SHIFTING SYSTEMS INITIATIVE

Solutions for Scaling Impact

Shifting Systems:

What it Takes To Be a Systems Change Funder

United Nations General Assembly | Climate Week

September 19, 2023

Rockefeller Philanthropy Advisors

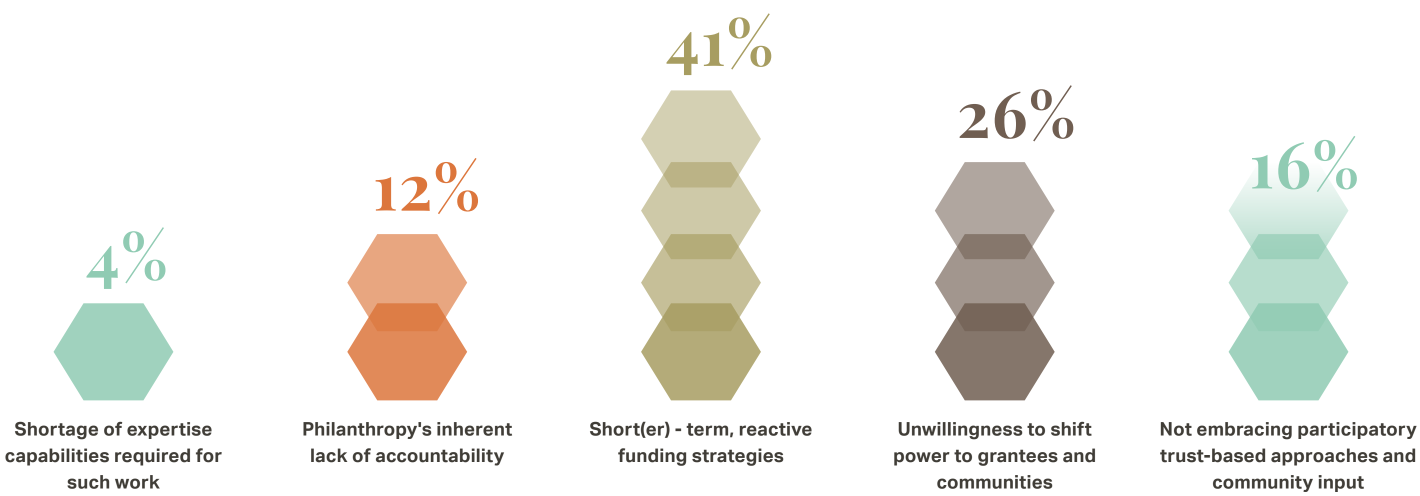
Table of Contents

Introduction and Framing

During the September 2023 United Nations General Assembly opening week, representatives of many diverse organizations traveled to New York City to attend Climate Week and other related events. As part of a workshop series hosted by the Rockefeller Philanthropy Advisors-led Shifting Systems Initiative, about 95 participants convened at the Ford Foundation Center for Social Justice to explore the theme, "So You Think You're a Systems Change Funder."

In her welcoming remarks, Ford Foundation Executive Vice President Hilary Pennington noted the Ford Foundation participates in more than 100 funder collaboratives. Melissa Berman, RPA's president and CEO, reflected on more than 20 years leading the organization, noting the many tenets of so-called "strategic philanthropy" she had to not learn, but unlearn, in recent years. She also thanked the Ford Foundation for its leadership in the philanthropy space and its Building Institutions and Networks (BUILD) program, an important model for others in philanthropy that provides grantees with five years of general operating support combined with targeted organizational strengthening support . Following the opening remarks, RPA polled attendees on a key question before them:

What are the biggest barriers to funders fostering shifts in systems?



RPA organized the event after drawing on the learnings from its six-month independent, external evaluation that concluded in June 2023. In 2022, RPA and the Shifting Systems Initiative Steering Group asked evaluators to find out how, and to what extent, the philanthropy sector has adopted the concept of systems change since the initiative's launch in 2016 and what it has learned about what works to influence philanthropic behavior vis-à-vis adopting systems change approaches. These approaches include making long-term, less-restrictive financial commitments with patient capital; addressing root causes and the conditions that hold problems in place; placing decision-making and power with grantee partners and community members; embracing complexity in the design and measurement of progress; and funding movement-building and field-building. The evaluation also covered to what extent the initiative has contributed to those changes and how to improve governance, management and implementation.

In 2016, very few funders talked about systems change. Of course, some funders, including large, older foundations and some new and emergent funders, had embraced systems approaches in their giving, but the concept was relatively novel. By 2023, a proliferation of systems change perspectives, mental models, assumptions and approaches has created a rich field. But this proliferation has also created confusion. It remains a fragmented, challenging operating environment for funders and grantee partners.

By 2023, systems change has become so prevalent and enough of a buzzword, that some of those interviewed for the evaluation recommended the funding community stop using the term altogether. On the one hand, the field struggles to coalesce around a shared, collectively vetted body of evidence about what works. It can be a fashionable distraction from the real work of transformative change. Moreover, some of those interviewed, who are steeped in equity and social justice discourse and practice, find this new language exclusionary. They find they have to translate the work they've produced for decades to this new funder language, which erases their years of previous work. The "package" of systems change language can reinforce hierarchies because the interventions and problem-solving logic can be strongly Western, Northern and even neocolonial in nature. In these ways, we're still missing the power and promise inherent in systems change approaches.

Equally important, most funders using the language aren't "walking the talk." An organization will employ a new tool or enact a limited set of policies and practices, but funders are not fundamentally shifting the power dynamics between those who accumulate and distribute the wealth and those doing the hard work of systems change. The evaluation urged the field to think of systems change as a field of practices that refer to how we forge relationships, the perspectives we take and how we show up as funders.

The evaluation found four main insights and implications. First, the field needs more focused work on the deeper levers of change – mental models and mindsets, values, attitudes and beliefs – that result in unequal power dynamics between funders and those they fund. Change at these levels is essential to maintain positive changes in public policies and institutional practices. Second, the field must coalesce around strategies and behaviors that contribute to transformative change. There's momentum to do so, and several trending ideas in philanthropy are converging. Third, the field needs initiatives specifically focused on countering resistance from those who bring a 'command and control' frame and have the power to sway the larger field. The invited participants to this event were, in fact, what RPA and the Steering Group see as part of the vanguard of positive change on this. Fourth, and perhaps most important, the field needs initiatives and champions of systems change to take stock, candidly and transparently, of the ways in which funders may reinforce underlying relationships, power dynamics and mental models that underpin current structures of exclusion and oppression. In other words, funders need to transform ourselves accordingly in partnership with those already doing transformative work.

