

# The poor philanthropist II

New approaches to sustainable  
development

Susan Wilkinson-Maposa and Alan Fowler

## **The poor philanthropist II: New approaches to sustainable development**

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# CONTENTS

iv	List of tables and figures
v	Acronyms
vi	Preface
vii	Foreword
viii	Acknowledgements
x	Executive summary
1	Introduction
5	<b>Chapter 1:</b> Establishing the terrain
13	<b>Chapter 2:</b> Research approach and methodology
19	<b>Chapter 3:</b> The substance of study and testing
29	<b>Chapter 4:</b> Three innovative propositions for community grantmakers
45	<b>Chapter 5:</b> Looking forward
48	References
50	Appendix

# LIST OF TABLES AND FIGURES

## Tables

- 24 Table 3.1: Demonstration case profile

## Figures

- 8 Figure 1.1: The Multidirectional Philanthropic Framework  
9 Figure 1.2: The Philanthropic Arc  
20 Figure 3.1: The PoC Wheel  
37 Figure 4.1: The Ikwezi Educare Centre's community of help  
38 Figure 4.2: Illustration depicting community estimates of relative contribution  
39 Figure 4.3: Proportionate representation of actor contributions (Witrاندjie sample)  
41 Figure 4.4: The Philanthropic Arc as a self-assessment metric

## ACRONYMS

BCP	Building Community Philanthropy
CBO	community-based organisation
CGLC	Community Grantmakers Learning Cooperative
CGSI	Community Grantmaking and Social Investment programme
DME	design, monitoring and evaluation system
EFC	European Foundation Centre
GSB	Graduate School of Business
JDF	Jansenville Development Forum
MSC	most significant change (evaluation technique)
NGO	non-governmental organisation
PAIM	PoC Asset Inventory and Mapping
PoC	philanthropy of community
PfC	philanthropy for community
PHD	PoC Household Diary
PIME	PoC Impact Monitoring and Evaluation
PMVA	PoC Measuring and Valuation of Assets
PRA	participatory rapid appraisal
UCT	University of Cape Town
WINGS	World Wide Initiative for Grantmaker Support
ZAR	South African rands

## PREFACE

This monograph represents the culmination of a six-year journey; a journey characterised in the first three years by in-depth qualitative research which resulted in an understanding of philanthropic traditions among people who are poor in southern Africa and gave rise to new and innovative concepts which formed the focus of the research monograph *The Poor Philanthropist: How and Why the Poor Help Each Other*, published by the Southern Africa–United States Centre for Leadership and Public Values in 2005.

In initiating a second phase, the Centre, through its Community Grantmaking and Social Investment programme, faced a far tougher challenge; namely, to demonstrate the significance and utility of the research findings and concepts to community grantmakers and to communities themselves, and to do so in a way that bridged the relatively distinct worlds of academe and practice through the formation of partnerships characterised, most importantly, by mutual trust and respect. The goal we had in mind for this phase was the creation of a robust set of resources for community grantmakers and communities in the form of a guideline and instruments which had been field tested through a series of demonstration cases. A major output of this phase is a guideline companion to this monograph, *The Poor Philanthropist II: A Practice-Relevant Guide for Community Philanthropy*, as well as downloadable, web-based instruments ([www.gsb.uct.ac.za/clpv/paim.asp](http://www.gsb.uct.ac.za/clpv/paim.asp), [www.gsb.uct.ac.za/clpv/pmva.asp](http://www.gsb.uct.ac.za/clpv/pmva.asp) and [www.gsb.uct.ac.za/clpv/pime.asp](http://www.gsb.uct.ac.za/clpv/pime.asp)). It is our hope that the guideline and instruments are taken up, further tested in the field and developed to continue the work we have initiated.

The Centre has recognised that there was an important aspect to our experience that, whilst rooted in the original research and learning from the field, offered a far larger and unified perspective on development and, more specifically, on the role of foundations and trusts in aided development. There is an adage which suggests that what you pay attention to you become conscious of. We hope that this monograph is successful in challenging organised philanthropy to place people rightfully at the centre of their own development by paying attention to three critical and inter-related aspects of philanthropic practice: enhancing indicators of success, reforming grantmaking language, and re-assessing good practice in grantmaking.

### **Ceri Oliver-Evans**

Director, Southern Africa–United States Centre for Leadership and Public Values

## FOREWORD

I am pleased to have chaired the original Advisory Committee from which this report had its genesis. The first publication in this series, *The Poor Philanthropist: How and Why the Poor Help Each Other*, has been hailed widely as one of the most important documents to be produced on the helping traditions of low-wealth communities. This report is a natural follow-up to the first study and breaks new ground in its own way.

Foundations, corporate giving officers, individual donors and all those interested in connecting organised giving to the actions of the poor to help themselves should find this report very useful. During my 14 years as president of the Council on Foundations, I often urged researchers and the prevailing gurus on civil society to examine the rich traditions of those whose giving was often left out of conversations about philanthropy. All of us are now better informed and our knowledge of giving enhanced by the work of Susan Wilkinson-Maposa and Alan Fowler.

Of course, this work also reflects the tenacity of the Centre for Leadership and Public Values and its director Ceri Oliver-Evans in staying the course through years of competing challenges for its resources to produce a product of high quality and long-term utility. The United States has seen the emergence of a virtual industry on non-profit and civil society studies. Nothing would please me more than to see similar attention being given to NGOs in South Africa. This report and the work of the Centre at the University of Cape Town has clearly been a major installment on what should be a continuing movement in that direction.

### **James A Joseph**

President Emeritus, Council on Foundations, and former United States Ambassador to South Africa

## ACKNOWLEDGEMENTS

*The Poor Philanthropist II: New Approaches to Sustainable Development* draws on the knowledge and empirical evidence generated by a series of demonstration cases. These opportunities for action learning were conducted under the auspices of the Community Grantmaking and Social Investment programme. The test cases involved collaboration with foundations and trusts that were interested in the opportunity to apply innovations to their grantmaking practice. The novel ideas to be tested stemmed from original research into indigenous philanthropy within poor African communities; and this enquiry was conducted from 2002 to 2005 under the auspices of the Building Community Philanthropy project. Active participation of community-based organisations and communities were critical to implementation, as was the engagement of technical advisors who steered and documented the learning process.

The range of ideas to be tested called for a team that brought together extensive experience as a community of practice. Collaborating organisations committed significant time and technical expertise to demonstration case design and implementation, brokering relationships and gaining access at the community level. Partners included the Community Grantmakers Leadership Cooperative (a project of the Synergos Institute, Cape Town), DOCKDA Rural Development Agency (Northern Cape), Ikhala Trust and the Greater Rustenburg Community Foundation.

Implementation would not have been possible without the support and input of community-based organisations in the area of data collection and analysis. Organisations included Tshepong Home-Based Care for the Terminally Ill and the Jansenville Development Forum – as well as its ten member organisations. The participating communities where demonstration cases were carried out included Witrandjie, Derby, and Boitekong in the North West Province; Galeshewe, Kimberley, in the Northern Cape Province; and, finally, Alicedale, Kwa-Noxolo and Jansenville in the Eastern Cape Province. Technical assistance on the various cases was provided by Ninette Eliasov, Rebecca Freeth, Melanie Preddy, Veni Naidoo and Ceri Oliver-Evans.

The Centre for Leadership and Public Values staff contributed in many ways. Faldielah Khan and Charlotte Snyders provided administrative support, including many hours of travel, field visits, workshop coordination and the preparation of documentation and presentations. Project manager Tinashe Mushayanyama advanced programme design and operations by convening a consultative workshop and coordinating the first demonstration case. Ceri

Oliver-Evans, Director of the Centre, played a supportive role throughout and provided valuable intellectual input and editorial commentary.

Finally, this programme was made possible by the generous financial support of the Ford Foundation. We are indebted to Alice Brown, Representative, Ford Foundation's Office for Southern Africa and Linetta Gilbert, Senior Program Officer, Asset Building and Community Development, Ford Foundation, New York.

## EXECUTIVE SUMMARY

International development has diversified in the last decade beyond traditional bilateral and multilateral aid agencies and non-governmental organisations (NGOs) to include a host of new actors. Each brings a unique capability for tackling global poverty. Mega-philanthropists use personal wealth to stimulate and accelerate innovation and to seek policy influence. Major multinational firms draw on expertise in applying enterprise-based and competency-led approaches to social change. New bilateral donors tap into their own experiences with the development process to offer advice and financial resources. High profile individuals and celebrities use public appeal, awareness and activism to raise money and influence public opinion. Finally, the global public has mobilised itself, making its presence felt through campaigns, petitions and donations (Brainaird & La Fleur 2008). Located within this burgeoning landscape, this monograph is concerned with the most critical player – the poor themselves. Largely targeted and co-opted in development practice, low-wealth individuals and communities, coined ‘the poor philanthropists’, systemically mobilise resources through a system of self-help and mutual assistance, which we call horizontal philanthropy or philanthropy of community (PoC). The relative neglect of the poor as agents of change brought about through their own acts of giving and receiving points to a critical paradox.

### The paradox of power

Unlike the external actors cited above, the unique capability of poor communities is not found in exceptional wealth, influence or power over others. Ironically, their greatest development strength is found in the ‘ordinary’. Self-help and mutual assistance is part and parcel of the social fibre and of how things are done in poor African communities, lending these phenomena qualities of permanence and resilience. A central premise underpinning our work is the conviction that sustainability or enduring change is to be found in the everyday lives of ordinary people who put their efforts into creating a better future. This conviction draws on a thesis presented over 20 years ago by Claude Ake (1998: 8), a respected African scholar:

*It is the ordinary people who alone can make development sustainable, and development has not really occurred until it is sustainable. The people make development sustainable only insofar as its content becomes an integral part of their lives.*

In his influential article, ‘Sustaining development on the indigenous’, Ake stressed that the ‘idea that a people or their culture and social institutions can be an obstacle to their development is one of the major confusions of current development thinking, and it is one of the most expensive errors (1998: 8).

The fundamental tenet is that sustainable impact and enduring change does not lie in the provision of resources. Rather, it rests in people’s lives being changed by themselves and not by others. This affords the poor a great deal of power over what is and is not enduring. Control rests in continuing the change that is relevant to their lives and withdrawing or terminating support for what is not integral to it. External development agencies may command material resources – including money – as well as vast reservoirs of knowledge and experience. But, in the final analysis, the poor have the power to sustain a development intervention and its impact (or not). Since December 2005 the Community Grantmaking and Social Investment (CGSI) programme has actively engaged in testing how a PoC lens can assist development agencies to address this paradox.

## Identifying innovation

Our work recognises the paradox of power and the challenges to development assistance of not compromising or harming the (resilience of) local context. The work reported in the following pages offers a new way to combine external development assistance with what is indigenous and ongoing. In other words, it provides a practical approach to seeing and working on the intersection of horizontal and vertical philanthropy. The approach is premised first in an appreciation and understanding of self-help and mutual assistance; and second in blending the endogenous and exogenous in ways which do not reproduce the problems of past practice nor undermine what is local and organic.

To help in this task, a distinction is made between building ‘on’ and building ‘from’ the indigenous. In development practice there have been many efforts that endeavour to start with the lived reality ‘on the ground’. The participatory rapid appraisal (PRA) approach and the World Bank’s Community Driven Development programme are just two examples. However, what these efforts have in common is a dominant reliance on external perspectives and policies – that is, they gather information about a situation but then try to mould findings to their own technical requirements for external assistance. In doing so, what is ‘local’ is required to adapt – it must become more vertical. Building project-based competencies is a common sign of this demand. This is opposed to building

from what is already there by agencies adapting their own behaviour to the lived reality of the community. The work undertaken with the CGSI programme is distinctive in that it starts with, and is rooted in, the self-organised helping systems of people who are poor and the communities which they create. In short, CGSI's innovation and challenge is to build from and leverage indigenous help systems into modifying the behaviour of external agencies (rather than the other way around).

