



**The Future of Philanthropy**  
Global Insights from Multiple Expert Discussions  
April 2018

## Contents:

1. Thanks to our Global Patron and Regional Hosts
2. Context
3. Thematic Drivers of Future Change (Power, Knowledge, Trust)
4. The Changing ways to Give
5. Questions for the Future
6. About Future Agenda

**The full write up of the programme can be found as a report here:**

<https://www.slideshare.net/futureagenda2/future-of-philanthropy-final-report-92948463/futureagenda2/future-of-philanthropy-final-report-92948463>

## The Future of Philanthropy

This document provides an overview of what we heard from multiple expert voices around the world on the future of philanthropy, how it is changing, what is driving this change and how it may evolve over the next decade.

## Global Patron:



Badr Jafar

## Regional Hosts

Dubai



Kuala Lumpur



London



London St James' Palace



Mumbai



Oxford



Quito



Singapore

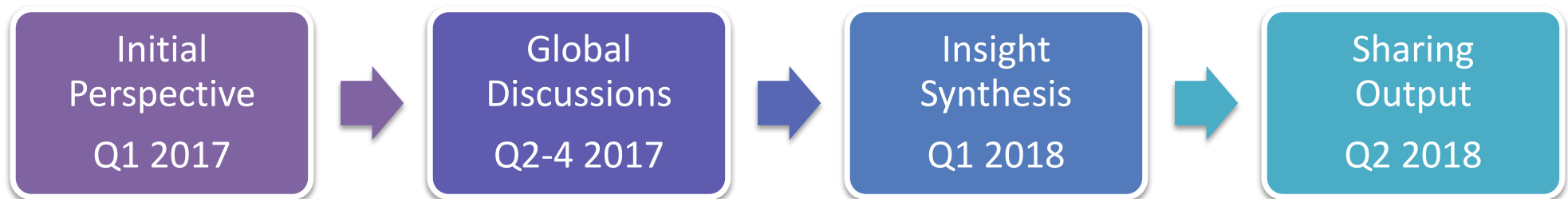
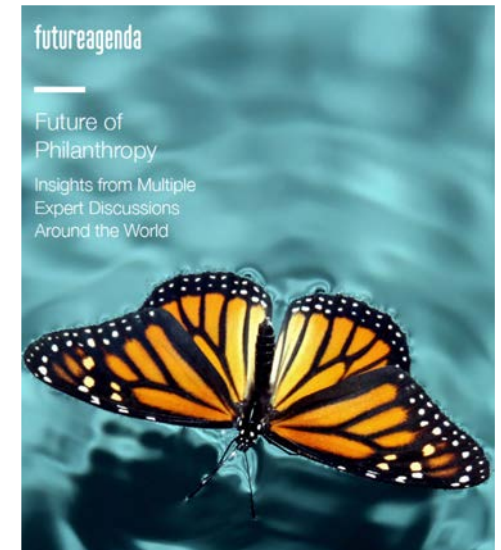
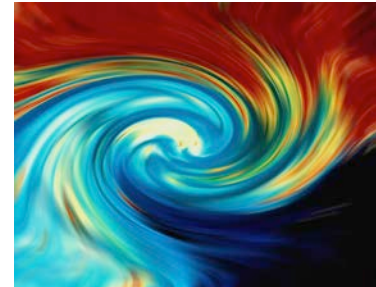


Washington DC



## Thank you

We would like to thank our Global Patron and Regional Hosts for supporting and hosting us around the world. This global foresight programme was made possible by their generosity.



## Programme Aim and Approach

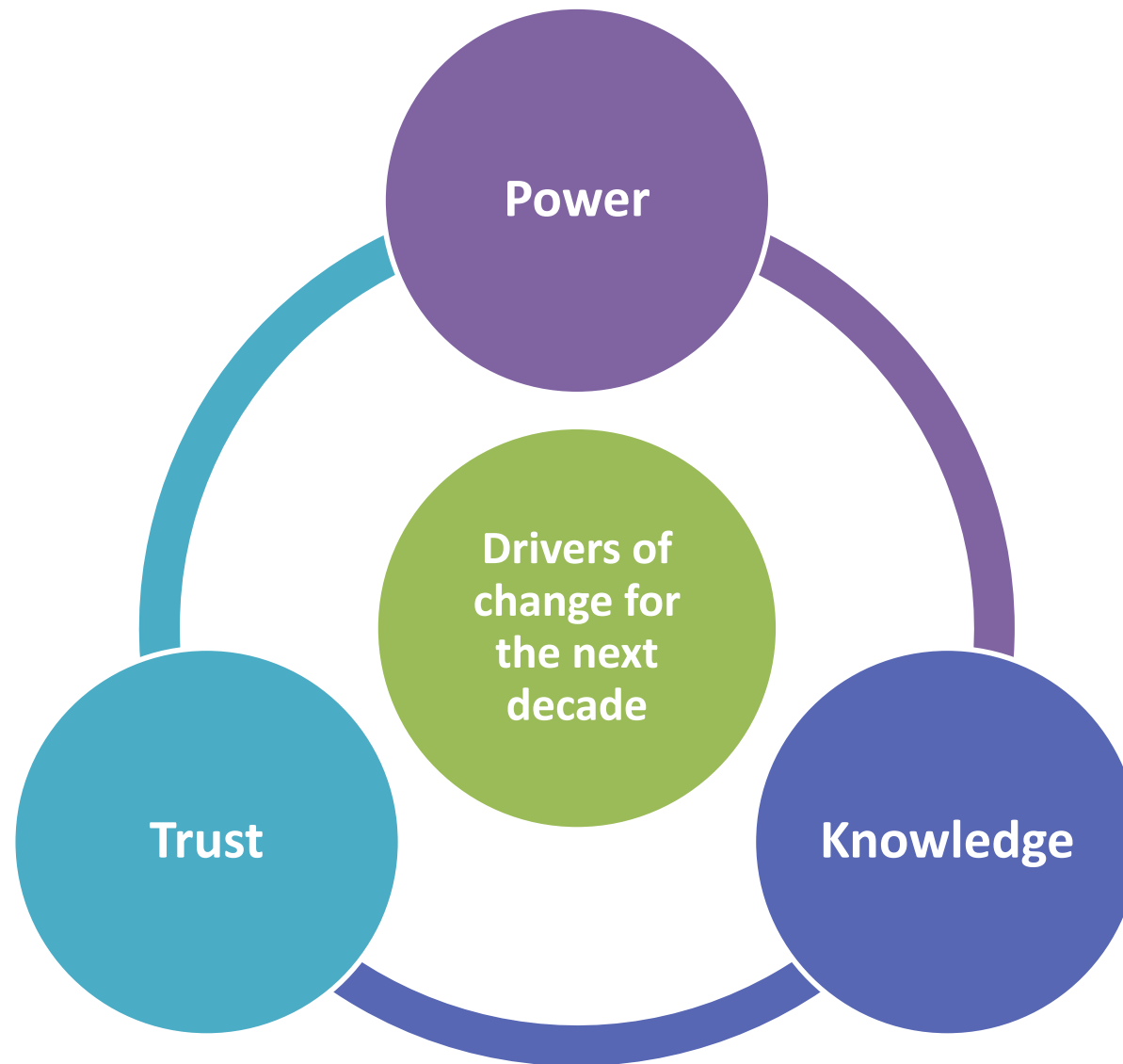
This project gained expert views on changes we expect over next decade, explored the underlying drivers of change, regional and global perspectives and then built a collective view on the topic for all to use going forward.





