



FundAction: Five-year review

Summary report, January 2022

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Background

FundAction was founded in 2016 by a network of activists and funders in order to develop and deepen participatory grant-making across Europe. The initial founder members included:

- Edge Funders Alliance (the fiscal and administrative hosts until 2022)
- OSIFE
- European Cultural Foundation
- Charles Leopold Mayer Foundation
- Guerrilla Foundation.

Since then, **FundAction** has funded over 100 projects with a total spend of **€660,000**. There are now 275 members across 29 countries. **FundAction** aims to:

- Distribute funds towards the needs and aims of activists, as identified by activists and movements at the frontline of action;
- Strengthen collaboration and mutual support among European activists;
- Build the capacity of activists and the social movements they work with.

FundAction's values are central to its existence, and it aims to live these in the approach it takes to its processes and functioning. Decisions are made in a participatory, inclusive and democratic way: care is taken to avoid hierarchical power structures.

Day-to-day decisions are made by an eight-person Facilitation Group, including a Coordinator and a funder representative. Funder representatives do not have voting rights. The Facilitation Group roles revolve every two years and comprises of FundAction members, selected through a community process.

FundAction offers four different types of grants:

1. **Resist:** €1,000 grants allocated on a rapid response basis. This fund started in 2020 and helps to grow the membership by encouraging new applications; **46** Resist projects were funded between 2020-2021.
2. **Rethink:** Grants of up to €5,000 with a focus on collaboration and movement and capacity building. **37** projects have been funded since 2017.
3. **Renew:** Grants of up to €20,000 for projects focusing upon systemic change. **10** applications are voted through to a peer-to-peer panel which selects the final projects. **19** projects have been funded since 2018.
4. **Thematic:** Grants of up to €20,000 organised along the principles of renew grants but with a specific theme.

Five-year review

m2 was commissioned to undertake a review of the first five years of FundAction's activity and to reflect upon the next five years. The key learning questions were:

1. Assess the validity of the initial mission, vision and values;
2. Assess the priorities of the FundAction community in terms of learning and developing the organisation over the next five years;
3. Evaluate the impact of grants and the participatory grant-making process.

This report summarises the findings of the review. It sets out the learning concerning:

- The key successes of the past five years;
- The difference FundAction is making;
- Challenges and tensions;
- Reflections for the future.

This summary sits alongside three other outputs:

- The full dataset;
- The PowerPoint presentation made to the FundAction Assembly;
- Three case stories.

Methodology

Following an initial desk research review, m2 designed a three-pronged approach to the review:

1. Qualitative and quantitative research

- Interviews (over Zoom) with 26 interviewees. These included grantees, current and past members of the Facilitation Group, donors, and two less engaged members of the FundAction community.
- Three focus groups (14 people in total), two with successful grant applicants, and one with unsuccessful grant applicants.
- An online survey to all members - 30 were completed.

All interviews were transcribed, coded and analysed by theme. Individual quotations have been anonymised. The list of interviewees is attached as an Appendix.

2. Case stories

Three case stories examining FundAction's relationship with - and impact upon - specific grantees in more detail. These involved interviews with key stakeholders and a document review.

3. Iterative input from FundAction

It was important to have as wide an engagement as possible with the FundAction community, who were grappling with the issues arising from the review in real time.

m2 met the FundAction Coordinator on a fortnightly basis throughout the review to update on emerging findings and to discuss process and progress.

The FundAction Facilitation Group invited interested members to participate in an Advisory Group for the review; the Advisory Group commented upon the methodology and findings throughout the review.

m2 presented and discussed emerging findings to:

- An Advisory Group workshop on 19 July 2021
- The Facilitation group on 1 October 2021
- The Facilitation and Advisory Groups on 4 November 2021
- The FundAction Assembly on 18 November 2021.

The discussions in these fora have been incorporated into the final reporting.

Limitations to the data

The key challenge in the methodology was to engage with members of the community who have been less involved in FundAction's work, and to move beyond the known voices within the organisation. This has partially been addressed by speaking to two FundAction members who have felt less engaged.

Looking back: 10 key successes

The review identified 10 key areas of success for **FundAction** over the past five years:

1. Continued existence

FundAction was set up as an experiment in participatory grant-making and movement building; the very fact of its continued existence is seen to be proof of both concept and approach. Having built a network, developed a membership, and set up processes that enable effective participatory grant-making are all seen to be significant achievements:

'The main achievement is keeping the network going; the whole structure; and increasing the number of members and grant rounds.'

