New tools for a new world
(or why we need to rethink capacity-building)

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Preface

Capacity-building is a complex topic and one of particular interest and relevance to the Big Lottery Fund. We have undertaken a series of studies that have tried to tie down ideas and approaches, but even as we do so the external environment continues to change, bringing new challenges and uncertainties.

While we are confident that our learning remains relevant, cuts in public spending across the UK are beginning to take effect. One area of concern for many in and around the voluntary and community sectors is the pressure to reduce 'non-essential' spending – and an area as hard to define and measure as capacity-building is inevitably drawn into this. This resource issue is perhaps clearest in England, where the Government has abolished Capacitybuilders and has been considering how it might further rationalise support for the sector.

It is thus timely that we have commissioned Diana Leat to reflect on how funders and others might think more creatively about the question of capacity-building and its delivery. And Diana has written a commentary that certainly does that. Instead of suggesting tinkering around the edges of provision, she suggests that all involved might do better to break out of – or at least recognise – some of the entrenched approaches to thinking about the concept.

A key point that Diana makes is that building capacity is different from delivering social change, thereby bringing into question the focus in recent decades on equipping voluntary and community organisations to improve their own performance and indeed sustainability – the types of ideas that inform most commentators' views of what 'capacity-building' is. As well as questioning those approaches to the issues involved, she highlights the timeliness of working with what is available – re-using and recombining skills and resources – and thereby highlighting the value of resilience and bricolage as effective strategies and capacities for all involved.

Given the complexity of the issues under discussion it isn't surprising that this commentary offers no simple solutions that all involved can or should adopt; indeed, it is implicit in Diana's argument that the quest for such magic bullets will always be fruitless, and so only perpetuate the problem.

We hope that this commentary will promote discussion and offer new ways of responding to daunting external challenges.

Finally, in a break with the tradition of our UK-wide research, examples cited in this commentary are overwhelmingly drawn from England rather than all four countries. While similar issues have emerged and will emerge elsewhere, the situation in England currently seems more acute. In line with Diana's recommendations, we are confident that readers in the other countries of the UK will be able to adapt proposals to their own differing and changing contexts.

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Introduction: Horses and carts

The brief for this short paper was to reflect on ways in which funders can support organisations to deliver real change for their beneficiaries in a changing policy and funding context. This might be abbreviated by some to: how can or should funders do capacity-building in a changing policy and funding environment? But this abbreviation could be read as implying a subtle change in emphasis from 'how to deliver change' to 'how to build voluntary sector capacity'. Are they necessarily the same? Is one an end and the other a means?

This paper is concerned with the goal of 'delivering change' (the horse) and where capacity-building (the cart) may fit in that enterprise. Does the recent focus on 'capacity-building' run the risk of putting the cart before the horse? If so, how did we get there? And if we get the cart behind the horse, is the cart fit for purpose in the new environment?

The paper begins by outlining the nature and origins of the 'capacity-building muddle', looks briefly at how 'capacity-building' has been applied, some lessons and issues arising, and then pulls out some of the assumptions underlying capacity-building. The paper then moves on to consider some elements of the new environment and the relevance of capacity-building in this context.

The paper has three broad suggestions. The first is that funders and grant-holders may need to revise the way in which they think about their environments, adopting a systems rather than a simpler sector map: a systems approach provides a potentially powerful tool for analysis of how, where and when change may be achieved. The second is that funders and grant-holders may need to develop not only new ways of thinking about what they do but also new capacities, in particular resilience, and skills for improvisation (using existing resources in new ways) and bricolage (combining resources in new ways). The third suggestion is that funders need to examine their own capacities to add value in, for example, the form of knowledge, overview and voice.

1. In a muddle?

One suggestion running through this paper is that the nature and purpose of capacity-building has become muddled. What counts as capacity-building is widely acknowledged to be muddled – or to put it more politely 'at best, loosely defined' (Light and Hubbard 2004:10). As a result of loose definition, there are numerous ways of describing and classifying capacity-building programmes whether focused on the non-profit sector as a whole, on particular sub-sectors or on individual organisations. (We give one list of common activities that come under the heading of capacity-building in Table 1.)

But whatever the focus, capacity-building is generally seen as is in some way about 'better' organisations or a 'better' sector. And this reveals part of the deeper muddle: what counts as 'better' depends in part on how we see the fundamental role of the sector – is it about public service delivery or about democracy and civil society and/or social change? Closely related, is capacity-building an end in itself? Or a means to an end – a 'stronger sector'? The important point here is that the role of the sector – and what counts as a 'better sector' – is complicated and contested. If we want to talk about capacity-building we need to specify capacity for what.

Table 1: One of many descriptions of the range of activities that 'capacity-building' might include. (From Buteau et al. 2008.)

- General management advice
- strategic planning advice
- Financial planning/accounting
- Development of performance measures
- Encouraged/facilitated collaborations
- Insight and advice on the field
- Introductions to leaders in the field
- Research or best practices
- Seminars/forums/convening
- Board development/governance assistance
- Information technology assistance
- Communications/marketing/publicity assistance
- Use of foundation facilities
- Staff/management training

Getting into the muddle

But first, where did the focus on 'capacity-building' come from? What was it intended to achieve?

In the UK the new focus, which emerged in the 1990s, was associated with three wider strands in thinking:

1. Voluntary sector capacity to provide services. For example, a National Audit Office (2005:11) report stated: 'The potential of frontline organisations to serve individuals and the communities is widely thought to be constrained by their 'capacity' to do so. The Government sees funding capacity-building in the sector as key to: unlocking this potential; developing a healthy and vibrant third sector; and the sector helping more to deliver better public services'.

2. Managing better for more. Interest in 'capacity-building' was associated with a wider assumption that if only voluntary organisations could become 'better managed', more business-like and more like business, more might be achieved; voluntary organisations needed to strengthen their management/organisational capacity (although whether 'more' referred to more impact or output was not always clear). For example, the managerial model is illustrated in ChangeUp's initial definition of 'key support needs' as performance improvement; workforce development and leadership; ICT; governance; recruiting and developing volunteers, funding and fundraising. The fact that a campaigning hub was only added later shows the influence of this instrumental approach.

3. Maximising the impact of grant-making. Focus on 'capacity-building' was also related to funders' increasing concern with 'value for money': surely stronger organisations would give more bang for each buck, and reduce risk of failure? Spending on building grant-holders' capacity was a means of maximising the impact of grant-making. For many funders this may have been the dominant motivation in supporting capacity-building.

In brief, recent focus on capacity-building has been closely related to improving performance, and to a managerial model of the sector, as illustrated in both accounts of capacities seen to be lacking and in the emphasis on making voluntary organisations more 'entrepreneurial'. But again this focus has avoided the tricky question of whether that view of performance is the 'right' one, if the real priority is making the most difference or reaching the greatest number of people in need. So we may be trying to improve the way we get from A to B but without stopping to consider whether B is the most desirable destination. Similarly we might ask if we are building capacity for better performance of a flawed model. For example, it could be argued that no amount of good management is going to produce sustainable widespread social change because social change requires negotiating political processes in a way that managing a for-profit organisation does not.

How has capacity-building been implemented?

The previous section set out some of the very challenging and often unaddressed questions that bedevil the concepts of capacity-building and organisational performance. Further to this, capacity-building has focused at different levels – individual organisations, sub-sectors and the sector as a whole – and for different purposes, as the two main recent government programmes in England show:

● ChangeUp/Capacity Builders (£231 million for improving support services for frontline third sector organisations) gave regional and local support-providers funding to form partnerships or consortia to provide new or improved services that would meet the needs of organisations in the sector as a whole.