Finally, the evaluation posted two propositions. First, philanthropic actors need transformational learning processes to unlearn existing mental models. Second, we need to change from whom foundations learn and are influenced by rather than reinforcing our sector's habit of learning predominantly from other foundations and similar peers.

RPA specifically designed this event with these points in mind: *How can funders best ground and situate themselves to support others to shift systems? Whose perspectives are necessary from the very beginning? And what is missing to shift power and build equity?*

Table Discussion Highlights

As part of the event, RPA selected 16 individuals who have a deep understanding of how systems change happens, explicitly or implicitly, and the role philanthropy can play in supporting that to lead 10 table discussions.

Participants self-selected tables and had one hour to pursue a general set of questions (included at the end of the report) or questions specifically designed by the table leader(s). Once the table discussions concluded, a few representatives shared the highlights from their tables, which are summarized in the section below. Nadir Shams, the Skoll Foundation's director of learning and strategy, closed the event with a reminder that changing the behavior of those working within the philanthropy sector is a significant undertaking but worth the effort.

Some tables used these questions; others tailored the discussion questions to the particular subject.[1]

1. For this theme, what systems (rules, norms, power dynamics, etc.) do we need to understand given that our work takes place in a systemic context?
2. Assuming there are many grantee partners and funders involved in this work, what kind of shifts do we want to influence?
3. Whose perspectives/which stakeholders do we need to engage early and often so we're identifying the problem space broadly enough and with honesty and integrity?
4. What are the levers of change we're already using? What's missing to meaningfully shift power and build equity?
5. What practices and policies need to change in your/others' funding institutions to underpin these kinds of approaches?

Cluster 1: Methodological Approaches

1.1 Driving more resources into ecosystem funding

Discussion facilitator: Rob Ricigliano, The Omidyar Group; rapporteur, Chase Jaz, RPA.

The group began by exploring the question of what ecosystem funding means and needs. Those needs are:

1. The need to monetize other drivers of system health beyond the project level (i.e., make them "fundable")
2. Aggregate impacts (or conducive conditions) don't receive enough focus
3. The idea of portfolios - how we pull together financial capital and match it with different levels of impacting systems and diverse vehicles
4. The need for a system-level facility that looks across the system (driven by local actors - not funders)
5. The recommendation to move from systems "change" to systems "health"

[1] Any errors in the report are the responsibility of RPA, not the table leaders.

And what can philanthropy do to help push this along? Participants often cited the work of Climate-KIC. It works backward from the ideal state of systems, designs innovations that make this possible and supports place-based portfolios that create structures to allow for building and sustaining relationships. Climate-KIC leads programs to connect polarized movements and build a field with the capability to hold these spaces. There are technicalities in funding portfolios; if you go in with logic, it becomes prescriptive immediately. We need to encourage support for a set of emergent relationships. Moreover, it's hard to capture quantitative data on the results of these system-based approaches.

Another example is the Plastic Solutions Fund, which funds the Break Free From Plastic movement, a campaign that emerged from a conversation about building a movement to shift the needle (e.g., taking on the fossil fuel industry). It supports small- to medium-size civil society organizations (CSOs), serving as a systems-level facility. From the beginning, it looked at the entire ecosystem (from extraction to disposal) and slowly moved funders in the direction required to be an effective systems funder to build the healthy ecosystem needed. This intangible network is crucial, but most funders don't understand this ecosystem approach. In this case, we need to think about both the health of the plastics ecosystem and the health of the funder ecosystem.

The group explored whether you could fund ecosystems through project funding. Some organizations need to "projectify" strategies to be eligible to receive funding; after several years, funders can start to see the systems-based strategy. But if you're an external funder, you won't have the best insights on what to fund. A timebound project can be an entry point to bring a range of actors together, especially if the field hasn't fully formed yet. Eventually, chasing project-bound funding becomes insufficient.

There's also a supply and demand of projects. In the “nature” space, organizations are designing more collective solutions to present to funders to avoid duplicating efforts.

One participant asked why funders use returns on financial capital as a basis for success and performance. The sector needs institutional funders who understand the need for and importance of funding the "container" or the "facility." This approach is key and should be cross-sectoral.

Key takeaways from the discussion:

1. Systems change analyses should be shared across the funder community (especially during leadership transitions).
2. We need to learn how to negotiate multiple agendas better and develop common principles that can be adapted and adopted (less prescriptive).
3. We need to solve for the "scarcity” mindset, i.e., there is too much to do and not enough resources. An example was the field of climate change shifting this mentality by making entry easier for funders through efforts like the Climate Leadership Initiative.
4. We need mechanisms to keep funders accountable in transitioning from a project- or place-based approach to a systems or ecosystem approach.
5. We should shift the idea of funding from projects to people and shift from a "top-down" approach to focusing on the players/participants/communities within the systems.
6. Sufficiency and stability should be a focus and indicator for funders.
7. We need efficient ways to measure system/ecosystem health.
8. Power needs to be discussed and addressed within decision-making. And finally, more work is needed on the role of philanthropy and finding ways to bridge these gaps, break barriers and replicate positive examples, including funder collaboratives.

1.2 Transformational pathways for foundation leadership

Discussion facilitator: Antoinette Klatzky, Eileen Fisher Foundation and Presencing Institute; rapporteur, Tatiana Dozier, RPA.

This group focused on how to encourage funders to transform the way they lead, and the characteristics leaders need to make transformational change possible. There are various problems to address at different levels of traditional and newer grantmaking institutions, including the types of leadership and prioritization needed at various levels of the organization; how leaders relinquish an old model of power (money = power = control) and ego; and how program officers can translate their knowledge of on-the-ground issues to their leadership.

How can those in the philanthropic world start seeing ourselves as part of a larger ecosystem? What's the larger ecosystem that foundations and grantmakers are a part of? How can we see and sense the whole together and shift to a shared awareness? The matrix of systems evolution from the Presencing Institute examines where we are now and how to shift from level 2.0 to 4.0 Philanthropy – and shift from ego to eco.