## Core concepts

Three central concepts underpin our work:

- ***The Multidirectional Philanthropic Framework:*** The idea that two systems of community philanthropy co-exist. Resources flow vertically from 'rich to poor' as well as horizontally 'among and between the poor'. The notion of horizontal and vertical philanthropy, or philanthropy of community (PoC) and philanthropy for community (PfC) are embedded in this framework.
- ***The PoC Wheel:*** The idea that PoC has five dimensions that are interconnected and function as a system. First is the type of need as a co-determinant of the type of giver-receiver network selected. Second is the range of capitals involved. Third are ways in which motivations interact with the purpose of assistance. Fourth are the conventions or rules applied. Fifth is a particular moral philosophy of collective self, often associated with Ubuntu.<sup>1</sup> The five dimensions provide a way to recognise the power asymmetries between the vertical and horizontal offering a new set of parameters against which blending can take place.
- ***The Philanthropic Arc:*** The idea that development organisations, local clubs and associations are mutable and can blend. They may have characteristics of both vertical and horizontal philanthropy systems, and can be located along a spectrum of norms that borrow from, mimic or draw on either system, rather than being specifically aligned with one or the other.

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1 The term 'Ubuntu' (from the isiZulu word 'ubuntu', meaning 'humanity') describes the African philosophy of 'I am who I am because of those around me'. It is a framework of thinking which celebrates the positive aspects of community.

## The evidence base

Five demonstration cases provide the practical evidence base for this study. Case studies lasted from six months to over a year. Three community foundations/trusts, 12 community-based organisations (CBOs) and seven communities in South Africa as well as a regional network of 26 community grantmakers from southern Africa (including Namibia, Mozambique, South Africa and Zimbabwe) were engaged in the action-learning process. Demonstration cases set out to:

- list and map the help circuits poor communities use to mobilise resources;
- establish the quantum of financial (\$), voluntary time (hrs) and in-kind contributions (units) of self-help, converting the latter two into a financial value;
- track the impact that external assistance has on how people help themselves or rely on others; and
- frame a new metric for organisational development using the values and norms that the poor themselves use to assess their own helping behaviour.

These objectives raised four lines of questioning regarding the relationship between horizontal and vertical philanthropy:

- Can local helping circuits be recognised and recorded as a component of community assets and agency, revealing something about the proportion of assistance that is self-generated?
- Can horizontal philanthropy be quantified and valued, illustrating the equity that poor communities bring to the grantmaking table?
- Does vertical philanthropy, support, distort or diminish the horizontal, and does it matter?
- Can foundation practice be assessed using the ‘measures of the measured’ for a greater appreciation of both aspiration and practice?

## Knowledge generation

The cases were rich in findings, critical lessons, innovations and new ideas that cannot be fully detailed in the space of a monograph. Rather, three central propositions are highlighted that could help development actors deal with the ‘paradox of power’ and build from the indigenous.

First is the idea that a test of a foundation's work should be its performance in strengthening community assets and agency for self-help. A new performance metric would test the assumption of least harm prevalent in development assistance. A guiding belief is that when foundation and grant support comes to an end, what a community has to fall back on is its own safety net of self-help and mutual assistance. At the very least, this should not be eroded.

Second, introduce a change in professional foundation language and lexicon that replaces 'grant' with 'contribution'. This shift creates space for greater emphasis on adding to, investing in, and taking part in something that exists prior to a foundation's arrival and the lived realities which will continue long after its input. New language is seen as critical in reviewing and deepening practice, including the systems and limiting structures that frame existing 'grantor-grantee' relationships and systems of accountability.

Third, adopt an organisational development metric that measures a foundation's actual practice with the 'measures of the measured'. Using the gauge that the poor apply to their own helping behaviour as a practice metric would at least complement and at best be an alternative to the existing tendency for self-referential assessments. This entails a shift from a donor to a community perspective and from upward to downward accountability. A guiding proposition is that the onus lies on those providing external assistance to blend with helping conventions that are internal to the community, reversing past practices where communities are expected to adapt to the external grantmaker's ways of working and accounting for what they do.

## Using this monograph

This executive summary highlights what the CGSI programme has learned so far about how the application of PoC can deepen grantmaking practice and enhance performance. The monograph has been designed to be read independently of its companions, *The Poor Philanthropist: How and Why the Poor Help Each Other* (Wilkinson-Maposa et al. 2005) and *The Poor Philanthropist III: A Practice-Relevant Guide for Community Philanthropy* (CGSI, CLPV 2009). However, we would encourage readers to make use of these other publications in order to gain a fuller appreciation of the PoC concept, review case stories of each demonstration and consider using practical instruments for application. For more information on the CGSI programme and to download this monograph and its companions (see page xv) or email the author at [susanwil@gsb.uct.ac.za](mailto:susanwil@gsb.uct.ac.za).

The knowledge and propositions reflected in this monograph are bold considerations based on new action learning. The knowledge generated is certainly not definitive. Rather, the intention is to share preliminary analysis

and ideas and encourage their consideration and uptake by others to expand and deepen this inquiry beyond what a single programme can achieve. To this end, the monograph concludes by looking forward. It respects the challenges facing development assistance and explores different steps that could be taken in adopting a PoC lens. This monograph is designed for you if you are:

- a leader – that is, board member, trustee or executive director of a foundation who deals with vision and strategic thinking guiding an organisation;
- a back donor who funds and supports foundations and trusts in Africa and elsewhere;
- a social entrepreneur or pioneer inclined to try things out and be an ‘early adopter’; or
- a researcher or academic who is interested in contributing to and deepening the field of ‘African philanthropy’ and community development more broadly.

Whatever your role or motivation, you will encounter an evidence-based view about how foundations and trusts can begin to think about starting with and building from the norms and conventions of self-help and mutual assistance in poor communities.

*The Poor Philanthropist: How and Why the Poor Help Each Other –*  
[www.gsb.uct.ac.za/clpv/poorphilanthropist.asp](http://www.gsb.uct.ac.za/clpv/poorphilanthropist.asp)

*The Poor Philanthropist II: New Approaches to Sustainable Development –*  
[www.gsb.uct.ac.za/clpv/poorphilanthropistII.asp](http://www.gsb.uct.ac.za/clpv/poorphilanthropistII.asp)

*The Poor Philanthropist III: A Practice-Relevant Guide for Community Philanthropy –*  
[www.gsb.uct.ac.za/clpv/poorphilanthropistIII.asp](http://www.gsb.uct.ac.za/clpv/poorphilanthropistIII.asp)

PoC Instrument 1: PAIM: [www.gsb.uct.ac.za/clpv/paim.asp](http://www.gsb.uct.ac.za/clpv/paim.asp)

PoC Instrument 2: PMVA: [www.gsb.uct.ac.za/clpv/pmva.asp](http://www.gsb.uct.ac.za/clpv/pmva.asp)

PoC Instrument 3: PIME: [www.gsb.uct.ac.za/clpv/pime.asp](http://www.gsb.uct.ac.za/clpv/pime.asp)

PoC Case Stories: [www.uct.ac.za/clpv/poccasestories.asp](http://www.uct.ac.za/clpv/poccasestories.asp)



# INTRODUCTION

The CGSI programme built on previous research into indigenous philanthropy in southern Africa by applying the notion of horizontal and vertical philanthropy to the practice of community grantmaking. This introduction explains the background, introduces the methods and indicates what is to be found in each chapter.

The CGSI's research origins lie in a three-year inquiry – the BCP project – into how people who are poor in four countries of southern Africa help each other (Wilkinson-Maposa et al. 2005). The findings identified a system of mutual assistance captured in the concept of horizontal philanthropy or philanthropy of community (PoC). Here, resource mobilisation is internal to a community, with the poor being both the giver and receiver. The enquiry showed that people who are poor self-generate and rely on pro-social behaviours between each other. That is, they regard the well-being of others as important for their own well-being and act accordingly. This practice is lived as an indigenous system of helping, with interactive dimensions of interdependence between needs and help networks, the range of capitals valued and used in transactions, the conventions and rules employed, the motivations involved, and a normative moral philosophy. A working premise was that this system had potential value for innovation that would improve the performance of community grantmaking and grantmakers.

In December 2005, with support from the Ford Foundation, the Southern Africa–United States Centre for Leadership and Public Values (CLPV) at the Graduate School of Business (GSB) at the University of Cape Town (UCT) sought,

through the CGSI, to practically test this idea and its promise. In the process, new instruments were developed and preliminary evidence on the implications of tapping into and leveraging the local ethos of caring and sharing surfaced. This monograph sets out the major results of action learning in terms of a novel approach to understanding and applying grantmaking.

The CGSI was designed to move beyond the conceptual and scholarly relevance of PoC. The specific objective was to demonstrate its application for the promotion of philanthropy through improved practice and effectiveness. The CGSI concerned itself with exploring whether the idea of PoC was ‘actionable’. It asked: Could the system that people in poor communities self-create to help each other be the basis for developing and testing new instruments and distilling knowledge – research findings, critical lessons, new information and ideas? Application of a PoC lens did not seek to cover the official aid system as a whole. Rather, it focused on the philanthropic family; in particular, community philanthropy organisations, including trusts and foundations engaged in community grantmaking in South and southern Africa. The potential certainly exists for future inquiry which applies PoC’s dimensions to other expressions of external support for community-driven development, including corporate social investment initiatives and government grants and development projects.

From inception to completion, the programme spanned three years from 2006 to 2008. Three consultative workshops guided programme design and five demonstration cases (four at field level and one at organisational level) were the core source of empirical evidence informing knowledge creation. Additionally, a case study explored the agency that local clubs and associations have for bringing about change at the municipal level. These findings are published in a global collection of similar studies (Mathie & Cunningham 2008).

For practical purposes, given constraints on time and resources, field-level demonstration cases were limited to South Africa. Regional input was, however, secured through three consultative workshops, as well as a demonstration cases with the Community Grantmakers Learning Cooperative (CGLC), a project of the Synergos Institute, which engages foundations and trusts from Namibia, Mozambique, South Africa and Zimbabwe.

This monograph is one channel to communicate the CGSI’s research exploration and innovation. It marks the end of a specific development programme and, at the same time, a first step in investigating alternative ways to practice community grantmaking. The results and their interpretation are neither definitive nor exhaustive. Documentation and sharing is a bold effort to spread what has been learned so far within the programme. This sharing is undertaken in the spirit of open learning; and it is encouraged by past experiences where emergent ideas and efforts have stimulated other creative initiatives. While the

monograph has been written for a specific audience, much of what is described is of potential interest and use to the international development community. Subsequent phases of the work are intended to expand outreach in this direction. For this publication, however, the primary reference and audience is the profession of philanthropy and community foundations.

## **Navigating the monograph**

This monograph provides the reader with a practical way of taking on board the central concept of ‘blending’ behaviours of community grantmakers with those found in self-organised community systems of helping. The starting point, in Chapter 1, is to establish the nature of the study in two ways: first, in relation to debates and concerns about the very premise and practice of community philanthropy; and, second, in terms of the analytic framework that shaped the enquiry and interpretation of findings. Chapter 2 explains the methods employed. Chapter 3 describes the substance of the study in three ways: first, by explaining the key dimensions of PoC; second, in terms of the ideas and applications it can offer foundations; and, finally, the practice-relevant intention of each demonstration case and research questions that surfaced. In doing so, evidence from demonstration cases is presented along with pointers to companion publications which provide greater detail as well as instruments. Chapter 4, drawing on new knowledge and weaving together the evidence generated by the demonstration cases, narrows the focus to ways of approaching and reorienting practice in three fundamental ways: first, in terms of the indicators of success applied; second, in terms of the grantmaking language used; and, third, in terms of parameters framing good practice. The concluding chapter looks towards future action and uptake.