## Global Discussions

9 workshops were conducted across 4 continents with over 250 philanthropy experts from a wide range of organisations: (Government, NGO, Advisory, Academic, Corporate etc.).



**Experts Identified 3 Drivers of Future Change: Power, Knowledge and Trust**

POWER

POWER.

POWER

**Change Driver 1: Power**





## Increasing State Influence

As the impact and expectations of philanthropy grows, more states seek to be involved in curating areas of focus. Regulation increasingly steers where and how funds can be directed.





## South-South Giving

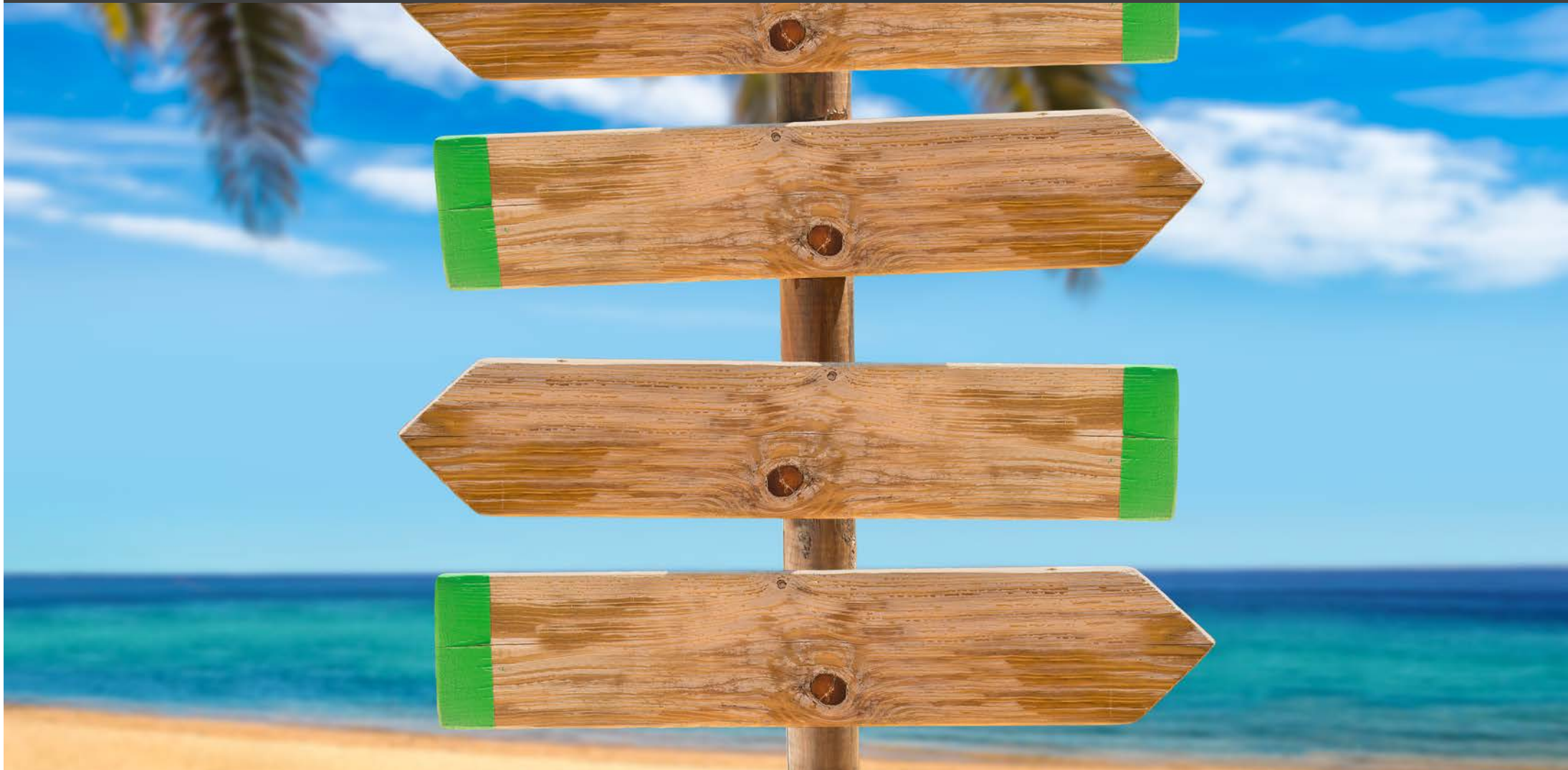
As wealth and giving shifts East and South, international giving decreases. Influenced by government agendas, an increasingly wealthy diaspora choose to focus on more local needs and cease to support multinational activities.



## **Faith Priorities**

Faith-driven philanthropy drives more structured and systematic giving in many countries. This is supported (in some areas) by government tax incentives with more people giving money to faith foundations.





## Who Does Good?

The boundaries between state, business and charitable action becomes increasingly fluid and dynamic making it difficult for donors to understand emerging partnerships and ultimate responsibilities.



## Changing Role of Business

Donors believe that business can do more to drive change. They increasingly serve as social change incubators through non-profit partnerships, prize philanthropy and have greater focus on socially conscious business models.





## Shared Value

With more collaboration across the board – from donors to fundraisers to NGOs and government – all seeking to break down silos, there is greater focus on sharing insights, creating shared value and more value based businesses.



## Unleashing the 1%

The richest 1% in society now own around half of the world's wealth and could choose to contribute much more than they do.

Unlocking this potential becomes a key focus.





## Big Bets

The availability of higher risk capital and a willingness to tackle more challenging issues enables bigger, bolder, and often longer-term philanthropic bets to be made on critical interventions.



## **Greater Female Influence**

As more women lead philanthropic ventures, the nature of philanthropy itself will change. We will see new priorities, more effective approaches and different areas of focus such as wider community engagement and impact.





## Missing Middle

We see increasing focus on bridging the gap between traditional philanthropy and multinational aid. Targeted investment from both venture philanthropists and impact investing funds on bottom of the pyramid initiatives grows.





## Longer-Term Next Generation

There is a rise in younger people wanting to contribute to more meaningful causes and see that impact is sustained. This leads to the next generation being more selective and may drive more longer term systemic interventions.



## Self-Directed Millennials

Millennials are more receptive to cause marketing than previous generations. As the largest future giving demographic they believe in more self-directed donations and so drive further growth in micro-funding.





## User-Centric Philanthropy

Philanthropy becomes more bottom-up in nature. Locally designed initiatives better match real needs with available funds resulting in more equal partnerships, increased capacity building and more long-term investment.