To identify what's enabling or creating barriers to systems changes, we must think about the qualities and characteristics leaders need to make transformational change possible. Is it innate? Is it taught? Is it slow? Is it something we can push forward?

Some participants felt philanthropy needs a fundamental mindshift. If you believe it's innate, then change might not come easily. On the other hand, humans have developed these systems; the systems of philanthropy haven't been imposed on us. Philanthropy is often seen as a monolith, but there are traditional foundations founded and led some time ago, newer Silicon Valley-type foundations and many other types. Many foundations don't work together on particular issues they share. How can we prioritize the quickest and most efficient change to spur new kinds of leadership?

We must define the type of leader and leadership that supports systems change work. How do we unlock the culture that leadership operates within and thrives under in large foundations? At what level do you engage with the leadership of philanthropy to change? One approach is the servant-leadership model: We exist to serve the field, our grantees and the board. This allows leaders and funders not directly affected to step back and let other stakeholders step forward.

Grantee partners doing systems change work are part of a movement of organizations trying to make change. If we gather a group of grantees without putting these issues on the agenda, the topic always returns to funders and whether/how they're creating incentives for the way big and small organizations work and interact with each other. There's the opportunity for these funders to lead in a different way. Young leaders and program officers tend to have a strong opinion about the issues people face on the ground, but that doesn't necessarily reach the leadership operating in a particular way.

Related to this is the question of what constitutes transformational funding practices. When we think about the dream role, what roles do funders play? The obvious one is giving partners multi-year unrestricted funds. In addition, foundations can play the role of conveners to get organizations to work together because it's hard if an organization has just one grantee trying to do the work. Foundations can raise an issue and then step back and let grantees figure out how to fix the problem they raised. But more often the pattern is: We're giving you money, do the work and give us a report. Funders can also complement larger bilateral funders (e.g., USAID or European Commission). Funders don't need to always find niche organizations and help them grow while doing the work.

Participants here offered the example of six different funders supporting one grantee partner who each have their own key performance indicators (KPIs), so now the grantee has more than 56 different indicators to report on even though only one report is needed. There's also the creation of different politics that each grantee must navigate. In the field of climate change funding, there's an obsession with being first but not going alone. This creates tension between peers not being engaged early enough in a process or being engaged too late in a process.

On the theme of the donor as convener, collaborator or mentor/coach, some issues remain unsaid. For example, funders (institutional or high-net-worth individuals) want to be the architect, general contractor, zoning board and commissioner. In other words, funders want to be everyone and want to sit outside of these systems and look down on them. Instead, funders must "get on the dance floor" and support shared analysis, diagnosis and planning. This requires shifting away from ego; it requires funders to admit they aren't in control. This also raises the question of foundations that do not hire subject-matter experts/program officers. For them, what does it mean to be ecosystemic in their approaches?

Helpful behaviors when a funder "joins the dance floor" are:

1. Bringing different system stakeholders together and paying for their time during leadership

2. Collaboratively creating a map of how the system works or doesn't

3. Identifying common pain point(s)

4. Looking for ways to bridge the gap of diagnosis and problem-solving

Participants discussed an example from the Ford Foundation's Mexico-Central America team. The team picked 10 organizations, gathered them and told them they were all going to receive unrestricted grants. They removed funding competition from the beginning. Now, the team is at 30 grantees. Another example is Bold Vision in Los Angeles, which helps BIPOC youth thrive in L.A. The funders' group brought together 10 groups representing different youth constituencies and provided 10 unrestricted grants. It also brought local stakeholders to the table to create a vision and roadmap. Funders found this approach hard, but they were able to create common KPIs to ease the reporting work of the grantee partners.

Both the Ford and Skoll Foundations have worked to influence their peers. Has it worked? Funders do listen to other funders, after all. Many funders are trying to be more collaborative. The climate change emergency has led to more collaboration than other sectors. Climate Emergency Collaboration Group and Climate Leadership Initiative are two examples of funder collaboratives bringing in new and more donors and leveraging high-net-worth individuals.

But since nobody changes unless they want (or feel the deep need) to change, how can we persuade people to change and make motivation intrinsic? One framework suggested was that used by Otto Scharmer (a senior lecturer at the Massachusetts Institute of Technology and founder of Presencing Institute) and the Presencing Institute's team called the matrix of systems evolution. The framing for the philanthropy sector so far is: 1.0 Input – Donor centric; 2.0 Output/efficiency – Single mission; 3.0 User – Participatory / multi-stakeholder; 4.0 Ecosystem – Ecosystem transformation.

Participants also discussed the source code of foundation culture and its three strands: academic, corporate and government. How do foundations break out of these source codes? It takes moments of stillness and resonance, moments to land what we heard and slow down to see what's resonating.

1.3 Engaging emergent donors in systems change approaches

Discussion facilitators: Edwin Ou and Rachel Flynn, Skoll Foundation; rapporteur, Kelly Diggins, RPA.

This discussion included representatives of different types of funders, who mentioned there are different forms of donors we must keep in mind. Some participants wondered if they would still be considered an emergent donor, including the King Khalid Foundation as a regranter who, given the swiftness needed when it comes to the climate emergency, thinks of itself as an emergent donor in that space.

Some consider emergent funders as new wealth. Who do they trust to get started? It can be a wealth advisor, attorney or philanthropy advisor. Who does an emerging donor approach first, and are those people engaged in systems change? How can we position systems change as a tool to start one's philanthropy?

Emerging donor education is something The Philanthropy Workshop (TPW) focuses on. When it launched many years ago, there was a gap in support for family foundations. Education remains helpful to funders and is needed by emergent funders in particular to begin to understand how to be a good donor and other giving principles. Exposing these funders to others who sit along the systems change path is a key point in their learning.

Latimpacto is a giving network in the Americas that started research on families, which is mostly next-gen philanthropy. A representative noted that many of that region's funders and networks, as everywhere, are short-term and reactive. These funders need open-source education materials and networks so they can exchange ideas and practices with others who are making this journey. There's also a need to connect to family offices to discuss social impact versus financial return. These funders need help with "theory of change" work and strategy. More generally, organizations should establish clear expectations for funders on when change will happen and what appropriate timeframes are.

