (see Principle 1) based on lived experiences in the field.
 - Use data from feedback and evaluations to inform decision-making and assess the impact of your organisation's initiatives.

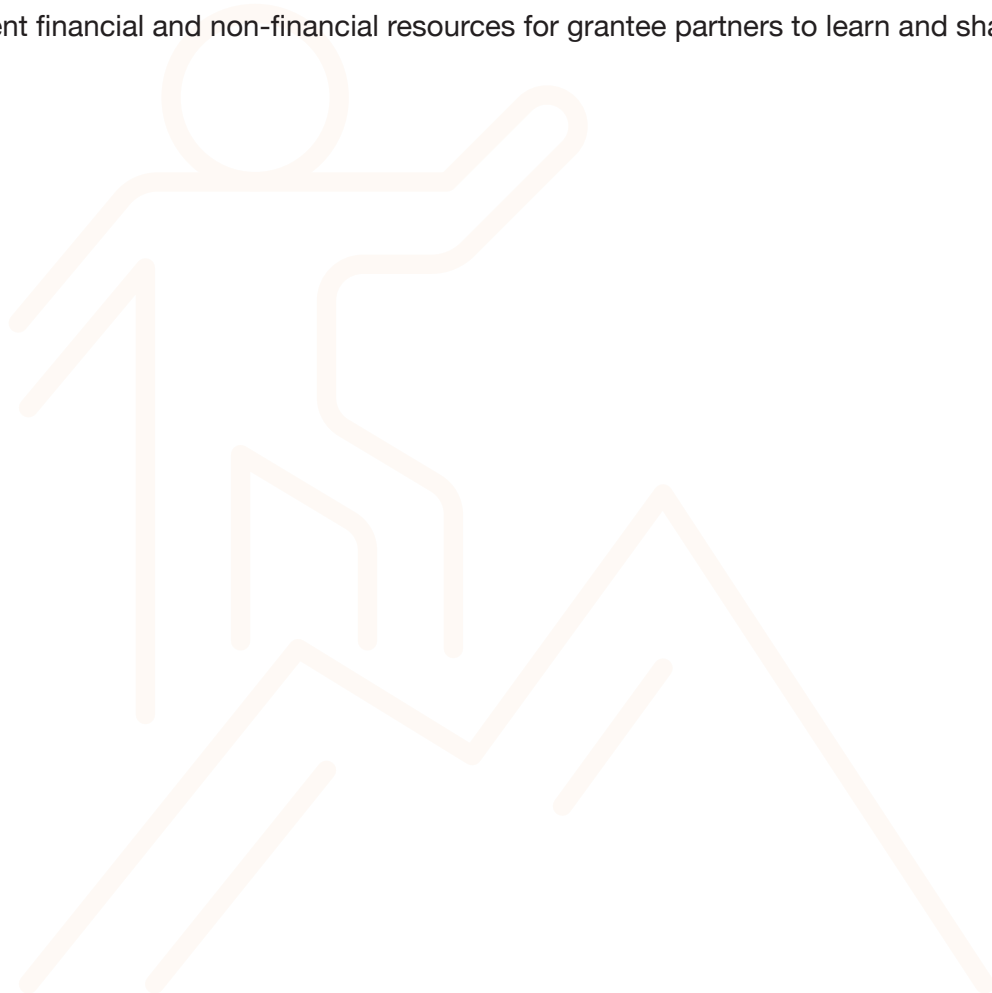
⁸ Centre for Strategic Philanthropy (2022). System Change in Philanthropy for Development: A Research Framework for Global Growth Markets.

⁹ [Hivos Impact Investments \(2022\)](#).



To go beyond:

- ✓ Expand organisational capacity and training to include expertise on different models of risk — whether on flexible philanthropic funding, investments, social impact venturing or decreasing bureaucracies.
- ✓ Explore, test and pilot new funding mechanisms, such as unrestricted, multi-year core funding (see Principle 3), or venture philanthropy, impact investing, pooled funding and blended finance.
 - Set aside a portion of your organisation's annual funding specifically for either unrestricted grantmaking or venturing activities.
- ✓ Broaden networks to connect with other funders, like impact investors.
 - Actively foster communications, share knowledge and explore potential collaborations (see Principle 4).
- ✓ Leverage collective voice to share potential repercussions on the organisation's brand or reputation.
- ✓ Provide sufficient financial and non-financial resources for grantee partners to learn and share their impact.





Potential obstacles

Suggested solutions



Organisational culture, internal misalignments, or conservative internal regulatory interpretations may create tensions and limit scope for experimentation and risk-taking.



Identify the different types of risk and the level of real and perceived risks and impact. Engage in discussions across the organisation to prioritise and develop contingency and risk management plans. Organisations can start by piloting proven models in the sector, such as flexible or core funding programmes, creating a contingency fund for unforeseen circumstances and encouraging the sharing of failures and lessons learned.



Members of a philanthropic Board may be risk-averse and prefer to stick with tried-and-true grantmaking practices, despite the fact that these may not be generating high levels of sustainable impact.



Grantmaking between donors and recipient organisations may remain a core model of the philanthropy sector – and can in some instances be considered a form of risk capital. In order to realise the risk-taking potential, share examples of risk-taking philanthropy programmes, share risk through potential collaborations with other foundations, encourage cross-organisational collaboration among Board members of different stakeholder organisations to build buy-in (see Principle 4), or diversify your Board/governing body.



A funding organisation is interested in experimentation, but does not have enough internal expertise in this arena and fears taking the wrong decisions.



Where possible, an organisation can bring in temporary or full-time experts in a particular field to support the development of a viable pilot programme. Joining a relevant network to foster greater peer-to-peer learning is also an excellent option here (see Principle 5). Even after learning from experts, there is still a risk of the experiment failing, but embracing failure as part of the broader philanthropy learning process should be encouraged.



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3

PRACTICE TRUST, DISTRIBUTE POWER AND SUPPORT LOCAL AGENCY



Philanthropy has traditionally centred on relationships between those who have resources and those who are in need of them, creating an inevitable power imbalance. To overcome this asymmetry, we must shift mindsets and approaches to philanthropy to those that centre strong relationships between funders and their partners, and serve communities and grantees based on trust and mutual respect. The core belief underpinning the most successful examples of a ‘trust-based’ approach is that the knowledge required to solve many of society’s challenges – namely knowledge of the real local needs and how to meet them effectively – is found within those communities themselves. Therefore, since grantees and local partners are often rooted in the communities they serve, foundations must support and strengthen the conditions that enable them to exercise their agency in developing, designing and implementing solutions. Beyond this, we must trust local stakeholders to use the resources effectively, rather than imposing top-down directives and stipulating courses of action.

A philanthropic approach, grounded in trust and more equal distribution of power, has benefits for multiple stakeholders. For funders, it saves time and resources over the longer term by simplifying funding distribution processes. It also increases learning and impact by fostering more honest feedback and collaboration, and enhances a foundation’s credibility and influence by aligning their organisational values with their actions. For grantee organisations, more equitable power dynamics lead to greater flexibility and stability through unrestricted, multi-year grants, and a reduction of administrative burdens and stress by streamlining reporting and communication. This creates conditions for local organisations to think long term, innovate and adapt with much greater effectiveness. It also facilitates investing in strengthening capacity and leadership for both funders and partners. For the communities served by funders, ultimately approaches based on trust promote more equity and justice by shifting power to those closest to the issues, enable greater innovation and adaptation by supporting grassroots solutions, and improve long-term outcomes by investing in sustainable change. However, while



long-term unrestricted grants have the greatest impact, why is this evidence insufficient to move funding practices? Foundations must strengthen their processes, reduce bureaucratic burdens, increase contribution to real operating costs of their local partners, and grow the percentage of unrestricted funding within their portfolios.

As part of trust-based practices, all types of philanthropic funders can also shift different levels of decision-making power to grantees, local partners, communities, and other key members of the public. This participatory approach can take foundations in particular beyond simply listening to their funding partners, by actively engaging those who are traditionally end recipients in decisions about how resources are allocated. Doing so represents a much greater shift in power by funders. Grantees and other constituents can support foundations in defining issues and the foundation's geographic focus, overseeing distribution decisions and participating in strategic planning.

In the broader philanthropy ecosystem (see Principle 5), specific organisations exist to help foundations build trust with local partners and grantees. For instance, socio-environmental funds such as the Instituto Sociedade, População e Natureza (ISPN) in Brazil support deepening connections and synergies between funders and local stakeholders, and practice shifting power in new, innovative ways. These efforts form part of the broader agenda to localise philanthropy¹⁰ – a movement that should be embraced by all funders, especially foundations that have historically found shifting power to be a challenge. Reluctance by funders to truly embrace localisation often stems from a lack of support infrastructure around building successful trust-based models and relationships. Reliable intermediary organisations close to issues on the ground form a crucial part of the broader giving

ecosystem and can foster important connections between funders and their local partners and grantees.

Funders should begin by developing a strong understanding of the communities they serve and building deeper relationships with existing grantees and local partners. Creating a trust-oriented culture, rooted in humility and mutual learning, also includes fostering a mindset of curiosity and openness among the organisation's staff and Board – one which seeks to learn from diverse perspectives and experiences. Foundations, big or small, can leverage their close relationships with grantees and communities, listen to their needs and feedback, provide flexible funding that matches their priorities, offer non-monetary support like networking or advocacy, and collaborate with other funders to increase their impact. They should simplify their processes and requirements, delegate at least some decision-making authority to staff or community members closest to the issues, and, where relevant, support organisational and leadership development for partners/grantees. Importantly, consider the many ways grantees can be included in decision-making processes within the organisation, particularly those that affect them directly.

While there is growing recognition of the importance of trust, debates still arise about how to share decision-making power and accountability. Some funders may feel reluctance or discomfort about the idea of delegating or sharing their authority over decisions with grantees or community members, fearing a loss of control or responsibility. In 2022, Alliance Magazine published a series of editorials debating what trust-based philanthropy and equitable power distribution in philanthropy should look like¹¹. Trust-based philanthropy advocates argue that shifting power can lead to more effective and

¹⁰ WINGS (2022). Philanthropy can be a Solution to Making Localisation a Reality.

¹¹ Alliance Magazine (2022). We practise trust-based philanthropy. Here's what it looks like.

equitable outcomes, as well as mutual accountability. By embracing a broader view of power beyond just money, funders may gain an appreciation of how grantees also have sources of power through their social capital, networks, influence, knowledge, experience and expertise.

Funders, particularly foundations, should also commit to both internal and external reflection on issues that may be inhibiting how their organisation practices trust and power shifting. Internally, founders, Board members, and leadership teams should analyse their own privileges, levels of influence and perceptions of the world around them. By becoming more aware of these internal realities, they will be better able to address organisational culture (see Principle 6) before looking externally. More widely, funders are also invited to reflect on issues of inequity, particularly when serving marginalised communities and reflecting on the context in which they operate, regardless of geographic location. We should always remember the key role that local PSOs and ‘intermediaries’ play in localising philanthropy and shifting power. Investing in these actors can be a powerful strategy for international grantmakers to help generate more and better local resources for bottom-up and sustainable change (see Principle 7).

Fundamentally, building a trusting relationship between funders, grantees and the communities being served involves deep respect, integrity, humility, and supporting others’ agency and freedom to live in a world where they can create the change that is needed.

