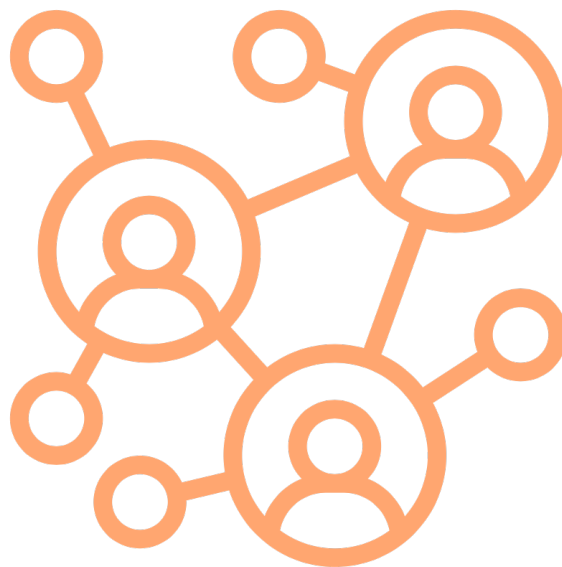


GRANTMAKING FOR COMMUNITY-DRIVEN SYSTEMS CHANGE

Community-driven systems change involves communities having the power and resources to identify and address issues affecting them in immediate and in long-term, systemic ways. However, the development paradigm fundamentally involves an imbalance in resourcing, and thus an imbalance in power, between funders and grantees. Moreover, current approaches to grantmaking tend to be issue-focused, short-term, and focused on rapid, measurable, and scalable results – which can lead to strategies and approaches that are fundamentally incompatible with communities’ self-determination, and long-term systemic change.

What are ways in which funders can reimagine and rebuild grantmaking systems and processes in order to support community-driven systems change?



1. PARTNER WITH CBOS THAT ARE WELL-POSITIONED TO MOBILIZE COMMUNITY-DRIVEN SYSTEMS CHANGE

When determining ‘who to fund’, be guided by who is trusted by and considered a legitimate actor and leader by the community. Participatory grantmaking and community advisory councils are important strategies for a community-driven approach to grantmaking. However, where these are not possible, it is still important to consider the trust, legitimacy, and respect that the CBO holds with their community.

Seek to partner with CBOs that demonstrate potential or current capacities for mobilizing community-driven systems change, including –

- Rootedness in and intimate understanding of community; understanding and responding to community needs, strengths, knowledge, values, and practices
- Understanding, working with, and seeking to engage and influence local stakeholders and systems
- Consulting with and facilitating community members’ participation in planning and implementing activities
- Being accountable to community, government, and other local stakeholders
- An organizational culture of learning, reflection, and adaptation
- Clear sense of organizational identity and goals
- Integrity and ethics among the leaders, staff, and members/volunteers.

Ascertaining the above requires substantial investment in the initial process of getting to know potential grantees – and in enabling them to get to know you. We recommend at least a one- or two-day visit to the CBO and its existing programs, and where initial alignment seems promising, the process of getting to know one another and establishing trust continues over a 6-12 month long period of learning and planning.

2. ESTABLISH A PARTNERSHIP ROOTED IN SOLIDARITY, SHARED VALUES, MUTUAL RESPECT, AND SHARED LEARNING

A funder-grantee partnership that is rooted in justice and solidarity and supports true community-driven systems change involves qualities which need to be fostered from the very beginning –

Transparency: From the beginning, both funder and grantee have the opportunity to share with each other their expectations of each other as well as their concerns, priorities, needs, and wishes for the initiative. Funders must be clear and transparent about what grantees can expect in terms of funding (how much funding, and over what period of time), support, communication, etc., and what will be expected of grantees, in terms of the use of funds, activities, and monitoring and reporting. However, grantees must also have the opportunity to share and discuss their expectations of the funder – for example in terms of communication, transparency, flexibility, and responsiveness.