A representative from the Asian Venture Philanthropy Network (AVPN) noted the significant mindset shift required. Many of its donors are corporate funders, though some, including its Asia Gender Network, include individual emergent donors. Funds will increase in the region because Singapore just passed a tax incentive law for donations and private banks are coming to AVPN to help families with grantmaking, so this is an area of opportunity.

A representative from Open Society Foundations noted the importance of both understanding the landscape and where the funder fits into the landscape. It's important to help people see where they fit in and give them space to try new things. What's responsible mentorship in this space look like? Meet the funder where he or she is and give him or her the safety to test and learn. Help the funder see him or herself as catalytic and understand he or she has risk capital. Help emergent donors navigate the system with confidence and agility, encouraging them to be comfortable with learning from doing. The group agreed collaboration is key to testing and learning, and we need to share more the cycles of learning in the philanthropic system. Dream big and start small, using that approach when looking at systems change.

Additionally, in the relationship between grantee partners and emergent funders, there's usually more direct access to the funder, and grantees can give more blunt feedback. How can we equip our grantees to speak truth to power and improve feedback opportunities? This is a time to ask funders to adapt their indicators to what the grantee partner requests. The hub of a funder collaborative can take it upon itself to coordinate with other funders of a program to promote using the same reporting and indicators, creating collaborations with other funders even within individual programs they're supporting.

At the same time, many grantee partners who repeatedly voice requests like this on reporting practices, for example, are not yet seeing any changes. Participants offered a few challenges and solutions, including:

1. Time a is a big ask. Can we move to conversations with grantee partners as an alternative to yet more written reports? A funder can be transparent and get to the point of the relationship/conversation faster. A 45-minute conversation can be more impactful than a written report.
2. It's up to the funder to translate what the grantees say into the language of the foundation.
3. A funder who has done extensive due diligence can share his or her reports broadly so other funders can build on those rather than repeatedly asking for the same information
4. Make the reporting process be what the grantees are already reporting regarding their impact.
5. Educate grantees who don't know about what general operating support means.
6. Create better relationships between donors and grantees based on trust.

1.4 Making philanthropy a more accountable systems player

Discussion facilitators: Chris Jochnick, Landesa and Joanne Sonenshine, Connective Impact; rapporteur, Camille Serrano, RPA.

There are existing donor learning communities, but most are internally focused, self-reported or presented by grantees back to funders. *Inside Philanthropy* and others have explored rankings of foundation effectiveness. What criteria should a donor be rated on, and can the results be made public? Unfortunately, many existing conversations on funder self-assessments haven't gone anywhere. Why is funder assessment important? The boards of funders could use this to demonstrate whether the foundation's practices are falling behind in supporting transformative change.

But innovations do exist for the nonprofit sector more broadly. Oxfam's Behind the Brands campaign and scorecard are examples of what could be possible in terms of evaluating foundations and holding them accountable. Catalyst 2030 has a self-assessment for funders. The U.S.-based Center for Effective Philanthropy has a Grantee Perception Report that invited grantee partners to anonymously provide rating/assessments on their foundation funders. In the U.K., foundations pay to be evaluated through U.K. Practice Ranking by Giving Evidence. A Candid initiative, Glass Pockets, which sunset in 2022, aimed at philanthropic transparency (though foundation reports submitted were self-assessments, which could have a bias). Vu Le of Nonprofit AF and publications on equitable grantmaking, transparency and effectiveness exist. The Council on Foundations has been focusing on trust-based philanthropy, steering away from foundations trusting grantees in favor of foundations as trustworthy. Some smaller, emergent foundations have practices from which we can learn. Equity and transparency are relevant when foundations require heavy due diligence from grantee partners.

How can we encourage funders to participate in existing surveys? Corporations care about reputation, but does that sense of concern translate to philanthropy, especially for U.S. foundations? Do current methodologies allow for navigating an uncertain world? What does it mean to learn today, assess quality of failure as learning and avoid recreating existing literature?

The group explored some criteria for what would be evaluated. Would a ranking tool be helpful? Perhaps the top 50 donors in the U.S. could take part in this. This approach would need to be embedded into a foundation's existing strategy and goals. Grantee partners would need to buy in to this process. The criteria could start with simple things, including the existence of a website; if a self-assessment is made publicly available whether there are staff visible and contactable on the website and if the funding cycle is clear. The U.K. philanthropy sector largely values transparency and diversity in the assessment process, for example.

A perspective from the SEE Foundation in China, an environmental umbrella organization that activates network of NGOs, entrepreneurs and environmentalists, relies on active communication between partners. SEE doesn't have a rating system, but it's intentional about communication between donors and grantee partners. The SEE team leverages the Chinese Environmental Grant Alliance, which gives it access to a database/platform for information sharing whereby foundations rate grantee partners and the Chinese government rates foundations on effectiveness (note this cultural difference in how government participates).

Lever for Change operates from a stance of openness and transparency. It has open calls for the Lever for Change prize; there's no need to have prior contact with the funder to apply. Lever for Change now works with new and emerging foundations to encourage lessening the burden to rectify the power imbalance between funders and grantee partners. It notes newer philanthropy actors can also be cautious, particularly some who want to be anonymous or are still creating infrastructure. Additionally, Lever for Change is working to make its data even more public.

A factor to consider in tracking U.S. reporting requirements is what is legally required for transparency, and this can be different for new actors beyond private foundations. For example, the Chan Zuckerberg Initiative, which is an LLC that has different disclosure requirements than private foundations, provided funding for elections, but this prompted calls for legislation to avoid election interference/influence. Relatedly, if philanthropy doesn't address these issues, the government could make things even more burdensome administratively

The Catalyst 2030 survey of what funders care about most, which generated about 2,000 responses, has not yet been used for advocacy purposes; this is an opportunity that hasn't been leveraged. Its Call to Action is for funders to take the self-assessment tool and use the results for internal planning or even public shaming. Additionally, organizations could use the Center for Effective Philanthropy's survey tool and framework more widely. Bilateral conversations led by funders with grantees can be useful, though care must be taken to not eliminate diverse voices. The group also suggested the Oxfam's Leaders vs. Laggards evaluation could be adapted. In general, creating reporting norms and bringing this information to broader foundation staff beyond program officers and to other early- and mid-career professionals, are ways we can induce systems change.

