
HELPING HIGH NET WORTH INDIVIDUALS GIVE WITH GREATER IMPACT:

EXPLORING A MARKETPLACE
OF PHILANTHROPIC OFFERINGS
AND EMERGING PHILANTHROPIC
COLLABORATIVE POOLED FUNDS

Three Convening Summary (2018–19)

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EXECUTIVE SUMMARY



As high and ultra-high net worth individuals' (HNW and UHNW) wealth increases, many of them are seeking opportunities to have a positive social impact during their lifetime. Some are looking to go beyond funding individual organizations, and instead tackle complex systems-level issues. There are many efforts currently underway to try to help donors expedite their philanthropic learning journey and unlock more resources for large scale systems change.

From October 2018 to October 2019, the Bill & Melinda Gates Foundation, William & Flora Hewlett Foundation, and Rockefeller Foundation partnered on a series of three convenings to

- I. Identify ways to help high net worth individuals accelerate the flow of their philanthropy;
- II. Better understand the emerging ecosystem of philanthropic education, collaboration and scaling offerings for high net worth individuals to expedite their philanthropic learning journey and increase their impact;
- III. Explore the infrastructure needed to help match individual donors with the array of offerings available; and
- IV. Identify ways for those managing the various philanthropic offerings to share lessons learned with one another, coordinate efforts, and collaborate to reach a greater pipeline of donors.

The four convenings took place during October 25-27, 2018 in Sonoma, California, February 26-27, 2019 in New York, June 10-13 in Bellagio, Italy and October 14-17 in Singapore. Participants represented philanthropic collaborations, funders, implementing partners, financial intermediaries and other key stakeholders. The full list of participants is included in Appendix A. Appendix B outlines the overall initiative's ten-year goals, as informed by the participant's during the second convening.

The majority of participants were interviewed

prior to the convenings, and the convening agendas were designed to address the questions that emerged during these interviews. Each convening explored different aspects of the growing field of philanthropic efforts and collaborations helping individuals drive towards large-scale change.

Participants shared lessons learned, explored shared questions, brainstormed and developed concepts in response to shared questions, and formulated a series of workstreams that continued after the convenings, and discussed emerging communities of practice. The convenings aimed to identify ways to create a clearer roadmap to align and coordinate existing efforts to support high net worth donors with their philanthropic impact. The group looked at ways they can increase efficiency and collaboration given that most of the initiatives and platforms have shared objectives.

SECTION 1: DEVELOPING A MARKETPLACE THAT HELPS HIGH NET WORTH INDIVIDUALS GIVE WITH GREATER IMPACT

Section 1 focuses on the current array of philanthropic offerings for high net worth (HNW) and ultra high net worth (UHNW) individuals to deepen their philanthropic engagement.

Donors with different interests and priorities can now find an array of philanthropic offerings that aim to better match where they are in their philanthropic journey. Some donors are looking to learn more with peers, others want to focus on a particular geography or thematic issue, and still others want to gain access to curated investment opportunities.

Section 1 outlines the categories of philanthropy education and engagement offerings for high net worth donors, along with specific examples. The section also outlines the various barriers that exist to engaging in this growing marketplace. Specifically, the section focuses on donors' lack of awareness about the breadth of offerings, and the offerings failing to share public

information tailored to the donor's needs, interests and experience level.

During the convening, we explored the prospect of building a marketplace, or shared platform of philanthropic offerings, to help connect donors to an array of differentiated offerings to move towards bigger and more collaborative giving. We discovered that a potential marketplace needs to serve four distinct stakeholders - donors, financial and philanthropic intermediaries, fund managers of different philanthropic offerings, and grantees and social sector organizations seeking support. Each stakeholder is looking for different information in this marketplace, and the information and experience needs to be tailored accordingly.

Other considerations include which organization should host this marketplace. As a shared platform, the host must be neutral and trusted as well as highly visible to donors. Finally, it is imperative that a platform maintain up-to-date information, which may require that offerings contribute their own content with a third-party verifier.

We developed a prototype for a proposed marketplace designed for donors, and collected feedback and revised the prototype when we tested the resource during the convenings.

SECTION 2: PHILANTHROPIC COLLABORATIVES DRIVING TOWARDS LARGE SCALE CHANGE

The second section focuses on the emerging field of philanthropic collaborative pooled funds and their promise to unlock more resources from HNW donors to address large-scale systems level problems. These funds are emerging as a mechanism through which high net worth individuals can leverage their resources, mitigate individual risk, and engage in philanthropic and issue-based learning in order to distribute their collective resources and talents to try to solve wicked problems.

Some of these collaboratives include a

donor-driven governance structure in which the donors retain the decision-making power, while at the other end of this spectrum lie community-driven collaboratives where the community organizations retain decision-making power. These collaboratives are including a broader range of actors, such as foundation professionals, individual donors, government agencies, corporate foundations and nonprofit organizations. These funds also differ in their main activities - from sharing information, aligning funding and pooling funding.

This section focuses on donor-driven philanthropic collaborative pooled funds, which are funds in which donors pool their resources into a central organization and then the fund's management team distributes the resources towards a set of shared objectives and a shared overarching strategy. The assumption is that these collaboratives help donors expedite the rate at which they give big gifts, and increases their willingness to take bigger risks.

Most of funds discussed during the convenings have been established in the last two decades; involve foundations, individual HNW donors and family foundations, corporations and governments; give more than \$10mn a year with multi-year grants or investments; and have clearly defined governance structures.

These funder-driven collaborative pooled funds stand out from previous collaborations in that they involve a range of different funders and work on a larger scale with longer term commitments to implementing partners. These pooled funds also employ different investment theses, governance structures, and due diligence processes with a focus on large-scale impact or systems change.

In this section, we outline the different investment theses that drive towards systems change and/or scaling change. We also developed personas for the types of donors who are attracted to these collaborative opportunities, as well as the barriers

some donors face to engaging them, such as wanting to make a unique mark on a challenge, wanting to go it alone, as well as lacking confidence or time to commit to a fund.

Over the course of the four convenings, we also interviewed fund directors around establishing and running a collaborative pooled fund. Fund directors experienced the challenges of building the fund while simultaneously running the fund. Additional constraints of framing long-term systems-level funding to donors and accessing a pipeline of new donors posed challenges to this balance of building while running the fund. Depending on the distinct phase of the fund, fund managers discussed tackling a specific set of questions along the life-cycle of a fund's development.

Fund managers shared many lessons learned in launching and managing collaborative philanthropic funds, including establishing the fund and aligning donors, recruiting and engaging donors, and managing and evaluating the fund. A more detailed set of these recommendations and an outline of philanthropic collaborative structures is available in the *Field Guide to Establishing and Managing a Collaborative Fund* (expected in January 2020).

While these four-convenings gathered new research on donor driven philanthropic collaborative pooled funds, participants posed many questions for future discussions on the topics of grant and investment structures, donor engagement, grantee experience, collaborative tensions, and fund evaluations and impact. Because these large-scale donor-driven collaboratives are almost all relatively new initiatives, formal evaluations of the funds' impact on its donors' behavior and on the topic they are tackling has yet to be determined. There was desire to explore community-driven collaboratives in greater detail.

SECTION 3: REVIEW OF THE THREE CONVENINGS

This section summarizes the convenings ongoing workstreams and activities.

SECTION 4: COLLABORATING FOR GREATER IMPACT IN ASIA

This section summarizes the fourth and final convening in this series, which took place in Singapore in October 2019. Although Asia is experiencing a rapidly growing philanthropic sector, the information online about philanthropic collaboratives in Asia is sparse. Therefore, this convening highlighted many of the philanthropic collaboratives underway, and provided an opportunity for leaders in this sector to collectively brainstorm ways to improve collaboration across philanthropic efforts and identify ways to encourage more donors to join collaboratives as a way to decrease duplication and increase impact. Many of the collaborative funds in Asia remain relatively modest in size, when compared to some of the U.S. collaborative funds we explored in the three previous convenings. However, although the size of the funds may be smaller, the effort to overcome the largely private philanthropic culture within Asia is monumental and it is exciting to see some advances in this direction. It was also notable that collaborative funds in Asia are far more intertwined with high net worth families' corporate businesses, and they are working more closely with government efforts to try to impact social issues.

As the collaborative funds in Asia can learn more about how to engage high net worth individuals in their efforts, it will also be constructive for funds in the U.S. and Europe to learn about how funds across Asia are collaborating with government entities to try to bring their ideas and programs to scale.

SECTION

01

**Developing A
Marketplace that
Helps High Net
Worth Individuals
Give With
Greater Impact**



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- I. Engaging high net worth individuals
 - II. Current offerings for high net worth individuals to give bigger and better
 - III. Barriers to helping donors give bigger and better
 - IV. Building a marketplace of philanthropic offerings for large-scale impact
-

Engaging Ultra High Net Worth Individuals

The population of UHNW and HNW individuals and their net worth has grown considerably in the last few years. According to Wealth-X's 2019 World Ultra Wealth Report, the world's UHNW individuals, those with \$30m or more in net worth, grew by 13 percent in 2017.¹ Their combined net worth also increased by 16 percent to \$31.5 trillion in 2017.

MANY HIGH NET WORTH INDIVIDUALS ARE INTERESTED IN GIVING EARLIER, GIVING LARGER AMOUNTS, AND SOLVING SOCIAL PROBLEMS

HNW individuals have a long history of giving to charity. According to the 2018 US Trust report, 90 percent of HNW households gave to charity.³ Today we are seeing a rise in HNW individuals looking to give in meaningful ways during their lifetime, rather than outlining their philanthropic desires in their wills or giving later in life.

We are also seeing more HNW individuals giving larger philanthropic gifts. The Million Dollar List compiled by the Indiana University Lilly Family School of Philanthropy is an open database of reported gifts of \$1 million and above since 2000.³ In its 2016 report, individual donors contributed 11 percent of the gifts but accounted for nearly 40 percent of the total amount gifted. This means HNW donors are giving fewer gifts but the gifts are of larger amounts.

We are also seeing a rise among some donors who want to go beyond giving to more traditional philanthropic recipients, such as places of religious worship, alma maters, hospitals, local symphonies, and children's schools. Instead these donors are trying to

tackle complex social and environmental challenges, once exclusively under the auspices of governments or professional philanthropy.

This increasing desire among donors to solve social systems-level problems stems from:

- Donors are starting their journey earlier in their life and therefore, they move to more complex challenges earlier as well.
- The problems donors are tackling seem to be increasingly complex, and donors do not seem satisfied tackling these big challenges incrementally. For example, trying to address climate change seems impossible if it were done one grant at a time to individual disconnected organizations.
- Donors are seeing other donors, such as Bill Gates, tackle complex systems challenges such as global public health and early childhood education, and they want to similarly focus on the root causes of problems rather than treat the symptoms.

Over the past ten years, there has been a trend to increase the professionalism and discourse around effectiveness for individual philanthropy, often framed as a more rigorous and professional approach that gives away resources more efficiently and effectively. This trend has led to donors increasingly demanding more impact measurements on their their philanthropic endeavors and looking for more professional staff who can help them structure their giving and philanthropic strategy.

DONORS ARE LOOKING FOR NEW PHILANTHROPIC STRUCTURES

Donors are continuing to explore different philanthropic structures for their giving. Donors are moving beyond checkbook philanthropy, and setting up structures such as foundations, Donor Advised Funds (DAFs), LLCs, and other intermediary vehicles to manage their philanthropy.

According to Foundation Center Data in 2015 there were 86,000 foundations in the U.S., and grantmaking increased by 42 percent between 2005 and 2015. Foundation giving in 2018 increased 7 percent to a total of \$76 billion, according to the Giving USA 2019 report.

DAFs are also an increasingly popular giving vehicle for HNW donors. DAFs held a record high of \$121 billion in assets in 2018, with an average size of an individual DAF account estimated at \$166,653 in 2018. According to the National Philanthropic Trust's 2019 Donor Advised Fund Report there were 728,563 donor-advised fund accounts in 2018, marking a significant rise from 469,331 in 2017. However, despite the increasing number of DAFs and record high assets held, the grant payout rate has remained around 21 percent since 2015.⁴

Donors are also exploring other vehicles such as philanthropic collaboratives that are pooling resources from a group of donors and re-granting them to a series of big bets or a broader field. We are also seeing the launch of LLCs used to manage philanthropic opportunities.

Many donors are expressing a desire for new structures and models that require less overhead, more efficiency, more impact, and a better user experience.

DONORS ARE LOOKING FOR MORE DIVERSE WAYS TO COLLABORATE

Donors who are interested in solving endemic problems understand that their giving alone cannot solve these complex challenges and therefore are increasingly looking to work with other donors to make larger gifts and take more risks. In the Philanthropy Workshop's 2017 study, 60 percent of respondents reported collaborating with other funders.⁵

We also see a rise in individual donors working alongside professional philanthropists (i.e. program officers from

established foundations) as well as with corporate giving entities. Individual donors and professional philanthropists are also looking for opportunities to engage with government agencies to scale programs and interventions. According to Fidelity Charitable's Future of Philanthropy 2016 report, 37 percent of donors felt government should do more to fund solutions to solve problems in the future, and 45 percent of donors felt businesses should do more.⁶

Current Offerings For High Net Worth Individuals to Give Bigger and Better

Over the past ten years, an array of initiatives have emerged that are designed specifically to help HNW and UHNW donors expedite and deepen their philanthropic learning journey and increase their impact. They include different learning networks for specific issues, opportunities to focus on a particular geography or issue, curated investment opportunities, access to fund managers who can make larger social investments, and platforms to align giving with other donors, among other offerings.