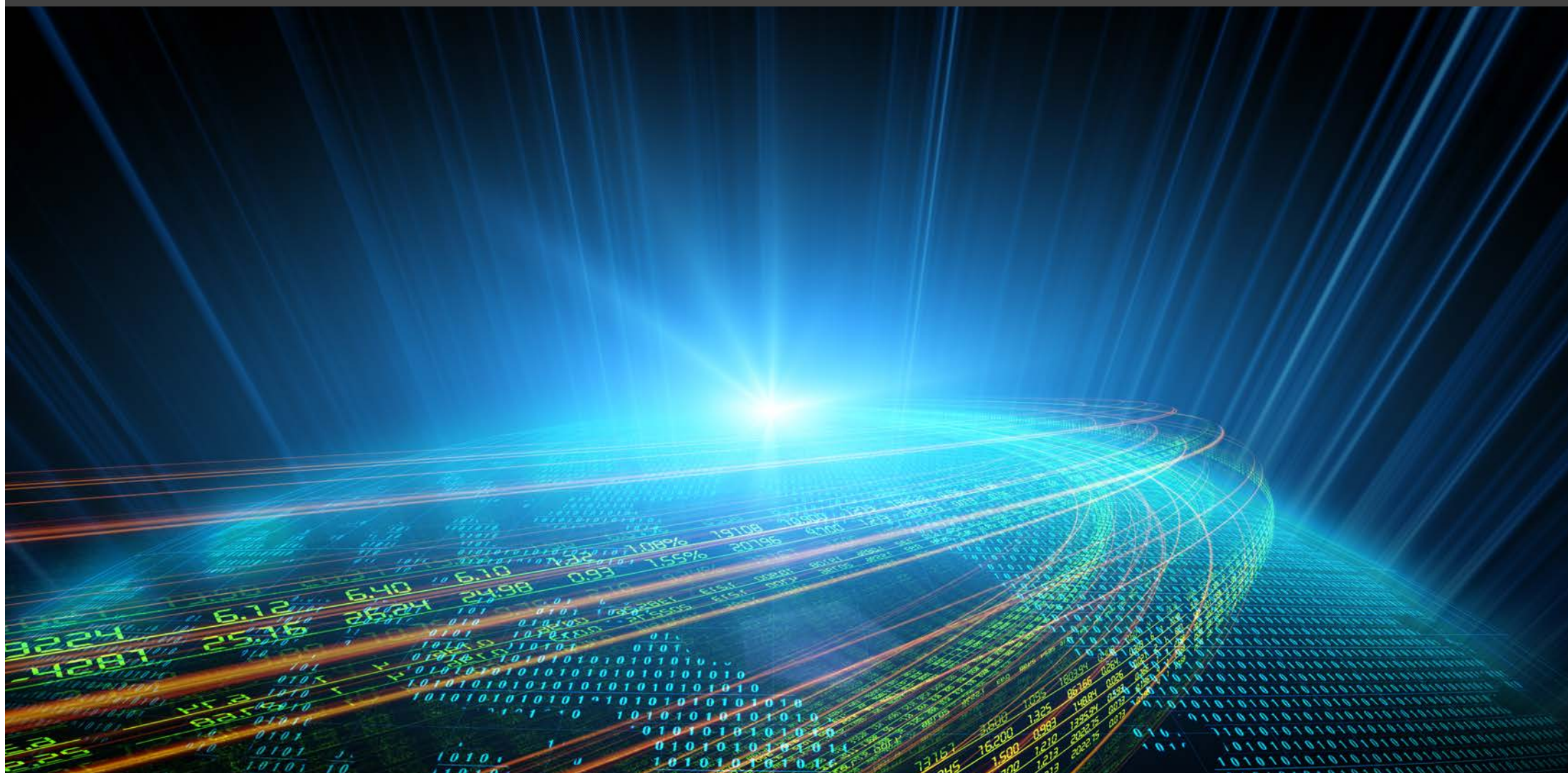


## Integrated Giving

Individuals seek to do more and can better integrate giving into the everyday. New collaborative platforms and philanthropy vehicles enable donors to holistically embed giving into their domestic life and financial planning.







## Data Driven Philanthropy

Public and institutional expectations push philanthropic organisations to use data to measure performance and impact. Greater transparency enables focus on making the most difference but risks a bias toward quantifiable quick wins.





## Better Understanding

Quantitative outcomes are valued as much as qualitative measures. More data leads to more visibility of impact and so philanthropy in turn becomes more effective as it is influenced by improved awareness and better information.



## **Better Products and Evidence**

As the sector becomes more service-orientated, better-defined products emerge with improved impact measurement. New approaches for greater evidence are developed within the sector. Many are adapted from outside.



## **Strategic Philanthropy**

Funders are shifting from reactive, responsive grant-making towards more pro-active and impact-driven 'strategic philanthropy' with more specific focus that drives spending decisions towards outcome achievement.





## Living Giving

Alongside regulatory change, a shift in attitude from creating a legacy to making impact now ensures that more capital flows faster as foundations and the living all accelerate spend-down.



## Effective Altruism

A shift to calculating 'the greatest good for the greatest number' replaces personal preference of giving with scientifically calculated maximum social impact - forcing hard choices for many.





## Irrational Emotion

Emotional motivations to donate to specific causes and initiatives continue to dominate philanthropic giving irrespective of growing evidence and transparency around the actions which are having the greatest impact.





## **Investing in Philanthropy Capacity**

Philanthropy invests little in its own development, always prioritising front-line services. A future challenge is to find resources for its own infrastructure development, particularly in building business and enterprise capacity.





## Broader Collaboration

Donors increasingly have an expanded view of which groups can successfully develop solutions for society's challenges. Businesses, universities and religious institutions work alongside NGOs and social enterprises.





## Partnerships for Impact

To achieve leverage and impact many agencies will expand cross-sector and cross-national partnering. Foundations increasingly co-fund with each other.





## Story Time

New narratives to support and encourage more and better philanthropy are built and deployed, replacing increasingly out of date social norms and memes.





## Chief Philanthropy Officers

To drive broader social change, more companies appoint Chief Philanthropy Officers to both ensure sustained contributions and coordinate activities across foundations, pledges, industry initiatives and employee driven actions.



## Impact Clusters

Social entrepreneurship-focused clusters and hubs develop in key locations beyond traditional centres such as London, New York and Geneva. Clusters in places such as Nairobi and Singapore accelerate progress.