Recommended practices for implementation:

How to get started:

- ✓ Engage in deep listening and learning with the communities you already serve, by regularly seeking input and feedback from local leaders and organisations, to ensure that your funding priorities align with community needs.
 - Recruit and equip staff with the interpersonal skills to listen to and work with community members.
 - Conduct meetings, surveys, and other data collection to learn about community priorities, ensuring this is not an extractive or burdensome exercise.
- ✓ Invest in building genuine, respectful relationships with grantees and community partners and address internal shifts that must happen within your organisation.
 - Focus on building trust over time, through longer-term commitments, rather than simply providing one-off or annual funding before moving on.
 - Include timely sunset clauses when a partnership is coming to an end, to ensure a successful transition.
- ✓ Simplify and streamline paperwork and processes, including ensuring simplicity and clarity, to reduce the administrative burden on grant applications and subsequent reporting for both foundations and grantees.



- Conduct regular evaluations of your feedback and reporting processes – including members from the communities your organisation serves – to improve debilitating administrative burdens.
- ✓ Consult grantees and community partners in ideation, programme design, and decision-making processes.
 - Provide opportunities for communities to lead and shape the work.
- ✓ Commit to learning and inclusive evaluation to continuously improve your work.
- ✓ When possible, work with local ‘intermediaries’ – such as socio-environmental or women’s funds – that have both deep knowledge of communities and capacity to support local groups, while ensuring compliance and professional grant management.
- ✓ Support your local partners in becoming more financially sustainable by investing in resource mobilisation and helping them develop community philanthropy models, where relevant.

To go beyond:

- ✓ Provide funding that is flexible and enables grantees to use the resources in ways that make the most sense for their organisations, and communities.
 - Avoid overly prescriptive funding requirements that may not align with the community’s needs.
- ✓ Consider engaging community members as advisers or co-designers of funding programmes, and involve them in determining funding priorities, strategies, criteria and distribution.
- ✓ Work with grantees and community partners to develop shared goals and strategies for driving impact.
 - This ensures that everyone is working towards a common vision and can help increase collaboration and coordination.
- ✓ Beyond financial support, strengthen partnership through practices such as creating reciprocal structures and mechanisms for technical assistance, mentorship, and training opportunities.
- ✓ Commit to having at least one leader from your stakeholder communities represented at the organisation’s Board or governance level.
 - This goes beyond co-design and co-creation of programmes and directly gives local communities a seat at the funder’s table, allowing real power in allocating funds directly or indirectly.
- ✓ Invest in advocacy and policy change efforts by supporting and applying self-assessment tools developed by grantees and partners to determine if your organisation is delivering on distributing power, providing resources to support community organising, and working to increase diversity, equity, and inclusion.
- ✓ Share learnings and challenges, and collaborate with other funders to promote knowledge-sharing and collective action towards common goals, thereby increasing the impact and sustainability of this model over the long-term.

Potential obstacles

Suggested solutions



Shifting power within foundations can often mean that those in prominent governance or decision-making positions must give up some of their current influence or, at least, dilute it by making room for a wider and more equitable variety of voices. It may further mean that staff and leadership within organisations require specialised training on how to recognise their own contributions to power imbalances.



In situations where shifting power internally within your organisation is difficult or political, be sure to build a compelling case by mapping out all potential benefits that a more diverse, equitable governing structure and intersectionally aware staff will bring. This includes more impactful programming, improved reputation within the sector, and opportunities for wider visibility and greater collaboration.



Building confidence and co-designing/co-creating programmes with local stakeholders may lead to difficult realisations about your organisation's past role in delivering underperforming programmes or subpar impact.



It is crucial that philanthropic funders move away from the idea that all support is good support, and building long-term trust and equitable partnerships with local stakeholders is key to that process. As an organisation, acknowledge that concerns about programming may arise as part of an honest trust-building process, and see this as a rare and exciting opportunity to develop stronger, more resilient funding models going forward.



Misconceptions around trust-based philanthropy persist in the foundation sector, particularly among organisations concerned that unrestricted funding and long-term equitable partnerships might mean a more diminished role for their foundation. They may criticise trust-based philanthropy by creating a false binary with evidence-based philanthropy.



A growing discourse on the benefits of trust-based philanthropy can support any internal efforts at your organisation. It is also important to combat the notion that trust-based philanthropy is somehow not based in evidence or abandons the need for evidence. Rather, building trust and long-term power shifts may facilitate new forms of data and evidence, and require foundations to look beyond traditional metrics that have historically led to inequities and power imbalances.

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4

ENGAGE WITH RELEVANT ACTORS AND SECTORS THROUGH MULTI-STAKEHOLDER PARTNERSHIPS AND JOINT ACTION



Complex societal challenges cannot be resolved by any single individual or institution, as their scale and multiple overlapping causal factors necessitates collective action. To address them, we must find ways for philanthropic organisations to collaborate and coordinate effectively, both with each other and with public and private sector stakeholders. If we develop models that enable this, then organisations will be able to leverage their unique expertise, resources, and networks of partners to achieve heightened collective impact. Partnering with and enabling other sectors is necessary and central when it comes to multiplying change and scaling solutions to tackle systemic issues.

Multi-stakeholder partnerships take many forms. At the more complex and sophisticated end of the spectrum are public-private-philanthropy partnerships (PPPPs) for development, cross-sector collaboration, joint programming, and resource pooling. PPPPs, in particular, have risen to the forefront recently, and are defined as formalised collaborations among entities from each of the public, private and philanthropy sectors, aligning each party's resources to enable transformation. These partnerships are most useful in tackling issues that cannot be addressed by any one industry alone, or even by partnerships that involve only two out of the three sectors. Organisations can either participate in, support, or become drivers of such multi-stakeholder collaborations (see Principle 7). These approaches require significant investments in time and resources, as well as a strong commitment to building trust, communication, and accountability among partners.

More basic forms of multi-stakeholder partnerships can also be highly impactful, and are often accessible to smaller philanthropic organisations or those that have limited resources. Approaches like networking, information-sharing and engaging with local governments or community groups can be done with limited investment or coordinated action, yet yield critical insights into stakeholder needs and priorities, leverage collective knowledge, and open doors for future collaboration. Organisations can consider other forms of collective action with varying degrees of commitment and complexity, such as taking a multi-sectoral engagement approach, loose consortiums, and coalitions¹². Funder collaboratives, thematic networks and philanthropy associations further provide a safe space to connect and learn from peers, and exchange best practices that build on the strengths of different actors, while avoiding duplication of efforts. These PSOs can also build bridges with other actors and sectors for greater coordination,

12 Kingston, Stern, and Ke (2016). [Are You Sure You Should Be Launching Another Partnership?](#)



alignment and pooled funding, where relevant. For example, the *SDG Partnership Platform, Kenya*¹³ provides a vector for forming multi-stakeholder partnerships that unlock private, philanthropic and intellectual capital. Running from 2018 to 2022, as part of the 1.9 billion USD collaboration between the Kenyan government and the United Nations, the SDG platform was identified as one of three best practice platforms for SDG financing.

Foundations themselves can also play valuable roles as conveners and bridge-builders, bringing together different stakeholder groups who otherwise might not engage with each other. Governments, academic institutions, and corporations, for instance, do not always engage directly with social movement organisations, civil society organisations, and local communities. The Partnering Initiative¹⁴ is just one example of how philanthropic organisations can play a role in overcoming these barriers, by connecting and enabling collaboration between their partners for greater impact.

While multi-stakeholder partnerships and joint action are essential for philanthropy to create greater impact, debates and tensions exist around how to establish and manage these collaborations. Some organisations may view partnerships as a means to access additional resources without sharing decision-making power, which can lead to unequal power dynamics among key stakeholders. This particularly pertains to those funders who find themselves dealing with governments or large-scale private sector actors. Others may question the motivations, accountability and transparency of the other actors involved in partnerships, especially when the private sector is involved. Additionally, partnerships often require significant investments of time and financial or human resources, which may be unfeasible for smaller or more constrained philanthropy organisations.

Establishing effective multi-stakeholder partnerships and joint action requires overcoming several challenges, including identifying the right partners and building confidence and trust among them. This involves engaging with diverse stakeholders and understanding their perspectives, values, and interests. It also requires investing in relationship-building, communication, and conflict resolution. Another challenge is ensuring that partnerships are based on mutual benefit and shared values. Partnerships should be built on a shared vision, values and objectives, and involve all partners in decision-making processes. This requires open and transparent communication, mutual respect, and a willingness to learn and adapt as necessary.

Recommended practices for implementation:

How to get started:

- ✓ Map your organisation's landscape of relevant stakeholders already involved in your field, and document potential connections to your mission and initiatives.
- ✓ Engage in existing spaces, networks and mechanisms for collaboration with other actors in your geographical and/or thematic areas.
- ✓ Catalogue your organisation's spheres of influence and assess the amount of change that is realistically possible through collaboration.
 - Use this assessment to set reasonable expectations around partnerships, barriers, and power dynamics.

¹³ WINGS (2019). [Arif Neki on the SDG Partnership Platform, Kenya](#).

¹⁴ The Partnering Initiative, Johnson & Johnson Foundation and Zurich Foundation (2021). [Partnering for Philanthropic Impact](#).



- Build buy-in with your organisation's leadership and Board to disperse some control and invest in collaboration.
- ✓ Share your mission and work publicly to enable others to discover and engage with your organisation for potential collaborations.
 - Consider opportunities to work via virtual channels like your website, blog or social media and, where possible, take the opportunity to attend conferences or publish case studies.
- ✓ Embrace opportunities for stakeholder engagement, including regular meetings with local governments, networks, and communities.
 - Your team can also engage with peer organisations to share knowledge, initiatives and proactively identify connections, synergies and complementarities.
- ✓ Support the initiatives of others where possible, even by simply sharing information on social media channels.
- ✓ Consider acting as a convenor to connect disparate groups of stakeholders in conversation and collaboration, including government, corporations, academics, social movement organisations and community representatives.
- ✓ Analyse the resources you can offer as a partner beyond the financial – including knowledge, relationships, or reputational clout.

To go beyond:

- ✓ Explore more complex forms of partnerships including public-private-philanthropy partnerships (such as the recent GAEA partnership for climate and nature¹⁵).
- ✓ Have a clear and simple vision, and cultivate collaborative partnerships that share responsibility, risk, and decision-making.
 - Consider where factors beyond the immediate issue may have a potential impact on your effectiveness in delivering on your mission – e.g. policy reform or government engagement.
 - Set clear roles, responsibilities and a co-developed framework for ways of working between partners.
- ✓ Where feasible and sensible, align your work with regional or national development priorities as defined by governments or international bodies (e.g. the Sustainable Development Goals).
- ✓ Support and contribute to collective action by joining initiatives led by others, and coordinating activities where there is alignment to maximise impact and reach.
 - Consider creating or joining a pooled fund or investing in a permanent multi-stakeholder

15 WEF (2023). [Press Conference: Philanthropic-Public-Private Partnerships for climate & nature \(GAEA\)](#).



partnership mechanism, even at the local level.

- ✓ Map the landscape for partnerships infrastructure, identifying existing mechanisms for collaboration, coordination and defining what is missing, to better understand the gaps and investments needed to address them.
 - Explore the possibility of investing, ideally with others, in creating infrastructure for partnerships and collaboration.
- ✓ Continuously monitor, review and revise partnerships, including current collaborations where mutual impact-creation or alignment is no longer viable.
 - Support the building of local networks through partnerships, creating the conditions for local organisations to leverage their impact through the collaborations, to ensure better alignment over the long-term.
 - If resources are available, develop a specific partnerships or external engagement team to explore, foster and maintain partnerships for your organisation.





Potential obstacles



Suggested solutions



All parties involved in a collaboration will have specific goals aligned with their respective missions; sometimes this causes friction among the partnering organisations.



Any philanthropic collaboration or partnership should be built on agreed-upon values and a set of terms and conditions, which all parties sign. Despite the realities of unequal power dynamics, all stakeholders should ensure that adequate training and resources are available to enhance collaborations, particularly for those partners who are most resource-constrained and rarely have an equal voice in any agreement.