● Future Builders (initially £215 million) set out to test the idea that investing directly in individual organisations that are financially viable – but unable to turn to commercial sources of finance – would enable them to build their capacity to compete for and win public service delivery contracts.

Foundations too have developed specific programmes, or strands, designed to 'build the capacity of the voluntary sector'. For example, Baring Foundation created its 'strengthening the voluntary sector programme' providing support to front-line organisations; Charities Aid Foundation set aside a pot of money and a team of chosen consultants to advise grant-holding organisations; City Bridge Trust and others offered similar help to grant-holders who chose to take it.

For its part, the Big Lottery Fund initially adopted a more complex approach. Under the broad rubric of 'investing in our programmes', it relied on case-by-case approaches to adding value, often employing non-financial resources such as convening or brokering. On the other hand, the BASIS programme in England is a more conventional capacity-building initiative with boundaries and a budget.

BASIS is spending £151 million to give voluntary organisations access to high-quality support to make them more effective – so BASIS is primarily an infrastructure development programme. In a somewhat different way the Fair Share Trust might also be seen as building the confidence and capacity of communities to make decisions. BIG's approach, perhaps more than any other, highlights the issue of putting boundaries around and budgets to 'capacity-building'. And in reality, building capacity happens in different ways in different places and may not come with a label or a clear price on the tin. For example, the very act of singling out an issue or area may be seen as adding value or building capacity in some sense.

So funders have focused at different levels and on different types of assistance. They have also played different roles. Leat and Kumar (2006) identify four broad models of grant-maker involvement in capacity-building, as set out in Table 2.

Table 2: Potential roles of grant-makers in capacity-building.
(Adapted from Leat and Kumar 2006.)

1. Enabler: The grant-maker makes additional money, advice, support, dissemination capacity etc available directly to the individual grant-holder, whether for free or to be paid for (for example, in some City Bridge programmes).

2. Provider: The grant-maker uses its own staff and resources to support and build the capacity of grant-holders and others, such as through BIG's evaluation guides, a partnership resource book and publication of research and learning reports.

3. Purchaser: The grant-maker commissions a third party to provide support at grant or programme level, such as in the Charities Aid Foundation's support in such areas as management consultancy, media and PR advice, and research and evaluation.

4. Infrastructure builder: The grant-maker funds third parties, such as umbrella bodies, to provide specific or general support across the whole sector or sub-sectors.

For grant-makers, choices about routes and roles have important implications for impact and measures of value for money and overall effectiveness. Different routes offer funders different degrees of control over quality of input, levels of accountability (for what is often an intangible gain), as well as entailing different levels of cost.

Routes of adding value affect internal management costs and overheads, staffing, public profile (both positive and negative), ownership of results, and reputation. In general, the more a grant-maker does itself, the greater its overheads and staffing costs will be – but its profile, identification with results, and reputation will also be greater.

Choices about whether to fund, for example, consultants to support grant-holders will raise questions about accountability. There are also real choices about the scope of benefit (are resources and other forms of support just for grant-holders, for a wider sub-sector or for the sector as a whole?). Quality control is another key concern. For example, some grant-makers were aware that adopting the purchaser route (seee point 3 in table 2) could appear overly controlling, but they concluded that this approach not only ensured quality but also avoided grant-holders wasting time trying to find and commission consultants (Leat and Kumar 2006).

One weakness of the enabler and purchaser models is that capacity-building can only be as good as consultants and the relationship between the consultant and the organisation. The purchaser model reduces the former risk, but the latter risk remains. The purchaser model may also create problems of accountability – is the consultant accountable to the organisation with which she is working, or to the funder who is paying her?

Both the enabler and purchaser models are highly time-intensive, providing tailored individual support at the same time as limiting reach – but they are possibly the most effective approaches (Leat and Kumar 2006; IVAR 2010). The provider and infrastructure-builder models may both increase overhead costs but offer high control and high to medium accountability. Both models increase potential reach and ownership.

In summary, grant-makers have a wide range of options open to them, and decisions they make are ultimately and inevitably likely to be as political as they are practical.

Capacity-building: lessons and issues
We actually know very little about the range of types of 'assistance beyond the grant' provided by funders, and even less about their impact (Buteau et al. 2008:2). Table 3 outlines some broad generalisations emerging from the literature.

Table 3: Benefits and disadvantages of different approaches to investment in capacity-building. (See, for example, Harker and Burkeman 2007; Cairns 2010; IVAR 2010; Leat and Kumar 2006; Light and Hubbard 2004.)

Approach	Advantages	Disadvantages
Strengthening individual organisations	Personalised Valued by recipients Possibly more effective than a broad-brush approach	High cost Limited reach or scale Potentially less sustained (as staff move on)
Strengthening sector support organisations	Lower cost relative to wider scale	Less tailored Risk of one size fits all Dispersed benefit and lack of targeting
Tailored investment in programmes	Wider range of tools and approaches tailored to particular programme needs	Costs of investment in planning, tailoring and implementing

One of the largest studies of 'assistance beyond the grant', undertaken by The Center for Effective Philanthropy (Buteau et al. 2008) has some important, if challenging, findings:

- 'Foundation staff believe that assistance beyond the grant is important for creating impact...but they know little about the actual results of the assistance they provide.

- 'The majority of grant-holders of a typical large foundation receive no assistance beyond the grant, and the 44% that do receive assistance generally receive just two or three types.

- 'Providing just two or three types of assistance to grant-holders appears to be ineffective; it is only in the minority of cases when grant-holders receive either a comprehensive set of assistance activities or a set of mainly field-focused types of assistance that they have a substantially more positive experience with their foundation funders than grant-holders receiving no assistance.

- 'Providing assistance beyond the grant in ways that make a meaningful difference to grant-holders calls for a significant investment on the part of the foundation ...'

Wider literature and commentary raise a number of other issues, some of the more salient of which are summarised below:

1. Diagnosing capacity-building needs
There are fundamental challenges in identifying and responding to needs. Is this done by the organisation itself or by some external expert? Who determines and prioritises needs? Is capacity-building primarily for the benefit of the organisation or the funder? The process of diagnosis itself takes time and skill. Presenting needs are not necessarily the root of the problem.

2. Timing of interventions
Capacity-building needs are likely to be different and interventions may be more or less effective at a particular stage of organisational development.

Building some capacities may also be most effective when the environment is conducive to making use of them. These considerations are likely to be more pertinent for individual organisations than for funders.

On the other hand, funders can consider how to apply those considerations and offer different types of support at different stages of the grant-making process:

- Pre-grant support may bring in smaller, newer organisations, helping to develop their planning, thinking and budgeting skills among others (irrespective of whether or not they succeed in getting a grant).

- Support during the grant period itself will, by definition, be available to fewer organisations and will be more focused on maximising the impact of the grant.

- Post-grant support appears to be much less common, but is arguably crucial in learning, dissemination, policy change and in widening and deepening impact beyond the grant-holder.

3. Who delivers?
In models where a funder commissions or pays for support, this is potentially the weakest link. There are general issues of consultant quality and 'consultant capture' (Is the consultant accountable to the client or the funder?). In many cases capacity-building is a co-production between builder/consultant and subject. These concerns reflect many of the challenges of diagnosis. Other models, such as peer support and mentoring, may overcome some of these.