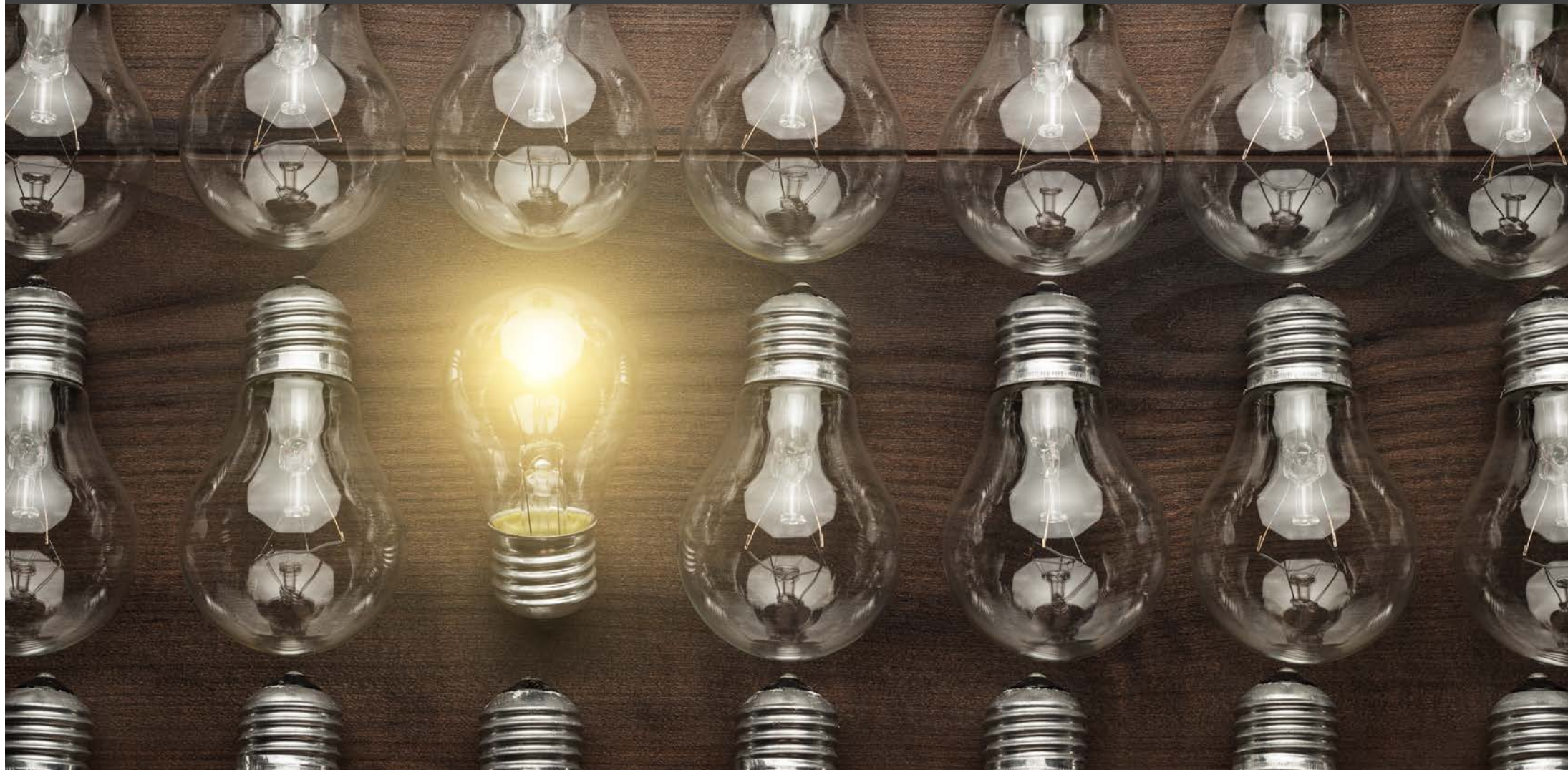




## Media Impact

The media become partners in activating and sustaining social change. As the NGO sector more proactively engages with media and the prevalence of social media movements rises there is increasing public interest in action.





## Entrepreneurial Talent

Identifying, supporting and enabling more effective social entrepreneurial talent becomes an important focus for donors.





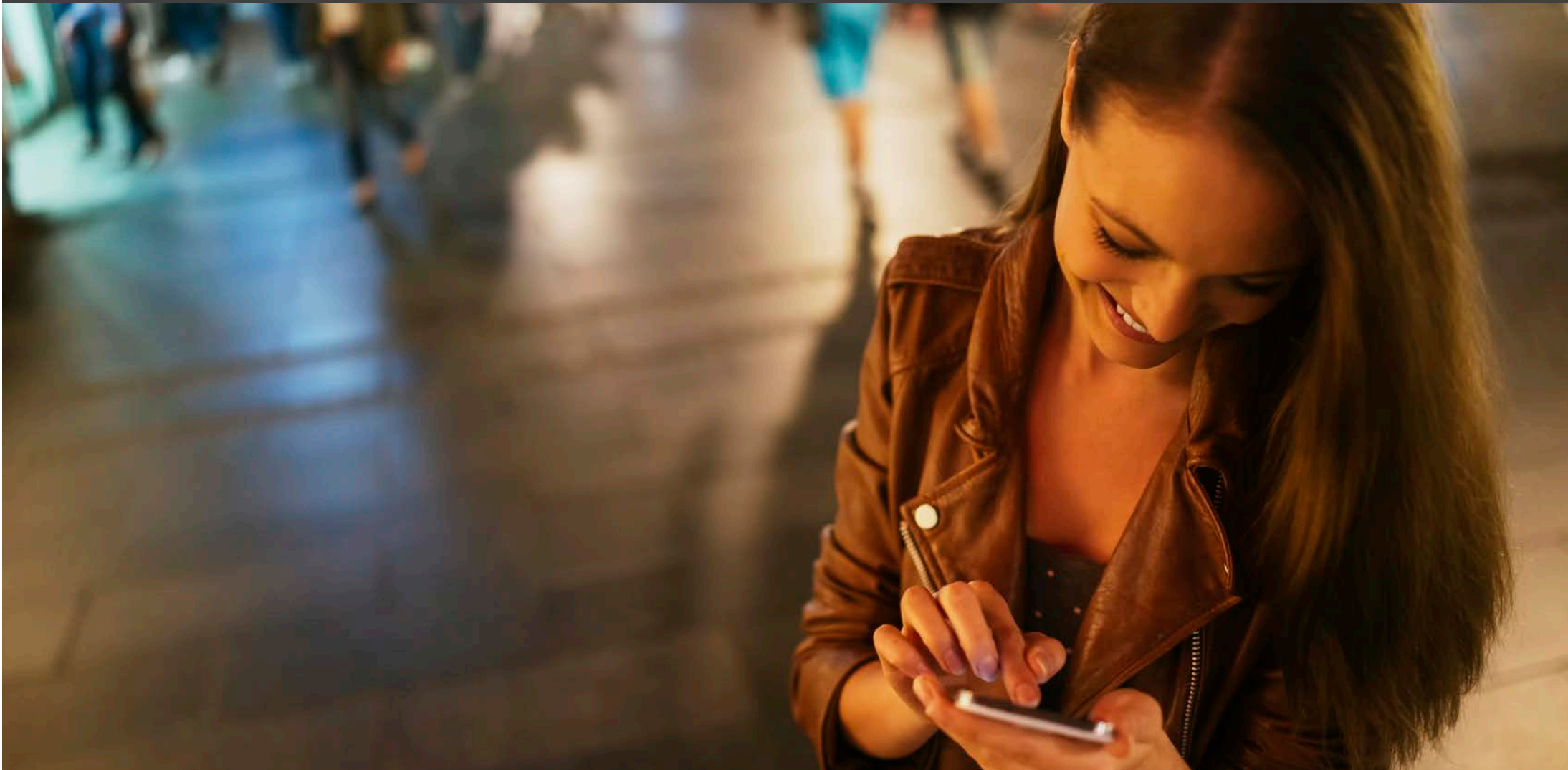




## Philanthropic Oligarchy

As government funding in civil society declines, especially in international aid, a few philanthropic organisations begin to dominate. There is push back from some over their legitimacy and transparency.





