

right lane case study:

from charity to collective impact

**GEORGE HICKS
FOUNDATION**

by giselle diego & stephanie exton



Right thinking

- Collective impact is a framework used by philanthropic foundations to address social problems in a more sophisticated way, engaging multiple stakeholders and organisations to focus on a common agenda
- The George Hicks Foundation has moved to a collective impact model with a geographic focus on the Mornington Peninsula

Philanthropy is a changing and dynamic sector, boldly moving on from the days of cheque-writing for 'worthy causes'. Many philanthropic foundations are more sophisticated and work more closely with the sectors in which they operate. The language they use is about 'investment' instead of 'giving'; it's about funding 'innovation' and sustainability rather than 'a cause'.

The client: The George Hicks Foundation

Warren Buffett once told Bill and Melinda Gates 'Don't just go for safe projects... take on the really tough problem' (Gates, 2014). The George Hicks Foundation is taking on a really tough problem in Australia; the Foundation's mission is to proactively help young people break out of the cycle of disadvantage through educational interventions. Right Lane has recently partnered with the George Hicks Foundation to develop a strategy that

enables the Foundation to keep focus on the mission but approach the problem in a new way through a collective impact model.

The George Hicks Foundation was established by George Hicks, a successful businessman, in 1965 and has over the last 49 years supported the changing needs of people in Victoria and more recently Australia wide. During this time the Foundation has taken many different approaches to philanthropy and these different approaches reflect changes in the sector and ideas about charity more broadly.

The original idea for the Foundation was to address the lack of support for medical research. Many donations were made to well regarded charities 'doing good work' in the community. This was a hands off approach typical of the time. Once-yearly meetings were held to coincide with a social catch up with board members and generous cheques were written.

In 1993 Ian Hicks, George's youngest son, took over running the Foundation. Ian brought a new focus to the Foundation and placed a greater degree of concern on the relevance of the funding.

Between 2009 and 2013 Ian's daughter, Kirsten was Executive Officer. During this time, she oversaw its further transformation to increasingly proactive philanthropy. Under Kirsten's leadership, the Foundation developed and implemented a social investment strategy, which specifically focused on breaking the cycle of disadvantage through educational interventions for young people.

The Foundation continues to follow George's original vision of identifying the needs in society and working towards filling the gaps through strategic philanthropy. This idea stands strong at the core of the work of the Foundation.

The challenge: Complex problems need complex ways of working

Over the past 12 months the Foundation's board began acknowledging that there is potential to move to a more advanced funding model that includes long-term strategy, sector collaboration, geographical focus, research, evaluation and outcome measurement. Up until now the Foundation partnered with organisations that shared its belief that education is a central element to any person reaching their potential; the theory of change being that the provision of educational initiatives combined with social and emotional support for young people who are disadvantaged will result in them having opportunities and the means to overcome barriers to success (break out of the cycle).

Issues that had arisen from this theory of change included:

- **Lack of impact measurement:** How do we assess the value of the outcomes of the Foundation and use this to guide developments?
- **Lack of clarity about the areas of impact on which to focus:** What level of partnership development do we need with non-profits? What degree of engagement should we have with other philanthropic organisations? What is our geographical target, if any?
- **Disadvantage is extremely complex:** Often addressing one issue is not sufficient to impact on the whole system. Do we need to think about collective initiatives?

In addressing these issues, the Foundation recognised that there was an opportunity to draw on current developments, engage with leaders in the field and develop a strategic approach to philanthropic engagement. The idea of a collective impact approach with a geographic focus became the central theme of a strategy workshop.

Collective impact: A departure from the isolated model

Collective impact has come to be seen in the non-profit sector as a new and more effective process for social change. Traditionally the non-profit sector has focused on isolated impact, an approach oriented toward finding and funding a solution within a single organisation (Kania and Kramer 2011). The Foundation's old theory of change did just that – target single organisations that offered a solution that aligned with the mission.

Collective impact is a vehicle for facilitating social change. It brings together multiple cross-sector organisations to focus on a common agenda. The power of collective impact lies in what Kania and Kramer (2013) call the 'heightened vigilance that comes from multiple organisations looking for resources and innovations through the same lens'. They articulate the five conditions of collective impact:

1. **Common agenda:** All participants have a shared vision for change including a common understanding of the problem and a joint approach to solving it through agreed upon actions.
2. **Shared measurement:** Collecting data and measuring results consistently across all participants ensures efforts remain aligned and participants hold each other accountable.

