



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*

September 25, 2012

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

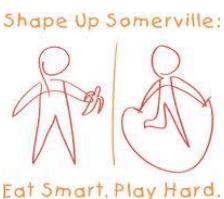


Strive Together

Healthcare



gain
Global Alliance for Improved Nutrition



Homelessness



Calgary
Homeless
Foundation



Youth Development



Communities
that Care

Economic Development

MARS



MEMPHIS
FAST FORWARD

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

Phase I Initiate Action	Phase II Organize for Impact	Phase III Sustain Action and Impact
<ul style="list-style-type: none">• Fund data collection / research required to make the case for collective impact• Encourage grantees and stakeholders to collaborate• Encourage other funders to join the effort / align with other funders• Use convening power to draw key stakeholders to the table• Broker relationships to create open lines of communication between stakeholders• Participate on Steering Committee	<ul style="list-style-type: none">• Fund backbone infrastructure• Fund shared measurement systems• Fund trainings to increase stakeholder expertise in key collective impact skill sets e.g., leadership, group planning• Fund research on evidence-based practices• Encourage grantees and other stakeholders to align evaluation to shared measures• Convene community stakeholders• Participate on working groups or Steering Committee	<ul style="list-style-type: none">• Align funding with the common goals and measures of the effort• Continue to fund backbone infrastructure and shared measurement systems• Fund discrete initiatives identified through the collective impact effort• Provide content expertise on evidence-based practices• Continue to encourage grantees and other stakeholders to align evaluation to shared measures• Align strategy with other funders and actively coordinate• Participate on working groups or Steering Committee

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



Overview of Effort

- 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

- 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

Foundation's Role in Effort

- 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

- The Gates Foundation has played critical roles in the Road Map Project including:
 - 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

Impact to Date

- 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

- 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



Kathleen Enright
GEO



Fay Hanleybrown
FSG



Emily Tow Jackson
The Tow Foundation



Ken Thompson
The Gates Foundation

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