## Digital Engagement

To drive growth and new ways of targeting social needs, high impact philanthropy will need to capture the personal initiative and engagement which digital technology enables.





## Constituent Voice

Driven by a desire for impact and legitimacy, the voice of the customer comes to the fore. Better understanding of need and response and, over time, the establishment of feedback loops ensure interventions become more impactful.





## BINGO Disruption

‘Big International Non-Governmental Organisations’ are increasingly viewed as part of the problem and are challenged by the emergence of more nimble, adaptive and impactful high-growth start-ups.





## Technology Driven Transparency

Increasing transparency and new technologies are reshaping donors' approaches to giving with innovations providing new tools for researching and funding projects and organisations.





## **Better Governance**

Expectations of improved governance and enhanced transparency rise as technology allows better reporting, enabling more equitable and traceable distribution. More and deeper partnerships all support this.



## Glass Houses

The legitimacy, governance and practices of those involved in philanthropy comes under greater scrutiny. Accountability and governance structures are challenged. Internationally recognised principles and practices emerge.





## Heightened Scrutiny

Philanthropic involvement will be increasingly vulnerable to the public distrust and scepticism of the post-truth society which has followed the major financial and corporate governance crises.



## Crowd Funding / Money Laundering

Funds traveling across borders are a growing area of concern as some platforms are used for money laundering and supporting terrorism. The move to more international philanthropy may suffer.





## Supportive Regulation

As more governments follow the UK and US lead in supporting social enterprises via CIC and L3C companies, more conducive legal environments act as catalysts for new high impact philanthropy ecosystems.





## **Mandating Donation**

Foundations are required to share the power and decision-making over where and how their philanthropic dollars are spent with those who are directly affected.





## Power Shifts

Establishment and corporate philanthropy is under increased scrutiny as social movements, which engender public trust and credibility, exert greater influence and demand more transparency





## Competing Frameworks

Multiple, competing frameworks emerge - all seeking to set standards. Although adding complexity, eventually they help decrease confusion between social and environmental returns and the non financial impact of philanthropy.





## **Distributed Philanthropy**

Foundations and others shift from centralised control to a more distributed model empowering trusted front-line employees and intermediaries.





**Experts Also Identified Several Ways In Which Giving Is Changing**





## SDG Goals

The Sustainable Development Goals provide valuable alignment for action. Others seek to ensure that philanthropy spots and fills the gaps missed by the mainstream.



## **Donor Advised Funds**

Donor-advised funds continue to grow, providing financial planning services and giving vehicles. These offer ways for individual donors to be more thoughtful and strategic about their giving.





## Social Investment

Social investment is a powerful force in the future of philanthropy. It is going beyond non-returnable grants for charitable purposes to social venture investment with the potential to grow social and financial return.



### **Impact First vs. Finance First**

As investment criteria and impact become more widely understood and shared, the distinction between 'Impact First' and 'Finance First' investing is clearer - and more funds seek to operate at the intersection of the two.





## Venture Philanthropy

For wealthy millennials, particularly those with business backgrounds who aim for the same efficiency in their giving as in their work, impact-driven philanthropy and ‘venture philanthropy’ have gained rapidly in appeal.





## Family Foundations

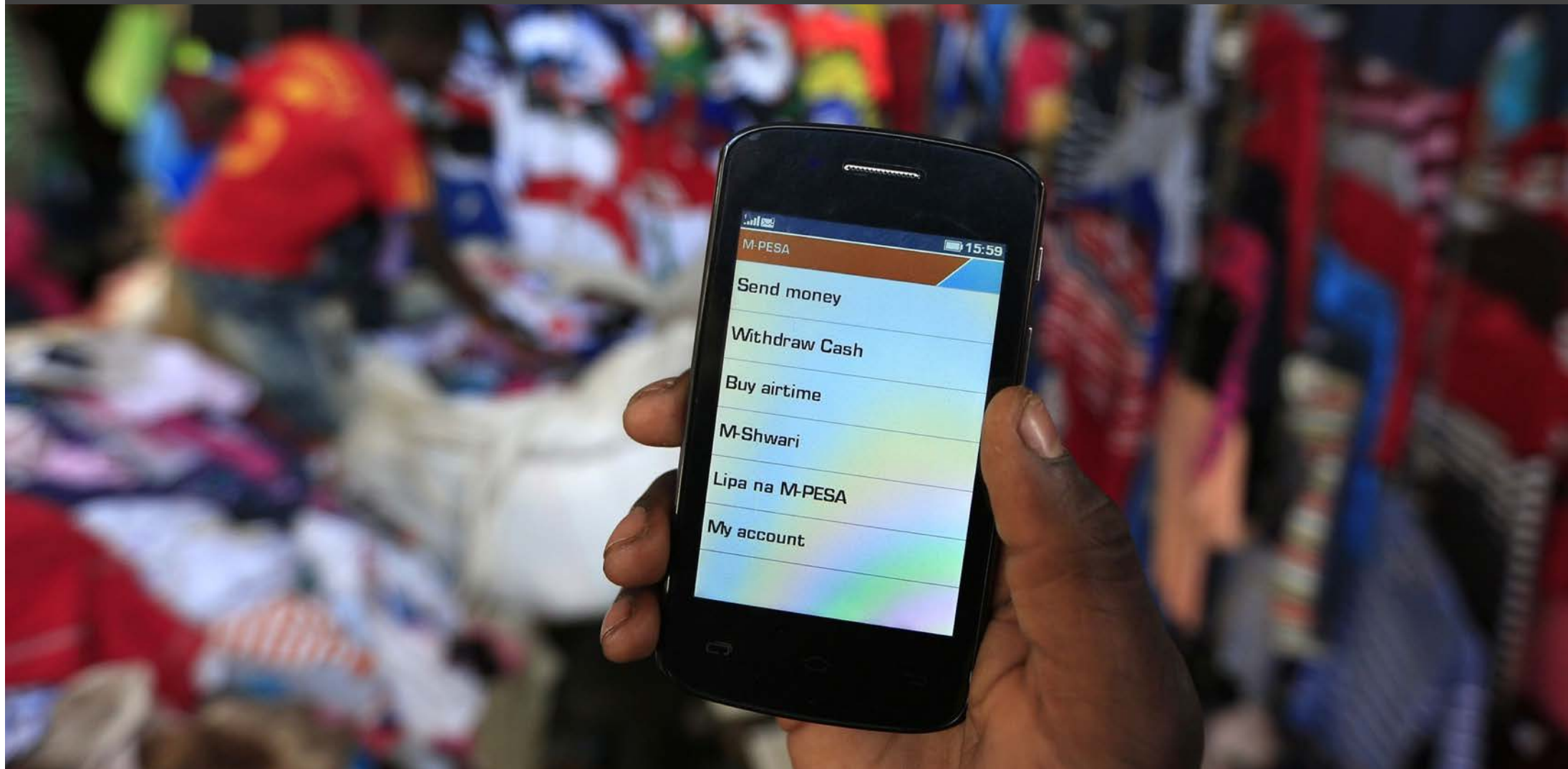
Foundations remain a popular way to give, investing into an endowment and giving out a percentage of the returns each year. Increasingly many aim to spend down in their lifetime or leverage private capital for public good.