Working in collaboration or partnership with governments can be notoriously challenging and political, affecting the broader impact of the intended programme and scope of the organisation's focus.



Organisations seeking collaborations with government bodies, specific policymakers or local leaders must do sufficient research, networking, and liaising well in advance of a potential collaboration to have the clearest idea of how a partnership will function in practice. An initial decision should be taken as to whether building such a partnership is indeed worth the long-term resources and efforts.



Sometimes partnerships will come to a natural close whereas, in other cases, a certain organisation may need to conclude a collaboration before other stakeholders.



A partnership's terms and conditions must make clear the goal and eventual changes all parties wish to see, and detail 'sunset clauses' on how an organisation can leave a collaboration agreement. Stakeholders should discuss how financially binding a partnership is, for how long, and if there are potentially damaging impacts to any partner terminating their collaboration prematurely, to ensure minimal disruption later in the relationship. Beyond this, collaborations must be developed and implemented in good faith among all partners. If necessary, legal counsel can be sought on any partnership documentation.



Resources

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[The Partnering Initiative](#)

[SDG Philanthropy Platform.](#)

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Verzosa, C. and Fiutak, T.R. (2019). Asian Development Bank. [The “How” of Multistakeholder Engagement.](#)

[WAPPP.](#)

WINGS (2019). [Arif Neky on the SDG Partnership Platform, Kenya.](#)

5 INVEST IN STRENGTHENING GIVING ECOSYSTEMS, AND GROW PHILANTHROPIC SOCIETIES



To achieve overall transformation in our field, this principle may have an outsized impact in realising the PTI agenda and fostering action, particularly when it comes to strategically investing in the ecosystems of field-builders and changemakers that unlock the potential of philanthropy.

Philanthropy has enormous potential for growth and improvement at all levels of society, from individual donations from the middle class, small acts of generosity and mutual aid, to institutional giving from high net worth individuals, communities or corporations. With the right incentives, strong support organisations and a conducive environment, it is possible to generate more and better private resources for the common good. Beyond this, if we dream bigger, we can strengthen and grow philanthropic societies where generosity, solidarity and a sense of community are expressed at all levels, and giving becomes the leading value behind which citizens, markets and governments align.

The impact of any one philanthropic organisation, however big it may be, will always be limited if it focuses solely on its own direct interventions. To realise our full potential, we must also invest collectively in wider ecosystems and cultures of giving. This support ecosystem¹⁶, or infrastructure, includes diverse organisations such as giving platforms and campaigns, philanthropy networks, advisories, academic institutions, citizen engagement organisations, and funding intermediaries. Beyond this, we must include ‘enabler’ organisations whose primary interests may not be in philanthropy, but who play an important role in the support ecosystem, including financial institutions, lawyers, consultants, social media platforms and public relations firms.

Many of the challenges identified by the PTI movement have found a worthwhile solution in strong philanthropy support ecosystems (PSEs). Building trust between philanthropic actors and those they support currently involves intermediary organisations (such as socio-environmental funds, women’s funds or community philanthropy organisations), as well as thought leaders that can advise, document and push for more trust-based approaches (see Principle 3). Engaging in collaboration with each other, and with other sectors, involves platforms, joint funds, and coordination mechanisms. Growing levels of giving and creating better regulations for the sector must include coalitions, campaigns, networks and donor associations that can advocate to governments on behalf of the philanthropy sector. Beyond this, leveraging the power of data (see Principle 10) requires smart investments in individual and collective data infrastructure.

Well-resourced and collaborative PSEs play a crucial role in unlocking and growing local resources for civil society; they build upon, celebrate and strengthen local cultures of giving. Investing in PSEs is a critical and strategic way to grow local resources for bottom-up, sustainable development, contributing to the aid localisation agenda. Indeed, a large volume and diverse mix of private resources form a more democratic, resilient, locally-responsive and sustainable path for philanthropic impact, whilst also engaging wider society.

Growing pressure and momentum in the field encourages funders to invest in networks and ecosystems as a strategy to multiply impact, with some prominent philanthropists such as MacKenzie Scott already starting to invest significantly in this space. However, this field is still structurally and dramatically underfunded, especially in emerging economies, where the need is greatest. For too long,

16 WINGS (2021). [Acting Together to Lift up Philanthropy: WINGS Guidance on How to Build a Supportive Ecosystem](#).



foundations have seen investments in field-building through an individual and contractual lens – ‘what’s in it for me?’ – rather than one focused on both strategy and collective impact. This approach has inhibited strategic and synergistic development of the field due to its piecemeal investments, duplications and lack of sustainability.

Thinking as an ‘enabler’ – one of the three key ideas underpinning philanthropy’s transformation – should first manifest in enabling our own field and peers to create a multiplier effect for their work. Applying an ecosystem mindset and fieldwide thinking requires adopting a longer-term, systems-level view of what it means to achieve lasting social change. This can be done in many different ways, at the community, local, national, regional or global levels, as well as around specific themes and issues. For instance a mid-size funder supporting education in India can support its local partners in setting up community funds, increase their fundraising skills and stimulate local giving for education. They can do this while contributing to establishing or reinforcing existing education donor collaboratives and, in parallel, providing general support to a national philanthropy association that is able to create dialogue and negotiations with the local and national governments. This method does not take away resources from a foundation’s causes but rather helps multiply its impact and sustainability. Happily, it can be easily embedded into any foundation’s strategy.

Even with very limited resources, PSOs are already making a big difference, with the global #GivingTuesday¹⁷ movement as a strong example. With a limited operating budget, their campaigns have helped generate billions of dollars in donations for civil society organisations. Funders looking to leverage their impact through models like matching and other funding sources should look closely at the incredible influence field-builders and giving movements can have in exponentially multiplying giving.

Another good example is the Effective Philanthropy Multiplier (EPM)¹⁸, spearheaded by the Narada Foundation in China, a network of 38 hub

organisations at urban and provincial levels which connects and scales solutions for social services to over 13,000 local organisations. See Resources at the end of this section for a link to our recent case study on the Narada Foundation and the EPM.

Beyond this, the 4C framework developed by WINGS and Dafne¹⁹ identifies four key components of a healthy philanthropy support ecosystem:

- 1 **Capacity:** Building resources,
- 2 **Capability:** Building skills, knowledge and expertise,
- 3 **Connection:** Building relationships, and
- 4 **Credibility:** Building reputation, recognition and influence.

Based on this framework, the WINGS community has developed methodologies, such as ecosystem mapping, and has strengthened initiatives that help organisations define how to support the growth and development of philanthropy in their specific context.

¹⁷ Giving Tuesday (2023). [A Distributed Leadership Network](#).

¹⁸ Ang, W., Peng, Yanni (2020). Narada Foundation and WINGS. [Why we need to invest in the infrastructure for scaling, not just the product or organisation being scaled.](#)

¹⁹ WINGS and Dafne. [Using the 4Cs: Evaluating professional support to philanthropy.](#)



Recommended practices for implementation:

How to get started:

- ✓ Engage with your Board and staff to reflect on how your organisation can contribute towards developing the local or national PSO (see suggestions in Chapter 3).
 - Review your organisation's internal strategy, reflect on how philanthropy ecosystem development could be embedded into your theory of change and as part of a sustainable exit strategy.
- ✓ Support your stakeholder communities in becoming more financially autonomous and sustainable in the long term.
 - Examples include investing in mechanisms like giving platforms, improving fundraising conditions and helping to grow local resources.
- ✓ Join existing philanthropy networks, collaboratives and support organisations.
- ✓ Advocate for unrestricted funding for relevant networks, collaboratives, and pooling funds with other donors.
- ✓ Strengthen your own fundraising capacity and offer relevant technical support to reinforce local civil society organisations and build community autonomy.
- ✓ Encourage community philanthropy mechanisms – local funds, community foundations, women's funds, indigenous funds – to tap into local resources and channel other resources, like diaspora giving.
- ✓ Adopt an approach that recognises the interconnected nature of your ecosystem.
 - Invest in improving the accessibility of philanthropy for all actors in the ecosystem by collaborating with other sectors.
 - Learn from and regularly share learnings with peers.
 - Avoid inadvertently encouraging duplications and ineffective ecosystems by aligning your investments with other funders, facilitate coordination and embrace synergies (including mergers where relevant, or coalition/movement building within the field). The WINGS ecosystem mapping methodology can guide your investment approach (see the 'To go beyond' section that follows).

To go beyond:

- ✓ Map the philanthropic support ecosystem connected to your work and consider what gaps exist and where further support or investment can help build capacity to create a stronger enabling environment.
 - Join forces to increase impact and reduce cost, while also avoiding duplicating work.
 - WINGS' four-stage approach to ecosystem mapping (see Resources at the end of this section) can serve as a guide. This exercise can be conducted at different levels – community, regional, national, international, or thematic levels (e.g. climate change or gender).
- ✓ Create specific programmes or pooled funds to strengthen philanthropy and civil society ecosystems. Encourage, support and sustain community philanthropy mechanisms such as local funds, community foundations and other local and/or diaspora resource mobilisation mechanisms.
- ✓ Use your organisation's voice to support campaigns and research that promote the growth of giving culture and an enabling environment for philanthropy.
- ✓ For international donors, build infrastructure that can continue to generate funds for civil society even after aid ends.
- ✓ Support initiatives to create a favourable international environment for philanthropy, including cross-border giving.
- ✓ Invest in networks and ecosystems around thematic causes like the climate crisis or at a national, regional and global level.
 - Regardless of size, a foundation should aim to dedicate as little as one to three percent of its budget to ecosystem building. If widely adopted, this could radically improve the field's impact and help unlock local resources for partners/grantees.



Potential obstacles



Suggested solutions



Ecosystem-building may feel like a daunting, resource intensive or inaccessible exercise for many small or low-resource organisations, particularly considering that there is already limited funding available for this process.



Building up and supporting philanthropic ecosystems is something many organisations do on a regular basis without even realising that these efforts contribute to a much larger cause. Start small by simply engaging your staff, advisers, volunteers and Board in discussions around the local philanthropic operating environment and improvements you would like to see. To best secure stakeholder buy-in, build the case around what immediate and long-term benefits your organisation will see.



In many parts of the world, local or national governments inhibit the development of a strong social sector, adversely affecting any efforts a philanthropic organisation might make.



Governments in many countries can impede the development of the philanthropy sector. Depending on your organisation's resources, start at the local level to see where you can make the largest inroads. Map out your current partnerships, collaborations or even informal discussions your organisation has had with government, including any local or national stakeholders on your Board or among your partners. Leverage these existing relationships with the intent to broaden dialogues. In such cases, prioritise investing in a network or association that could engage in dialogue with the government without exposing individual organisations directly.



Getting too deeply involved in ecosystem-building work may cause the organisation to lose sight of its original mission and vision.



It is crucial to recognise that all philanthropic organisations will benefit from a stronger, healthier operating ecosystem, so efforts spent on supporting its development are never wasted. If your organisation has limited resources, start by dedicating small pockets of time to these efforts, beginning with the suggestions in the previous 'How to get started' section. Moreover, joining local, regional, global or thematic philanthropy networks can connect your organisation to many others navigating similar internal debates while building out the philanthropy ecosystem.



Resources

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6

ALIGN GOVERNANCE, LEADERSHIP, MANAGEMENT AND ORGANISATIONAL CULTURE WITH VALUES



All too frequently, we hear stakeholders, professionals, partners and grantees complain that philanthropic organisations do not always embody the values they are pursuing through their programmes and mission statements. Yet, the same individuals that constitute an organisation form the core of its transformation; they develop the culture that brings them together and the incentives to embody it across the organisation and its work. This principle of aligning governance, leadership, management, operations and organisational culture with values is critical to ensuring that philanthropic entities achieve their desired social impact and uphold their commitments to donors, grantees, and the communities they serve. For the purposes of this principle, values are defined as the set of core beliefs that guide an organisation's purpose, direction, and interaction with stakeholders.