# CHAPTER 1

## ESTABLISHING THE TERRAIN

This chapter locates the area of study in three ways: first, in relation to global issues and concerns associated with community grantmaking; second, in terms of concepts and vocabulary; and third, by explaining the framework for selecting and designing the demonstration cases, which was subsequently applied in interpreting and applying the findings.

### Locating the inquiry

The CGSI inquiry has global reference points and it endeavours, in a modest way (from the perspective of the South), to make a contribution alongside others within the philanthropy family who are grappling with challenges of enhancing sector effectiveness and performance. Bernholtz, Fulton and Kapsler, in reporting on the future of U.S. community foundations in their 2005 publication *On the Brink of New Promise* propose that the time has come for community foundations to refocus. They argue that the concern with institution building and operational issues, which has characterised the last decade, needs to shift and give way to a re-examination of the function and impact of their work on communities. In doing so, they highlight the challenge of bridging aspirations and actual practice:

*The field has long known and acknowledged that its strategic advantage is in its community knowledge, relationships and leadership. But, with notable exceptions, it is still basically rhetoric. To capitalize on their unique advantage, community foundations will need to refocus on why they exist and whom they ultimately serve. (Bernholtz, et al. 2005: 7)*

A further idea in the literature concerns coordination within the philanthropy and aid family. A recent collection, entitled *Global Development 2.0: Can Philanthropists, the Public and the Poor Make Poverty History?* (Brainard & Chollet 2008), addresses this. These authors (Brainard & Chollet 2008: 27) argue that the greatest impact from the efforts of both the older development players (including multilateral and bilateral agencies) and the new (including the mega-philanthropists, celebrities, corporations and new bilateral players) will arise from international aid moving beyond coordination to achieving strategic complementarity. This means making conscious choices about how best to align their efforts. Nelson (2008) furthermore makes the point that some of the greatest innovations and leverage occur where new partnerships and alliances are formed, and, in a related vein, Kramer (2008) suggests that concentrating on the different capabilities and interdependencies of development actors could result in leveraging to achieve a greater impact.

Our contribution to these discussions is twofold. First, PoC is explored as a new pathway to advance the aspiration of community at the core of community foundation practice. Second, blending horizontal and vertical philanthropy opens a new direction for coordination and leveraging efforts at the grassroots. Here the onus, from the perspective of enduring change, is placed on external assistance adopting local norms and values around the concept of 'help'. Despite the rhetoric of community empowerment, this would help reverse the conventional approach whereby local systems give way to the norms and practice of external assistance and models.

## Terminology

The word 'philanthropy', translated from Greek, means 'love of humankind'. A useful definition comes from the W.K. Kellogg Foundation which sees philanthropy as the 'giving of time, money and know-how to advance the common good'. To understand community philanthropy, the definition developed by the European Foundation Centre (EFC) is helpful. It suggests that community philanthropy is the giving by individuals and local institutions of their goods or money along with the time and skills to promote the well-being of others and the betterment of the communities in which they live and work. As pointed out by Linetta Gilbert, Senior Program Officer, Community and Resource Development at the Ford Foundation, this definition draws attention to two key features. First, community philanthropy is a collective act, and, second, it promotes the well-being and improvement in the lives and prospects of others (Gilbert 2006).

The CGSI programme distinguishes between two types of community philanthropy: philanthropy of community (PoC) and philanthropy for community (PfC). Identification of these two types of community philanthropy is not driven

by the spirit of democratising the term ‘philanthropy’, per se. Rather, it is a conscious decision to confront a philanthropic convention which favours and (through taxation) encourages PfC, which in turn overshadows and subordinates PoC considerations. Working with two ‘directions’ of community philanthropy challenges or subverts a commonplace practice that tends to exclude or co-opt ‘organic’ impulses and practices of help, pushing them off the development radar. The use of the PoC label and concept is an attempt to illuminate this pro-social system in its own right and in terms of what it could offer aided change.

## **The choice and use of language**

### ***Language is customised***

While the term ‘philanthropy’ is used in conversations within the sector, it is unfamiliar and not widely used in the African context. The term ‘help’ was therefore employed for field study. This language is more palatable and widely understood; and has the advantage of implying a transaction that is not necessarily related to business. Our definition of help emerged from the lived reality of the poor and is understood to be ‘the giving and/or receiving of something to satisfy or alleviate a need, a problem, a difficulty, a sense of deprivation or a lack of something, be it a tangible good/asset or ability’ (Wilkinson-Maposa et al. 2005: 36). Associated with this definition, help is a daily lived reality and necessity, not an exceptional event. Asking for help brings no stigma. Offering help without being asked is commonplace. No matter how little you have, you give (the act is as important as the quantum involved). Helping brings positive feelings that can be their own (spiritual or moral) reward. To qualify for ‘help’ assistance cannot be exploitive or demeaning. A recipient must deserve. This attribute is principally judged by an individual’s helping behaviour within their possibilities. Preference is given for seeking help from people who understand one’s situation by virtue of a shared condition or experience, rather than from outsiders.

Finally, the phrase ‘indigenous philanthropy’ refers to that which is local and home-grown, rather than what is first, original or ‘native’. Using the parameters applied by Ake, ‘indigenous’ refers to what is organic and authentic. It is dynamic rather than static, assuming the flexibility and variability of the indigenous; and does not reference the past, as indigenous may be contemporary (Ake, 1988).

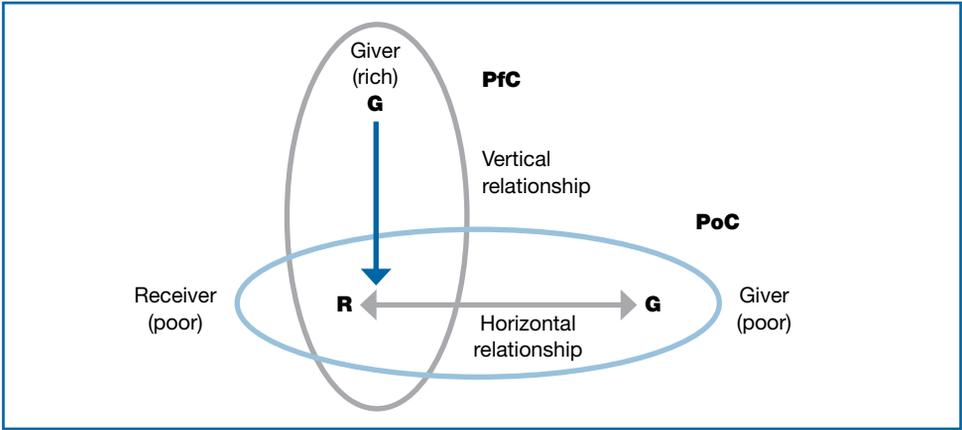
## **Frameworks for enquiry and analysis**

### **Combining horizontal and vertical philanthropy**

Prior work to understand helping behaviour between poor people opened up a ‘horizontal’ perspective. But people who are poor do not live as islands. And

the aid system is premised on reaching them ‘from above’, so to speak. Together, these features combine to form a multi-directional philanthropic framework, as illustrated in Figure 1.1. PoC refers to the relationship of ‘helping one another’ that exists among and between people who are poor. It is ‘internal’ to a community (understood in networked as well as geographic terms), exemplified in self-help and often underpinned by the principles of mutuality and reciprocity. While not often celebrated, it is a regular, if not quintessential, feature of the ‘way things are done’ in the context of poverty. PfC is distinct from PoC, and describes the relationship of resource transfers from those of high net wealth (the rich) to those of lesser means, for the benefit of a community. This ‘external’ transfer is exemplified in development assistance and charity, and it is often underpinned by values of generosity and altruism (Wilkinson-Maposa, et al. 2005). The terms ‘vertical’ and ‘horizontal’ philanthropy, a reference to the directional flow of resources, are used interchangeably in this monograph with the terms PfC and PoC, respectively. They both denote that two systems of community philanthropy co-exist. This juxtaposition provides a way of framing the enquiry and exploring the interplay between PfC and PoC. Cases were designed to test if, when and how what was happening with helping horizontally could alter the practice of outsiders.

**Figure 1.1: The Multidirectional Philanthropic Framework**



The CGSI programme concerns itself with one particular set of actors on the vertical axis, namely community philanthropy organisations. The World Wide Initiative for Grantmaker Support (WINGS) definition of a community philanthropy organisation is useful: ‘An independent, non-governmental organization designed to gather, manage, and redistribute financial and other resources useful for the community’s well-being, and to do so in ways that engage the community’ (WINGS 2008).

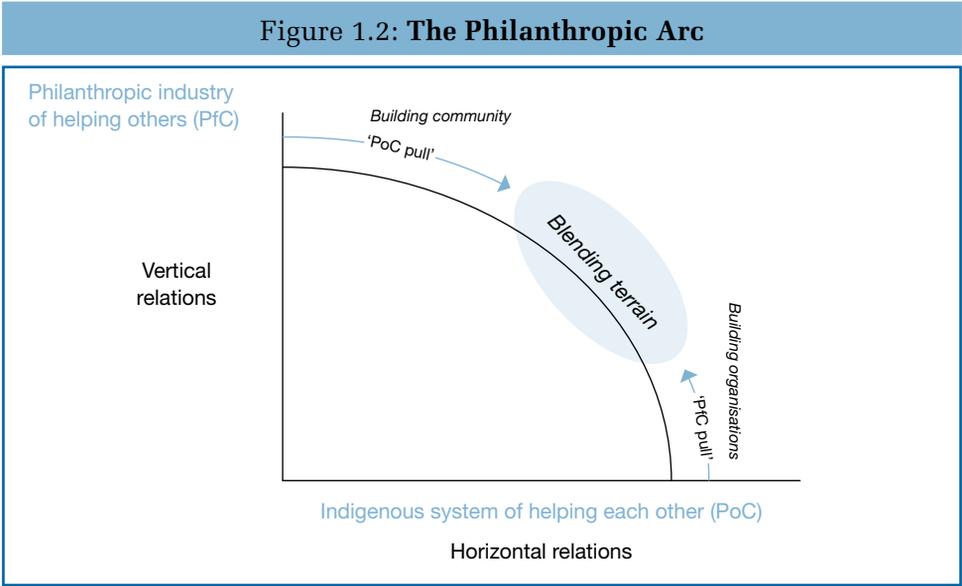
The CGSI programme recognises that organisations are mutable. They often defy neat classification, illustrating characteristics of both the PoC and PfC systems of resource mobilisation. That is, an organisation or association may not align neatly with a vertical or horizontal axis. Provision is made for this, as is illustrated in Figure 1.2.

## Blending along a connecting arc

### Blending horizontal and vertical philanthropy

Obviously interactions between members of poor communities and supportive outsiders reflect their respective world views, experiences and motivations. Transactions will therefore span a mix of ‘blendings’ where one party has a greater or lesser influence on, for example, the language employed, the rules of the game and so on. One can therefore envisage an arc linking the vertical and horizontal axis to create a spectrum, where, in combining elements of the PoC and PfC systems of community philanthropy, an organisation is positioned between the two extremes. The issue at hand is altering a predisposition to displace community upwards rather than displacing external actors downwards.