## Leveraging the Crowd

New mobile platforms make it easier to engage wider audiences and share insights on organisations and charitable causes – thereby enabling the collection of multiple small donations from many more people globally.



## Direct Philanthropy

A growing opportunity is to use social finance to tackle poverty and financial exclusion at source. Micro-finance products coupled with mobile phone and smart card technologies will be increasingly powerful.





## Micro Social Finance

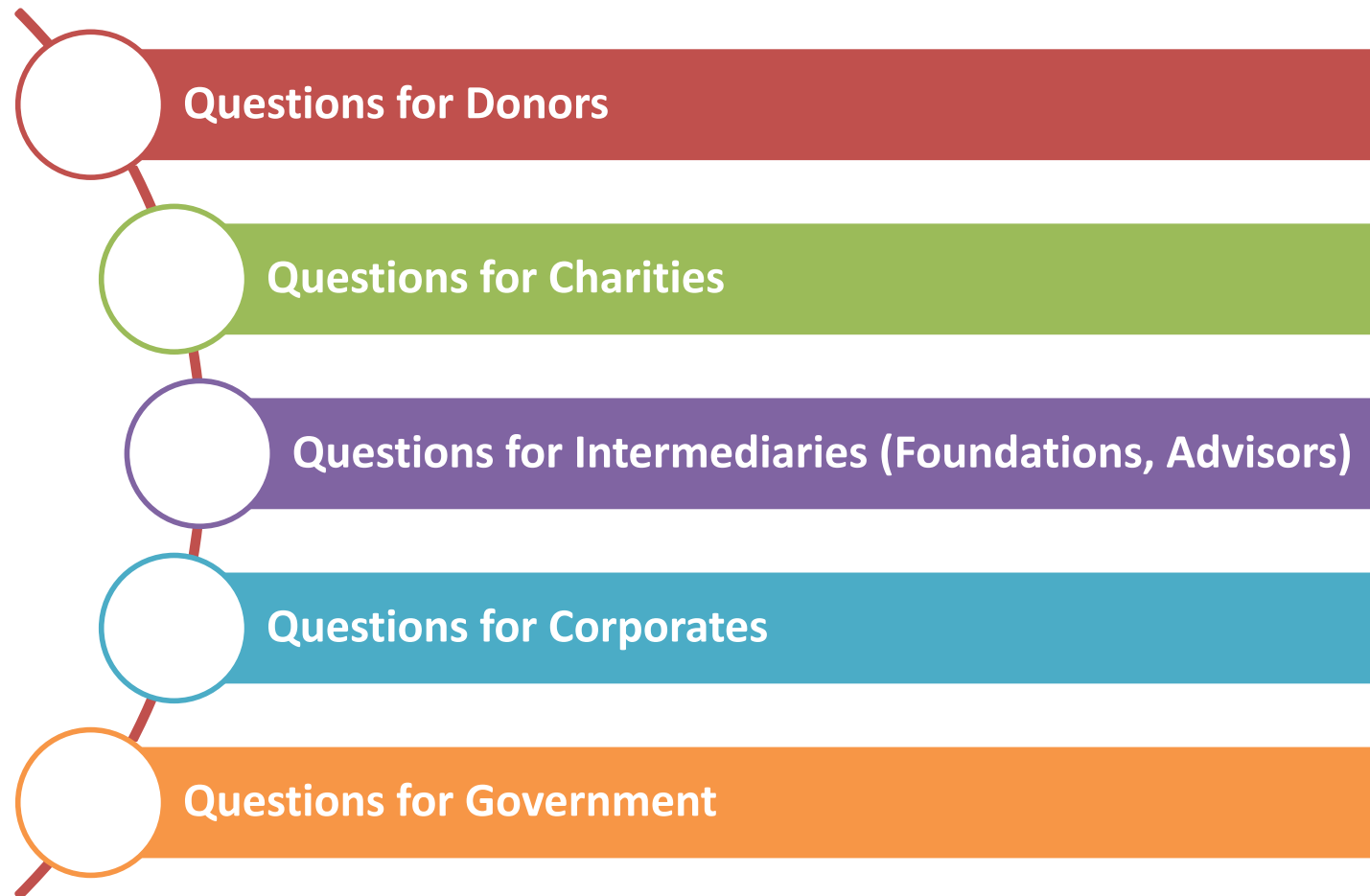
Larger-scale successful social business is increasingly well-served by social finance. The challenge is to make it work for the specialised, smaller-scale, and less marketable but vital, purposes which philanthropy contributes to society.





