Toward "Complex Adaptive Philanthropy"

Preliminary Learnings from the
Network Leadership Innovation Lab

Above: Network Leadership Innovation Lab participants, October 2013.

By Robin Katcher, Mark Leach and Laurie Mazur

Social movements are powerful drivers of change. By transcending organizational and issue divides, movements can achieve critical alignment of people and resources—and shift culture, amass political power and advance concrete wins. At the same time, movements make extraordinary demands of their leaders—and of the grantmakers who support them.

Today's social movements, like the world in which they operate, are complex, interconnected, and buffeted by constant change. In this turbulent environment, traditional rules of organizational development may not apply. Instead, leaders at all levels must adapt and innovate, developing new approaches to capacity building, leadership development, strategy and more.

Management Assistance Group
Make real change

*T*o understand how leaders are adapting to work in movements, the Management Assistance Group (MAG) launched the Network Leadership Innovation Lab*—a multi-year program of dialogue, analysis, and active learning. The Lab convenes social change leaders and other practitioners to advance our shared knowledge about leading at the nexus of organizations, networks and movements. The Lab stimulates innovative thinking and experimentation; captures and shares learning; and identifies ways to support and strengthen the work.

While the work of the Lab is ongoing, it has already produced a wealth of intriguing questions and insights—and identified some promising practices. Here, we share some preliminary learnings gleaned from the Lab as well as from MAG's client work and from relevant social science—and explore their implications for grantmakers. The next step is to work closely with pairs of funders and grantees to explore what works—and doesn't—in the movement funding space. Through this work, we aim to gain a deeper understanding of "complex adaptive philanthropy" –funding practices that support the promises and demands of social movements.

Preliminary Learnings

Movements are ecosystems.

In the natural sciences, an ecosystem is defined as a community of organisms interacting with their environment to create a system of interdependent relationships. It is an apt metaphor for social movements. Like ecosystems in nature, movements are:

Lab participants Rea Carey, of National Gay and Lesbian Task Force, and Sarita Gupta of Jobs With Justice.

♦ **Diverse**. Movements contain many actors—individuals, organizations, funders, networks, policymakers, cultural figures—with many different kinds of assets and capabilities. Even the seemingly smallest players are vital to the system's function.

♦ **Interconnected**. Actors in a movement ecosystem are profoundly connected, often depending on one another in symbiotic ways.

♦ **Distributed.** Leadership and agency is distributed throughout a movement—often in nested hierarchies—rather than concentrated at the top.

♦ **Non-linear**. All of the important functions of a movement—such as advocacy work, relationship-building and power-shifting—are shaped by complex feedback loops. Linear logic models fail to capture that complexity.

♦ **Self-organizing**. Movements arise spontaneously from prevailing conditions; they cannot be manufactured.

♦ **Dynamic.** With diverse actors and complex interrelationships, movements are in constant flux. No one can predict—let alone control— the future of a movement ecosystem.

Movements contain systems within systems.

In nature, at every level, there are systems within systems—from the tiniest single-celled organism to the universe as a whole. While each system is distinct, it is also open to influence from above and below. This is true in movements, as well. Movement "subsystems" include individuals, organizations and networks. And there are "supersystems": cross-movement networks working at the intersections of our traditionally defined movements. In these nested systems, each level informs and influences the others; transformative change can come from any level. Therefore, movement actors need to be mindful of other levels when making choices, anticipating consequences and considering the time horizon for their work. In complex systems such as movements, the nested hierarchies go on almost infinitely. While it is impossible to fully comprehend such a system, it is essential to remain mindful of its ever-shifting dynamics.

Movement ecosystems disrupt traditional structures and processes.

Social movements hold the promise of increased scope and scale – the opportunity to transform our cultural norms, systems and policy infrastructure. But they also disrupt our understanding of how to achieve those goals, at several levels:

♦ For **individual leaders**, there is difficulty inherent in complexity and dynamism. It is not enough to understand the system one is operating within at the moment; one must also pay attention to systems above and below. Change is constant and leadership emerges from many actors. This requires leaders to: let go of a reliance on command-and-control management; understand one's own strengths and limitations; develop and rely on others; and embrace interdependence.

♦ **Organizations** find that traditional concepts of organizational development are insufficient and even problematic in movement ecosystems. For example:

♦ **Strategy development** is challenging, because it is virtually impossible for any single organization within a movement to predict and control all the factors that catalyze systemic change. Yet, without an overarching strategic direction, organizations can dissipate energy and resources.

"It's the ability to have a sense of an organization's particular contribution and to hold that with real authority and certainty and at the same time recognize that that is a tiny piece of all of what's needed."

—Social justice leader interviewed for Lab case study

"Good movements force leadership to re-evaluate new perspectives, consider fresh ideas, and challenge old ways. We have to fight – this is the messy part of it. The very innovation that starts well and gets established can get in the way. Upheaval is good."

—Social justice leader interviewed for Lab case study

"It all comes to movement awareness being primary and your own organization's role and niche being tactical. Success relies on folks not positioning themselves vis a vis others but positioning the movement and seeing what lever to pull."

—Social justice leader interviewed for Lab case study

- **Boards:** Traditionally, a nonprofit board sets strategic direction, which is implemented by the staff. However, as more strategy development takes place at the network level and as leaders learn to operate in increasingly complex movement contexts, the role of the board becomes less clear. Moreover, where boards seek to protect and sustain organizations without understanding the broader ecosystem, they can unintentionally undermine movement-building efforts.

