



How Philanthropy Can Support Systems-Change Leaders

By Lija Farnham, Emma Nothmann, Zoe Tamaki, Nate Harding, and Cora Daniels

The COVID-19 crisis has confirmed once again the inequitable design of many of society's systems. Indeed, there is no mistaking the vastly disproportionate health, economic, and educational devastation the virus has unleashed on people of color and marginalized populations.¹ That could be the end of the story, but it doesn't have to be. Instead, there is an opportunity for funders to respond in ways that reimagine these systems and intentionally lay the groundwork for more equitable ones.²

For some funders this will require different ways of thinking about achieving social change: focusing on the root cause rather than the symptoms.³ But our research finds that also needed is a reboot in thinking about who leads the way to impact (hint: not funders), a better understanding and embrace of the intermediaries doing the critical work that catalyzes population-level change, and radical new ways to assess and support these distinctive entities.

Research consistently finds that achieving large-scale, enduring social change requires collective and coordinated efforts.⁴ Those efforts span the work of field building, movement building, and systems change. Acting as the nerve center of this coordinated approach is an archetypal organization or coalition, or sometimes it's a leader or organizer, that is able to work in partnership with and in service of the myriad actors devoted to solving a given social problem. Funders rarely are able to do this work themselves because of the position and power that they hold in relation to other actors. While there may be no agreement on exactly what to call these key entities (e.g., field catalysts, anchor organizations, systems orchestrators, backbones), many of society's major social-change efforts and accomplishments have benefited from their work.

We studied more than 20 entities that act as the nerve centers of various social-change ecosystems (see [exhibit on page 4](#) for the full list), conducted more than 30 interviews, and drew from existing literature to better understand what they do and how they work towards population-level change. Our current research on these intermediaries extends the thinking we shared when we first [wrote](#) about these types of organizations in the *Stanford Social Innovation Review* in 2018 and builds off our recent report [Field Building for Population-Level Change](#).

1 "Covid-19 & Race: Principles," PolicyLink; Sonali Madia Patel, Alexandra Hughes Smith, and Gayle Martin, "Racial Equity Implications of the COVID-19 Pandemic: Opportunities for Philanthropic Response," The Bridgespan Group, May 13, 2020.

2 "A New Vision for Philanthropy," Justice Funders; Bobby Milstein et al., "Amplifying Stewardship: Characteristics and Trends Stewards Consider When Expanding Equitable Well-Being," ReThink Health, July 2020.

3 Dan Vexler, "What Exactly Do We Mean by Systems?" *Stanford Social Innovation Review*, June 22, 2017.

4 John Kania and Mark Kramer, "Collective Impact," *Stanford Social Innovation Review*, Winter 2011; Robin Katcher, "Unstill Waters: The Fluid Role of Networks in Social Movements," *Nonprofit Quarterly*, March 21, 2010; Niki Jagpal and Kevin Laskowski, "Smashing Silos in Philanthropy: Multi-Issue Advocacy and Organizing for Real Results," National Committee for Responsive Philanthropy, November 2013.

These entities play a variety of critical roles. In the eradication of polio, for example, Gavi was key to **diagnosing and assessing** the core problem and full landscape of actors devoted to it. When it came to marriage equality, Freedom to Marry worked tirelessly to **connect and organize** actors around a shared goal. The Campaign for Tobacco Free Kids contributed to the plummet of teen smoking rates as an instrumental **advocate**, shining a spotlight on the issue and galvanizing actors to address it. In the fight to prevent unintended teen pregnancy, Power to Decide helped **fill a critical gap** in the collective effort devoted to the problem by creating an online reproductive health education platform targeted to young women of color. And in the current action to end anti-Black violence and promote Black liberation, we see The Movement for Black Lives (M4BL) similarly playing all of these roles.

“Field catalysts are a critical, high-leverage investment,” says Matt Foreman, senior program director for LGBT Equality for the Evelyn and Walter Haas Jr. Fund. “Our investment in Freedom to Marry amplified all of our other investments in the fight for marriage equality. It is hard to imagine winning marriage equality without it.”

Despite the importance of these special social-change makers, our conversations with them and with funders, as well as our deep work with clients on large-scale change efforts, have convinced us that they are routinely underfunded—often because the critical role they play is misunderstood and overlooked. The repercussions are substantial: missed opportunities for catalyzing population-level change. We see these entities as being best positioned to drive immediate responses to our urgent crises while simultaneously reimagining and transforming public systems towards a more equitable and just society.

