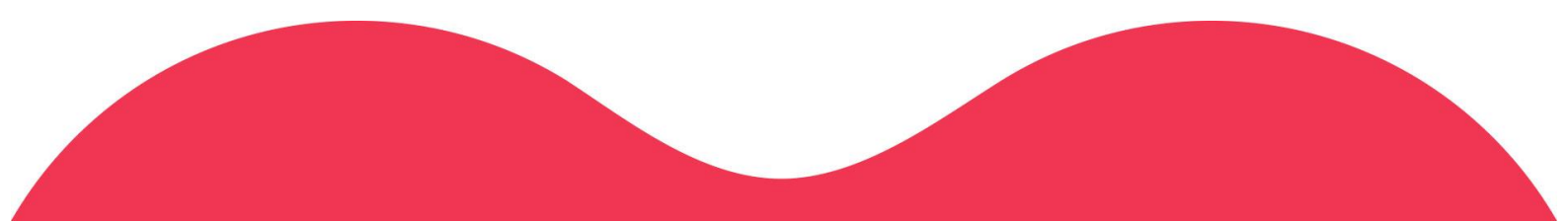


Unrestricted Funding: A Practical Guide for Funders

Annotated Bibliography

September 2026

Annex to: [Unrestricted Funding: A Practical Guide for Funders](#), Philea 2026



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1. State of unrestricted giving and resources

Center for Effective Philanthropy (2020). New Attitudes, Old Practices: The Provision of Multiyear General Operating Support ([See resource](#))

- **Key findings:** Foundation CEOs increasingly value multi-year general operating support (GOS), yet only 12.4% of grants provide it. While 58% of foundations offer some multi-year GOS, 60% of those limit it to less than a quarter of their grantees. According to 66% of non-profit leaders, the ability to plan ahead is the main benefit, especially as the median 15% overhead cap on project grants fails to cover true operational costs. The study found no major structural barriers; many leaders simply don't prioritise it or feel it isn't a "fit" for their approach. Peer foundations like the California Wellness Foundation and the Claneil Foundation model how to use multi-year GOS to build trust and reduce the funder-grantee power imbalance. Notably, programme officers often favour expanding these grants more than their CEOs realise.
- **Why read it:** The report offers concrete benchmarks (like the 15% overhead trend) to help foundations measure their funding choices against the financial realities non-profits face. It delivers actionable insights from peer foundations on building board buy-in and using flexible funding to drive equitable outcomes – helping leaders close the gap between stated values and actual practice.

OECD (2024). No strings attached? Making sense of flexible financing in philanthropy ([See resource](#))

- **Key findings:** Flexible financing remains rare, accounting for just 19% of total philanthropic funding, though it has risen among large foundations from 5% in 2000 to 20% in 2021. While most donors stay project-specific, leaders like the Ford Foundation now provide up to 80% of grants as general support. NGOs are the most likely recipients of core funding, while larger annual budgets and more grantees correlate with less flexible portfolios. Trends vary by sector: energy and civil society see higher rates of flexible support than health and environment. "Spend-down" foundations like The Atlantic Philanthropies tend to maximise flexibility in their final years to disburse remaining endowments. The report urges donors to benchmark their funding mix against peers and weigh the high compliance costs of earmarked grants.
- **Why read it:** Drawing on data from 180 donors, the report offers concrete figures on how peer foundations balance trust-based philanthropy with risk management. It provides a data-driven framework for shifting toward multi-year unrestricted giving to strengthen grantee resilience, helping funders optimise portfolios based on empirical evidence rather than conceptual ideals.

IVAR (2023). Time to end the dominance of short-term grants: The evidence for multi-year funding ([See resource](#))

- **Key findings:** A critical mismatch persists in UK funding: 77% of grants remain short-term, even though 92% of surveyed charities prioritise multi-year funding for stability. Short-term cycles force charities to spend over a third of their grant income on the application process alone, creating waste on both sides. The report recommends making multi-year grants the default to build organisational capacity and enable meaningful systems change. Worryingly, short-term grants among "Open and Trusting" funders actually rose from 58% to 69% between 2018 and 2022, signalling fragile progress. Peer examples like the Peter Minet Trust show the value of narrowing focus to provide larger, longer-term support to fewer organisations. The report also offers practical advice on using "get-out clauses" and financial risk management to help boards overcome perceived barriers to long-term commitments.
- **Why read it:** The report gives funders concrete figures and peer examples to move strategy discussions from conceptual goals to practical implementation. It offers direct solutions for reframing risk and managing balance sheet liabilities, making it a valuable resource for benchmarking and board-level decisions. Applying these insights helps foundations reduce the "fundraising machine" burden on grantees while increasing their own impact.

