

Infrastructure in Focus:

A Global Picture of Organizations Serving Philanthropy



Introduction

About WINGS

The Worldwide Initiatives for Grantmaking Support (WINGS) is a network of over 140 philanthropy associations and support organizations in 52 countries around the world. WINGS strengthens, promotes and provides leadership on the development of philanthropy and social investment around the world. WINGS gives voice to the many cultures of giving and provides its members and other participants with information, knowledge, and peer exchange. Our vision is of a strong global philanthropic community that strives to build more equitable and just societies around the world.



Acknowledgments

This report was made possible by our network participants who provided us with information, especially the 95 of them that completed the survey on which the majority of this report is based, giving us much valuable and appreciated insight into their organizations.

Sixty-one foundation representatives contributed their perspectives on the value of philanthropy infrastructure organizations. We are grateful for their time and thoughtfulness in their responses.

Finally, we would like to thank our advisory group who assisted in devising the survey questions and then provided us with instrumental feedback on the results.

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Foreword

On behalf of the Worldwide Initiatives for Grantmakers Support (WINGS), we are pleased to share with you a new publication, "Infrastructure in Focus: A Global Picture of Organizations Serving Philanthropy". As the report details, infrastructure organizations range from membership associations to affinity networks and include advocacy, capacity-building and research organizations focused on the philanthropy field. This growing community of institutions dedicated to strengthening global giving and social investing is explored through statistics in the report presented here. It draws on data from members of the WINGS network spanning 52 countries and six continents. The great diversity and dynamism of this emerging field is captured in user-friendly graphs and charts, some of which may surprise you. We believe that the study will help to put philanthropy infrastructure organizations firmly 'on the map'. It will be of value to a large and varied audience including policy makers, philanthropists, nonprofit practitioners, and academics who wish to understand and strengthen both the practice of philanthropy and philanthropy networking organizations themselves.

As members of the advisory committee for this report we began with the goal of updating data that was first presented in the 2010 WINGS report "Global Institutional Philanthropy: A Preliminary Status Report". However it soon became apparent that difficulties resulting from lack of agreement on terminology meant there would be little value in that approach. Instead, the decision was made to adopt an iterative process of testing comparability of terms from one country setting to the next until we had a better understanding of local context, practices and discourse. This required the active participation of WINGS members in advancing the knowledge base as we moved from one iteration to the next. We are deeply thankful to them for their time and commitment to the goals of the project.

An earlier version of this report was circulated in March 2013. The fact that members of WINGS were willing to participate in refining their data a final time for the version presented here is an indication that they do not see this exercise as a one-time event. Instead it is an ongoing process which aims to demonstrate the wealth of existing knowledge while illuminating critical data gaps. Members' participation demonstrates the ability of a collaborative effort to bring forward new and important knowledge that is not built on one perspective but on different

practices, highlighting the richness and diversity. This is a vote of confidence by WINGS members, and it gives legitimacy to further investment in WINGS as a strong global network.

The report aims to enhance the knowledge of global philanthropy. It also engages its members in actively identifying the gaps in our knowledge, and understanding better their local practices within a global context. Though we are diverse, we have a common platform through which to build and share many of the same values. The report identifies four elements of such a platform: data, practices update, ability to measure impact and communication. We believe it is important to create a degree of commonality while encouraging the richness of diversity, build common understanding of terms within global and local contexts, and strengthen ownership of this knowledge-building by WINGS members.

We want to give special recognition to Ana Pinho, WINGS knowledge management coordinator who oversaw the entire process of collecting data and producing the report with meticulous care. Barry Knight brought his unique insights about global philanthropy and advanced methodological skills to the design, analysis and writing tasks, while Larry McGill, vice president for research at The Foundation Center was a wise adviser to the team throughout the entire process.

We are sure we speak for all of our colleagues on the advisory committee in saying that this report creates a new dynamic in the way data is compiled and understood. As one looks back over the long history of a few pioneer infrastructure organizations and the rise of a new generation of them in developing regions of the world, it will be exciting to see what the coming years will bring.

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Preface

This report represents an important first step in the efforts to systematize information on philanthropy infrastructure. There are three main ways in which WINGS network participants can contribute to this work going forward. First they can help to fill gaps in the data by providing relevant information to the WINGS office. In this way, the coverage of the field will gradually become complete and the knowledge base more extensive. Second, by taking part in discussions of issues raised in this report, network participants can help develop understanding and raise the profile of the field. As one example of this, there are a number of issues to be resolved about definitions and nomenclature of organizations in the field that if resolved could help with the marketing and branding of infrastructure support. And third, WINGS members can take part in much-needed work to document the impact of infrastructure organizations. Further recommendations about how to develop these themes are included in the final section of this report.

A First Look at Philanthropy's Global Infrastructure

This report represents a starting point to build a comprehensive picture of the characteristics and growth patterns of the global philanthropy infrastructure. We present newly-gathered information about WINGS network participants, and share funder perspectives on how infrastructure organizations help them do their mission-driven work better. And we offer next steps for how we can make philanthropy's infrastructure more effective in service of the philanthropic sector around the world.

Why Philanthropy Needs Infrastructure

The organizations that comprise philanthropy's global infrastructure provide a necessary support system for amplifying philanthropy's effectiveness. But what exactly does infrastructure mean in the context of philanthropy?

The theory of infrastructure states that basic physical and organizational structures are needed for the operation of a society or enterprise.¹ The term 'infrastructure' typically refers to the structures that support a society, such as roads, bridges, water supply, sewers, electrical grids, telecommunications, and so forth, and can be defined as 'the physical components of interrelated systems providing commodities and services essential to enable, sustain, or enhance societal living conditions.'²

The main proponent for investment in infrastructure was John Maynard Keynes in *The General Theory of Employment, Interest and Money* (1936).³ Governments used his ideas during the Great Depression of the 1930s to undertake public works projects in order to create jobs and stimulate the economy.

The term 'infrastructure' commonly refers to physical properties. As Jenny Hyatt, director of The Development School, has pointed out, the very word suggests 'concrete, glass and tangibility'.⁴ However, she also points out that the currency of philanthropy and civil society relies heavily on 'processes, relationships and cultural norms', and these processes need their own infrastructure – what she terms 'connectivity'. This means information, advice, convening, advocacy and other support services that connect different people and institutions.

The economist's use of infrastructure to mean physical items is generally referred to as 'hard infrastructure', while the social developers use of the term is called 'soft infrastructure'. It is such soft infrastructure that concerns us in this report.

Studying the Infrastructure – an Iterative Process

A primary goal of this report is to strengthen support in the field for philanthropy's infrastructure.

An advisory group (listed in Annex A) helped to shape the collection and analysis of the following sets of data:

- the mission statements of all 141 WINGS network members
- data provided by 95 of the 141 WINGS network members (listed in Annex C) via a March 2013 study and a summer/fall 2013 survey
- data provided by 61 funders that have used WINGS network member services
- other studies and sources on philanthropy's infrastructure

We are also identifying other ways to engage WINGS network participants in efforts to enrich data and raise the profile of philanthropy's global infrastructure for future publications.

¹ Infrastructure, *Online Compact Oxford English Dictionary*, http://www.askoxford.com/concise_oed/infrastructure

² Fulmer, Jeffrey (2009) 'What in the world is infrastructure?'. *PEI Infrastructure Investor* (July/August): 30–32.

³ Keynes, John Maynard (2007) [1936] *The General Theory of Employment, Interest and Money*. Basingstoke, Hampshire: Palgrave Macmillan.