4. Using resources and technology
Manuals and web-based information, among other types of generic resource, may be useful for some purposes; they clearly have greater reach. But one-to-one support may be most effective – and most costly. We also need to consider whether technologies and points and levels of intervention may be different for different types of capacities. More generally, what type of generic resources (and levels of generalisability) are possible and effective? For instance, as Karl Wilding has asked, are there some capacity-building products and services of potential use to all and that cost no more to produce whether one or a hundred organisations use them?

5. Embedding and sustaining capacities
How far are capacity-building efforts and effects sustained? The answer may depend in part on the type of capacity being built. For instance, it is salutary to note that in research to evaluate the effects of the Baring Foundation's capacity-building programme only half of the sample could be interviewed 'because no one currently working in the organisation had sufficient memory of the project' (Bolton 2008). So the conclusion that these grants left a 'lasting legacy' has to be interpreted with caution. That said, the observations that no-one remembers the project does not necessarily mean that it has left no effect – on either the organisation or those staff who had left (presumably to join and contribute to other organisations).

Giving organisations the necessary knowledge and skills is quite different from embedding those capacities in the organisation and the wider environment. A good example of where this has been recognised was BIG's Green Spaces and Sustainable Communities programme, where the funder required the involvement of various stakeholders, bringing key decision-makers onboard from the outset (Leat and Kumar 2006).

There is another, less frequently asked question: should everything be sustained? Is the 'capacity' for destruction a necessary ingredient of creative capacity and renewal? In other words, at what point should organisations or projects determine that they have achieved all that they can and so dissolve? Most discussion of capacity-building at least implicitly assumes that the continued existence of organisations is a good thing.

6. The grant-maker's contribution

We should not forget that grant-makers can add value to a programme and individual projects beyond the financial input of grants. Grant-makers have some capacities not generally possessed by grant-holders, including overview, influence and neutrality. Grant-makers can convene others, whether stakeholders or grant-holders running related projects, as noted above in relation to BIG's Green Spaces programme. They are also in the best position to pull together lessons learnt across projects and organisations.

This is just one aspect of the wider issue of identifying who has the power to effect change and how, an issue we will come back to later in this discussion. The point here is that grant-makers' capacity to effect change is likely to reinforce grant-holders' capacities, no matter how developed the latter.

A recipe for capacity pie

So what might we conclude about the recipe for capacity-building?

Take a large measure of good-quality diagnostic capacity and time to identify needs.

Ensure there is proven knowledge/models to meet diagnosed needs as well as availability of good-quality, affordable resources (such as consultants or trainers) to meet diagnosed needs.

Add flexible and sufficient funding, of sufficient duration, to meet diagnosed needs.

Mix with sufficient knowledge/support and time to brief, contract, and work with consultant/trainer. Stir in a good measure of personal support.

Allow time, staff and board ability, and stability to embed in the organisation.

Cook in a supportive environment, and without countervailing organisational needs and demands.

Note: will keep well in a stable environment for several years but shelf-life is not unlimited and will vary with conditions.

Capacity-building assumptions

The preceding sections outline some of the complexity involved in making decisions about the 'right' type of capacity-building support to be offered, or indeed requested. To complete this broad overview, it is worth reflecting on some of the general assumptions underlying many capacity-building interventions.

As we have seen, 'capacity-building' – at least as interpreted in major recent programmes – is generally oriented to a managerial or business model and to the provision of services. The following list identifies some of the underlying assumptions of an emphasis on capacity-building to achieve these goals. It counters these with some alternative assumptions (and you may well add some of your own).

Table 4: Competing assumptions about capacity-building

Capacity-building assumption	Alternative assumption
Lack of capacity is the problem	● Problem may be a hostile environment, or
	● internal or external cultural and political obstacles (so voluntary organisations may not win public service contracts because there are ambivalent views within the organisation concerning contracting with government, or because government contractors have cultural or political objections to voluntary sector provision).
Organisations with greater capacity do better work – or the same work more effectively and efficiently	● Organisations are complex, living structures that cannot be reduced to a list of pre-determined, generic capacities.
If you build capacity to do x, then x will happen	● Whether or not x happens will depend in part on skills and capacity – but also on luck, adaptability, and a benign and conducive environment.
Once developed, capacities can be exercised effectively	● Sometimes other factors within and beyond the organisation prevent the effective exercise of capacities (for example, developing grant application skills is of little use if there are no relevant funding programmes available).
Once developed, capacities can and will be sustained	● When staff leave they take their 'capacities' with them.
	● Where capacities 'belong' to the organisation they may get diluted by other organisational constraints and requirements.
	● Capacities become embedded in ways that become less helpful as times and fashions change.

Perhaps because of the complexity and ambiguity of purpose, broad-brush policy and programmes focused on capacity-building have tended to:

- focus attention inside the organisation, rather than looking at organisations in changing contexts
- see lack of capacity as a matter of lack of resources rather than one of cultural and political complexity and tension
- assume that every organisation needs to be able to do x, rather than knowing where to find or buy x.

There is yet another set of assumptions, or perhaps wishful thinking, hovering around the sometimes simplistic vogue for capacity-building:

- We know what good capacity looks like and how it works.
- We know how best to build capacity.
- Organisations know what capacities they need.

In reality, these three assumptions are questionable. For example:

- ▶ Organisations that break the rules of 'good practice' may sometimes work very well.
- ▶ Effective methods of capacity-building are likely to depend on a suite of factors related to 'builder' and 'recipient' and the interaction between them.
- ▶ Organisations' capacity for self-diagnosis is likely to be limited by their knowledge and imagination; we are after all not always best-placed to diagnose our own weaknesses.

It is probably not unfair to suggest that capacity-building is built in part on a desperate desire for the 'killer app', the secret formula for success. But in reality, it's important to be clear that no such formula exists.

2. What is the new environment?

Perhaps the only statement which can safely be made about the new environment is that it is new – and variable. Much depends, for the moment at least, on where you are. The following discussion draws on experience in England, although the fundamental issues are likely to be common.

Elements

- One thing that can be said with confidence is that the environment is not only changing but changing by the day.

- We have a new government that is trying to work in a new, and uncertain and negotiated, way with new public spending constraints.

- Big Society is clearly an important element in this mix but it is still unclear exactly what the concept entails. At the very least it has three elements: citizen participation and involvement; greater devolution of decision-making and responsibility to local communities; and reform of how public services are delivered.

- Public spending cuts are a major element but their real effects – region by region and issue by issue – remain unclear. As the localist agenda unfolds, differences between localities may become more and more significant.

- For the voluntary and community sector specifically, funding streams for major infrastructure agencies are to be cut, but given the somewhat chaotic growth in recent years this may merely take us back to square one. Perhaps more important to the sector will be the indirect effects of unemployment, reduced benefits and public service provision, an ageing population and so on. Inflation is another important factor for grant-holders and funders.

In short, the new environment might be summed up as: doing more with less, less background support, more competition, more demand and higher expectations.

There is another more fundamental issue for funders of the sector: is this new environment a temporary necessity or the new normal? While much of the commentary seems to imply a temporary belt tightening to get back on track, David Cameron talks about changing the way Britain is governed for ever. 'Rebalancing' the roles of state and citizens is not, he tells us, primarily about spending cuts – but rather about creating the 'good society', the new normal.

So what?

