

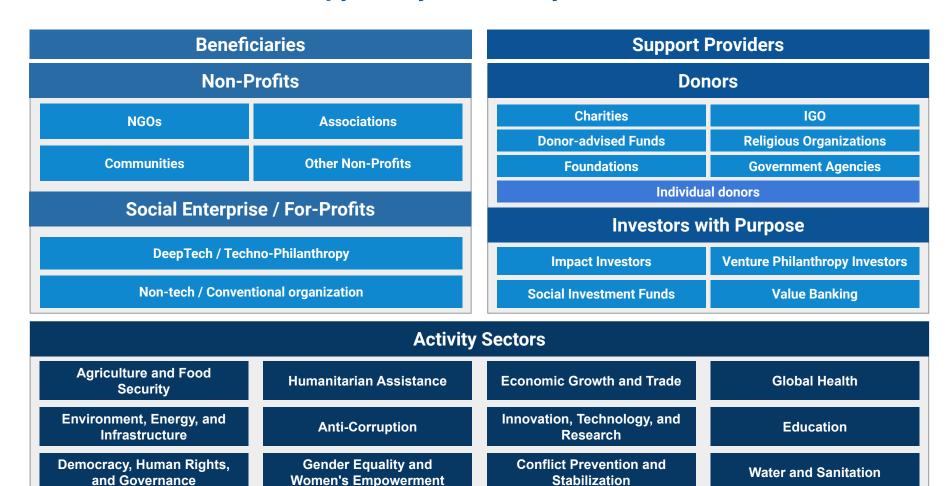


Philanthropy Ecosystem Analytical Framework Teaser





Philanthropy Ecosystem Analytical Framework

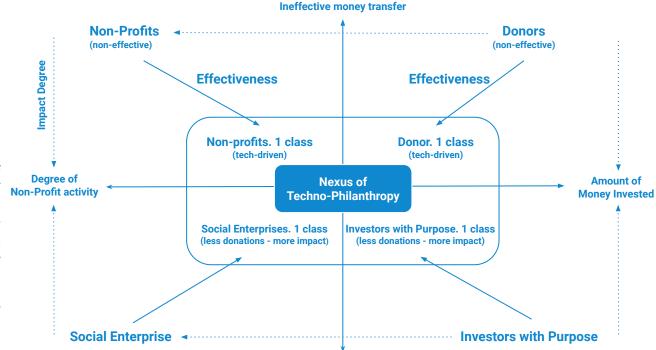


Techno-Philanthropy Nexus for Measuring Social Impact

Robust metrics are the main tech-enabled benefit distinguishing traditional from technologically enhanced philanthropy.

The application of the framework shown here enables a system of metrics revealing how the closer any of the 4 entity types get to the nexus of techno-philanthropy (the maximal state of technology adoption in their approaches for allocating/donating/investing money and for using money for social impact causes), the more social impact per resource expenditure they get.

Each axis represents an aspect of philanthropic activity traditionally vulnerable to unethical, wasteful or inefficient implementation, and amenable by technological enhancement.



Source: www.philanthropy.international

Deep Knowledge Philanthropy

Beneficiaries

If the foundation or entity received receives donations and support towards a particular social project, it's classified under **our framework as a beneficiary.** They always reinvest their profits back into their operations to continue fulfilling their mission. While they can legally generate profits, these profits should be used to sustain the organization, including paying staff salaries, building infrastructure, or launching new programs. They play an important role in philanthropy by providing people the opportunity to make charitable donations to causes that are meaningful and important to them. They serve to provide support and assistance to those in need, to foster collaboration between different stakeholders, and to fund initiatives that help to build a better future for individuals, society, and the environment. They also offer donors or investors an efficient and transparent way to put its resources towards causes that matter, and with substantial impact. Therefore, by utilizing the support of beneficiary, philanthropists have the potential to create long-lasting, meaningful changes.

Support Providers

If the entity, profit or non-profit, public or private, is focused on giving, it's classified under our framework as a support provider/donor. These are donors who play a key role in philanthropy by providing resources for beneficiaries to address the important needs of society.

They range from individuals, foundations, religious organizations, charitable trusts, and donor-advised funds to government-sponsored agencies and government grants, as the impact and venture philanthropy investors. Their funding helps beneficiaries advance social causes, provide vital services, and transform lives.