⁴ Hyatt, Jenny (2004) 'The infrastructure of civil society – Hitchhiker's Guide'. *Alliance Magazine*, 1 April

Such infrastructure is often invisible. Joe Irvin points out that, because hard infrastructure is visible, its value is clear and understood. However, when infrastructure is based on social connectivity, it is commonly undervalued. He says:

*'Infrastructure is often undervalued, but it is nevertheless essential. The importance of infrastructure in the form of road, rail or broadband is well understood – but voluntary organizations also need infrastructure. Without this they are like cars without roads, trains without tracks, smartphones with no signal.'*⁵

This begins to give us a model for understanding the importance of infrastructure. In the language of economics, investing in activities that have no commercial value is essential if activities that generate commercial value are to be performed. On this model, infrastructure is a means to an end, not an end in itself. Barry Gaberman who, as Senior Vice President of the Ford Foundation, made an enormous contribution to the development of philanthropy across the world, describes how this works in philanthropy:

*'The important point is that building the infrastructure for philanthropy is not the end in itself. Rather, the end is usually captured by mission statements that have to do with enhancing the livelihoods of the poor, eradicating poverty, promoting economic development, advocating for human rights, and supporting the arts or any number of other worthy activities.'*⁶

To achieve such ends, philanthropy typically needs to work through other instruments, most commonly civil society institutions. In this way, a clear theory of change emerges, which casts support to philanthropy as a means of making philanthropy more effective, so that in turn foundations can mount better programmes to develop solutions to societal problems.

A critical intervening variable in this theory of change is the 'enabling environment'. Such an environment is usually regarded as possessing five main features: a legal framework that empowers rather than shackles; a tax structure that provides incentives, not penalties; an accountability system that builds confidence in philanthropy and civil society; sufficient institutional capacity to implement effective activities; and enough resources to undertake these activities.

Organizations supporting philanthropy play an important role in achieving these conditions.

How do they do this? According to an influential Monitor Institute Report published in 2005,⁷ infrastructure organizations are well placed to have a powerful effect on the underlying cultural conditions that surround philanthropy. Infrastructure organizations provide spaces for innovators to come together, enabling them to understand each other's strategies, and to work together for mutual benefit of the field. Such efforts need to be visible to others besides the participants; otherwise the lessons cannot be spread and the practice in the field cannot be changed as a result.

This brings us to the functions of infrastructure organizations. As we will see later, organizations take a variety of different approaches. However, the most common functions are service provision to philanthropy (for example information and advice), convening people working in philanthropy to share learning and fostering collaboration between them, representing the interests of philanthropy in the public policy arena, promoting the value of community to policy makers and the general public, and promoting a culture of giving.

⁵ Irvin, Joe (2013) 'Local infrastructure is more important than ever for charities'. Guardian Voluntary Sector Network Blog, 27 September

⁶ Gaberman, Barry (2004) 'Building the global infrastructure for philanthropy'. Alliance Magazine, 1 April

⁷ Fulton, Katherine and Blau, Andrew (2005) Cultivating change in philanthropy: a working paper on how to create a better future, Global Business Network and Monitor Institute

The context of grantmaker support

The positive picture of the value of infrastructure is belied by the context in which organizations supporting philanthropy actually work. The role of support organizations is not widely understood and there is little general acceptance – or even awareness – of the fundamental role played by infrastructure organizations as described so far in this report. At root, there appear to be two main problems that prevent greater support for infrastructure organizations.

The first is that funders prefer to support activities that bring direct and visible benefits to meet various kinds of worthy and charitable goals. Jonathon Peizer from the Open Society Institute has put this point very well:

*'Donors are interested in supporting program activities and not accountants, technicians, administrators and organizational infrastructure. Individuals who manage non-profits are often more interested in focusing on the organizations' compelling mission than they are on building, managing and subsidizing these organizational support structures as well. The irony is that most donors and grantees aspire to the same state of civil society "Zen" mythically referred to as –sustainability.'*⁸

The second factor is that support organizations themselves have not done a good job in describing and evaluating the value of their work. A 2009 study conducted by Charities Evaluation Services, itself a philanthropy support organization, found infrastructure organizations particularly deficient in these respects. The authors comment:

*'Infrastructure organizations need urgently to be able to demonstrate the differences made by their work. The climate in which we work is changing: there is public scrutiny of infrastructure support; there is likely to be pressure on funding which will bring performance demands; more income may well come from commissioning rather than grants; and a possible new governing party will bring change.'*⁹

These two factors, the failure of funders to see the value of infrastructure and the failure of infrastructure organizations to give good accounts of what they do, has led to a number of distortions in the field. These include the fact that the burden of supporting infrastructure organizations falls on a small proportion of the funding community and the related concern that the distribution of infrastructure organizations is very patchy, with some areas being very well served and others not served at all. These problems have been well described in the US context by Rick Cohen.¹⁰

Part of the role of this current exercise is to bring greater understanding and transparency to the issue of the role of infrastructure. This takes us to the facts about WINGS network participants, and it is this to which we now turn.

⁸ Peizer, Jonathon (2003) *The quiet revolution in non-profit capacity support*. New York: Open Society Institute

⁹ Cupitt, Sally with Mihailidou, Anastasia (2009) *Demonstrating the difference*, London: Charities Evaluation Services

¹⁰ Cohen, Rick (2008) 'The Non Profit Quarterly Study on Nonprofit Philanthropic Infrastructure'. *Non Profit Quarterly*

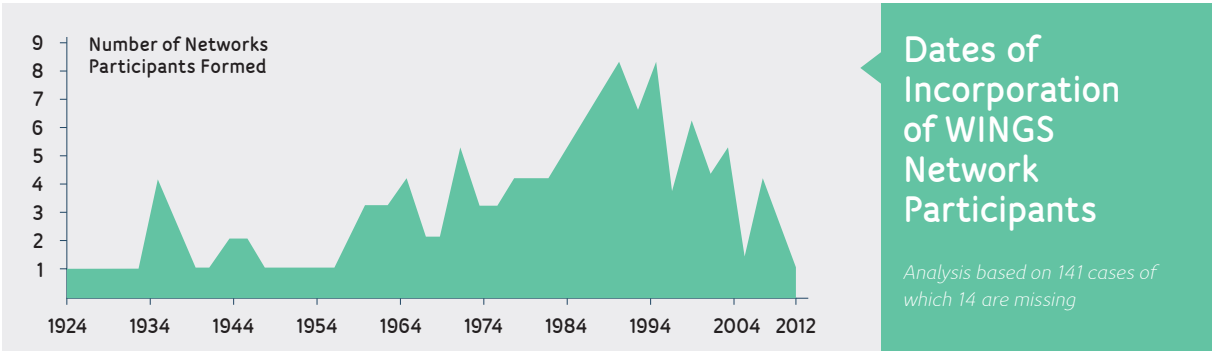
What We Know about Philanthropy's Global Infrastructure

The WINGS network includes 141 philanthropy infrastructure organizations at the time of this report. This section describes what we have learned about them through surveys conducted in 2013.

History of the development of the global infrastructure

The founding dates of the organizations that make up the WINGS network span ten decades, beginning in the 1920s. Over that period, philanthropy's infrastructure has passed through three historical phases:

- 1. The infrastructure takes root in Europe and North America (1924-1980)
- 2. The infrastructure expands globally (1980-1999)
- 3. Global expansion slows, while regional growth continues (2000 to present)



Phase 1: The infrastructure takes root in Europe and North America (1924-1980)