Within the current challenging external context including the growth of nationalism, Covid-19 and 'Brexit', **FundAction** is seen to have even greater relevance and to be answering an even greater need:

*'The shrinking civic space in all European countries – **FundAction** has been holding that space very well and it would be a big loss if they stopped existing. The pandemic has demonstrated how important **FundAction** is in the way it does things.'*

2. Living the values

FundAction is seen to put its values into lived action through its processes. This commitment to democracy in action is widely admired - though understood to be challenging:

'The values all felt very important - they were not just a bunch of words that were repeated; they were lived. It makes it very slow, but everyone appreciates that the values are being lived through the process.'

FundAction's commitment to the value of transparency has meant that the struggles to put democratic principles into action have been shared with the membership; this open acknowledgement of imperfection is appreciated by stakeholders who see **FundAction** as being 'as good as it gets' in terms of the democratisation of grant-giving:

*'**FundAction** at least tries to be democratic - the different processes, the grants, the participation, the Facilitation Group.'*

This focus upon continual learning and ensuring there is space and time for reflection has necessitated an openness of approach and thinking; in turn this has created opportunities for learning within the membership:

*'The most important thing that **FundAction** has done is providing a space and time for a community of activists to learn from each other.'*



3. Wide buy-in to vision and mission

FundAction's mission and vision has galvanized support from members and stakeholders who feel that they are a clear, confident and ambitious assertion of **FundAction**'s aims. 25 out of the 26 survey respondents who answered the question agreed or strongly agreed with the statement: 'I understand and agree with **FundAction**'s mission and vision.'

*'I feel that if I look to the core of what **FundAction** is, the vision and the mission are clear.'*

Some felt that the scale of the vision means that there are many competing priorities; this, they said, could be addressed by re-articulating and re-focusing the vision for the next five years.

4. Engaged and effective governance

FundAction is seen to have set up fair governance systems, which minimise inherent power structures through the voting system and rotating membership.

Facilitation Group members are deeply engaged in **FundAction**'s processes; it is a time-consuming role and one - it is acknowledged - that not everyone would have the capacity to perform:

'I see the engagement of the people in the Facilitation Group. Questioning themselves constantly. Asking for advice. For me they are serious. They are involved on a daily basis.'

The systems around the Facilitation Group are effective with, for example, a smooth handover process to incomers to the Group. There are some significant challenges to working in this way (*set out below*); but the Facilitation Group has done its best to work through and acknowledge these.



5. Effective application, grant-making and reporting processes

FundAction has set up application and reporting processes that are largely viewed as proportionate, flexible and fair to members:

*'The lack of administrative burden is [appreciated]; with other grants it takes a huge [amount of] energy, time and capacity. It's great with **FundAction** that you don't have to do that.'*

Most stakeholders agree that the online platform - *Decidim* - works well for participating in grant - making processes:

'I really like the grant-making processes and the use of the platform. Being able to read the applications. That is amazing. You can interact. There are concrete tasks. You can read the proposals and comment on them. You can start a conversation on a particular topic.'

The peer-to-peer panels are an important aspect of the participatory process. Interviewees valued the fact that the panels offer an opportunity to meet and learn from one another:

'It is a good opportunity that members meet each other. Sometimes it is people who never know of each other. That is always a plus. Whenever I have been on such a panel that is the main benefit; that I meet people that are members. This is a chance to learn what they do.'

The Annual Assembly is greatly valued for the depth of its discussions and the opportunity to meet other members:

'Another major success is managing the Annual Assembly so well - they have always been very good.'

6. Building trust

Members feel there is trust and engagement amongst the membership, with space for different viewpoints to be aired:

'There is a sense of trust amongst members. My voice was definitely heard. I felt very comfortable [...] All voices were heard and that I like.'

This is particularly the case for people who have been engaged at a deeper level, whether through the peer-to-peer panels, the Facilitation Group or the different working groups. The more engagement there is, the more people feel that they benefit:

'I feel I am part of a community which for sure is smaller than the number we have on the website, but I met a lot of people that... I can count on... they care about you.'

7. Fundraising

FundAction is seen to have made positive progress with fundraising, in particular accessing a new pool of individual donors:

'They now have more individual donors; they know their way better around the funders' landscape and that is necessary as the original donors will not be funding them forever. FundAction is doing very well in engaging other foundations [and] large individual donors.'

FundAction is also perceived to take its values around non-hierarchy into its positive relationships with funders:

'As a donor it is going really well. [...] they are managing this with the donors. It does not feel like they are trying to please me. It feels on the same level which is nice.'