When organisations align their leadership and organisational culture with their values, they ensure that those values live at the core of their work, serving as a guiding light for shaping the organisation's priorities, decision-making processes, and actions. If we follow the transformation journey on shifting power, this might involve addressing crucial power dynamics and imbalances internally, developing a listening capacity and embracing humility as core values at all levels. For instance, many organisations say that they value empowering local partners and creating egalitarian support structures but, in practice, their funding distribution or partnership models are very opaque. This is particularly important when an organisation is faced with difficult choices or trade-offs, because it gives team members a shared understanding and appreciation of the core ethos of their work, whilst still allowing them to bring a range of different perspectives to the table. Achieving this alignment also makes organisations more resilient to disruption, as they are guided in their action by values and principles, and can more readily

adapt specific solutions or procedures to achieve their goals. For example, the Tanoto Foundation in Indonesia prioritised maintaining the Tanoto family's core values during a period of strategic expansion, which involved hiring top talent from outside of the charities/foundations sector. This combination of maintaining existing core values while building new teams and structures allowed the Foundation to build a stronger organisational culture based on a diverse set of collective experiences. To learn more about the Tanoto Foundation, see Resources at the end of this section for links to case studies on the organisation from WINGS and the Cambridge Centre for Strategic Philanthropy.

Boards also play a critical role in ensuring that philanthropic organisations align their governance, leadership, management, and organisational culture with values. They are responsible for setting the strategic direction of the organisation, and are critical to ensuring that this direction aligns with the organisation's values. Boards ensure that the organisation's leadership team commits to upholding these values and that the organisation's management structures are consistent with them. To achieve this, Boards should establish clear expectations around values and hold their executives and senior leaders accountable for upholding them. Major decisions such as endowment, investments and disbursements, and links to how the foundation's wealth is generated should take direction from the Board, along with a diverse set of perspectives from within the organisation. Governing bodies, be they Boards, trustees, or advisers, can also shape the organisational culture by modelling and reinforcing values through their own actions and behaviour. Ultimately, Boards must take an active role in ensuring that the organisations remain true to their values and committed to achieving their social impact goals.



One complication that may arise involves tensions between the differing – and potentially conflicting – values held by various stakeholders, especially around polarising issues. This may present a particular challenge for organisations working with culturally, ideologically, politically or religiously diverse communities²⁰. Conversely, values that are shared across cultural or political spectrums can be very powerful. In either case, organisations should encourage robust, regular dialogue between their governing bodies and staff to discuss any contentious issues before they affect organisational operations.

Ensuring that values are not just performative or abstract, but are actually embodied in the organisation's daily practices and decision-making presents an ongoing challenge. Fundamentally, values and culture start at the individual level, so leadership teams must invest time and resources into working with employees to develop a values-driven culture, while individual staff members must also be willing to hold themselves and each other accountable for upholding them. This requires a sustained effort to communicate, reinforce, and embody values throughout the organisation. Reviewing and assessing the extent to which mission, vision, values and behaviours are aligned, relevant and being actively lived within an organisation is an ongoing and evolving process. Whilst values can dictate our behaviours, practices and policies, we should not impose them on others. Values, including fairness and equity, responsibility towards communities and the environment, humility, collaboration, openness, and accountability and respect for dignity, diversity and inclusion are extremely important. The practice of such values must recognise and strengthen the understanding of how local communities and partners adopt and understand them. For example, 'trust' may not be a term used within a local community. However, there are practices and ways of being that may reflect this shared principle and value.

Value-alignment not only makes an organisation more resilient and adaptable, it also serves as a powerful tool for engaging stakeholders. Among the younger generation of philanthropic wealth-holders and civil society professionals, the alignment of values and social impact is seen as increasingly important, as is the development of positive and inclusive organisational cultures in their workplaces. As this new generation begins to assume leadership roles – as funders, Board members, or employees – they are more likely to prioritise aligning governance, leadership, management, and organisational culture with their values as a key element of philanthropy. Generation Pledge²¹ works directly with next-generation wealth inheritors to increase their own giving and mobilise their resources to advance greater philanthropic activity among high net worth individuals. They are currently developing a 'Theory of Wealth' focused on engaging inheritors on how they manage their wealth and the potential consequences on society as a result of how their money is managed and redistributed.

20 Kass (2021), [Values-Aligned Philanthropy: Foundations Resisting Hate and Extremism](#).

21 [Generation Pledge](#).



Recommended practices for implementation:

How to get started:

- ✓ Adopt more democratic approaches to organisational culture and foster an environment of belonging by encouraging open communication and reciprocal feedback in hierarchical team structures where many staff may feel uncomfortable approaching leadership.
 - Invest time and resources in building stronger organisational values as an ongoing process.
 - Hold regular team and all-staff meetings where feedback is encouraged.
- ✓ Identify behaviours that link to how values can be implemented across different levels of the organisation, and reinforce them during performance reviews and feedback discussions.
- ✓ Seek to understand root causes of internal challenges by examining them within the broader context.
 - For example, are issues occurring due to communication and ideological breakdowns between two separate teams? In this case, better alignment is likely needed among team leaders.
- ✓ Establish clear values within your organisation (where they do not exist already), and be consistent with your staff about why these are intrinsic to your operations.
 - Important values to guide philanthropic frameworks include fairness and equity, responsibility towards communities and the environment, humility, collaboration, openness, accountability and respect for dignity, diversity and inclusion.
 - Ensure these values are communicated externally and reflected in interactions and work with external stakeholders.

To go beyond:

- ✓ Adopt leading practices from other sectors or leaders in your field (e.g. 360 feedback, diversity, equality and inclusion, building a learning organisation)
- ✓ Prioritise strong organisational culture to attract and retain high calibre talent, including fair, equitable compensation, and professional, empathetic talent management.
- ✓ Dedicate internal policies and work time through staff training and professional development allocation to encourage members of the internal team to grow, expand their knowledge base, and bring their new skills to the organisation.
- ✓ Critically examine and challenge the role of philanthropy today, and whether the methods and models we use support or perpetuate systems of inequality and exclusion internally as well as externally.
 - Use these understandings to evolve your organisation's culture and values to reflect the needs of your broader operating environment.



Potential obstacles

Suggested solutions



Philanthropic organisations often face difficulty attracting top talent to the sector due to limited financial resources, lack of aligned values and organisational culture, and limited professional development or progression opportunities.



Where possible, ensure that finances are available to bring in talented individuals from other sectors and properly resource teams. Beyond financial resources, ensure there is further dedication to emerging best practices that foster the development of strong, supportive organisational culture (e.g. flexible working, good workplace benefits). Ensure that your governing Board understands the importance of allocating these resources to staffing and frame this as a long-term investment in the organisation's sustainability and values.



Organisational values are not well-represented or encouraged and many staff members do not feel a real connection to the work or broader mission of the organisation.



Executives and leadership teams must ensure that organisational values are embodied by all staff members, including themselves, and should invest time in professional development centred around building a positive organisational culture and mechanisms to hold each other accountable to living the values.



Management and leadership teams within a philanthropic organisation may face difficulty convincing Boards and other governing bodies to embrace values-driven approaches.



While Boards often provide invaluable guidance and support to a philanthropic organisation, they can also be slow to change or shift based on values-driven approaches. Ensure that Board members are only appointed if they have a clear understanding of the organisation's values and their importance.



Resources

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7

EMBRACE A SYSTEMS CHANGE MINDSET AND ADDRESS THE ROOT CAUSES OF CHALLENGES



Since the PTI movement centres itself on multiplying impact and becoming transformative for society, this principle is cross-cutting. Although it neatly reflects the overarching narrative of the movement, we must highlight the adoption of a systems change approach as a principle in its own right, and identify a set of practices and recommendations associated with it.

The key to embodying this principle involves taking a holistic and strategic approach to philanthropy that aims to address the underlying factors that create and perpetuate social problems, rather than simply treating their symptoms. While the distinction between root causes and symptoms is not always clear, this principle first and foremost advocates a mindset shift, encouraging organisations to think holistically about the issues we hope to solve. It also involves a permanent effort to understand how different problems intersect with each other. The principle also supports efforts to multiply the impact of interventions beyond their initial scope, be it through replication, scaling, influence and/or other approaches that allow an initiative to have a ripple effect.

Not every foundation should or may be able to engage in national level systemic policy change and abandon projects that can immediately alleviate human suffering. Rather, this principle is an invitation to all types of foundations to embrace complexity and a multiplier mindset from ideation, design, and development of interventions to implementation and learning. For example, a small foundation focused on increasing child school enrolment in a specific locality may decide to partner with farmer organisations to support light mechanisation of family farms to combat the need for child labour. These efforts could successfully advocate to a local government agency on the need for a local loan system for mechanisation with incentives for school enrolments.

This type of systemic mindset will naturally bring foundations to partner with a wider variety of stakeholders, as intersectionality and tackling ‘root causes’ requires articulation with other actors working on different dimensions of the issue. Other actors may have complementary expertise and resources to design solutions that can be replicated and adapted to different contexts and populations. In adopting these systems change mindsets, funders can go beyond temporary, short-term fixes – many of which often replicate ineffective practices from the past – and find deeper solutions that can lead to long-lasting positive change. In 2014, anthropologists Daromir Rudnyckyj and Anke Schwittay coined the term ‘afterlives of development’²² to refer to the international development sector’s propensity for reinventing and regurgitating ineffective programming under new guises, hoping for different results each time. Principle 7 encourages foundations to avoid the trap of a similar ‘afterlives’ approach to philanthropy, and instead to use the power and position of their role as funders to promote a more systemic model for tackling challenges. Taking a systems change view can also reduce the risk of certain unintended consequences, such as displacing the problem to other areas or the amplification of different social problems.

A systems change approach also helps foundations work effectively with other stakeholders to create collaborative efforts addressing social problems, enabling coordination of resources whilst avoiding duplication or working at cross purposes. Leveraging the power of networks can foster new connections and alliances around a shared mission that are able to challenge the status quo. Bringing together a diverse range of actors and perspectives can accelerate greater innovation, better resource mobilisation,

22 Rudnyckyj, D. and Schwittay, A. (2014). ‘Afterlives of Development’.



and more learning and adaptation. For example, the Skoll Foundation and Rockefeller Philanthropy Advisors' Shifting Systems report (see Resources at the end of this section) identified how greater funder collaboration can enable and accelerate systems change through sharing resources on industry insights, due diligence processes and monitoring and evaluation.

Although systems change can be a powerful mechanism for furthering impact, defining and measuring systems change is often challenging. As mentioned earlier, the root causes of societal challenges can be difficult to identify, making it hard to design appropriate indicators, or to know how best to attribute the contribution towards the achievement of given outcomes. Different people and organisations may also have widely varying assumptions, methods, and frameworks for assessing systems change. In many cases, where tackling a system as an individual organisation feels like an uphill challenge, fostering a collaborative initiative (see Principles 4 and 5) may be the most constructive and sustainable way forward. For example, Catalyst 2030 has been working with their community of social entrepreneurs to develop a tool of resources to shift funding practices (see Resources at the end of this section).

Funders may face tensions between achieving short-term goals and contributing towards longer-term systems change ambitions, especially when short-term goals seem ineffective in contributing directly towards longer-term endeavours. For example, the most effective short-term means to reduce poverty may be providing cash donations to low-income households, but the long-term goal should develop new economic systems that offer more opportunities and equity for marginalised groups. Foundations also frequently come under pressure from stakeholders and governing bodies to demonstrate short-term outcomes – or 'quick wins'. One way to mitigate these conflicts is to ensure that short-term and long-term goals are coherent and aligned with each other. This means that short-term goals should be seen as steps or milestones towards achieving long-term systems change, rather than ends in themselves. Short-term goals should be flexible and adaptable based on feedback and learning from systems change efforts. Foundations tackling this principle may consider building a theory

of change approach into their organisational culture (see Principle 6).