CEP (2020). Making the Case: Foundation Leaders on the Importance of Multiyear General Operating Support ([See resource](#))

- **Key findings:** Leading foundations like the Paul Hamlyn Foundation and The California Wellness Foundation are prioritising multi-year general operating support (GOS) to build systemic equity and resilience. The shift from transactional project grants to flexible funding cuts administrative overhead and enables deeper, trust-based relationships. Multi-year GOS is also a key tool for racial justice; the Mary Reynolds Babcock Foundation directs about two-thirds of its grants to organisations led by people of colour. Leaders advocate a "whole car" approach over funding individual "wheels," letting grantees adapt to volatile climates and invest in internal capacity like salaries. It also frees staff from constant application cycles for more meaningful strategy work.
- **Why read it:** The report offers concrete examples and "how-to" advice from peers who have successfully shifted to flexible, trust-based funding, a practical guide for aligning grantmaking with mission goals and empowering grantees to succeed.

IVAR (2021). The Holy Grail of Funding: Why and how foundations give unrestricted funding ([See resource](#))

- **Key findings:** Unrestricted funding is the premier tool for building charity resilience, with the 12 participating foundations managing annual spends between £200k and £100m. Restricted funding is often an "illusion" of control that burdens charities, while over 80 funders have now committed to flexible, trust-based "Open and Trusting" grantmaking. The John Ellerman Foundation provides over 80% of its grants for core costs, and the Lloyds Bank Foundation uses flexible funding to meet a 25% equity target for minoritised-led charities. A key recommendation: reallocate 10% of project budgets into unrestricted grants over two to three years to benchmark performance. This shift moves foundations from "purchasers of outcomes" to "investors," ending the "dance of deceit" where charities misrepresent their needs to secure funding. Trust-based funding is shown to be no riskier or costlier than traditional approaches.
- **Why read it:** The report gives trustees concrete peer examples and evidence to navigate the practicalities of trust-based grantmaking. It offers actionable insights on adapting legal frameworks and assessment processes, showing how unrestricted funding improves both relationship honesty and community impact.

Bridgespan Group (2021). Accelerating the Movement Toward Funding Practices That Strengthen Nonprofits. ([See resource](#))

- **Key findings:** The report exposes a systemic "starvation cycle" where standard 15% indirect cost caps fall far short of the actual 40% median rate found in rigorous financial analyses. Research on 274 major non-profits shows 53% face chronic budget deficits and 40% hold less than three months of reserves, as foundations typically cover only 88 cents of every dollar spent. A key racial equity gap emerges: Black-led organisations operate with 76% less unrestricted net assets than white-led peers. In response, the Ford Foundation and nearly 800 other organisations have pledged to adopt flexible, trust-based grantmaking. Peers like Libra and Weingart show how multi-year, unrestricted funding supports organisational health. The report recommends a "pay-what-it-takes" model that covers both direct and actual indirect costs to sustain core operations like IT and leadership.
- **Why read it:** The report is a critical benchmarking tool, offering concrete figures to help funders align policies with the actual 30–40% indirect cost needs of healthy non-profits. By documenting racial disparities and the financial fragility of "household name" grantees, it provides a data-driven foundation for strategy discussions and grantmaking reform, with actionable recommendations and peer examples to move from restrictive funding to practical, impact-driven support.