Overall, most offerings are designed to help donors:

- Lower the barrier to entry required to engage around complex social issues;
- Provide different donor experiences related to the philanthropic process;
- Create opportunities for donors to co-create and engage in impactful work; and
- Provide a range of structures and approaches to meet different donor interests. For example, some leverage a specific social or peer network, others leverage professional curation or fund management, while others leverage impact.

Many of these new offerings allow donors to make significant philanthropic gifts or investments without having to establish or invest in setting up their own giving vehicles. This is appealing to new donors—especially those who wish to remain anonymous, learn with others, share risk, and share the

professional costs with a wider group of donors.

CURRENT OFFERINGS

Below, we outline different philanthropic offerings for HNW and UHNW donors to assist them with their philanthropic learning, giving and impact, and provide a summary table. Most offerings are only a few years old and still in the process of refining their donor engagement strategy, evaluation process, and governance details.

PHILANTHROPY LEARNING NETWORKS

These networks provide donors with a community with which to begin or deepen their philanthropic learning. Donors pay a fee to participate in the program curriculum, or make relatively small investments into a pooled fund managed by the network. For pooled fund models, donors learn about the philanthropic process by going through the vetting and evaluation process involved in regranteeing collective funds.

A few examples of these learning networks include *Silicon Valley Social Venture Fund (SV2)*, *Social Venture Partners (SVP)*, and *The Philanthropy Workshop (TPW)*. At SV2, donors can apply and join with a tax-deductible contribution of at least \$6,000 (or \$4,000 for those under 35) and participate in their grant or impact investment rounds, among other learning activities.

Legacy Venture provides a different model for a philanthropy learning network. It is an investment firm that manages a series of fund-of-funds, and the returns and the principal are then reinvested into the members' philanthropic pursuits. Legacy Venture supports a community of over 500 investors who come together to learn about their peers' philanthropic initiatives, while the firm rigorously invests its assets.

INFORMATION SHARING AND INFORMATION ALIGNING NETWORKS AND INITIATIVES

These networks and organizations bring together donors interested in a common issue, theme or identity and help donors align their respective philanthropic strategies. These donors do not pool their resources but rather work to share their approaches and strategies to avoid duplication and to leverage their existing investments. These networks are often populated by foundation staff but increasingly include individual donors as well. *Women Moving Millions* is an example of a learning community for women who have previously invested over \$1 million in philanthropy.

PLATFORMS WITH DISCRETE CURATED INVESTMENT OPPORTUNITIES

These platforms provide donors with a curated set of investment opportunities with a social mission. Donors joining these platforms are looking for “shovel-ready” and pre-vetted opportunities where they make philanthropic allocations.

In some models, donors fund a particular opportunity alongside other donors. In other models, donors review what has already been vetted by professionals and then choose to fund the opportunity directly. Most often, donors are choosing from organizations that have been recognized as doing notable work at scale and are seeking additional funding.

For example, *TED's Audacious Project* holds an event for donors on Necker Island to present shortlisted projects. Donors then decide in which projects to invest. Another example, is the *Center on High Impact Philanthropy's* list of shortlisted *MacArthur Foundation's 100&Change* competition candidates. In 2017, they featured the top 100 ideas that were submitted to the competition, vetted, but the submissions that ultimately did not receive the competition's \$100 million prize, or the two \$15 million second-prizes. This list provided prospective donors with proposals for which the MacArthur Foundation had already completed their due diligence, and were perceived as sound and competitive proposals.

GIFTS DIRECTLY TO AN EXISTING FOUNDATION OR SIDE-CAR VEHICLES

Some donors, who do not want to set up their own foundation, find it useful to give their resources to existing foundations that employ professional staff. Existing foundations are able to accept these gifts by establishing a donor advised fund that sits alongside the foundation or by creating a separate entity within the foundation itself.

By aligning their resources with an existing foundation, these donors feel that their resources can augment the foundation's strategy and support professionally vetted projects. The most notable example of this approach is Warren Buffet, who allocated his philanthropic dollars to the Bill and Melinda Gates Foundation. His gift inspired other donors to give alongside the Gates Foundation, which led to the formation of *Gates Philanthropy Partners*, a separate vehicle to give alongside Gates Foundation grantmaking.

This model is particularly compelling to donors who wish to remain anonymous, either because they do not want the attention associated with making public gifts, or they do not want to be solicited for other donations. These donors are sometimes represented by their financial intermediary, such as their accountant or estate planner. The intermediary makes the donation to the DAF or entity within the foundation directly through periodic donations or by transferring the resources upon the donor's passing.

ISSUE-SPECIFIC OR COMMUNITY-BASED PHILANTHROPIC COLLABORATIVE POOLED FUNDS

Unlike a foundation that has staff members who report to a board and all the resources come from one entity, philanthropic collaborative pooled funds source their funding from multiple donors. These donors are often involved in some capacity to inform or co-create the fund's strategy and deploy the fund's resources. In addition

to determining the strategy, sourcing and allocating resources, its fund managers spend a significant amount of their staff time recruiting, engaging and retaining donors. These fund managers also continue to engage donors through an active donor community. The donors sometimes also engage in thought leadership around the topic and policy advocacy. Examples of these collaboratives include *Blue Meridian Partners*, *Co-impact*, and *Oceans5*.

Blue Meridian Partners comprises a group of donors who invest significant capital to find and fund scalable solutions to the problems faced by young people and families in poverty and limit economic mobility in the U.S. *Co-Impact* brings together donors interested in funding systems change projects on a global scale. Donors come together to define the strategy and choose opportunities to fund as well as co-invest in each other's individual philanthropic opportunities. *Oceans 5* is a global group of both new and experienced donors that make grants to projects that preserve the world's oceans and support global ocean health.

Some financial institutions such as JPMorgan and UBS Optimus Foundation have also started to create a series of donor driven philanthropic pooled funds via the charitable arms of the financial institutions.

There are also pooled funds, such as *The End*

Fund, that take investments ranging from small-sized gifts from individual donors to million-dollar grants from governments. The End Fund, founded by the Legatum Foundation in 2006, is a private philanthropic initiative dedicated to neglected tropical diseases.

Within underrepresented communities in the U.S. and in countries with a growing philanthropic sector, we also see the rise in collaborative philanthropic pooled funds, though the size and scale of these funds differ from the ones mentioned above. For example, the *Pillars Fund* pools resources from approximately twenty-five families to support American Muslim communities and gifted \$4 million in 2018. *DASRA's 10to19 Adolescence Collaborative* mobilizes HNW individuals in India to fund projects that empower millions of adolescents girls and aligns those initiatives with nonprofit organizations and government ministries.

We are seeing a great deal of experimentation in collaborative philanthropic pooled funds and focused a significant part of the convenings on the exploration of these offerings, as outlined in Section 2.

Table 1.
Current philanthropic offerings for HNW donors

TYPE OF OFFERING	CURATED DONOR EXPERIENCE	EXAMPLES
Philanthropy learning networks	<ul style="list-style-type: none"> ■ Provide donors with a community with which to begin or deepen their philanthropic learning experience ■ Donors pay a fee to participate in the program curriculum, make relatively small investments into a pooled fund managed by the network, or invest with the fund and learn about each others' philanthropy during participant convenings 	Silicon Valley Social Venture Fund (SV2), Social Venture Partners (SVP), The Philanthropy Workshop (TPW), Legacy Venture
Information sharing & information aligning networks and initiatives	<ul style="list-style-type: none"> ■ Bring together donors interested in a common issue, theme or identity ■ Help donors align their respective philanthropic strategies ■ Some pool their resources (see collaborative pooled funds below), while others share their approaches and strategies 	Women Moving Millions
Platforms with discrete curated investment opportunities	<ul style="list-style-type: none"> ■ Provide donors with a curated set of investment opportunities with a social mission ■ Donors consider opportunities that are pre-vetted and/or "shovel-ready" 	TED's Audacious Project, the Center on High Impact Philanthropy's list short-listed candidates for MacArthur Foundation's 100&Change Competition
Gifts directly to an existing foundation through an accompanying donor advised fund or separate entity	<ul style="list-style-type: none"> ■ Make contributions to existing foundation's donor advised fund or a separate entity within the foundation itself ■ Donors feel that their resources can augment the foundation's strategy and go towards professionally vetted projects 	Gates Philanthropy Partners
Issue-specific or community-based philanthropic collaborative pooled funds	<ul style="list-style-type: none"> ■ Provides platform for donors to pool funding ■ Donors are often involved in some capacity to inform or co-create the fund's strategy and deploy the fund's resources ■ Donors also focus on regranting, advocacy and thought leadership on the topic 	Blue Meridian Partners, Co-Impact, Oceans5, The End Fund, DASRA's 10to19 Adolescent Girls Fund

Barriers to Helping Donors Give Bigger and Better

While we see an increasing desire among HNW individuals to engage more boldly and collaboratively in philanthropy and an array of new offerings, there are many barriers that prevent donors from engaging in the offerings outlined above.

The three convenings highlighted both intrinsic barriers related to individual philanthropic efforts more generally, as well as barriers related specifically to the offerings outlined above. We begin by outlining the intrinsic barriers, followed by the barriers related to the newer offerings.

A. Intrinsic barriers to donors investing for greater impact

The 2018 Bridgespan Group's *Four Pathways to Greater Giving* report outlined several intrinsic barriers that were confirmed in the pre-convening interviews and the workshop findings. The barriers outlined in the report include the lack of urgency, difficulties in securing trusted advisors and challenges navigating the journey.

HIGH NET WORTH INDIVIDUALS LACK FAMILIARITY WITH THE SOCIAL SECTOR

Although HNW individuals may have been successful in the private sector, they generally do not have a great deal of experience with the social sector or with developing a strategic plan for their philanthropy. According to the 2018 US Trust report, 44 percent of HNW donors call themselves "novices" when it comes to charitable giving, while 52 percent consider themselves "knowledgeable". Only 4 percent self-describe as "experts" in charitable giving. In addition, only 49 percent of HNW

donors report having a giving strategy and 48 percent a giving budget.

Additionally, their personal and professional networks lie mostly outside of the social sector and therefore, it takes them some time to become familiar with the language, approaches, and actors within the social sector.

Unless they need to make a quick philanthropic investment, many high net worth individuals often want to figure out their philanthropy themselves and are reluctant to pay for professional assistance.

In the 2017 TPW's *Going Beyond Giving* Perspectives report, only 9 percent of respondents reported engaging a philanthropy advisor in the last three years to help them develop a giving strategy. Donors hesitate to engage professionals because of the lack of name recognition for many of the existing services, the desire to figure out the process themselves, and the lack of urgency around an elective process.

B. Barriers to engaging with the emerging philanthropy offerings

NO CENTRALIZED PLACE THAT DONORS CAN GO TO LEARN ABOUT OPPORTUNITIES

Currently there is no one place to learn about philanthropic offerings for HNW individuals hoping to engage more deeply in philanthropy. Many of the offerings outlined above spend the majority of their time marketing their efforts individually to donors, and there is little coordination around exposing individuals to the landscape of opportunities. The lack of a centralized database makes it difficult for new donors to understand the landscape, especially around a particular social issue or approach. Instead, donors often learn about these offerings by word-of-mouth through personal and professional networks.

ONLINE DETAILS ABOUT THESE

OFFERINGS ARE SPARSE AND NOT TAILORED TO DIFFERENT STAKEHOLDER NEEDS

Because these offerings require a significant investment of time and/or capital, most donors want to gain a deeper understanding of the details about the donor experience, the governance structure, the other participants and the initiative's impact. However, the information available online tends to be sparse, and therefore donors and intermediaries, such as wealth advisors and heads of family offices, must spend time reaching out and speaking with the directors of the various offerings directly to learn more. Donors and intermediaries however may want to know the breadth of options available before engaging as potential members.

We identified four distinct stakeholders, all looking for different information when perusing these offerings. They include the following:

- **Donors** are looking to better understand the array of philanthropic learning and impact opportunities, organized by their level of commitment, geographic or issue focus, donor experience, and overall impact of the initiative.
- **Philanthropic and financial intermediaries**, such as wealth advisors, estate planners and heads of family offices, also want to collect information to present different options to their clients. These advisors are looking to clarify the financial incentives and structures of the different offerings and see how they align with their client's contributions. These intermediaries often do not have a lot of time to research the opportunities or reach out to the individual initiatives. Therefore, they are unable to share these offerings with potential donors.

Financial institutions such as JPMorgan, Morgan Stanley, the Private Donor Group at Fidelity Charitable, Schwab Charitable, and

the Philanthropic Solutions Group at Bank of America Private Bank have been increasing their philanthropic services through their in-house advisory services. These in-house advisors are continually looking for more resources and offerings to tailor their philanthropic support and broaden their referral options to HNW clients.