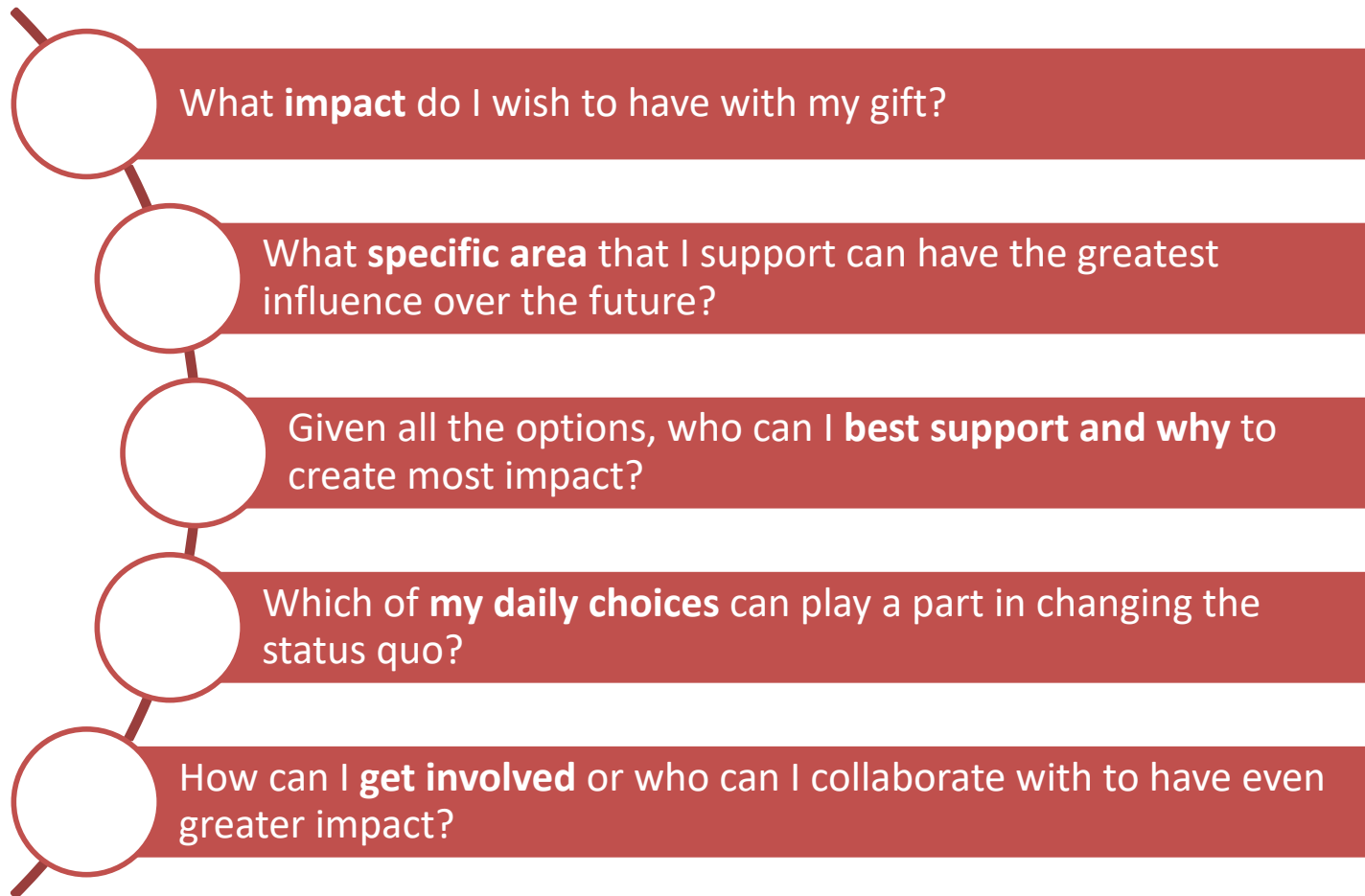
Questions for the Future





## Questions for the Future

As we move forward, there are clearly many issues impacting the future of philanthropy. Some of these will drive change. There are a series of questions for stakeholders that could be considered in the planning the future agenda.