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MATT FOREMAN, SENIOR PROGRAM DIRECTOR
FOR LGBT EQUALITY, EVELYN AND WALTER
HAAS JR. FUND

Entities we studied that act as nerve centers of large-scale change efforts

Organization	Purpose
ArtPlace America	Strengthening communities through arts and culture
Campaign for Black Male Achievement	Improving the life outcomes of Black men and boys
Branch Alliance for Educator Diversity	Ensuring all students have access to diverse, highly effective educators
Clean Air Fund	Achieving clean, breathable air worldwide
Community Change	Building the power of low-income people, especially people of color
Community Health Impact Coalition	Making professionalized community health workers a norm worldwide
Community Solutions	Ending homelessness
Dasra	Strengthening collaboration in India's nonprofit and philanthropic sectors
EYElliance	Providing access to eyeglasses
Freedom for All Americans	Securing full nondiscrimination protections for LGBTQ people nationwide
Freedom to Marry	Achieving marriage equality in the United States
Gavi, the Vaccine Alliance	Protecting the world against the threat of epidemics
Global Impact Investing Network	Increasing the scale and effectiveness of impact investing
Let's Grow Kids	Advancing high-quality, affordable early childhood care and education in Vermont
Linked Learning Alliance	Preparing students for success in college, career, and life by integrating rigorous academics with real-world learning
Mosaic	Bolstering infrastructure for environmental justice movements
The Movement for Black Lives	Winning rights, recognition, and resources to improve the lives of Black people
Start Early	Closing the opportunity gap for the youngest learners
PolicyLink	Advancing racial and economic equity
Power to Decide	Reducing unplanned teen pregnancy
The Roosevelt Institute	Advancing progressive policies toward political and economic justice
SoLD Alliance	Transforming the US education system toward equity
Campaign for Tobacco Free Kids	Reducing teen smoking rates
Vera Institute of Justice	Building and improving justice systems that ensure fairness, promote safety, and strengthen communities

An Opportunity for Funders

Since this type of work is adaptive and evolving,⁵ to truly do it well—in essence, to be the nerve center of transformative social change—these actors need access to flexible funding streams.⁶ That funding is notoriously difficult to come by. Their work is often hard for funders to understand and assess using traditional approaches to grantmaking, and the need for flexibility further escalates the level of difficulty. The Center for Effective Philanthropy recently found that only about 12 percent of grants over the last 10 years were for multiyear general operating support.⁷

“Fundraising for this emergent work is not straightforward,” admits Lucia Campriello, chief development officer at Let’s Grow Kids, which works in early childhood education. “By the time you package it, it has changed and iterated already. That’s what makes the work effective, and that’s what makes fundraising a challenge. It requires courage from visionary philanthropists and energy from grassroots donors. Then transformative change is within reach. At Let’s Grow Kids we’ve been fortunate to engage a variety of donors who are inspired by our shared mission.”

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LUCIA CAMPRIELLO, CHIEF DEVELOPMENT OFFICER, LET’S GROW KIDS

Reflecting on the marriage-equality effort, Matt Foreman of the Haas Jr. Fund agreed, noting “It took some convincing to get other funders on board, because Freedom to Marry’s approach to impact was different than what people were used to funding.”

Indeed, research suggests systems-change leaders often struggle to secure funding because prevailing funding practices are designed to support short-term projects with clear, measurable results.⁸ Moreover, financial support usually comes with many restrictions, which doesn’t work well for collaborative, evolving approaches. In fact, a recent Ashoka report, *Embracing Complexity*, found that 87 percent of systems-change leaders surveyed had to adapt their initiatives to comply with funder requirements; 43 percent of that set reported that the changes were major in nature.⁹

5 Dana O’Donovan and Noah Rimland Flower, “[The Strategic Plan is Dead. Long Live Strategy](#),” *Stanford Social Innovation Review*, January 10, 2013; Kania and Kramer, “Collective Impact”; John Kania, Mark Kramer, and Patty Russell, “[Strategic Philanthropy for a Complex World](#),” *Stanford Social Innovation Review*, Summer 2014.

6 Heather McLeod Grant, “[Lessons for Funders on Supporting System Leadership](#),” Center for Effective Philanthropy, November 14, 2019; “[Multi-Year, Unrestricted Funding](#),” Trust-Based Philanthropy Project.

7 Ellie Buteau, Satia Marotta, Hannah Martin, Naomi Orensten, and Kate Gehling, “[New Attitudes, Old Practices: The Provision of Multiyear General Operating Support](#),” Center for Effective Philanthropy, October 2020.

8 Niki Jagpal and Kevin Laskowski, *Real Results: Why Strategic Philanthropy is Social Justice Philanthropy*, National Committee for Responsive Philanthropy, November 2016; *Embracing Complexity: Towards a Shared Understanding of Funding Systems Change*, Ashoka, January 2020.