The directional arrows illustrate that the life world of community grantmakers and those they assist experience force fields or ‘pulls’ towards each other. Which pull ‘wins’ over which issue or decision can lead to different development outcomes. As one Foundation programme officer put it: ‘The closer you are to the vertical, you are building organisations; and when you are closer to the horizontal, you are building communities.’



From an analytic point of view, the arc offers an interpretive entry to what the demonstration cases say or demonstrate about the power of pulls, positioning and operating in an area of blending. The various dimensions of PoC described in the next chapter provide a refined approach to this way of understanding the enquiry.

## Summary

The conceptual underpinnings of this study emerge from systematic inquiry into community philanthropy in the specific cultural context of poor African communities in southern Africa and are not detached from the issues facing the broader philanthropy family internationally.





## CHAPTER 2

### RESEARCH APPROACH AND METHODOLOGY

The application of a new conceptual lens required social-action research and collaboration between the academic and practice communities. This chapter details the research approach and methodology, explains partner selection and how demonstration cases were developed, and describes the interplay between research and management. Finally, it reviews methodological challenges, limitations and how they were overcome.

Applying new perspectives on community philanthropy practices framed the programme's approach, prospects and challenges. Academics and practitioners worked together across professional silos, committing money, time and expertise in exploring new ways of working. In our approach, the tension between focusing on a specific interest relevant to a particular foundation's practice and ensuring its relevance to others was tricky. It was resolved by distilling from each case the 'bigger' question or challenge for the community philanthropy sector; and by pulling together each experience into an instrument and case story, making them accessible to others.

#### The use of action research and demonstration cases

Ordinary people, communities and organisations that would be the users and/or beneficiaries of the findings and resulting developments were directly involved in the research process.

Action research has a long history and a theoretical grounding premised on a participatory methodology involving actors in their own process of enquiry (for example, Brown & Tandon 1983). Reflecting a social constructionist perspective, in our view the nature of the enquiry meant that empirical

drawbacks (in objectivity, for example) were not an issue in capturing the lived experience of both insiders and outsiders as a new thinking and doing approach was introduced. In other words, the CGSI favoured a social-action research approach that engaged and collected ‘views from below’ and was user-oriented and utilitarian (as opposed to a positivistic or ‘top down’ approach where knowledge is held with experts and external agencies). Social-action research allows for a more democratic and participatory approach, and created space for community grantmakers advancing a self-identified need for alternatives to current grantmaking practice.

A demonstration case methodology was employed to generate knowledge about the application of PoC to community grantmaking in southern Africa. This technique met the requirements of a collaborative and exploratory learning approach between the academic and practice community. This methodological choice offered several advantages in that it was a practical way to explore different aspects of the project and grantmaking cycle, and it provided a way to fully engage grantmakers, their grantees and the communities they serve in the research process, addressing practical and research problems in live settings. They were also involved in a rigorous process of understanding, analysing and interpreting data; which was suited to generating knowledge that was both practical and authentic.

## **Partner selection**

Three criteria informed partner selection. First, partner organisations had to meet the pre-condition of having a presence on the ground in community philanthropy/grantmaking. Second, open-mindedness had to be central to their approach, involving a commitment to exploring ideas and options. Third, they had to exhibit a commitment to problem solving. Practically, these criteria were reflected in the willingness of board members and staff to engage and invest in social innovation and collaborative learning following participatory research principles. Finally, all parties had to be prepared to share the risks involved.

These criteria informed the collaboration protocol, in terms of which the CGSI was not a ‘donor’ and partners were not ‘consultants’ or ‘service providers’. Rather, each party had to bring their resources – including money, time, expertise and reputational capital – to the project, with everyone mutually invested in the consequence of either falling short of shared objectives or achieving them.

## Research organisation

Demonstration cases were robust and systematic, and were undertaken in partnership with three community grantmakers in South Africa and a network of community grantmakers from southern Africa representing Mozambique, Namibia, South Africa and Zimbabwe. Each followed a set of procedures that combined planning, acting, observing, reflecting and documenting:

- **Planning:** Collaborative conversations between the CGSI director, the CGSI short-term advisor<sup>2</sup> and decision-makers within the partner organisations generated ideas about PoC and grantmaking which they could take back to their organisations and practice sites. To come to terms with and illuminate practical issues, grantmakers identified a relevant case they were committed to and began to develop a preliminary design. This idea was then discussed and refined, and a potential intervention was framed. A memorandum of understanding detailed time lines/scheduling for the intervention, as well as roles and responsibilities and a suitable site. This was a lengthy and thorough process.
- **Acting:** As part of the partner's ongoing work or programme, demonstration cases took place in practice locations. To give traction to each case, participatory techniques for data collection were designed by a technical assistant and the CGSI director, and were thereafter vetted and refined by the partners. The techniques were piloted with a small group, refined and then implemented in the practice site. In this stage of the process, the CGSI provided technical, theoretical and conceptual support, while the community grantmaker managed and coordinated practical applications and secured access to communities. Furthermore, CBOs were heavily engaged in data collection, with members (including individuals, households and associations) actively sharing their knowledge and experiences. Data collection at the field level took anywhere from three weeks to over six months to complete.
- **Observing:** This stage assessed or evaluated what was generated by the intervention, analysed the results and distilled learning about the process and the substance. It occurred simultaneously and was integral to the action research process in terms of interactive learning, probing and self-correction.
- **Reflecting:** Findings were fed back to relevant stakeholders at the project or community level for the purpose of their input, correction and insight

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<sup>2</sup> At the time of writing, Susan Wilkinson-Maposa was the CGSI director, and Alan Fowler was the CGSI short-term advisor.

into the value or use of the information. The reaction and reflection of board members or trustees of the participating partners was also sought.

- **Documentation:** Proceedings, findings and analysis of each case were written up into workshop reports, cases studies, facilitation guidelines and instruments.

## Administration and management of the research process

To maintain focus, quality and momentum, the demonstration cases were carefully managed by the CGSI director. The management strategy had five key features. First, partners were self-selected. Second, an intensive and robust planning period ensured a high level of clarity and agreement on what was to be done and achieved. Third, all parties contributed resources and shared risks, with clearly allocated roles and responsibilities. Fourth, an external technical assistant was hired to steer and document the implementation process for each case, exercising both a coordination and expertise function. Fifth, respect and trust was high. Memoranda of agreement documented a shared vision, objective, roles and responsibilities, resource allocations and budgets. However, personal commitment and obligations, rather than legal ones, were integral to achievement and success.

## Methodological issues and challenges

All research has limitations and this research task presented specific challenges which required mitigation. Action research requires the identification of settings as close as possible to the ideal for the issue being investigated. Inevitably, the availability of operational sites requires compromise to accommodate the practical realities of the participating organisations. The necessary adaptations introduced timing demands and constraints which sometimes reduced the intensity of preparation required with field workers.

Furthermore, action research introduces variations in what communities are used to which are not necessarily appreciated or understood. Instances arose where significant effort was needed to gain local understanding of the whys and wherefores of the PoC-related ideas which were being focused on for testing. By and large, the conditions under which the testing took place were not significantly altered by the process of action research itself.

Case findings are not formally 'generalisable'. Repeated cases deepen the learning and the usefulness of findings to others in similar settings of professional practice. Time and financial constraints prohibited the CGSI from doing the tests again in other practice settings. Despite this limitation, the demonstration

cases and techniques were sufficiently documented, creating the opportunities for others to test them in their own setting.

## Summary

This research has applied a new concept of PoC to the practice of community grantmaking, developing and piloting new instruments for practice. The five demonstration cases generated a rich and robust set of experiences and evidence. By nature and intention, however, these do not provide definitive answers and ‘silver bullets’. Instead, they reveal what can be done as well as shed light on potential alternatives for practice.



## CHAPTER 3

### THE SUBSTANCE OF STUDY AND TESTING

This chapter describes PoC's five key dimensions. It explains the ideas and applications it can offer foundations, details the practice-relevant intention of each demonstration case, and discusses the research questions which the demonstration cases raised.

The CGSI programme endeavoured to practically apply the PoC system in grantmaking. The challenge was to change PoC from a widespread, yet largely uncelebrated, phenomenon to a visible and accessible idea within reach of foundation practice. To this end, five key dimensions characterising PoC were drawn from the BCP research inquiry, making PoC both tangible and 'actionable'. Next, PoC's contribution had to be discerned and framed in a substantial way. The critical question was: What new ideas does a PoC lens give grantmakers and what is their application to practice? This chapter introduces the PoC Orientation Framework for Foundations, suggesting ideas and implications that PoC can have for practical work. It then goes on to describe the dimensions of PoC and what we term the PoC Wheel. Finally, we provide an overview of what each demonstration case set out to explore, and list the broader questions they posed.

#### **The PoC Orientation Framework for Foundations**

To reflect on what the five dimensions of PoC offer deeper practice and to reveal its potential, the CGSI developed a PoC Orientation Framework for Foundations. This framework provides a useful starting point for bridging ideas

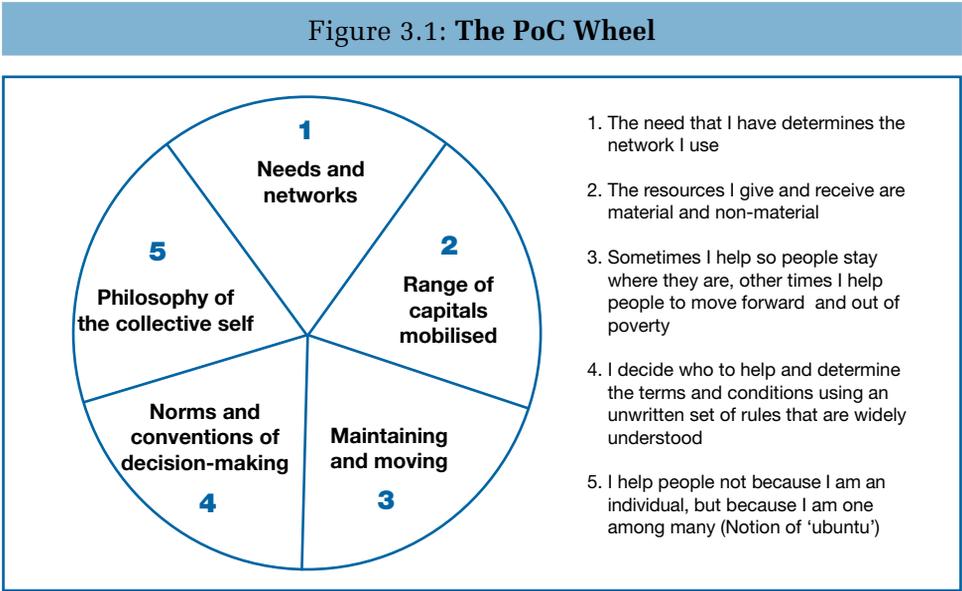
about PoC and their potential application, and is provided in the Appendix. The approach to creating this framework was heuristic, resulting in an identification of areas in which PoC could complement and intensify existing features of ‘good practice’ in community-driven development issues in many foundations. Such good practice includes participation, inclusivity, networks and stakeholder engagement. Furthermore, the framework made it easier to identify new considerations such as:

- what the poor prioritise (this being a measure of where they commit their own resources); and
- what the poor value and consider important (a measure of their own helping conventions and values).

### The PoC Wheel

The system defined as PoC has five dimensions, each with different properties and functions. These are:

- the type of need as a co-determinant of the giver-receiver network selected;
- the range of capitals involved;
- ways in which motivations interact with the purpose of assistance;
- conventions or rules applied; and
- a particular moral philosophy of collective self, often associated with Ubuntu.