- **Management** poses dilemmas for executive directors in movement organizations, who are pulled in several directions. In the movement space, they are called on to develop analysis and vision, build external relationships, and align efforts and resources—all while adaptively managing the internal functioning of their own organizations.

- **Cross-movement and movement networks** must learn to navigate significant differences in power, worldview and approach to create shared vision and impact. While networks are not movements, movements need networks to play critical functions in the broader movement context. To do so requires a new array of mindsets and behaviors including balancing the autonomy of individual members with the need for collective action and accountability, and maintaining transparency and engagement while rapidly responding to changing conditions.

Darlene Nipper of the National Gay and Lesbian Task Force, at a Lab convening.

Social justice leaders are innovating to seize movement opportunities.

The turbulence and promise of movements are inspiring a burst of innovation among advocates for social justice. At every level, advocates are asking new questions and pioneering new approaches. For example, movement-oriented organizations are:

- Establishing a clear **vision** and compelling **values** while constantly analyzing the context of their work, aligning with others in their movement and networks, and adjusting **strategies**, tactics and scale accordingly.

- Expanding notions of what it means to lead in a movement context by replacing traditional, top-down hierarchies with other, more **adaptive forms of leadership** appropriate for complex systems.

- Building strategic **interdependent relationships** with others throughout their movement ecosystem—including funders—by establishing trust, relying on one another's contributions and appreciating their real constraints.

- Forging **networks** linked by shared culture and values, in which all participants contribute to impact and help manage ongoing tensions.

- Creating fluid, frequently evolving, nimble **structures** where needed and learning to operate with increased ambiguity.

Movements disrupt traditional ideas about philanthropy.

For grantmakers, movements offer the chance to dramatically scale up the impact of their funding over time. But supporting movements as they develop is exponentially more complex than funding discrete organizations and projects. For example:

- **Outcomes.** Success in movements cannot always be predicted or easily measured, testing the limits of traditional outcome-based funding.

- **Risk.** Given their diversity of structures, leaders and potential outcomes—and the dynamic, ever-changing environment in which they operate—movements require funders and their grantees to embrace new levels of uncertainty and risk. Yet individual program officers are often under institutional pressure to limit risk.

- **Scope.** Funding institutions typically operate in silos, with separate program officers for issues such as health, environment, and reproductive choice. But movements build power by working at the intersections of a range of issues and constituencies—requiring program officers and foundations to expand their scope and think more holistically.

- **Leadership.** Funders seek to identify and cultivate leaders, but leadership in movements can be difficult to spot. Unlike the "heroic," highly visible leaders of traditional nonprofits, movement leaders may remain in the background, enabling others to shine.

Funders are adapting to the movement context.

Funders are also adapting and innovating to seize the opportunities movements present. Their innovations, which we have termed "complex adaptive philanthropy," include shifts in thinking and practice. These include:

- Developing new measures of success that allow for greater **experimentation** and **risk taking**.

- Building institutional and personal capacity to manage **complexity**.

- Funding **convening, relationship-building** and **reflection** as needed by movement leaders.

- Allowing grantees greater **flexibility** to adjust strategy and seize opportunity.

"The current funding regime results in funding things big enough to measure but not big enough to matter."

—Lab participant

Gustavo Torres of CASA de Maryland and Kierra Johnson of Choice USA at a Lab convening.

"There needs to be a really delicate mutual learning between the grantee and the grantor with both sides really being open to learning from the other side."

—Lab participant

♦ Promoting **movement-level** approaches among funder colleagues.

♦ Encouraging **holistic, interdisciplinary** approaches within one's own foundation.

More broadly, complex adaptive philanthropy calls on grantmakers to:

♦ See yourself as part of the movement ecosystem, and understand the many dimensions of your power and its interconnection to that of others.

♦ Understand the movement's web of relationships and power dynamics—and tread carefully.

♦ Build trusting relationships with grantees and other movement actors, based on honesty about one another's assets and constraints.

♦ Avoid letting your constraints become the movement's constraints.

♦ Release yourself from expectations of predictability and control, focus on supporting the best set of conditions for the work.

♦ Fund for the long term.

♦ Embrace change, without becoming unduly attached to particular types of structures or approaches.

Some reading that stimulates our thinking

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About the Management Assistance Group

The Management Assistance Group (MAG) strengthens visionary social justice organizations, leaders and networks to create a more just world. To those ends, we develop innovative approaches to capacity building; conduct research on critical organizational issues faced by our clients; and share our insights with the social justice sector and the nonprofit organizational development field.

Over three decades, we have worked in partnership with more than 1,000 local, state, national, and international organizations, leaders, networks, and funders of varying size and focus. We help our clients develop powerful strategies for change, and build the clarity of purpose and effectiveness they need to achieve their goals.

Our work supports individual leaders and organizations, as well as larger multi-organization efforts and movements. This multi-level perspective informs our ability to help clients with strategic planning, fundraising, adjusting to growth and change, managing people, organizational restructuring, board development, coalition building and more. Our diverse team of consultants combines knowledge of organizational development with a deep understanding of the strategies organizations use to advance social justice.