



Accelerating Systems Catalysts and Catalytic Change Collaborations

Reflections and emerging learnings
from the Catalyst Hub pilot

July 2023

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A. EXECUTIVE SUMMARY

There is growing recognition across the global field of social innovators and their funders that specific bottlenecks are limiting the impact of systems change initiatives – as publications like Catalyst 2030's "NGO Call-to-Action Open Letter", Bridgespan's "Equitable Systems Change: Funding Field Catalysts from Origins to Revolutionizing the World", and "Catalyst 2030's Embracing Complexity: Towards a Shared Understanding of Funding Systems Change", among others, highlight.

The Catalyst Hub pilot was an experiment to test several hypotheses about what is needed to address bottlenecks for and deepen the impact of systems catalysts including:

- In general, systems change initiatives and their leaders will benefit from more unrestricted funding to direct support as they see fit to strengthen their capacity and extend their impact;
- Proximate leaders, in other words those with the contextual intelligence to drive systems change, are under-networked with interested catalytic funders, especially in the Global South, and would stand to benefit from connections to funders;
- The prior due diligence of the major social entrepreneur networks (Skoll, Schwab, Ashoka, Echoing Green) will motivate prospective funders to invest in systems change initiatives emerging from these networks, even years after that due diligence;
- Progressive funders, particularly those who seek to fund more proximate, systems change organizations, will recognize the merits and legitimacy of investing in a pipeline of systems change initiatives that is curated by partners who are, themselves, leaders of systems change initiatives; and
- Rapid diagnosis of bottlenecks to scaling impact will preemptively answer questions funders may have, and thereby help overcome funder hesitations.

To test these hypotheses, a Catalyst 2030 Working Group established the Catalyst Hub Pilot with a learning agenda thanks to seed funding from the Bill and Melinda Gates Foundation. The Hub Pilot explored the bottlenecks and needs of seasoned systems change leaders primed to further scale their work, first conducting a sourcing process based on nominations from members of a working group convened by Catalyst 2030 (and representing the major social entrepreneur networks, namely Ashoka, Echoing Green, Skoll, and Schwab) as well as Catalyst Hub staff members. Ten highly qualified systems catalysts (referred to as "Catalysts" in this document) were shortlisted through the selection process based on their legitimacy and proximity to context and experience, engagement in systems work, urgency of the focused issue area, and readiness for deeper impact and possible scale. Then the Hub team conducted a rapid diagnostic process, which involved discussion with each shortlisted participant to identify barriers and possible remedies. The diagnostic effort generated an articulation of Catalysts' ambitions and needs for extended networks, funders and partners. Based on these, the Hub staff then conducted an acceleration service matchmaking effort, aimed at making connections between Catalysts and suitable service providers or platforms for resources and strategic support. In addition to matchmaking, the Hub staff sought to engage and activate potential funding partners for the Hub's participants and for its own ongoing operations.

Beyond advancing a learning agenda, the experiment created some immediate value for most Hub participants, including by way of diagnostic support, connections, and/or access to in-kind support. The diagnostic process proved immediately useful for most participants, encouraging ambitious thinking, offering strategic planning frameworks, highlighting external and alternative perspectives, and stimulating conversation around diverse partnership and scale-up opportunities. The Catalysts faced diverse situations, with some similar barriers and some common needs such as strategic communications, government relations, strategy sharpening support, talent sourcing, and access to funding.

The experiment surfaced several insights that help shed light on barriers to accelerating systems initiatives and their leaders, namely:

1. Systems change language can be alienating.

Some funders noted that systems change concepts can have different meanings for different actors and audiences. Systems change language can be perceived as overly intellectual and is not necessarily conducive to bringing in new supportive voices and networks. We heard suggestions that, if we collectively want to grow systems philanthropy, the language of systems change needs to become more accessible.

2. Credentials are not a guaranteed gateway to funding.

Even if a given initiative or leader carries many qualifications, this alone does not guarantee funder support. While all participants in the Hub are highly accomplished social entrepreneurs, most underscored a need for strategic communications support to better articulate their story to access further support from funding partners. The funders engaged for this pilot, meanwhile, frequently expressed hesitations about funding individual participants shortlisted by the Hub, citing the fact that the specific Catalysts were not aligned with current strategic goals, programmatic theories of change and action, and/or priority geographies. It was suggested that, for the future, organizing a pipeline of initiatives and leaders around clear topics, geographies, and theories of change that are of interest to funders would help funders to more readily identify “matches.”

3. Many funders actively aim to incorporate proximate voices into their strategies; but there is still room to grow.

Notably, most funders acknowledged the value of “proximate” (closest to the issues and contexts) expertise in shaping responses to complex systems initiatives; nonetheless, many shared that their organizational practices hinder sufficiently incorporating those voices into programmatic work. Several donors noted that legacy practices, including theories of change that silo issue areas or short-term reporting expectations, impede widespread adoption of systems-oriented funding strategies, including creating space for proximately-driven program evolution. Likewise, the size of certain funder teams seemed to create inconsistent approaches to systems work: Several funders interviewed shared that pockets within their organizations invested more in ecosystem building and adaptive funding, while others remained more traditionally focused on key performance indicators and formal reporting. This finding is further substantiated by Catalysts’ requests for Hub support. Rather than actively co-shaping donor strategies, multiple participants in the Hub, namely several participants who are based in and grew up in emerging and frontier market contexts, noted that they spend significant amounts of time tailoring their pitches and proposals to align with existing donor strategies. While donors broadly share an intent to assimilate proximate expertise into their funding decisions, deeper understanding of how proximity currently informs funding strategies could help advance the effort.

4. Systems change philanthropy would benefit from an approach that both builds greater trust between funders and grantee-partners, and is more action-oriented.