8. Reach

By using participatory processes - and actively encouraging applications and membership from activists - FundAction has been able to reach grantees and projects that are less likely to get funding from traditional donors. This includes volunteer-led organisations and those working on politically challenging issues:

'FundAction engages with movements across Europe, it works on systemic alternatives, funding those activists that don't usually get funding.'

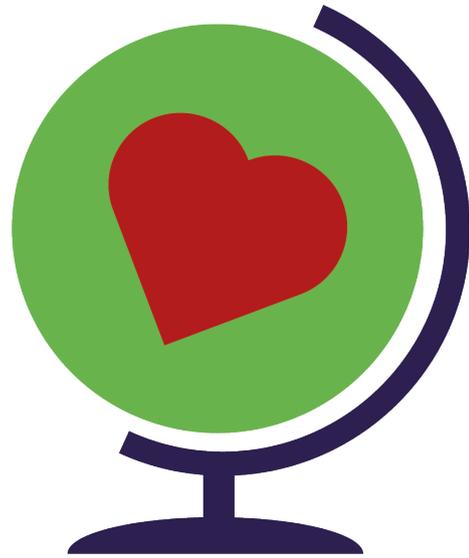
FundAction is helping communities and movements across Europe to build networks and bridges; in turn this brings more activists into the membership through the invitation system:

'At the European level, I don't think there is another example of a fund that has so much [of a] collective assessment of where the money should go.'

9. Influence

FundAction is increasingly perceived to be influencing thinking in the wider participatory grant-making space. In particular, there is interest in the thinking being done about how to translate values into process:

'FundAction is breaking new ground. Nowadays there is a trend towards participatory grant-making and there is a wave that is currently on a rise, and FundAction has played a role in that. From this aspect it has fulfilled its initial goals.'



10. Covid response

The response to the Covid-19 pandemic was seen to be 'outstanding'; in particular, the speed at which FundAction was able to mobilise and distribute funding:

'They mobilised very quickly around Covid - a lot quicker than traditional grant-makers [...] Their agility showed up how un-agile traditional grant-making is.'



The difference this makes

FundAction's impact can be looked at in relation to individual organisations and activists; the membership and community; and the wider funding ecosystem.

1. Impact upon organisations and activists

By channeling funding to smaller, grassroots organisations, **FundAction** is reaching communities that would not necessarily be able to access grant-funding:

'FundAction is very different [to other funders]. I am involved in movements that are in struggle; we are facing eviction and defending people that are occupying and being threatened with eviction. We are in an active struggle, and it is very difficult to have access to funds because we are contesting the system.'

The flexibility and transparency of the process mean that grant applicants feel that there is greater transparency in how they present their financial needs; this can be done in a way that is not dictated by funder requirements. There is also appreciation of the way in which **FundAction** enables re-funding of the same project, unlike many other funders:

'You can come up with your own needs, you don't have to frame everything according to the words of a funder. It's also understood that needs remain the same, you can come back with a proposal.'

For the organisations receiving grants, the fact that they have been endorsed by their peers makes the funding feel more valuable; there is a community of activists behind them. For those that have not received grants, the process of engagement can itself be supportive:

'Even if you don't get selected it helps you draft ideas that will then be elaborated [upon] for a future [application].'

2. Membership and community

Whilst there is consensus that more could be done to build a stronger network and community amongst **FundAction**'s membership, there is also agreement that important work is being done to encourage connectivity and community building.

Interviewees pointed to specific examples of where **FundAction** has enabled the development of networks between members:

'This has created [networks], for example a project that connected several movements in countries in Eastern Europe. Also, a housing network was created that connected housing activists which exchanged different experiences and even created a legal platform.'

The grant-making processes are increasingly designed to encourage collaboration between members; the rotating membership of the panels and Facilitation Group means that, at an individual level, as previously recorded, members are encouraged to get to know one another:

'Being in this community gives me hope [...]; we have a common threat that connects us. [...] Because the processes are transparent, they empower me.'

The impact upon community building is largely understood to be a side-effect of **FundAction**'s approach rather than a deliberate strategy and there is debate over the extent to which this should be shifted further:

'The way collaborations are happening is through grant-making. I may apply for a project and when other members read about it, they may decide they want to join; that is what builds collaboration and partnerships between members.'

3. The funding system

FundAction is influencing the thinking and approach of other funders. For many interviewees, this was the most significant impact to date:

'To those who know, FundAction is the go-to example of how to do funding differently and democratically towards systemic alternatives. This is an incredible achievement because most of the time funders think what FundAction does is impossible. FundAction can demonstrate that they have been doing [this] for years.'