At a more pragmatic level, focusing on systems change can seem like an intimidating task. But, as mentioned above, foundations still play a significant role, despite their size and capacity, by taking a targeted and strategic approach to systems change. This can be achieved by focusing on a specific issue in a local community, or through organisations making the most of their flexibility and agility to experiment with innovative solutions, providing stories and evidence of change that feeds into a collective narrative. By collaborating with other organisations, their work can inform wider developments throughout the sector (see Principle 4). Larger foundations, meanwhile, may be in a position to consider leveraging their scale and scope to influence multiple levels of the system more directly. For example, they might support cross-sector collaborations, fund systematic research and evaluation, or create platforms for learning and dissemination of best practices. Beyond this, larger foundations may also have the resources to invest in data infrastructure to pool evidence and stories within a geographic location or across different contexts.

Foundations of all sizes benefit from greater awareness of the wider systems in which they operate, and from designing their strategies with this context in mind. To do this well requires a combination of ambition and humility. It further necessitates the ambition to look beyond your own organisation and to see it as part of a larger whole that can feasibly have a transformative impact on some of the biggest challenges facing our society. However, this approach also requires humility to be realistic about your organisation's capabilities, and the willingness to put aside institutional ego in order to work collectively towards a greater shared goal.



Recommended practices for implementation:

How to get started:

- ✓ Define a clear and compelling vision and mission to guide your systems change efforts.
 - Develop a theory of change that articulates how your actions will contribute toward your organisation's desired outcomes, and the broader change you seek to create.
- ✓ Through working with partners closest to the issues (see Principle 3), identify a specific problem or opportunity in your system that your organisation can address with present resources and expertise.
 - This could be an issue in your local community or thematic area based on your expertise.
- ✓ Engage with diverse stakeholders who are affected by or can influence your system, and build trust and collaboration with them.
- ✓ Pay greater attention to connections and interdependence – foundations should recognise that systems change requires collaboration with other actors who have different perspectives, roles, and interests.
- ✓ Monitor and evaluate your impact, focusing on your progress towards end goals rather than simple outputs and deliverables, and learn from feedback and data.
- ✓ Analyse key trends and momentum in your system and consider how to align your strategies with them.
 - Seek collaborations and pool resources to amplify impact.

To go beyond:

- ✓ Leverage your scale and scope to influence multiple levels of your system, such as policies, norms, behaviours, or structures.
- ✓ Support cross-sector, multi-stakeholder collaborations (see Principle 4) that can amplify your longer-term engagement and impact, and further create synergies among different actors.
- ✓ Fund research and evaluation that can generate new insights and evidence for systems change.
- ✓ Map and invest in platforms or networks for learning and dissemination of best practices across different contexts.
- ✓ Where there are gaps, work with leaders in the relevant communities or locations to create new networks.
- ✓ Be humble and reflective about your role and impact in systems change, acknowledge your assumptions and biases, seek feedback from diverse stakeholders, learn from both failures and successes, and share your insights with others.



- ✓ Be systematic about measuring systems change.
- ✓ Use a combination of quantitative and qualitative methods to capture changes at different levels of the system, such as policies, behaviours, norms, and power structures.
- ✓ 'Be the change' by building internal adaptive capacity.
- ✓ Reflect on how your internal culture, structure, processes and practices affect the organisation's ability to foster systems change (see Principle 6).





Potential obstacles

Suggested solutions



Given the large and long-term scope of systems change efforts, foundations may find it easier to deal with treating symptoms of social challenges rather than tackling broader root causes.



Tackling large, multi-faceted issues nearly always begins with small steps. Start by identifying which programmes in your organisation's existing portfolio are exclusively addressing challenges with a short-term mindset, and have conversations with key internal and external stakeholders on how those programmes can become better aligned with longer-term commitments. Even small, progressive adjustments to existing programmes can facilitate larger shifts in the future.



The short-term solutions provided by an organisation in some cases may hinder longer-term aspirations towards systems change, particularly at local levels. There also could be other stakeholders involved in a project that are partial to short-term outputs/outcomes.



Particularly for initiatives that have been running for longer periods of time in a specific way, external stakeholders may be averse to immediate change, even if it will likely mean a more sustainable, systemic long-term solution. Rather than overhauling quick-wins focused programmes, your organisation can begin by discussing how best to diplomatically make adjustments to shift interventions towards better addressing underlying issues.



Building systems change approaches can be challenging for those operating in geopolitical infrastructures where criticising or advocating beyond the existing status quo is inadvisable.



Philanthropic foundations often play a pseudo-diplomatic role in society and, in many cases, must avoid 'rocking the boat' with governments and policymakers. In cases where those actors are averse to broader approaches, foundations should use their influence to build multi-stakeholder partnerships (see Principle 4) with other actors across sectors. Where possible, loop relevant members of local or regional government into joint initiatives to demonstrate the value of systemic efforts and build mutual goodwill. Where more freedom is allowed, foundations may consider challenging political boundaries imposed on philanthropic activity.



Resources

Ashoka, Catalyst 2030, Echoing Green, Schwab Foundation for Social Entrepreneurship, Skoll Foundation (2020). [Getting from crisis to systems change: Advice for leaders in the time of COVID.](#)

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ITAD (2023). [Time to throw out your indicators and embrace AI for systems change?](#)

Kania, J., Kramer, M. and Senge, P. [The Water of Systems Change.](#)

Misra, S. and Maxwell, J. (2016). Stanford Social Innovation Review. [Three Keys to Unlocking Systems-Level Change.](#)

National Center for Family Philanthropy. [Systems Change: Pursuing Transformational Philanthropy.](#)



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8

LEVERAGE ALL ASSETS: INVESTMENTS, CONNECTIONS, INFLUENCE, AND EXPERTISE



For too long, philanthropic action has been seen as narrowly limited to grantmaking or social services delivery. However, these constitute just a small fraction of a philanthropic funder's assets. For example, the financial resources currently deployed in grantmaking are relatively small in comparison to the overall assets held by philanthropic organisations in the form of endowments. The 2018 Global Philanthropy Report from Harvard University estimates that total foundation assets worldwide amount to more than 150 trillion USD, whilst grantmaking is only around 150 billion USD per annum²³. Given these estimates, we must imagine and strive for the extraordinary impact that a greater alignment of our assets would have on society.

When facing the global polycrisis (see more in Principle 10), the calculus of our long term impact cannot remain the same from the 20th century; there is an increasing urgency to leverage all our strengths, and all our assets, to rapidly transform the sector. Therefore, as an example, if we can ensure that foundations use a far greater range of their financial assets in line with their mission – either by choosing to 'spend down' some or all of their endowments or by adopting 'mission-related investment' approaches – the result would be a vast increase in the resources available to drive positive social change.

Unfortunately, many foundations may see part of their role as preserving their endowments to continue their operations and for their own sake, and do not imagine their investments as tools for achieving their mission. Because of this, their assets are often invested on a purely for-profit basis in ways that do not further their missions or benefit society (and may even cause harm). Given the many sizable and urgent challenges currently facing the world, we should strongly advocate for philanthropic funders to, at minimum, explore the possibility of deploying more of the financial assets at their disposal by spending down some (or all) of their endowments. Likewise, funders – particularly foundations – should adopt investing in line with their mission as the new norm within the philanthropy world, rather than a specialist activity that foundations must seek out only if they are interested.

Beyond endowments, we should also significantly expand our thinking to look beyond financial assets. Although money will always be centrally

23 Harvard Kennedy School (2018). [Global Philanthropy Report](#).



important to the role of philanthropic funders, it is only part of a much wider range of assets they can draw on, including:

- 1 **Resources:** financial flows, investments, human resources, internal and external networks, reputation, and brand recognition.
- 2 **Influence:** connections to relevant stakeholders in government and private sector, convening and advocacy power, elevated platforms and wider audiences.
- 3 **Expertise:** programme stewardship, strategic communications, networking and relationship building, financial planning, investing and risk management, and fundraising.

As an example, one way philanthropic organisations might amplify their impact is by using their convening power to bring other stakeholders to the table and creating a prominent advocacy platform. A foundation might use its network of connections to secure in-kind or matched donations, engage its network of individuals to volunteer for a community-based organisation, or encourage its network to lend expertise or advocate for social causes. Foundations may also leverage the relationships they have with stakeholders such as local businesses and governments to understand their needs, exchange ideas and perhaps find ways to work together on various activities.

By drawing in additional resources from elsewhere, philanthropic organisations use their own non-financial resources in creative ways to generate greater impact. Board members and participant communities, for instance, can be mobilised as valuable resources beyond simply their fundraising potential. At The Tony Elumelu Foundation (TEF), the Board members and trustees play an active, hands-on role in supporting the Foundation's various initiatives²⁴. Board members work closely with the organisation's operational teams to lend their knowledge, expertise and networks to train African entrepreneurs and ensure the success of the TEF Entrepreneurship Programme. The

Foundation is also considering how to leverage its network of programme alumni, who are all entrepreneurs, to expand its mentorship offering for subsequent groups.

Leveraging all assets, including networks, families, businesses, and even a foundation's voice in the broader social sector, is a critical principle for effective philanthropy. We should encourage philanthropic funders to think much more expansively about the tools available to them and embrace the full scope of their financial and non-financial assets. When doing so, funders should be mindful of potential conflicts of interest and ensure that they have the necessary expertise and resources to leverage all of their assets effectively.

However, it is worth investing the time and effort, as the benefits of adopting a holistic approach to social impact can be enormous. Leveraging all assets greatly increases funders' capacity to have a transformative impact on some of society's most pressing problems; it further aligns them with a growing number of donors (particularly next generation and younger philanthropists) who increasingly reject traditional ideas of strictly dividing business models and investment strategies from philanthropic goals. Instead, they see all of their activities as part of a coherent whole that is driven by the same values and sense of purpose. They further acknowledge the warranted scrutiny on how wealth has been generated, and are willing to leverage their influence to advocate for more sustainable business models. Given the vast forthcoming intergenerational wealth transfer, in which a huge volume of assets will pass into the hands of this next generation of donors, aligning resources with the interests and approaches of these donors will become increasingly important for maintaining future sustainability.

24 Centre for Strategic Philanthropy (2023). [Tony Elumelu Foundation: Philanthropy for Entrepreneurs - Democratising Luck Across the African Continent](#).

Recommended practices for implementation:

How to get started:

- ✓ Create a map of all of your organisation's financial and non-financial assets and skills, and develop a plan for mobilising them effectively.
 - Approach it as a journey, starting small and scaling up over time.
 - Consider your wider networks so that you include the strengths and resources of those you are connected to, and reflect on how these can be mobilised.
- ✓ Review your investment strategies at Board level and assess whether they currently contribute directly to your philanthropic mission.
 - Engage with your investment advisers and asset managers to explore the opportunities for aligning investments more closely with your philanthropic mission.
- ✓ Begin a conversation within your organisation about deploying more assets through increased grantmaking or through spending down some or all of your endowment.
- ✓ Set expectations up front with your stakeholders – including Board members – on how you wish them to contribute and the levels of involvement required.
- ✓ Seek out and establish partnerships with often-overlooked internal stakeholders who hold or can influence significant decision-making power.
 - Explore individuals beyond the top executive level, such as those in finance, risk management, and communications, as change often requires collaboration and buy-in at the organisational level.