Across the donors and Catalysts engaged in this experiment, we heard overarching opportunities to foster greater alignment and trust around systems approaches and action. Several specific factors were highlighted as necessary to cultivate the required alignment and trust over time, namely having more “space” together, ideally in-person, to become better acquainted, deepen understandings of specific issues and contexts, and weigh concrete options about the way forward. Multiple funders noted a proliferation of donor co-learning forums as well as some instances of collaborative giving models centered around specific programmatic themes; however, it appears that the majority of these gatherings do not include potential grantees or proximate leaders and their perspectives who may be

closest to the issues at hand. It was noted that funders sometimes hesitate to engage in open dialogue with prospective grantee-partners, who may use conversations to “pitch” for more funds, rather than explore issues; this may point to the need to involve unbiased and trusted facilitators of dialogue between funders and their prospective partners.

5. A shared-services marketplace for in-kind support that is pre-paid, pro bono or discounted may help to accelerate support for systems initiatives and their leaders in the short-term.

The provision of in-kind acceleration services for social innovators, in general, is fragmented. The Hub experiment attempted (with multiple immediate successes) to facilitate connections between shortlisted initiatives and providers of in-kind support, but the methods used were not scalable. Multiple Catalysts noted that, after a certain stage of organizational evolution, their opportunities to obtain acceleration support become more limited; assumptions are made about their needs that may unintentionally restrict their impact or growth. Meanwhile, some funders expressed reluctance to ask open ended questions about the support Catalysts might require for risk of raising expectations around providing that support. While this experiment attempted to fill a gap in marketplace infrastructure, the outcome fell short because of the volume of contacts, services and incentives among marketplace participants to address requested needs. There is an opportunity for large social entrepreneur networks to pool efforts to create a “shared-services marketplace” (central network of acceleration service providers whose offerings are pre-negotiated and ideally pre-paid or pro bono) to better support systems work. Funding partners could refer current prospective grantee-partners to such a marketplace, which could start by consolidating and building upon existing efforts across the major social entrepreneur networks, to facilitate relevant connections. This is not a long-term systemic solution, however; the field will need to continue to position Catalysts to meet their own needs by rectifying power imbalances and building greater trust to accelerate giving for systems change.

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Overall, this experiment surfaces a concern that proximate systems leaders may not have adequate influence over giving strategies to ensure they reflect lived experience and expertise. This leads to a question about whether there is a different approach to collaborative giving to address the hard truths around power dynamics in systems philanthropy.

Looking forward, the learnings from the Catalyst Hub experiment point to some near-term opportunities to accelerate both the effectiveness of systems change philanthropy, and the impact of initiatives and leaders driving systems change.

- For funders, there is an opportunity for closer collaboration, specifically a journey to co-design funding and other strategies, with proximate leaders, who carry the legitimacy of understanding systems work within context. Based on input and feedback from donors and systems change leaders alike, investments in building trust through joint experiences and analyses would help shift philanthropic approaches and power dynamics. For any given crisis, timely and shared information from the most credible and proximate leaders can support funders to coordinate more holistic responses, therefore it may be reasonable to strategize around live and emerging situations together to steadily bridge the trust gap and shape investments in systems change together. Additionally, collaboration of this kind could translate the energy of emerging crises into transformative change to prevent future crises and shift more funding to systems philanthropy as a whole.
- For systems leaders and initiatives, there is an opportunity to create a marketplace that efficiently connects actors leading systems change to providers of in-kind support, by pooling disparate network initiatives together into one platform featuring existing service providers and private sector partners. Systems catalysts’ needs evolve as they grow their systems impact. An

investment in infrastructure that allows initiative leaders quick and comprehensive access to in-kind acceleration support services could shift matchmaking power to initiative leaders themselves, so that they have the widest database possible to address barriers to deeper and more expansive impact.

A third and perhaps more fundamental area of opportunity to explore is the potential to refresh the language of systems change. During this pilot, several funders and system catalysts alike reacted negatively to the term “systems change.” The experience of creating a joint definition for this work could enable more productive dialogue and build greater understanding, trust and alignment between philanthropists and their grantee-partners.

The impact potential of systems work across the SDGs and global climate and biodiversity commitments is high but requires additional supply and demand side reforms and initiatives to be achieved. Likewise, addressing lack of trust between funders and grantees, particularly systems change leaders, is essential to advancing effective funding strategies to tackle complex issues. The opportunity cost of not doing so is a risk of perpetuating the status quo and missing out on the potential for fundamental shifts in addressing the greatest social and environmental challenges.

B. THE CATALYST HUB PILOT'S PREMISE & METHODOLOGY

Catalyst Hub Pilot was conceived by Catalyst 2030 and leading systems change thinkers and networks to address existing shortcomings of global philanthropic funding ecosystem, mutually experienced by funders and leaders of systems change: Namely, funders often struggle to identify worthy and sound investments, while systems change leaders and initiatives are often under-resourced and overlooked. This pilot intended to support the field to fundamentally reimagine a rebuilding of critical collaboration, to enable systems change leaders and initiatives to generate higher levels of impact per dollar invested.

In particular, the pilot sought to extend knowledge and understanding of systems change philanthropy and action by curating a pipeline of trusted and impactful Systems Catalysts and Catalytic Change Collaborations to bring to the attention of traditional and new funders of systems change and facilitate matchmaking as possible. Among its initial results, Catalyst Hub Pilot set out with an experimental agenda to:

- Catalyze critical support and funding for systems change, in particular by matching promising Systems Catalysts and Catalytic Change Collaborations with interested donors and complementary services to unleash their potential
- Begin to build a co-created viable revenue model and inclusive governance model for sustained impact
- Generate useful knowledge to advance a learning agenda around catalyzing funding for systems change as well as collaboration across social entrepreneur networks

The pilot's work came to life with the support of a Working Group, whose members comprised representatives of Ashoka, Bridgespan, Echoing Green, the Skoll Foundation, and the Schwab Foundation, among other experts and practitioners, who were regularly consulted as thought partners and resources to provide input on candidate referrals, final Catalyst selection, and potential support to selected participants. The Catalyst Hub Pilot experimented with a networked approach to matchmaking, and the systems initiatives accepted into the Catalyst Hub Pilot were initially envisaged to access the Hub's services as well as the services of Working Group members and partners to advance systems impact.