Consent and mutual respect: Explicitly seek consent, and establish a relationship of mutual respect and more equal power from the beginning. This requires a shift away from the funder making a decision to

‘award’ a grant with set requirements that the potential grantee can either accept or decline (and usually feels compelled to accept due to the need for funding). Rather, the funder seeks to –

- Share information, intentions, parameters, and limitations with potential grantees
- Discuss these in detail and addressing concerns held by potential grantees
- Ensure space for grantees to negotiate terms
- Ensure that any agreed upon partnership is truly satisfactory to grantees, not accepted simply because the grantee needs the funds to respond to community needs
- Explicitly ask for informed and voluntary consent from the grantee

Shared values and norms: Take time to engage in dialogue and reflection, and come to agreement, on a set of shared values, norms, and expectations in your relationship. This includes how to surface and address issues of concern between funder and grantee.

Security and flexibility: Community-driven systems change is significantly hampered or compromised if CBOs and communities don’t have the security and flexibility to take action, experience unexpected outcomes, learn, adapt, or revise plans altogether. This happens when CBOs feel they have to stick to what was agreed upon at the start, or if they fear they will not receive more funding if they don’t achieve certain agreed upon outcomes. Where CBOs have both security and flexibility in the partnership with the funder, they are able to plan, implement, learn, and adapt according to the realities in their communities, and create meaningful shift over the long-term in the complex systems affecting their communities.

Mutual learning and accountability: A culture of mutual learning and accountability means that we share openly with one another, give and receive feedback, recognize and admit our own limitations and mistakes, and strive to learn and improve in solidarity towards our shared outcomes.

3. PROVIDE LONGER-TERM AND PREDICTABLE FUNDING THAT SUPPORTS PARTICIPATORY COMMUNITY ACTION FOR LONG-TERM SYSTEMIC CHANGE

Participatory community processes require time and flexibility, for relationship building, establishing trust, learning together, working with conflicting approaches and priorities, finding alignment, building strategic partnerships, resolving conflicts, and more. As well, social systems are complex, contextualized, and layered, and true systemic change is often messy and non-linear. Thus, community-driven systems change requires security, time, flexibility, patience, and wisdom.

One of the most important things a funder can do to support CBOs in fostering community-driven systems change is to provide the security and reliability – along with flexibility – of a longer-term multi-year grant. We recommend 5-7 years for adequate time for CBOs to design, implement, and adapt actions that can lead to meaningful long-term systemic change. This is, however, a guideline – fewer or more years may be appropriate in different circumstances.

When considering how much funding to award a particular CBO, look not only at their history of managing funds but also their potential. This includes a look at their existing work, their systems, their tracking and accountability mechanisms, their geographical coverage, and their proposed scope of activities. The

learning and planning period can be an important opportunity to get to know partners and get a better sense of their capacity and potential.

Let grantees know how much they can apply for before they prepare their proposals or implementation plans. This allows them to plan and budget in line with what is available to them.

4. PROVIDE DEDICATED TIME, FUNDS, AND CAPACITY SUPPORT FOR CBOs TO LEARN AND PLAN WITH THEIR COMMUNITIES

Community-driven systems change requires time, resourcing, and support for CBOs to deeply engage with the different stakeholder groups in their communities, to –

- Map out systems and stakeholders involved in different issues
- Understand the issues facing different stakeholder groups, from the perspectives of the different stakeholder groups
- Understanding and analyzing the systems, norms, and other underlying root causes affecting different issues
- Prioritize immediate needs to respond to as well as levers or entry points for longer-term systemic change
- Determine actions, those who will carry out which actions, and the resources that will support different actions

Funders can support CBOs to learn and plan with their communities, and then prepare their implementation plan, by –

- Establishing and funding a learning and planning period of 6-12 months before the CBO is expected to submit a program proposal to the funder;
- Understanding the skills and methods CBOs are already using to engage, learn from, and collaborate with their communities, and as appropriate, sharing additional resources, tools, and skills that may be useful for CBOs to use;
- Understanding the skills and methods CBOs are already using to map out, analyze, and act on systems, and as appropriate, share additional resources, tools, and skills that may be useful for CBOs to use;
- Supporting CBOs to learn from and with their communities, work with their communities to make sense of findings, analyze how different root causes and systems directly and indirectly affect specific outcomes, brainstorm what can be done to address issues and root causes, develop community action plans, and identify indicators of progress;
- Supporting CBOs to develop their own action plans and indicators of progress, based on community discussions, action plans, and indicators, and develop implementation plans and budgets to guide their activities and use of funds.