While each may be found in social relations related to non-help interactions, the distinctiveness of PoC (in southern Africa) derives from how they are combined and the properties emerging from them. Figure 3.1 illustrates the five dimensions of PoC in a wheel format.

While best appreciated as a system of interrelated parts making up the whole, each of the five dimensions are described independently.

### **Dimension 1: Needs and networks called upon**

Unmet needs or unresolved problems are a quintessential aspect of poverty that drives people to seek and provide help to each other. Poor people differentiate help in terms of needs that are ‘normal’ or those that are ‘urgent’. Normal needs are typically small, regular and frequent, and include items required on a daily basis or those required for short-term gap filling. These types of demands can often be planned for and anticipated, and they are manageable in terms of a drain on assets. Such needs are often satisfied through individual reciprocity and the return is rapid.

Urgent needs are immediate and unplanned for or unanticipated. They are usually generated by emergencies such as fire, flooding, death, accidents and drought. The poor also see urgency in terms of dangerous levels of debt or financial constraints which, for example, prevent marriage because of an inability to afford a bride price. While perhaps lower in frequency and more ad hoc, urgent needs require a rapid response and can demand a significant contribution in relation to available resources. The size of demand in proportion to an individual’s asset base may require a group or collective response which can be spontaneous or premeditated. The collective creation of a risk-reducing strategic reserve is typically seen in structures such as a burial society or a savings and credit group with jointly managed resources which can be called upon under agreed conditions.

Both individual giving and pooling draw on and co-create help circuits. Access to assistance is gained through a personal set of connections or networks that mobilise resources and address needs. The network involved is shaped by the interplay between the type of need and the nature of affinity (blood and social identity or physical proximity between the actors) as well as individual reputation. In other words, help networks are needs-based and multiple. They may or may not include more institutionalised sources of assistance, such as informal associations and more formal organisations.<sup>3</sup> In this respect, depending on the nature of the need, networks may be simple arrays of individual connections or contain complex combinations of actor types.

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3 Institutions are understood as stable patterns, norms, mechanisms, conventions and organisations of a social structure that govern an individual’s relational behaviour.

## **Dimension 2: Range of capitals mobilised**

A further aspect of needs and their network-generating effects are the importance which people who are poor attribute to non-material assistance, described previously. While less frequent in terms of transactional content, the value attributed to knowledge, contacts, information, physical and manual assistance and moral/emotional support must not be underestimated. Such assets are not necessarily depleted, lost or foregone through use. In this sense, they help poor people satisfy a reputation requirement to give (no matter how little – the act is as important as the content), which maintains eligibility for assistance, social cohesion and network access.

## **Dimension 3: Maintaining and moving**

Poor people judge help in many ways. An oft-cited criterion is whether or not the help is expected to maintain current living status, conditions and prospects (that is, prevent slippage into deeper deprivation); or whether it has the capacity to create movement (that is, increase the possibilities for escaping poverty and better countering adversity). Where political or economic forces and pandemics like HIV/AIDS are a continual source of livelihood insecurity and downward pressure on assets, the developmental significance and impact of maintenance-oriented help is often overlooked.

More readily acknowledged as developmental behaviour are help transactions which carry the potential for increasing or diversifying economic assets or other capitals and for widening the scope of life to increase people's opportunities. The inclination of poor people to allocate resources in this way is mediated by their experience of returns on doing so.

## **Dimension 4: Norms and conventions of decision-making**

People who are poor help each other and are helped according to unwritten yet widely understood conventions, customs, rules and sanctions, which are not static, but are continually updated, transaction by transaction. The help system is premised on the axiom of 'no matter how little you have, you give', which itself rests on the moral philosophy described in Dimension 5. It functions by means of experiential feedback which co-determines the reinforcement or attrition of a network's value to those within it.

In practice, the horizontal help system rests on a decision-making process. First, a trigger arises and a potential transaction is initiated – help is asked for or offered. The request is then screened for appropriateness and actor eligibility. If the result of this screening is positive, a help transaction is selected

as a combination from the parameter options described previously. Actors then establish an agreement on the terms or parameters which will apply. Finally, over time, there are reputation rewards for conforming to conventions and rules and there are sanctions for not doing so. Sanction may be individual in terms of decreased eligibility for assistance from the chosen source in the future. When a person's non-compliance becomes systematic or has wider effects (such as threatening social cohesion), they can be corrected by an acknowledged authority (such as elders or age cohorts), or, in extreme cases, they can be isolated, excluded or rejected.

### **Dimension 5: Philosophy of the collective self**

*'You can fail to give because you don't have anything to offer; you are poor. But when you can't give you feel pained by the fact that you don't have something to offer to make you a human being among others.'* (Respondent, mixed-age female focus group, BCP research enquiry, rural Mozambique, emphasis added)

The quotation above points towards a moral philosophy that requires the recalibration of Western metrics of selfless or selfish behaviour premised on Durkheim's 'anomie' of individualistic choice. The philosophy of Ubuntu (I am because you are) rather than the Cartesian axiom of 'I think therefore I am' (Masamba Ma Mpolo 1985) provides a different behavioural proposition and interpretation of help among the poor in southern Africa.

Essentially, Ubuntu is a theory and philosophy of collective self with strong spiritual and symbolic connotations (Louw 1999; Mbiti 1975). Denying help to another is to deny one's own identity as a human. The 'moral sentiments' among respondents co-define the normative underpinnings of social capital, and stem from deeper well-springs of reciprocity than Western perspectives of non-exploitive, networked action might recognise. As a philosophy of collective self, Ubuntu should not be reified or overestimated as a foundation for cooperation. Indeed, it is argued that in today's South African politics appeals to Ubuntu are often manipulative (Marx 2002). Nevertheless, this moral framework invites re-interpretation of what self-interest and selflessness actually mean if 'self' is a collective property. In such a philosophy, help is never selfless, which creates problems with the concept of altruism if defined as a selfless act.

## Overview of the demonstration cases

In order to make a selection from a host of possible demonstration cases, the CGSI asked foundations and trusts to identify what they were interested in and willing to commit to working on. It eventually carried out five demonstration cases – four field-based and one at an organisation level. Seven communities, 12 CBOs and a network of 26 community grantmakers were involved. The research spanned three provinces in South Africa, four countries in southern Africa (Mozambique, Namibia, South Africa and Zimbabwe) and ranged in duration from six months to well over a year.

Table 3.1 provides an overview of the demonstration cases, detailing partner and location, scope of CBO and community engagement, the PoC dimension dealt with, research methodology, the practice relevant instrument developed, and the aspect of the project or grantmaking cycle which was explored.

**Table 3.1: Demonstration case profile**

Partner and location	Greater Rustenberg Community Foundation, North West Province, South Africa	DOCKDA Rural Development Agency, Northern Cape Province, South Africa	Ikhala Trust, Eastern Cape Province, South Africa	Ikhala Trust, Eastern Cape Province, South Africa	Community Grantmakers Leadership Cooperative, Namibia, Mozambique, South Africa and Zimbabwe
CBO and community engagement	Witrاندjie, Derby and Boitekong	Tshepong Home Based Care for the Terminally Ill, Galeshewe Township, Kimberley	Alicedale (rural) and Kwa-Noxolo (urban)	Jansenville Development Forum (JDF)  Camdeboo Hospice Ezezwé ICT Centre Ikhala Shoe Factory Ikwezi EduCare Jansenville Advice Office Jansenville Aids Group Jansenville Chicken Project Khayalesiwe Burial Society Sinethemba Knitting Project Nonfuneko Feedlot	Synergos Institute, Cape Town project
PoC dimension	Needs and conventions of decision-making	All five	Range of capitals	Range of capitals	All five
Methodology	Community mapping	Most significant change evaluation technique	Household diary	Community calendar	Category construction
Instrument developed	PoC asset inventory and mapping (PAIM)	PoC impact monitoring and evaluation (PIME)	PoC household diary (PHD)	PoC measuring and calculation of assets (PMVA)	The Philanthropic Arc as a metric
Dimension of practice	Design/ community engagement	Monitoring and evaluation/ accountability	Planning/ community engagement	Planning community engagement	Organisational development/ assessment of practice

## Introducing the cases

The demonstration cases represent the first systematic attempt to apply the idea of PoC to practice. Each case had a specific intention. In the following ways they set out to see areas where PoC can improve PFC:

- ***Map and make an inventory of PoC helping circuits:*** One case, focusing on the needs and networks of the PoC wheel, set out to make a list or inventory of the local help leaders (guardians and catalysts for the local ethos of caring and sharing) and the help circuits used by a community. These were located in the traditional landscape of external or PFC assistance by asking the community to allocate a proportionate appreciation of community inputs and contributions. Participatory rapid-appraisal techniques were used and tested in two diverse community settings – rural and urban.
- ***Determine the amount and financial value of self-help:*** Two cases focused on the range of capitals of the PoC wheel and endeavoured to calculate the amount of resources (in-kind contributions, money and volunteer time) that a community mobilises through self-help; thereby generating a numeric figure that is assigned a monetary value. Two independent techniques were employed. First, a household diary survey was administered in real time over a three-month period in 41 households across two communities, determining the amount of help given. Second, a community calendar was completed by 11 CBOs collecting retrospective data on self-help contributions made to local associations in the previous 12 months.
- ***Track the impact of external assistance on local self-help:*** A common purpose of PoC is caring for the sick. One case therefore set out to assess the effect of a CBO's service provision – in this case, home-based care for the ill – on the quality of local norms of helping. The most significant change (MSC) evaluation technique used all five PoC dimensions of the PoC wheel to analyse the stakeholder stories, seeing what they reveal about changes in, for example, where the community goes for help and how people help each other.
- ***Generate a new foundation metric informed by PoC norms and conventions:*** One case set out to apply the five PoC dimensions to organisational development processes. Representatives of 26 grantmaking organisations used the dimensions and attributes of PoC to craft a new metric as well as to consider its value and how it can best be used.

## Central lines of inquiry

Each case probed a specific area of inquiry, but all cases, in one way or another, grappled with how the two systems of community philanthropy co-exist and relate, raising the following areas of inquiry about the PoC and PFC relationship:

- Can PoC help circuits to be captured and made visible and accessible to foundations? Can help be appreciated as a distinctive feature of a community's asset and agency base? What can it contribute to appreciating the PoC and PFC landscape, including the proportionality of help mobilised internally and externally?
- Can PoC be quantified and valued? What is the equity that poor communities bring to the grantmaking process? What could this mean for community empowerment and participation, the appropriate grant mix, and a reorientation in the 'grantor-grantee' relationship?
- What effect does external assistance have on PoC? Do external support interventions support, distort or diminish self-help? Does it matter? What can this assessment contribute to the measurement of impact and development results?
- Can PoC inform a new metric for foundations? What could the 'measures of the measured' as a new gauge reveal about the grantmaking aspirations and practice of foundations? What can it contribute to organisational development, design, monitoring and evaluation?

## Summary

The research demonstrates that the concept of horizontal philanthropy is 'actionable' through the five dimensions of the PoC wheel, as presented in this chapter. These dimensions – tangible 'hooks' rather than vague notions – are what foundations and trusts can 'grasp' onto and apply. The research questions and applications framing the five demonstration cases outlined in this chapter disclose multiple layers of texture. Case stories, describing process and substance, are beyond the scope of this monograph and are provided on the web ([www.gsb.uct.ac.za/poccasesstories.asp](http://www.gsb.uct.ac.za/poccasesstories.asp)) and in *The Poor Philanthropist III: A Practice-Relevant Guide for Community Philanthropy* (CSGI, CLPV 2009). Collectively, however, the cases reveal PoC's potential and promise for deeper practice and enhanced performance, with three critical points of learning detailed in the following chapter.