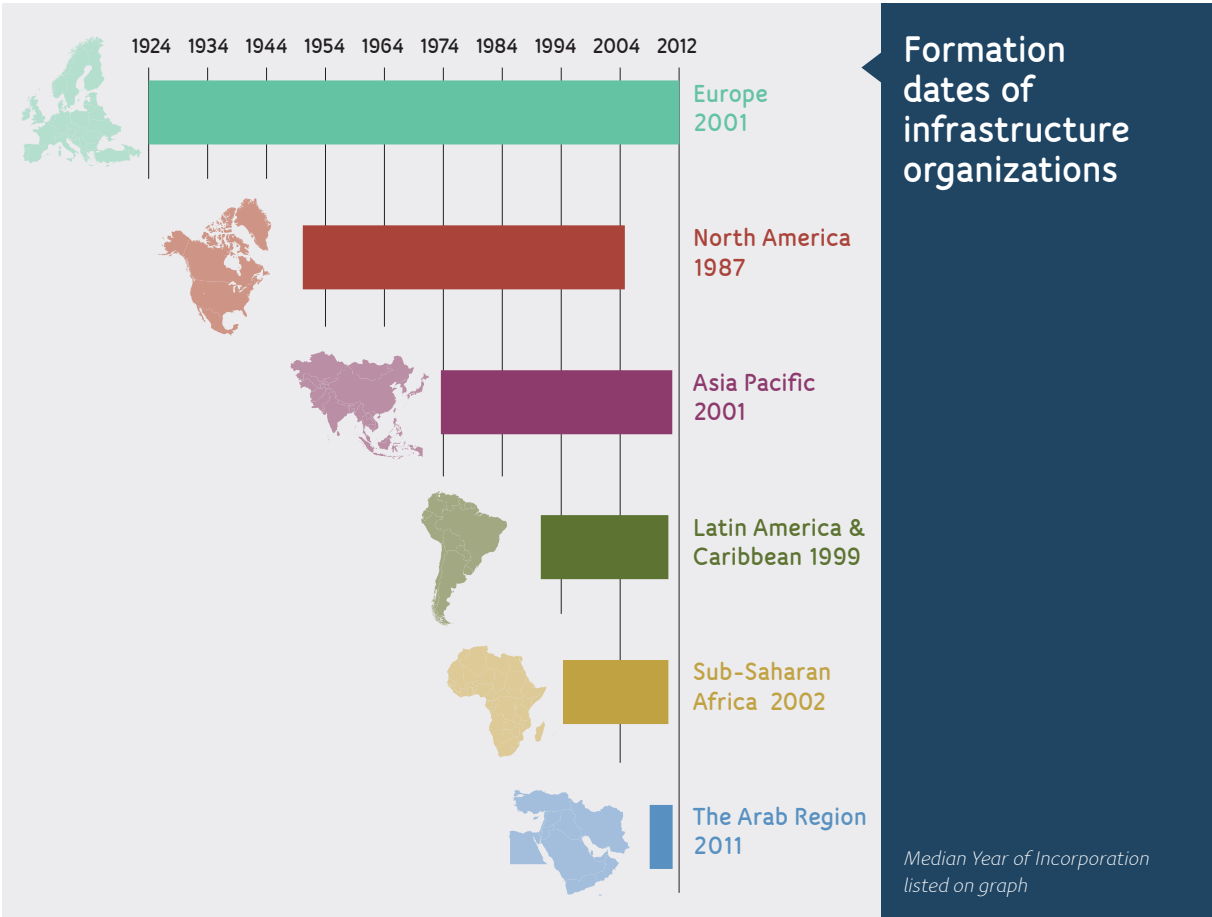
The first WINGS member was formed in the UK in 1924. This was the organization we now know as Charities Aid Foundation. The first ever infrastructure organization to support civil society had been formed 17 years earlier in Hampstead in North London, and was designed to support volunteers working with people in poverty. The success of this model spread rapidly, to London in 1910, and led to the formation of what is now called the National Council for Voluntary Organizations in 1919. In 1924, this organization set up a charities department to encourage efficient giving to charity.

The first infrastructure organization in the United States was the Council on Foundations, set up in 1949. A spike in the growth in infrastructure organizations took place in the US with the passing of The Tax Reform Act of 1969, which defined the social contract between the state and private foundations.¹¹ Foundations banded together to form organizations to pursue their interests in response to the new legislation.

Phase 2: The infrastructure expands globally (1980–1999)

The 1980s and 1990s saw rapid growth in the formation of new infrastructure organizations in the United States and Europe, with the spread of new organizations into Sub-Saharan Africa, Latin America and the Asia Pacific region. These trends were part of what sociologist Manuel Castells called ‘the rise of network society’, in which he argued that complex problems require multiple perspectives and actors joining together in affiliation to solve them.¹² Reflecting this approach, WINGS was formed following the 1998 International Meeting of the Association of Grantmakers (IMAG) in Oaxaca, Mexico. There have been regular global meetings of membership associations and support organizations under the auspices of WINGS ever since.

Looking globally, the peak of the formation of new associations and support organizations was reached in 2000. By that time, nearly all infrastructure groups in the United States and about half in Europe and the Asia Pacific region had been formed. Since infrastructure groups in these regions represent about 80 per cent of infrastructure groups worldwide, their growth patterns have a substantial impact on the global trend.



¹¹ This legislation requires: in exchange for exemption from paying most taxes and for limited tax benefits being offered to donors, under the legislations a private foundation must (a) pay out at least 5% of the value of its endowment each year, none of which may be to the private benefit of any individual; (b) not own or operate significant for-profit businesses; (c) file detailed public annual reports and conduct annual audits in the same manner as a for-profit corporation; (d) meet a suite of additional accounting requirements unique to nonprofits.

¹² Castells, Manuel (1996, second edition, 2000). *The Rise of the Network Society, The Information Age: Economy, Society and Culture Vol. I*. Cambridge, MA; Oxford, UK: Blackwell.

Influential observers of the infrastructure, including Alan Abramson and Rachel McCarthy of the Aspen Institute, cite a number of factors that may have contributed to the decreasing rate at which new infrastructure organizations are being formed, including competition from the private sector and the need to consolidate in the light of declining resources.¹³ In recent years, with the withdrawal of a number of key funders from the field of infrastructure support, there has been a concern about where resources for the support sector are coming from and a search for alternatives.¹⁴

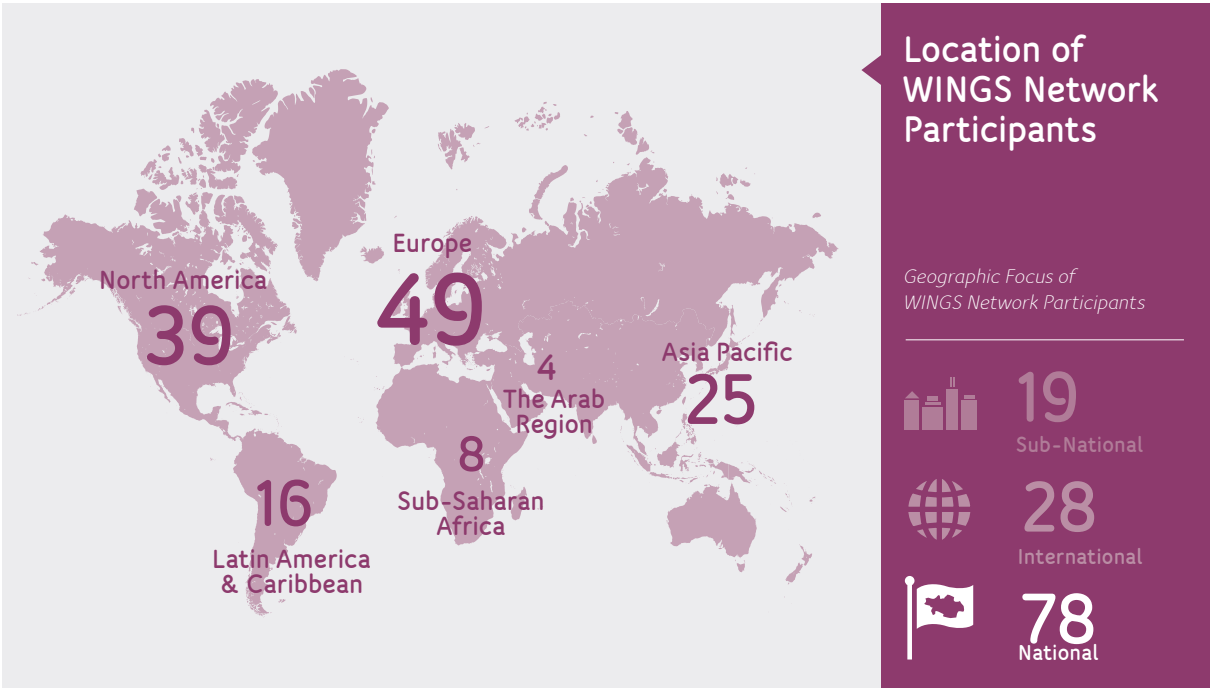
Phase 3: Global expansion slows, while regional growth continues (2000 to present)

While no new WINGS network members have been formed in the United States since 2003, growth in the number of philanthropy infrastructure organizations is still occurring in other regions around the globe. In Europe and the Asia Pacific region, about half of all organizations have formed since 2000, with well more than half in Latin America and about three quarters in Sub-Saharan Africa forming since that time. All WINGS network participants in the Arab Region have been formed since the mid-2000's. Overall, more than one third of infrastructure organizations worldwide have formed since 2000, with at least half of these organizations emerging in the Global South.