3. **Mutually reinforcing activities:** Participant activities must be differentiated while still being coordinated through a mutually reinforcing plan of action.
4. **Continuous communication:** Consistent and open communication is needed across the many players to build trust, assure mutual objectives, and create common motivation.
5. **Backbone support:** Creating and managing collective impact requires a separate organisation(s) with staff and a specific set of skills to serve as the backbone for the entire initiative and coordinate participating organisations and agencies.

Collective impact provides a complex and agile process for complex problems. In the philanthropic space, collective impact provides the vehicle through which donors become stakeholders in a much broader process than the singular act of grant making.



'I don't feel tied up by the strategy, I feel empowered by it'

Stephanie Exton, Executive Officer, George Hicks Foundation

The project: A new strategy for more effective social change

Philanthropy can be unconstrained, it can be flexible and risky, responsive and immediate, long-term and visionary. Smart philanthropy can change the game. The Foundation had a vision for how they wanted to change the game but it needed help in articulating that strategy. The Foundation wanted a strategy expert to facilitate the process but also expertise in the non-profit space and so they approached Right Lane.

Right Lane worked closely with the George Hicks Foundation in the lead up to its December 2013 strategy day to understand what key questions needed to be answered on the day. The answers to these strategic questions would position the Foundation to affect the change captured by the mission.

During the board strategy workshop the board re-affirmed the mission and agreed that the mission did not need to change. What did need to change was the strategy.

The board agreed that, to help young people break out of the cycle of disadvantage, the new game plan needed was of collective impact with a geographic focus on the Mornington Peninsula.

The Mornington Peninsula is an area characterised by great wealth and great poverty. It is the holiday playground of Melbourne's wealthy while also being the area with some of the most disadvantaged postcodes in Australia. To really break the cycle of disadvantage educational interventions need to start with and support expecting parents. A collective impact framework allows the Foundation to work with various stakeholders and communities in the region to achieve long-term impact.

Through the strategy process the Foundation articulated four new objectives to guide its work:

1. Establish a presence in the centres of disadvantage on the Mornington Peninsula
2. Strengthen and build current and new relationships and alignments
3. Raise the profile of the Foundation and draw new donations

4. Create a monitoring framework for the Foundation.

Right Lane worked closely with Stephanie Exton (the Foundation's Executive Officer) after the strategy day to develop a detailed plan to enliven the Foundation's new strategy, with each objective having a corresponding set of initiatives and measures.

The strategy has given the Foundation a renewed focus to enable it to have the kind of impact it has always set out to have.

A future of long-term investment in the Peninsula

Work has already begun on the Peninsula, the focus currently on Hastings and West Rosebud. A brief environmental analysis was undertaken and the Foundation has been in contact with various organisations on the Peninsula. In June 2014, Stephanie Exton took a group of representatives from organisations on the Peninsula to visit Doveton College a project the Foundation supports. Doveton College is an integrated family and children's centre and school (birth to year 9) operating within a single governance model for children and families in the area. This integrated school could provide an appropriate model for other areas on the Peninsula.

Since spending more time in the area the Foundation has recently launched a small grants scheme for non-profits operating on the Peninsula. The application process is short and simple in comparison to traditional grant applications. The scheme allows the Foundation to see what kind of work is being done, what the needs are, and who the organisations are working to address disadvantage.

The Foundation's strategy is flexible enough that it does not feel hamstrung and has empowered its staff to be able to make decisions and introduce new initiatives, such as the grant scheme.

The Foundation is positioning itself as a resource for other donors where it can pass on information, create partnerships and become a contact point to inform potential donors about the impact of giving. It is early days, but the Foundation is committed for the long-term and will strategically build relationships

and alliances alert to the needs of the community and the key role the community itself plays in long-term social change.

Right Lane will continue to work with the Foundation in developing its collective impact framework.

Consistent with our purpose to 'contribute to a better society by helping organisations that do good do better', Right Lane works with a small number of social impact organisations on a low-fee basis to improve and implement their strategies. In 2013, Right Lane allocated 7% of its consulting revenue to these engagements.

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Giselle Diego is a Project Manager at Right Lane Consulting and Stephanie Exton is the Executive Officer of George Hicks Foundation.

References

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want to know more?

If you want to know more about how Right Lane can help your not-for-profit organisation approach strategy development, please contact **Giselle Diego:**

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