FundAction is seen to be bringing the debate about participatory grant-making to more traditional foundations who have not yet embraced this approach:

'FundAction is having an impact upon the conversations about power and different relationships between grantees and foundations. Foundations are not radically changing but the debate is more present than five years ago. Foundations are stopping to consider more how they are spending their budgets.'

There is also acknowledgement that there is more to be done in this space, and a desire for FundAction to use its influence more effectively to take these debates further:

'The missed impact is that these groups of people who know about FundAction are still too small compared to the overall funding sector.'

If FundAction wishes to take up this influencing role further, it needs to have greater external visibility - and a clear strategy about the extent to which this is part of its role and remit:

'It is not having enough impact and that is because nobody wants to focus on that [...] FundAction should be attending events, writing, speaking at things, saying over and over again – this is us and this is what we do, and this is why it is better.'

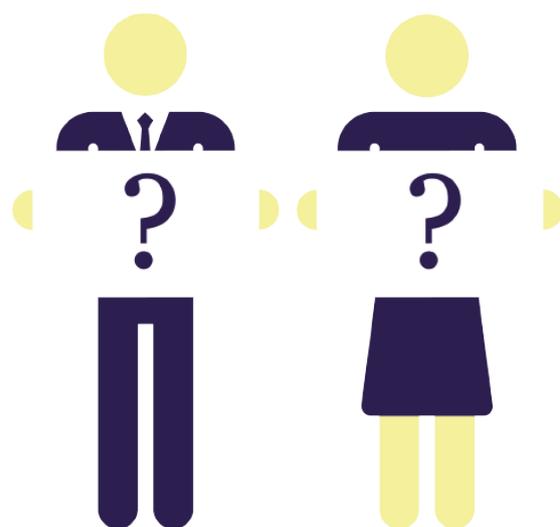


There was also debate about the extent to which FundAction engages with wider systems change efforts. For many, being able to support organisations working at a systemic level should be a vital element of FundAction's mission – this is a role that can be challenging for larger funders to play, and FundAction therefore has an important niche to fill:

'FundAction needs to focus on systemic change from an activist point of view – that is their niche...an organisation by activists and for activists. If large philanthropic organisations try to get into that space, it is unhealthy and a bit weird. FundAction have a legitimacy to be in that space. They can provide support and do things in a way that other organisations can't.'

Part of the way forward with this is establishing a common understanding and language around systems change which does not currently exist within FundAction:

'Systemic change: we need to do more on this. There has been a working group but it's standing still. We need to be clearer on what we want to do. For me as an activist it's fantastic that FundAction is about systemic change. [...] If we had a stronger sense of having a common political objective we could see where FundAction is supporting all of us and where it fits.'



Looking back: 10 key challenges and tensions

1. Membership

FundAction has grown its membership through a closed system, in which existing members pass on invitations to others. This has meant the membership reaches smaller organisations and activists who might be off the radar for larger funders. It also means that the level of grant applications and membership support does not outstrip **FundAction**'s capacity to respond:

*'There is a limit on the number of invitations to increase the membership which is understandable as there would not be the capacity to manage a very large community. The invitation [approach] ensures that those that join are not just doing it for the funding and that they are aligned with **FundAction** values and being part of the community [...] It works in terms of managing membership capacity, but I also find it a bit restrictive.'*

Despite the relatively small membership, a substantial percentage do not engage fully with **FundAction**'s processes. This somewhat calls into the extent to which **FundAction**'s democratic principles can be said to be met when many members do not fully engage with the participatory processes:

'It is always more or less the same names commenting on proposals or commenting on debates. It takes a lot to be interested in participatory funding if you are not running the projects.'

There are clear reasons for this, namely lack of time and capacity for activist-led organisations to participate in lengthy processes. The fact that English is the medium also creates barriers:

*'I feel very few members do contribute to the comments and votes. It is quite hard to be a member only through the internet when you are overloaded with your day-to-day work. You get an email from **FundAction** and you have to comment on a project in other countries.'*

Covid has further exacerbated these challenges, with the lack of face-to-face meetings and organisations going into survival mode making it harder for many people to engage:

'The pandemic meant that many things could not be done as there were emergencies that had to be dealt with. People don't have much room to invest into these processes.'

From the members' perspective, **FundAction** can feel confusing and opaque. It is not clear how it operates or what is expected of them. With no fixed induction process, new members do not necessarily feel they have the information they need to engage:

'I have never invited anyone. I know a list of people I could invite. They are relevant and could benefit [...] It is not always easy to explain what the fund is. [...] Many times, they are like "it is interesting, but I don't know what it requires."'

