

FUNDING SYSTEMS
CHANGE FOR

Introduction

This year's Skoll World Forum set the scene for a pivotal session hosted by [Rockefeller Philanthropy Advisors' Shifting Systems Initiative](#) titled **Courage to Transform: Funding Systems Change for Lasting Impact**.

Headlined by a compelling panel featuring Kathy Reich, Ford Foundation; Kumi Naidoo, Africans Rising for Justice, Peace and Dignity; and Alexia Pretari, Research, Evaluation and Learning Specialist, the event aimed to strengthen community relationships and promoting collaboration among funders and stakeholders. As part of the Shifting Systems Initiative, which aims to examine and share lessons about when, how, and why certain solutions achieve system-level shifts, the conversation, moderated by Rockefeller Philanthropy Advisors' Heather Grady, explored the complex dynamics of creating a lasting systemic impact.

The thought-provoking and candid opening panel discussion served as a call to action for those present by highlighting the need for a people-centric approach to systems change. Speakers underscored the importance of fostering a genuine desire for change among ecosystem actors and shed light on the importance of tailoring communication strategies. Additionally, the panel emphasized the importance of shifting or abandoning many existing funding practices. Improved practices include embracing streamlined reporting requirements to make them PRUH DFFHVLEOH DQG EHQHéFLDO IRU DOO SDUV FRPPXQLWLHV LQ WKH GULYHU{V VHDW WR GHéQH as how (or if!) it can be measured. This was aptly captured by Kumi Naidoo in a paraphrased version of an Albert Einstein quote, "Not everything that counts can be measured; and not everything that can be measured counts."

8 U J H C P W O H D I Z R P W K H I L [D W L R Q R Q V K R U W W low-hanging fruit towards more enduring, transformative change.

Walk the talk not merely talk the talk, on shifting funding practices and narratives to create more impact. Inequitable, stagnant power dynamics and cultural narratives remain barriers to progress. To disrupt inequitable systems, funders should actively work to cede power and change the stories society tells itself.

Look inward and challenge philanthropy's internal power dynamics to foster an inclusive, participatory, and transparent do this authentically, according to Kathy Reich, funders should consider taking time "to stop and think and change," and engage within foundations.

Embrace pooled funding as a key lever for change in promoting gender equality, as it fosters an inclusive approach in grantmaking that empowers women, facilitates gender-focused initiatives, and sets a precedent for equitable resource distribution.

Develop a nuanced understanding of what it means to take risks and experiment. While philanthropy retaining its advantage as risk capital is crucial, it should not be taking risks for the sake of risk, or approaches used by the private sector without adapting them. Philanthropy and systems actors should take risks that are human-centered and fully consider the consequences for communities served.

In addition to serving as a platform for meaningful discourse, the gathering was also an opportunity for the Shifting Systems Initiative Steering Group to gain direct feedback on the initiative's priorities from new and longstanding partners. Featuring active participation and insightful contributions from panelists, facilitators, and participants alike, the conversation produced concrete calls to action and meaningful takeaways.

Alongside the panel discussion, the event also featured facilitated table discussions, taking a magnifying glass to numerous aspects of philanthropy and its challenges. These conversations sought to establish a commitment from each table towards better supporting and sustaining systemic change. These commitments covered a broad range of philanthropic practices, from integrating a gender perspective into pooled funds, regardless of the project or cost, to exploring the role of art and culture in catalyzing transformative change. The overall human-centered, community driven and collective action spirit of this session was best summed up by the African proverb *shamagnify aHetheriGrand fomoa bcivi tsociety dleaer eqarlrir thet aweek-19.9 (f, 2223Nomagt)20.1 (er)the Auenston, the ens*

Table Discussions

The session was energized by dynamic table discussions that spanned

DQ DUUD\ RI WRSLFV \$OWKRJK HDFK RI QLQH W D

unique insights, it is noteworthy that many revolved around shared

themee4i3



Since many funders are still nascent in their philanthropic journey, it is critical to provide guidance to prevent repetition of past mistakes. Furthermore, established funders looking to provide new funders with }HDV\ DQVZHUV~ VKRXOG EH VXUH WR FRQYH\ WKH and time needed to build proximity to communities served. Building this proximity can be enabled by focusing on an experiential approach, focusing on power sharing and trust-based philanthropy.