## CHAPTER 4

### THREE INNOVATIVE PROPOSITIONS FOR COMMUNITY GRANTMAKERS

**The demonstration cases offer a wealth of insights, experience and lessons for the application of a PoC lens to foundation practice. This chapter distils three propositions for a reorientation in how the sector thinks about success, talks about grantmaking and frames good practice.**

The CGSI research reveals three fundamental ways in which building from and blending with organic norms of self-help and mutual assistance can assist community grantmakers in dealing with the ‘paradox of power’ in development assistance. Like it or not, and despite the best efforts and good intentions of foundations and other development actors, sustainable impact rests with the poor. They ultimately decide what changes are going to endure and receive priority in their own allocation and mobilisation of the assets and agency that exists within the community. This chapter, drawing on the lessons, insights and evidence offered by the demonstration cases, makes three propositions for reorientation in respect of: (1) indicators of success, (2) grantmaking language, and (3) good practice. Each perspective is detailed by first identifying the development assistance problem and then offering a rationale for what PoC can offer in terms of alternative pathways to advance a solution. Finally, research evidence woven together from the various demonstration cases grounds these prospects in new knowledge and practical instruments.

## Proposition 1: Enhancing indicators of success

The first proposition is that a test of a foundation's success should be its performance in strengthening a community's ability to do things for themselves. A new development outcome would be the enhanced ability of a community to make decisions, access the necessary resources and manage its own change for greater well-being. The idea that a measurement of how a grant affects the quality of PoC and the ability of a community to help itself using organic norms and conventions is a counterpoint to more conventional dependency indicators of capacity building, high levels of participation and ownership.

The intention of leaving a community 'better off', coupled with a widespread 'dependency aversion', are rudimentary principles of development practice. Ensuring that a community is not worse off (for example, by becoming accustomed to and reliant on certain benefits and inputs) are fundamentals of best practice. Development assistance is an external input which is meant to be temporary. At some point a grant ends and the trust or foundation withdraws its support to a community and/or a particular initiative. What remains are the community's own efforts as citizens, not grant recipients or clients of development assistance. The idea that PoC is a system of resource mobilisation which has permanence and which the community 'falls back on', suggests that, at the very least, grantmaking should not erode this 'default' position or safety net. Rather, foundations need to explicitly respect this and make what is organic more durable by enhancing a community's capacity for self-organisation and self-management.

While this new perspective has several implications, it also reveals that not enough is known about the impact or effect that external-assistance PFC has on PoC. Does PFC support and strengthen PoC, or distort, or even displace it? The belief that external know-how and resources, including money, are inherently a 'good thing' leads to an assumption of least harm. The tendency to provide assistance (for example, by introducing foreign models of support as if nothing philanthropic already exists) signals that PoC is not fully appreciated as a component of a broader assistance landscape that includes what people do for themselves.

In this context, a demonstration case developed and tested the PoC Impact Monitoring and Evaluation (PIME) instrument as a means of exploring the relationship between PoC and PFC. The CGSI research results so far can offer foundations new pathways and solutions through an approach to testing the assumption of least harm.

Our research suggests it is possible for a foundation or trust to test least harm by tracking the likely effect of grantmaking on the quality of a community's agency for self-help. In the absence of a baseline on local helping systems, the

method involves combining PoC and MSC techniques. This approach offers a low threshold vehicle for tracking impact. It is able to:

- illuminate the PoC and PfC interface, indicating what aspect of PoC has altered;
- highlight the quality of that change, indicating whether PoC is being enhanced or attenuated; and
- signal the relevant external intervention or activity associated with the change.

The results are not definitive. But they indicate where a foundation can start to track and impact in 'real time' and self-correct within its design, monitoring and evaluation (DME) system.

The five dimensions of the PoC wheel can be applied either as analytic categories in distilling and interpreting the data, or as questions to probe and promote data extraction. PIME was developed using the former approach and its utility was tested in HIV/AIDS home-based care, an intervention where the PfC and PoC systems are both activated. A broad question was posed: What has been the most significant change in your community since the organisation began providing its services? This was sufficient to solicit stories which spoke to change, as illustrated in Box 4.1.

While providing nuanced insights, instances where the analytic categories offered by PoC are not highly visible still require testing for their utility. It could be necessary to prompt stories with more specific questions about change; such as:

- What do you think has been the most significant change in the needs people have in this community and how they address them since the organisation began providing services?
- What kinds of help are given and received in this community and what do you think is the most significant change since the organisation began providing services?
- How are the decisions in this community about who gives and receives help made and what do you think has been the most significant change in these practices since the organisation began providing services?
- Why do people in this community help others and what is the most significant change in their motives/reasons since the organisation began providing services?
- What do you think is the most significant change in the quality of people's lives in this community since the organisation began providing services?

## Box 4.1: Caring and sharing

### Has Tshepong's programme made a difference?

After three years of implementing a home-based care programme, Tshepong wanted to explore the impact of its work on the community's impulse to care for and share with the sick. A central question guiding the research was whether help had increased or decreased during this period, and whether dependency on external and formal assistance had served to displace this impulse. One anticipated scenario was that the incidence and quality of care would increase in response to reduced stigma and increased knowledge about proper care for those affected by HIV, AIDS and TB, which is core to the organisation's objectives. An alternative scenario was equally viable. The introduction of 'professionalised care' through home-based care workers could have the effect of neighbours, family and friends turning 'care' over to the organisation whose 'job' it is to do this. Both scenarios were possible; yet neither could be assumed. The PIME process enabled the CGSI and Tshepong to collect and analyse a wealth of stories.

The essence of these stories reveals that:

- Tshepong serves the people who fall below the community's own safety net of help. Their support compensates for and is a counterweight to the horizontal helping system.
- Tshepong's use of volunteers from the community reinforces the local ethos of caring and sharing with each other, and can cultivate young leaders or guardians of this ethos by building up people's reputational capital.
- The presence of the home-based care worker has in very few cases replaced or displaced the care of family, friends and neighbours. Rather, it has strengthened it through increased knowledge about the needs of the sick and how to care for them properly.
- Tshepong's programme has the potential to displace or disrupt local systems of help, fostering dependency on food parcels.

The impact of the programme described above and potential shifts in horizontal helping behaviour that warrant attention and tracking can be represented in tabular form.

Support/Activity	Strengthen	Distort	Deplete
Home-based care	✓		
Distribution of food parcels	✓	✓	

Backing this approach is the idea that PoC's visibility and accessibility to outsiders is variable and is likely to be affected by the programme area, the grantmaking mix and the development approach employed.

## **Proposition 2: Reforming grantmaking language – from grant to contribution**

The second proposition is that grantmaking language should move in the direction of a ‘blending lexicon’. The profession needs to better recognise co-existing systems of community philanthropy. Such a shift calls for a reorientation which is not merely confined to words, but also deals with the meanings they convey and the power asymmetries they reflect. The current problem or obstacle is that a development effort informed by a deficit or needs-based paradigm frames language, meanings and relationships in ways that disempower rather than empower poor people and communities. This paradigmatic approach regards the grant as the catalyst and means by which things ‘move’ or change.

Replacing the word ‘grant’ with ‘contribution’ is a critical feature of a new ‘blending lexicon’ for community grantmaking. It offers a bridge between PFC and PoC by introducing a notion of ‘mutuality’ which is fundamentally different from the ‘grantor–grantee’ relationship. The notion of contribution is proposed as a better way of recognising this relationship. Such language acknowledges two co-existing systems of philanthropy where poor communities enter the grantmaking arrangement with equity which can be mobilised, and not just with needs and problems needing to be addressed. It also challenges the tacit acceptance of asymmetric power as intrinsic and intractable. Furthermore, it signals a fundamental change in the ‘rules of the game’, with implications for designing and negotiating interventions, framing agreements and lines of accountability, determining the appropriate ‘contribution mix’, and measuring and valuing community resources and the involvement mobilised.

### **Quantifying community contribution**

Determining the value of community inputs to externally aided development efforts is notoriously difficult. Yet, without this effort, respect for people as agents of their own change is undermined. Consequently, the CGSI paid specific attention to testing whether or not PoC offered new avenues for quantifying what is already in place in terms of helping each other.

Demonstration cases developed and tested instruments, including the PoC Measuring and Valuation of Assets (PMVA), PoC Household Diary (PHD), and PoC Asset Inventory and Mapping (PAIM) instruments. The CGSI research so far offers ways to:

- get a firmer grip on and quantitative understanding of the community contribution;
- assess and conceptualise the ‘value’ of resources; and

- facilitate a psychology and confidence-building process for getting poor people and communities to acknowledge and value their own equity in order to move away from ‘beneficiary syndrome’.

The PMVA and PHD draw on the ‘Range of capitals’ dimension of the PoC wheel. The methods endeavour to raise awareness of community assets, determine the quantum of their assets and assign a financial value to them. The objective is to work out a meaningful estimate rather than a precise calculation of community equity, making it visible and accessible for use and leverage in grantmaking relationships and negotiations. Our study suggests that it is possible to establish a reasonable and believable estimate of the equity a community contributes to its own development.

PoC creates a framework of material and non-material contributions as well as three measurement units: (1) in-kind units of goods or materials, (2) units of time (minutes, hours, days); and (3) financial/money units. Data can be accessed at two levels: the household or organisation. Furthermore, quantum can measure ‘out-flows’ of help resources provided at a household level, and ‘in-flows’ of help resources received by a local association or organisation from community members. At each level, findings can be combined, offering a neighbourhood or community profile of help, including that of associational networks or umbrella bodies.

It proved possible to estimate a monetary value for labour time by assigning financial value in two ways. One approach relied on established economic rates and standards. The other drew on ‘what something costs’ in the local or community economy. To illustrate, one hour of a person’s time to do manual labour can be converted to a monetary value by applying minimum-wage rates. Similarly, a 10km lift to the local clinic can be calculated using the Automobile Association’s rates. Alternatively, a financial value can be derived using what one would be remunerated locally for manual labour and what one would pay for hitching a lift in the community. Each approach highlighted pros and cons.

Formal standards enable comparisons across time and space. They are ‘defensible’ and operate in the same economic market as donors and potential funders. Yet, a drawback is an overstatement of community contribution relative to the actual finances in circulation, generating a figure that requires qualification in order for it not to appear improbable. The local economy rate has the advantage of ‘making sense’ to the community. We learned that the poor have little difficulty in assigning a value to their labour and contributions, as it was usually done without hesitation or contestation. For example, home-based care volunteers benchmarked the financial value of their work against the government’s stipend of (ZA) R1 000 per month. Workers in an advice centre

calculated the value of their volunteer time on the basis of salaries they received in the past for similar work. Ladies running a chicken project calculated their 'wages' against the amount a local poultry farmer pays his staff.

A locally assigned rate is, however, not easily comparable to the value of external contributions and can result in underestimating the contribution of the poor by using second-economy monetary values. From the point of view of matched funding, this comparison can be problematic, with donor contributions pegged to a formal economy and community contribution to a second economy. In short, each assignment has merit and must be selected with consideration for the desired purpose and audience. For example, to enhance the community's own appreciation of their equity, use of the financial values that make sense in their world is optimal. However, an intermediary organisation may opt to convert such financial values to a formal standard when matched funds are sought to ensure parity.

Assigning financial value to units of in-kind goods, while not impossible, was problematic. The range and variety of goods available and accessed by the poor is relatively limited. This made it possible to draw up a general 'price list' of new and second-hand goods in circulation. To illustrate, the list included basic consumables (oil, sugar, mealie meal and soap), furniture (lounge suites, cookers, beds and chairs), soft furnishings and clothes, as well as implements for cooking, farming and fishing. The list was populated with retail prices offered, for example, by the chainstores which target this spectrum of the market. Local market traders were also consulted. However, experience showed that the level of effort required outstripped the value of crafting a reasonable estimate. A more viable approach was to simply document in-kind units and have their description standing alongside, and complementary to, financial figures for inputs of money and time.