Whilst the grant rounds and Annual Assembly drive greater levels of engagement, there is a lack of sustained involvement from the majority of members at other points of the year:

'I see engagement where there are grant rounds but don't see engagement when there are other participatory processes going on.'

There are some inequalities between different types of members - particularly between those who were there at the beginning and those who have joined more recently:

*'Those who are there from the beginning understand how **FundAction** works and are able to explain to the people they invite. But for those who are new, it is a complex mechanism so they may be expanding the network without really explaining how everything functions.'*

There are also limited opportunities for members to feed back about their experiences of **FundAction**, as opposed to getting involved in the voting processes.

2. Communications

There has been limited time and resource for communications, both internal and external. Whilst recent efforts to communicate - for example, the podcast - have been praised, overall, the communications from FundAction are seen to be quite dry and not very engaging. The website is not thought to explain the work well and - as outlined above - this is off-putting to potential and new members:

'It is one sided communication, not a dialogue.'

Internal communications do not feel well coordinated to members, some of whom feel that they receive too much information, not all of which is relevant:

'There is a lot of internal communication: sometimes too much. I still get all the notes from the meetings which I don't read.'

Externally, FundAction is not seen to communicate its successes effectively enough. In particular, it is not perceived to be sufficiently vocal about the difference it is making or about how others could learn from its processes:

'FundAction is perceived as interesting but still people don't know much about it. I had a call with someone who wants to set up a participatory mechanism - they said they could not get much information about FundAction from the website. The website communication is not working so FundAction needs to find new ways.'

3. Community building

There are unresolved views about the extent to which FundAction should be actively seeking to develop a community and network between the members, or whether focusing purely on grant-making should be the priority:

'There was never any mechanism to do [community building]. It was always seen as a side-effect. We assume it will happen, but it does not happen automatically.'

For many members, the grants ought to be the priority, with any community building being a side benefit. This also recognises the reality that many people will join purely to access funding:

'I'm not sure that FundAction does need to be much more than grant-giving; participatory grant-giving is so important.'

To some extent this is because members feel it is a difficult thing to do well, especially when working online with limited resources and with very busy people. The platform is not seen to work well as a community space:

'The online platform is supposed to support grassroots activism, but it is one of the tools that is furthest away from what grassroots activism is.'

For the majority of interviewees, however, building a stronger community and enabling connections and networks to evolve should be a fundamental aspect of the approach and vision:

'For me the community is very important, and the challenge to build the community is very important.'

There is acknowledgement that doing this requires significant time and investment; developing the community will not happen given the current resource constraints:

'What is missing is doing more than grants - there is an immensely rich community and there could be so much more happening in that community. That takes resources but they have a community, and they could do so much more than [just] giving grants.'

4. Voting system

In many ways the voting system is seen to be a success; the processes are straightforward, and the platform works well in this respect. There was a concern however, cited by several interviewees, that there was inherent bias in the system. They felt that the same people tended to get involved in the voting process, and that this creates a situation in which people vote for the organisations and people they know well:

'To me it's like a popularity contest. It feels like I came at the bottom of the pile [because] the projects I put forward are outside the main group's focus and interests. I am not in that clique and do not feel great about it. I got a rejection from a traditional funder today and it felt similar.'

This view was not only expressed by those who had not been successful in their funding bid; others also felt that the system was open to manipulation and would favour those who are better connected to the community:

'Some people are better connected than others. We vote for the people we know. There are exceptions but I think that is mostly the case.'

5. Governance

FundAction's democratic approach is greatly valued by stakeholders who also appreciate the way in which the challenges of working in a non-hierarchical way are discussed.

The rotating membership of the Facilitation Group enables different people to get involved and this is welcomed. This process, however, also means that there is a lack of consistency in focus and approach. Different members have different priorities, and this is reflected in how the Facilitation Group operates:

'Of course, the leadership transitions. They change their internal dynamics as well. Each of the facilitators has his or her unique style. This has an impact upon the organisation.'

The rotational approach is seen to increase the risk of losing internal knowledge; this also slows the work down as new members are brought up to speed. The lack of centralised systems makes this harder:

'Each time people come in there is a step back in terms of expertise. We try and keep everything - documents, meetings, budgets - and explain when it is handed over to someone completely new who has to take over. I don't feel there was an evolution, a community memory preserved there. It is not guaranteed.'

Another challenge is how to enable effective decision-making in a structure where all voices are equal and there is no formal leadership. There is recognition that the need for reflection and discussion means that decision-making can be slow. A lot of meetings end up being discursive with no decisions being made:

'The time that it takes for decision-making is a challenge and could be a barrier.'