2. Operationalising unrestricted giving

Packard Foundation (2024). **Fostering Equitable Grantmaking Through Indirect Cost Coverage** ([See resource](#))

- **Key findings:** The David and Lucile Packard Foundation, with the Funders for Real Cost, Real Change group, has adopted a tiered minimum indirect cost rate system to combat the systemic underfunding of non-profit infrastructure. The new minimums are 25% for organisations with budgets under \$5 million, 20% for those between \$5-50 million, and 15% for those above \$50 million. This dismantles the "myth" that low overhead signals efficiency, recognising that covering actual business costs is essential for grantee resilience. The tiered floors ensure most grantees have their true costs covered without burdensome negotiations and offer more equitable support for smaller partners who often lack reserves.
- **Why read it:** The report is a practical benchmarking tool for funders looking to operationalise equity through clear, budget-based figures. It guides internal discussions on dismantling the "overhead myth" and restructuring grants to cover the full cost of project delivery, helping leaders evaluate whether their own models support or undermine grantee sustainability.

Oak Foundation (2024). **What Evidence Is There on the Impact of Core Funding?** ([See resource](#))

- **Key findings:** Oak Foundation's strategic commitment to organisational health is reflected in the fact that core funding made up roughly 43% of its total grantmaking in 2023. This model drives dramatic institutional growth: India's CSTEP expanded from a three-person team to a leading climate organisation with over 100 staff, and the "All Means All" programme reached hundreds of thousands of students by consolidating its training model with long-term stability. MacKenzie Scott's large-scale unrestricted giving signals a wider shift toward flexible funding as a global standard for sector resilience. To maximise impact, grants should span at least five years to ensure strategic benefit and staff retention. The approach reduces administrative burden on both sides and builds the trust organisations need to innovate during crises.
- **Why read it:** The report offers concrete benchmarks and peer examples that move funders from conceptual discussions to actionable strategy. It directly addresses concerns about risk and attribution by showing how unrestricted funds tangibly transform grantee capacity, helping decision-makers optimise capital allocation and foster a more resilient, trust-based non-profit ecosystem.

Oak Foundation (2021). Hedging Against Unpredictability: A Case for General Support ([Link to blog](#))

- **Key findings:** The blog highlights Oak Foundation's strategic commitment to prioritising core support over rigid project funding. In 2019, the foundation dedicated 36% of its grants to core support, representing 45% of total funding that year. This approach challenges the flawed assumption that funders can accurately predict grantees' future needs in a volatile global landscape. A concrete example: Mexican women's fund Semillas used Oak's core funding to shift from eight donor-driven thematic programmes to four constituent-focused areas, becoming more responsive to its beneficiaries and strengthening its fundraising and movement-building. Peer foundation leaders interviewed by CEP emphasise that multi-year general operating support is essential for achieving long-term social and environmental change.
- **Why read it:** The blog offers actionable benchmarking data and real-world case studies to help funders move from conceptual discussions to effective, trust-based grantmaking. Oak Foundation's core support model gives leaders a clear reference point for evaluating their own funding ratios and a guide for shifting from managing short-term crises to enabling long-term organisational transformation.

Ford Foundation. BUILD Program ([See resource](#))

- **Key findings:** The Ford Foundation's BUILD initiative is a landmark \$1 billion grantmaking approach providing up to 300 social justice organisations with five years of unrestricted general operating support combined with targeted institutional strengthening. Developmental evaluations confirm that this multi-year, flexible model is essential for building organisations resilient enough to tackle long-term inequality. A unique aspect is its commitment to giving organisations specific tools to invest in their own infrastructure, strategic planning, technology, and cybersecurity. By moving away from restricted project funding, BUILD keeps grantees "in the driver's seat" to set their own priorities. Peer learning networks help organisations share insights and strengthen broader movements together. The takeaway: investing in the people and systems behind the work, not just immediate projects, is critical for lasting systems change.
- **Why read it:** The report offers funders a concrete benchmark for how a \$1 billion investment in flexible, long-term support can transform organisational stability and community impact. It provides evidence-driven recommendations on reimagining the programme officer role and raising indirect cost commitments to reflect non-profit realities, showing how specific institutional strengthening tools produce more resilient, diverse, and effective social justice networks.