Philanthropic advisors such as Arabella Advisors and Rockefeller Philanthropy Advisors are similarly looking for different options to best match their clients' issue areas, desired donor experience and social impact. These philanthropic advisors also have networks of veteran philanthropists who may be looking for ways to connect with other donors and align and pool their giving.

- **Managers of different philanthropic offerings**

The directors and managers of the different philanthropic offerings outlined above are also looking to a marketplace of offerings to benchmark their various approaches, governance structures and pricing. They are also looking for peers with whom they can share lessons learned about best practices when working with UHNW donors, and explore ways to collaborate.

- **Nonprofit organization directors and development officers, and social entrepreneurs** seeking support are looking for eligibility and application requirements, size and duration of financial support, and the initiative's due diligence process and timeline.

Aligning the offerings' descriptions to different stakeholder needs will help them engage prospective donors, identify new distribution channels, and develop a larger pipeline of potential grantees.

LACK OF ALIGNMENT BETWEEN OFFERINGS' DESCRIPTIONS AND DESIRED DONOR EXPERIENCE

As outlined above, although these offerings are trying to recruit new donors to their platform or initiative, they fail to tailor and align their offering to a donor's desired approach, level of engagement, community of peers, and investment thesis. The offerings often focus on the fund's promise of scale and impact, but many donors are looking for signals to understand the experience in which they might enroll.

During the pre-convening interviews, we learned from donors that they are often looking to answer the following questions from possible philanthropy engagement opportunities:

1. What donor experience are you offering? (i.e., hands-off or hands-on grantmaking; are donors involved in decision-making or informed about the process; how often do donors meet, etc.)
2. What peer group am I joining?
3. What is the scale of my donor contributions and for what duration (i.e. time and level of commitment)?
4. How knowledgeable do I have to be about the issue? Or, what if I am more interested in the philanthropic process?
5. What are the topics and geographic focus?
6. To what extent is this concept fully baked and complete, or to what extent am I involved in co-creating something new?
7. How knowledgeable are the staff?

Some donors are looking for experiences at one end of the spectrum of low engagement, high impact opportunities, while other donors are looking for opportunities for high-tough, co-creation and large-scale impact, and still others are looking for high-touch, small-scale learning opportunities

to expose them to the field of philanthropy and allow them to begin with some experimentation. Developing a marketplace for donors will need to include a process for categorizing the current offerings and aligning them with the donor's personal problem-solving style, and their desired experience in their philanthropic journey.

It is difficult to compare the available offerings due to generic and confusing language around impact, and the absence of a clear taxonomy around systems-level problem-solving approaches.

For donors looking to increase their philanthropic impact, many of the new offerings promise large-scale and systems level impact. However, the approaches these initiatives employ often differ considerably, and therefore it is difficult for individuals to truly understand the different investment theses or the different ways to have impact when all the descriptions sound very similar. Furthermore, many initiatives are conflating systems change with scaling impact, and these are often not the same thing. Therefore, there is a need for initiatives to be far more specific with the language they use about their approach, while still employing user-friendly language that is accessible to individuals, especially those new to the social sector.

The absence of a clear and user-friendly taxonomy that categorizes different offerings by structure, investment thesis, and donor experience makes it difficult for individuals to compare seemingly similar offerings.

Building A Marketplace of Philanthropic Offerings For Large Scale Impact

Over the course of the three convenings, participants discussed the barriers and opportunities around building a shared platform (both online and offline) that could aggregate the array of offerings for HNW donors. The facilitation team developed a series of prototypes that it tested between and during the convenings to gain feedback about the possibility and feasibility of launching a shared platform. The following segment provides a snapshot of the prototypes and some lessons learned from testing the prototypes:

DIRECTORS OF THESE OFFERINGS ARE WILLING TO SHARE MORE INFORMATION PUBLICLY IF OTHERS ARE SHARING AS WELL

During the convening, the facilitation team collected detailed information about each of the offerings through interviews with the directors and staff of each of the offerings. A significant amount of the information was not available online, especially around the topic of governance structures and the due diligence process. The team also adapted the descriptions to present a more standardized presentation of the various offerings. The team created a brief profile for each of the offerings and shared hard copy versions with participants during the first convening. An example of the Blue Meridien profile is below.

The process of interviewing funds and developing each profile was significantly time-consuming. Furthermore, updating the

BLUE MERIDIAN

blue meridian partners

Fund Details
est. 2015
New York City
25 staff members
Lead contact: Chuck Harris
Managing Director and COO

blumeridian.org



Nine investments to date in organizations and strategies to combat Child & Youth Poverty in the USA

incubated at the Edna McConnell Clark Foundation

Donor Criteria

Who donates:  individual  philanthropic institution

Donations:
General Partner: \$50M+ over 5-7 years, regional partners target region
Limited Partner: \$15M+, participate flexibly across portfolio

Open to new donors

Governance

 levels of partnership based on interest and capacity

General Partners:

- constitute the board
- vote on all investment & ongoing payment decisions

Regional General Partners:

- additionally pursue aligned regional strategies, s.a. expansion of national grantees in own community

Limited Partners:

- flexible participation across portfolios
- access to grantee leaders, assessments and reports

Due Diligence Process

Organization conducting due diligence: Blue Meridian team

1. **Sourcing:** research promising candidates using the investment criteria
2. **Due Diligence:** extensive assessment of all aspects of investment criteria and associated risks and mitigations
3. **Planning & Initial Investment:** plan for significant growth and create an investment roadmap
4. **Large-Scale Investment:** upfront and flexible, tied to achieving milestones from plan
5. **Ongoing Management:** provide strategic counsel, participate in board

Investment Criteria

- Strong Leadership
- Compelling Vision
- Track Record of Growth
- Evidence of Effectiveness
- Pathway to Scale
- Sustainable Economic Model



up to
\$200 million
over 10-12 years

Additional Support
Customized supports based on need;
Support to avoid common pitfalls of scaling and expansion

Reporting Process
Quarterly reports on grantee performance provided to partners

BLUE MERIDIAN 2018

blue meridian partners

Donors

General Partners
Ballmer Group
Drukenmiller Foundation
Edna McConnell Clark Foundation
David Tepper Charitable Foundation
Samberg Family Foundation
Sergey Brin Family Foundation
Duke Endowment*
George Kaiser Family Foundation*

Limited Partners
Charles and Lynn Shusterman Family Foundation
JPB Foundation
William & Flora Hewlett Foundation
Aviv Foundation

*Regional Partner

Investments

- Youth Villages - YV Lifeset: \$36.1 million over 4 years
- Year Up: \$40.5 million over 4 years
- Wendy's Wonderful Kids: \$35 million over 4 years
- Upstream USA: \$60 million over 7.5 years
- HealthySteps: \$39 million over five years
- Nurse-Family Partnership: \$56.5 million over 4 years
- Birth Through Eight Strategy for Tulsa: \$31 million over 2 years
- Get Ready Guilford Initiative (Guilford County, NC): \$32.5M over 3 years
- Center for Employment Opportunities: \$13.15M over 3 years

- initially raised \$850 million from 12 donors
- To date, committed more than \$310 million & raised over \$1.5 billion
- Plan to continue to source new investments while reserving sufficient capital for later phases of growth of current portfolio

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they also made it clear that the information needed to be hosted by a neutral and trusted organization. It was clear that the organization hosting the information portal or marketplace should not have a vested interest in promoting one of the particular offerings. The group discussed whether a university might be a good home for such a platform, however, there was also discussion about the inability of a university to reach out and market effectively or to ensure that the information was kept up to date. A university may also lack the technology infrastructure to create an interactive experience for the various targeted stakeholders. There was also discussion about whether a foundation could host the marketplace, but concerns were raised about the dynamics related to this process. Other considerations included a neutral organization that shares information about nonprofit organizations such as Candid.org, or a user-driven platform such as a crowdsourced philanthropy wikipedia site.

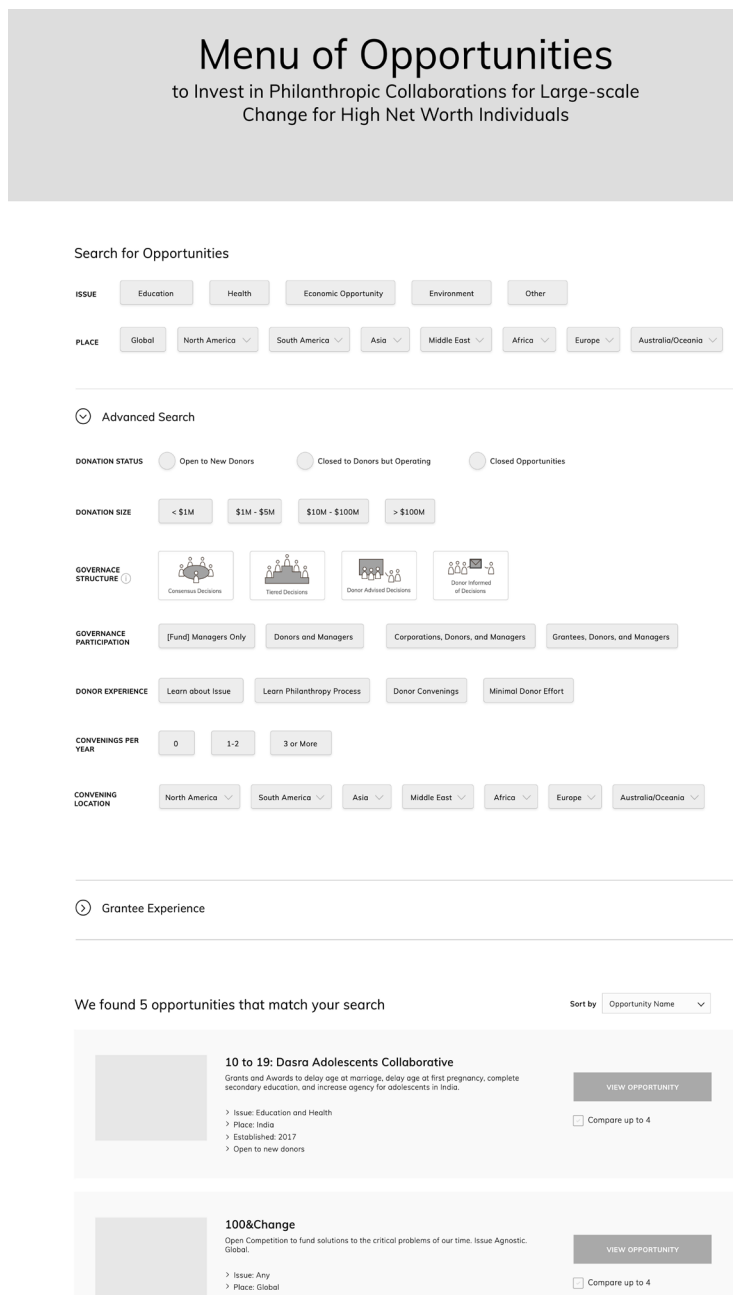
THE NEED TO KEEP THE INFORMATION UP-TO-DATE, ESPECIALLY GIVEN THE RAPIDLY CHANGING LANDSCAPE

As with the Stanford resource above, a challenge of a marketplace is the need to manage up-to-date information about various offerings, especially in an emerging space in which the offerings are constantly being revised and tweaked. The neutral and trusted host will have to ensure that the information presented is verified and up-to-date. It could explore ways for the different offerings to update their own information, and then go through a verification process.

NEED TO DESIGN FOR THE INTERACTIVE EXPERIENCE AND NOT SIMPLY THE CURATED INFORMATION

Another prototype that we tested during the convenings was a Menu of Collaborative Funds. We built this prototype to respond to the donors' questions outlined earlier. The prototype allows donors to explore different

offerings using filters such as issue and country/region where the fund works to tailor donor searches. The menu can also filter according to whether the fund is accepting new donors, the donor's commitment, the donor experience, and the fund's governance structure. The images below show a potential search page with these elements, followed by the image of a fund profile.



Another iteration of this prototype is an online database of these philanthropic offerings built on a google site. The online platform made it easier to make updates to fund profiles and allowed donors to browse sub-lists according to their interests. Below is an image from the opening page of the online prototype.



Most donors are not looking to make an online transaction due to the size of the resource allocation and the complexities around the offerings. Instead they are looking to quickly understand the range of offerings, and then narrow the offerings around which they want to learn more. A menu of information, especially if tailored to search for the donor experience and questions outlined above, can expedite the early steps to conduct exploratory calls and meetings to gather basic information.

- It would be useful to include definitions of how this database is using certain terminology and its methodology to categorize different offerings.
- The information provided on each fund page needs to be up-to-date and include organization reports (i.e. annual report, impact report).
- Donors want to search funds according to the size of the fund or contribution.
- Donors want more information about impact and outcomes (i.e. what has the fund done to date). This can also include testimonials of their work.

- Donors and intermediaries want to know who within the organization to contact if they are interested in getting involved.

NEED FOR A COMPREHENSIVE MARKETING PLAN AND STRATEGIC OUTREACH TO DONORS AND OTHER STAKEHOLDERS

Any platform will need to be highly visible to donors, particularly those new to the sector. Therefore, additional outreach and marketing is necessary to reach donors. If the host is a new entity or a new initiative within an existing organization, it will need to account for significant outreach and marketing efforts to raise its visibility among donors and across the philanthropy sector.