Predictions about the specific effects of the new government agendas on funders and the sector are varied, and include:

- changes in policy and how and where policy is devised and debated

- significant loss of income from government sources

- major changes to commissioning and contracting regimes and greater competition for contracts

- more buck-passing and battles over who pays for what – and more cracks for those in need to fall through

- cashflow problems arising from payment-by-results schemes

- new investment vehicles and intermediaries (such as Social Impact Bonds) and associated difficulties where outcomes are difficult to measure or attribute

- pressure to involve more volunteers at the same time as cuts to the volunteering infrastructure

- pressure for greater use of ICT to generate more giving (of time and money)

- pressure to meet growing demand for outcome measurement

- increased demand for services resulting from recession, cuts in services and benefit changes

- less emphasis on prevention and more on cost-cutting

- heightened expectations of the capacity of the voluntary and community sectors.

The picture is however complicated by the fact that what is taken away with one hand is in some cases replaced with another. So while in England voluntary sector infrastructure bodies receiving government support have been required to make significant cuts, and Capacity Builders and other bodies have gone altogether, the other hand of government is giving a £471 million package, including:

- a £100 million Transition Fund (see further details below) to help groups make the change to a different funding environment;

- a new National Citizen Service that will support young people to engage with their communities;

- a Community First Fund that will support new and existing small organisations in the most deprived areas; and

- the Big Society Bank, which will use money from dormant bank accounts to help capitalise the sector and build capacity.

In October 2010 the Office for Civil Society issued a consultation paper, 'Supporting a Stronger Civil Society' (Office for Civil Society 2010). The paper makes various suggestions including streamlining existing on-line directories, encouraging skills transfer across sectors, creating bursaries to put front-line organisations 'in control', and brokering pro bono services. While this interest and some of the suggestions may be welcomed by the sector, the overall message may betray a lack of understanding of the difficulties of capacity-building at scale: as noted earlier, the literature suggests that much effective capacity-building is about more than transfer of knowledge.

Yet another element in the changing context is that there may be signs that the government is becoming more aware of the tensions between the Big Society agenda and the effects of spending cuts on the voluntary sector; in early 2011 the sector's position is still in flux.

For funders all of this means continuing uncertainty about just where the gaps will be and where they will be greatest. The uncertainty is further compounded by the fact that a wide range of projects funded under the BASIS programme are beginning to draw to a close. (Interestingly, one of the assumptions underlying BASIS was that both infrastructure and frontline organisations would be able to draw in more funding – so that the environment would remain much as it was).

Another unknown is just what the effects of the Transition Fund will be. The terms of the Fund, arguably, are somewhat perverse. To qualify the organisation needs to be already losing money, that is, before the real effects of any loss of government funding become fully apparent in the accounts. Those who are not yet losing, perhaps because they are good at what they do, are not eligible. Is there a risk that the Transition Fund will simply prop up weaker organisations for one more year? Will the pressure to spend to a timetable (rather than need) to which government funded programmes are prone, mean that only the 'early losers' are rescued?

Whatever the answers to the above, it is likely that 'Charities' new funding needs will take funders outside their comfort zones', as a recent report for New Philanthropy Capital suggests (Joy 2010:2); they will need funding for transition, funding for redundancies, funding for partnerships (and perhaps mergers?). Risks will escalate and there will be fewer proposals for straightforward growth or new projects. This sounds less like capacity-building for growth than developing capacity to survive or to scale back, which itself may or may not be a bad thing. Furthermore, funders will no longer be able to assume that new projects will be taken up by others after the requisite period of 'innovation' – RIP pump-priming (after what some might argue has been an overly long period of artificial hope of recovery)!

The sector and its advocates have come up with a wide range of responses and recommendations to deal with 'hard times'. These cover a wide spectrum from the individual and relatively low cost, to the sectoral, ambitious and relatively high cost.

NPC's suggestions to funders are that they might speed up response times, reduce costs of reporting, share knowledge with other funders and charities to avoid duplication and mistakes, keep in close touch with grant-holders, 'review their strategies and think about difficult issues, such as how to support organisations that speak up for the voluntary sector' (Joy 2010:3) and help charities to meet demands for evidence.

The NCVO Funding Commission report (2010) makes various recommendations for future funding, with an overall estimated budget of £117.4 million, including provision of:

- a Restructuring Fund to fund the costs of legal advice, human resources, IT and communications support associated with restructuring

- Big Society grants to fund a series of small grant programmes to benefit small, local civil society groups

- an Increasing Impact Fund to help civil society groups measure their impact

- a Better Asking campaign fund to improve fundraising effectiveness and increase giving

- a Financial Capability fund to develop financial literacy programmes for voluntary sector chairs, treasurers, chief executives and finance directors

- a Trading-up fund to encourage investment in social enterprises

- a small fund to encourage civil society organisations to seek support from those small businesses and companies that work in the social media and financial services

- a survey of foundations' attitudes to social investment, and provision of guidance

- a fund to encourage small grants programmes and knowledge exchange

- a fund to improve commissioning for the future

- a fund to attract new private capital by underwriting social gilts, social impact bonds, social investment bonds and community share issues.

NCVO's response (2010) to the OCS consultation builds on these recommendations, as well as highlighting the importance of recognising the digital divide, the issue of the quality of on-line materials, the inadequacy of on-line information alone, and the role of infrastructure bodies as knowledge brokers and 'sign-posters'.

3. Tools and strategies for the new world

1. Some key questions for funders

Before considering their responses to the new environment funders need to ask themselves some very basic questions:

- What is your overarching purpose? Few funders have strengthening of the voluntary sector as their overarching goal; yet some appear to have slipped into assuming this as an implicit key goal. Strengthening the voluntary sector and achieving social change may or may not be closely related depending on the theory of social change you subscribe to. Few people would agree with the notion that the voluntary sector alone has the power to deliver social change, or even that it is always necessarily involved: in short, few social problems are the exclusive preserve of one sector. It is worth noting here that in the foundation world, the idea of funding the voluntary sector to achieve social change is largely an invention of the 1960s and 1970s. Before then foundations spent much of their money funding research, think-tanks and the development of new policy and practice approaches, rather than on 'the sector' itself.

- What are your specific goals? What change do you want to see? (The brief for this paper was not about service delivery but about 'delivering change')

- What or who will have to change to achieve this goal? How might they be reached? Who has the power to deliver such change? Who do you need to work with or on?

Your interest in 'capacity-building', and what that might entail, will depend in large part on your answers to these questions.

2. Looking for points of change: The inadequacy of old maps in the new world

The new environment will require everyone to do more with less. Among other things this means that we will need to take the fastest and most efficient route to change. This in turn implies that we need the best, most up-to-date map of how and where change happens. Arguably we need new maps for a new world.

For much of the last 50 years we have lived in a world of 'sectors'. We have always debated the edges and what goes where because, of course, like all of the categories we use to make sense of and simplify reality, the concept of 'sector' is just that – an artificial, simplified concept, a sort of mini-map. Of late, for a variety of reasons, the sectoral map has become increasingly tricky to navigate with. 'Sector' maps might have once been useful but they were always social and political constructions – and now the social and political contexts have changed. The notion of sector has served a variety of mostly benign purposes but it may now be in danger of limiting our options and blinding us to new energies and synergies. This is not a simple plea for 'let the market provide'. It is a plea to re-calibrate our mental maps.