Cluster 2: Systems thinking approaches in addressing climate change

2.1 Using communications to accelerate systems change on climate

Discussion facilitators: Rosalind Jackson, Energy Foundation and Chévon Deputy, Climate Nexus; rapporteur, Elizabeth Droggitis, RPA.

The group explored the role of re-grantors, collaboration, equity, narrative shifting and work in international contexts. Regarding the role of communications as a driver of systems change, many funders don't actually understand what climate communications organizations mean by "communications." There aren't a lot of practitioners inside funding organizations, and funders generally don't understand what shifting narratives requires. Normative power comes from narratives, and narratives come from compliant people. Nonprofits must think more like marketers to influence and establish mindsets. Right now, the people speaking about the climate emergency are not being widely embraced.

Sometimes people think communications

roles are all in the media, but it's a more fragmented and complex system. When we say "communications," we don't all mean the same thing. There's great power in words. For example, former U.S. President George W. Bush's administration switched from using "global warming" to "climate change" after being informed the latter was less alarming to focus groups. At the United Nations Framework Convention on Climate Change international Conference of Parties No. 9 (UNFCCC COP 9) 20 years ago, the U.S. delegation did everything it could to avoid progress. The fossil fuel industries and their marketing infrastructures greatly influenced the delegation. It's more accurate to use words like "climate crisis" or "climate emergency."

There's not a lot of collaboration between groups working on climate; there are many silos and groups not communicating with each other. Everyone has to compete for the dollars to survive. How can we better achieve collaboration so that 1+1 isn't 2, but 11? Moreover, climate and democracy are linked, but where's the call to action?

Messaging is equally important for the public, policymakers and decision-makers. The fossil fuel industry has created effective narrative and messaging. We in the nonprofit and philanthropy sectors also need better collaboration on messaging. Philanthropists need to understand the power of communications better, and this is related to the power of listening, which is not always their greatest skill. Funders need to be open to listening and trying – and to allow for results to take time.

In addition, we can't localize issues. Rather, we need to look at the broader, international picture. A lot of panels during the 2023 Climate Week have been U.S.- or New York City-focused. There have been very few representatives from the Global South. So which stories get told? There was little or no mention of the importance of forests, for example.

We assume the "experts" have the solutions to climate communications, but we need to challenge this assumption. Who are the ambassadors sharing these messages? Whoever sets the agenda sets the parameters of the conversation. We need Global South voices in our initiatives; we can't have a global communications campaign without these voices included. We must be intentional on how we describe communications, but the "who" is also important.

A gap that communications efforts are uniquely able to address requires more analysis of where in the world we spend the collective communications philanthropy funding and which markets is it addressing. It seems to be underfunded across the board. Policy work is getting most of the money. And funds are invested mostly in the U.S. and Europe. Efforts are underway to build out local granting capacity around the globe, but it's moving slowly because there's not great infrastructure yet, and there is more competition for funding than collaboration.

We need more clarity on who we're targeting with our strategic communications budget. We need to better understand this to address the funding challenge. It would be helpful to have a "Bridgespan"-type report on where climate communications funding is going around the globe. Evaluation metrics are "chasing the headline," but we should, instead, influence action and behavior change. Strategic communications can help us shift this. But we need to be able to measure the impact of strategic communications because this doesn't always resonate with funders as it doesn't fit into their standard evaluation metrics. For example, there's a focus on mainstream media, but local news is just as important. We need better funder education around this.

How "mentions" in media lead to impact is an iterative process, so it's sometimes harder to point to impact. We need to reframe our monitoring and evaluation methodologies. For example, we require public polling to measure the impact of media on mindset shifts, but are there funders supporting this? We need more information on whether people working on this issue from different vantage points think of themselves as part of the same field. Additionally, we should identify if/where there's conversation happening, the perspectives we're collectively trying to shift and the people required for those conversations.

For example, meteorologists can be better messengers around the climate crisis as they already have a platform. Climate Nexus is working to educate meteorologists to better make the connections between their work and the climate crisis. They can't always draw the links; they don't always see themselves as experts. There are other examples of crossing fields. Climate communicators should connect with other fields of communication, such as health and biodiversity, breaking down the silos.

Is there, or could there be, a climate communications collaborative similar to Pop Culture Collaborative? We need asset mapping of strategic communications. This group could begin assembling the people needed to do this type of asset mapping.

Overall, the group summarized the priorities as:

1. Transforming who's making resource decisions and who's resourced
2. Fostering more collaborative infrastructure and shared visibility on where everyone sits in the ecosystem and then facilitating better partnerships and collaboration
3. Working on monitoring and evaluation and understanding impact, helping funders understand this better
4. Finding better ways to reach people who are not the converted and specifying the role of philanthropy in reaching those audiences so we're not only talking to people who already agree
5. Ensuring funders understand the duration of communications efforts and that it can't be seen or funded as a project because it is a long-term, ongoing effort and investment
6. Including both media and strategic communications and seeing them not in competition for resources but working in parallel with each other

2.2 Enabling climate justice by putting people at the center of adaptation

Discussion facilitators: Ayesha Dinshaw, Climate Justice Resilience Fund and Paloma Costa, Youth Climate Justice Fund; rapporteur, Meenakshi Abbi, RPA.

This group began by defining the elements and rationale for climate justice: making sure we center the people facing consequences of climate change in solutions; ensuring those who have been polluting pay more; recognizing women are more affected and vulnerable; seeing climate as a moral question and a rights issue that must protect youth, women and girls; and recognizing the systemic injustice perpetrated by many governments and companies of which climate change is another layer on top of issues like gender-based violence and resource extraction.

Organizations that try to center their climate work around people meet communities where they are, drawing on the social dynamics already present rather than imposing a top-down approach. When marginalized people participate in conversations, it has positive ripple effects in society. Communities have their own way to make change, so it's important to support the existing community structures even if they are not formal organizations. Trust and flexibility are important, as is decentralizing work, using local community advisors.

Communities aren't necessarily talking about climate change, so funders need to meet communities where they are and connect to what's happening on the ground. People are agents of change, not victims. Listening to them to create policy, working with them at all levels for decision-making and funding and designing interventions with a resilience lens all contribute to climate justice.

The group urged funders to shift power and give power. We must stop the extractive process of asking what the problem is and asking people to repeatedly share information. Funders need to shift the decision-making, funding and program design power to enable people to take ownership of solutions. People in power need to relinquish control and allow communities the time, space and money to do the work. This may include taking risks and requires patience, and these are forms of relinquishing that power and control. Finally, we mustn't ask for too much to fit into what the funder needs: "The best minds in the world are spending time filling out grant applications!"