At the organisational level, reliability and recall for data collection was such that the help received was regular and easily remembered or written down. Volunteer schedules, payments of membership dues or signature of attendance at community meetings, were not easily forgotten. The same held true for an unexpected donation from the church or gift to be used as a prize in a fundraising raffle.

Building community awareness and confidence in its own equity ideally requires an approach to data collection which has a low threshold of effort and is contextualised within a broader appreciation of community assets and agency. The CGSI experience suggests that including the community in a simple calculation is rapid, engaging and, when done in a group, has a built-in recall as well as monitoring and verification function as illustrated in Box 4.2.

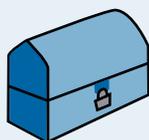
## Box 4.2: Iwezi Educare Centre helps itself ABC

### **Ikwezi Education Centre**

We have been really innovative and industrious with our own fundraising. In raising funds we also give back to the community, contribute to quality of life and community spirit.

In 2007 we undertook three initiatives:

- A community raffle sold tickets for a tea set donated by a parent and raised R2 000. Parents donated and prepared all the food – lamb, chicken and salad for a braai and raised R960 after costs were paid.
- For the first time, picture calendars were made of the learners and sold to family and friends. This generated a profit of R620.
- The centre entered into an agreement with Ikhala Trust, a grantmaker based in Port Elizabeth, to sell second-hand clothes. Ikhala Trust supplies and transports clothes to Jansenville and then we sell the clothes, keeping a percentage of the sales. In just seven months R1 319 was raised. The centre uses this money to top up staff salaries with bonuses and to pay casual labourers, including the gardener.



### **How we help ourselves Community Time, Talent and Treasure Chest**

Volunteer labour time (committees, fundraising, parents) R4 203  
Rand raised R4 938  
Total R9 141

Creating a context for establishing a quantum of assets and their financial value is critical to providing meaning, and shifts community perception from a ‘needs’ and victim or beneficiary mentality to viewing themselves as active agents of their own change processes. The following quotes from participants indicate that the methods tested to quantify the value of daily help practices were appreciated:

*‘In our fund-raising, we can now point to our local contribution or local income with confidence because we have a value for it. We no longer have to thumb-suck our own contribution.’*

*‘We also have a clearer picture of the value of our relationships with other organisations, which points to sustainability and could also motivate stronger relationships.’*

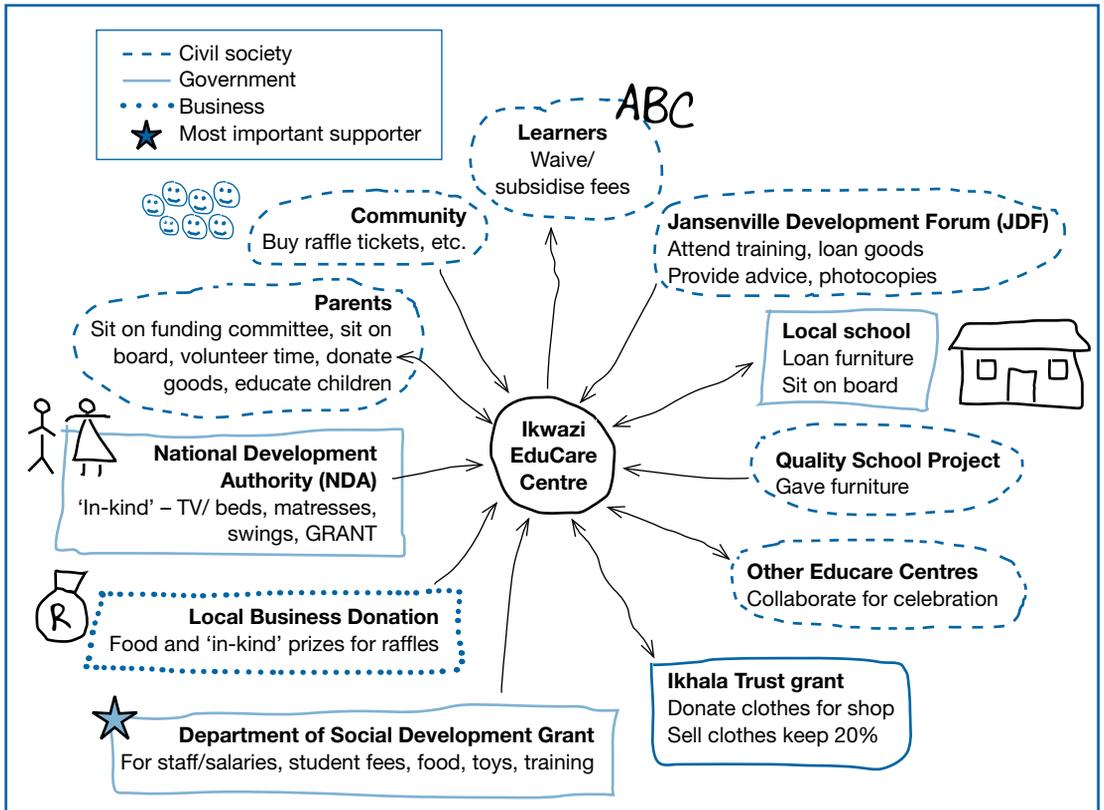
*‘We are already using the information to motivate project members to keep doing the work and also to motivate new volunteers.’*

*'We can give this presentation to visitors who will get a different picture of our organisation than they usually do just from a meeting. This makes us more confident to approach funders, we don't feel like beggars.'*

*'We can use this information to build from the inside out. To strengthen ourselves.'*

The amount of money, hours and in-kind goods that the community has contributed to an Educare Centre is illustrative of the type of information on community contribution that can be generated. Box 4.2 details the ascribed financial value of resources that it received from the community. Figure 4.1 is an illustration of the Educare Centre's 'community of help', illustrating (with directional arrows) the people and associations that mobilise and channel resources to them, as well as those whom the Centre assists. Data from individual associations can be combined, as was done for the Jansenville Development

**Figure 4.1: The Ikwezi Educare Centre's community of help**

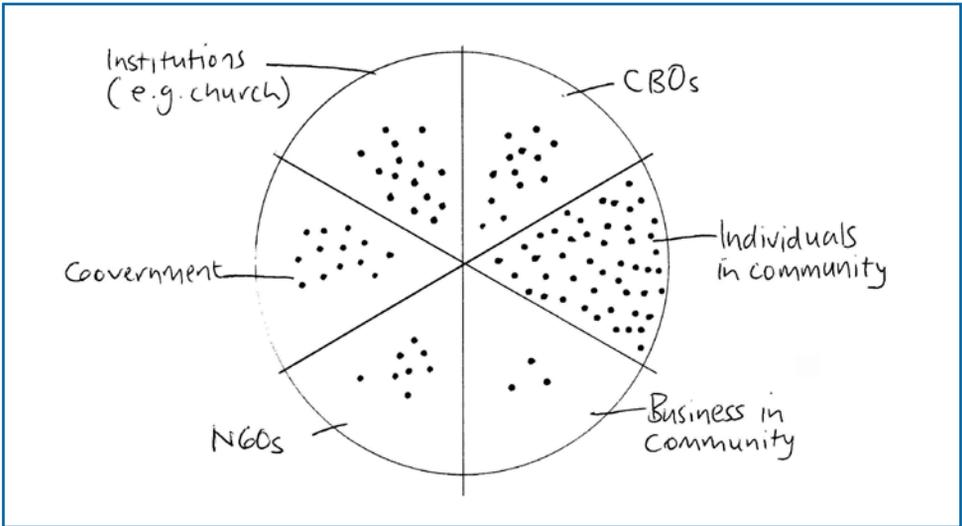


Forum (JDF), where the number of volunteer hours contributed in the previous year by its ten members and the JDF as an organisation in its own right amounted to 41 555 hours (or 19 years and eight months). This aggregation provides powerful evidence of community agency, illustrating that the existence and resilience of local organisations, including service providers, is firmly rooted in unpaid labour contributions.

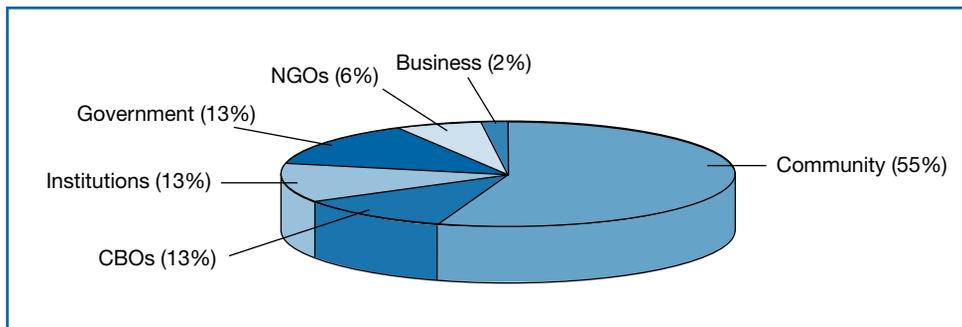
PAIM generates an additional way for a community to frame the PoC helping landscape by identifying the range of actors and the resources they mobilise, and combining this with the community’s assessment of what is mobilised externally for their use by government, NGOs and business. Figures 4.2 and 4.3 disclose the proportional weighting of PoC and PFC actor transactions by frequency (not financial quantum).

The PoC test employed a powerful way of visualising the resources available to a community and calculating a simple proportion of each segment. It used lists and inventories of the material and non-material resources which PoC actors (for example, individuals, households, clubs and associations) contribute. This was then combined with an assessment of what external actors (such as government projects, corporate social investment initiatives and NGO projects) bring. Proportionate contribution is determined by adding up the number of transactions within each actor grouping and dividing these by the total number of transactions mentioned in the community assessment. The results are illustrated in Figure 4.2 and a computer-generated reproduction, shown in Figure 4.3.

**Figure 4.2: Illustration depicting community estimates of relative contribution**



**Figure 4.3: Proportionate representation of actor contributions (Witrاندjie sample)**



Accuracy in estimates of relative contribution is obviously important, but must be set against the significance of processes which enhance the self-confidence of poor people in articulating what they do for each other. It is a modest step in redressing the conditioning of communities to understate what they have in order to attract more assistance.

Such awareness can facilitate shifts in self-perception from simply being ‘beneficiaries’ to active agents and contributors. Combining the spectrum of internal and external assistance, PAIM offers a counter-approach to conventional development, enabling communities to see the value of the horizontal help system (including its non-material dimensions) in the same light as vertical and financial resources. This shift allows a new story to be told about the local landscape of help. It also helps community grantmakers take up the challenge of becoming more ‘horizontal’ in their thinking, doing and relating. This is the third area in which PoC offers innovative ideas.

### **Proposition 3: Re-assessing good practice in grantmaking**

The third proposition stemming from the CGSI is that a measure of foundation behaviour should be its performance in progressing a community’s own vision on their own terms. The practical idea is that community grantmaking should include self-assessment using the ‘measures of the measured’. By this we want to expand what ‘good practice’ means by applying the gauge the poor use to assess their own help behaviour to community foundations and grantmakers more broadly.

The problem is that organisational assessment is often couched, and views change, in terms of high-level strategy. The metrics employed are self-referential. This translates into a future image of the world, broadly informed by:

- implementing mandates against a problem analysis, mission statement and institutional processes;
- allocating resources against deliverables and commitments to a constituency; and
- its effectiveness and organisational viability.