Center for Evaluation Innovation (2023). Equitable Evaluation Framework ([See resource](#))

- **Key findings:** The expanded Equitable Evaluation Framework (EEF) is a collaborative evolution grounded in the practice of 44 institutional foundations, including the Ford and Robert Wood Johnson Foundations, between 2019 and 2023. It identifies and challenges "orthodoxies": deeply held, often invisible beliefs that prioritise conventional quantitative data over lived experience and unintentionally reinforce systemic inequities. The framework recommends shifting from a "doing" mindset toward "being", moving away from transactional data extraction toward reciprocal relationships that honour participant ownership. Drawing on the experiences of over 180 practitioners, the report highlights specific "sticking points" funders must navigate to align evaluation with equity goals and offers a roadmap for redefining rigor and validity to be multi-culturally valid and historically responsive.
- **Why read it:** The report draws on concrete data and trends from a large cohort of peer foundations already making these shifts. It translates abstract equity values into practical entry points for discussing resource allocation and power dynamics within the funding cycle, offering leaders a proven, collective approach to making value-aligned funding choices.

Institute for Voluntary Action Research (IVAR). #FlexibleFunders – Open and Trusting Grant-Making ([See resource](#))

- **Key findings:** The Open and Trusting Grant-making movement offers a strategic framework to streamline funding and maximise community impact through eight core commitments, such as prioritising unrestricted funding and adopting light-touch reporting. Recommendations are uniquely shaped by a 10-member charity panel, grounding the shift toward flexibility in the realities of frontline organisations. By urging foundations to publish success rates and rejection reasons, the movement creates transparency for meaningful benchmarking and sector-wide data sharing. Funders are encouraged to act with urgency, sticking to strict timetables and eliminating redundant information requests. The framework is adaptable, recognising that every foundation moves at its own pace, and ultimately advocates for a shift toward more realistic risk assessment that empowers grantees to respond flexibly to changing needs.
- **Why read it:** The resource gives funders a findings-driven roadmap to optimise internal strategy and benchmarking. Its concrete recommendations directly address the realities of modern grantmaking, helping foundations align practices with the urgent needs of the voluntary sector, and ensuring funding choices are

purposeful, proportionate, and capable of delivering greater social impact with limited resources.

Center for Disaster Philanthropy (2023). Trust-based philanthropy and the pitfalls of quantitative metrics in effective disaster philanthropy ([See resource](#))

- **Key findings:** The industry's reliance on top-down, quantitative metrics creates an extractive environment that limits funders' learning to short-term, project-specific outcomes. To improve effectiveness, funders are encouraged to transition toward trust-based philanthropy, which centres non-profit expertise and avoids the relationship erosion caused by burdensome compliance. A critical trend: strict data demands often pressure organisations to prioritise immediate, tangible results over sustainable, long-term recovery. Strategic recommendations include multi-year unrestricted funding and simplified due diligence and reporting. Foundations can benchmark against the Center for Disaster Philanthropy, which has operationalised a participant mindset by elevating local voices and publishing its simplified application processes. Success should be measured by the strength of human connection and the rebuilding capacity of marginalised communities, not traditional statistical benchmarks.
- **Why read it:** The report helps leaders pivot from transactional donor-non-profit relationships toward collaborative partnerships that foster innovation in disaster scenarios. It offers actionable insights on how reforming reporting requirements can redistribute power and promote systemic equity, ensuring resources are leveraged efficiently and giving non-profits the flexibility to adapt to complex humanitarian emergencies.

3. Cases of unrestricted giving

Funding For Real Change. Case Study Synthesis Report ([See resource](#))

- **Key findings:** Major foundations like MacArthur and Ford are breaking the "non-profit starvation cycle" by shifting from restrictive 10–15% indirect cost (IDC) caps to evidence-based rates of 25–29%. The True Cost Project found funders historically underpaid IDC by an average of 17%, with actual median needs at 31%. Peer strategies vary: the Annie E. Casey Foundation uses a tiered approach (15–25%) to support smaller, minority-led organisations facing higher overhead. Foundations are increasingly standardising rates or adopting "no-calculation" policies to reduce administrative burdens. Beyond IDC, Ford has raised its general operating support from 36% to 81% since 2016 to ensure grantee resilience.

- **Why read it:** The report helps funders benchmark IDC policies against industry leaders who have implemented concrete, data-backed increases, offering actionable strategies to move from conceptual discussions to practical, equitable funding.