To successfully market this resource involves identifying and leveraging different stakeholders connected to donors. The marketplace must recognize how wealth advisors, financial intermediaries and philanthropic intermediaries are supporting their HNW clients. These advisors and intermediaries are looking for resources to broaden their understanding and provide their clients with clear pathways. The marketplace can emphasize itself as a collective platform for multiple philanthropic offerings to expedite the research and information collection steps of the donor process.

THE NEED TO WORK COLLABORATIVELY TO RAISE VISIBILITY FOR THE FIELD

In order to successfully build a collective platform, offerings must use their own visibility to raise the field of philanthropic offerings to HNW donors. This means incorporating a broader message that there is an emerging field of offerings that meet more donor interests and priorities.

When running our experiment about the marketplace, we learned that directors of

different initiatives are open to referring other initiatives and experiences to donors whom they do not see a fit with their own work. For example, a donor who is specifically interested in domestic poverty may be referred to Blue Meridian after speaking to an offering more focused on international health. While this is a good sign, it is unclear if offerings would continue to refer each other if the platform becomes more crowded and include more overlapping issues and geographies.

Conclusion

Based on these insights, it seems that there is a demand for a coordinated marketplace, hosted by a neutral and trusted host, that can collect information and provide a clear taxonomy tailored to a donor's desired philanthropy interests, experience and impact. The marketplace can work with the landscape of offerings to develop shared language around the sector's emerging offerings, and approach different stakeholders as a collective rather than the singular entity. By obtaining the buy in from the various philanthropy offerings, the initiative will be able to better coordinate and raise the visibility of this rapidly growing sector.

Before developing a marketplace of philanthropic learning and investment opportunities for HNW and UHNW donors that can manage and host online financial transactions, the sector would benefit from a preliminary step of launching a coordinated platform of the various offerings. This

platform could provide enough information for people to quickly research and compare existing offerings, and then follow-up with the philanthropic offerings directly. Additionally, a coordinated platform will require a neutral and trusted host organization that can coordinate the managers of the various offerings to share information and develop a coordinated outreach effort in order to reach all the relevant stakeholders. Additionally a neutral host can create a dynamic community of practice that actively shares lessons learned about how to inspire and engage HNW and UHNW donors to give more and with greater impact.

SECTION

02

**Philanthropic
Collaboratives
Driving Towards
Large Scale
Change**



-
- I. Rise in Philanthropic Collaboratives driving towards Large Scale Change
 - II. Types of Philanthropic Collaboratives
 - III. The Spectrum of resource integration
 - IV. Funder-Driven Philanthropic Collaborative Pooled Funds
 - V. Engaging High Net Worth Donors
 - VI. Managing Donor Driven Philanthropic Collaborative Pooled Funds
 - VII. Unanswered Questions
-

Rise in collaborative efforts among a diverse cross-section of philanthropic actors tackling systems-level challenges

Collaborative efforts within philanthropy are not new. There have been efforts to join forces and leverage resources hailing back to the late 1800s with the formation of Jewish Federations and United Way, along with a long history of donor circles. However, there is a new wave of philanthropic collaboratives that are slightly different in structure and ambition – engaging a broader set of philanthropic actors, providing more opportunities to co-create a shared strategy, and trying to reach large scale change using smaller and more nimble organizational infrastructure. Before diving into these philanthropic collaborative pooled funds, we want to provide an overview of the range of philanthropic collaboratives.

The differences are outlined below, but before going into those differences, we want to outline the wide spectrum of existing philanthropic collaboratives. This spectrum helps place donor-driven philanthropic collaboratives along a spectrum

of other philanthropic collaboratives. These collaboratives can be mapped along a spectrum of control, with donor driven collaboratives on the far left because donors retain the decision making power, and community-driven philanthropic collaboratives that are donor supported on the right. In these community-driven collaboratives, the donors are supporting the efforts but the community organizations are in the decision making role.

Types of Philanthropic Collaboratives

There are three overarching models for philanthropic collaboratives. These include:

i. Funder-driven collaboratives comprised of different philanthropic actors

The collaboratives are led by funders, but made up of a range of donor types – from individuals to professional foundations to corporations. Some of these funds incorporate grantee and beneficiary voice into their process, but the governance is comprised almost entirely by the donors. Examples of these funds include Blue Meridian Partners, Co-Impact and The End Fund.

ii. Complex multi-stakeholder driven philanthropic collaboratives

Several multi-stakeholder collaboratives are also emerging. These collaboratives are comprised of foundations, individual donors, government agencies and nonprofit organizations. One such example is San Francisco Foundation's Partnership for the Bay's Future.

iii. Grantee-driven philanthropic collaboratives.

These collaboratives are often financially supported by a funder, but the governance structure is comprised mostly of nonprofit

organizations and community-based groups. The decision making resides within the community, and the funders are part of the process but not involved in the decision making with regards to the fund's priorities or resource distribution. One example of this model is Thousand Current's Buen Vivir Fund.

The Spectrum of Resource Integration

Across these collaboratives, there is also a spectrum of resource (financial and knowledge) integration, ranging from information sharing, aligned funding, and pooled funding.

i. Collaboratives *sharing information*

Many information sharing collaboratives, such as Women Moving Millions, the Giving Pledge Community are great spaces for stakeholders to share information and learn from one another.

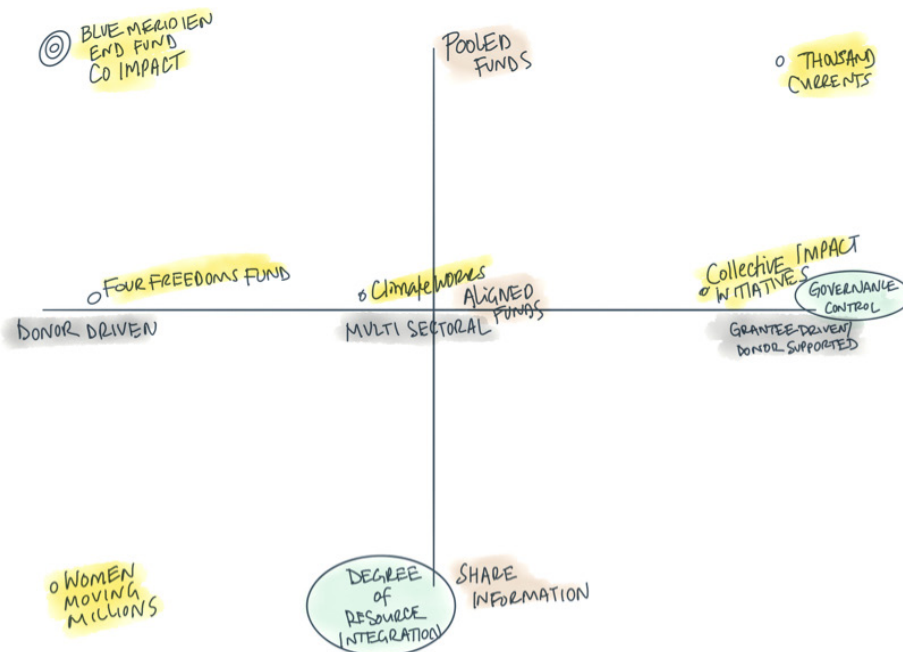
ii. Collaboratives *aligning funds*

In these collaboratives, different stakeholders retain their autonomy, but they align their funding and strategy with other stakeholders. Individual donors are able to direct their funding while maintaining their own governance process. Examples of these collaboratives include Water Funders Initiative, Climate Leadership Initiative, Urban WSH Collaborative in India.

iii. Collaborative *pooled funds*

Collaborative philanthropic pooled funds are funds in which actors pool their resources into a central organization, and then the fund's management team distributes the resources towards a set of shared objectives and a shared overarching strategy. The pooled funds that these convenings focused upon, were unlocking substantial resources in pursuit of large scale change. Examples of these funds include Blue Meridian Partners, Co-Impact, The End Fund, Polio Eradication Fund, Global Fund, 10to19 Adolescent Collaborative in India, Fund for Shared Insight, Edelgive's Coalition for Women's Empowerment in India, Edelgive's Collaborators for Transforming Education, to name a few.

Types of Philanthropic Collaboratives



Funder-driven Philanthropic Collaborative Pooled Funds

The convenings focused primarily on funder-driven collaboratives that are pooling resources. We focused specifically on the funder-driven collaboratives that met the following criteria:

- Newly established (in last 20 years)
- Mix of donors (foundations, individual high net worth donors (family foundations), corporations and government or combination thereof)
- Clearly defined governance structure, where governance is driven primarily by the donors
- Increasingly engaging high net worth donors
- Central organizing body that is aggregating and deploying resources
- Driving towards large-scale impact (by org or field)
- Most giving more than \$10mn a year
- Multi-year grants/investments

HOW DO THEY DIFFER FROM ONES THAT CAME BEFORE?

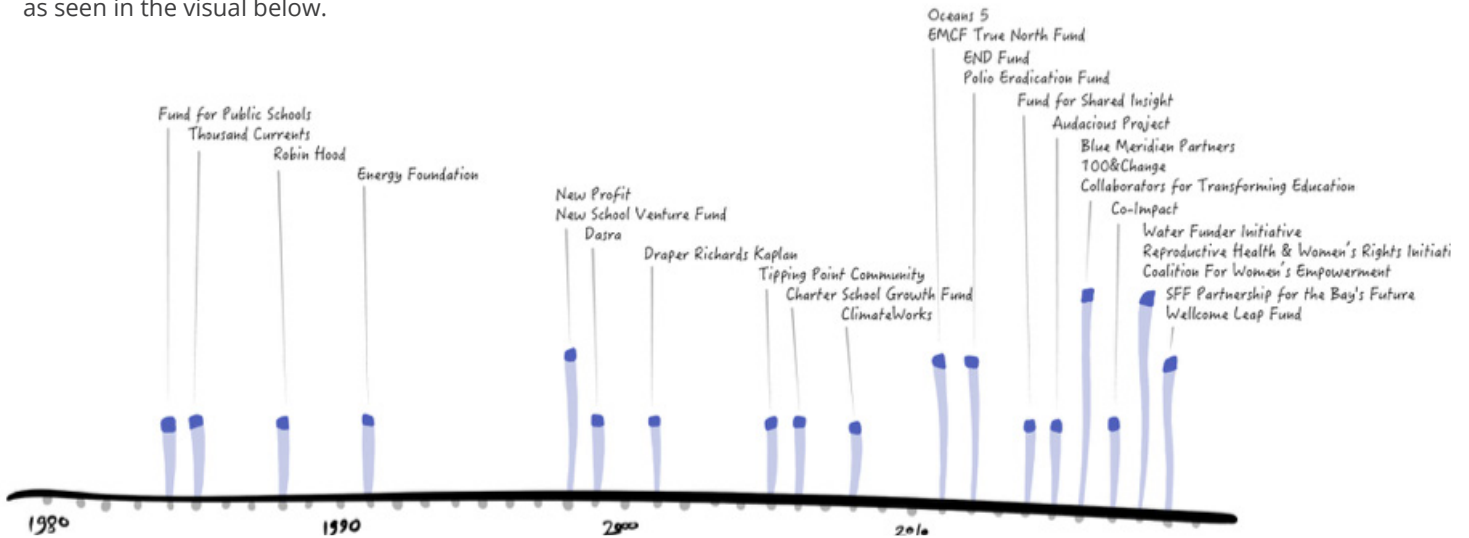
Philanthropic collaborations are not new. Individuals and institutions collaborating on their philanthropic efforts have been a mainstay of individual and organized philanthropy for over a century. For example, the first Jewish federation was founded in Boston in 1895, followed by the launch of the United Way in 1887. Professional philanthropic collaboratives also have a long history, with several combining efforts to tackle larger systems, such as the Four Freedoms Fund and the Education Funders Group to name just a few.

However these funder-driven philanthropic collaborative pooled funds that we focused on for these convenings differ in marked ways from collaboratives that came before, specifically these new collaboratives are:

- Organizing a **range of different types of funders**. For example, some philanthropic collaborations tackling a specific issue or using place-based approach, may include foundation program officers, individual high net worth donors, corporate foundations, and even government agencies.
- Working at a **bigger level of scale**, with scale being defined differently by different groups (e.g. size of investments, population served, influence reached, etc.).
- Providing **larger investments over a longer period of time to implementing partners** (grantees), and many are also providing additional support beyond funding, such as strategic planning support, back-end office support, and other capacity building services.

RISE IN THESE FUNDS OVER THE LAST 20 YEARS

Over the last 20 years we have seen a marked rise in the established of these pooled funds, as seen in the visual below.



DONOR DRIVEN PHILANTHROPIC COLLABORATIVES – RANGE OF STRUCTURES, PROCESSES, TACTICS

Although these collaboratives are on the rise, there is a wide range of structures, processes and tactics employed by these different funds. The characteristics differ widely across the categories outlined below.

- Investment theses
- Donor governance structures
- Donor gift amounts and structure
- Ways that implementing partners are included in the governance structure
- Geographic areas of focus
- Support for implementing partners (funding resources, capacity building support etc.)
- Definitions of large scale impact or systems change
- Ways of incorporating

underrepresented voices

- Due diligence process

These funds are established through the following mechanisms:

- Incubated within a foundation or other organization
- Established (and often managed) by a philanthropic consulting group (Geneval Global, RPA, Bridgespan)
- Set up as a new independent entity.