To go beyond:

- ✓ Apply a mission-related investment approach to some or all of your endowed assets.
 - Explore opportunities for using these assets to make low-cost loans or purpose-driven equity investments that can deliver positive social returns in addition to financial returns.
- ✓ Deploy more of your assets — either through increasing your grantmaking payout rate or through spending down some or all of your endowment.
 - Develop a clear strategic plan for your chosen approach.
- ✓ Consider how to involve your grantees and the communities you support in the wider resource development process, as they have areas of knowledge and expertise beyond those within an organisation.

- Identify who can contribute their knowledge, experience and networks to support others.
- ✓ Use the convening and advocacy power of your organisation (including founders) to explore multi-stakeholder partnerships (see Principle 4) to scale up the collective impact of your work.
 - Examples include pooled funds, joint advocacy campaigns, or co-hosting events that broaden mutual goals.
- ✓ Where relevant, use the most socially influential members of your direct and indirect networks to reach and promote partnerships, policy platforms and advocate for the causes you support.
- ✓ Leverage technology to reach wider communities and stakeholder groups that can contribute resources towards your philanthropic goals.
 - This may require bringing new skills into your organisation (e.g. in digital community management).

Potential obstacles

Suggested solutions



Trustees, investment committees, investment advisers and asset managers may believe that it is their fiduciary duty to ensure that endowments are invested with the sole aim of maximising financial return, and that taking into account social return is not within their remit. Even where they are open to mission-related investments (MRI) as an idea, they may still not know how to put it into practice.



Engage with all stakeholders involved in decision-making about how your endowment is invested to uncover potential barriers and explore how these might be overcome. Draw on existing resources which explain the benefits of adopting a MRI approach, which clarify the relevant laws and regulations relating to trustee fiduciary duties in your jurisdiction, and outline how MRI can be done in practice. Join networks focused on MRI and impact investing to share knowledge and learn from other funders that may be further along in their journey. If your existing investment advisers or asset managers do not have the skills or willingness to engage with MRI, explore whether there are others in the market that can provide the right support.



Trustees or living donors and their family members may be resistant to the idea of spending down, if they see it as part of their role to preserve the organisation's endowment for future use.



Debates over spending down versus existing in perpetuity are complex, and there are valid views on both sides. Most importantly, consider the issue and question whether perpetuity is merely an assumed norm, or if it fulfils a clear strategic purpose. These conversations may bring to light opportunities to consider increasing grantmaking payout rates or spending down a portion of your endowment in ways that will deliver greater impact in line with your mission.



Organisations and their governing bodies may undervalue non-financial assets (particularly unusual assets) and misunderstand how useful these resources can be for the long-term goals of an organisation.



Seek examples of organisations that have effectively leveraged their non-financial assets and used them to advance the mission of the organisation. Use such case studies (see Resources at the end of this section) when advocating for a more holistic approach to network-building.

Resources

Arabella Advisers (2022). [Before Sunset: Recommendations for Spending Down a Foundation and Extending Impact.](#)

AVPN (2018). [Leveraging the Full Spectrum of Philanthropic Capital Towards Impact: Case studies from Asia Pacific and the US.](#)

Bridgespan Group (2018). [Beyond the Grant: Foundations as Impact Investors.](#)

Builders Initiative and Social Finance (2023). [Breaking Barriers: A Practical Guide to Unlocking Foundation Endowments for Mission and Returns.](#)

Candid (2015). [Foundation Life: Beyond Money and Grantmaking.](#)

Center for Effective Philanthropy (2017). [A Date Certain: Lessons From Limited Life Foundations.](#)

Centre for Strategic Philanthropy (2022). [When Two Rivers Cross: Impact Investing and Philanthropy in Nigeria.](#)

Centre for Strategic Philanthropy (2023). [Tony Elumelu Foundation: Philanthropy for Entrepreneurs: Democratising Luck Across the African Continent.](#)

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European Venture Philanthropy Association (2015). [A Practical Guide to Adding Value Through Non-Financial Support.](#)

Impact Investing Institute (2022). [Investing with Impact in the Endowment.](#)

MARS (2020). [MARS, Incorporated to Launch Independent Platform Aimed at Transforming The Role and Impact of Business.](#)

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Philanthropy For Climate Case Studies (2023). [Supporting climate-friendly market-led approaches in Canada: Trottier Family Foundation case.](#)

Rockefeller Philanthropy Advisers (2008). [Mission-Related Investing: A Policy and Implementation Guide for Foundation Trustees.](#)

Stanford Social Innovation Review. [Mission Possible: How Foundations Are Shaping the Future of Impact Investing.](#)

The Smart Company (2007). [Developing Understanding around Non-Financial Support.](#)

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9

LEVERAGE THE POWER OF DATA



Data – defined for our purposes as information, facts, stories and statistics – should consistently be a powerful resource for philanthropic organisations. Advances in digital technologies, such as the development of powerful new algorithms or communication platforms, are creating greater opportunities to leverage data (where it is available or gatherable) for evidence-based philanthropy. Using data responsibly has therefore become a crucial principle for philanthropy to be effective and impactful, particularly because high-quality data informs and improves decision-making and impact measurement. Thus, informed use of programmatic data can support efforts to maximise the effectiveness of philanthropic activities. By using data and feedback to identify the most pressing social issues and ways to address them, organisations can allocate resources efficiently and strategically. Furthermore, data supports organisations in measuring their progress and success, learning from their successes and mistakes, and making informed decisions that lead to sustainable social impact. Beyond this, philanthropic organisations should consider forming data-sharing partnerships with like-minded funders and grantees to build collective intelligence, and use data effectively for storytelling.

Leveraging the power of data requires embracing a more evidence-based approach to philanthropy. It involves integrating good quality and robust data collection into your organisation's decision-making process, ensuring that philanthropic activities are grounded in data-driven insights. Using data allows philanthropy organisations to identify and target their resources towards the areas of greatest need, and focus on the most effective strategies to address social problems. At the same time, data collection can in itself be overwhelming and, even after an intensive process, it may be that there is insufficient data to provide a complete understanding of an issue.

We must work together to prioritise key questions to be answered to ensure we are collecting data that is relevant, useful and serves our stakeholder communities. These questions include:

- 1 **Who is the data serving?**
- 2 **What kind of data are we collecting (qualitative and quantitative) and for what purpose?**
- 3 **Who owns and who contributes to this data?**
- 4 **Is it living knowledge and data?**
- 5 **Is it publicly and easily accessible and shareable?**

These are important questions to reflect on as they can have an outsized impact on data strategies and infrastructure that may need to be developed going forward.

While the importance of leveraging data is widely recognised in theory, in practice using data effectively and responsibly has presented a major challenge for the philanthropy sector. For some smaller and medium-sized philanthropic organisations, collecting data, analysing it, and using it to inform change can be a long and resource-intensive process. Larger organisations, on the other hand, may have greater resources, but still grapple with the legacy systems or complexities of gathering, managing and analysing suitable data to assess their programmes — especially when it comes to making impact-centred assessments over longer durations. Furthermore, the burden of data collection can fall on partners and grantees with limited support or insufficient time and funding to do it well. Additionally, some may argue that over-reliance on data brings risks, particularly if it leads us to overlook the important role of intuition, lived experiences, and human judgement in philanthropy. Organisations should embrace ‘human-in-the-loop’ approaches, where data is used to augment human judgement in decision-making, rather than replace it completely.

One of the main challenges of leveraging data is the lack of standardisation, consistency, multi-national equivalency, and quality when it comes to data collection techniques, which can make it extremely challenging to compare and analyse data effectively across organisations and the sector. This is further compounded by the complexities of defining and measuring social impact, or the difficulty of collecting data in certain geographical, social or cultural contexts. Additionally, should the data be digitised, data collection increases the organisation’s exposure to data protection and cybersecurity risks. As discussed in Principle 1, organisations may hold sensitive data about vulnerable communities or organisations, and data breaches would pose significant risk of harm. These risks may create tensions with the need for data-sharing with collaborative partners, or for accountability and transparency to stakeholders.

Beyond using data as a means for evidence-based decision-making and impact measurement, it can also be used as a potential solution or intervention itself in some circumstances. For example, a project funded by Vodafone Foundation and the William and Flora Hewlett Foundation in Ghana works

in collaboration with Flowminder and the Ghana Statistical Service²⁵. By analysing anonymised and aggregated mobile data, the programme generated valuable insights to help the government track epidemics and prevent widespread outbreaks.

Organisations seeking to maximise the use of data must commit time and resources towards developing not only a feasible data collection strategy, but also policies and capabilities around data management, storage, and analysis. This will include providing training for staff to develop new data literacy capabilities, and investing in systems that can expand capacity. Crucially, the human element must be maintained at appropriate points – data collection, for instance, should be done in collaboration with grantees and local stakeholders in order to capture the real human stories at the crux of the work.

25 Vodafone Foundation (2018). [Vodafone Foundation to use mobile data in epidemic prevention](#).

Recommended practices for implementation:

How to get started:

- ✓ Establish what your organisation has done to date in terms of data gathering.
 - This involves monitoring and evaluation processes, conversations with community stakeholders, impact assessments, or post-funding reports.
- ✓ Embrace creating a data strategy as a journey.
 - Define an organisational aspiration and develop a roadmap that builds up from what you are realistically able to do now based on your current data collection models (if any).
- ✓ Identify key priority areas where data can have the most impact and focus on how to collect and store data in a manner consistent with your values, the change you seek to create and regulations.
- ✓ If your foundation lacks the internal capacity to pursue data collection, collaborate with partner organisations or data experts to leverage existing data structures.
- ✓ Dialog with and learn from peer organisations in philanthropy.
 - Consider joining a data collective for data sharing amongst allies.
- ✓ Evaluate outcomes comprehensively, ensuring consideration of programme-wide impact over project-specific interventions
- ✓ Tell compelling, human-centric stories and tangible narratives of impact to expand reach, increase empathy and inspire support.
 - Lead by example in sharing positive stories that might not otherwise be heard.
- ✓ Commit to continuously increasing transparency and accountability through data and evidence.
- ✓ Invest in building the organisation's data capacity by training staff about data collection and use and raising awareness of their role in these processes.
 - Ensure that data collection does not become an extractive or burdensome process for partners and grantees.

To go beyond:

- ✓ Design and build philanthropy interventions based on data analysis.
 - Use evidence-based approaches to identify specific market needs and gaps before intervening.
- ✓ Enhance monitoring, evaluation and learning methodologies to move from output to impact-based assessment.
- ✓ Collaborate on research with other like-minded organisations to develop and enhance data-driven monitoring, evaluation and learning methodologies.
- ✓ Consider pooling funds with other philanthropic peers to focus on data points that can create collective impact in a specific geography or thematic area.
 - Share these stories of collective impact within a specific geography or thematic area.
- ✓ Manage data as a valuable asset by investing in organisational capabilities to effectively collect, store, share and use data responsibly.
 - Build better practices for data quality, completeness, accountability and protection of sensitive information, especially for vulnerable constituents.
- ✓ Apply a strategic perspective that prioritises long-term impact, beyond only immediate results, using data to provide visibility.
- ✓ Consider other ways on how data can not only be an enabler for measurement and decision-making, but also as an intervention or solution itself to drive impact.
- ✓ Consider investing in the digital infrastructures and skills your grantees, partners, and their communities need to achieve digital equity so that all data can be represented.
- ✓ Invest in digital and data infrastructure, and in organisations that develop data.

Potential obstacles

Suggested solutions



 Data collection is often a long, time and resource intensive process which is discouraging for philanthropic organisations that must produce regular upward reporting.

 Cultures around robust data collection methods in philanthropy are steadily improving. Use examples of best practice to demonstrate to stakeholders that patience is key. Consider how to combine different methods of data collection, such as surveys, interviews, existing data sets, and observations.

Organisations like TechSoup, 360 Giving, Feedback Labs and DataKind can also help foundations organise and leverage their data.

