

PRINCIPLES & PRACTICES OF IMPACT-DRIVEN PHILANTHROPY

For donors seeking to create more impact in the world

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How we define ‘impact-driven philanthropy’

Impact-driven philanthropy is the practice of investing our time, talents, and resources thoughtfully and intentionally to advance meaningful change. Guided by the principles and practices below, we have a passion for leaning into complex issues and finding solutions that make a lasting difference.

What principles do impact-driven philanthropists share?

There’s no one-size-fits-all formula for creating change. But we’ve learned that a common set of principles can guide us toward effective practices and away from unnecessary pitfalls so we can do the most good for the causes that motivate us.

- **Humility.** We know we don’t have all the answers, so we we’re eager to listen to and learn from others, especially those who are closest to the challenges we’re addressing.
- **Growth Mindset.** We come to this work with a passion for learning and improving. We assess our giving so we can learn from our successes and our failures. We share our knowledge for the benefit of others.
- **Transparency.** We are open about our decision-making processes and are clear about the intent of our giving.
- **Integrity.** We are guided by a strong moral and ethical compass. Whether it be for a community, a country, or the planet, we strive to deliver a public benefit to better the world.
- **Fairness.** We believe that potential is evenly distributed but opportunity is not. We work to understand where there are structural or historical inequities hindering the people and communities we aim to serve.
- **Collaboration.** Powerful giving results from harnessing leadership within and working in partnership with the communities we seek to support.
- **Empowerment.** We build the capacity of leaders and organizations to provide people with the resources required to change systems.
- **Joy.** We intentionally draw upon our values, ethics, and life-experiences to identify the causes we want to address and guide our giving, which increases meaning and joy and inspires us to sustain our efforts.

How do we put impact-driven philanthropy into practice?

The following practices help us navigate our unique giving journey and discover the joy and promise of philanthropy that creates meaningful impact.

1. Start with a “beginner's mind”

- Even if we’ve accomplished big things in other arenas, we challenge ourselves to approach philanthropy with openness, curiosity, and humility. We listen more than we talk and seek to understand the wisdom, beliefs, needs, aspirations, and life experiences of the people we hope to serve.
- We look for causes connected to our life experiences and values. A heartfelt connection drives passion for improving—and often increases the meaning, purpose, and joy of giving.

These principles and practices are being developed, tested, and curated by the Impact-Driven Philanthropy Collaborative, a growing group of donors and organizations who support donors in philanthropy. The Collaborative, hosted by the Raikes Foundation, drew heavily from principles developed earlier by members of the Donor Education Network.

- We focus our resources for impact. Focusing on a small set of issues, rather than taking a scattershot approach, gives us more opportunities to build meaningful relationships and knowledge in our chosen fields.
- We let form follow function. We develop our strategies and goals before selecting the best giving vehicle(s) to help achieve them.

2. Do our homework

- We invest the resources and time to unpack the complex issues we care about and understand the social and historical context in which these issues exist.
- We identify the outstanding needs and current actors in the space, including who has the power to make decisions that will affect change and who does not.
- We acknowledge our own beliefs about how systems work and change happens, and consider all the resources we can contribute beyond money—including our professional skills, networks, and influence.
- We develop goals based not only on the best evidence available but also the lived experience of those we hope to serve.
- We develop good indicators to help us determine where we're headed and course-correct as needed.

3. Work with others

- We seek out people who have intimate knowledge of the problems we're trying to solve and join with them to co-create solutions. We avoid top-down "solutions" informed by experts but not the communities we hope to serve.
- Whenever possible, we engage other funders and build a network of peers with similar goals.
- If we have limited time to commit to our causes, we identify others who can leverage our resources for maximum impact, such as funding intermediaries or other donors.
- Whenever possible, we give flexible, multiyear grants—the types of support that organizations need to invest deeply in learning, innovation, and talent.
- We help our partners strengthen their organizations' performance, not just their programs.
- We stick with strong grantees for a time period consistent with expectations and the difficulty of achieving social change. We communicate openly and often, and exit relationships with care.

4. Never stop learning.

- We lean into ongoing learning to understand what's working and what's not—and help our nonprofit partners do the same. We use every resource available to inform our work, from peers and consultants to online platforms and in-person learning opportunities.
- We use qualitative and quantitative means to understand the impact of our efforts—positive and negative, intentional and unintentional—on the people and communities we serve.
- We seek unbiased, regular feedback from all of our stakeholders—including intended beneficiaries, grantees, and other funders.