9 Jagpal and Laskowski, *Embracing Complexity*.

Funder focus on the immediate needs of the current pandemic only exacerbates these challenges. In a [Giving Compass](#) analysis of 505 COVID-19 funds, the vast majority center on relief efforts. Less than 5 percent of response funds focus on reimagining and restructuring systems to support the most vulnerable.¹⁰

Because of their funding woes, these critical actors often must prioritize fundraising for direct service work, while their harder-to-define catalytic work goes chronically under-resourced. We heard over and over from these leaders about this struggle. “[Our work] was unfunded—an ‘in-everyone’s-spare-time thing’—for almost two years,” shares one interviewee. Another admits: “Funders don’t like to fund this stuff. We have less than half of the budget for this work, but we all do it anyway because that is the work that is going to move the needle.” Ultimately, this economic model is not sustainable. We have seen leading organizations go under because of it.

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ANCHOR ORGANIZATION LEADER

Faced with the decision to fund adaptive work that can be difficult to assess, some funders resort to a “friendship funding” approach in which they provide funds only when they already know the organization or leader. Highlighted by Bridgespan’s recent research on [racial bias in philanthropy](#), “friendship funding” tends to exacerbate funding disparities for organizations led by people of color. Consistent with this reality, a large majority of the organizations included in our research are led by white people, including in change efforts where people of color are disproportionately affected by the focal social challenge.

This underrepresentation of organizations led by people of color illuminates a [profound opportunity](#) for philanthropy: funding leaders of color with ambitions for doing this sort of catalytic work. This might include supporting movement leaders, as they often come from the communities they are working with to build power; building the capacity of smaller community-based organizations, so they can take on transformative work they may desire; or investing in future leadership development for emerging leaders of color. Truly breaking through here, though, will also require funders to [address the racial bias that is so prevalent in grantmaking](#).

A Different Approach to Due Diligence

Today, many due-diligence processes anchor on a linear theory of change: if the organization does its work, then a specific change will happen in a predictable, measurable way. Funders approaching due diligence from this vantage point prioritize things like detailed, multiyear strategic plans with specific annual performance targets, a demonstrated track record of results, and evidence of impact based on randomized controlled trials. This prevailing approach does not fit the adaptive nature of this work and what we know is required for these actors to be successful.

¹⁰ “Restructuring Systems Amid Two Pandemics: Donors Can Step Up Right Now,” [Giving Compass](#), June 22, 2020.

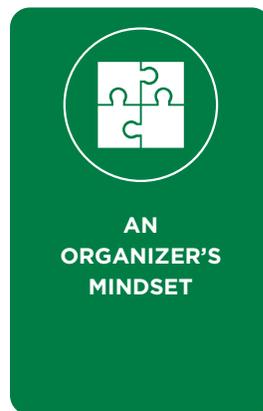
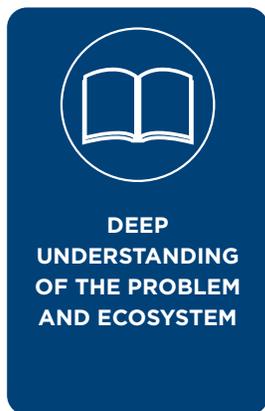
In addition, because these intermediaries are historically underfunded, they often lack resources to invest amply in things like strategic planning efforts and operational capacity building. Experienced funders of these types of entities shared with us that if they assessed these organizations using traditional due-diligence criteria, they would never invest in them.

For Abe Grindle, a director of programs for Co-Impact, a funder collaborative devoted to systems change, “a holistic diagnosis of root causes of the problem—especially the gender and equity dimensions of it, a concrete people-level outcome target that serves as a ‘North Star’ for the effort, a clear set of targets for the concrete systems-level improvements that are needed to achieve that North Star, a robust albeit adaptive strategy for achieving these outcomes, and an aligned operating model are all critical ingredients for success.”¹¹

Through our conversations with both funders of and leaders of these social-change makers, we’ve distilled a set of due-diligence criteria and a process funders can use to assess and invest in these organizations. We drew heavily on approaches often used by systems-change and movement funders.

Below we highlight what this different due-diligence approach looks like—both in terms of **what to look for** and **how to assess it**. Additionally, our [accompanying guide](#) offers a set of questions funders can ask these types of organizations and other stakeholders to understand the assets they bring.

Four “superpowers” critical to systems-change work



Source: The Bridgespan Group

¹¹ Abe Grindle is also a Bridgespan alum. While at Bridgespan he anchored our multiyear research initiative focused on the challenge of systems change: creating enduring solutions to social problems at the scale of need.