Location and geographic focus

This history brings us up to today. There are now WINGS network participants in 52 different countries. The list of countries is provided in Annex B. The majority – more than 60 per cent – is in Europe and North America, with the remaining 40 per cent of organizations mainly located in the Global South.

In terms of geographic focus, the majority of WINGS network participants are operating at a national level, though significant minorities work in a region within their own countries, such as the regional associations of philanthropy in the United States, or internationally. About half of those operating internationally appear to take a global focus. These globally focused infrastructure organizations are mainly located in the United States, and most were founded more than twenty years ago.

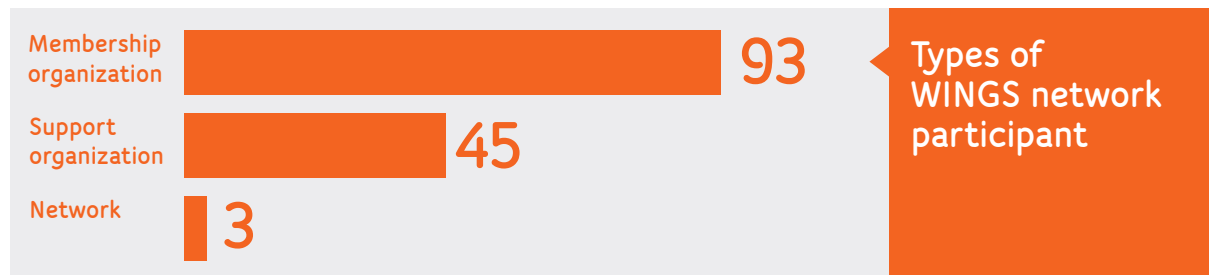


¹³ Abramson, Alan J and McCarthy, Rachel (2002) 'Infrastructure organizations'. In Salamon, Lester (ed.) *The state of nonprofit America*. Washington: the Brookings Institution Press

¹⁴ Davis, Lee and Etchart, Nicole (2004) 'Towards a self sustaining infrastructure'. *Alliance Magazine*, 1 April

Types of organizations

WINGS network organizations may be classified into three basic types: membership organizations, support organizations, and networks.



Those organizations with members are typically called 'philanthropy associations' or 'grantmaker associations'. They represent two thirds of WINGS network participants. Those that deliver services to philanthropy without a membership structure are usually called 'support organizations'. They represent nearly the remaining one third of WINGS network participants.

The third category called 'networks' is typically a newer form of structure in which members deliver services to themselves on a peer-to-peer basis. While only three WINGS network participants appear to operate primarily as networks, at least 30 use the term network as one of the descriptors of their organizational type. Many WINGS network participants have noted how they are working with networks of funders concerned with similar geographic interests on certain issues or strategies, such as aging, climate change, advocacy and tax reform. The concept of network appears to be an emerging one across the WINGS network, and may well be a harbinger of new ways of operating as support organizations to philanthropy.

Areas of mission focus

As part of our research, we reviewed the missions of all 141 WINGS network members. While these organizations employ a wide variety of words and phrases to describe their reason for being, partly reflecting the different cultures and contexts they work in, some trends in mission focus emerge. In general, they tend to fall into two main categories – promoting philanthropy and facilitating social change. For some organizations, these distinctions are less discernible. Some state both a philanthropy and social change focus; however, most state one or the other, or lean one direction or another in their use of language.

While most infrastructure organizations focus on promoting and serving philanthropy in general, a sizable minority focus their efforts on promoting and serving specific sub-sectors. These include community foundations, corporations and corporate social responsibility initiatives, and affinity groups concerned with issues ranging from poverty and social justice to the environment. Only a few organizations appear focused on special interest foundations and venture philanthropy.

Membership organizations

As noted earlier, two-thirds of WINGS network participants are membership organizations. Not surprisingly, virtually all of them focus their missions squarely on promoting the practice of philanthropy, the core business of their members. This is expressed in a variety of ways, such as 'representing the sector,' 'giving voice,' or 'advocacy.' Often, this takes the form of helping to develop sector capacity and capability through a variety of support roles, such as convenings, training, and knowledge sharing. It can also mean serving as a platform for the sector, protecting it from unsympathetic intrusion by governments or other agencies, or helping to ensure that an 'enabling environment' exists for philanthropy.

Definitions and Nomenclature

The terminology used by WINGS network participants varies between countries and there is no agreed set of terms that apply universally.

So that the use of terms is consistent here, for the purposes of this report:

- **'Philanthropy'** is defined as the use of private resources for public benefit, a process which commonly involves grantmaking.
- A **'membership organization'** (which subsumes those with the title 'association of donors' and 'association of grantmakers') is a formally organised organization with a membership structure and a core staff that delivers services to the members and engages the members in the governance of their affairs.
- A **'support organization'** is a formally organised body that has professional staff that delivers services to a range of philanthropies.
- A **'network'** is a peer-to-peer organization without necessarily having a formal membership structure or a professional staff to service it, that relies heavily on peer-to-peer exchange and learning.

We expect the conversation about definitions and terminology to continue as part of our future efforts to better collect and analyse data across infrastructure organizations.

Support organizations

Support organizations make up about a third of the WINGS membership. Like membership organizations, the prevailing focus of these organizations also tends to be on "promoting philanthropy." A significant number, however, provide services intended to advance social change imperatives, such as strengthening civil society, fostering community development and supporting the effectiveness and growth of the non-governmental sector. Some seek to make a direct impact on social change issues, and others strive to assist philanthropy as it examines its mission-related impact.

Staff and volunteers

In our survey of WINGS network participants, we asked them several questions about the people who work in staff and volunteer capacities.¹⁵

The most striking feature about the distribution of staff among the 91 WINGS network participants that provided staffing information is the variation. The smallest WINGS member has one staff member, while three have more than 150. About half of WINGS organizations have six or less staff and all but ten organizations have 30 or less staff. Organizations are therefore typically small, although the ten largest staffed organizations have more staff than the other 81 organizations combined.

While WINGS participant organizations all over the world vary in size, the five organizations with more than 50 staff all operate out of the United States and Europe. As might be expected, newer organizations are smaller. Every organization founded in the last ten years has 20 staff or fewer. Most established during that period have less than nine.

The staff at membership associations tends to be smaller than at support organizations. The median size for an association is 5.5 staff and for a support organization 15. This difference may occur because support organizations are more likely to provide services 'in-house', while organizations with memberships are more likely to partner with members on projects and commission work.

The use of volunteers is quite low from what we can tell based on more limited reporting. The numbers range from 16 infrastructure organizations that do not use volunteers to one that uses 50. On average, the number of volunteers is just over 3.

Boards

WINGS network participants have much more in common with each other when it comes to their boards.¹⁶ The average board includes 15 people. The board tends to be quite large in comparison to the staff, with more board members than staff at three quarters of the organizations. Board members are never paid, though some organizations offer payment for out of pocket expenses.