Figures 1 to 3 on the following pages set out some of the issues.
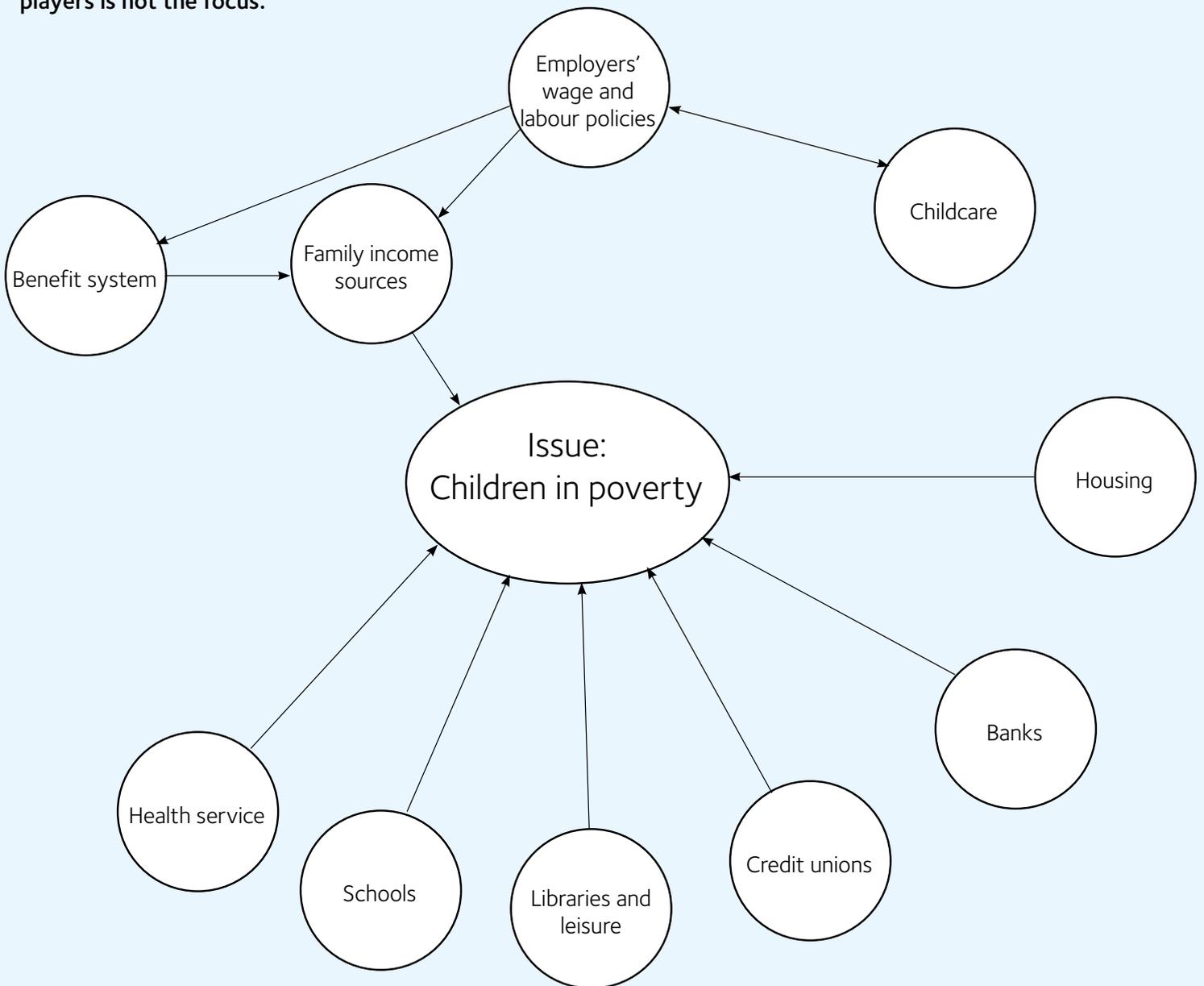
Figure 1: A conventional intervention model
A traditional logic model imagines an intervention,
grant or programme that leads to a policy change that
produces an outcome.

| Intervention | → | Change | → | Outcome |

Figure 2: A systems approach

A systems approach draws a variety of circles that relate to each other in complex, changing ways for different purposes. It starts from the issue and identifies key players, as well as formal and informal interactions between them. The sector of the key players is not the focus.

Employers' wage and labour policies

Childcare

Benefit system

Family income sources

Issue:
Children in poverty

Housing

Health service

Schools

Libraries and leisure

Credit unions

Banks

The strength of a systems approach is that it allows us to recognise that voluntary organisations are not isolated behind the walls of sector but are in constant interaction with a variety of other organisations and forces that may push or pull in different directions. Such a perspective sensitises us to the complex environments we live in, the variety of different and changing, direct and indirect relationships we have, as well as the spider's web of points for change interventions. A systems mental map attunes us to the multitude of cross-cutting, physical and virtual networks in which we now work, thereby potentially opening up a whole new range of possibilities for action. The Monitor Institute (2010) also makes a strong case for a network mindset.

'The systems model underscores the complexity of creating change within a system. By identifying the important components – the actors, the rules of the game and the environmental conditions – and the interactions and dynamics among them, the model is not simply linear or unidirectional as are many models that underpin foundation work. The system model is not simply focused on a single actor or a particular rule of the game either, but rather on an expanded set of intervention points.' (Ferris and Williams 2009:17).

The implications of looking at change with a systems rather than a simple sector map are many and potentially profound. For example, if we look through a systems lens, we can move beyond using a simple theory of change approach (in which we try to relate a change to a specific policy or intervention) to consider 'the relative magnitudes of various sources of change that occur within a system and the maze of interactions [between them]' (Ferris and Williams 2009:13). In short, policy change may have limited impact if it is buffeted by informal rules of the game that work in the opposite direction.

Figure 3: A sector approach
Suppose that instead of seeing voluntary
organisations (and change) as about sector we see
them as part of systems. A sectoral approach draws
three (artificially) neat boxes and then draws a few
arrows to and fro to indicate relationships, influence
and resource transfer. It starts from a framework of
sectors and overlays that on any issue.