The Pilot's Methodology

Given the experimental nature of this pilot and its learning agenda, the Hub team took an adaptive approach to the pilot's matchmaking agenda. As a result, the Hub's matchmaking methodology consisted of four steps, carried out in a roughly consecutive manner over seven months:





- **Catalyst selection** – reviewing close to 100 social entrepreneur profiles, mainly from Ashoka, Echoing Green, Skoll and Schwab networks, and nominations from the Working Group, the Catalyst Hub Pilot team identified ten “Systems Catalysts” to engage in the Pilot's activities, based on specific criteria (legitimacy, engagement in systems work, urgency, and readiness – see Exhibit 1 for more detail). It should be noted that our criteria around “legitimacy” considered proximity an essential feature, given that effective systems change readily requires leaders to be intimately knowledgeable of and experienced with issues being addressed. Our interpretation of “legitimate” meant that our search for systems leaders resulted in largely proximate representatives being included in this pilot.

Diagnostic questions were fivefold:

- A. What would radically scaling your impact 10x - 100x look like as far as the programs you would deploy and outcomes you would achieve?
- B. What are your partnerships dreams and aspirations that would enable this work?
- C. What are the key barriers that are preventing you from achieving this scale and/or outcome?
- D. What services might enable you to address these barriers?
- E. Why is it critical that your work happens? What are the implications on your target populations or environment if it doesn't happen?

- **Diagnostic support** – The ten selected Catalysts were invited to participate in two 45-minute discussions to diagnose barriers to acceleration and identify pathways to alleviate these constraints. Based on the insights gathered from these discussions, the Hub team created a presentation to double as a pitch deck for funders, outlining a Catalyst’s organization, and highlighting the systems-related ambitions, needs, and investment-impact differential. Materials also conveyed the opportunity cost if the Catalysts' goals were not met.
- **Funder pitching:** Over the course of this experiment, the Hub team spoke to close to 30 funders about the Systems Catalyst pipeline and the broader aims of the Hub Pilot to understand perspectives on funding systems change initiatives. Conversations took place over the course of the seven months, facilitated by the Hub team’s networks, Working Group referrals, the Skoll World Forum, Catalyst 2030’s Catalyzing Change Week, and the Schwab Foundation’s Annual Social Innovation Summit. In advance of these discussions, the Hub Pilot team shared materials summarizing the work and the Catalyst pipeline to test interest in funding or providing in-kind support to individual Catalysts, as well as potential investment in the Hub infrastructure itself. In specific instances when funder’s theories of change aligned with a System Catalysts’ work, the Hub Pilot team connected the parties over email.
- **Facilitated in-kind matchmaking:** While the Catalyst Hub Pilot’s initial ambitions entailed providing concrete support and connections to only three Catalysts, the Hub team instead offered connections to in-kind support for all engaged Catalysts. The diagnostic process helped Catalysts prioritize acceleration needs, and the Hub team compiled those needs to share with relevant Working Group members to activate networked matchmaking. The Hub team also leveraged its own networks outside of the Working Group to connect Catalysts to advisory, technical and other knowledge support that could eventually lead to in-kind commitments.

Exhibit 1: Criteria for Catalyst candidate selection and how we assessed

	 Legitimate	 Systems Work	 Urgent	 (Near-)Ready
WHAT WE PRIORITIZE:	<ul style="list-style-type: none"> ❑ Proven track record of results ❑ Technical, social, political and/or legal authorization ❑ High integrity and proximity (moral and ethical legitimacy) <p><i>Note: these "show up" in a leader's / initiative's identity, values, behavior, vision, strategy, governance, org. structure, partnerships, processes.</i></p>	<ul style="list-style-type: none"> ❑ Exemplifies principles* of systems work, i.e., <i>embracing context, fostering connection, and reconfiguring power</i> ❑ Involves practice(s)* of systems work, i.e., <i>cultivating collectives, equipping problem-solvers, promoting platforms, and/or disrupting policies & patterns</i> 	<ul style="list-style-type: none"> ❑ Convergence of trends / burning platform (e.g., crises) ❑ Evidence and resonating narrative of gap and potential ❑ Prospect of harnessing a galvanizing moment or event ❑ Near-term scalability (e.g., with demonstration effects) 	<ul style="list-style-type: none"> ❑ Seasoned catalytic leader of systems change who is willing to "own" an agenda ❑ Confidence in securing at least one—and ideally multiple—anchor funder(s) ❑ Burgeoning field of partners who are capable, engaged and aligned on an agenda
HOW WE KNOW:	<ul style="list-style-type: none"> ✓ <i>Candidates are primarily from leading networks of social entrepreneurs—Ashoka, Echoing Green, Schwab Fdn and Skoll Fdn—and were subjected to their prior screening and due diligence processes</i> ✓ <i>We do additional rapid due diligence to be sure</i> 	<ul style="list-style-type: none"> ✓ <i>We use a practitioner's definition of systems work* to delineate what is potentially transformational from what is incremental and/or a direct provision of services and products</i> ✓ <i>We are practitioners of systems work ourselves</i> 	<ul style="list-style-type: none"> ✓ <i>Nominations are required to indicate "why now?" and cite specific windows of opportunity that provide unique urgency for action</i> ✓ <i>Our sounding boards of social investors and systems thinkers help us scrutinize opportunities with a pragmatic lens</i> 	<ul style="list-style-type: none"> ✓ <i>Our definition of readiness is practical—we look for markers of readiness that are relatively easy to measure</i> ✓ <i>We take risks and include diverse candidate profiles, recognizing there is no "bright line" of readiness</i>

Overall, for Catalysts, this approach aimed to test the value-add of 1) a strategic soundboard through the diagnostic process; 2) matchmaking connections carried out through the pilot period; 3) materials created to describe the next level ambitions to board members, funders, etc. Meanwhile, for funders, this approach sought to explore the value-add of a curated pipeline of systems leaders, as well as other barriers to advancing systems change philanthropy.