4. Other resources

4.1 Trust-based Philanthropy

Trust-Based Philanthropy Project (2021). The 6 Grantmaking Practices of Trust-Based Philanthropy ([See resource](#))

- **Key findings:** Trust-based philanthropy centres on redistributing systemic power to address imbalances where funders historically control resource dissemination. A critical finding: Black-led organisations have 76% smaller net unrestricted assets than white-led peers, underscoring deep-seated racial inequities in current funding models. The guide recommends six concrete practices, including multi-year unrestricted grants (3–5 years) and streamlined paperwork to prioritise mission-driven work over administrative burdens. Funders are urged to direct at least 50% of funding to organisations led by people with lived experience of the issues addressed. A unique emphasis is "support beyond the check", foundations acting as connectors and mentors to bolster the long-term sustainability of BIPOC-led and emerging organisations.
- **Why read it:** The report offers actionable benchmarks for foundations moving beyond conceptual equity goals, especially in a sector where 92% of foundation presidents are white. It serves as a strategic roadmap for portfolio restructuring, with clear guidance on implementing flexible funding that lets grantees build vital reserves, helping funders mitigate implicit biases and align practices with mutual accountability and racial justice.

Trust-Based Philanthropy Project. Tools and Practical Resources ([See resource](#))

- **Key findings:** The Trust-Based Philanthropy Project offers grantmakers a comprehensive framework for moving beyond compliance-heavy norms toward a culture of shared power and relational accountability. Peer insights show foundations like Headwaters achieving impact through "GO! Grants" with sub-one-week turnaround, while North Star and Dorot prioritise streamlined, multi-year unrestricted agreements to reduce grantee burden. Successive surveys, 573 grantmakers in 2024 and 396 in 2023, highlight clear trends in how organisations are operationalising these shifts and overcoming internal resistance. The

approach is anchored in six core practices, including doing the "homework" and providing support beyond the check. The Sewall Foundation shows how re-aligning fiduciary responsibility can guide strategy, while the Robert Sterling Clark Foundation uses self-reflection tools to evaluate its own effectiveness as a partner.

- **Why read it:** The resource provides concrete benchmarking data and operational templates, including sample job descriptions and decision-making tools from foundations like Durfee and Thousand Currents, for high-level strategy discussions. Drawing on real-world trends from hundreds of peer institutions, it helps funders move from conceptual ideas to practical, recommendation-based shifts that bridge the gap between institutional values and daily grantmaking practice.

Alliance Magazine (2022). We're Here to Clear the Air on What Trust-Based Philanthropy Is and Isn't ([See resource](#))

- **Key findings:** Trust-based philanthropy (TBP) is a rigorous framework used by peers like the Durfee Foundation and Headwaters Foundation to address power imbalances through relationship-building. Traditional grantmaking standards, prioritising financial data and academic achievement, often exclude community-proximate leaders. The report urges funders to "do their homework" to reduce paperwork, citing MacKenzie Scott's billions in unrestricted grants as a high-profile example. A clear trend is global expansion, with initiatives like the UK's IVAR and Canada's Right Relations Collaborative. Importantly, TBP isn't unconditional trust but transparency that gives funders a realistic view of partners' operational challenges.
- **Why read it:** The report offers concrete examples of how peer foundations are dismantling institutional biases to build a more equitable funder-grantee ecosystem, a practical roadmap for adopting flexible, partner-centric models that increase impact.

Center for Effective Philanthropy (2020). The Urgency of Trust-Based Philanthropy ([See resource](#))

- **Key findings:** Today's philanthropic landscape leaves many non-profit leaders feeling disrespected and burned out due to outdated grantmaking frameworks that prioritise control over partnership. Foundations must move beyond theoretical debate to structural changes that centre equity and humanity. Practical recommendations include: a two-year suspension of board grant dockets to eliminate gatekeeping and free up staff time for meaningful engagement; doubling grantmaking budgets for a single year to build grantee resilience and challenge assumptions about endowment perpetuity; increasing

three-year unrestricted grant allocations by 25% or shifting to five-year commitments; and adopting a defined organisational lifespan, such as a spend-out model, to deploy resources more forcefully based on community feedback.

- **Why read it:** The report helps funders move from conceptual discourse to practical strategy with concrete benchmarks for unrestricted funding and administrative reform. It speaks directly to funder-grantee power dynamics, offering a roadmap for reducing the "fundraising grind" on partners and peer examples for modelling responsiveness in a field often criticised for its slow pace of change.

