



Social Impact Consultants



Discovering better ways
to solve social problems

Investing in Change: Funding Collective Impact Efforts

A conversation with:

- **Kathleen Enright**, President and CEO, *Grantmakers for Effective Organizations (GEO)*
- **Fay Hanleybrown**, Managing Director, *FSG*
- **Emily Tow Jackson**, Executive Director, *The Tow Foundation*
- **Ken Thompson**, Program Officer, *The Bill & Melinda Gates Foundation*

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FSG and GEO Share a Passion for Increasing the Effectiveness of Philanthropy in Accelerating Social Change



About FSG

- **Nonprofit consulting and research firm** founded in 2000
- Offices in Boston, San Francisco, Seattle, Washington DC, Geneva, and a presence in Mumbai
- Success in **strategic planning and evaluation** with over **200 foundations, corporations, and nonprofits**
- **Thought leader**, with articles published in *Harvard Business Review*, *Stanford Social Innovation Review*, and *American Journal of Evaluation*, including:
 - **Collective Impact**
 - **Breakthroughs in Shared Measurement and Social Impact**
 - **Channeling Change: Making Collective Impact Work**



About GEO

- **Powerful coalition** of more than 3,000 individuals representing 400 grantmaking organizations **committed to building strong and effective nonprofit organizations**
- Promotes **strategies and practices** that contribute to **grantee success**
- Provides access to **tools, resources and peer learning opportunities**
- Helps grantmakers improve practices in areas that have been identified as critical to nonprofit success:
 - **Learning for Improvement**
 - **Collaborative Problem Solving**
 - **Funding Outcomes**
 - **Stakeholder Engagement**
 - **Scaling What Works**

Today's Panelists



Kathleen Enright
GEO



Fay Hanleybrown
FSG



Emily Tow Jackson
The Tow Foundation



Ken Thompson
The Gates Foundation

Today's Agenda

Introduction

Kathleen Enright, President & CEO, Grantmakers for Effective Organizations

Overview of Collective Impact and Funder Roles, Benefits and Challenges

Fay Hanleybrown, Managing Director, FSG

A Funder's Role in Tackling Juvenile Justice Reform

Emily Tow Jackson, Executive Director, The Tow Foundation

A Funder's Role in Establishing a Cradle to Career Education Effort

Ken Thompson, Program Officer, The Bill & Melinda Gates Foundation

Audience Questions & Answers

Wrap-up

Achieving Large-Scale Change through Collective Impact Involves Five Key Elements

1

Common Agenda

- **Common understanding** of the problem
- **Shared vision** for change

2

Shared Measurement

- **Collecting data and measuring results**
- Focus on **performance management**
- **Shared accountability**

3

Mutually Reinforcing Activities

- **Differentiated approaches**
- **Coordination** through joint plan of action

4

Continuous Communication

- **Consistent and open communication**
- Focus on **building trust**

5

Backbone Support

- Separate organization(s) with **staff**
- Resources and skills to **convene** and **coordinate** participating organizations

Collective Impact Is Being Used to Solve Complex Social Problems in a Wide Range of Sectors

Education

Healthcare

Homelessness

Youth Development

Economic Development

Community Development

Taking a Collective Impact Approach Offers Funders the Opportunity to Amplify Impact, Leverage Funding, and Drive Alignment

Amplify Impact

- ✓ Involves multiple partners working towards **long term, systemic change**
- ✓ Offers a **holistic approach** by channeling the energy of various stakeholders towards solving a problem
- ✓ Provides opportunities to **influence the system** from within and outside by coupling advocacy with action

Increase Efficiency of Resources

- ✓ Allows **more efficient use of funding**, especially in times of scarce resources
- ✓ Enables **leveraging of public and private sources of funding**
- ✓ Opens channels for organizations to access **additional funding** against an issue

Drive Alignment

- ✓ **Reduces duplication** of services
- ✓ **Increases** coordination
- ✓ Embeds the drive for sustained social change within the community, facilitating “**order for free**”

Shifting from Isolated Impact to Collective Impact Requires a Different Approach on the Part of Funders

The current approach of many funders is less conducive to solving complex problems:

- Funders develop **internal foundation** strategy
- Funders pick and fund individual grantees, who **work separately** and **compete** to produce results
- Funders **pre-determine approaches** to get to the desired outcome
- Funders build capacity **of individual organizations**
- Funders **evaluate individual grants** and determine attribution
- Funders are held **accountable to internal stakeholders** (e.g., Board)
- **Funders** work independently and **don't always coordinate** their actions with other funders