C. LEARNINGS ON ACCELERATING SYSTEMS LEADERS' IMPACT

Existing social entrepreneur networks make critical investments to develop and grow social innovation across the world. Networks such as Ashoka, Echoing Green, the Skoll Foundation, the Schwab Foundation and Catalyst 2030 leverage award processes to draw funder and media attention to remarkable initiatives delivering important services to address health, poverty, environmental and other systems challenges. They also offer different services, such as learning modules, mentoring, access to events and a peer community, to help accelerate awardees' impact. A subset of these awardees has carried out work that has triggered significant policy and/ or behavioral change, sometimes years after they have obtained the recognition. At this advanced stage of their initiatives' evolution, these leaders often require different support than they did at the beginning or middle of their entrepreneurial journeys.

The Catalyst Hub Pilot engaged Catalysts in a diagnostic process to understand the types of services and support they need to accelerate their impact. Over the course of two months, the Hub team conducted at least two diagnostic conversations with each selected Catalyst to illuminate Catalysts' visions for more advanced systems change and help formulate the beginnings of a concrete roadmap to achieve deeper and more expansive impact. Though the sample size was small, the diagnostic process also sought to identify potential experiential trends and shared needs across system change leaders and initiatives to inform potential adaptations to existing services provided by social entrepreneur networks to better support to this seasoned and accomplished group.

Learnings from Diagnostic Process

When the Hub team first reached out to identified Catalysts to request their time and energy to participate in the pilot, it was unclear whether these leaders and their teams would see the value in engaging in this experiment. However, seasoned leaders expressed ready interest in investing 1.5 hours in strategic brainstorming for a return of presentation materials and 1-2 priority connections. Many commented that, after receiving substantial support at the beginning of their entrepreneurial journeys, they now had fewer opportunities for visioning and strategy exercises and therefore appreciated the Hub's offering.

Somewhat similar needs emerged from diagnostic discussions with the ten Catalysts, such as:

- **Storytelling**- Most catalysts were generally interested in opportunities to galvanize greater buy-in for their work, including narratives to resonate with specific stakeholders. The most frequently requested storytelling support aimed to persuade funders to provide additional funding or secure government partnerships for the adoption of the Catalysts' service delivery models.
- **New partnerships** - Many Catalysts also expressed a need to expand their outreach to and partnerships with known professional networks to facilitate connections with funders, partners, government, and/or implementing organizations. Events and conferences were seen as important tools to expand legitimacy and organizational reputation, for the purposes of facilitating relationships to further impact.
- **Talent recruitment** - Recruiting and building senior talent was another priority for many Catalysts. They noted gaps in team capacity required to scale, such as sales personnel, a Chief Operating Officer (COO), advocacy talent, etc. Additionally, they sought guidance on capacity building and maintaining/improving organizational culture in light of growth. Talent gaps were perceived as major impediments to increased impact.

While fewer Catalysts directly requested funding, the need for funding was implicit in participants' requests for in-kind support. For example, the main reason many Catalysts sought strategic communications was broadly to gain buy-in from funders for additional funding. Still, the diagnostic process helped Catalysts to think through priority needs to focus acceleration efforts and sharpen their investment cases for funding required.

Participants reported that the diagnostic process was helpful in various ways, including its objectivity, the provided frameworks, the external perspective gained from hearing their pitch, and the encouragement to think bigger about their organization's scale and partnerships.

Learnings from the Matchmaking Process

With a prioritized list of the Catalysts' acceleration support needs, the Hub team engaged Working Group members via email to identify relevant service providers and advisors. This low-tech marketplace surfaced several insights:

- Catalysts value personalized connections to in-kind service providers and experts. The Hub brokered new connections for the majority of the Catalysts based on the needs they outlined, and Catalysts reported finding these links useful and informative overall.
- The power and utility of a matchmaking service increases when the greatest number of possible actors are present to connect. Expanding matching infrastructure to include a broader range of individuals and service providers, perhaps through a tech-enabled, shared-service model used by every social entrepreneur network and their private sector partners, could enhance the value of matchmaking outcomes.
- At this point, there is no unified matchmaking effort that helps social entrepreneurs and systems leaders identify experts and/ or service providers. Each social entrepreneur network maintains its own database. It appears that social entrepreneurs need to “ask around” in order to locate recommended resources, an inefficient process with variable results.
- As part of this experiment, relevant Catalysts were connected to an online matchmaking platform used by the Global Alliance for Social Entrepreneurship, called Transform Support Hub. Many Catalysts have expressed interest in taking advantage of this tool, though, to date, its success at addressing their needs is not yet clear.

Unfortunately, because of the pilot's limited timeline, it is difficult to assess the long-term benefits of the matchmaking support provided, both through personalized connections and the Transform Support Hub. The experience of this process suggests, however, that a systems leader's ready access to guidance and certain in-kind services could help address outstanding questions to advance and deepen impact.

D. LEARNINGS ON ACCELERATING SYSTEMS CHANGE PHILANTHROPY

Across the tens of funders engaged through this pilot, as well as the philanthropy networks representing individual philanthropists, a broad consensus was expressed: Philanthropy must move increasingly towards addressing root cause issues. This finding related to philanthropic intent is not new¹: however, donor communities reported struggling with the mechanics and infrastructure that enable a widespread systems-oriented approach. Through the Hub Pilot team's discussions, observations around the funders' current mindset and tools provoked questions about the likelihood of achieving systems change through existing approaches.

Learnings around Donor Mindset

The Hub Pilot was, by some measures, a rather radical experiment to test donors' reactions to opportunities to fund systems leaders, irrespective of thematic or geographic orientation of their work and outside of the traditional donor solicitation process. In general, donors were intrigued by the Hub's pipeline of leaders, and usually recognized at least one amongst the ten as a leader of reputed impact. However, aside from one positive instance, their intrigue did not translate to expressions of funding interest during the Pilot period, insofar as the Hub team is aware.