5. GRANT REQUIREMENTS SHOULD BE SIMPLE, FLEXIBLE, USEFUL, AND SUPPORTIVE TO CBOS

Proposals and reports from CBO grantees to funders should be as simple and flexible as possible, and useful to the CBO beyond the purpose of communicating to the funder. Here are some examples –

- Proposal templates should support broader goal-setting and planning with the community – not just telling the funder how grant funds specifically will be used and for what purpose. Indicators of progress should be co-determined with communities, and should be meaningful and useable by CBOs and communities themselves.
- Reporting templates should support community reflections on progress, and/or the CBO reporting back to community and government stakeholders, not just reporting to the funder how grant funds were used and the progress of grant-funded activities. Reports should focus on progress according to their own determined indicators, and focus on reflection and learning, not on ‘proving results’ or being evaluated or judged by the funder for renewal.
- CBOs should be able to submit proposals and reports in ways that are accessible to them – for example, in handwritten form or in languages other than English. Similarly, they should be able to submit an initial draft budget to obtain initial grant funds, even as they develop their capacity in financial management and planning and can then develop a stronger revised budget.

Systems should also be established to ensure there are no gaps in funding, so that CBOs can sustain their staff, community engagement and trust, and activities, even during annual reporting periods. This can be done in two ways –

- The funder may not require a comprehensive report and new proposal each year, but rather have a long-term plan established in the first year, and have each year be a simple and brief update on the long-term plan – what has been done in the past year and any changes/revisions to the long-term plan.
- If a detailed report is required, the next tranche of funding does not need to depend on the review of the report – it can be disbursed even as the funder is reviewing and responding to the detailed report.

Funders often ask grantees to report on the numbers of beneficiaries reached. There are two important problems with this.

- First, community-driven systems change is more concerned with the depth and sustainability of impact, than with reach or scale. That is not to say reach or scale are not important to examine. However, when numbers relating to reach or scale are a primary indicator to be reported on to the funder, it implies that reach or scale is perhaps more important than other indicators of success. As the adage goes, “we measure what we treasure”.
- Second, in community-driven systems change, the emphasis is on collaborating with community members to effect change in systems and root causes, not simply delivering services to recipient beneficiaries. In CDSC then, we are concerned more with community collaborators than we are with beneficiaries.

Our recommendation is that if funders do wish or need to capture some quantitative information on the numbers of people ‘reached’ by the CBO, this should be discussed with CBOs and communities. From a

community-driven systems change perspective, what numbers are important to capture? What will help us get a sense of the level of community engagement? What will help us get a sense of shifts in root causes, norms, and systems? Through discussion and coming to alignment on what numbers we wish to capture and for what purpose, the data will be meaningful and helpful for CBOs and communities, as well as for the funder.

6. BE FLEXIBLE IN WHAT YOU ARE WILLING TO FUND

Systems are complex and holistic, and many different parts of the system can directly and indirectly affect outcomes of interest. Community members will also likely have a range of priority issues that need addressing along with the issues you have identified as important. This means that if your focus area and parameters are too narrow, grantees/implementers will not be able to mobilize true community-driven systems change.

We recommend being as flexible as possible in what you are able and willing to fund. Where needed, work closely with grantees to understand and map out their justification and theory of change around why they believe working on a particular activity will directly or indirectly relate to a particular desired outcome.

7. ESTABLISH SYSTEMS TO REDUCE BIAS AND STRENGTHEN LEARNING AND ACCOUNTABILITY IN GRANTMAKING

As humans, we all come with biases and blind spots, implicit as they may be. We are also always developing, making mistakes, learning, and improving. It is important to establish systems and processes to reduce bias, and to strengthen learning and accountability, in everything we do, but especially in grantmaking decisions as they involve the provision of – or denial of – resources to certain organizations, that can have a major impact on the outcomes of their communities.