In a collective impact context, funders shift their mindset to an “adaptive” approach more aligned with complex issues:

- Funders **co-create strategy** with other key stakeholders
- Funders fund a long-term process of change around a specific problem in active collaboration with **many organizations within a larger system**
- Funders **must be flexible and adaptive** to get to the intended outcome with stakeholders
- Funders **build the capacity of multiple organizations** to work together
- Funders **evaluate progress towards a social goal** and degree of contribution to its solution
- Funders are **held jointly accountable for achievement of goals** developed as part of effort
- **Funders** actively **coordinate** their action and share lessons learned



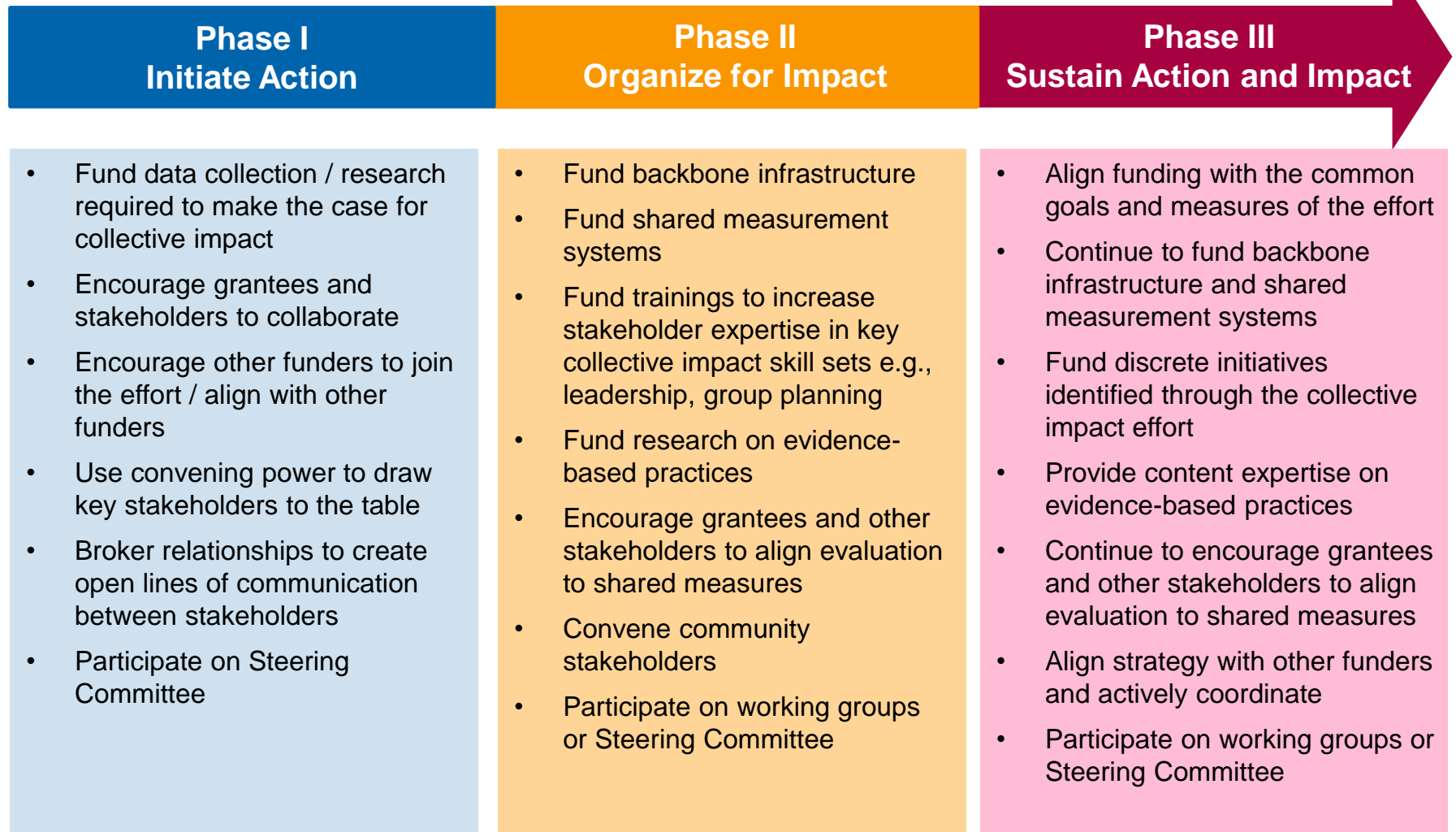
Funders Can Engage in Collective Impact Efforts in a Number of Ways