While funders recognized the potential and achievements of Catalysts, they also remained committed to their organization's funding criteria and Theories of Change. The Hub, meanwhile, selected Catalysts only partially based upon alignment with funders' Theories of Change (and alignment only at high level), and alignment to individual funding strategies was not considered. Rather, the Hub team determined the Catalyst pipeline principally based on systems change selection criteria, with an aim to achieve thematic and geographic diversity and to focus on lifting up proximate leaders. In reviewing the Catalyst pipeline, several donors suggested that mapping them to donors' specific programmatic and/or geographic funding interests would better help identify "matches" in the future, though they also noted that their internal program teams already carried out this responsibility. It is not clear how much various funders currently incorporate proximate perspectives into shaping their Theories of Change, and this could be a question for further exploration.

The attempted funder-Catalyst matching experience generated a few observations:

- Awards and credentials, while important, are not the most essential missing factor needed to persuade donors to fund leaders and initiatives. Even if an initiative or leader carried multiple awards, the funders consulted were not necessarily enticed by these honors or the significant due diligence behind them. This was mainly because their organizations already had team members conducting their own due diligence based on individual organizational expectations. Indeed, a couple funders were skeptical of award recipients, suggesting that awards test leaders' storytelling abilities rather than their capacities to drive systems change.
- Systems initiatives by their very nature frequently require investments across multiple programmatic areas cross-thematic strategies outside the scope of a single program area. Many

¹ Examples of recent calls for this move include but are not limited to: [Catalyst 2030's "NGO Call-to-Action Open Letter"](#), [Bridgespan's "Equitable Systems Change: Funding Field Catalysts from Origins to Revolutionizing the World"](#), and ["Catalyst 2030's Embracing Complexity: Towards a Shared Understanding of Funding Systems Change."](#)

donor organizations are still set up according to siloed thematic areas (i.e., education, agriculture, etc.), which limits their flexibility to undertake systems work.

- Even in instances where a foundation is set up to drive a cross-cutting issue (e.g., restructuring to align departments to the foundation’s aspired outcomes, such as “Thriving Communities”), donor representatives confided that funding teams have varying experience evaluating and designing potential systems-oriented investments. Some staff members may not be fully equipped to consider funding investments from a systems-lens.
- More broadly, very few donors appear to explicitly invest in ecosystems building, namely an effort to create collective strategies and action plans across grantees working on a thematic issue or within a geographic context. In discussions with two large funders, representatives expressed that ecosystem building was a relatively new expectation across teams and required significant time and energy within a context of already high demands.

Overall, the observations related to donor mindsets indicate a strong degree of recognition, willingness and interest to fund “root cause” initiatives. However, they also imply that mindsets alone will not sufficiently shift practices towards systems philanthropy.

Learnings around Donor Collaboration Mechanisms

The Hub team’s conversations with donor representatives also aimed to better understand current collaboration across donor communities to activate systems change philanthropy. Systems change is a complex and multi-faceted endeavor. It requires a multi-stakeholder approach that goes beyond the capacities and influence of a single organization. For this reason, the more philanthropic actors are able to effectively collaborate, the more likely they are to advance systems change, in partnership with other stakeholders, together. The Hub Pilot team sought to explore existing and potential parameters to facilitate collaboration across funder groups to drive systems-oriented action.

Discussions with donors revealed several important insights to enable more effective systems-oriented cooperation:

- Systems change language can elicit unhelpful reactions. Some funders, particularly those outside of the Global North or working with individual donors, shared that systems change language is perceived as overly intellectual and exclusive. The framing is not accessible or clear enough to draw new networks and participants to enter the movement, thereby stunting its appeal. Additionally, the language has become shorthand for different meanings, such that even actors familiar with it may argue over semantics as opposed to concrete efforts to achieve it. A different, more accessible framing may enable stronger collaboration across a spectrum of philanthropic actors.
- Over the past years, donor discussion groups and fora have become a popular mechanism to seed collaboration. However, the proliferation of these groups may not have resulted in the tangible action hoped. One large institutional funder mentioned that teams across their organization are engaged in over 100 donor learning groups; at the same time, because they do not exchange strategic findings, due diligence or funding approaches, their value is limited. Likewise, they are not set up to lead to substantial collaboration. A fresh approach to encouraging genuine collaboration across donors could pioneer new pathways to accelerating systems change.
- Across their operations, many large funders have traditionally employed in-house experts to select and support grantees aligned to their funding criteria. As funders seek to work with more proximate leaders, organizations and initiatives, investments in in-house expertise and networks

may need to evolve. Some funders, including Co-Impact, have already begun to employ staff all over the world in order to ensure their expertise reflects context. Other funders are increasingly relying on philanthropic advisors, who live in funder's priority geographic regions and countries. This could be viewed as a positive step in raising proximate and contextualized knowledge. However, according to conversations with funders, much of this knowledge and expertise appears to remain proprietary rather than shared across funders. Likewise, funders may miss opportunities to meaningfully engage systems leaders and initiatives themselves in assessing and contextualizing an issue. Some funders shared reluctance to consult proximate systems change leaders while developing their funding strategies due to perceived self-interest and, to some degree, questionable objectivity.

Mechanisms to support donor collaboration would benefit from fresh approaches that reinforce opportunities to develop trust, both across donor communities themselves, as well as between donor communities and proximate leaders. Investing in shared language around the meaning and goals of systems change could be a good starting point for broader cooperation and joint strategizing. Likewise, there is appetite for a clear action agenda, that moves donors from information exchange to effective action.

E. OPPORTUNITIES MOVING FORWARD

Several opportunities to integrate this pilot's learnings exist for social entrepreneur networks, funders, and entrepreneurs themselves.