Donors provide vital financial stability to non-profits, giving them the power to bring about change. Additionally, they can provide a voice to a cause and raise awareness, advocating for action and inspiring acts of generosity from others.



Beneficiaries Framework

Non-Profits

Non-profit organizations, often abbreviated as NPOs, are entities formed with the primary objective of serving the public interest and addressing societal needs rather than pursuing financial gains for their members or stakeholders. These organizations operate in various sectors, including education, healthcare, social services, environment, and the arts, aiming to make a positive impact on communities and the broader world. At the core of a non-profit's philosophy is the commitment to fulfill a specific mission or cause, whether it's providing aid to underprivileged populations, advancing scientific research, promoting cultural awareness, or fostering environmental conservation. To sustain their operations and pursue their objectives, non-profits often rely on a combination of donations, grants, and fundraising efforts. Non-profit organizations are governed by a board of directors or trustees, who oversee the organization's activities and financial management. Their success is often measured not in financial profits but in the positive social impact and progress they achieve in addressing the pressing needs of the communities they serve.

Social Enterprise

Social Enterprise is a sector of philanthropy that works to solve and create social and environmental value through combining the effectiveness and efficiency of business solutions and sustainable development. Social enterprise focuses on making positive changes to society and the environment, while still making a profit. These organizations provide products and services to their target market—often those living with financial disadvantages or poor social support. Through this approach, they seek to change and improve the welfare of those individuals. By reinvesting their profits into the community, these businesses become sustainable, providing much-needed long-term solutions. Examples of social enterprise activities might include providing clean water, creating affordable housing, or startup companies offer access to technologies like AssistiveTech and AgeTech. These activities often support a variety of different problems in the communities they work with, helping to address the root cause of the issue.



Support Providers Framework

Investors with Purpose

The "Investors with Purpose" sector focuses on the idea that investments should be made with a purpose and with social value that goes beyond financial gain. It seeks to make decisions that have a positive social impact while also bringing in returns.

The investments involved typically have a finite timeline, usually between 3 to 10 years, and are often focused on specific impact-focused projects or initiatives that have a tangible impact on people, communities and the environment. Investors are likely to be focused on impact metrics such as the number of direct beneficiaries, quality of lives improved, vulnerable demographics served and job creation opportunities for underserved communities. Furthermore, investors in this sector often seek to build real, long-term relationships with their investee organizations to collaborate on how to deliver sustainable social and environmental impact.

Donors

Donor organizations, also known as donor agencies or donor institutions, are entities that play a crucial role in the field of international development and humanitarian aid. These organizations are typically established by governments, intergovernmental bodies, or private foundations, and their primary objective is to provide financial, technical, and sometimes material assistance to countries or regions in need. The ultimate goal of donor organizations is to promote socio-economic development, alleviate poverty, and address pressing global challenges such as hunger, disease, and environmental degradation. While donor organizations primarily focus on providing financial aid, they also offer technical expertise, knowledge sharing, and capacity-building assistance to recipient countries and local organizations. To ensure transparency, accountability, and effectiveness, donor often collaborate with organizations governments. non-governmental organizations (NGOs), and other stakeholders in the development process. Additionally, they adhere to specific guidelines and frameworks to evaluate project impact, measure success, and make necessary adjustments to achieve their intended objectives.



Non-Profits Framework

Non-Profits

Non-Governmental Organization

An NGO, or Non-Governmental Organization, is a non-profit, independent entity that operates independently of any government. NGOs are typically created by individuals or groups with a shared interest or concern for a specific social, environmental, or humanitarian issue. They work to address and tackle various challenges such as poverty, human rights violations, environmental conservation, education, healthcare, and more. NGOs operate on a local, national, or international level, often collaborating with governments, other NGOs, and local communities to implement programs and initiatives. They rely on donations, grants, and volunteers to fund and carry out their work. NGOs are driven by a mission to create positive social change, advocate for marginalized groups, raise awareness, and provide services and support to those in need. NGOs play a crucial role in filling gaps in public services, amplifying the voices of marginalized communities, and fostering sustainable development. NGOs maximize their impact and resource mobilization through collaboration and advocacy with stakeholders. They are managed and coordinated by private individuals, but they also draw a large part of their strength from other members of the organization. NGOs are pivotal players in the philanthropic landscape, reaffirming their status as potent agents of transformation dedicated to creating positive change worldwide.

