

Funding Mechanisms Spiderweb

Intro

This tool was developed by a working group of the Funding Systems Change initiative composed by foundations and social innovators. Its purpose is to help foundations reflect on their funding mechanisms across different dimensions in the funding cycle. These include dimensions whose relevance or implications may not be obvious from the point of view of the foundation, but were surfaced as highly impactful for partner organisations and project holders. By filling out this spiderweb, you can reflect on a specific funding mechanism, and for example understand better why it works so well, surface assumptions, name potential challenges or uncover alternatives.

No two funding contexts are the same. Indeed, each social or environmental challenge, geographic, cultural and historical context, foundation and potential partner organisations, will bring unique attributes, needs and opportunities. Hence, this tool does not suggest that a 5 is always better than a 0. Only the specific context can determine which funding mechanism design is most appropriate and impactful. The main goal of using this tool is to become more aware of the choices behind existing or potential funding mechanisms, to better understand the implications of those choices, and to support the exploration of new ideas by broadening the spectrum of options.

How to use

Time and materials

- A printed copy of the spider web, a digital or a hand drawn version & a pen or laptop
- 15+ minutes for reflection

Process

- Choose a particular funding mechanism, such as a call for projects you have put out, a recurrent funding scheme your foundation runs for a specific topic or geography, or a participatory funding scheme you've set up for a community.
- Invite who you want to do this reflection process with (e.g. a team working on the same funding mechanism, foundation staff working on different funding mechanisms, your board, a partner you have worked with etc.)
- Look at your spider web and start wherever your attention goes first or as indicated by the numbers.
- Go through each dimension, reading the question as well as the context around it, and assess where your funding mechanism falls - from 0 to 5 (0 being closest to the centre of the web, 5 the outmost point) by highlighting the appropriate intersection in the web or colouring it in.
- Proceed in the same way until you have filled out your spider web.
- Remember that no two funding contexts are the same, so the goal is not to have 5s across the board, the goal is to reflect on how a particular funding mechanism is constructed and assess whether it is suited to the impact you wish to have in this particular context.
- Sometimes, the formal level or rule differs from the de facto practice. If that is the case you may want to visualise both, either by using two different colours or a label, and reflect on why this is the case and whether aligning theory and practice would be valuable.
- Sometimes, a dimension may not be fully applicable to your funding mechanism, in which case you can adapt the spiderweb to your needs or leave it blank. The fact that it's not applicable may however also reveal something which you may want to reflect on together with your team or partner organisations.
- Sometimes, a dimension may not feel relevant to you, or you may not immediately see why this was included. The model was co-created over multiple months including the insights of different foundations and honest feedback from various social innovators. Certain practices which are considered 'normal' in the sector may be counter-productive to the intended impact of the foundation. If you notice that you are triggered by a certain dimension or cannot relate to it, you are invited to dig deeper into this dimension to better understand what it means and what the different practices and their implications are for your collaborators and intended impact.

A tool for foundations and philanthropists to reflect on their funding mechanisms across 12 dimensions.



1. Intention

What is the intention/vision of this funding mechanism or collaboration? (refer to the iceberg model for context)

- Service delivery, addressing a specific need of a target audience, addressing symptoms (0)
- Systems change work, transformational processes, addressing root causes (5)

2. Strategy

What is the strategy behind this funding mechanism?

- Initiating something new, financing something running for the first time, pilot project (0)
- Scaling or growing an existing program/organisation (3)
- Sustaining or institutionalising* an existing program/organisation (*=helping other institutions adopt methods and innovations previously developed) (5)

3. Time horizon

What is the timeline of your funding commitment?

- Short term, >1 year (0)
- Long-term, >10 years (5)

4. Accessibility

To what extent is this funding mechanism accessible?

- No accessibility, opaque funding mechanism, contact happens upon invitation only (0)
- Transparent communication, open to anyone who finds the information about it (3)
- Specifically designed to be accessible to all, incl. underrepresented people (5)

5. Collaboration

How collaborative is this funding mechanism in terms of who you are interested in funding?

- One single partner, competing for funding (0)
- Coalitions of partners, competing for funding (3)
- Different partners with the intention to initiate collaborations around a specific topic and/ in a specific place (4)
- Networks, movements, communities or places who already collaborate (5)

6. Power distribution

How is the power distributed amongst you and your (potential) collaborators or other stakeholders in the decision-making process of distributing funding and choosing collaborators?

- 100% power with foundation (0)
- 100% participatory grant-making (5)

7. Partnership

How is the collaboration between you and the partner(s)? Are power dynamics consciously addressed and is there a support framework? Is there honest communication, an eye-to-eye relationship and transparency about what's going on?

- Transactional, top-down exchange (0)
- Occasional conversations and support (3)
- Investment in trust-building and addressing power dynamics to enable honest collaboration (4)
- Eye-to-eye partnership where both parties learn from each other (5)

12. Dissemination

To what extent are you funding or even taking an active role in disseminating the learnings and results of this funding engagement, engaging in knowledge sharing and connecting with other organisations in the same field?

- No funding (0)
- Dedicated funding including staff time (3)
- Significant funding (4)
- Active role of the funder (5)

11. Flexibility

How flexible are you when it comes to changes to the collaboration, either due to learnings, unexpected events or 'failure'?

- High rigidity, if agreed outputs are not produced regardless of the reasons, funds are withheld (0)
- High flexibility, partner organisation is free to adapt to plans to emerging needs, changes in the context and new learnings (5)

10. Learning (MEL)

What mechanisms for evaluation, monitoring and learning have you put in place, who owns them, whose needs do they address and how much effort do they require from your partner(s) (in relation to funding volume)?

- 100% focused on pre-defined outputs and KPIs, owned by the funder, with considerable effort to serve the needs of the funder (0)
- Mixed approach, with reasonable effort to serve the needs of the funder (3)
- 100% learning oriented, focus on insights from the process and new knowledge, owned by the partner(s) to serve strategic objectives (5)

9. Investment

To what extent are you financing a project and its direct costs only, the development of an organisation, or its core strategy and evolution?

- 100% project funding, only hard costs (0)
- + some staff time (1)
- + full project related staff time (2)
- + some general costs (3)
- + funding for organisational development (4)
- 100% core funding (5)

8. Budget restriction

How many restrictions are you placing on how the funding can be spent, what level of detail in budgeting do you require?

- 100% restricted, budget with specific lines that need to be respected (0)
- 100% unrestricted, completely free to spend for what is needed within the agreed upon organisational strategy (5)