For **social entrepreneur networks**, there is an opportunity to collaborate more closely in providing complementary and shared services to community members. For example, a marketplace connecting systems leaders to in-kind technical expertise could unlock more efficient and effective acceleration support for systems work. In-kind acceleration services for social innovators are currently fragmented; a tech-enabled "shared-services marketplace" that facilitates connections and referrals to strategic advisors or technical support could support entrepreneurs seeking to expand to new geographies, service areas, etc.

For **funders**, there is an opportunity to co-create a collaborative learning and action agenda to advance new models of systems change philanthropy. The majority of funders consulted during the Catalyst Hub Pilot agreed: They would like to find more productive paths to mutually share and further inform strategies that achieve systems change together—namely through engagement with leaders and partners who are closest to the issues. Some of the attributes that they suggest in shaping a new model include:

- **Unbiased facilitation:** Must be facilitated by a person or organization that is accountable to a higher impact agenda, but does not have a stake in particular approaches or efforts required to advance that agenda. Unbiased facilitation is key to ensure that funders and grantee-partners can come to the same table together and navigate complex situations and investment opportunities in a way that builds—rather than erodes—trust.
- **Reflective of common practical interests:** Must address an issue or thematic area of interest to all the organizations involved. While relatively few funders appeared to be open to giving for “wholesale” platforms for systems change, a growing number may be open to giving for systems change around particular topical or issue areas of interest. More donors may be interested in systems change opportunities to address the global challenge of biodiversity loss, for example, than donors interested in a scattershot of systems change giving opportunities across a variety of issue areas.
- **Offers access to strategically informative and contextual insights:** Must help build clearer understandings of complex situations and issues, and how partner organizations involved (including donors) might augment or refresh their strategies to better address root causes of the challenges at hand.
- **Include proximate voices in the decision-making process:** Must have proximate systems leaders as central to co-creating or leading strategic visioning for the theor(ies) of change that guide the donors' giving. For example, based on the issue the group has committed to addressing, the model could source systems leaders that are directly working in those areas to both educate funders about the relevant context and co-create the theory of change for the group
- **Action-oriented:** Must keep donors accountable to action and committing funding to systems solutions. Leaders and partners who are closest to the issues cannot (and should not) be expected to dedicate significant time and energy supporting forums or approaches to donor co-learning that are not oriented toward action—at least not without some funding for the process of co-learning itself. For example, donors could explicitly commit to dedicating a certain percentage of time and funds to testing out co-learning and tangible collaboration.

The funders formally committing to experimenting with a new co-learning and action agenda together would pioneer an innovative approach to systems philanthropy. This method would set examples for others from which to iterate and further innovate.

For systems leaders and entrepreneurs themselves, there is an opportunity to develop stronger and more formalized peer connections and support through organizations like Catalyst 2030. Catalyst 2030 Country Chapters offer proximate leaders a ready network of referrals to technical partners, service providers and talent pipelines.

Governance & Financial Considerations

The two opportunities to integrate Catalyst learnings – namely the shared services marketplace and the donor co-learning and action model – both require a co-created approach in order to uphold legitimacy and relevance.

For the Shared Services Marketplace, three options emerge as possibilities, depending on available funding, level of effort required and interest among key stakeholders:

Option 1: Services resource page and self-diagnostic tool

- **Description:** With a lower-effort approach, an existing global social innovation platform, such as Catalyst 2030 or Global Alliance for Social Entrepreneurship (GASE), could lead the effort to create a shared resources page that aggregates service offerings that social entrepreneurs could access from service providers. The organization taking on this role can also offer access to a self-diagnostic tool to help identify an initiative's barriers to scaling impact and what services are relevant to addressing those barriers.
- **Governance:** The hosting partner (existing social innovation platform) would bring its own existing leadership and governance, with informal input from other networks and partners. To execute this option successfully, the services resource page and self-diagnostic tool could be developed in co-creation between the hosting partner and the four major social entrepreneur networks.
- **Financials:** To ensure sustainability, the organization to take on this work will incorporate the Hub's activities into the existing responsibilities of designated staff members. This lower-effort approach could potentially be seeded with a small fraction of funds available from the Catalyst Hub experiment.

Option 2: Digital services marketplace and periodic matchmaking

- **Description:** Under this operational model, an existing social innovation platform, such as Catalyst 2030 or Global Alliance for Social Entrepreneurship (GASE), could assume the role of coordinator, leveraging expertise and programmatic area in private sector engagement to connect entrepreneurs on an annual basis to services they require to address barriers to scale. For example, Catalyst 2030 could facilitate a (pilot) matchmaking process and facilitated connections at the Skoll World Forum. Additionally, the organization that takes this work on could develop a tech platform that facilitates matchmaking to ensure real-time and comprehensive connections.
- **Governance:** An existing social innovation platform would lead the development and execution of this role, with informal input from other networks and partners. To execute this option successfully, depending on the way it takes shape, social entrepreneur networks could identify criteria for determining which social entrepreneurs gain access to additional matchmaking support.

- **Financials:** Piloting the development of a digital services marketplace via a major global event such as Skoll World Forum would likely require an investment of donor funds on the order of several hundred thousand (USD), possibly with additional co-investments of one or more other partners involved.

Option 3: Active diagnostic and matchmaking support

- **Description:** A full-time coordinator could sit with an organization like the Global Alliance for Social Entrepreneurship or Catalyst 2030 to actively diagnose barriers to scale and make bespoke connections to Catalysts based on their specific needs. A dedicated individual would be responsible for continuously enhancing the Hub processes by, for example, establishing partnerships with service providers for a shared-services marketplace capable of meeting the comprehensive needs of Catalysts.
- **Governance:** Several governance considerations to execute on this option successfully are 1.) creating a Steering Committee comprised of social entrepreneur networks, other interested philanthropy networks (for example, The Philanthropy Workshop), private sector partners, and funding stakeholders to govern the evolution of the shared services marketplace, including its breadth, the population it serves, and the aims of the matchmaking services; 2.) ensure senior buy-in at the right level of the organization to enable the requisite support needed; and 3.) create a terms of reference for Steering Committee members around expectations of the role including the level of effort needed and time commitment so the Hub is able to receive the support it needs
- **Financials:** Social entrepreneur networks and other stakeholders involved would contribute collectively to hire an additional employee to lead matchmaking support across networks. Continual fundraising efforts would be necessary to ensure long-term sustainability.