WHAT DO WE MEAN BY LARGE SCALE AND SYSTEMS CHANGE?

Over the course of the convenings, we found that many participants were conflating large-scale change and systems change. However, it is critical to separate these two concepts. Scaling a solution is a very specific strategy for taking an idea to scale. However, scaling an idea may, or may not, mean that an organization is operating at a systems level. Additionally, an organization can be addressing

a problem at a systemic level, but it may not be working at scale. There are instances where an organization is scaling solutions along multiple leverage points across a system, but that requires significant resources, and is rare. Therefore, it is important to differentiate when we are talking about scaling ideas and when we are talking about systems change.

When fund managers were asked how they define “scale” for their respective funds, there was a range of answers:

- People/populations served/behavior changes
- Dollars raised
- Dollars influenced
- Ratio: Big Donor Dollars vs % of Wealth (acquired last year)
- Equity of capital distribution
- Systems influenced
- Lives saved
- Resources as allocated to the size of the problem

During the discussion, participants pointed out that defining scale by absolute dollars distributed or invested did not seem to be an adequate use of the term “scale,” because a five million dollar fund going towards tackling the issue of homelessness in a small town might help address that problem at scale, but if that five million fund were directed towards tackling homelessness in India, then that number would represent a tiny fraction of the resources needed to tackle the scale of the problem. Therefore, there was discussion around defining scale as either

- resources invested over the resources required to tackle a specific issue, or
- population served over the population in need of assistance

Therefore, when talking about solving a problem at scale, it is not enough to talk about

large numbers of dollars distributed or people served or lives saved – but instead it needs to be around what percentage of the problem is being tackled. This approach does not reduce the value of the work being done by some organizations and funds to deploy large quantities of resources – but it simply tries to put the resources into context.

WHAT DO WE MEAN BY SYSTEMS CHANGE?

Although the term “systems change” is used broadly throughout the social sector, especially when describing initiatives with large scale impact, “systems change” does not have a singular definition. Some practitioners apply a “systems thinking practice” which helps break apart complex problems into a set of interconnected relationships and causal connections. The practice helps identify different forces at the root cause of a problem, allowing practitioners to identify where to act in order to have the greatest leverage. In this context, when practitioners talk about driving towards “large-scale systems change,” they are often referring to a multi-pronged approach that tackles multiple forces impacting a problem simultaneously. The strategies used often include applying education, service delivery and advocacy efforts simultaneously.

However, when individuals use “large scale systems change” they are not always referring to this coordinated multi-pronged, multi-layered approach to solving complex problems. Instead some people use the term to simply imply a large-scale effort that is impacting one of the many complex systems in which we operate.

If we are to create a helpful taxonomy that allows stakeholders to better understand and compare different philanthropic offerings, then we need to be far more particular with our language, especially when describing the difference between scaling and systems-change efforts. We have tried to differentiate some of these different investment theses below.

DIFFERENT INVESTMENT THESES DRIVING TOWARDS SYSTEMS CHANGE AND/OR SCALING CHANGE

These funder-driven collaborative philanthropic pooled funds are all trying to tackle wicked problems, and achieve impact at a significant level of scale. The following are the different investment theses that can be seen across these funds.

■ **Helping organizations scale proven solutions**

This investment thesis identifies proven solutions – ideas that are backed by sound evidence – and provide resources to help the organization scale it's impact.

- 100& Change solutions bank, Audacious Project,

■ **Funds that support a field/body of work - addressing a specific lever within a systems-level problem**

These funds help an organization address a particular location-based or issue-based system and tackle a particular lever within that system.

- Blue Meridian Partners

■ **Funds that tackle a clearly defined, niche problem at scale**

These funds identify a challenging problem that is large in scope but identifiable, measurable, and solvable. The goal is to try to eradicate the issue, often times a health-related issue, in a specific period of time.

- End Fund, Polio eradication Fund

■ **Funds that address many levers within a systems-level problem, including advocacy work**

These funds work on several levers within a system, often times moving between education, programs and policy. The fund

deploys resources towards several concurrent strategies, that are also complementary,

- *Campaign for Climate Leadership*

■ **Funds that support capacity building of a specific competency across a system**

These funds are focused on helping organizations build their capacity around a specific competency, rather than focusing on specific topic or tackling a particular challenge. The goal is to help organizations improve the way they operate, and in doing so contribute to increasing their ultimate impact.

- Fund for Shared insight – creating new norms for funder behavior

Engaging High Net Worth Individuals

WHY ARE HIGH NET WORTH INDIVIDUALS ATTRACTED TO THESE FUNDS?

One participant commented that the philanthropists' journey appears to be shorter than before. They have a growing expectation that their resources should have a measurable impact in a shorter period of time. Therefore, high net worth individuals are increasingly searching for ways to expedite their learning and their impact, and philanthropic collaboratives appear to offer them an opportunity to do either or both of these things.

Individuals are drawn to donor philanthropic collaboratives because they provide

- an opportunity to have greater impact than individuals could have alone. Individuals talk about "being a part of something Big." Some donors talk about this as a chance to "accelerate impact;"
- opportunity to fund a field rather than an organization;
- ability to support an organization's sustainability;
- individuals with opportunities to increase their knowledge and impact;
- individuals with a way to give more than just their money. They can provide different perspectives and expertise, and contribute beyond their finance;
- a chance to contribute while also retaining some control over their resources by providing donors with an opportunity

to participate in the fund's governance structure;

- a donor experience that is less isolating and more fun because it is done with other like-minded individuals;
- an opportunity to reduce risk;
- the option of giving anonymously;
- exposure to new perspectives; and
- a chance to leverage one's own resource and increase efficiency. By pooling resources, the transaction costs of sourcing, reviewing and making gifts declines considerably.

THE DONOR PROFILES ATTRACTED TO DONOR-DRIVEN PHILANTHROPIC COLLABORATIVES

Based on the convening interviews, there appear to be a set of recurring personas who join these collaboratives. These personas include:

- **The Launch/Anchor donor** – The lead donor(s) are motivated to tackle the issue and raise the visibility of the issue with their peers and colleagues. They use their commitment to the topic and their status to recruit additional donors to the fund, and continue to maintain the relationships.
- **Issue-specific donors looking to increase their impact** – These donors have been funding on this issue for some time, and joining the collaborative offers an opportunity to leverage their resources, continue learning, and increase their impact. After funding on the topic for several years, they are aware of the complexity of trying to reach meaningful scale or tackle the problem at a systemic level, and therefore, they are open to relinquishing some control in order to increase their impact alongside other donors.
- **Curious and actively learning donor**

– This donor is looking to learn about a particular issue or about the philanthropic vetting process in general alongside more experienced donors and staff persons. Many donors enter these collaboratives to be part of a community-based learning experience with peers. Because these donors can be intimidated by the more sophisticated donors in the group, they often choose to ride along more quietly as they learn. As they gain more confidence in the topic and/or the process, they begin to more actively contribute.

- **Outsourcing donor** – This donor often wants the fund’s topic to be in his/her portfolio but may not have the time or in-house resources to invest or expertise needed to tackle the topic within their organization. They respect the team that has been hired to manage the fund, and want to outsource part of their portfolio to this professional team. They see joining the collaborative as a cost-efficient way to invest in the topic while not consuming too many of their organization’s resources.

It is important to note that some individuals occupy one particular profile in one funder collaborative, and another profile in a different collaborative. For instance, an individual can be an anchor funder in one collaborative, but a curious and actively learning donor in a collaborative focused on another topic.

WHAT ARE BARRIERS TO JOINING PHILANTHROPIC COLLABORATIVES?

While there are many compelling reasons for individuals to join a collaborative, there are many barriers that remain for some donors. These include:

- Donors are unaware of the range of opportunities to join these collaborative funds (see Section 1).
- Early tendencies among new philanthropists to **want to make a unique mark on a challenge**. Not wanting to go where others

are already working.

- **Overly confident donors with a desire to go it alone**. Many donors believe “I did it myself in business, now I’ll do that in philanthropy.” It is not until they are deep into the complexity of an issue that they realize that these topics are too complex to go it alone.
- Donors with a **lack of confidence**, who feel like they don’t know enough about a subject and **don’t want to look stupid** among their peers.
- Donors who **do not want to give up control**, so sometimes they prefer less impact but more control.
- Collaboratives **take time**, and some individuals don’t have the time to participate in them.
- Desire to have others join an individual’s collaborative project, in order to leverage his/her resources, but reluctance to join someone else’s collaborative.

Managing Donor Driven Philanthropic Collaborative Pooled Funds

SHARED QUESTIONS AND CHALLENGES AROUND FUND OPERATIONS AND PROCESSES

Over the course of the three convenings, the facilitation team interviewed the fund directors and managers and surfaced many shared questions around establishing and running a fund. They were eager to come together and learn from one another about the range of possible operational structures and processes, and share their personal experiences.

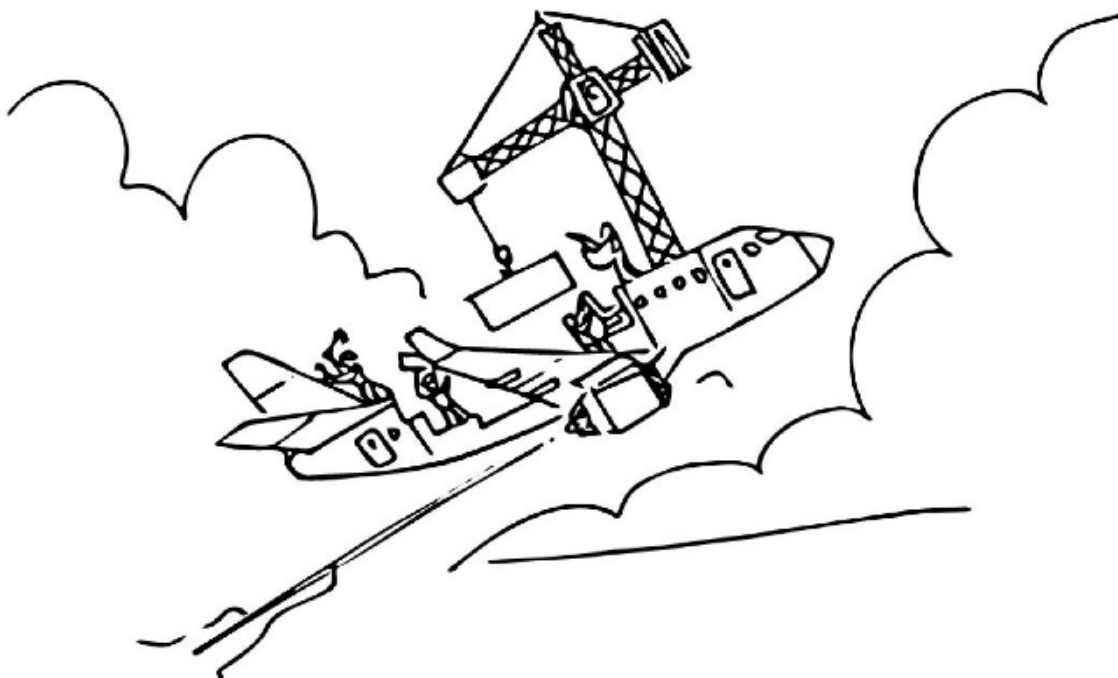
Several fund managers talked about the balance of trying to build these initiatives and run them simultaneously. Therefore, we continuously used the metaphor below to show the tension of trying to do both.

Fund managers listed some of the biggest constraints they face when trying to reach their desired large-scale ambition. These **constraints** include:

- Donors not having a mindset and attention for long-term systems-level funding
- A need for a shift in cultural norms around philanthropy
- Access to a pipeline of aligned donors
- Staffing capacity to meet the scale of the work
- A scalable governance structure
- Ability to measure impact
- Pipeline of organizations that can absorb resources at the scale and pace that they want to disseminate
- Accepted methodologies around systems change, evidence and impact

The fund managers also raised several questions for this emerging field to consider. These included the following:

- How can funds share information to increase efficiency and streamline processes?



- What topics are well covered by funds, and where are there gaps?
- Are there topics for which philanthropic collaborations are not appropriate?
- Are there optimal designs for philanthropic collaborations for different kinds of pursuits?
- How can we increase demand for these funds?
- What are the different models that collaboratives use to engage donors?
- What are the different approaches of engaging grantees?
- What are the unintended consequences of these funds?
- How do you keep the group motivated?

COLLABORATIVE FUND'S DISTINCT PHASES

Across all the interviews and during the sessions, there emerged a clear set of distinct phases in the life-cycle of a fund's development. In each phase, the managers had to tackle a set of specific questions that were unique to that phase of the fund's development. Although these phases may seem linear in the diagram below, they are not. For instance, a manager may have to think about the process for monitoring and evaluating the fund's impact at the beginning of the fund's development even though this process would not come until years later. However, because they were having to manage it while developing it, several fund managers talked about postponing decisions to questions that would arise until they were directly facing that question. Below is the list of questions that are particular to each phase.