What to Look For

To accomplish their often behind-the-scenes work, these entities have several foundational assets, or some might say superpowers, that make them particularly well-suited to harmonizing the complex work of systems change. Although they often have additional strengths, four specific assets seem particularly critical.

- **Deep understanding of the problem and ecosystem:** In-depth knowledge of the context, systems and structures, and dynamics that perpetuate the problem, as well as the other actors devoted to solving it, enables the organization to focus on critical needs and opportunities.

Community Change, a national organization founded in 1968 by leaders of the civil rights, labor, and anti-poverty movements, is dedicated to building the power of those most affected by injustice. It develops its deep understanding by being in partnership with those on the ground, which allows the organization to make connections between national and local contexts. “We have this bird’s-eye view of the full picture that [community-based organizations] look to use for direction and advice,” says Wendoly Marte, director of Economic Justice for Community Change Action.

Sometimes the way the organization is structured helps deepen understanding. The Movement for Black Lives (M4BL) is a network of more than 150 leaders and organizations working for racial justice. Various members across the network engage around different pieces of the long-term goal of improving the lives of Black people. M4BL’s model allows for deep expertise across a range of communities and contexts. It creates an inclusive space for network members to discuss current conditions and approaches, informing a shared overall strategy and enabling M4BL to pivot based on where they are seeing momentum.

Although the organizations and leaders we’ve studied often developed deep understanding through extensive experience working in the issue area, others derive familiarity through firsthand experiences of the effects of the core problems, including experiences outside professional contexts. [Youth-led movements](#) across the United States and globally provide a powerful example of what’s possible when those with such firsthand experiences with society’s challenges use their insights to galvanize change.

- **Vision for equitable and durable population-level change:** That vision recognizes that such change requires centering communities of color and other marginalized populations in all efforts as well as transforming the systems and structures that perpetuate the problem and disparities in outcomes. As John A. Powell, director of the Othering & Belonging Institute at UC Berkeley, asserts in his theory of [targeted universalism](#), there is no chance of achieving such equitable population-level change without designing solutions that serve the most marginalized.¹²

M4BL first shared its [vision](#) to achieve justice and liberation for Black people in August of 2016 after the police shooting of Michael Brown in Ferguson, Missouri. It represented

¹² John A. Powell, Stephen Menendian, and Wendy Ake, “[Targeted Universalism: Policy & Practice](#),” Othering & Belonging Institute, UC Berkeley, May 2019.

eight months of work, and 50 Black-led organizations in the M4BL ecosystem and hundreds of allied organizations endorsed it. M4BL’s unapologetic focus on Black people comes from the belief that once it is possible for Black people to live healthy and fruitful lives, the United States will be a country where everyone can. M4BL’s vision adapts and evolves, with participants admitting that while the North Star does not change, the route to get there may. This August M4BL announced an updated vision, which includes six parts. The first released focuses on state violence in recognition of the cross-country demonstrations demanding an end to police violence against Black people.

Sometimes the vision for equitable population-level change is local. Let’s Grow Kids is working to ensure affordable access to high-quality childcare for all Vermont families by 2025. The organization recognizes that achieving such a vision will require not only expanded equitable access, but fundamental shifts in the systems and structures that currently impede it. Their commitment to anti-racism manifests itself in an inclusive vision for high-quality early learning communities as well as in their commitment to centering the historically-marginalized voices of early childhood educators. Unsurprisingly, [movement building and state-level policy change](#) are core tools it employs to ensure the changes they achieve endure as embedded components of Vermont’s governance. Alongside their legislative efforts, the intermediary is also working to strengthen the early childhood education ecosystem and position actors to lead and sustain changes won in 2025 and beyond. “We build capacity with community partners and slowly step back from the work so that they are self-sustaining,” shares Let’s Grow Kids CEO Aly Richards.



A father and son attend Let’s Grow Kids’ Kids Out Loud event in downtown Burlington, VT, to advocate for affordable access to high-quality childcare in the state. (Photo credit: Ben DeFlorio, courtesy of Let’s Grow Kids)