To kick-start any of the models, the remaining funding from the Catalyst Hub pilot will be transferred to the organization taking on the work, enabling the organization to absorb the new function and adjust necessary infrastructure for coordinating matchmaking partnerships.

For the donor co-learning and action model, one option has been identified:

- **Description:** A donor convening could bring funder interested in mutually supporting solutions to major global crises through a “Situation Room” structure. Each “Situation Room” would preemptively define a playbook for dialogue around potential collaborative action in line with individual Theories of Change. By providing donors the most credible and timely information on crises and holding them accountable to fund solutions, the aim could be to (i) translate the energy of emerging crises into transformative change to prevent future crises and (ii) shift more funding to systems philanthropy as a whole. The convening will organize funders with similar interests, at least at a high level.
- **Governance and Financials:** To maximize trust in the unbiased facilitation of this “Situation Room” model, wide diversity in governance is a success factor. As this model represents a “systems change initiative” itself, it is likely that the facilitation would also require qualities of unrestricted and multi-year, flexible funding similar to those demanded by systems change leaders and their initiatives.

F. CONCLUSION

Over the course of this experiment, the Catalyst Hub Pilot's interactions and efforts to increase financial and in-kind support for systems change initiatives and leaders has revealed gaps and opportunities in the philanthropic landscape. While funders express aims to affect systems change, many current practices and mindsets deter that ambition. Investments in foundational trust-building between funders and their grantees - including co-designing funding strategies, devising joint ecosystems in-kind support, fostering broad relationship building across intersectional issue areas, and increasing unrestricted funding - could significantly advance creative and collaborative systems change approaches.

Most importantly, systems change is a long-term journey that requires sustained effort to transform entrenched behaviors and mindsets. Experiments like the Catalyst Hub Pilot illuminate new learning agendas to provide insights into shifting funder and grantee power dynamics, opening space for genuine co-creation opportunities, and identifying needed infrastructure for systems change. As a result of this pilot, an immediate opportunity to explore further collaboration across the funders and social innovation actors engaged in this work has emerged. Together, we will take the insights from this pilot forward to serve the longer-term ambition to accelerate systems change.

G. ANNEX

System Catalyst Biographies



Adriana Millet, Founder, SAS Brasil

SAS Brasil's vision is to decrease gaps in healthcare access across vulnerable communities in Brasil and are doing so by mainstreaming a new telehealth healthcare model in Brasil allowing hard-to-reach and low-income populations to access high quality and cost-effective health care. In the near term, in order to expand their impact, they are currently expanding their network of Advanced Telehealth Units to by partnering with higher education institutions to finance and operate units, partnering with government to adopt SAS Brasil's health service model and to help fund operations, piloting carbon credit financing model CompenSAS, and converting CO2 emissions avoided from reduction of healthcare travel to carbon credits, to fund operations.



Alloysius Attah, Founder, Farmerline

Farmerline's vision is to create lasting profit for farmers everywhere by developing innovative solutions that increase farmers' access to resources and markets. Farmerline has already grown and served a network of more than 1.7M farmers and 3000 partners both locally and globally. Their data platform, providing intelligence on how well crops are growing, how much and where, has supported 130+ corporate and development partners across 48 countries to reach over one million farmers. In the near-term, in order to expand their impact, they intend to expand their model to Kenya, climate smart agricultural information publicly available with the intention of government taking ownership, build a coalition of partners aligned to support small scale farmers to increase wealth and build climate resilience, continue to invest in their Farmer Census that can help build a credit profile for farmers and galvanize financial institutions to provide capital to farmers who previously could not access it, and continue to invest in the National Land Bank which aims to digitize all farmland to attract investments into the country.



Anushka Ratnayake, Founder, MyAgro

myAgro's vision is to scale reach and impact to meet the needs of more than one million farmers, 70% of them women, by 2026 by providing a transparent, low-risk savings solution for farmers to enable critical farm investments. myAgro has already achieved considerable success. In 2021, myAgro farmers in Senegal and Mali grew 221% and 147% more food and earned \$255 and \$155 in additional net income respectively compared to control farmers. In the near-term, they are seeking to extend their impact in multiple ways including by increasing customer acquisition, customer density and efficiency by building ways for farmers to pay directly via mobile money, driving higher layaway payments per farmer. myAgro will scale from three to five mobile money partnerships to improve coverage, increase farmer options, and reduce the distance to a mobile money kiosk. Additionally, they seek to increasing revenue per farmer by 1.) Diversifying products outside of the rainy season to reach different sections of farmers to increase farmer customer density and 2.) Continuing to invest in research and development for farmer inputs to increase farmer wealth in Mali and Senegal, develop input packages for new countries, and expand their products and training from climate resilience to climate mitigation practices. Finally, they plan to develop a direct to

customer/farmer model by leveraging increasing mobile phone access to enable scale quickly and cost-effectively.



Bilha Ndirangu, Founder, Jacob's Ladder

Jacob's Ladder's vision is to activate 30 Million green jobs in the African Green Economy by 2033 and ensure African youth are equipped to build the communities they envision. They aim to accomplish this by providing a pathway for African youth towards green employment and empower them to shape their communities. In the near-term, Jacob's Ladder is looking to execute on this vision in multiple ways by understanding the attitudes and perspectives of the youth towards climate action through baseline surveys to shape their interventions, convening grassroots discussions at country and regional levels that bring young people and experts together for region-specific conversations, and developing a curriculum that aims at filling the knowledge gaps evidenced in both the baseline and grassroots conversations as part of developing African youth and rolling out training using various channels. Additionally, they will focus efforts on catalyzing and spurring the development of green ventures by African youth by identifying and resourcing promising ideas and businesses, and developing a workforce preparedness Index to help countries self-monitor and work towards creation of green jobs.