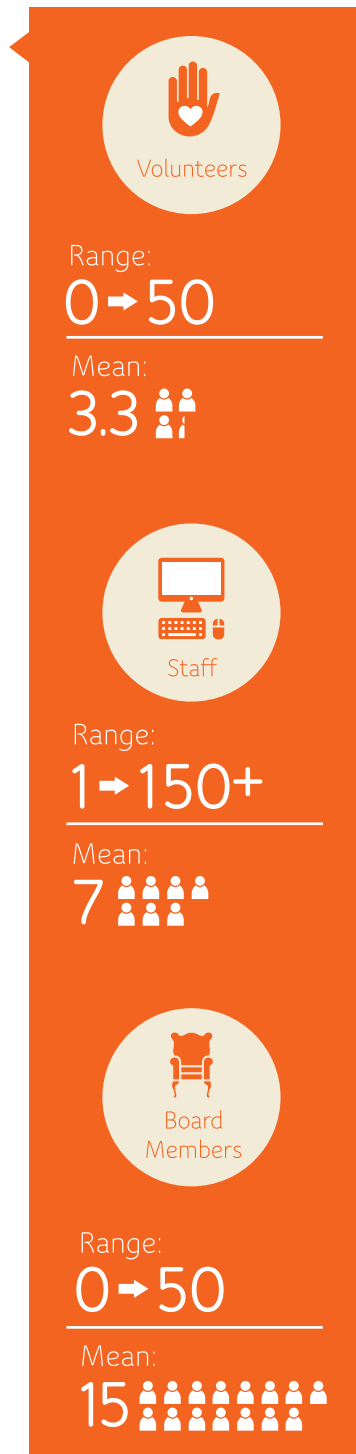
Finances

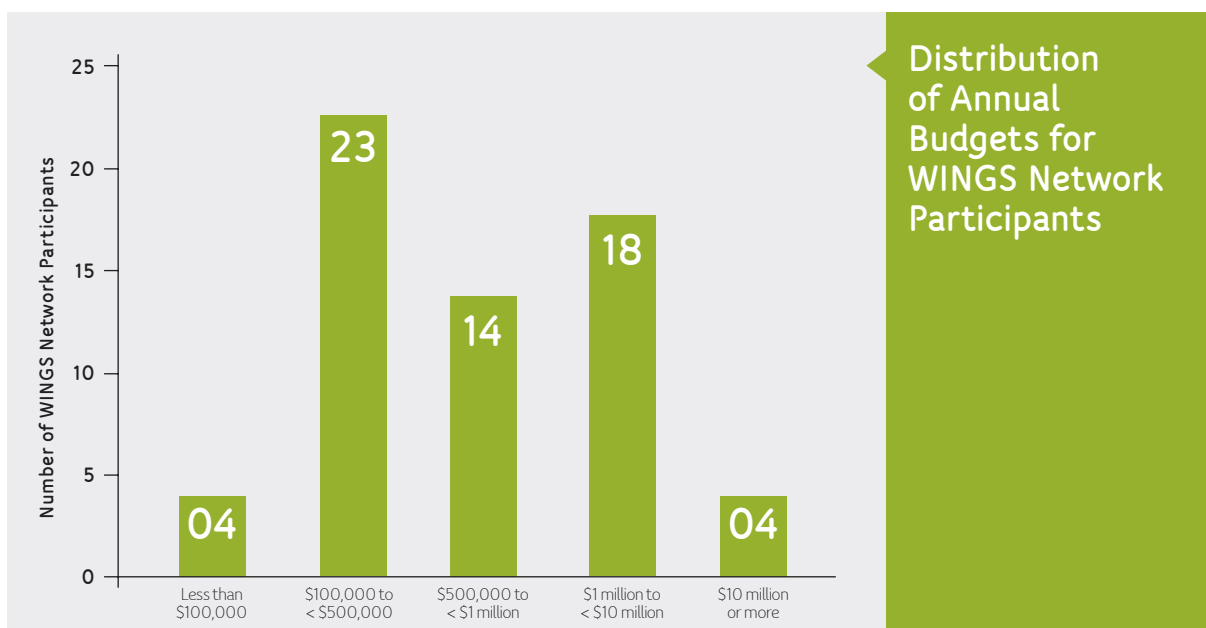
We were able to collect information on the budgets of 63 WINGS network participants. Budgets range widely, from \$37,000 (USD) to \$25 million, with the midpoint being about \$600,000. In addition, almost all of the organizations for which we have information conduct a regular external audit of their finances.

An infrastructure organization's budget is closely associated with its age. Three of the four organizations with budgets of \$10 million or more were founded prior to 1981. In fact, the average annual budget of the 15 oldest organizations for which we have budget data (all founded prior to 1981) is nearly \$5 million.

¹⁵ 91 WINGS network participants reported on staff, 26 reported on their use of volunteers.

¹⁶ 56 WINGS network participants reported on their boards.





Distribution of Annual Budgets for WINGS Network Participants

Likewise, three of the four smallest organizations – with budgets of less than \$100,000 – were founded after 2003. Among the 13 youngest organizations for which we have budget data (all formed after 2003), the average annual budget is less than one-tenth the size of the oldest organizations – less than \$400,000.

While not all infrastructure organizations require budgets of \$1 million or more to operate effectively, it is nevertheless clear that the needs of philanthropy in areas of the world represented by the newest and least-well capitalised support organizations are no smaller and no less urgent than they are elsewhere. In fact, they are likely to be greater.¹⁷

Members

As we saw earlier, some WINGS network participants have a membership structure and others do not.

For the 84 WINGS network participants that have a membership structure and reported on their membership, the variation in number of members is very wide. While one organization has four members, another has 3,000.

The memberships for these WINGS network participant organizations generally cluster into one of two categories: a membership that includes mostly foundations (community foundations, corporate foundations, and independent and family foundations), or a membership composed of mostly NGOs, a term used to capture the various types of charitable, social, civil society and other non-profit organizations. Close to 90 per cent of WINGS network participants that reported membership have a foundation leaning membership, with independent and family foundations generally making up the largest percentage of these members.

Some of WINGS network participants with membership structures have individuals as members, but the number of individual members tends to be small in comparison to the total number of members.

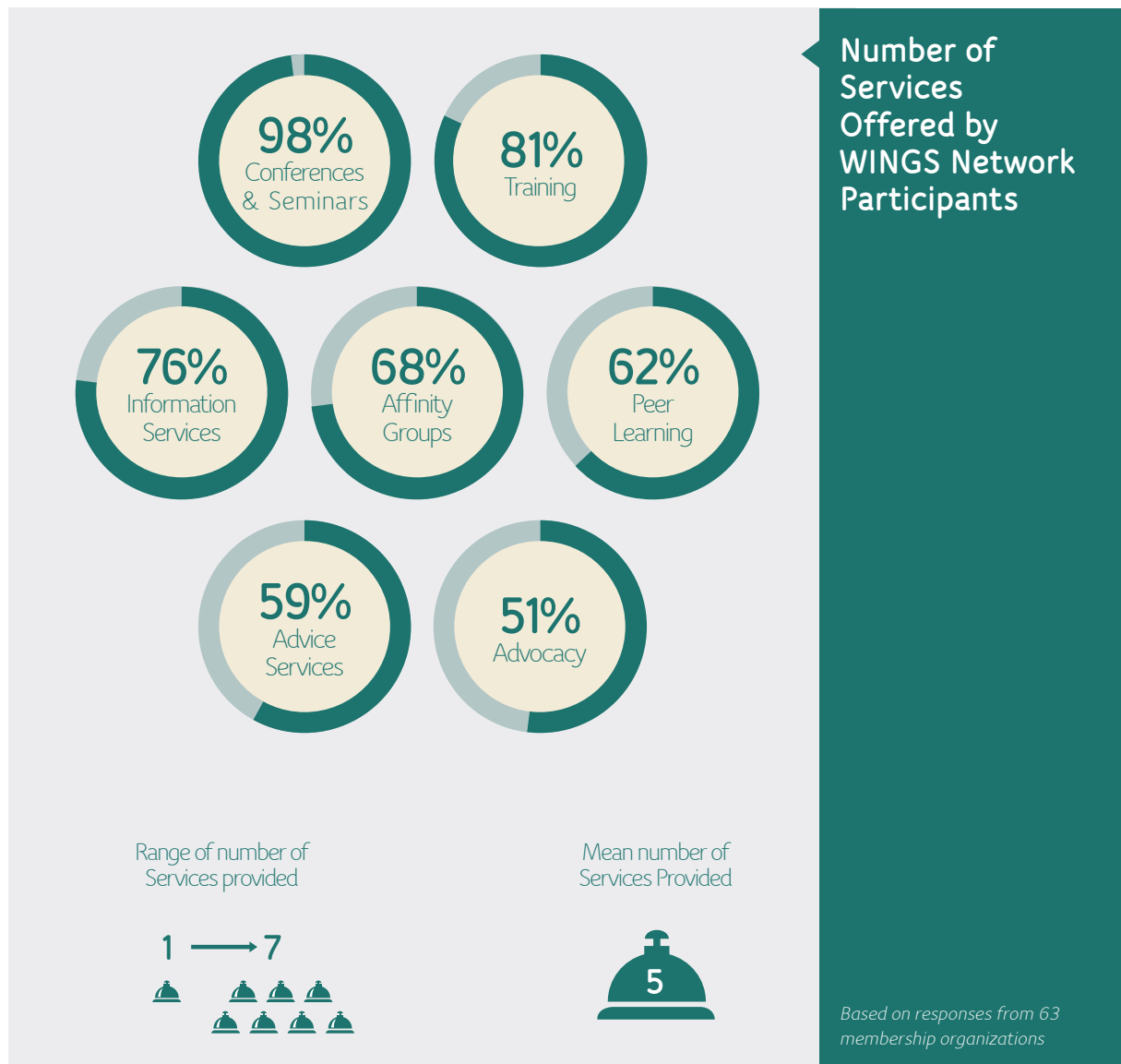
Geographic focus does not appear to make a difference in membership size, with many of the sub nationally-focused organizations having among the largest memberships. However, membership organizations in the Arab Region, where the infrastructure is newest, have the smallest range in membership size (20–37 members), as compared to much broader membership size ranges in other regions.