Cluster 3: Other opportunities to adopt systems approaches to create transformative change

3.1 Building sustainability and equity into economic systems

Discussion facilitators: Steve Waddell, Bounce Beyond and Federico Bellone, Conexus; rapporteur, Margaret Elam, RPA

Bounce Beyond uses a model that distinguishes between three types of change: incremental (e.g., improving carbon efficiency in vehicles), reform (e.g., removing carbon subsidies) and transformation (e.g., shifting from fossil fuel energy production to sustainable energy production). Shifting systems has to do with changing the goals of the system. When we're talking about transformation, the boundaries of a system will change. We need to shift our thinking to speaking about our "system" partners as opposed to "programmatic" partners.

Systems implies other types of organizations too, so it's valuable to look at how philanthropy contributes to macro-level systems as well. Non-philanthropic organizations are interested in philanthropy's role in shifting overall systems. The World Economic Forum, for example, is interested in how philanthropy can help accelerate external partners in its own work.

Philanthropies excel in engaging with one another, but they feel insecure about participating in external forums. Many philanthropies see themselves as a conduit for money and feel pigeonholed when they enter external spaces. Funders want to have equal partnerships, but the design of the system creates barriers against co-creation we're struggling against. Though this is changing, the fundamental power imbalance still remains and is difficult to overcome. Related to this is the sense that implementation (grantee) partners don't feel the ability to push back. Creating a co-development dynamic where funders get to be partners, as opposed to merely funders, could shift some of the power balance, possibly resetting the expectations of each partner.

If we want funders to feel more like equal members, we need to rearticulate everybody's role. This is an important conversation because it's about creating "safe spaces" to experiment with co-creation and roles with funders being just one of the system actors.

We can think of system goals versus values as binding elements for the vision. What's the value of having similar goals versus having underlying principles that mirror each other in terms of us being able to work together? A participant discussed the misperception that goals were most important because, in systems change approaches, the understanding and definition of the goals actually changes with experience and experiments. The participant now finds values as the more fundamental uniting factor to work through implications of experience.

Making these changes may be easier if your organization is smaller, but this work seems to have an impact on bigger organizations too. Could we use smaller organizations as pilot groups? Perhaps, but bigger organizations should be able to create experiments and "skunk works" that operate outside of that organization's dominant way of working.

There's a stewardship role that's accountable to the system as opposed to the actor. But it's difficult for foundations to play this role because they themselves are actors. It's important to have a party that is accountable to and trusted by the actors in an ecosystem. Foundations have an important role to play as a funder, but it's difficult for them to play the role of trusted steward for development of the ecosystem because the system is more complex than we generally think of it as funders.

We need to find ways to shift our thinking from focusing on the symptomatic to the systemic, as we focus on symptoms even when thinking about transformational change. Adopting a systems mindset is still difficult. People feel uncomfortable with the scale and complexity and understanding and accepting they have a particular role in it without feeling overwhelmed. People still hold onto their organizational-based perspectives and think of "the system" from that perspective. Both of these steps are critical: first, understanding the dynamics of the system and, second, understanding their organization's role in interventions to strengthen the system.

When applied to economies, thinking of the economy as a system and how to make meaningful interventions in it is usually beyond people's ability. They need to focus on "subsystems" of the economy (e.g., a food system in a particular location), but without having a strategy that accounts for the larger system. However, larger system dynamics usually overwhelm such change initiatives. The socio-technological folks describe this as questions about how to move from niche to regime to landscape. The three horizons framework describes it as moving from current reality to a desired future through developing what can be called a transformation system. This blog illustrates one model for the larger economic system that provides for relatively easily understood actionable strategies that funders and others can use.

3.2 Channeling tech for the public interest

Discussion facilitator: Monica Greco, Open Society Foundations; rapporteur, Renee Karibi-Whyte, RPA.

This group began by discussing the systems implicated in technology. For example, there's an information ecosystem that requires us to understand the information landscape and factors such as the rise of social media, which has transformed how people access and consume information. Additionally, data brokers and gatekeepers, including major media organizations, play crucial roles in determining the quality and reach of information. Another system is business behavior. Various factors drive business practices, including profit maximization, short-term shareholder returns and capitalist incentives. These economic drivers can sometimes lead to a focus on profit at the expense of ethical considerations. A third system is regulations and regulatory challenges. The tech industry, particularly in Silicon Valley, has a strong libertarian influence and spends billions of dollars on lobbying efforts to resist regulation. As one participant put it, "Silicon Valley is a libertarian hothouse, so there is a massive lobby with billions being spent to ensure that everyone knows early on why regulation will never work, and why governments should get out the way." Balancing innovation and regulation is a key challenge. A risk-based approach to regulation, similar to safety standards for consumer products like toasters, may be necessary.

National security is another relevant system. Technology has significant implications for national security, including surveillance, migration and election integrity. It's crucial to establish controls to prevent the misuse of technology by countries or governments with poor human rights records. Finally, there's technical solutionism. It's essential to avoid the trap of applying new technology to existing problems without addressing underlying systemic issues. This concept underscores the need for holistic approaches. Techno-solutionism is primarily driven by industry players with broad reaching impacts on the states as well as other stakeholders.

There are opportunities to create system shifts related to technology and society. One is shifting funding dynamics. There are diverse perspectives on technology in philanthropy with some funders emphasizing tech as an enabler while others avoid support for technology. The group had divergent views on whether funders were optimists or heavily invested in tech with some arguing funders shied away from investing in technologies (both administrative and to advance programmatic goals), whereas others felt it was quite in vogue for funders to spend significantly on developing "apps" and other solutions to advance the work of grantees. Whichever is the case, funding and the outcomes of that funding are falling short.

Another opportunity is using community-centered approaches. Philanthropic efforts should prioritize community empowerment over technology-centric solutions. Technology should enhance and support communities rather than overshadowing them. Ecosystem building would encourage shifting from project-focused philanthropy to fostering collaboration among stakeholders to address systemic challenges. This approach encourages coordination and alignment of efforts to create lasting change as well as collaboration among funders for more comprehensive solutions.