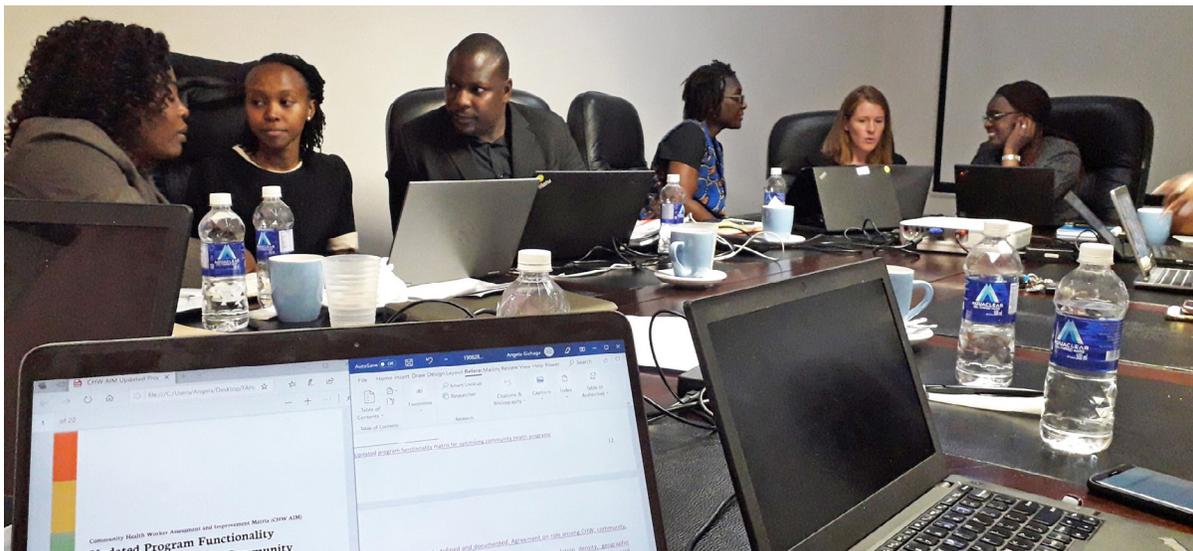
- **An organizer’s mindset:** Effecting durable change requires adaptive efforts across a diverse set of actors. That means these entities need to be able to bring such actors to the table and undertake the often “invisible” but critical work of weaving connections among them and building their capacity. It also requires a learning orientation, continuously adapting their point of view and identifying how best to take advantage of the moment—similar to what movement organizers do.

The Community Health Impact Coalition (CHIC), a group of organizations devoted to making professionalized community health workers a norm worldwide, illustrates this mindset well.

“We don’t care about the spotlight. We want partners to shine. We even have a long name on purpose so that others won’t necessarily remember or be thinking about us,” admits CEO Madeleine Ballard. Before joining the coalition, CHIC’s members shared an aspiration for strong community healthcare. What was missing, however, was the “radical collaboration” needed to drive adoption through the public sector and other critical actors such as technical assistance agencies and large NGOs. CHIC has set out to build partnerships that can foster that greater adoption. “Part of it is organizing a critical mass that pushes secondary actors to change their day-to-day operating procedures to align with evidence-based practices,” says Ballard. Within two years of beginning work as a coalition, CHIC saw its eight design principles championed by the World Health Organization, UNICEF, and the US Agency for International Development.¹³

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MADELEINE BALLARD, CEO, COMMUNITY HEALTH IMPACT COALITION



The Zimbabwean Ministry of Health uses CHW AIM, a quality of care tool co-developed by the Community Health Impact Coalition, to evaluate and strengthen their community health delivery system. (Photo credit: Angela Gichaga)

13 Catherine Cheney, “New coalition harnesses ‘radical collaboration’ for community health,” Devex, February 18, 2019.

In Community Change’s work towards an equitable childcare system, it brought together actors in the economic-justice and immigration-justice spaces who see the childcare crises as critical, especially in this COVID-19 moment. “We noticed that there’s a lot of philanthropic money going into policy and advocacy around childcare and early learning, but most of that money is going to organizations that are, quite frankly, white-led,” recalls Wendoly Marte of Community Change. “We saw an opportunity to build a base of community-based organizations working in childcare—to help them connect and share what is and isn’t working.”

Meanwhile, the M4BL has a distributed leadership structure that allows it to harness a range of strategies from direct action, policy advocacy, and narrative change campaigns to build power. Kailee Scales, managing director of the Black Lives Matter Global Network Foundation adds that M4BL also “connects and trains the next generation of Black leaders while strengthening the organizations to which they belong.”¹⁴

- **Trusting relationships and credibility with the actors required to achieve change:** We constantly observed that the crux of this work is relational. “Relationships—being able to pick-up-the-phone-and-get-things-done type of relationships—are really what matter. Even though they are so important to making change, relationship building is often not prioritized or funded,” says Felicia Wong, CEO of The Roosevelt Institute, which works towards economic and political inclusion, focusing on communities historically denied political power.