As might be expected, organizations with more members tend to have more staff. The date of incorporation, however, does not appear telling of membership size.

¹⁷ These regions include countries such as China, Colombia, Hungary, Jordan, Poland, Romania, South Africa, and Ukraine.

Services

WINGS network participants offer a wide array of services to their members. In our survey, we asked about seven services in particular.¹⁸



Most organizations offer multiple services, with more than 50 per cent offering all seven services. Conferences and seminars are the most popular service, with almost all offering them in some form. Advocacy is the least offered.

Older organizations offer more services, despite the fact that older organizations tend to have about the same number of staff on average as newer ones. Newer organizations are more likely to offer advice services and to engage in advocacy, and less likely to offer training services.

Those geographically focused at the subnational or state level generally offer fewer services, with only a few engaging in advocacy and advice services. Almost all nationally and internationally focused infrastructure organizations engage in advocacy and advice services.

¹⁸ 63 WINGS network participants reported on their services.

How Foundations View Philanthropy's Infrastructure

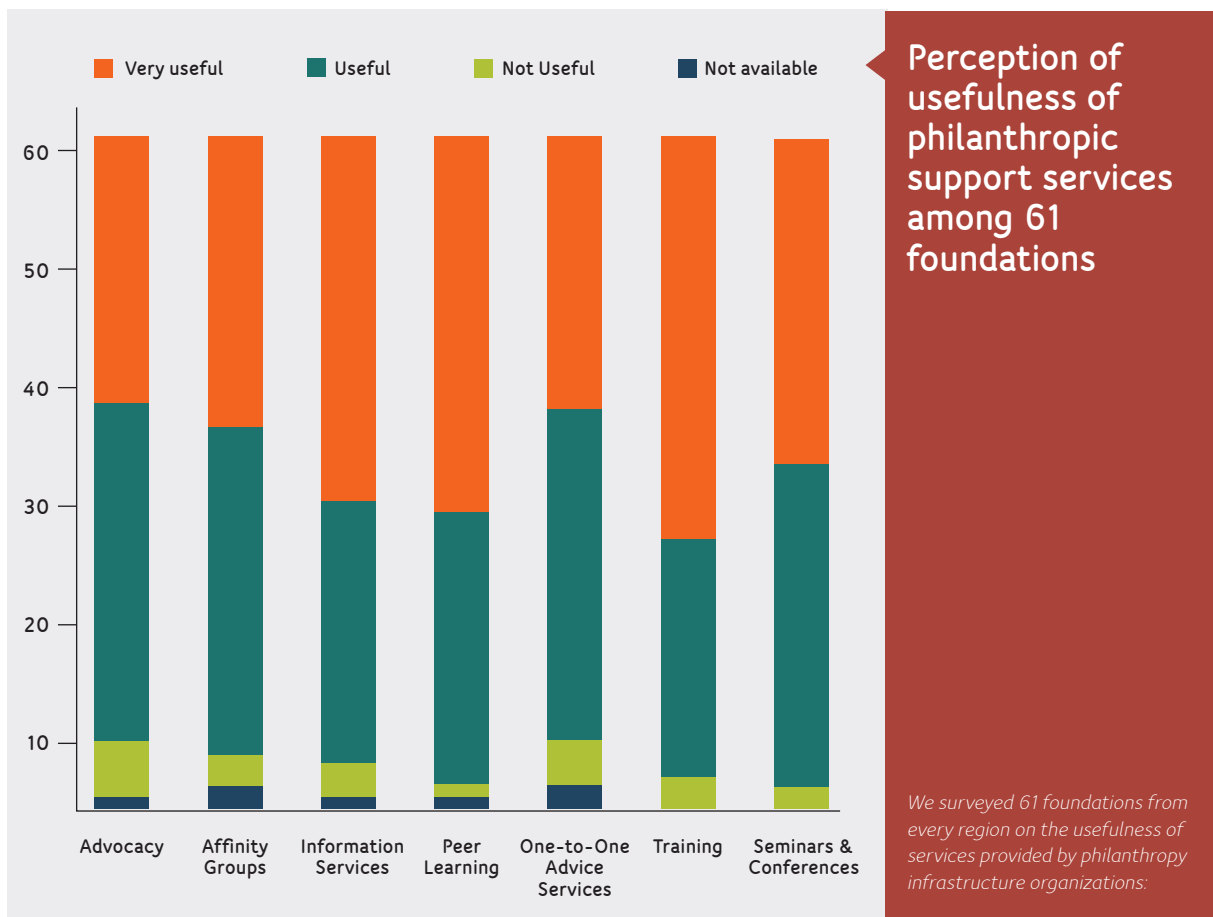
Although a number of thought leaders and studies have vouched for the value that philanthropy's infrastructure brings, there still exists little proof of concept, especially from an end user - i.e., foundation - perspective. So for the purposes of this report, we decided to survey foundations from all regions around the world about their perceptions of philanthropy infrastructure organizations. We got responses from 61 foundation representatives, each representing a different foundation.

We first asked these foundation representatives to share how useful they find WINGS network participants' services within the seven service categories discussed in the previous section.

We found that the majority of respondents consider all seven services provided to be either 'useful' or 'very useful'. Looking at the ratio between 'very useful' and 'not useful', peer learning, training, and information services, are perceived as the most useful services by the foundations.

Then we asked these foundation representatives an open-ended question: give an example of really useful support that you have received from a philanthropy infrastructure organization.

Thirty-one foundation representatives offered responses. Based on a content analysis of these responses, the benefits of philanthropy infrastructure organizations appear to fall into four main categories.



The 4 Benefits of Philanthropy Infrastructure Organizations – The 4 Cs

Capacity – they build resources. Foundation representatives noted how services provided by infrastructure organizations help generate money and other resources for the field. These services range from training on fundraising and information on fund sources, to providing references and other linkages to sources of money. Through building this kind of capacity, infrastructure organizations can play an important role in changing the culture of giving within societies.



Capability – they build skills knowledge and expertise. On a related front, foundation representatives noted how the infrastructure helps foundations and other philanthropy organizations develop better skills, knowledge and expertise to use their resources more effectively. The majority of survey respondents noted the value of infrastructure in terms of knowledge gleaned, on topics ranging from international grantmaking, to financing, risk management, evaluation, philanthropy development, and legal advice in updating anachronistic statutes. They also called out the value inherent in the vehicles of service provided, from one-to-one advice, such as providing 'customized calculations', to online resources, seminars, webinars, peer learning, convenings, and fellowships.



Connection – they build relationships. Most survey respondents highlighted the value of connections made for them by infrastructure organizations, whether for networking, peer learning and sharing, or collective action purposes. Bringing organizations together to build relationships is at the heart of what many infrastructure organizations do. Sums up one survey respondent, "the main value and really useful support for us, is the management of networking communications and meetings with other foundations working in the same field or the same geographical area." By bringing foundations together, infrastructure organizations create a virtuous circle in which the connections further reinforce the capacity and capability of philanthropy organizations individually and collectively.



Credit – they build reputation, recognition and influence. Foundation representatives also noted how infrastructure organizations act on behalf of philanthropy as a field. They build its profile, recognition and trust with governments and wider society. As one survey respondent put it, they "revive the vision of the sector and connect organizations to converse about our challenges and how to address them." Says another, "We have been supported in different activities, but especially in some approaches to the governmental sector in order to know how to influence public policies related to our field."