| Corporate/
for-profit | Voluntary/
community/
non-profit |

Statutory/
public
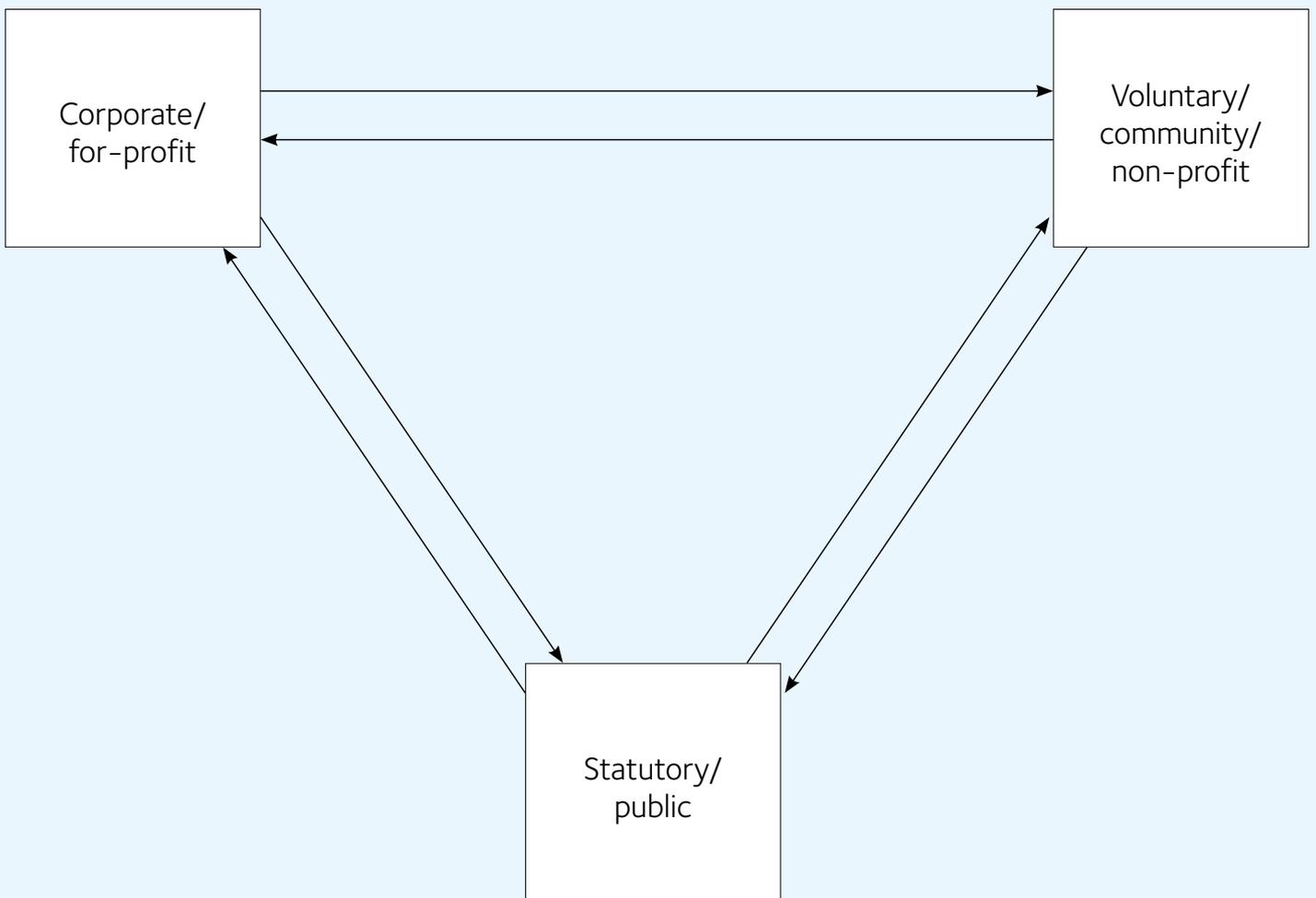
A systems approach highlights the fact that 'the links between a foundation's intervention and desired social outcomes are often circuitous rather than linear... [S]erial causal relationships that are assumed in the models have a degree of uncertainty in the sense that there are numerous links that must occur, and that there is a degree of imprecision as to the timing and magnitude of the causal relationships. There are multiple points at which a hypothesised effect may or may not be realized, whether it be from a theory failure or an implementation failure' (Ferris and Williams 2009:13).

In a thought-provoking and sweeping analysis of different phases in the way that foundations and funders think about the nature of social problems and how they might be solved, Smith (2000) identifies several broad phases. From the 1890s to the late 1920s Smith suggests foundations thought in terms of a germ metaphor. In other words, the assumption was that 'diseases' (problems) had single causes and there were direct links between the problem, the cause and eradication. In the 1930s germ theory was replaced by an emphasis on problems as a product of 'maladjustment', social and political instability and so on, and thus the need to seek 'balance and equilibrium'. In the 1950s and 1960s the 'stabilisation' approach gave way to a social engineering metaphor – designing, building and testing models (that would then be adopted by government), and later to an ideological, 'empowerment' model.

For the 21st century Smith suggests a new viral metaphor as a useful way of thinking about both the nature of enduring problems and the potential roles of foundations and funders. Viruses suggest a model more complex than germs or engineering. A virus often:

- has complex origins
- develops and works in complex ways that we do not know much about
- mutates, requiring remedies beyond old categories and institutional barriers.

If today's problems are best thought of as viruses rather than, say, germs then: 'knowledge-building, surveillance, adaptiveness, flexibility and patience' for the long haul are the capacities funders need to develop and encourage (Smith 2010:49).

Conventional capacity-building efforts, rooted in a sectoral model, tend to focus on only one part of what is a complex and fluid system. The assumption is that developing or changing what goes on in the organisation or the sector will enable the organisation to act on its environment more effectively (to raise more money or to demonstrate performance, for instance). But what if elements in the environment are themselves acting on voluntary organisations or ignoring or moving the goalposts, changing the map and the rules of the game? What if other elements are experiencing changes that indirectly impinge on voluntary organisations?

The suggestion here is that one key capacity to deliver change is a new way of analysing the environment and interventions within it – a systems map rather than a sector map.

Using a systems perspective enables us to engage in more sophisticated, sensitive analysis of factors and relationships – especially in a developing environment. A three-sector box model is simply too blunt a tool to capture current complexity and architectural change. It is not simply that the pieces on the chess board are being moved – the pieces themselves are being re-fashioned and the rules of the game are in flux.

It could be argued, for example, that foundations have been less effective than they might have been because of their adoption of a sector model and failure to examine where power to effect and block change really lies and the vehicles and routes to reach those points. A systems perspective would, for example, highlight the role of the media in delivering and hindering change. Rowntree and Cadbury had recognised the importance of this fact, but we seem to have lost sight of it in our focus on the voluntary sector (Wagner 1987).

A new tool for analysis

A systems approach gives funders and grant-holders a potentially powerful analytical tool to rethink strategies for achieving sustainable change:

- enabling a new understanding of the complexity of getting to and sustaining change

- encouraging funders, and grant-holders, to re-examine specific points for change interventions – where in this particular system are there opportunities and obstacles to change?

- providing potential for greater appreciation and anticipation of countervailing pressures and both positive and negative feedback loops working to obstruct (and encourage) change

- encouraging funders and grant-holders to reconsider the notion that policy change is the surest, or best, route to change

- encouraging debate (among funders and grant-holders) concerning the need to work with and on businesses (in whatever sector)

- encouraging awareness among funders and grant-holders that change is rarely in the gift of one 'sector' alone ('sectors' are moving parts of complex dynamic systems, not boxes)

- encouraging awareness that social change interventions are less like a shooting range and more like playing Monopoly – you start, miss turns, go back, adopt one strategy in order to position yourself for another move, you have an opponent, and so on.

Implications for implementation:

- A systems analysis of change may suggest the need for longer-term, more patient, more complex and adaptive programmes and interventions.

- Funders (and grant-holders) may need to intervene on several fronts and at several points, be quick to re-assess and regroup, add to or subtract from arrangements if necessary, and when relevant tie together to exploit opportunities to make the whole more than the sum of its parts.

- Identifying multiple potential intervention points in a system may encourage funders to think together about how their different intervention programmes might be 'loosely coupled' to create change. Funders might choose to align their interventions rather than, for example, pooling resources.

- Funders may need to be more attuned and open to creating cross-'sector' packages of interventions for change.

- Bringing together players from different parts of the system (and so across 'sectors') may be a more valuable tool than is currently recognised. Are there, for example, opportunities to redesign systems? (Social Impact Bonds – SIBs – are interesting examples of the potential of convening. SIBs are themselves a product of convening both funders and grant-holders; furthermore, some of the criminal justice SIB interventions involve, at root, redesign of the ways in which system elements, from benefits to housing etc, across 'sectors', work and relate to each other).