M4BL is very successful at strategically developing deep relationships across a variety of actors. Its approach of power building is directly connected to and in community with people on the ground, specifically uplifting the leadership of Black women and queer and transgender people who historically have been sidelined. “The way Movement for Black Lives is able to weave relationships across networks and across movements has been powerful to watch,” says observer Calvin Williams, a senior fellow on cultural strategies at the Movement Strategy Center. He adds: “As the new adage



Clarissa Doutherd, executive director of Parent Voices Oakland, a Community Change partner, makes legislative visits during the 22nd annual Stand for Children event in Sacramento, CA. (Photo credit: Parent Voices Oakland)

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FELICIA WONG, CEO, THE ROOSEVELT INSTITUTE

14 Grantmakers for Education webinar in collaboration with New Profit, “The Power of Collaboration with Proximate Leaders,” June 5, 2020; Kristi Kimball and Malka Kopell, “Letting Go,” *Stanford Social Innovation Review*, Spring 2011.

says, ‘we can only move at the speed of trust,’ and the way that the infrastructure has really been able to move is because of the breath and the depth of their relationships.” The relationships M4BL holds have been built over decades and have enabled partners on the ground to feel empowered to provide honest feedback to national leaders, including on how funding is distributed across the larger movement.

One funder we interviewed reminded us that when considering these relationships, it is always important to think about “trusted by who and for what.” For instance, Power to Decide is very aware that although their historical reputation is as a credible neutral convener in the reproductive health field, there are still parts of the reproductive health ecosystem, such as reproductive rights and justice, in which they need to continue to

build trust and increase collaboration. “Trust is established through relationships—connecting, listening, valuing people’s input, and following through are key,” explains Sarah Axelson, interim head of programs at Power to Decide. “Relationships go two ways, so in order to be good partners, we need to continue to ask others how we can support their work.”

These relationships also must include key stakeholders from the communities being served. In tackling a long neglected issue area, the global unmet need for eyeglasses, EYElliance attributes their rapid progress over the last six years to their ability to work across sectors, agencies, and with multiple communities of practice. In Liberia, EYElliance’s commitment to full integration of proven solutions into government systems in practice translates into active engagement of community health workers—and their supervisors, schools, teachers, and parents. Prior to launching vision screenings and eyeglasses provision at the county level, the Ministries of Health and Education, working in close partnership with EYElliance, convene key community stakeholders from each of the country’s 15 counties and host local, day-long workshops. The cumulative result is viable national scale, wholly owned and driven by government that will generate improved educational outcomes, increased productivity, higher literacy rates, and safer roads in a low-income country.

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SARAH AXELSON, INTERIM HEAD OF PROGRAMS,
POWER TO DECIDE

How to Assess It

The process for assessing these superpowers hinges on listening deeply to the entity's leaders as well as including rich input from a cross section of the actors with which it collaborates. Although many of the funders we interviewed do already speak at some length with the organizations' leaders and also informally reach out to selected collaborators, often the focus is on pressure-testing potential solutions rather than learning from these stakeholders to identify opportunities ripe for impact.

This approach to due diligence represents a significant change for some funders as it requires:

- **A shift from funder-driven diagnoses to a vision and shared understanding shaped and affirmed by key actors in the ecosystem.** This approach recognizes the experience and expertise of those with proximity to the problem, the ability to identify problems others might not see and create solutions that others cannot imagine, and seeks to partner with these leaders in diagnosing the problem and envisioning, durable solutions.¹⁵
- **A shift from a transactional relationship between funder and actors devoted to the problem to one of intentional partnership.** The process seeks to strengthen relationships (and trust) between funders and other key stakeholders by inviting them into collaborative diagnosis and solution development rather than solely validating a funder's hypothesis.¹⁶

"A theoretical analysis of an issue is very different from a realized experience of folks who are on the ground combatting it every day. There is a sense of power in how we listen, how we partner, and how we define what is credible," says Mekaelia Davis, program director of inclusive economies at the Surdna Foundation. For instance, Davis argues that there is an assumption embedded in having an organization reapply for a grant each year that the work it is doing may not be credible and thus needs to be constantly reevaluated. "We have to shift how we think about what is credible and who is credible."¹⁷

“There is an approach in philanthropy that looks like fantasy baseball, where you pick a team by looking at the numbers. Our approach is more like going to the park and playing catch.”