Celina de Sola, Co-founder, Glasswing International

Glasswing International's vision is to bolster community resilience to the negative impacts of poverty, violence and forced migration by mobilizing youth and communities to address their root causes. Glasswing has already grown to over 600 employees with thousands of volunteers. They have expanded their programs to 12 Latin American countries and New York City, mobilized over \$140M for programming, directly impacted 2.2 million+ lives and are on track to impact 10M lives by 2027. Glasswing is looking build on these successes and to extend their impact by implementing an expansion plan to scale geographically and deepen innovation, while improving service delivery in existing locations.



Delfina Irazusta, Founder, Red de Innovación Local

Red de Innovación Local's (RIL) vision is that every city around the world is equipped to accelerate local agendas and prepared to be "opportunity" cities. They aim to accomplish this by providing guidance, peer support, tools, and inspiration for local municipalities, cities and territories to accelerate local innovation and work alongside them to create vibrant communities. They have already achieved considerable success, connecting and accelerating progress for over 8000 local government officials across 800+ cities in 11 countries. In the short-term, to expand their impact, RIL plans to consolidate their presence in LatAm and build a collaborative network with similar organizations, increase their scope to 100+ cities outside of LatAm, partner with existing global organizations to join the RIL Network and translate tools and knowledge products to Spanish, English, and Portuguese to enable scale.



Jagdeesh Puppala, Founder, Common Ground

Common Ground aims to to enable grassroots coalitions to reach 200M acres of Commons and India's 375M Commons-dependent population lives sustainably with nature with equitable and durable livelihood gains and resilience to economic and environmental shocks and stresses by mainstream a new socio-ecological narrative into

development models promoting livelihoods, climate and social equity. In order to accomplish this, Common Ground intends to convene dialogue platforms by creating online and in-person spaces for stakeholders to engage on Commons, co-create public goods, such as knowledge products, and community blueprints to implement programs, by co-creating them with organizations with diverse expertise and experience. Additionally, they plan to facilitate collective learning by establishing forums and practices that aim to build a culture of learning and adaptation in the ecosystem and facilitate collaborative orchestration by forming connections between interventions to ensure they contribute to each other. Finally, they aim to increase collective championing of the commons by connecting organizations to align and amplify efforts advancing common causes.



Jeroo Billimoria, Founder, Catalyst 2030 & One Family Foundation

Catalyst 2030's vision is a world where we achieve the SDGs by 2030 through an unprecedented mobilisation of social entrepreneurs, partners and resources which they aim to accomplish by catalysing collaboration across sectors to unleash collective potential for global systems change. In order to achieve this at the strategic level, Catalyst 2030 will build and maintain the movement of social change innovators and support dominant culture shifts towards equity and social innovation. In tandem, they will develop the enabling environment by changing policies and incentives to for social entrepreneurs to flourish, catalyze collaborative action by supporting the development of infrastructure and platforms to enable collective action and facilitate systems change learning ecosystem focusing on new mental models, cultures, tools, processes and organising approaches.



Jordan Kassalow, Co-founder, EYEAlliance

EYEAlliance seeks to close the gap in access to eyeglasses by shifting global and national Official Development Assistance spending to a global fund dedicated to addressing the issue. The fund will help to prove to governments on a global scale that Community Health Workers can adequately deliver glasses and vision screenings. EYEAlliance is currently building out their strategy to undertake this effort.



Kumi Naidoo, Founding Chair, African's Rising

Africans Rising looks to play a critical role on the continent pushing governments, business, and even established global and national NGOs to focus on challenges African's deem critical, including demands for a fair global trading system, concrete action to address the effects of climate change and the creation and strengthening of a representative coalition to protect our natural resources and the environment. They focus on (i) expanding space for civic and political action, (ii) fighting for women's rights and freedoms across society, (iii) focusing on the right to equity and dignity, (iv) ensuring good democratic and corruption-free governance and (v) promoting climate and environmental justice. African's Rising is looking to push forward several key initiatives to help accomplish this including leveraging arts and culture to galvanize activism and mobilizing support from within communities to restore agency, through community defined solutions to name a few.

Working Group Members

Name	Organization
Allison Power	The Bridgespan Group
Cheryl Dorsey	Echoing Green
Dan Viederman	Working Capital Fund
Deval Sanghavi	Dasra
Diana Wells	Ashoka
Francois Bonnici	World Economic Forum
Gary White	Water.Org
Grant Chou	Dalberg Catalyst (Hub Secretariat)
Henrik Skovby	Dalberg Trust
Jennifer Stout	Gates Foundation
Jordan Fabyanske	Dalberg Catalyst (Hub Secretariat)
Karen Spencer	Whole Child International
Kennedy Odede	SHOFCO
Koen Vermeltfoort	McKinsey & Company
Mariah Levin	Pilot Facilitator (Hub Secretariat)
Matthew Patten	Catalyst 2030
Odin Muehlenbein	Ashoka
Shivani Patel	Skoll Foundation
Tim Hanstad	Chandler Foundation
Uwe Stegemann	McKinsey & Company
Vanessa Wai	Skoll Foundation

Organizations Providing Input into the Process

ORGANIZATION		
African Philanthropy Forum	McKinsey & Company	The Bridgespan Group
Artha Initiative	Motsepe Foundation	The Impact Office
Ashoka	Moving Worlds	The Peaceful Group
Bayer Foundation	Osprey Foundation	The Rockefeller Foundation
Bill and Melinda Gates Foundation	Pace-Able Foundation	Women Moving Millions
BHP Foundation	Packard Foundation	
Black Fox Philanthropy	Philanthropy Africa	
Chandler Foundation	Root Capital	
Children's Investment Fund Foundation (CIFF)	Schwab Foundation	
Co-Impact	Segal Family Foundation	
Echoing Green	Shining Hope for Communities	
Ethelo	Skoll Foundation	
Ford Foundation	Societal Thinking	