In part because of the in-depth nature of the conversations, participating at a more formal level within **FundAction** can be time-consuming. It is seen to require a lot of energy, and there is anxiety that people may burn out. There is a pattern of people stepping away from **FundAction** for a period after they have been involved in the Facilitation Group in order to focus their energies elsewhere:

'FundAction is more time-consuming than we wanted it to be. It is a lot of investment to participate in the process.'

These discussions are taking in place in the context of **FundAction** needing to change fiscal host in 2022. This has raised the potential for **FundAction** to become its own legal entity. Whilst there are concerns about the resources required to set **FundAction** up independently, the majority of stakeholders think the opportunities outweigh the risks. Many see the potential for using the transition to address some of these governance issues and to streamline **FundAction**'s ways of working:

'Having our own entity will force us to make clearer the governance and structure. There are problems but also opportunities.'

6. Lack of strategic focus

The challenges associated with the governance structure and decision-making can also lead to a lack of focus and strategic prioritisation:

'Membership: that is one of the things I am breaking my head about. We always talk about it [but] we don't have clear next steps on how to address it. It is one of the big issues we have.'

This issue is related to **FundAction**'s vision and mission; whilst these are welcomed for being ambitious, this also means that they do not provide a guide to their implementation:

'Mission, vision and values [work at] some sort of abstract level. There should be other documents which could go into more detail.'

7. Lack of resources

Internal operations are not sufficiently resourced to cope with the sheer amount of work involved in running FundAction. The scale of ambition is not matched by the internal capacity. Having such stretched resources reduces the potential for growth and sustainability, while there is particular pressure on the role of Coordinator:

'I feel sometimes the Coordinator has a lot to deal with and [this is] not really balanced with the amount of work the Facilitation Group is doing.'

The Coordinator and members of the Facilitation Group are paid for their time; in reality, however, they do more hours than these fees cover. This is largely seen to be unsustainable:

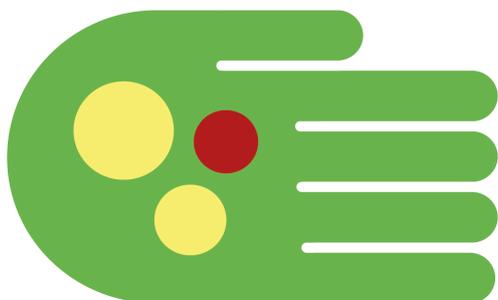
'I think the Facilitation Group work more [hours] than they were paid for: €500 a month consultancy fees for meetings every week plus other stuff. It is certainly not over-paid. For the Coordinator even more so - that could be a full-time job.'

The fact that participating in other ways is not financially recompensed is also seen to be a concern:

'Why should we ask them to contribute their time, their work, their experience on a voluntary basis. That is an issue.'

8. Diversity

FundAction's commitment to diversity is recognised and applauded, as is its transparency concerning the inherent challenges this presents. Barriers to increasing diversity include the fact that participating in FundAction requires digital access and literacy, as well as a good command of English:



'The last digital Annual Assembly was less diverse than the previous one and I think there is a gap between digital and physical participation. Not everyone in the community has the same capacity or time to invest in digital processes.'

Stakeholders felt more could be done to reach out to unrepresented groups, including disability activists, the Roma community and non-English speaking Black communities. There is recognition that this work needs to be ongoing, and to be hyper-alert to issues of representation and bias:

'Facilitation Group members have always tried to be as diverse as possible, but it is an ongoing conversation – you have to renew this goal constantly.'

There is reasonable geographic diversity across Europe. Interviewees pointed out, however, that whilst knowledge of participatory grant-making approaches is higher in Western Europe, the relatively small amounts on offer will be more appealing elsewhere:

'It is clear why there is more interest in Eastern Europe or Southern Europe because [...] you can do a bit more in these parts of Europe with these amounts [...] What you can do with €5,000 in Austria is not what you can do in Serbia or Spain.'

9. Financial stability

FundAction has successfully reached out to a wider group of donors. There are, nonetheless, still questions about its financial stability, and concerns that long-term it may not be viable if more foundations do not support it. It is not yet seen to be in a financially stable state:

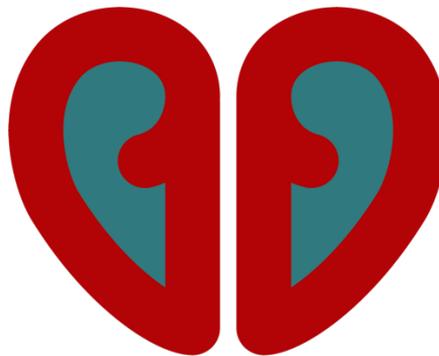
'FundAction has no sustainability – there is just ambition.'