 Collecting data on programmes may reveal that a long-running philanthropic intervention is not nearly as impactful as anticipated, damaging reputational clout and future funding opportunities.

 As explored in Principle 2, embracing failure and unexpected results should be an integral part of your organisation's strategy. There will inevitably be times when the data demonstrates that an intervention was less effective than planned, but this serves as an opportunity to refine and improve the programme. It reinforces philanthropy's role as a risk-taker and enables organisations to embody this role fully.

 Low-resource organisations will be unlikely to have data-collection expertise or analysts on hand to provide the needed support.

 Where possible, organisations can hire fixed-term personnel to support data-collection activities from specialist organisations, use existing available data sets, or enrol in a number of training programmes. Barring this, organisations can pool resources with peers in the space to bring in external researchers or reach out to internal experts within the network.

Resources

AVPN (2015). [Big Data at AVPN: Mapping the Social Investment Universe in Asia Using Member Data.](#)

Barr Foundation. [Impact and Learning.](#)

Candid. [Use our data.](#)

Chronicle of Philanthropy (2016). [Listening To Beneficiaries Helps Nonprofits Learn What Doesn't Work.](#)

Connect Humanity. [The Digital Equity Data Dashboard.](#)

East Africa Philanthropy Network. [East Africa Philanthropy Data Portal.](#)

Fund for Shared Insight. [What is Feedback?](#)

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10 KEEP HUMANITY'S FUTURE IN SIGHT AND INTEGRATE THE POLYCRISIS LENS



Experts now agree that the planet has entered an era of ongoing 'polycrisis', in which society faces multiple, interconnected global threats, including the climate crisis and mass biodiversity extinction, geopolitical instability and nuclear threat, risks of unchecked technological advancements, such as AI and biotechnologies, and ongoing pandemic concerns. Rooted in unsustainable and unequal economic and governance models, this polycrisis represents nothing less than an existential threat to humanity, and life on the planet more broadly. There is a serious risk that if philanthropic organisations do not take these issues into consideration, the sector will find itself unprepared and increasingly unable to deliver on its mission as global contexts rapidly shift.

This principle, more than requiring foundations to change their thematic focuses or missions, calls on them to acknowledge this fundamentally new situation for humankind, understand how such existential threats already manifest and might further manifest in the future, and learn from and help themselves, their grantees and partners. Funders should reflect on the unintended and intended impacts of their work, navigate such threats and megatrends, and adapt to their specific contexts. Above all, when thinking about the future of humanity and the next generations, philanthropic organisations should envision the kind of society our decisions and actions contribute towards building. Adopting the global polycrisis into organisational thinking and acknowledging this fundamentally new situation for humankind will first and foremost fuel the urgency to act across the other nine transformation principles in order to leverage all our strengths and assets to make a greater difference.

Integrating a polycrisis lens does not necessarily mean changing the mission of an organisation. It may translate as shifting programming or the creation of new tools to address big issues such as the climate crisis, risks of tech-led societies, or the need to reinvent the unequal and extractive economic systems that underpin the polycrisis. These long-term existential issues often lack funding and attention despite their massive current and future impacts on each and every one of us. Investing more resources into grand challenges is therefore a much-needed and relevant approach which can be implemented at various levels of your organisation. For example, your organisation could provide systemic support with policy influence, supporting think tanks or applying public pressure. More immediate effects may be achieved by supporting local



CSOs, experimenting with new regenerative and inclusive economic models, or integrating climate mitigation and adaptation strategies.

A group of funders, including the Ford Foundation, Hewlett Foundation, KR Foundation, Laudes Foundation, Marisla Foundation, Oak Foundation, MAVA Foundation, Omidyar Network and the Swiss Philanthropy Foundation, joined forces in 2018 to create the Partners For A New Economy, a consortium which rethinks our global economic architecture and builds regenerative economic models that put people and planet at the centre. On the climate crisis, foundations of all types can start by signing the International Philanthropy Commitment on Climate Change, or one of the existing national commitments, and begin integrating climate-focused activities across their work. The Alliance of Socio-Environmental Funds of the Global South brings together independent and activist socio-environmental funds from nine Global South countries and regions to act on defining a locally grounded grantmaking strategy that responds to local priorities, and disbursing resources without a legal entity operating in the country.²⁶ The Alliance of Socio-Environmental Funds addresses the polycrisis by integrating an approach that centres around climate change, biodiversity and people's rights.

Another example of traversal integration of existential risk includes foundations helping their teams and partners invest in their own tech infrastructure and awareness. This allows them to leverage new opportunities brought by tech, such as better informed decision-making through data or online fundraising, while simultaneously being better prepared to navigate and anticipate disruptions such as mass job automation, misinformation or privacy risks.

Real opportunity exists here for philanthropic funders, as they can leverage their relationships with grantees, local partners, and wider stakeholders to become a vital conduit for bringing the experience, knowledge and insights of the communities that bear first witness to the impact of the emergent polycrisis. For foundations, embracing the reality of the polycrisis as part of their work will also involve mobilising stakeholders from other sectors – including academia,

the private sector, civil society, and government – to develop a shared understanding of the challenges and explore the co-creation of solutions that may require experimentation and risk (see Principle 2). Philanthropy networks and support organisations also have a key role to play in mutualising the field's efforts to embrace and navigate such complex topics, and help foundations make sense of them so they can take meaningful action at their own level.

Some funders may have justifiable concerns about the risks of integrating the polycrisis lens, especially hierarchising causes and elevating some over others. Applying this principle should not lead us to consider new existential risks, such as the climate crisis, as more important than legacy issues such as inequality and poverty. As we engage in reflection and action on long-term challenges and existential risks, we must keep in mind that they are founded and intrinsically connected with a set of underlying concerns. Therefore this principle is best applied when it integrates immediate issues with long-term risks. For example, a foundation with a vision of eradicating poverty and malnutrition may be supporting the development of sustainable local food systems that adapt to and mitigate the effects of the climate crisis, while simultaneously generating revenue and limiting rural exodus and mass migration.

Foundations also have concerns about the risks of imposing their priorities or preferences on the communities and partners they support, who may not share their focus or view other issues impacting their lives as more pressing and urgent. Further to this, certain interventions that require shifting away from established practices, cultural norms or sources of livelihood could be unwelcome for local communities.

To avoid bottom-down approaches and incorporate the expertise that communities bring, foundations must work closely and explore values and agency with their local partners from the start. For instance, a number of traditional and indigenous societies are living examples of more harmonious relationships with their surrounding environments. By trusting local knowledge, Fondation de France has supported grassroots communities in Haiti, the Philippines and Nepal in rebuilding rural houses and community buildings after disasters, using local materials and know-how. These properties are fully resistant to

²⁶ Alliance of Socio-Environmental Funds of the Global South.



future disasters, were constructed with respect for local culture and usage, and are environmentally friendly. Beyond this, they were more affordable and more rapidly built than a number of temporary shelters imported by international aid actors²⁷. Embracing the polycrisis lens in philanthropic work requires internal reflection on how issues like the climate crisis, inequality and global instability intersect, and where philanthropic support and intervention can result in the most tangible benefit for local communities. Additionally, we must note that integrated and holistic societal models that address – and in some cases prevent – the polycrisis are often to be found at the grassroots level, within communities. This is especially true when rethinking economic models or growing philanthropic societies (see Principle 5) because traditional practices of reciprocity, exchange and mutual aid can be sources of inspiration for broader society.

The polycrisis can be seen as the result of a loss in humanity's wisdom. Rooted in an extractive relationship towards nature and each other, the polycrisis feeds on exacerbated individualism and an insatiable quest for power. Integrating and addressing the global polycrisis into our work is not only consistent with exercising of community agency, but can actually only be achieved by learning how to listen to the wisdom that crossed millennia to reach us: how to live in greater harmony and respect for our environment, while sharing instead of accumulating, and giving instead of extracting.

Recommended practices for implementation:

How to get started:

- ✓ Engage in horizon scanning to understand your organisation's existing knowledge and experience of big issues, assess how the polycrisis will impact your work and the work of your grantees/partners.
- ✓ Identify specific transversal trends and challenges that align with or may compromise your mission, values, realities and community.
 - Define what challenges may be long-term threats to the very mission you are working towards and consider where you can make the biggest impact.
- ✓ Engage with experts such as indigenous communities and those with lived experience, to help your organisation and those you serve think through these big issues and how they may impact your mission and plans.
 - Where possible, make these expert resources available to your partners.
- ✓ Inform, educate, and prepare your internal stakeholders – staff, volunteers, Boards, and others – about these concerns and the implications to your work.
 - Engage them in discussion and debate on how to integrate the polycrisis.
- ✓ Involve diverse stakeholders, including communities, grantees, partners, policymakers and other funders to understand how they may be working with and/or experiencing these issues, their needs, perspectives, and potential mitigations.
- ✓ Institutionalise results by reflecting the change internally in practice.

27 Fondation de France (2012). [Les enjeux de la reconstruction des bâtiments](#).



- ✓ Embed principles such as foresight, sustainability, environmental stewardship, diversity, equity and inclusion into your operations and culture (see Principle 6).
- ✓ Join networks that can provide spaces and opportunities to learn from the collective work on combatting the polycrisis.

To go beyond:

- ✓ Define a theory of change and long-term vision/strategy for addressing the polycrisis through your work.
- ✓ Invest in organisational development, both internally and with your grantees/partners, around expertise, leadership training, organisational development, and strategic planning to tackle the polycrisis.
- ✓ Broaden your engagement and collaboration – build coalitions and networks with other actors who share your vision and goals.
- ✓ Leverage your resources beyond grants, such as advocacy, convening, organisational development, and research.
 - Support grassroots movements, advocacy and awareness, campaigning, and even litigation where relevant.
- ✓ Create new programming and/or investments in areas previously not considered by your organisation or historically underfunded (like securitisation) practices that restrict civic space and local/global democratic checks and balances.
- ✓ Leverage policy and advocacy to drive systemic change, including promoting policy reforms, public education, and lobbying for legislative changes.
- ✓ Seek out, respect, and elevate local solutions to polycrisis issues, such as the climate crisis.
 - Engage with communities, build partnerships with local organisations, and provide funding/resources that are aligned with local needs and priorities.
 - Sign the International Philanthropy Commitment on Climate Change²⁸ and join the growing global movement #PhilanthropyForClimate.

28 [International Philanthropy Commitment on Climate Change.](#)

Potential obstacles

Suggested solutions



Most philanthropic funders lack a transversal, cross-sectional lens on societal issues such as gender inequality, racial equity, climate change, or systemic poverty. They may see these issues as the responsibility of organisations specifically working on those areas.



Internal stakeholders within your organisation, particularly governing bodies and Boards who like to see regular outputs and achievements, may view adopting big issues as potential mission drift for the foundation. Begin by horizon scanning how polycrisis issues directly affect your grantees and local partners, and build a case for including these challenges in your work by aligning your support programmes with local systemic concerns.



Resource challenges, particularly financial, lead to funders choosing tailored issues to focus on, rather than broadening their remit to tackling the polycrisis.



Funding is not the only type of support philanthropic foundations can offer their partners and local stakeholders. By adopting an intersectional approach and mapping out all of the non-financial assets your organisation possesses (see Principle 8), determine how you can support efforts to combat big issues that do not involve direct grants or donations. Seek out advice and guidance on these issues from organisations with larger platforms who are doing this effectively, and consider supporting their movement-building efforts.



The climate crisis is one of the most pressing global challenges of our time. However, only a tiny fraction of global philanthropic funding is dedicated to combating climate change effects, with some estimates as low as 2%. Most philanthropic funders already dedicated to other social issues do not feel they can divert resources at this stage.