PHASE	PHASE-SPECIFIC QUESTIONS
Establishing a fund	<ul style="list-style-type: none"> ■ What topic should we focus on? ■ What is our strategy/theory of change? ■ Will participants learn together and/or pool funding? ■ What governance structure should we use? ■ What have others done? How did they structure it? ■ Is there existing research, landscape analyses? ■ Who else is working on this?
Donor and Grantee Recruitment, Engagement and Management	<ul style="list-style-type: none"> ■ How do we make the most compelling case for the value added of philanthropic collaborations? ■ How do we balance between engaging the principal and their staff? ■ How can you get philanthropists to do more with fundraising and awareness building? ■ How do you align very busy people in a collective process rather than one-on-one discussions? ■ How do you facilitate donor meetings so they are enjoyable and productive? ■ How do you build trust with financial intermediaries and their high net worth donor clients? ■ How can funds be presented to donors in a compelling way? ■ How do we expand, even diversify, our donor base, while keeping existing donors engaged?
Due Diligence	<ul style="list-style-type: none"> ■ What level of technical expertise do we need to have in house? ■ How do we train people to review applications? How much should we pay them? ■ What kind of knowledge/competencies do we need on staff to assess whether an idea is scalable or whether it is having impact? ■ How do we bring in voices of the beneficiaries? ■ How proven does something have to be for us to take a bet? ■ Are the organizations able to absorb the resources? ■ Should we do more to broaden the pipeline of applications that can absorb resources? ■ How can we minimize the burden on the grantees?
Monitoring	<ul style="list-style-type: none"> ■ Should we maintain an annual cycle? ■ How much time should we give to learning about whether the fund's model works before we scale the model? ■ How to set clear markers of implementation? ■ How to track progress towards expected implementation markers? ■ How do we consider real time adjustments? ■ The role of common grantee reporting? ■ What is a successful reporting process across a wide range of donors?
Evaluating, Measuring Impact and Scaling	<ul style="list-style-type: none"> ■ How do we measure the outcomes? ■ How do we measure the impact of our grants? How do we measure the impact of the fund? ■ How do we measure the quality of the implementation? ■ What happens when a fund fails? What does closing a fund look like? ■ What evaluation questions should we consider, and what time frame? ■ How can we talk with donors and grantees about the evaluation's purpose, process and roles? ■ How do we make time for reflection, and how can we consider interim evaluation findings as well as summative findings? ■ How can we share evaluations so that others may learn?

Lessons Learned from Current Collaborative Fund Managers

Fund managers shared many lessons learned in launching and managing collaborative philanthropic funds, and wanted to ensure that they share these insights with others looking to start a fund. A more detailed set of recommendations and an outline of philanthropic collaborative structures are available in the Field Guide to Establishing and Managing a Collaborative Fund (expected in January 2020).

Establishing the fund and aligning donors

- **Selecting the fund's home has a long-term influence** on what you can do with the fund.
- It is helpful for the host institution to have relationships with the nonprofits you want to support.
- **Having an anchor donor or donors is necessary** to recruit other donors.
- Donors should be asked to **cover the operating costs** from the beginning.
- **Offering donors too much flexibility**, in terms of restricting their donations to particular organizations or streams, **makes onboarding new donors easier, but it proves to be more challenging down the line** when managers are trying to streamline the financing and reporting process.
- It is important to **align donor values** from the very beginning because it makes harder strategy conversations easier later in the process.

- It **takes much longer** to set-up the fund and launch **than you expect**.
- There is a wide range of options when setting up the governance process. It is possible to engage beneficiaries and grantees in the process, but it takes effort and time.

Recruiting and Engaging Donors

- Donors want to be **invited to contribute more than their resources** – they want to be asked to contribute their talents and expertise.
- Individuals are **less likely to join an already fully-baked concept**. They often want to play a role in building the concept.
- **For financial intermediaries or network hosts** who are trying to showcase collaboratives, they are most successful when they offer a range of options to their donors rather than showcase one example. **They need to remain neutral and sustain a non-solicitation space.**
- Donors are not only joining for the desired impact, but for the curated experience of being among and learning with peers. Therefore, fund managers **need to invest time and resources in curating learning experiences for the fund's donors**, and they need to **be explicit about these learning offerings when they market the funds**.
- Develop a **strategy to engage both the principal donors and a complementary strategy to engage their staff members**.

Managing and Evaluating the Fund

- It is important to have an evaluation process and learning agenda integrated into the design and launch of the collaborative funds.
- **It costs more than you expect**. Ensure that you are setting aside enough resources for the evaluating, reporting

and convening. Make sure you invest adequately in resources needed to attract and retain donors.

- **Anticipate a strategic pivot** at some point along the way, and **anticipate how you will communicate that to the partners** in the collaborative.

ENGAGING UNDERREPRESENTED VOICES

Another topic that emerged during the convening is the need for these funds to increase underrepresented voices in the fund structure and activities. One of the working groups tackled this topic and created a menu of ways that funds can more actively integrate underrepresented voices. That prototype is available in Appendix C.

Remaining Questions

We were able to cover quite a bit of territory over the ten combined days of the first two convenings. However, there were several topics that we were not able to address given the time constraints. Future convenings should make sure to prioritize these topics.

WHAT IS THE IMPLEMENTING PARTNERS' EXPERIENCE WITH THESE POOLED FUNDER-DRIVEN PHILANTHROPIC COLLABORATIVES?

Several implementing partners who had received resources from a pooled fund participated in the convenings. They had an opportunity to share their experience being a recipient of a pooled fund, but we did not have a chance to include organization applicants who did not receive funding from these funds. The implementing partners shared the reasons that they find the pool funds a compelling opportunity. These included access to larger scale capital to tackle larger

scale problems, longer grant durations, access to non-financial benefits such as trainings and capacity building, access to new donors, and increased visibility.

Additional interviews, and a convening focused on the implementing partners' experiences would surface the degree to which the above value proposition is truly actualized for all implementing partners involved in these funds.

WHAT IS THE IMPACT OF FUNDER-DRIVEN PHILANTHROPIC COLLABORATIVE POOLED FUNDS?

Since many of these initiatives have been established in the last ten years, few of them have completed formal evaluations. Therefore, there remain questions about the impact on the individual donor behaviors, as well as the overall impact of the initiative. More specifically:

- Impact on the individual funders themselves
 - Have these funds unlocked more resources than donors would have done alone?
 - Did these funds allow donors to go up the ladder of complexity – allowing them to engage in more complex grantmaking earlier in their philanthropic journey?
 - Does participating in these pooled funds lead donors to take bigger risks?
- Impact on the field/system they are trying to impact
 - Which funder driven collaborative philanthropic pooled funds have been evaluated? How do they compare to other philanthropic efforts?
 - Have these funds increased the impact and decreased duplication in comparison to these donors doing it alone?
 - What are the pros and cons between

a funder-driven philanthropic collaborative and a multi-stakeholder driven philanthropic collaborative?

- For those giving large grants, how do the funds ensure they are not crowding out others? What are the unintended consequences?
- How do smaller-scale collaborative funds compare with the larger sized funds?
- When is it appropriate to apply a funder-driven collaborative and when is it appropriate to have a grantee-driven collaborative?
- What is the ideal duration of these funds?

Conclusion

Philanthropic collaborative pooled funds provide a compelling way for donors to leverage their philanthropic dollars for greater impact. These funds, which engage multiple individual donors in a co-creation process, are as much a facilitation challenge as a challenge focused on philanthropic impact. Therefore, given their nascency, the network of fund managers will benefit from a community of practice that can share lessons learned, especially around facilitating a network of donors and evaluating their funds' impact, and possibly co-invest in shared infrastructure support and underlying costs.

SECTION

03

**Review of the
Three Convenings
between October
2018–June 2019**



Convening 1:

October 25–27, 2018

Sonoma, CA

QUESTIONS EXPLORED:

This initial convening aimed to better understand the trends in philanthropy collaborations working to affect large-scale change, aggregate the learnings from practitioners, and explore what can be done to improve the ecosystem for large-scale philanthropic collaborations. This convening explored the following questions:

- What are the key lessons learned and the challenges facing large-scale philanthropic collaborations?
- What are characteristics of successful and unsuccessful collaborations?
- What are interesting approaches and experiments underway by some leading philanthropic collaborations working to affect large-scale change?
- How is demand being generated for philanthropic collaborations and what can be done to increase demand?
- How can collaborations share information, experiences and lessons across the ecosystem more efficiently and frequently?
- What can/should be done to support this growing ecosystem of philanthropic collaborations?



Convening 2:

February 26–27, 2019
New York City, NY

QUESTIONS EXPLORED:

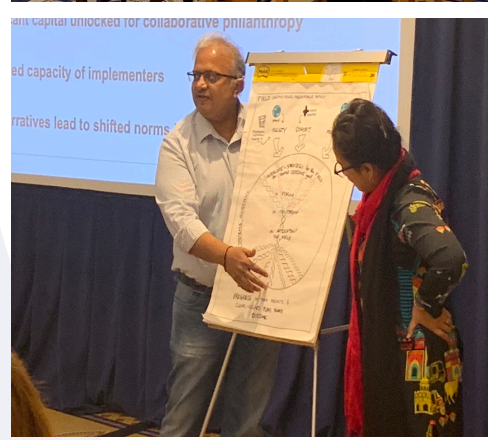
This convening built upon the Sonoma findings, and allowed time to dive even deeper into the following questions:

- Can we develop a set of shared characteristics across these philanthropic collaboratives to help donors better understand the value proposition of philanthropic collaborations in driving towards large-scale change?
- What is leading to the rapid rise in philanthropic collaborations driving towards large scale change?
- How can philanthropic collaborations work more with each other to increase efficiency and effectiveness?

- How might we increase demand for these philanthropic collaborations? Especially among high net worth donors, and with financial intermediaries who are advising and counseling high net worth donors?
- How might we improve the effectiveness of philanthropic collaborations – can we advance key practices and concrete concepts designed and developed by this community of practice for the growing field?
- How does this emerging community of practice want to remain engaged following the two convenings? What workstreams do they want to move forward?

During the convening, participants also provided feedback to prototypes that were developed following the Sonoma convening. Feedback was provided to the

- Collaborative fund profiles that could be integrated into an online menu of funds
- A systems leadership education program being developed in India
- Menu of strategies and approaches to increase and amplify underrepresented voices in fund structures



Convening 3:

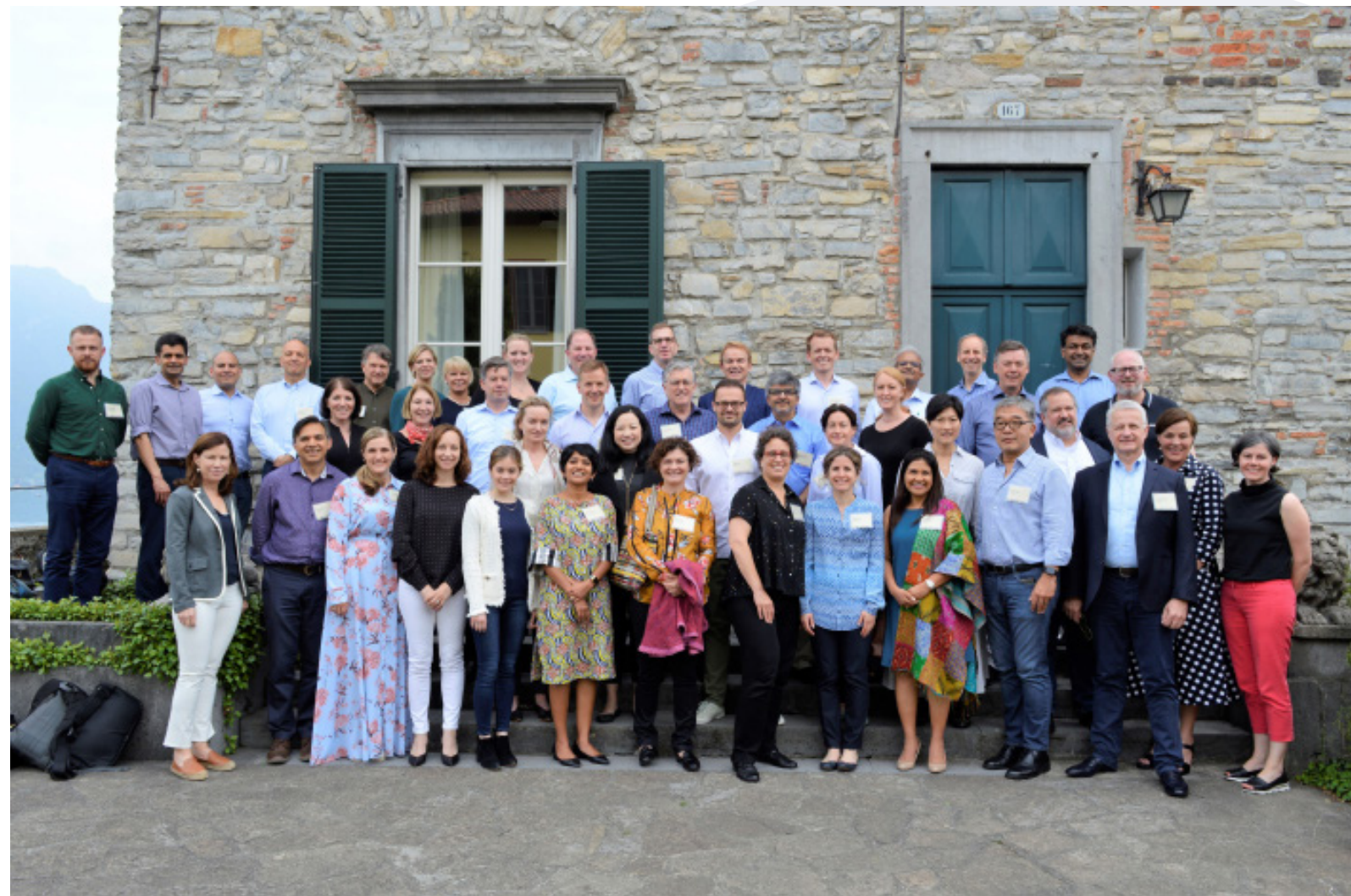
June 10–13, 2019

Bellagio, Italy

QUESTIONS EXPLORED:

This convening brought together leaders from around the world to specifically focus on the following questions:

- Better understand the definitions of philanthropic collaborative driving towards “large-scale” and “systems-level” change. Often these terms are being used interchangeably and there is a desire to explore each concept and learn from existing examples;
- Agree on a set of actions to encourage and improve philanthropic funding that is focused on driving change at a large-scale



Initiative's Working Groups

MANAGERS OF LARGE-SCALE COLLABORATIVE FUNDS

The working group aims to connect individuals leading philanthropic collaboratives driving large-scale change on a periodic basis to share learnings and coordinate on shared efforts. The group is convening around the question: How might we improve our collaboration to increase our individual and collective impact?