## Five Questions for Donors





## Five Questions for Charities



## Five Questions for Intermediaries (Foundations, Advisors)





## Five Questions for Corporates

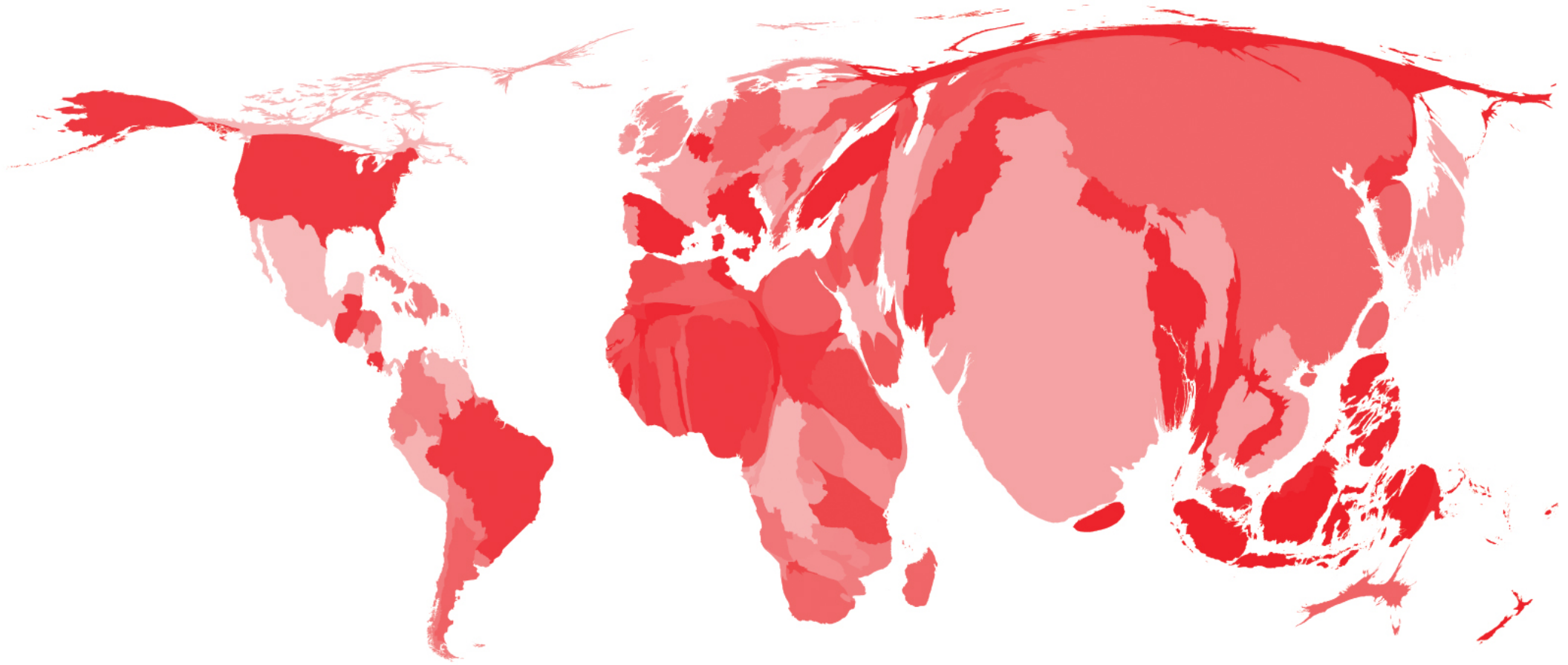


## Five Questions for Government





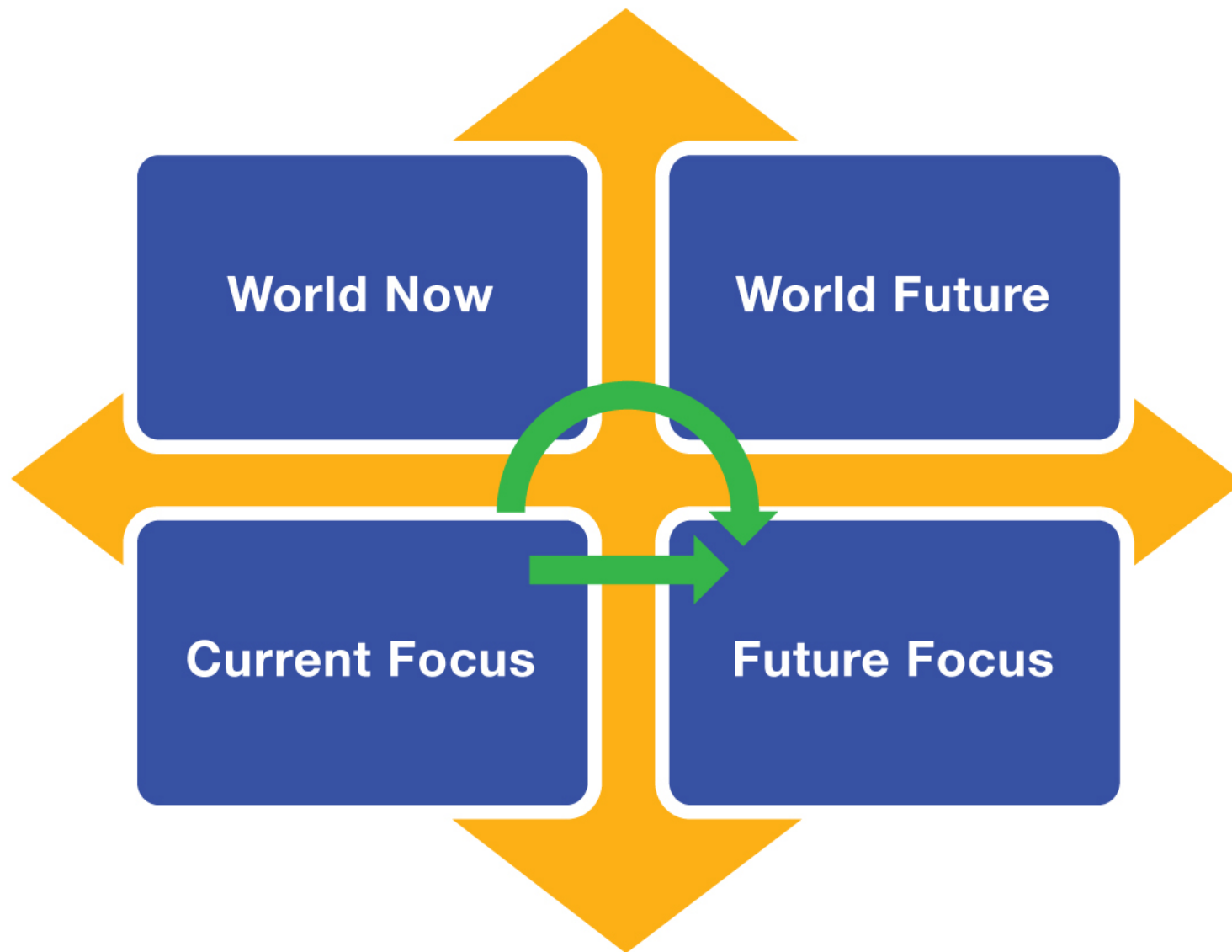
## About Future Agenda



## Future Agenda

Future Agenda runs the world's largest open foresight programme that accesses multiple views of the next decade so all can be better informed and stimulate innovation.





### **Looking Forwards**

Organisations increasingly want to identify and understand both the anticipated and unexpected changes so that they can be better prepared for the future.



Ageing



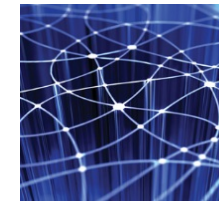
Cities



Collaboration



Company



Connectivity



Currency



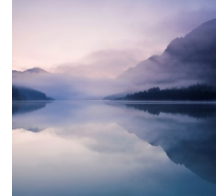
Data



Education



Energy



Faith



Food



Government



Health



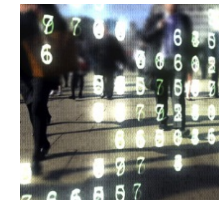
Learning



Loyalty



Payments



Privacy



Resources



Trade



Transport



Travel



Water



Wealth

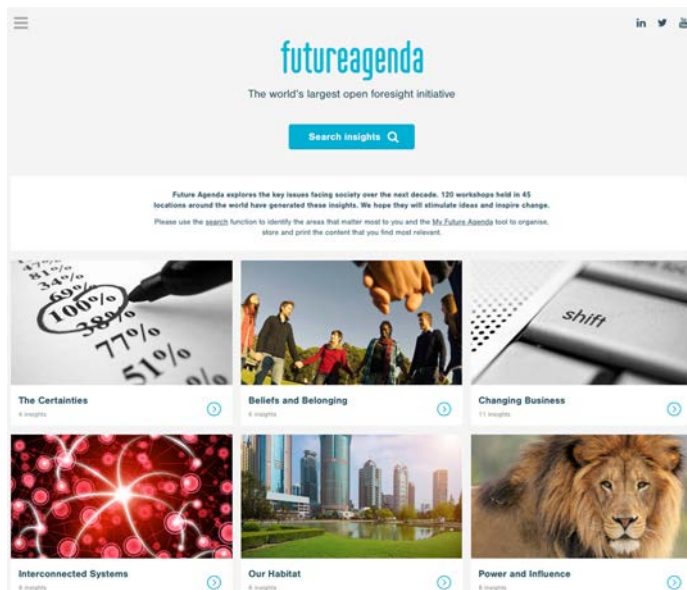


Work

## Future Agenda 2.0 Topics

The second version of the Future Agenda program took place during 2015 and 2016 addressing 24 topics via 120 events in 45 cities in 35 countries in partnership with 50 core hosts.

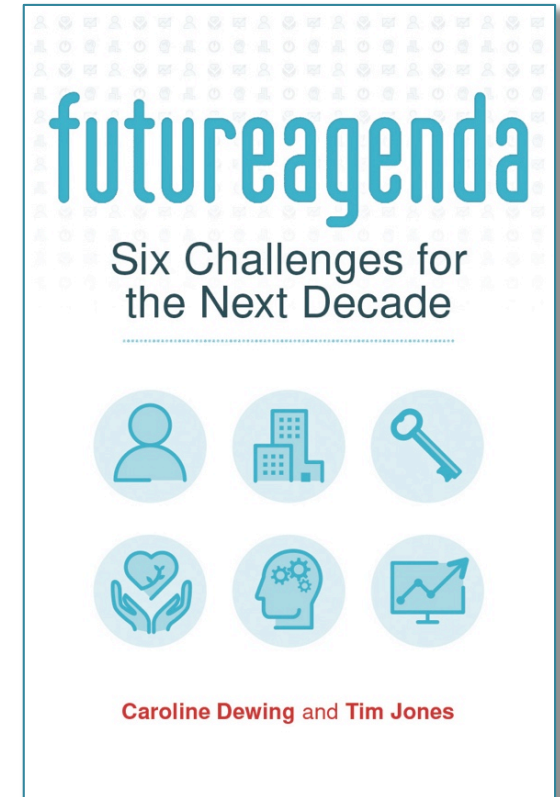




[www.futureagenda.org](http://www.futureagenda.org)



<http://www.slideshare.net/futureagenda2>



<http://tmiltd.com/products/future-agenda>

Future Agenda insights are a freely available resource for all to access

# futureagenda

The world's leading open foresight program

**What do you think?**  
**Join In** | Add your views into the mix

[www.futureagenda.org](http://www.futureagenda.org)

Future Agenda  
84 Brook Street  
London  
W1K 5EH  
+44 203 0088 141  
[futureagenda.org](http://futureagenda.org)