Wong, N., & McGrath, A. (2020). Building a Trust-Based Philanthropy to Shift Power Back to Communities. Stanford Social Innovation Review ([See resource](#))

- **Key findings:** To move beyond surface-level commitments like the \$1.7 billion pledge from five major foundations, philanthropy must redistribute agency and capital directly to communities. Peers such as the Heron Foundation and the Disability Rights Fund show that systemic change requires shifting decision-making power from traditional programme officers to community members. Funders should adopt the "six bold moves," including restructuring teams, like the Robert Sterling Clark Foundation's shift toward network organisers, and implementing resident-led advisory councils as seen at the Brooklyn Community Foundation. Trust-based philanthropy reduces information asymmetry through open data platforms and streamlined due diligence. Organisations must also invest in capacity building via cohort models or flow funds, as modelled by the Crossroads Fund, to let local leaders define their own urgent needs.
- **Why read it:** The report offers actionable recommendations to move foundations from conceptual equity to structural reorganisation. Peer models like the Boston Ujima Project's community-voted investment priorities show concrete ways to democratise grantmaking, offering a roadmap for building a trust-oriented culture that mitigates power imbalances and enhances impact during periods of institutional mistrust.

4.2 The Non-profit Starvation Cycle and the Limits of Project Funding

Humentum (2022). Breaking the Starvation Cycle ([See resource](#))

- **Key findings:** Research shows 68% of restricted funding agreements fail to cover the full and fair share of administrative costs, trapping NGOs in a "starvation cycle." A critical vulnerability: 66% of surveyed NGOs have low financial health,

with half holding 21 days or less of unrestricted reserves. Financial resilience requires a "both/and" approach, improving income quality through flexible funding while strengthening internal cost recovery. Underfunded functions like safeguarding (54%) and fundraising (53%) directly undermine organisational safety and sustainability. Peer examples, such as Twaweza's "one strategy, one budget" model, show that basket funding and transparent reserve building are viable paths to NGO independence. The report recommends funders shift toward equitable partnerships by providing full cost coverage and investing in grantees' financial management.

- **Why read it:** The report helps funders benchmark their indirect cost rates, often below the average 27% administration rate, against grantees' actual needs. Drawing on trends across 10 countries, it offers actionable strategies for moving from project-based constraints to flexible funding policies grounded in evidence.

UnCharitable (documentary) ([Link to documentary](#))

- **Key findings:** The documentary UnCharitable challenges traditional philanthropic beliefs by advocating for non-profits to operate with the same strategic freedoms as for-profit businesses. Inspired by Dan Pallotta's influential TED talk, the film argues against the restrictive "sack-cloth-and-ashes" constraints that limit charities' ability to scale and innovate. Featuring leaders from the Ford Foundation and Charity: Water, it shows how internal structures shape global impact. A central recommendation: funders should move away from austerity-based metrics, since focusing on low overhead prevents charities from hiring top talent or investing in marketing. The film reframes operational spending as a strategic investment rather than a cost to minimise.
- **Why watch it:** Funders can benchmark current strategies against evolving trends in venture philanthropy and operational flexibility endorsed by peers like Ford. It offers a framework for internal discussions on why funding should prioritise long-term capacity building over outdated overhead ratios, a tool for leaders justifying the shift toward more modern, impactful funding models.

Everyone Deserves a Fair Slice (video) ([Link to video](#))

- **Key findings:** Institutional funders often provide 20% less than the actual cost of services, offering \$8 for a \$10 product while demanding custom variations. These models prohibit overhead costs like rent, utilities, and salaries, forcing providers to find outside donors for basic needs. Administrative burdens create 6-to-9-month payment delays that severely destabilise cash flow. Funders also impose rigid staffing requirements and micro-manage budgets down to specific percentages (e.g., 5% packaging, 10% base components). A recurring trend: non-profits are

expected to "do more with less" while pressured to pivot core missions to meet shifting funder demands. The irrational fear of "dependency" prevents the sustained backing needed for essential community infrastructure.

- **Why watch it:** The analysis helps funders and boards benchmark their own practices against real-world "overhead myths" and administrative hurdles. Concrete examples of underfunding and delayed payments support developing strategies that cover true total costs, a vital tool for shifting from transactional funding to trust-based, sustainable community investment.