Activities to date

- February 27th – first meeting in NYC following the larger convening
- May 5th – conference call to discuss fund cost structures
- June 13th – meeting in Bellagio, following the larger convening
- July 16th – 2nd conference call to discuss fund cost structures
- September – scheduling the next call

COMMUNICATIONS WORKING GROUP

The working group aims to connect the individuals leading the communications efforts around large scale collaboratives. The group is addressing the shared questions of: How might we collectively better understand and inform the narrative around philanthropic collaboration for large-scale change?

Participants: Jen Stout, Sam Mayer, James Porter, Micah Carr, Brunswick Team

Activities to date

- February 25th – first meeting in NYC prior to the larger convening
- September 2019 – planning for in-person meeting in NYC

During the first working group meeting the group agreed to

- Develop and refine a shared narrative on collaborative philanthropy
- Coordinate and align communications workstreams, and amplify each others' messages
- Connect and create more collaborative moments that can highlight the power of collaborative philanthropy
- Better understand the current narrative around collaborative philanthropy

STRATEGIES AND APPROACHES TO INCREASE AND AMPLIFY UNDER-REPRESENTED VOICES IN FUND STRUCTURES

The working group aims to answer the question: How can we increase and amplify underrepresented voices in our fund structures: ensuring emerging funds are equitable and responsive to underrepresented voices?

Participants:

Lindsay Louie, Fay Twersky, Melinda Tuan, Solome Lemma, Vidya Shah, Judith Bell

Activities:

To date, the group created a questionnaire and worksheet that can help any organization, and specifically philanthropic funds, explore where they might want to intentionally work on integrating underrepresented voices, and identify some concrete activities they can use to do this. The group has tested the worksheet in different convenings and is preparing to release it in fall 2019.

EMERGING PROTOTYPES

To support this emerging ecosystem, several prototypes and workstreams have emerged or are in development. These include:

Menu of Funds

A donor-facing menu of philanthropic collaborative pooled funds open to new donors that are driving towards large scale

change. The menu of funds is a donor facing and grantee facing site that includes the basic information about each collaborative philanthropic fund. The resource includes a common set of characteristics that a donor or grantee can search – based on their interests. The menu will incorporate clear criteria and standards for what constitutes a “large scale collaborative philanthropic pooled fund.”

Toolkit for emerging philanthropic collaboratives

A toolkit for individuals looking to start a philanthropic collaborative. The toolkit includes an array of options and lessons learned from those who have launched and are managing funds. The guide outlines the questions that fund managers face during the different phase of launching a fund – and provides examples of how existing funds have responded to those questions.

Process for sharing capacities across collaboratives

This working group is looking to identify areas where funds are doing similar work, and identify ways they can leverage their existing resources and reduce redundancy.

Systems leadership program

Two systems leadership programs have emerged from the convenings.

The first created by Sanjay Purohit as a partnership between Ashoka and Society Platform. The Mission Leadership program aims to work with the 3500 Ashoka Changemakers worldwide. Additional information can be found at <https://projectaspire.ashoka.org>.

The second systems leadership program was developed by Neera Nundy at Dasra in concert with their funder collaborative around WASH.

SECTION

04

**Collaborating
for Greater Impact
in Asia: Emerging
Trends and
Opportunities**



-
- I. Collective Mapping of Philanthropic Trends and Opportunities
 - II. High Net Worth Individual Philanthropy Behaviors
 - III. Philanthropic Collaboratives Driving Towards Large Scale Change
 - IV. Feedback to Existing Prototypes
 - V. Next Steps
 - VI. Some Philanthropic Collaboratives in Asia
 - VII. List of Collaboratives Identified During Convening
-

Collaborating for Greater Impact in Asia

The fourth convening, “Collaborating for Greater Impact in Asia: Emerging Trends and Opportunities in Philanthropy” took place on October 14-17, 2019 in Sentosa, Singapore. Organized by the Asian Venture Philanthropy Network (AVPN) with support from the Bill and Melinda Gates Foundation, William and Flora Hewlett Foundation, the Singapore National Volunteer and Philanthropy Centre (NVPC) and Singapore’s Ministry of Culture, Community and Youth (MCCY), this convening aimed to better understand the current landscape, needs, and opportunities related to high net worth donor trends and collaborative philanthropic efforts across Asia.

This 2.5-day convening gathered individuals who are interested in leading collaborative philanthropic efforts, specifically across Asia. These individuals included collaborative fund directors, foundation partners, individual high-net-worth donors promoting collaborative philanthropic efforts, and a few implementing partners who have received collaborative investments. The group explored the following questions:

- What are current practices and trends among high-net-worth individuals in Asia with regards to philanthropy? And what is their current demand for collaborative philanthropic initiatives?
- How might we increase donor engagement around social sector issues?
- Which philanthropic collaborative initiatives have been launched in Asia, and what lessons can they share about launching these funds in an Asian context?
- What are the key lessons learned and the

challenges facing philanthropic collaboratives

- What is required to ensure successful collaborative funding efforts across Asia?
- How could a more efficient ecosystem be built around collaborative funding efforts?
- What is the current demand in Asia for large-scale collaborative philanthropic funds?

The convening also aimed to expose participants to a more collaborative convening style, providing an alternative to the more presentation-heavy events that are common in this sector across Asia. The goal was for participants interested in increasing collaboration to experience and envision a different way of engaging around philanthropic collaborative efforts moving forward.

Collective Mapping of Philanthropy Trends and Opportunities

Due to the lack of extensive public research about philanthropy trends in Asia, the convening began with a collective mapping of the trends and opportunities underway to increase support to high net worth individuals around their philanthropic planning, as well as efforts to improve collaboration across philanthropists. Participants shared their country-specific expertise, as well as trends they are seeing across the region. The table below highlights some of trends that were shared.

Trends in Philanthropy Allocations and Behaviors

- Rise in individual interest in philanthropy, but seeing a two to three-year lag in individuals giving after they have expressed interest
- Continuing to fund traditional sectors (education, health and disasters), but increasingly funding climate change mitigation. Also see an increase in health and wellness funding - clean energy, water, sustainable foods and mental health.
- Rise in big picture thinking and systems change
- Most funding remains within country, but some interest in international projects/ impact
- Rising interest in impact investing
- Big data and technology becoming key drivers in philanthropy sector
- Increased urgency - wanting to give more during one's lifetime and have more impact in a shorter period of time
- Transfer of wealth to the next generation. Increased philanthropy programming for next generation.
- Slow movement from charity to strategic philanthropy

Developments in Philanthropy Ecosystems

- Recognition of need for professional talent in sector.
- More interest in moving from corporate to family foundations
- Desire to move beyond grantmaking - demand for more impact data and evidence
- More interest in best practices and governance of foundations. Median foundation age is 14 years.
- More Asian governments creating policies to encourage social sector growth, while increase in regulation around cross-border giving. (Singapore - 250% tax deduction on donations and government matching \$200mn funds; Indonesia - new tax law giving tax refund twice for vocational education)
- Growing presence of social entrepreneurship
- Rise in convenings and networking among funders and social sector leaders, but not necessarily seeing a rise in collaborations.
- Many philanthropic foundations are becoming more operational
- More accelerators and incubators in the social sector
- More companies incorporating CSR. New government CSR policies (India 2% CSR provision; Singapore tax incentives for corporate philanthropy)



High Net Worth Individual Philanthropy Behaviors

The first morning of the convening focused on high net worth donor behaviors across Asia, with presentations from Dasra's Neera Nundy in India, and Singapore Community Foundation's Catherine Loh.

The group then identified compelling questions they wanted to tackle with regards to individual donor behaviors in Asia. In smaller sub-groups, participants brainstormed ideas in response to the following "how might we" questions:

- Expose high net worth individuals to the range of funding opportunities before they invest?
- Encourage high net worth individuals to give beyond their local communities?
- Increase high net worth individual's sense of urgency around philanthropy?
- Increase the accountability of high net worth donors to the communities they are serving?
- How might we expedite the time required to make a philanthropy decision?
- How might we encourage high net worth donors to take bigger risks with their philanthropy?

This process provided participants with an opportunity to identify shared questions, and solutions collectively that are not led by one particular organization.

Philanthropic Collaboratives Driving Towards Large Scale Change

During the second day, the group mapped out the existing philanthropic collaboratives across Asia according to the 2x2 matrix outlined in Section 2 (pg 28). During the session, participants shared the name, objective, and location of all of the collaborative they could identify and placed them on a grid. They also color coded the existing collaboratives according to the investment theses outlined in Section 2.



The group was surprised by the number of existing and emerging philanthropic collaboratives in Asia. They also specifically commented about the prevalence of donor-driven collaboratives and the desire to see more community-driven collaboratives.



Among donor-driven philanthropic collaboratives in Asia, we learned that

- Most of the collaboratives identified in Asia were formed between 2017 and 2019.
- There are more philanthropic collaboratives connecting and aligning professional, full-time philanthropists in Asia compared with individual donors.
- Few of the funds are actively seeking new donors, as most of them are closing their first round of funding.
- Giving remains modest when compared to the size of philanthropic collaboratives in the U.S. Most of the funds averaged \$2mn or less.
- Donor-driven philanthropic collaboratives in Asia are positioning themselves in a complementary role to government efforts. Particularly in Asian countries with stronger state control, donor-driven philanthropic collaboratives typically work alongside government policies and services. These collaboratives seek to help align existing policies and services with the needs of targeted beneficiaries. Many of the funds we spoke with in Asia are publicly promoting their partnerships with provincial and national government ministries.

In interviews with fund managers, they said that managing collaborative philanthropic efforts in Asia is extremely challenging because:

- HNW individuals still want to act privately, making it hard to align and share philanthropic priorities amongst a group.
- Many donors are not ready to relinquish some of their control over their grantmaking to include other people.
- They take a lot of time to coordinate because of the amount of face-time required to manage the collaboratives.
- The philanthropic ecosystem in Asia is not yet set up to support collaborative investment structures and gifts.
- For donors looking for demonstrated impact, it is difficult to see the value of collaboration in the early stages of philanthropic collaboratives.
- Philanthropic collaboratives are often tackling riskier challenges, for which many donors are not yet ready.

Once the group had a better understanding of the landscape of collaborative philanthropic funds across the region, they set about tackling the following "how might we" questions in small

groups:

- Increase learning and sharing across collaboratives
- Accelerate the moment of humility so people join collaboratives
- Fund managers evaluate if a donor is a good fit for a fund?
- Incorporate underrepresented voices in collaboratives
- Support collaboratives to build trust among donors
- Make a compelling case for philanthropic collaboratives?



Although the ideas generated remain in their infancy, the process allowed participants to explore what it might look and feel like to work collaboratively across organizations to come up with new sector-wide programs owned by multiple organizations.

Feedback to Existing Prototypes

During the final day, the facilitation team shared three existing prototypes that emerged from the previous three convenings to obtain the participant's feedback and insights. Participants had a chance to engage with the concepts, provide feedback, and propose different iterations. The prototypes were intended to test whether the

concepts, which received positive feedback in the U.S. context, were applicable in an Asian context as well. Participants provided invaluable feedback to the following three prototypes:

- Menu of Philanthropic Collaborative Opportunities
- Menu of Ways to Engage Underrepresented Voices in Collaborative Fund Structures
- The Start-up Handbook and Field Guide for Prospective Fund Managers

The participants responded favorably to all three prototypes, providing specific feedback regarding ways they could be improved or adapted to the Asian context.