3. New capacities for a new world

A new map alone will not be enough. We also need to reconsider how we think about and plan tools for change.

As discussed above, much of what has gone under the title of capacity-building has been rooted in a view of the environment as relatively simple and predictable. But what if the environment is actually highly complex and unpredictable?

Avoiding the myth of predictability

Much of the time, in grant-making as in life, we pin our faith on plans. Plans are comforting and are in very many respects useful. The problem with plans is that they can have just the opposite effect to that intended. Plans embody expectations; they direct our attention to some things and not others and they discourage awareness of the 'irrelevant' (which can be the seedbed of the event that throws us). Plans tend to focus our attention on the capabilities and resources we have to deal with what we expect; contingency plans do not encourage improvisation. The third problem with plans is that they tend to assume that consistent high-quality outcomes will occur if we do what worked in the past – but what happens if the present is not like the past? We need 'capabilities to sense the unexpected in a stable manner and yet deal with the unexpected in a variable manner' (Weick and Sutcliffe 2007:67). That is **resilience**.

A commitment to resilience is different from the anticipation of difficulty. It is different from the current vogue among funders for 'futures' thinking. The only thing we really know about 'futures' is that they are generally playing catch-up with the real future. Resilience is about mitigating rather than anticipating undesirable events.

Resilience is a key capacity for working at a time of change; the term 'resilience' is incidentally used in the OCS consultation paper but without elaboration. Resilience is important because, whatever we might wish to believe or be encouraged to believe by some advisers, it is impossible to anticipate all of the challenges an organisation may face. Given that, the organisation's greatest strength then comes from its flexibility to adapt and to survive, if not thrive.

Developing resilience

'Resilience is a combination of culture and attitude, process and framework. There is no one blue-print for a resilient organisation' (TISN 2008). It may be useful to compare the idea of resilience to the move from 'disaster response' to 'disaster preparedness'.

The following are some of elements that contribute to the development of resilience in non-profit organisations:

● spare and overlapping capacity

● efficient flow of materials, investment and information to where needed

● diversity of component parts as long as they do not all have the same vulnerabilities

● localised autonomy to respond to conditions, alongside interdependence and collaboration among parts of the system

● strength to resist a hazard, alongside adaptability and flexibility to learn and change (such as strengthening feedback loops).

(This list was adapted from Jaworski 2009.)

The problem, of course, is that it is far easier to foster some of these elements (such as 'redundancy' in the form of adequate reserves) at a time of relative stability rather than one of crisis and change. However, collaboration and improvisation or 'bricolage' are two capacities that can both enhance resilience and be fostered here and now.

Resilience may also involve knowing your organisation – its strengths and weaknesses, as well as its location within wider systems, and being able to communicate that location very clearly; that is to say, elaborating a clear value proposition. This concept is familiar in the profit-focused world; non-profits are rather less used to their value being challenged. Edgington (2010) suggests that value propositions include:

● 'Capability: What is the organization uniquely positioned to provide to the community (the marketplace)? Why is this organization better

positioned than other organizations (non-profits, for-profits, government) to deliver it?

- 'Social Impact: What change is the organization creating in the community, region, world? Why is this significant? Why should/will consumers (funders) care?

- 'Costs: How do the costs of the service being delivered compare to that social impact? Is there a social profit being achieved, i.e. are the costs involved in delivering the service significantly less than the benefits? Will a funder (who is paying these costs) receive a significant social return on their investment in the organization?'

A value proposition, Edgington goes on to argue, 'is less about a well-articulated statement and more about an organization's ability to think through these questions and really understand the marketplace in which they operate. More and more the non-profit that can effectively execute on a social value proposition will find the financial stability that ultimately leads them to create lasting change.'

Collaboration for resilience

Collaboration is something that funders have been encouraging, with mixed results, for some time. A systems, rather than a sectoral map, may encourage organisations to think more broadly about with whom, for what and when they may find it useful to collaborate. A systems framework helps us to see beyond boxes to fluid and temporary as well as longer-term relationships. Marriages are collaborations – but so are short-term affairs. Now may be the time to look outward not inward.

Improvisation and bricolage for resilience

The ability to improvise and engage in the art of **bricolage** (combining old resources in creative new ways) is another element of resilience. Improvisation may be something that many organisations are already all too familiar with, but it is not something funders have talked much about, let alone encouraged. Indeed there is an argument that funders' emphasis on

'proposals', clear plans and line-by-line costing may have discouraged improvisation and bricolage.

Recognition of the value and importance of improvisation requires funders themselves to adopt certain ways of behaving and to encourage such behaviours in others. These include:

- being willing to do without planning and rehearsing

- fully understanding the resources and materials you already have

- identifying minimal structures that can be adapted as you go along

- being open to rethinking and departing from routines

- having a rich set of meaningful themes to provide continuity

- accepting that experience may have limited relevance to the present

- having the skill to deal with non-routine events

- working with others who are competent at making do

- being able to adapt to and build on the actions of others, and to maintain the pace

- being comfortable with process rather than fixed structures.

(This list was adapted from Weick 2001:299–300.)

For funders this may mean, in particular:

- carefully considering the most productive balance between clarity (in proposals, structures, processes, budgets) and the uncertainties of current realities; and

- encouraging grant-holders to have a Plan B, C and even D (or, to put it another way, to work to a theme that can be adapted as the environment changes) and to put in place procedures that make change of this sort relatively easy.

4. In praise of bricolage

Improvisation and bricolage are both elements of resilience but bricolage, in particular, is worth further discussion. (We use 'improvisation' here to refer to using existing resources in a new way, whereas 'bricolage' refers to combining resources in a new way.)

Funders simply do not have the resources to make up the loss of government funding to the sector, nor do they have the resources to make up for other cuts that are not directed at the sector but will impinge on the sector in increased demand. The opportunity in this crisis is to rethink how we approach production of public benefit; that is after all what voluntary and public sector providers and funders are at root all about. When resources are plentiful the temptation is to create something new, irrespective of whether it is really necessary; when resources are short the challenge is to engage in bricolage, to do more with less. If the past decade was about growth in the sector, the coming years will be about redesigning and recombining.

This may be exactly the right time to rethink:

1. the financial and non-financial resources funders and grant-holders have, ways of adapting rather than creating anew, and recombining old resources in new ways

2. the common sharable resources and capacities required by organisations seeking to deliver real change in the lives of disadvantaged groups and communities

3. those resources and capacities that really are generic and those that require some adaptation or embellishment for particular circumstances

4. those resources that all organisations need to possess and those that they can purchase or outsource

5. the availability of those resources and capacities, their location, accessibility, overlap and duplication.

Are there some things that can be provided at scale, and others that require greater individualisation? Why do voluntary organisations tend to believe that they must have their own x when they could 'rent' the accumulated expertise of a far better x as and when needed? Is it really useful to have twenty or more 'guides to XXX' produced by as many local or national advisory bodies? If things as varied and individual as books and holidays (and the people who use them) can be collected together on Amazon or TripAdvisor surely the same thing could be done for capacity-building and certain infrastructure tools. The Amazon and TripAdvisor models do not make judgements but rather let users (with different needs and expectations) make and record their own judgements.