There are challenges for FundAction in moving beyond this. Its pan-European approach and focus on positive disruption mean that it will fall outside the remit of some mainstream funders:

'It is always going to be difficult for FundAction to raise funds from traditional funders. It is seen as a new way of doing things. Philanthropic foundations have existed for a couple of hundred years so everyone is quite comfortable with the power dynamic; then there is a new organisation saying what you are doing is not equitable. It forces traditional funders to examine their own practice.'

The internal resource constraints and rotating personnel also make fundraising more difficult. Building the long-term relationships required for effective fundraising is time-consuming and resource intensive - without internal dedicated capacity, it is unlikely that FundAction will be able to do this:

'Fundraising is less about writing an application form and sending it to a donor, more about being in the space where people get to know you. You want donors to come to you and not you being outside, knocking on the door to donors. We obviously have incredible access as we have donors in our network, and we never capitalised on that. That's because a) activists never want to think about fundraising; b) activists are generally terrible at fundraising; and c) there was always something more important to do.'



10. Points of tension

Many of the challenges set out here spring from a set of tensions within FundAction. This is perhaps inevitable in a thoughtful, reflective and activist-led community. Resolving these tensions will require a continued commitment to exposing and reflecting upon these. The very fact this evaluation was commissioned is, in itself, a reflection of this. 5 key points of tension arise in relation to:

1. The desire to take decisions collectively, yet the need for strategy to be moved forwards in a timely fashion;
2. The day-to-day lack of engagement from much of the membership with FundAction's democratic ambitions;
3. Having a closed membership, yet having ambitions around systemic level change;
4. The need to raise and spend money alongside unease with the concept of financial power;
5. The fact that there are still power dynamics at play within the internal structure and processes - despite all attempts to alleviate these.

Reflections and recommendation for the future

'The whole point for FundAction was to set up to do something different from other grant-makers and I don't think there is any shadow of doubt that this is the case.'

Over the past five years, FundAction has successfully developed an infrastructure; grown a network of members; tested an approach; and distributed funding. It has done this whilst remaining as true as possible to its values.

These are a major achievements; not least as there are no permanent members of staff driving this forward. The effort and commitment of the membership and founders in reaching this point is to be commended:

'We were pioneers but we have been around for five years now. I feel it is the ideal moment to consolidate and be a bit more ambitious.'

There have inevitably also been challenges in getting to this point; we set out here some *reflections* and *recommendations* for the future separated into three key areas – the '3Ps':

1. **Process**
2. **Power**
3. **Participation**

1. Process

FundAction's values and the way it strives to put these into practice through its processes are hugely valued. There is now an opportunity to look at how its approaches in several areas could be more effective, without losing their core connection to these values:

'The values still stand but how FundAction works towards those values needs to be revisited.'

- **Revisiting vision and mission**

There is widespread support for the overall vision and mission. However, spending some time looking afresh at the priorities within these would be welcomed.

This would then act as a more effective set of guiding principles with which to focus FundAction's work - particularly with different people getting involved at different times.

- **Clarifying governance structure**

The decision about whether FundAction has its own legal entity will be critical in determining the shape of its governance moving ahead. Whatever form that takes, however, it is apparent that having more internal capacity at Coordinator level is vital.

There are a variety of options about the practicalities of this: what seems to be key, however, is having this as the equivalent of a full-time role and ideally as a permanent member of staff. This would enable greater continuity of relationships with funders and ensure an institutional memory.

- **Strengthened communications**

The need for more effective communications - both internally and externally - was a consistent theme. This may well entail greater resources being put into this area. Priorities for the communications are:

- making the website clearer;
- streamlining internal communications to members;
- ensuring communications are more visual;
- having a process for members to feed back; and
- a greater focus upon storytelling as a means of describing success.

Having a greater external presence would enable FundAction to more effectively influence the philanthropic system and to share its learning; this is seen to be an important area of focus in the next phase. Clear and consistent messaging will be required as FundAction moves into the next five-year phase.

- **Structured induction process**

FundAction can feel confusing - even off-putting - to new members. Developing an induction process would enable members to understand the vision and approach, and to see where opportunities for engagement lie. This could also be linked to some means of celebrating and connecting new members.

- **Grant-making**

The grant-making process is reaching smaller, grassroots groups and activists effectively. There is interest in looking more strategically at the grants, including thinking about a potential specific focus upon climate change - and offering core funding.

- **Fundraising**

FundAction needs to secure a sustainable financial future. Allocating more resources to fundraising and acknowledging the time it takes to develop those networks will be vital.