Combatting climate change may seem daunting, particularly for the majority of foundations who are not experts in this area. However, there are often smaller steps that can be taken internally. For example, examining the environmental impacts of your programme portfolio and determining ways to cut back wasteful activities is a strong start (e.g. a food relief organisation switching delivery containers from single-use plastics to biodegradable or reusable materials). Organisations with investible assets or endowments should aim to better understand how their investments could be made more climate positive.



Foundations willing to take a step in climate action can sign the philanthropy commitments and join the global movement on #PhilanthropyforClimate.



Resources

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Chapter 3:

Walking the Talk: From Reflection to Action

Transformation is a challenging road to take. It is not an end goal but a journey that requires courage to reflect on ourselves, openness to move beyond resistance, and a commitment to change and evolve. Yet, it is the only way philanthropy can practise what it preaches, live up to its values and become a real force for change. Philanthropy's transformation must start with transforming ourselves as practitioners and evolve into transforming our organisations and our field. Through adopting the principles put forward in this chapter, funders can play an important role in supporting communities and wider society to navigate the major challenges we will face in the coming years and beyond.

Your organisation may have already begun its journey by engaging in discussions and actions on the transformation agenda or applying some of the recommendations presented in this report. A broader, deeper transformation requires us to start meaningful conversations within the organisation, getting commitment from the Board and senior leadership, designing a roadmap for transformation, tracking progress and making changes as we move forward.

Transformation is a journey with different stages and phases. The first step for many individuals and organisations to engage with philanthropy's transformation is getting involved in dialogue and debate. We hope that the 10 principles explored in depth throughout Chapter 2 offer a valuable framework for guiding these conversations. However, to achieve real change, these discussions must lead to concrete action. That is why, throughout the report, we have offered many suggestions for practical steps, resources and examples to provide further support and inspiration that shows how foundations can tackle complex, evolving challenges head-on without compromising their core mission or values.

WINGS is committed to living up to, and contributing to the transformation agenda and supporting the journey of foundations and PSOs by providing the space, tools, frameworks, and connections. This includes holding ourselves to the same standard and transforming to ensure we deliver on realising the full potential of philanthropy.

In order to strengthen and connect the transformation efforts taking place across the sector into a movement, going forward WINGS commits to the following actions with members and partners:

- ✓ Organising a series of Transformation Talks that convene philanthropy thought leaders and practitioners from foundations, PSOs and other sectors to lead conversations on why transformation matters, what it means to individually and institutionally transform, and what philanthropy's transformation should look like in an ever-changing world.

- ✓ Elevating discussions by shaping the transformation agenda, mainstreaming and connecting it with other initiatives and discussions in the sector and creating spaces for further conversation such as the WINGS working groups and the WINGSForum.
- ✓ Connecting and convening networks and actors working on philanthropy's transformation to link different tools and practices, develop a shared global vision, amplify common messages and promote joint action.
- ✓ Collecting and sharing resources on the transformation agenda and Transformation Stories that present targeted case studies and encourage action by learning from examples of foundations and PSOs.

In the medium to long-term, and as part of a broader engagement strategy, WINGS will work closely with a group of foundations that champions the philanthropy transformation movement. We aim to support them in jointly developing common campaigns to promote transformation where appropriate and develop ways to progress this global movement. WINGS will also explore the development of an online self-assessment tool enabling foundations to reflect on their transformation journey under each principle, providing suggestions on addressing their needs, and building a roadmap for their next steps. This tool will also allow us to track changes and share progress in the philanthropic sector, and offer recommendations for ways forward through future knowledge products.

In this final chapter, we explore further steps foundations and PSOs can take to embark upon their journey and drive the philanthropy transformation movement.

Joining the movement: Steps you can take as a foundation

Foundations can join the movement by sharing the principles, endorsing and practising them. Some ways to become part of the movement include:

- ✓ Engaging in the transformation agenda: Join the discussions and debates on the transformation agenda. Use the framework to initiate discussions within your organisation, review and inform your strategy. Reflect on the principles and engage in discussions with your team, Board and partners.
- ✓ Contributing to ongoing collective learning: Share transformation stories, resources and examples that reflect the 10 principles in action. Remember that both successes and failures are essential elements of learning. Facilitate peer-learning dialogues and host opportunities to exchange best practices.
- ✓ Providing feedback to WINGS: We welcome any feedback on the principles and the philanthropy transformation movement more broadly. Constructive debate, dialogue, and criticism will help us improve the framework and challenge us to keep pushing our thinking.
- ✓ Championing the principles: Promote the principles as a collective agenda, engage in open dialogue to explore challenges and opportunities related to their implementation. Invite and support other foundations, networks, PSOs, civil society actors and stakeholders in engaging with discussions and using the framework.

Building the movement: The role of philanthropy support organisations (PSOs)

PSOs work to strengthen, support and grow philanthropy in all its different shapes and sizes. Sometimes referred to as ‘infrastructure’ or ‘intermediary’ organisations, three types of PSOs serve different functions

- 1 PSOs whose work primarily focuses on philanthropy (e.g. networks, academic institutions, advisories),
- 2 Those that enable philanthropy as a subset of their main function (e.g. banks, consultancies, law firms, marketing and PR firms) and
- 3 Funders of the PSE (individuals, foundations, multilateral and bilateral development agencies and international non-governmental organisations).

As organisations that build capacity, capability, connection and credibility²⁹ for philanthropy to grow, PSOs catalyse transformation within their ecosystems. PSOs play a catalytic role by driving change, bringing others on the journey, and creating ripple effects across the ecosystem.

PSOs provide a valuable space for different actors in the philanthropic sector to convene, share knowledge and learn from each other’s best practice. As a result, they shape the discourse on philanthropy, amplify its voice and accelerate the sector’s growth. We believe PSOs form the heart of the transformation movement, and many PSOs around the world have committed to seeing greater adoption of the practices outlined in our 10 principles. To name a few, Associazione Italiana Fondazioni e Enti Filantropici (Assifero) — the national association of grantmaking foundations and private institutional philanthropy in Italy — promotes and facilitates multi-stakeholder partnerships and joint action, including supporting policy advocacy and promoting long-term, unrestricted funding. The Arab Foundations Forum (AFF), an organisation critical to supporting the philanthropy ecosystem in the Middle East and North Africa (MENA) has built networks among philanthropic organisations and individuals, organised capacity-building programmes, advocated for the importance of philanthropy, and commissioned research to share knowledge on best practices and emerging trends. The AVPN (formerly known as the Asian Venture Philanthropy Network) has had similar impact in Asia, particularly in advancing the field of venture philanthropy and encouraging donors to leverage the broader set of philanthropic assets for impact. AVPN facilitates knowledge-sharing and cross-sector collaboration among stakeholders, and builds the capacity of impact investors in the region. Philanthropy Europe Association (Philea), a network of philanthropies and national-level infrastructure organisations from more than 30 countries in Europe, champions the

29 WINGS (2017). [Using the 4Cs: Evaluating Professional Support to Philanthropy](#).

#PhilanthropyForClimate movement in Europe. As part of this global movement, their work encourages foundations to engage in climate action regardless of their mission or geographical location through national or international commitments. Moreover, PSOs such as Human Rights Funders Network³⁰, Catalyst 2030³¹ and EDGE Funders Alliance³² are shaping the transformation agenda through principles they developed to transform the funding paradigm and invite others to adopt these practices. WINGS will convene different organisations and networks to build on this momentum and harness the growing energy to work towards a collective and common direction, and connect this to a global framework on philanthropy's transformation.

PSOs should use their unique position to influence the field in their national, thematic or regional contexts and build a transformation movement using some of the following steps:

- 1 Stay connected with WINGS: PSOs can strengthen the global movement by building joint narratives and providing insights from their contexts by sharing their experiences, and providing feedback on the transformation framework and principles. We are conscious of work on transformation currently underway in different contexts and regions, and we see this as an opportunity to connect different initiatives to ensure that they are feeding into and shaping a global agenda.
- 2 Serve as a platform for collective learning and sharing: PSOs should use their platform to introduce the 10 PTI principles, shape the transformation agenda through a continuous exchange of ideas, resources and experiences and share stories of how they work with their members to promote transformation. They can offer opportunities for peer-to-peer learning to explore new approaches and best practices, and tackle shared challenges.
- 3 Champion the PTI principles: PSOs can themselves explore their transformation journey by using the principles as a framework. They can become national or regional champions of the transformation movement by raising awareness, sharing information, promoting action and building alliances to expand the reach and influence of the PTI movement.

WINGS will continue to work closely with PSOs to explore their role in building the philanthropy transformation movement with further research, and support all efforts to lead the transformation agenda.

30 HRFN. [Human Rights Grantmaking Principles](#).

31 Catalyst 2030. [Shifting Funding Practices](#).

32 EDGE Funders (2017). [Reorganizing Philanthropy for Systemic Change](#).

Conclusion

Road Ahead: Transforming Philanthropy Collectively

The future holds the promise of new opportunities for philanthropy to do things differently, avoid past mistakes, and become an unquestionable force for good in our society. Foundations and PSOs have a key role to play in ensuring that we grasp these opportunities. This report, and the Philanthropy Transformation Initiative, offer a guide to advance this reality.

The path ahead will undoubtedly be marked by challenges, many of which require immediate attention and action. The world today faces complex and interrelated concerns (see Principle 9) like the climate crisis, human rights violations and widespread social injustice, which will likely become more pronounced in coming years. None of these problems are isolated or superficial, rather they are deeply rooted in systemic inequalities and failures that affect the wellbeing of millions. Tackling this reality should challenge philanthropy to examine its own existence, and question any assumptions, biases and limitations that may influence decisions or actions. It should also motivate those working in philanthropy to reflect on the effectiveness and sustainability of current approaches and strategies.

Any solution to the challenges we face will, by necessity, involve a systemic shift in how philanthropic actors approach their work. There must be a far stronger commitment to equity, justice and collaboration in philanthropy — one that requires philanthropic actors to recognise and address the root causes of social problems, not just their symptoms or consequences. Actors across the philanthropy sector — including funders, PSOs and local stakeholders — must also leverage their collective assets, influence and creativity to drive change at multiple levels and scales, and work with other stakeholders that share their vision and values.

This report represents the collective wisdom, practices and examples of transformation that already exist in our sector. It elevates existing discussions and efforts by offering a global framework for philanthropy's transformation and calls for action. We hope that the 10 principles shared in Chapter 2 will ignite new conversations on the transformation agenda and become widely adopted by foundations and PSOs to advocate for landmark shifts in the philanthropic sector. By endorsing and adopting any of the PTI principles discussed throughout this report, foundations and PSOs will take an important step towards enhancing their own long-term impact while also contributing to broader systems change across the sector. Some foundations may be living certain principles already, whilst others are only beginning to think through how these recommendations apply to their work. Whatever stage your organisation is in, it is never too late to get started and encourage peers to join the journey with you.

WINGS commits to continue working with foundations and PSOs to build the PTI movement. We will take further steps to address the report's limitations by offering additional resources and cases on the forthcoming philanthropy's transformation platform, which will feature the wide range of information and diversity of examples that exist in our sector. We aim to review the scope of the principles in line with feedback received from our partners and broaden the audience this framework serves. WINGS realises that, despite all efforts, the principles presented in the report may be limited in offering an inclusive language and comprehensive scope in different contexts due to the varying connotations and practices mentioned. We will prioritise developing feedback loops from members, actors in philanthropy and the civil society sector to reflect on the language used, ideas and actions presented in the report and advance the discussions on the principles in line with these contributions.

We invite all philanthropic actors to share their feedback, join the discussion and become part of the movement on philanthropy's transformation!

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WINGS Funders



Candid.



Laudes ———
— Foundation



BILL & MELINDA
GATES foundation



Dalberg





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