These four categories could be considered a starting point for constructing a framework to assess the value of infrastructure organizations. Developing such an evaluative framework would enable the field of infrastructure support to answer one of the criticisms commonly levelled at it: namely that it does not measure its effectiveness and is therefore unable to account for itself. A common evaluation framework also allows us to begin to address our strengths and weaknesses as a field.

Feedback on usefulness of philanthropic support services

“ Convenings like the AGN does every two years are great, as they help revive the vision of the sector connect organizations and provide opportunities to converse about our challenges and how to address them.”

“ Scholarship grants.”

“ CoF has been a great support for international grantmaking and risk management issues.”

“ Support in evaluation and design of programs to implement.”

“ Peer learning through exchange visits.”

“ Great online resources, helpful grantmaking seminars.”

“ Financing and technical support.”

“ Financial support, information, mentorships, linkages, promotion, institution building, philanthropy development.”

“ Legal advice in statute updating.”

“ Webinars, peer learning events (WINGS), regional conferences (AFF), resident fellowships (UI).”

“ Foundation Center does customized calculations for us at times.”

Next Steps toward a More Effective Global Infrastructure

This report has highlighted the importance of infrastructure and described its characteristics through the lens of the work of WINGS network participants.

We started the report with the idea of using data to strengthen the field of infrastructure support. In this study, we have identified a number of strengths of the field, but also a number of challenges. There are four main ways (below), substantiated by supporting literature, that WINGS network members could work together with the WINGS secretariat to enable the field to strengthen itself. For each, we share suggested next steps for 2014, as well as questions to consider that bear upon the work.

Philanthropy infrastructure organizations are under pressure to better demonstrate their effectiveness. But as the 2005 Monitor Institute report well stated, '[t]he pressure for effectiveness creates an opportunity.' This pressure can lead to innovation and 'new ways of working' that can transform practice. More importantly, having better evidence of the infrastructure's value stands to benefit the work of both infrastructure organizations and foundations, furthering philanthropy's capacity to create positive change the world.

1. Improve data collection

Bottom line, we need better data. Most of what we know about philanthropy's infrastructure is in a US context, but even there, our knowledge is patchy.¹⁹ Without a better knowledge base, infrastructure organizations are vulnerable, especially in today's times. As noted in the 2009 study by the Charities Evaluation Services, because of heightened "public scrutiny of infrastructure support, there is likely to be pressure on funding which will bring performance demands," and data will be needed to substantiate performance claims.²⁰

Suggested Next Steps in 2014

- Invite WINGS network participants that have not yet participated in data collection to become part of this process.
- Clarify key terms (while respecting real and meaningful cultural differences), so that data can be collected that builds a common understanding of the field.

Key Questions To Consider

- How is our assessment capacity impacted by our lack of common vision about what we do? What can we do to address that?
- What's the right process for defining terms – that moves us as quickly as possible from the definitions phase to actual data collection?

2. Update practice

The 2005 Monitor Institute report findings suggest that because the field of infrastructure has evolved organically over a long period of time, some of its ways of working need to be updated to deal with the new complexity of the world and the opportunities that technology offers to do things differently. We concur. The data we collect can help us ensure our practices are state-of-the-art. Data can also help us 'redefine what infrastructure means and invest strategically in the most promising approaches.'²¹

Suggested Next Steps in 2014

- Select one or two areas of service of critical importance to the field and conduct comparative analyses of how these services are delivered both within the field and across others. What can we learn from each other and from other fields about promising practices?

Key Questions To Consider

- How do we create feedback loops for more continuous improvement within our individual organizations and across the field?
- What new possibilities for delivering services are suggested by emerging technologies?

¹⁹ Cohen, Rick (2008) 'The Non Profit Quarterly Study on Nonprofit Philanthropic Infrastructure'. *Non Profit Quarterly*

²⁰ Cupitt, Sally with Mihailidou, Anastasia (2009) *Demonstrating the difference*. London: Charities Evaluation Services

²¹ *Ibid.*

3. Assess impact

Evidence of user satisfaction with services – as presented in the previous section – is one thing. Evidence of real world impact is quite another.

Assessing the impact of infrastructure organizations is difficult for many reasons, including that funders prefer to support activities that bring direct and visible benefits in order to meet various kinds of worthy and charitable goals. For all but a small group of dedicated infrastructure funders, we need to demonstrate how investing in infrastructure organizations helps foundations and their grantees better achieve their missions. We need to be able to show, for example, how infrastructure support is affecting practice in different countries, such as how we are influencing legislation, funding, the growth of civil society, and other aspects of the enabling environment within which philanthropy and civil society can operate effectively.

To do this properly we need to track the role of selected infrastructure organizations in different countries using common indicators over a period of time. Some of this might be done retrospectively, though it would be more compelling to do this as a formal action research project operating from a properly researched baseline.

Suggested Next Steps in 2014

- Capture individual stories of how philanthropic organizations have benefitted from the services provided by WINGS network participants.
- Identify a set of impact indicators for infrastructure support that could be applied across the field. Consider the 4 C's framework as a starting point.

Key Questions To Consider

- How do we decide which stories to focus on?
- What's the right process for coming up with impact indicators?

4. Communicate value

The previous recommendations seek to address some of the fundamental challenges that prevent greater support for philanthropy's infrastructure: namely, how it needs to do a better job of evaluating its work and making connections for funders between what infrastructure organizations do and what they care most about. But improving data collection, updating practice, and assessing our impact will go nowhere without a communications strategy to get the word out.

Different communications are needed for different audiences, from those unaware to those unconvinced of the value of infrastructure. As we noted at the beginning of this report, unlike other types of infrastructure, philanthropy's infrastructure is soft, which makes communicating its value particularly challenging. It operates in the interstices of the field. Its work is difficult to see and quite often invisible except to those who participate in it.

Like the interstitial tissue in our bodies, we know that infrastructure organizations are essential to the health and wellbeing of philanthropy. They help to hold the field together. We need to find compelling ways to communicate this fundamental fact.

Suggested Next Steps in 2014

- Develop a communications strategy to raise the profile of the field and to demonstrate its indispensability to the future of philanthropy.

Key Questions To Consider

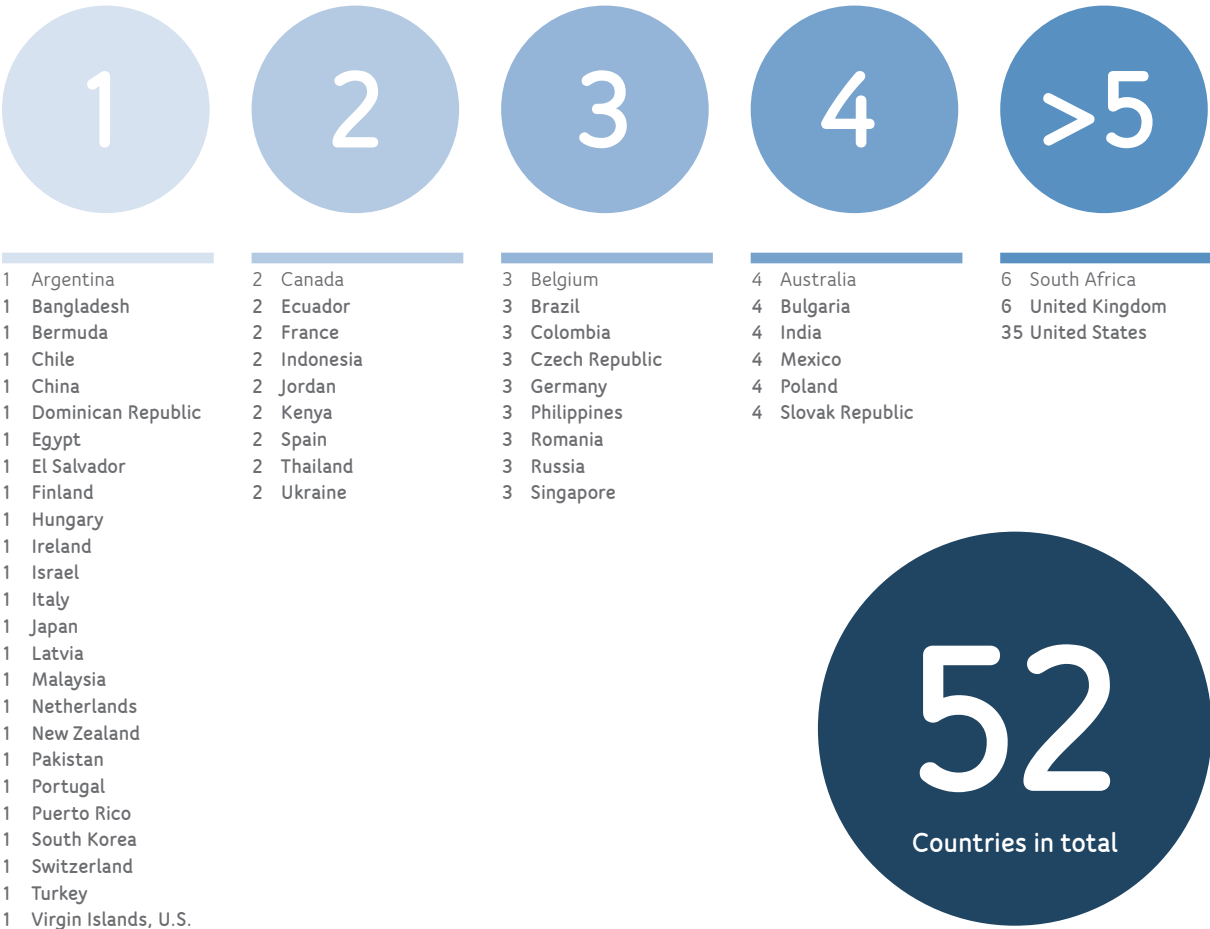
- We cannot market to everybody – Who is our primary audience?
- What do we want as outcomes of our communications activities? What is realistic to expect?
- What is the best communications frame that addresses many of the issues outlined in this report?