Funders engaged in systems change have a greater responsibility to ensure the continuity of funding. They should not act on the assumption that governments or other systems actors will automatically fund and scale an initiative or solution, no matter how worthy it is. Funders must provide bridge funding until they are certain the idea is adopted and funded by someone else.

7KH SRZHU RI VRFLDO PHGLD SRSXODU FXOWXUH SRWHQWLDO IRU GULYLQJ V\VWHPLF FKDQJH \$ FR artists, journalists, and celebrities can enhance this potential, transforming philanthropies from mere resource providers to catalysts of change. Thus, we must strive to develop funding strategies that unlock opportunities for arts and culture, promote diversity, and invest in the power of people. Instead of focusing solely on charitable solutions for structural problems, let's address the root causes and leverage arts and OHDGHUVKLS DV NH\ SRLQWV RI LQ êXHQFH



)XQGHUV VKRXOG QRW IHDU FRQYHUVDWLRQV ZLW
DXWRPDWLFDOO\ DVVXPH WKH\ ZLOO EH WUDQVDF
VHHNLQJ FRQYHUVDWLRQV DUH ORRNLQJ WR DVN
most often seek thought partnerships, convening power, and access to
the broader ecosystem. Funders have greater responsibility to ensure
WKDW QRW MXVW IDYRULWH DQG FRPIRUWDEOH Q
that all voices are at the table. It's a greater responsibility to be inclusive,
equitable and move away from the fear of uncomfortable conversations
ZLWK IXQGLQJ VHHNLQJ QRQSUR é WV

Philanthropy must serve as a catalyst, mobilizing public sector and business/investment sector actors for greater impact. A portfolio approach to investments can contribute to systems change by bridging gaps through philanthropy and de-risking investments with grants. Also, there's an alarming scarcity of local fund managers from indigenous communities, which restricts access to necessary investments. This highlights the urgent need to support local fund managers globally, especially in underfunded areas like sub-Saharan Africa, and to truly share power with investees. Improving access to funders and altering investment criteria can also help address this issue. Furthermore, it's crucial to close the gender gap in investment communities, where women often lack representation and access to investments.

Commitments and a Call to Action

At the end of the breakout discussions, each table made at least one tangible commitment to rise to the occasion and take decisive action to foster an environment that enables systems change.

(QJJDJH RSHQO\ DQG DXWKHQWLFDOO\ ZLWK G meetings requested during and post-Skoll World Forum, both in-person and virtually. Take this opportunity to truly understand the work of these organizations without fear of being asked for funding. This commitment to open dialogue and learning LV DQ HVVHQWLDQ VWHS WRZDUGV EXLOGLQJ partnerships.

Strive to thoroughly understand the system and its various levers for change. Conduct a comprehensive system diagnosis to FRPSUHKHQG RXU SODFH ZLWKLQ LW DQG DF we have within this system. This will allow us to better leverage our position for positive impact.

Shift focus towards qualitative measures, and move away from an excessive emphasis on quantitative data. Take the essential step to embrace iteration and accept imperfection. View PHDVXUHPHQW DV D OHDUQLQJ DQG UHêHFWL êDZOHVV SURFHVV

Conclusion

\$V ZH ORRN WR WKH IXWXUH RI V\ VWHPV FKDQJH
a crucial concept explored throughout the event– the reframing of the
idea of risk in philanthropy. Funders should shift their perception of risk
from a narrow focus on underperforming grants, hard to measure impact

Acknowledgements

We would like to thank the Steering Group and funders of the Shifting

Speaker Bios

Kathy leads the Ford Foundation's BUILD initiative both in the United

Additional Resources

About the Shifting Systems Initiative