2. Power

A key issue for **FundAction** is to discuss, debate and acknowledge the challenges of working in an imperfect system - without letting these necessary conversations slow processes down too far:

'We are not free from the oppressive systems that we are fighting. This reflection about the power dynamic should be an ongoing part of our work. I am sure we are replicating some of them.'

- **Space for discussion**

In order to tackle issues around engagement and diversity, **FundAction** needs to acknowledge that these issues exist and to create spaces to discuss them. Being more open about where the challenges lie, discussing how difficult decisions have been made, and making sure that all this is an on-going conversation are all important.

- **The Facilitation Group**

The Facilitation Group would be seen to have an important check and balance function if the Coordinator role becomes paid and permanent. Establishing clear ways of working - and having open, respectful conversations about the dynamics of the different roles - will be a critical aspect of this.

- **Systems change**

FundAction is seen to have the potential to challenge unfair systems and power dynamics through its working practices as well as through its grant-making. There is currently, however, no common language or aspiration around systems change: spending time on developing this common understanding will be an important first step in enabling **FundAction** to think through its approach to influencing and embedding systems change.

- **Lesson learning**

FundAction could play a useful role in enabling and facilitating lesson learning amongst grantees. By sharing learning about how grantees have tackled structural issues and unequal power dynamics, others will be able to develop their own approaches and build on what works.



3. Participation

A key strategic focus for **FundAction** going ahead is to think through what membership means in a participatory grant-making context. Part of this is also to establish its role in developing the community of activists and organisations it brings together:

'FundAction's niche is bringing people together from all walks of life and different backgrounds and countries to come together and decide where money goes.'

- **The burden of participation**

There are many barriers to members engaging with FundAction including language, time, access to resources. Smoothing some internal processes as discussed above, is likely to remove some barriers to engagement; however, the reality of activists having busy lives and little time will not alter. FundAction, therefore, needs to reflect upon whether there should be an explicit, minimum level of engagement required as part of the membership in order to build a wider voting base.

- **Membership by invitation**

The closed membership with access only by invitation has enabled FundAction to reach a different range of groups and has also kept the membership small enough to be manageable. For some, the concept of a closed membership is at odds with FundAction's democratic values, particularly when existing members do not always use their invitations. If the membership continues to be closed, then a very clear articulation of the value - and the trade-offs this approach brings - would be valuable in demonstrating the thinking behind it. It would be useful to clarify if membership is targeted at an individual or to an organisation.



- **Working groups**

Taking part in a working group can be an important means for members to engage more deeply with FundAction's work. However, they are currently not working particularly effectively - there are potentially too many, and the remits are not always sufficiently clear. This means that people can disengage. Looking ahead, spending time setting out a clear remit and rationale for each group will help to ensure that members feel the groups have the potential to make a difference.

- **Community building**

FundAction could be doing more to actively developing a community amongst its membership. Longer-term this would require specific resources to engage members online; in the short- to medium-term some specific ideas emerged:

- Create a regional and thematic directory of members and their work;
- Create facilitated spaces for members to meet and share issues and to offer mutual support;
- Where possible, find ways of bringing people together physically;
- Develop more grants that explicitly focus on encouraging collaboration between members.



Appendix I: Interviewees

Name	Organisation
Ana Mendez de Andes	Former Facilitation Group member
Brindusa Birhala	Former Facilitation Group member and Coordinator
Carmen Dupont	Current Facilitation Group and Coordinator
Carmen Lozano Bright	Current Facilitation Group
Elcinia Torres	Member
Emilie Deudon	Un Monde Par Tous, Current Funder representative
Ena Pervan	Porticus - new funder
Fania Noel	Former Facilitation Group
Giulia Palomba	Current Facilitation Group
Hannah Paterson	Participatory Grant-making community
Iva Cukic	Former Facilitation Group and Coordinator
Joe Doran	Lankelly Chase, former funder representative
Laura Nortey	OSIFE, former funder representative
Laura Roth	First Facilitation Group 2017
Lucas Tello	First Facilitation Group 2017
Magda Pohec	Member, previous grantee
Marko Aksentijevic	Current Facilitation Group
Martin Modlinger	Fiscal host, EDGE
Menno Weijs	ECF, Former funder representative
Nico Haeringer	First Facilitation Group 2017
Rose Longhurst	OSIFE and former Coordinator
Serap Altinisk	First Facilitation Group 2017
Serdar Caglayan	Member
Tobias Troll	Former fiscal host - founding member
Vassilis Chryssos	Member, grantee alumni
Vedran Horvat	First Facilitation Group 2017