Annexes

Annex A: Data Collection Working Group

Atallah Kuttab	SAANED/WINGS
Barbara Ibrahim	John D. Gerhart Center for Philanthropy and Civic Engagement/WINGS
Barry Knight	CENTRIS
Jane Arnott	Charities Aid Foundation
Jeffrey Falkenstein	Foundation Center
Larry McGill	Foundation Center
Lorena Cortes	CEMEFI
Michael Litz	Forum of Regional Association of Grantmakers
Pamela Ribeiro	GIFE
Rosa Gallego	Spanish Association of Foundations/DAFNE
Tao Ze	China Foundation Center

Annex B: Number of WINGS network participants in each country



Annex C: Survey respondents

Legend

List shows 141 WINGS network participants at the time of the report.

95 in bold green completed the survey.

Academy for the Development of Philanthropy in Poland	Bangladesh Freedom Foundation	Community Foundations of Canada - CFC	Global Philanthropy Forum	OECD netFWD
Africa Grantmakers Affinity Group - AGAG	Banking Association South Africa (The)	Comunalia: Alianza de Fundaciones Comunitarias de Mexico	Grantmakers without Borders	Ohio Grantmakers Forum
African Grantmakers Network - AGN	Beautiful Foundation (The)	Conference of Southwest Foundations	Grupo de Fundaciones y Empresas - GDFE	Pakistan Centre for Philanthropy - PCP
Aktive Buergerschaft e.V. (Active Citizenship)	Belgian Foundation Network	Connecticut Council for Philanthropy	Grupo de Institutos, Fundacoes e Empresas - GIFE	Philanthropic Foundations Canada
Alianza ONG	Bulgarian Donors' Forum	Consortio Ecuatoriano para la Responsabilidad Social - CERES	Hungarian Donors Forum	Philanthropy Australia
Arab Foundations Forum - AFF	Bundesverband Deutscher Stiftungen e.V. (Association of German Foundations)	Coordinadora Catalana de Fundacions	Independent Sector	Philanthropy Ireland
Asian Venture Philanthropy Network - AVPN	Caribbean Philanthropy Network	Council of Finnish Foundations	Indiana Grantmakers Alliance	Philanthropy New York
Asia-Pacific Centre for Philanthropy and Social Investment, Swinburne University	Center for Philanthropy and Civil Society	Council of Michigan Foundations	Indonesia Business Links	Philanthropy New Zealand
Asociacion de Fundaciones Empresariales - AFE	Centre for the Advancement of Philanthropy	Council on Foundations - COF	Initiative Burgerstiftungen	Philippine Business for Social Progress
Asociacion de Fundaciones Petroleras de Colombia	Centre Francais des Fondations	Czech Association of Community Foundations	Instituto para o Desenvolvimento do Investimento Social - IDIS	Polish Donors' Forum
Asociacion Espanola de Fundaciones	Centre on Philanthropy	Czech Donors Forum	International Council on Management of Population Programmes - ICOMP	Puerto Rico Community Foundation
Associated Grantmakers - AGM	Centro Mexicano para la Filantropia - CEMEFI	Donors Forum	International Funders for Indigenous Peoples - IFIP	Rede de Fundos Independentes para a Justica Social (Network of Independent Funds for Social Justice)
Association for Community Relations	Centro Portugues de Fundacoes Portuguese Foundation Centre	East Africa Association of Grantmakers - EAAG	International Human Rights Funders Group IHRFG	Romanian Donors' Forum
Association of Foundations	Centrum pre filantropiu n.o. (Center for Philanthropy)	Ecuadorian Institute of Corporate Social Responsibility - IRSE	International Network of Women's Funds INWF	Romanian Federation of Community Foundations
Association of Baltimore Area Grantmakers	Charities Aid Foundation - CAF	Environmental Grantmakers Association EGA	International Youth Foundation	Russia Donors' Forum
Association of Charitable Foundations - ACF	Charities Aid Foundation - CAF America	European Foundation Centre - EFC	Japan Foundation Center	SAANED for Philanthropy Advisory in the Arab Region
Association of Community Foundations in Bulgaria - ACFB	Charities Aid Foundation - CAF Australia	European Venture Philanthropy Association - EVPA	John D. Gerhart Center for Philanthropy and Civic Engagement, American University in Cairo	Sampradaan - Indian Centre for Philanthropy
Association of Foundations in the Netherlands	Charities Aid Foundation - CAF Bulgaria	Federation of Polish Community Foundations	Kenya Community Development Foundation - KCDF	Scottish Malawi Foundation
Association of Philanthropy Indonesia	Charities Aid Foundation - CAF India	Filantrofilia	League of California Community Foundations	Sheatufim - The Israel Center for Civil Society
Association of Slovak Community Foundations	Charities Aid Foundation - CAF Russia	Florida Philanthropic Network	League of Corporate Foundations	Slovak Donors Forum
Associazione Italiana Fondazioni e Enti di Erogazi - Assifero	Charities Aid Foundation - CAF South East Asia	Forum Empresa	Local Development Institute - LDI	Social Return on Investment Network (The) - SROI
	China Foundation Center	Forum of Regional Associations of Grantmakers	London Funders	Social Venture Partners International - SVPI
	CIVICUS: World Alliance for Citizen Participation	Foundation Center	Maine Philanthropy Center	Southeastern Council of Foundations
	Committee Encouraging Corporate Philanthropy - CECP	Foundation for Rural & Regional Renewal - FRRR	Minnesota Council on Foundations	Southern African Community Grantmakers Leadership Forum - SACGLF
	UK Community Foundations	Foundation in Support of Local Democracy - FSLD	Nadace VIA	Swiss Foundations
	Community Foundation Partnership	Fundacion Empresarial para la Accion Social - FUNDEMAS	Nadacia Ekopolis	Synergos Institute
	Community Foundation Movement in Latvia	Fundacion para el Desarrollo Institucional para Organizaciones Sociales - Fundacion DIS	National Volunteer & Philanthropy Centre - NVPC	The Nav Maharashtra Community - NAVAM
		Funders Concerned About AIDS	North Carolina Network of Grantmakers	The Philanthropic Initiative - TPI
		Give 2 Asia	Northern California Grantmakers	Third Sector Foundation of Turkey - TUSEV
		Global Fund for Community Foundations		Ukrainian Philanthropists Forum
				Washington Regional Association of Grantmakers
				Workshop for Civic Initiatives Foundation



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