Next Steps

Participants requested the following next steps:

- Regional learning groups and events
- Continue mapping the collaboratives
- Build out the prototypes that were tested

Some of the Philanthropic Collaboratives in Asia

CHINA

Paradise Blue Initiative

The Paradise Foundation

Country focus: China

Lead organizer: Fanyi Yang

www.pfi.org.cn

Paradise Blue Initiative supports marine conservation in China and international regions. The Initiative aims to achieve its mission through policy and public engagement, raising awareness within Chinese philanthropy, building sustainable fisheries, and building capacity within local organizations working on marine conservation. The Initiative hopes to build a collaborative network of Chinese donors as well as international donors. The Initiative started in 2019 and is housed under The Paradise Foundation.

Growing Up Together (GUT)

SEE Foundation

Country focus: China

Lead organizer: Aster Li Zhang

www.see.org.cn

The SEE Foundation runs the Growing Up Together (GUT) program to attract critical talent to environmental NGOs and build capacity through mentorship. Through a collaborative philanthropic approach, SEE Foundation and Global Greengrants Fund (GGF) initiated the program in 2012. Later, Dunhe Foundation and Narada Foundation co-funded the program. Shenzhen Mangrove Wetlands Conservation Foundation also joined

to support capacity building. By the end of 2018, Tough Grass has funded 54 NGOs with a total grant of more than RMB 20 million (USD 2.8 million).

INDIA

Central Square Foundation

Country focus: India

Lead organizer: Bikkrama Daulet Singh

www.centralsquarefoundation.org

Central Square Foundation is a nonprofit organization working to ensure quality school education for all children in India. The Foundation aims to transform the education system by improving the learning outcomes of children, especially from low-income communities. The Foundation partners with social impact organizations and collaborates with the private sector, nonprofit organizations and other ecosystem stakeholders to build research and create effective open-source toolkits and other resources.

10to19: Dasra Adolescent Collaborative & Urban Sanitation Collaborative

Dasra

Country focus: India

Lead organizer: Neera Nundy

www.dasra.org

10to19

10to19 is a cross-sector platform for social organizations, funders, technical experts and the Indian government to address adolescent development especially girls in India. 10to19 aims to delay age of marriage and first pregnancy, increase agency, encourage secondary school completion. The platform is currently building an ecosystem for knowledge sharing and collective action amongst a network of nonprofits across 25 states in India.

The Coalition for Women's Empowerment

EdelGive Foundation

Country focus: India

Lead organizer: Vidya Shah

www.edelgive.org

The Coalition for Women's Empowerment (CWE) brings together philanthropic funding leaders for a collective approach towards women empowerment. CWE aims to promote the cause of women empowerment in India by influencing more investments into the sector, leveraging the philanthropic network, and strengthening grassroots organizations addressing the vulnerabilities of women and girls in difficult circumstances. EdelGive Foundation established CWE in 2018.

India Climate Collaborative

Country focus: India

Lead organizer: Shloka Nath

www.indiaclimatecollaborative.org

The India Climate Collaborative (ICC) is a collaborative and inclusive philanthropic platform focused on climate action in India. The ICC agenda is to reduce the transaction costs of engaging on climate change; increase the urgency of engaging on climate change; provide a unique platform for Indian leadership; and build capacity to act on climate change. ICC aims to increase philanthropic engagement on climate action, as well as improve the quality of India's climate debate.

SINGAPORE

Singapore Youth Impact Collective

Community Foundation of Singapore

Country focus: Singapore

Lead organizer: Catherine Loh

www.cf.org.sg/collaborative-giving/

The Singapore Youth Impact Collective founded in 2018 uses the collective impact model to empower disadvantaged youths in

their transition from student life to working life. The Community Foundation of Singapore acts as the backbone organization to support service programs run by SHINE Children & Youth Services and TOUCH Community Services. The initiative is funded by Changi Foundation, Credit Suisse and Octava Foundation.

Project Silver Screen and Temasek Shophouse

Temasek Foundation

Country focus: Singapore

Lead organizer: Boon Heong Ng

www.temasekgives.sg

Temasek Shophouse

Temasek Shophouse provides a collaborative space for business, creative, social entrepreneurial, changemakers and policy makers to come together. The Shophouse serves as a social impact hub to connect individuals and businesses in creating an economy of innovation and creativity with co-working and meeting spaces.

Project Silver Screen

Project Silver Screen has provided community-based functional screenings (i.e. vision, hearing and oral) in Singapore for seniors aged 60 and above since 2007. Project Silver Screen addresses the gaps in early detection and timely intervention of age-related decline in functional health of seniors and overall enhances the quality of life of seniors in Singapore. Twelve corporate sponsors including Temasek have contributed \$35 million to Project Silver Screen.

Thousand Days Fund

Asia Philanthropy Circle

Country focus: Indonesia

Lead organizer: Laurence Lien

asiaphilanthropycircle.org/1000-days-fund/

Thousand Days Fund pools funding from members and funders in Singapore and Indonesia to address the issue of stunting and malnutrition in Indonesia. Asia Philanthropy Circle started the fund in 2018. The Fund is a five-year program that will pilot in selected areas to work with local communities.

THE PHILIPPINES

Laging Handa Disaster Fund

Ayala Foundation

Country focus: The Philippines

Lead organizer: Ruel Maranan

www.ayalafoundation.org

The Laging Handa Disaster Fund formed in 2019 to carry out disaster relief and rehabilitation efforts in Pampanga Province in the Philippines. The Fund provides a collaborative platform for all business units within the Ayala conglomerate to contribute. The Fund is part of the Ayala Foundation's commitment to help families affected by the 6.1-magnitude earthquake in April 2019.

List of Collaboratives Identified During Singapore Convening

Donor Driven Pooled Funds

Power of Nutrition

Audacious Project

SDG Impact Accelerator

Critical Ecosystem Partnership Fund

Multi Trust Fund

Co-Impact

GAIN

Urgent Action Fund

Zero Gap Fund (Portfolio)

Oceans 5

Development Impact Bond

Lever for Change

Blue Initiative

The Urban Resilience Trust Fund

Global Alliance Vaccine Initiative GAVI

Ouagadougou Partnership

End Fund

Civitates (democracy)

European Fund for the Balkans

European Foundations' Initiative for

Dementia

Profuturo

Women's Livelihood Fund (Bond)

Rangers Fund

Foundational Learning

State Reform (Foundational Learning)

EdTech

Electric Mobility Initiative

India Climate Collaborative

10to19

Indonesia Health Fund

1000 Days Fund

Moonshot Fund

Social Impact Partners HK

SIP Japan

ELEVATE

Outing for Seniors

Kids Excel

Mental Health

Malaysia Collective Impact Initiative

MCII

Colabs

Aspen (Ande)

Global Alliance for the Future of Food

Biodiversity Funders Group

Promise Ventures

Women's Funds Collaboration

Maverick Next

The Global Fund

Reading Ody

Shefa Fund

Blue Meridian Partners

Gates Philanthropy Partners

Diaster Relief Rehab

Racial Equity in Philanthropy

Blue Sky Fund

New Venture Fund

C3 Catalytic Capital Consortium

Racial Equity in Philanthropy

Resolve to Save Lives

Data for Social Good

Flu Grand Challenge Initiative

Buen Vivir Fund

FundAction

Collaboration for Women's Empowerment

Collaboration Education

Arghyam Platform for Water

Maharashtra Village Social Transformation

Fnd

Safe Home CIF

Shared Gifting

Persons with Disabilities Impact Bond

Minimum Household Income Research

Singapore Youth Impact Collective

Donor Driven Information Sharing Funds

Transparency Accountability Initiative TAI

Impact Management Project IMP

Climateworks Funders Table

Climate and Land Use Alliance CLUA

Climate Action Platform

Prospera International Network of Women's
Funds

Coalition of Philanthropy for Nutrition

Indian Philanthropy Initiative IPI

NFSSM Alliance

Impact Investors Council IIC

Grantee Driven Information Sharing

Cleantech Women's Innovation Network

Investing in Women IIW

End of Life

Integrated Care Program ICP

Company of Good

Appendix A

Appendix B

Initiative's Approach



Appendix A: Nadia Roumani Bio

Nadia is a social entrepreneur, educator, coach and consultant. She is passionate about developing a more equitable, creative, strategic, collaborative, and impactful social sector.

She is the Co-founder and Senior Designer with Stanford's Hasso Plattner Institute of Design's (the d.school) Designing for Social Systems Program. At Stanford, Nadia focuses on helping philanthropists and nonprofit leaders become more strategic, creative and effective. She has co-designed a curriculum that integrates design thinking, systems thinking, and strategic planning to help organizations better scope the challenges they want to address by engaging end-users, increasing intra-organizational creativity, and incorporating radical collaboration

Between 2015-19, Nadia co-Founded and Directed Stanford University's Effective Philanthropy Learning Initiative (EPLI), which aims to help high net worth individuals increase their philanthropic impact. Prior to launching EPLI, Nadia was an inaugural fellow with the d.school, and the Walter and Esther Hewlett Design Fellow with Stanford PACS where she focused on the intersection of philanthropy and design. Nadia is a serial social entrepreneur. Over the past two decades she has launched several organizations and initiatives including the Initiative for Policy Dialogue (IPD) with Nobel Laureate Joseph Stiglitz at Columbia University; the Women Leaders Intercultural Program with Ireland's former President Mary Robinson; Global Policy Innovations Program at the Carnegie Council on Ethics and International Affairs (CCEIA); the Building Bridges Program at the Doris Duke Charitable Foundation; and the American Muslim Civic Leadership Institute (AMCLI) at the University of Southern California.

Nadia received her BA in economics and international relations from Stanford University and her MA in international affairs from Columbia University's School of International and Public Affairs. She is a board member of KQED.

Additional information can be found at roumaniconsulting.com

Appendix B:

Input from second convening into initiative's Ten-Year Goals

In pursuit of advancing collaborative philanthropic efforts, during the second convening participants recommended the following frame and priorities for this overarching initiative.

1. Shift the public narrative around philanthropic impact towards one that
 - i. Prioritizes collaborative efforts to going it alone;
 - ii. Mainstreams a “portfolio approach” to philanthropy;
 - iii. Encourages multi-year, unrestricted, collaborative approach with deep community integration;
 - iv. Redefines “strategic philanthropy;” and
 - v. Identifies ways that individual high net worth donors can contribute to bold philanthropic problem-solving efforts while simultaneously exhibiting humility and collaboration.
2. Significant capital unlocked for collaborative philanthropy (e.g. new capital, new norms of large gifts in size/percentage of wealth, giving matches scale of need, more capital is deployed collaboratively)
 - i. Better understanding of the different donor life cycles, and the infrastructure to better connect donors to the various offerings (i.e. a menu of funds/ marketplace of offerings);
 - ii. Larger gifts going towards collaborative funds, so that the funds have the resources to deploy significant resources to solve these larger problems.
3. Increased capacity of implementers (e.g. more NGOs able to absorb larger amounts of funding, e.g. via more unrestricted funds; grassroots and local organizations are increasing their annual operating, in addition to larger institutions)
 - Able to achieve field-level influence (e.g. by issue (poverty, agriculture), by approach (impact investing, gender lens), etc.)
 - NGOs with greater systems leadership
4. Improved operations, effectiveness, and responsibility of philanthropic collaboratives driving towards large scale change.
 - i. Collaboratives are increasingly sharing resources and lessons for how to launch and manage funds effectively;
 - ii. All collaborations are evaluating their efforts and sharing lessons learned with regards to demonstrated impact for solving big problems;
 - iii. Increased integration of principles and practices of diversity, equity and inclusion into fund structures. For example, collaboratives are experimenting with ways to integrate/ listen to under-represented voices, integrate more diverse voices into fund staffing and governance structures, and more collaborations across political spectrum;
 - iv. More collaboratives operating at scale;
 - v. Clearer taxonomy of philanthropic collaboratives.

Initiative's Approach

This Initiative aims to achieve the above-mentioned goals through the following activities:

- Convenings (global, regional and issue-specific)
- Working groups (by stakeholder and for specific activities)
- Research papers
- Products (the initiative will resource an array of resources to help support the development of the overall field – including products such as online resources, documents, digital products etc.)

Endnotes

1. Ultra Wealthy Population Analysis: The World Ultra Wealth Report 2019
<https://www.wealthx.com/report/world-ultra-wealth-report-2019/#downloadform>
2. The 2018 U.S. Trust® Study of High Net Worth Philanthropy included a sample of households that had an annual household income greater than \$200,000 and/or net worth greater than \$1,000,000, excluding the value of the primary residence. The total study population in 2018 comprised 1,646 households.
3. The Million Dollar List, compiled by the Indiana University Lilly Family School of Philanthropy, documents publicly announced gifts of \$1 million or more. <https://milliondollarlist.org/data/donors/index.html>
4. According to The 2018 U.S. Trust® Study of High Net Worth Philanthropy.
5. Going Beyond Giving Perspectives on the philanthropic practices of high and ultra-high net worth donors. 2017. The Philanthropy Workshop.
<https://www.ncfp.org/wp-content/uploads/2017/11/Going-Beyond-Giving.pdf>
6. The Future of Philanthropy report is based on a 2016 survey conducted among 3,254 adults in the U.S. who have donated to charities and claimed itemized charitable tax deductions on their 2015 tax returns.
<https://www.fidelitycharitable.org/content/dam/fc-public/docs/insights/the-future-of-philanthropy.pdf>