Instead of bewailing the lack of more, could we look at the potential to engage in bricolage to create something more useful by cutting and recombining what we have? A well-made patchwork quilt is more useful and more beautiful than any of the separate scraps from which it is made.

How can we cut, discard, adapt or re-combine old ideas and practices to meet the challenges of the new environment, and do more with less?

5. 'We're all in this together': how can you add value?

Delivering real change in the new environment is likely to require change in funders' own roles and practices. Better funded, governed and managed grant-holding organisations may indeed produce more reliable and higher-quality services, though even this is a large assumption containing a number of value judgements. It does not follow that better funded and managed organisations are more likely to produce sustainable change with impact beyond immediate grant-holders. Achieving wider change rarely happens as a result of 'building a better mousetrap': better mousetraps have to be demonstrated and sold to retailers and customers with the need and the resources to pay for them. Achieving wider social change is in part a matter of knowledge (do we know how to solve the

problem?) and in part a political process, a matter of values, priorities and allocation of scarce resources. Funders have a crucial role to play in both building 'how to' knowledge and in the process of disseminating knowledge and building constituencies for change (Anheier and Leat 2007).

When we consider the role of funders in achieving change with wider impact we need to look beyond building the capacity of individual organisations to a new model that focuses on the value grant-makers themselves can add. We need to focus on moving issues rather than solely on building internal organisational capacity. The latter may contribute to the former, but is unlikely to be sufficient.

The problem with the focus on capacity-building in voluntary organisations is not only that it fails to ask 'for what, and why?' but also that it tends to distance the problem of effectiveness from the funder. Funders focus on voluntary organisations but not on their own effectiveness and capacity to add value to the process of achieving sustainable change.

Funders of the voluntary and community sector, and those focused on grant-making in particular, have some crucial resources that can add value, including:

- independence
- relative financial security
- knowledge
- networks
- capacity to monitor effects, direct and indirect, intended and unintended, of changes in policy and practice
- freedom to experiment with new approaches, new ideas and new ways of combining people, ideas, organisations and resources within and across 'sectors'.

But these characteristics are not equally enjoyed by all funders. The fully- and well-endowed foundation with a broad mission and no living founder or family ties lies at one end of the continuum. High-profile funders that rely on fundraising or public financing and so are subject to pressures for 'fairness' and low overhead costs (such as BIG, Children in Need and Comic Relief) are at the other.

4. Ways forward

There can be no one-size-fits-all set of recommendations for a grant-making approach to deliver change in the changing environment. The following chart draws on the preceding discussion to set out some possible courses of action, noting some potential costs and benefits. In addition, using them may well require further adaptation, flexibility and bricolage.

The suggestions are based on three related strands that have informed this commentary:

1. adopting a systems approach
2. resilience and bricolage
3. adding value beyond money.

1. Adopting a systems approach

Actions	Costs	Benefits
Identify points for change and intervention by using a systems approach	Time-consuming Requires analytical skills and knowledge	More astute and realistic analysis with greater potential to achieve lasting change Potentially greater effectiveness (if analysis identifies real levers for change)
Encourage debate about the need to work with and on businesses	Working with the private sector may raise difficult ethical and cultural issues	Access to ideas and approaches that may work
Encourage awareness that change is rarely in the gift of one 'sector' alone Encourage awareness that social change interventions are less like a shooting range and more like playing Monopoly	Risk of pessimism and loss of drive	Healthy realism
Intervene on several fronts and at several points, and be quick to re-assess and re-group, add to or subtract from arrangements if necessary, and when relevant tie together to exploit opportunities for synergies. Be more attuned and open to creating cross-'sector' packages of change interventions Think policy change **and** beyond Talk with other funders about how different interventions might be 'loosely coupled' to create change (so aligning interventions rather than simply pooling resources) Accept that change may not be linear, and may be slow Regularly review for unintended back and side effects	Labour-intensive, continuing time and thought input from funders Potential hostility from voluntary sector Greater knowledge and wider range of relationships – and time Time to establish relationships and dialogue Lack of immediate results – patience required	Potential for synergies and greater effectiveness for same resource input Greater potential long-run effectiveness

2. Improvisation and bricolage

Actions	Costs	Benefits
Consider carefully most productive balance between clarity (in proposals, structures, processes, budgets, etc) and the uncertainties of current realities	Board and staff discomfort and feelings of loss of control	Greater flexibility to move with and effect change
Consider the minimum structure and process you can tolerate for adaptation as you go along	Accountability anxieties	More flexibility to move with and effect change
Be open to rethinking and departing from routines Encourage grant-holders to have a Plan B, C and even D (or to work to a theme that can be adapted as the environment changes) Devise procedures to facilitate change of use	Staff time to stay in touch: the whole process is not front-loaded Risk of accusations of inconsistency	Less up-front risk insofar as the work is always in the process of adaptation.
Audit your own existing financial and non-financial resources and materials and consider creative recombinations Consider where small additional expenditures or effort might create higher-than-average gain Encourage grant-holders to do both of the above Audit existing services, advice and materials: are the duplication and overlap always productive? Where are the opportunities for greater sharing?	Staff time Potential hostility from parts of the sector	Being effective means adapting to change More effective use of existing resources – ability to do more with the same.

3. Adding value beyond money

Actions	Costs	Benefits
Think **beyond** money	More challenging than simply giving grants	Increases the toolkit for greater effectiveness Maximises funder contributions
'Own' an issue	Imposes limits on scope Difficulties of identifying specific issues to prioritise Risk of identification with failure	If successful clearer identification with that success
Use and encourage voice Use networks, reputation (power) and neutrality to convene within and across sectors – to encourage audit, system redesign, identifying and filling gaps, and to create synergies	Risk of charges of 'political' intervention Labour-intensive May benefit from a low profile May be few, if any, measurable or attributable outcomes	Maximising use of funder's real resources Increased likelihood of change

The table of possibilities on the preceding pages demonstrates that there are risks to adopting new approaches, but there are also potential benefits. It could also be argued that the risks are not as great as they appear:

1. If funders want to work effectively in a changing, fluid environment there is no choice: the plans, rules and routines of past practice are no longer effective comfort blankets.

2. Some changes may not be as great as they appear. Perhaps grant-holders and some funders have been adapting and improvising all along, retro-fitting their adaptations to fit the original plan.

The salience of the risks will also vary for different funders. For fully endowed foundations hostility from the voluntary sector and accepting the 'slow burn' of change may be uncomfortable – but not much more. For higher profile or public funders those effects may be more difficult to bear. On the other hand, some risks will be reduced insofar as funders already have close relationships with parts of the corporate sector and recognise the potential power of such organisations to contribute to lasting change for beneficiaries (such as Sainsbury's providing a route to market for small food providers in Africa, supported by Comic Relief).

One way forward might be to adopt all or parts of the approaches suggested above in one programme or in relation to one issue. This would enable funders to contain the risks at the same as experimenting with a potentially highly rewarding and effective way of delivering change to beneficiaries in a fast-moving environment.

Finally, two observations from John F and Robert F Kennedy:

'Change is the law of life. And those who look only to the past or the present are certain to miss the future.'
(John F Kennedy, 1963)

'Progress is a nice word. But change is its motivator. And change has its enemies.'
(Robert F Kennedy, 1964)

The coming years will, without question, be ones of change. Funders and grant-holders will need to change, but in the focus on delivering change it will be important not to lose sight of what we wish to preserve among the fundamental and hard-won values of the past.

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