Some systems and processes that can help mitigate bias and strengthen accountability include –

- Having more than one person involved in grantee selection, grant review and response, and grant decision-making;
- Having clear and transparent systematic criteria to guide grantee selection, proposal review, report review, and grant decision-making;
- Documenting, sharing, and being open to questions from colleagues and advisors around decisions made; and
- Being accountable and responsive to CBOs, communities, and government stakeholders about decisions made.

IF YOU DON'T HAVE THE CAPACITY TO FUND CBOS DIRECTLY, AND YOU HAVE TO GO THROUGH INTERMEDIARIES...

If you are looking at the above guidelines and thinking that your foundation just doesn't have the capacity to make grants and provide support in ways that genuinely support community-driven systems change, you may be wondering what your options are.

Many funders simply choose not to fund CBOs because they believe it is too demanding to work with small organizations, or if they fund them, they maintain their existing grantmaking practices. This is extremely problematic for a number of reasons, including the following –

- Very little money in the development sector ever trickles down to community and local organizations;
- When traditional grantmaking practices are sustained, the majority of CBOs that are actually rooted in and responsive to their communities are excluded from these processes because they don't have computers, don't have internet access, don't communicate in English, and so on; and
- Those CBOs that do somehow receive grant funding often end up being coopted as implementors in service of the goals of Global North funders and INGOs – and this can end up compromising their capacity to be responsive and accountable to their communities and local stakeholders.

Given the incredible potential CBOs hold in their capacity to mobilize and support community-driven systems change, it is imperative for more funders to fund CBOs, and to fund them in ways that are supportive and enabling.

If you can't fund CBOs directly, another option is to fund CBOs through an intermediary, such as a local community foundation, an indigenous and local grantmaker, or an international regranteeing organization. With thoughtful planning, engagement, and investment, this can be a helpful mechanism through which to support community-driven systems change. It is imperative to select an intermediary, however, who holds and lives out the values and practices that are critical for community-driven systems change.

To support CBOs in catalyzing community-driven systems change, look for and work with intermediaries who –

- value CBOs for their critical value, unique positioning, and essential skills in grassroots development efforts;
- respect CBOs' expertise and leadership in facilitating community-driven systems change;
- consider CBOs to be equals and share power with them;
- treat CBOs as equal partners and not just recipients of aid;
- collaborate with CBOs as equals and respect and integrate their input from the very initial conceptualization of the initiative, through the development, planning, implementation, evaluation, and transition (or end/exit) of the initiative;
- are transparent and accountable in all directions – to CBOs, communities, local and national governments, other civil society organizations, and funders;
- collaborate and consult with a variety of stakeholders in the system to identify and support CBOs;
- demonstrate an understanding of a systems approach;
- foster learning, reflection, and adaptation;

- have flexible, supportive, and trust-based methods (and not burdensome, complex, and suspicion-based methods) to work with CBOs in the planning, implementation, and evaluation of actions/programs; and
- most importantly – are genuinely engaging with and addressing issues of inequitable power and systemic injustice, and seek to engage in equal, mutually respectful, and justice- and solidarity-based partnerships with CBOs.

It is important to recognize and be sensitive to the ways in which power dynamics and role confusion can play out in the different layers of the funder-intermediary-CBO relationship. We recommend fostering a culture of learning and growth, encouraging and participating in transparency and open communication, supporting clarity on roles and responsibilities, and establishing multidirectional feedback loops. With these considerations, funding through a carefully-identified and thoughtfully-supported intermediary can be a valuable mechanism to support community-driven systems change.

Note: For funders seeking intermediaries in Africa, Firelight maintains a running list of African indigenous grantmakers and community foundations on our website.

We hope these guidelines and questions have supported your thinking and planning around grantmaking to support community-driven systems change. Please feel free to contact us at learning@firelightfoundation.org to discuss further.