FARHAD EBRAHIMI, PRESIDENT,
CHORUS FOUNDATION

When it comes to sourcing and funding “anchor organizations,” as Farhad Ebrahimi, president of the Chorus Foundation, refers to these actors, he says: “There is an approach in philanthropy that looks like fantasy baseball, where you pick a team by looking at the numbers. Our approach is more like going to the park and playing catch.” For Ebrahimi,

15 Webinar, “[The Power of Collaboration with Proximate Leaders](#)”; Kristi Kimball and Malka Kopell, “[Letting Go](#),” *Stanford Social Innovation Review*, Spring 2011.

16 “[Just Transition for Philanthropy](#),” Justice Funders, January 2019; “[Power Moves: Your essential philanthropy assessment guide for equity and justice](#),” National Committee for Responsive Philanthropy, May 2018.

17 Dalberg and Common Future webinar, “[How can funders shift power to achieve racial justice?](#)” August 13, 2020.

[trust-based relationships](#) are at the foundation. “Building relationships requires spending a lot of time with people where they live and do their organizing work and not just in the board rooms of their organizations. You have to show up as a whole person even if that is closing down the bar with folks.”

In 2013 Chorus started a process for long-term general operating commitments with the hope of democratizing their funding in four geographic locations. They asked existing grantees and other individuals they were in relationship with to point to organizations that were working towards transformative change. Because of the trust Chorus had built over years, grantees felt confident to recommend peers without worrying about their own funding being threatened. Chorus did not require an extensive application, trusting the expertise of those in the ecosystem doing the work. By the end of the process, 10 organizations received long-term (8-10 year) general operating commitments.

In practice, the type of due diligence we are suggesting is both an art and a science. For instance, to understand how the vision of one of these organizations resonates with actors devoted to the issue, some funders conduct formal listening tours. Other funders interview key stakeholders, including direct service providers, systems leaders, peer funders, journalists, and academics. Likewise, listening to the people most affected by the problem might be necessary to develop a balanced view of the organization. Across all of these approaches, an important starting point is often for the funder to do the prework of educating themselves on the issue, the population the issue has affected, and the history of community-based work to address it.

One funder we spoke with described their approach for supporting the Movement for Black Lives. In June of 2020, M4BL announced its goal of raising \$50 million.¹⁸ Shortly afterwards, this funder joined a call hosted by M4BL that was attended by more than 700 individual donors and leaders from private, family, and corporate foundations. On the call M4BL members made the case for grantmakers and wealthy donors to provide millions of dollars to support current advocacy efforts aimed at reallocating money from police departments to education, healthcare, and housing. M4BL also outlined its work, policy agenda, and partners on the ground.

The distributed leadership structure of M4BL looked different from the funder’s typical investments and challenged a lot of the foundation’s beliefs about how to achieve systemic change. However, after a few calls with M4BL members, facilitated through introductions by funder peers and existing relationships, the funder’s program staff saw the ways in which the intermediary embodied many of the superpowers critical to successfully doing this type of work. Ultimately, the funder decided to fund M4BL with an unrestricted grant and a desire to learn, but without any formal reporting requirements. This grant supported critical work on the ground, but also allowed the funder to interrogate and evolve their strategies and grantmaking practices in ways that will shape the foundation for years to come.

18 Alex Daniels, “[The Movement for Black Lives Calls On Philanthropy to Provide \\$50 Million](#),” *The Chronicle of Philanthropy*, June 10, 2020.

How to Support the Work

Admittedly, making progress against complex social problems and reimagining the systems that cause or exacerbate such problems is some of the most difficult work to take on. But philanthropy has the advantage here. We are reminded of a *Stanford Social Innovation Review* [article](#) that made the case convincingly: “As difficult as it is to make progress against complex social problems, foundations are far better suited to do so than are other institutions because they operate on a long time horizon, insulated from financial and political pressures.”¹⁹

Indeed, there are ways funders can adapt their grantmaking practices to support the work of these organizations and even “till the soil” for future ones.²⁰ Doing so will require funders to upend the traditional funder-grantee [power dynamic](#)²¹ and instead proactively build trusting relationships. The Trust-Based Philanthropy Project, a peer-to-peer [funder initiative](#), names [six actionable principles](#), including providing multiyear unrestricted funding or streamlining paperwork, which grantmakers can follow to foster such relationships. We find that the funding environments created by trust-based relationships naturally supports adaptive, long-term, transformative work. Therefore understanding these issues of [power](#) and embracing [values](#) that can foster trust become a critical foundation to support the types of intermediaries that do this transformative work.²²

In particular, unrestricted, five-year grants are critical to allowing these organizations to do the adaptive and unpredictable long-term work necessary for systems change and population-level impact.²³ Or as Ash-Lee Woodard Henderson (an activist who helped write the platform for the M4BL and who also is co-director of the Highlander Research and Education Center) likes to say: “We need to fund the people who are making transformative changes possible. Fund us like you want us to win.”²⁴