4.3 Systems change

Center for Effective Philanthropy. Grantee Perception Report ([See resource](#))

- **Key findings:** The Center for Effective Philanthropy (CEP) offers the Grantee Perception Report (GPR), a unique assessment tool providing funders with benchmarked data from confidential grantee feedback. Foundations like Rockefeller and Barr use the GPR to move beyond concepts and leverage concrete peer data. Unlike internal reviews, the GPR places organisational performance in a comparative context, focusing on diversity, equity, inclusion, and impact on grantees' fields. Combined with the Applicant Perception Report, it gives funders a comprehensive view of both successful and declined applicants, turning candid perspectives into actionable recommendations on communication and capacity building.
- **Why read it:** The resource helps funders ground strategy in peer-benchmarked reality and drive meaningful improvements with grantees. It provides the evidence needed to refine application processes and foster trust through transparent, data-informed decisions.

Ashoka. Embracing Complexity. Towards a Shared Understanding of Funding Systems Change ([See resource](#))

- **Key findings:** This collaboration between Ashoka, McKinsey, and the Skoll Foundation argues that achieving the Sustainable Development Goals requires funding root-cause systems change rather than short-term, activity-based projects. A telling gap: 72% of systems change leaders receive less than 25% unrestricted funding, and 87% report adapting initiatives to comply with rigid funder requirements. The report recommends five core principles, including unrestricted financial support and grant cycles of at least three to five years to match the complexity of systemic work. Peer examples, the Skoll Foundation's use of non-monetary assets and the Indian government's decade-long partnership with Barefoot College, show how to move beyond traditional

grantmaking. Funders must relinquish control and abandon "heropreneur" narratives to support collaborative ecosystems.

- **Why read it:** The report offers concrete figures on sector deficiencies and specific recommendations to streamline application and reporting. It helps foundations balance risk and impact while dismantling power dynamics that stifle innovation and provides a framework for redesigning governance and incentive structures to address the world's most urgent challenges.

Ashoka. Systems Change Crash Course ([See resource](#))

- **Key findings:** Ashoka's Systems Change Crash Course is a hands-on programme built on three decades of experience and analysis of tens of thousands of social impact proposals. A unique differentiator is the clear distinction between scaling an organisation and scaling impact, drawing on the proven Globalizer accelerator framework. The course offers actionable modules for identifying systems-level shifts and developing the leadership skills systems entrepreneurs need. By focusing on root causes rather than symptoms, it provides a findings-driven methodology to move beyond conceptual models into practical strategy. The peer-learning curriculum uses videos and worksheets inspired by Stanford's design thinking to support deep reflection and tangible action plans.
- **Why read it:** The resource gives funders a practical framework for identifying and tackling root causes rather than symptoms. By distinguishing between scaling organisations and scaling impact, grantmakers can better evaluate which strategies drive lasting systemic shifts. It also helps funders move past the "lone hero" myth toward supporting collaborative leadership and assess proposals through the systems thinking skills Ashoka identifies as essential for successful changemakers.

Scharmer, O (2023). Philanthropy 4.0: Giving in Times of Disruption ([See resource](#))

- **Key findings:** The article argues that traditional philanthropy is increasingly ineffective against the modern "polycrisis," requiring an evolution toward Philanthropy 4.0, focused on transformative systems change. Different types of complexity (dynamic, social, and emerging) require distinct methodologies, with emerging complexity demanding a shift from a siloed "egcosystem" view to a collaborative "ecosystem" perspective. Scharmer argues that applying traditional 2.0 metrics to complex problems is as ineffective as trying to "get to the moon using a donkey cart." Successful 4.0 giving prioritises trust-based relationships, multi-year grants, and "upstream" interventions that transform mindsets and institutional infrastructures. The Lankelly Chase Foundation and the Ford

Foundation's BUILD initiative illustrates this shift toward relinquishing donor control in favour of strengthening civil society capacity.

- **Why read it:** The article offers funders a clear evolutionary matrix to identify blind spots and transition from transactional to transformative giving. It provides a practical framework for shifting focus "upstream", away from short-term metrics toward building the leadership capacities and co-creative spaces needed for systemic shifts, helping grantmakers realign institutional intention with collective action.

Contact

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