Philanthropy can support more work on advocacy and public awareness, playing a role in advocating for tech safety and ethical concerns and helping people understand the risks of technologies and how current market forces shape attitudes toward technology. Building public awareness and support is crucial for meaningful change.

With respect to systems perspectives and stakeholders, engagement practice should recognize the importance of considering various perspectives, including tech creators, regulators, users and the public in shaping technology and its impact on society. Amplifying user voices means advocating for the inclusion of user perspectives in tech design and development, ensuring technology aligns with user needs and values.

While there were mixed views on engaging with technology companies, some employees within them advocate for ethical practices. Engaging with these companies and their employees can drive positive change. The group acknowledged both their potential for good and skepticism about their commitment to social responsibility. Some noted there are small teams of employees within tech companies that lack power, but in advocating for ethical practices they may have significant influence. On the other hand, regulators are huge and powerful, so ensuring they understand what it is they're regulating is key. Many lack technical expertise and don't fully understand the implications of their rulings. The group also wondered how philanthropy could engage with investors and whether there's room to promote better behavior by influencing the investors who will buy these technology companies in the future.

Philanthropy can pull several levers of change to promote equity in dealing with technology. Diverse perspectives are apparent given that some funders emphasize tech as an enabler, while others limit grantee partners' ability to cover technology costs with their grants. In program design, funding community-centered approaches can mean advocating for technology that empowers communities while emphasizing that it shouldn't overshadow human-centric solutions. Systems-level approaches encourage ecosystem-building and collaboration among funders for more comprehensive solutions. Philanthropy can advocate for technological safety and ethical concerns. Promoting diversity in technology leadership through advisory boards, governance roles and other means of decision-making can support an emphasis on diversity. This can lead to more comprehensive and equitable solutions that consider a broader range of perspectives and experiences. Leveraging philanthropy resources to create public awareness and support for technological safety and ethical concerns can build public pressure for change. Philanthropy can support efforts to improve technology across the social sector because those working in this sector now have low expectations for what technology can bring to their work.

3.3 Creating pro-equity democracies

Discussion facilitator: Taylor Holden, One for Democracy; rapporteur, Sara Lopez Gonzalez, RPA.

Within this discussion, participants identified several systems that funders need to understand and get a grounding in when supporting work in this area. They include: 1) elections and voting, 2) who has the power and influence in the conversation, 3) the education system, 4) mass media, 5) criminal justice, 6) the legal system (for those who have access to the judiciary), 7) internal democracies and who parties select to represent them, 8) rights such as freedom of speech and freedom of creativity, 9) the economic system, 10) the immigration system (how citizenship should be defined), 11) the military (insofar as the extent to which a country's military is involved in governance or in cases of military takeovers), 12) public spaces and the opportunity to convene for protests, 13) the history of colonization in a country and 14) religion and culture.

In the interplay between funders and grantee partners in this work, participants also identified a number of shifts that we must influence. First, funding is generally reactive and short-term whereas support for democracy requires long-term investment and trust given there are many internal and external factors for how to change hearts and minds on democracy. Second, we must strengthen civil society for durable systems change, and the infrastructure that supports local organizations has to be local as well, supporting the leaders on the ground. Third, we must provide communities with access to care. Too many quantifiable metrics are near term, but some should be more long term with more variety in what we're measuring (e.g., not only the number of new voters but also what barriers exist to people joining the voting system).

The programmatic silos in philanthropy remain a barrier. Many different fields affect, and are affected by, the state of democracy, including equity, gender and climate change. Power dynamics also remain relevant: who has power, how power is yielded, how power is held to account and who decides who has power. These relate to a more expansive definition of democracy. Election-based funding must be longer-term, not just before an election. Moreover, that's just one tool to fund. There's too much focus on winning elections rather than on good election policy and creating accountability. In widening the metrics, we should place more emphasis on political safety - who feels safe advocating for the candidates they're voting for? Who's excluded because of political violence? Funders need to look beyond program start and end dates and create a long-term relationship between the funder and program partners to build trust.

The group explored how to give leaders outside philanthropy a seat at the table. Philanthropy pats itself on the back by funding grantees that are underserved, but, ultimately, they still lack power (e.g., board still has no people of color). We need to distribute leadership in organizations to include underserved people. There's a hunger for people to be engaged at the decision-making moment, sharing in developing strategy. For example, a pipeline to recruit scholars and judges doesn't exist. Philanthropy should include people with expertise; some felt philanthropy's job is to distribute funding and get out of the way for people with the expertise. Overall, there's a need to create more spaces where we can partner.

In terms of stakeholders and power, the media are important for disseminating information, and we must engage more with them. The media may be the only institution that people trusted, but it's now losing that trust. In some countries the leadership buys the media with bribes. It's important for the media to declare there are no short-term wins, and there's support for local, community-owned media. It's the national media that has the potential to be most destructive.

In China, the situation is different compared to western European or American democracy, particularly because of the difference in voting systems. In China, there are investments in leadership and civil society programs, especially women leaders; there they don't use the word "democracy" but, rather, "strengthening civil society." It's time to engage China more from a good governance perspective.

We can use different levers of change to create positive change at the systems level. Collaboration needs more support because it can be difficult to gather stakeholders. We can engage NGOs working on democracy more, including building counter narratives that support democracy. Expanding the role of and reimagining the future of organized labor would address some of the issues above as well as putting more emphasis on those most impacted by undemocratic systems. Process improvements include funders providing long-term, flexible and general operating support and greater collaboration among donors themselves.

3.4 Changing the narrative on migration

Discussion facilitators: Annie Nolte Henning, Community Sponsorship Hub and Sana Mustafa, Asylum Access; rapporteur, Maddie Kinzie, RPA.

Community Sponsorship Hub (CSH) is an example of an organization that implements a welcome corps for refugees, changing the communications to welcome refugees (instead of fearing them) and creating a new narrative that changes the perception of migration. Along with these priorities, CSH centers its work on refugees and communities with lived experience; they should direct and co-design how to integrate refugees into society, versus relying on policies set decades ago.

Adapted from Canada, where government has done this for decades, this approach is unique in that it leverages public-private partnerships and shifts the emphasis from resettlement to sponsorship. For CSH, this means groups of community members sponsor a family, fund what it needs and provide social capital as well. It brings resettlement efforts into communities so there's better integration. The narrative and people's views change when they know someone personally.