Associations

Associations, as an organization type, refer to groups or entities formed by individuals or organizations with common interests, goals, or purposes. These associations are typically non-profit in nature and are governed by a set of rules, bylaws, or constitutions that outline their structure, objectives, and operating procedures. Associations can exist at various levels, such as local, regional, national, or international, and can cover a wide range of sectors and areas of interest. The primary purpose of associations is to promote and advance the interests of their members or the broader community they represent. They often serve as a platform for networking, knowledge sharing, advocacy, and collective action. Associations may engage in activities such as organizing conferences, seminars, or workshops, conducting research, providing resources or services, and representing their members' interests to external stakeholders, including governments, regulatory bodies, or the public. They often rely on membership fees, sponsorships, donations, or grants to fund their activities and operations. Associations play a crucial role in various fields, including business, healthcare, and social justice. They provide a platform for professionals to connect, share ideas, and collaborate on common goals. Professional associations, alumni groups, clubs, and personal interest communities allow managers to gain new perspectives that help them advance in their careers.



Market Overview

Philanthropy and Impact Investing Landscape Overview

Ecosystem Size 4 Trillion USD

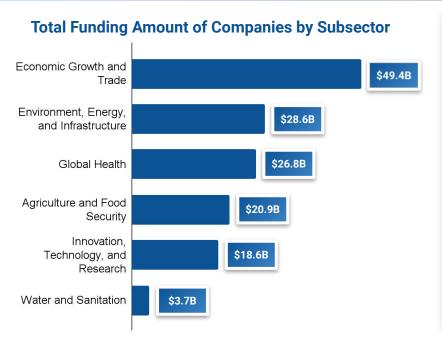
(in money and in-kind contributions)

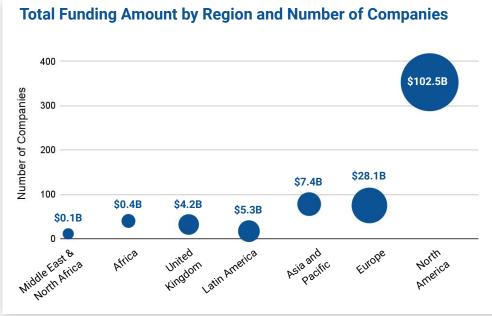
4% of Global GDP





Companies Funding in 2023

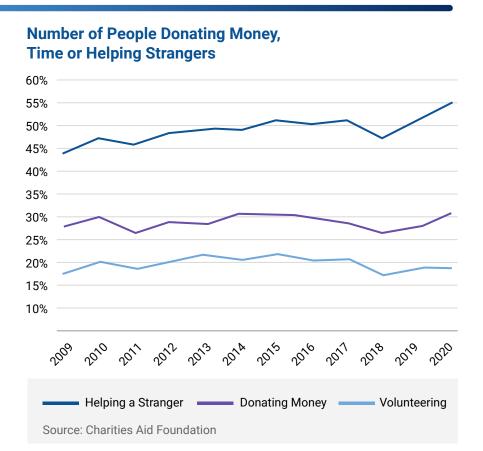


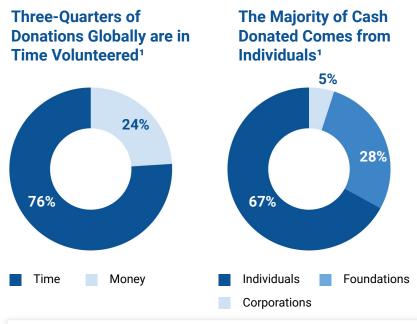


As of April 2023, the total funding of Philanthropy companies reached \$150B globally. Being the largest category by the number of companies, Financial Inclusion is also leading by the total funding amount, which is reaching almost \$50B.

North America is the undisputed leader by funding, with total value at \$102.5B. With nearly equal number of companies in Europe and Asia & Pacific regions, funding in Europe is almost four times larger.

Drivers for Philanthropy





The number of people donating money or volunteering around the world has been relatively stable over the last 20 years. In addition, over the last decade, an increase in aid to strangers has been seen, especially during the pandemic, which indicates that the mood for charity could grow.



Philanthropy.International

Open Access Global Philanthropy Ecosystem Knowledge, Collaboration, Community and Impact-Matching Platform

www.philanthropy.international