Furthermore, a funder’s portfolio of grantmaking in a particular issue area can shape the ecosystem by creating a culture of competition or collaboration among actors. “We need to realize that we can sometimes create the culture of scarcity, but we can proactively disrupt that through how we fund and also by affirming that collaboration is important,” says Zoë Stemm-Calderon, director of education at the Raikes Foundation. Tracy Williams, director of

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ZOË STEMM-CALDERON, DIRECTOR OF EDUCATION,
RAIKES FOUNDATION

19 Kania, Kramer, and Russell, “Strategic Philanthropy.”

20 We would like to acknowledge that some funders are already successfully doing this.

21 NCRP’s [Power Moves Initiative](#) is a helpful resource to explore this power dynamic.

22 [Trust-Based Philanthropy Project](#).

23 McLeod Grant, “[Lessons for Funders](#),” “[Multi-Year, Unrestricted Funding](#),” Trust-Based Philanthropy Project.

24 Marc Gunther, “[Fund Us Like You Want Us to Win](#),” *Chronicle of Philanthropy*, August 25, 2020.

reimagining capitalism at the Omidyar Network, urges fellow funders to be intentional about how they think about collaborative space and enabling coalitions by funding in ways that reflect the thinking in the field or movement. Funders can further foster collaboration by providing resources so that actors across the ecosystem can convene as needed.

Funders can also interrogate their own biases for what good looks like. One funder noted the need to name their power and privilege²⁵ and recognize the ways in which their own implicit biases can affect which entities they choose to support. “We regularly ask Black and Brown people to do the work of catching up predominately white organizations on issues of race and reproductive justice, and that’s emotional labor and real labor that Black and Brown people in our movement are not getting paid for or listed as part of their job descriptions,” says Nikki Madsen, executive director of Abortion Care Network. “This is further compounded by power dynamics at play. We see smaller organizations, often led by people of color, that are underfunded doing innovative and grassroots work that gets co-opted by larger national organizations without permission, recognition, and/or pay.” Funders can also recognize their ability to influence their peers to distribute power²⁶ and invest in the capacity and leadership of those proximate to the communities that the work seeks to serve.

In reality, because of the significant challenges in this work—funding and otherwise—some issue areas may not have any viable nerve centers yet. That it is why it is important for funders to also identify, foster, and support current and future leaders—especially leaders of color, as aforementioned—to do this kind of work. Regina Smith, managing director of the Arts & Culture program at Kresge, spoke to us about the importance of funders helping build a robust pipeline that holistically develops leaders for this dynamic work. Zoë Stemm-Calderon at Raikes underscored the value of asking nonprofit leaders about their future aspirations and to fund in flexible and longer-term ways towards that aspiration.

25 Our previous [research](#) on field building explored how righting the power imbalance is essential to achieving population level change.

26 “Power Moves,” National Committee for Responsive Philanthropy.

The Pathway for Our Moment

“There is a rule in improv to play the scene you’re in, not the scene you wish you were in,” explains Dorian Warren, the newly named president of Community Change. “I would amend that rule to say, play the scene you’re in while you’re also thinking about how do you want to rewrite the whole scene. Because that’s the big systems change we want—you want to play in a different scene.”

We entered this research because our hope is that with these insights and tools funders and nonprofit leaders can engage in new conversations that ultimately lead to increased funding for this critical kind of work. The stakes are high, we know, since these actors are the linchpin to building equitable and just public systems. This makes their work not only critical but also urgent.

Back in April 2020 author and activist Arundhati Roy wrote an [essay](#) about not only the devastation of the Covid-19 pandemic but the opportunity. One inspiring quote that, not surprisingly, quickly spread among those committed to social change is worth sharing again. Roy writes: “Historically, pandemics have forced humans to break with the past and imagine their world anew. This one is no different. It is a portal, a gateway between one world and the next. We can choose to walk through it, dragging the carcasses of our prejudice and hatred, our avarice, our data banks and dead ideas, our dead rivers and smoky skies behind us. Or we can walk through lightly, with little luggage, ready to imagine another world. And ready to fight for it.”²⁷

That is what building equitable and just public systems is really about—imagining another world. Funding field catalysts or anchor organizations or systems orchestrators or whatever else these critical actors may be called is, in part, how we fight for it. And that work deserves urgency not only right now, when our broken systems are so clearly on display, but, frankly, always.

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DORIAN WARREN, PRESIDENT, COMMUNITY CHANGE

27 Arundhati Roy, “[The Pandemic Is a Portal](#),” *Financial Times*, April 3, 2020.

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