An example of another empowering and narrative-shifting model is Asylum Access, a collective of refugees and local-led individuals with global reach that focuses on shifting power back to those who have lived experience of forced displacement. Its rights-based approach incorporates change on an individual level by providing immediate delivery of legal rights, changing (on a national level) the design of laws that enshrine refugee rights and shifting its funding because it's a global fund by and for refugees that collects and redistributes funds via participatory grantmaking to grassroots organizations. This was launched originally from an award from Lever for Change that provided funds for incubation and later soliciting additional funding from other philanthropic sources. Key principles include having a refugee-led organization, centering communities within the organization and giving them decision-making power.

There are exemplary organizations and approaches that have made a difference in how we design for and with the people whom we serve. For example, Fundación Santo Domingo in Colombia commissioned a study on pregnant migrant women showing how there's a higher cost to cities that only give services to these women in emergency cases versus giving them ongoing pre-natal care. The costs to a city for funding both approaches would have been half that of solely the former, proving both the humanitarian and financial benefits of service provision to migrants. A family foundation in the U.S. mentioned the importance of the New York immigration coalition. An organization in Bogota collects customer feedback on services they receive from funders. Separately, a study on the public perception of Venezuelan migrants changed both the narrative on those coming and the efficacy of programs because it drew on a baseline of accurate information versus designing programs based on assumptions. Thus, such interventions both generate evidence to tackle xenophobia and improve program efficacy. The plan is to share this with the election of city mayors in 2024. Other ideas for improving services included: 1) employing real-time feedback that allows changes during a project designed by those living the experiences and 2) using open-text fields in surveys that allow capture for real-time feedback on all things not asked.

Broader shifts in philanthropy can help. The Bill & Melinda Gates Foundation has an initiative that provides funds to create supportive infrastructure for collaboratives. This event today is an example of facilitating access to funders. And efforts like Documented NY challenge the narrative that migrants will destroy the city. We must support statements from powerful leadership figures. Building capacity at small funds and collaboratives is important; $200,000 can make a huge impact and create sustainability. Asylum Access is an example where one Silicon Valley investor had to take the risk and finally say, 'ah' – realizing if funders don't provide a significant investment, organizations are restricted to implementing at the same level versus growing and maintaining sustainable work. Related to this, multi-year funding is crucial to give enough time to create the right structure and build trust.

For donors who believe in doing this work but don't want to be in front, they can give to sponsor groups, to direct funds to individuals and diversify who has access to sponsorship, not just affluent white Americans. This is all a part of communications that plays a part in changing narratives.

Family foundations provide a lot of support in the field of migration. Generally, these have a family board that makes decisions, rather than being staffed from affected populations. It's important to bring board members to the field and even more important to bring migrant representatives to talk to boards. Can more foundations have advisory councils or mini boards that make decisions, not just give advice? Can refugees be added? This brings real expertise to the decision-making.

There are systems that philanthropy has tried to put in place to understand what works on the ground, but there are fashionable distractions too. While there are instances of new leadership, partners, and the constitution of teams, in many cases the how is not changing. Many funders have no intention to change old decision-making frameworks. But we must keep trying to ensure productivity while also retaining humanity and finding common ground. This goes beyond curating agendas that only serve "us" and instead provide space for human-centered design and the unexpected. The overall challenge and message are finding ways to disrupt existing power dynamics rather than reinforcing them.

Attendee Organizations

We want to thank all of the organizations that attended our event.

Accountability Accelerator

Aim to Flourish

Asylum Access

Asian Venture Philanthropy Network

Bellwethers

Bill & Melinda Gates Foundation

Bohemian Foundation

The BOMA Project

Bounce Beyond

Bridgespan

Bridging Ventures

Business and Human Rights Resource Centre

Business for Nature

Chandler Foundation

Climate Catalyst

Climate Emergency Collaboration Group

Climate Justice Resilience Fund

Climate Nexus

Climate Ventures

ClimateWorks Foundation

Climat-KIC

Co-Impact

Community Sponsorship Hub

Connective Impact

Connexus

Council on Foundations

Dalberg

Dasra

Dialogo Brasil

Doc Society

EarthHQ

EcoAgriculture Partners

Energy Foundation

Farmers Organizations for Restorative Agriculture

Ford Foundation

Fundación Santo Domingo

Global Commons Alliance

Global Warming Mitigation Project

Growald Climate Fund

IDB Lab

India Climate Collaborative

International Fund for Public Interest Media

International Resource for Impact and Storytelling

Attendee Organizations cont.

We want to thank all of the organizations that attended our event.

Internews' Earth Journalism Network
Jacob and Hilda Blaustein Foundation
JPB Foundation
Karyn Caplan Consulting
La Caixa Foundation
Landesa
Latimpacto
Lever for Change
Muirfield Foundation
New Energy Nexus
One for Democracy
Open Society Foundation
Packard Foundation
Parliamentarians for Global Action
Plastic Solutions Fund
Porticus
Presencing Institute
RCOY Latin America
Results for Development
Rockefeller Foundation
Rockefeller Philanthropy Advisors
Robert Wood Johnson Foundation
SEE Foundation China
Segal Family Foundation
Skoll Foundation
Tech Matters
Temasek Foundation
The Diana Award
The Omidyar Group
The Philanthropic Initiative
Virgin Unite
WINGS
Women Moving Millions
World Economic Forum
Youth Climate Justice Fund

SHIFTING SYSTEMS INITIATIVE

Solutions for Scaling Impact

About the Shifting Systems Initiative

The Shifting Systems Initiative was launched in 2016 by a number of philanthropic organizations and Rockefeller Philanthropy Advisors, and a Steering Group that over time has included the Skoll Foundation, Ford Foundation, Porticus, Chandler Foundation, Draper Richards Kaplan Foundation, and Jasmine Social Investments. The initiative's aim is to encourage funders to collaborate to place longer-term, more adaptive resources with their grantee partners to scale their solutions and impact and enable sustained, positive systems change.

For more about the Shifting Systems Initiative and
to read the full range of publications visit:
https://www.rockpa.org/project/shifting-systems/

Sign up to get alerts from our Medium page:
https://medium.com/@shiftingsystems

Any omissions or inaccuracies in reporting the table conversations are entirely the responsibility of RPA, as the text has been edited for readability.