Sample Funder Role	Description	Examples
Catalyst	<ul style="list-style-type: none"> Funder initiates collective impact strategy as champion, financier, and convener, potentially playing a key role in attracting resources throughout the effort 	
Backbone Organization	<ul style="list-style-type: none"> Funder organizes and coordinates the actions of cross-sector stakeholders to advance collective impact effort 	
Participant	<ul style="list-style-type: none"> Funder actively participates in collective impact effort, and aligns funding and measurement to the effort 	

Funders can play a wide range of roles in Collect Impact efforts, even within these categories

Funder Activities Can Take a Number of Diverse Forms Over the Course of a Collective Impact Effort

Illustrative Funder Activities



Key Success Factors for Effective Funder Engagement Include Institutional Adaptability, Culture Shifts, and Long-Term Orientation

Institutional Adaptability

- **Flexibility** to work outside of traditional grant cycles and established internal processes
- **Ability to be nimble** in pursuing opportunities as they arise, without being prescriptive about the outcome
- **Willingness to learn new skill sets** required – including partnering, facilitation, communication, community engagement, and convening

Culture Shift

- **Comfort with uncertainty and adaptability** required to engage with community and stakeholders
- Awareness of **shift in power dynamic** among funders, grantees, and other stakeholders
- **Openness to funding infrastructure**, which is often seen as less attractive than funding direct services or interventions

Long-term Orientation

- Commitment to **achieving progress on a specific issue**, regardless of attribution vs. contribution
- **Understanding of timespan required for systemic change**, making a long-term commitment
- **Comfort with** measuring progress using **interim milestones and process measures**

The Tow Foundation and the Bill and Melinda Gates Foundation Each Played Critical Roles in their Respective Collective Impact Efforts



<p>Overview of Effort</p>	<ul style="list-style-type: none"> • New York State juvenile justice system was largely ineffective, inefficient, and unsafe • Numerous efforts had been tried, but systemic barriers to reform existed • Initial common agenda setting and strategy selection effort spanned ~ 1 / year 	<ul style="list-style-type: none"> • In 2010, 24% of students in South Seattle and South King County attained a college credential, yet by 2018, 67% of jobs in the area would require a college credential • The Road Map Project was created with the goal of doubling the number of students attaining a college credential and closing the achievement gap by 2020
<p>Foundation's Role in Effort</p>	<ul style="list-style-type: none"> • Tow's involvement built on past experience in juvenile justice reform in Connecticut • Convened diverse system actors to develop a collective vision, set of goals, and strategies to transform the juvenile justice system • Worked with funders (public and private) to catalyze co-funding for strategic planning and backbone support • Staff served on Steering Committee and Working Groups for effort 	<ul style="list-style-type: none"> • The Gates Foundation has played critical roles in the Road Map Project including: <ul style="list-style-type: none"> – Funding the backbone organization, Community Center for Education Results – Convening key stakeholders and co-convening a local funders group to support the Road Map – Participating in work groups to develop a common agenda and shared measures – Exploring data management and measurement options for the region
<p>Impact to Date</p>	<ul style="list-style-type: none"> • Backbone organization coordinates the actions of cross-sectoral stakeholders • Effort resulted in recommendations that will be incorporated into NYS law (realignment) • For the first time ever, heads of state agencies and across systems meeting regularly to discuss issues • Significant progress toward building an accurate, up to date database of programs and services for justice-involved youth by county • Development of shared data system that will hold the system accountable for both public safety and youth success, as well as inform reform 	<ul style="list-style-type: none"> • Published baseline report; increase in state College Bound scholarship signups and FAFSA completion • Funders meeting, for first time, to assess their joint impact on education funding in the area, from cradle to college • Superintendents and College Presidents from 7 Districts and 5 Colleges meeting for first time ever to plan together

Audience Questions



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Thank You For Joining in the Collective Impact Conversation Today!

- *Today's webinar was presented in partnership with **Grantmakers for Effective Organizations***
- Please respond to the brief electronic survey that you'll receive after today's event to share your feedback with us
- For more information on Collective Impact, please visit www.fsg.org/OurApproach/CollectiveImpact.aspx or contact us at info@fsg.org
- To see this presentation or watch a recording of today's webinar, please visit www.fsg.org/investinginchange
- Please visit www.geofunders.org for more resources and peer learning opportunities for grantmakers
- Save the date for GEO's The Learning Conference 2013 – scheduled for June 3 – 4, 2013 in Miami