A poor community's view of the world embraces the notion of risk and draws on help premised on principles of reciprocity as a 'savings strategy' which invests in tomorrow. The notion of risk is integral to the horizontal metric and comprises features of:

- adversity, vulnerability and endurance;
- adherence to core values, respecting the help given and received, no matter how little; and
- the reliability and resilience of relationships and networks drawn on for survival, coping and advancement.

This monograph has been advancing the argument that the effectiveness of community grantmakers in advancing sustainable change will be increased if the way they think and help is closer to that of poor people themselves. The term we have used is one of 'blending' what is vertical towards that which is horizontal – building 'from' not building 'on' PoC. Obviously, PoC should not be over-idealised or seen as static. It is important that communities take up the valuable aspects which PfC has to offer. The PoC system must also blend. But, for change to endure, the onus lies on those providing external assistance to take notice of and work from helping conventions and metrics that are already meaningful for the community. The question is how to approach such a process of organisational evolution.

To give a practical answer to this question, the CGSI, together with the CGLC, have begun to design a Philanthropic Arc as a self-assessment metric (Figure 4.4). The two axes correspond to vertical and horizontal philanthropy, respectively; and the horizontal axis reflects the five categories and labels described in the PoC Wheel. With the help of leaders and of community grantmakers, the vertical axis is labelled with equivalents which correspond to the thinking, practices, requirements and language of the external aid system.

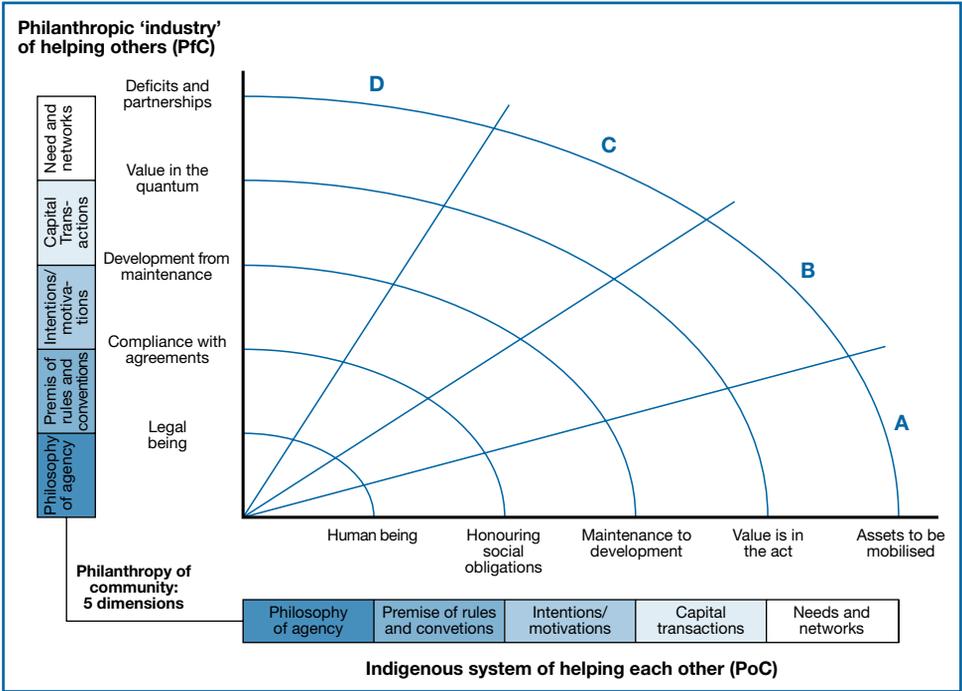
Though somewhat stereotypical, the vertical axis describes typical points of reference for external assistance. In other words, through the five arcs, the 'measures of the measured' are applied to PfC.

More work is being undertaken which will help refine the self-appraisal or diagnostic exercise. However, it is already possible for an organisation to

self-assess against each PoC dimension and arc by asking to what extent their practice focused on:

- deficit and partnerships as opposed to assets;
- giving primacy to the amount of something (how many grants and how much money delivered) rather than the value of the act itself;
- helping people progress out of poverty rather than making sure they don't slip further backward;
- contractual agreements, bureaucracy and technical procedures – as opposed to relationships of trust, collaboration and cooperation; and
- facilitating people's and communities' access to their legal rights and entitlements as citizens; or maintaining people's dignity, respect and honour as human beings.

**Figure 4.4: The Philanthropic Arc as a self-assessment metric**



The objective behind the Philanthropic Arc as a metric is not to benchmark sector practice. Rather, the intention is to expand the range of vehicles available to community grantmakers to do three things towards enhancing their performance. First, to more accurately compare aspirations around 'community' to actual practice. Doing so assists in shifting the focus away from systems

and structures towards building community, thus narrowing the gap between rhetoric and reality. Second, to map and visualise critical factors that determine the organisation or project's position with respect to poor people/communities' own ways of surviving and self-development. In other words, to discern and plot actual practice with a visual image that invites interpretation and creates the space to ask: 'Is this the "us" we want to be'? Third, and finally, the process can identify the strategies and steps that an organisation or project could consider taking to improve what they do. To do so can activate an organisational change process.

## Summary

The demonstration cases and resultant analysis and interpretation, although not definitive, enable an appreciation of how the idea of PoC can in fact be applied for the promotion of sustainable impact. The prospects distilled from broader research, lessons and insights detailed in this chapter provide evidence for discussion and further interrogation. They offer new ways for community grantmakers to deal with the paradox of power, a reality that gives the poor the ultimate say regarding the changes and impacts that are embedded in their daily lives. As a work in progress, the Philanthropic Arc as a metric has potential to reflect on an organisation's being, doing and relating with a distinct 'bottom-up' lens.





## CHAPTER 5

### LOOKING FORWARD

**This monograph is intended to stimulate thinking and practice in a novel and distinctive way, based on practical tests of substantive study. It invites a reorientation in the nature of engagement between horizontal and vertical philanthropy which can deepen existing practice and engender better results.**

This monograph shares emergent knowledge with the goal of stimulating thoughtful reflection by community grantmakers and others in the philanthropy family. Accordingly, a formal conclusion would not be fitting. Instead, ideas on ways forward are offered, signalling the nature of ongoing exploration and work in progress. The first set of considerations discussed takes into account the limitations of PoC. A second discussion reflects on the potential benefits of bringing together the horizontal and the vertical. The chapter ends with suggestions for how community grantmakers can consider the notion of PoC and new applications within their own world of practice.

#### Limitations and caution

This monograph does not argue for taxing the poor and increasing their burden. Suggesting that assets and agency held by the poor can be strengthened and built from does not in any way suggest these are sufficient and that external support is redundant. The converse is true. It signals a call for greater attention to be placed on combining these philanthropic forms in innovative ways to enhance the capabilities of a broad array of development actors, including the poor themselves.

Furthermore, a focus on PoC is not intended to romanticise poverty or indigenous practices. Integral to PoC is reliance on reciprocity, a principle which by its very nature encumbers the poor with obligation, duty and debt. While reputation and social capital may be enhanced, economic capital is eroded. The obligation to help – a ‘pull-back’ effect – can drain personal resources, potentially hindering an individual’s advance out of adversity. Furthermore, PoC is not stationary. It is subject to external force fields that warrant tracking and impact analysis. This calls for updating and deepening the philanthropic family’s appreciation of the quality of PoC’s norms and conventions. In particular, we need to pay attention to the context of globalisation and demographic changes where increasing poverty, migration, HIV/AIDS and a host of external forces and dynamics, change the parameters in which communities find themselves.<sup>4</sup>

Finally, it is not assumed that the data and experience that have emerged from southern African experiences are comparable with other parts of the continent or the world. However, indications to date suggest that phenomena of self-help are not uniquely African, nor the preserve of the poor. Helping each other resonates to varying degrees with different cultural expressions across time and space.

## Challenges of blending

A second set of considerations relates to the creative possibilities inherent in carefully bringing together horizontal and vertical ways of helping. The resulting ‘hybrid’ set of endeavours has the potential to offer nuanced or alternative interpretations of impact, cost-effective, scalability and sustainability measures. However, realistically, the values, ways of working and even goals and objectives between the foundation world, poor communities and the back donors supporting them are likely to clash. Such instances may deter efforts to take up what this approach has to offer. This may hold true especially for well established grantmakers with large amounts of capital invested and comfortable relationships. Nevertheless, ongoing diversification of development assistance, characterised by unprecedented numbers of development actors, may in fact serve as a catalyst for the adoption of new and innovative approaches which a PoC framework makes available. Current international development debates call for more collaborative initiatives and robust forms of collaborative governance. This move, it is argued, will unlock potential and uplift the world’s poor. It signals that blending and a greater capacity for connectivity might become essential to remaining relevant, improving practice and achieving better results.

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4 The thoughtful insight of Robert Leigh of UN Volunteers is gratefully acknowledged (pers. comm., 21 July 2008)

## Further action

The CGSI continues to explore the potential of PoC. It is doing so through the development of course materials for a new offering by the Corporate Learning Programme at the GSB at UCT, aimed at corporate social-investment professionals in South Africa. There is continued collaboration with members of the CGLC to pilot-test the Philanthropic Arc as a metric. Provision of technical assistance to other university programmes interested in replication continues. This work includes areas in the depressed southern states of the United States.

Foundations and trusts are also encouraged to delve into the PoC materials to see what they can offer. If you are an executive director of a grantmaking organisation, you may want to share and discuss PoC prospects for revised strategy with board members and trustees. If you head up a programme team, you may want to introduce and workshop some of the practice-relevant ideas and instruments (see page xv for details) with project officers and field staff. The companion to this volume, *The Poor Philanthropist III: A Practice-Relevant Guide for Community Philanthropy* (2009), is crucial for uptake and implementation. Finally, if you are a back donor supporting community grantmaking anywhere, you are encouraged to open up a new conversation by sharing PoC innovations with development partners, mutually exploring what resonates and has promise in your own world of practice.

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# APPENDIX

## THE PoC ORIENTATION FRAMEWORK FOR FOUNDATIONS

### Needs and networks called upon

Offers grantmakers some idea of:

- the networks and linkages that are in place and relied upon by the poor to help one another;
- the relationship between the needs and the networks that are called upon;
- the movement of social networks (i.e. whether the profile of needs and the networks called upon to meet these shift over time);
- the level of social cohesion, exclusion or marginalisation of a community;
- an assessment of risk-spreading and asset-distribution patterns; and
- insights in terms of decision-making practice and what ‘community means’.

Has potential applied implications for:

- reinforcing, stimulating and strengthening the stronger and weaker ties that the poor rely on;
- assessing how far the help system is being altered or displaced by what grantmakers do;
- informing a revised set of impact indicators;
- refining stakeholder needs and community analysis methodology to inform a deeper understanding of living reality;
- looking at the connectivity and social capital that exists (i.e. bridging capital);
- refining resource/asset assessment – a more comprehensive assessment of existing assets and the potential for resource mobilisation and leveraging;
- refining participation/engagement – identifying relevant community actors for grantmakers to target and work with, including networks to work through;
- refining the extent of the notion of community – shifting orientation away from the more dominant geographic parameters;

- refining how we understand community decision-making processes – not always localised, as people do consult outsiders in making decisions;
- sharpening the vulnerability analysis of what is the most and least connected in terms of the potential of help; and
- informing risk analysis and grant strategy.

## Range of capitals mobilised

Offers grantmakers a way to:

- diversify the profile of assistance in order to support what is there and/or mirror it – i.e. spread the grantmaking offer (perhaps to advise and provide information/knowledge);
- sense the measure or impression of the actual social capital available (its type and distribution); and
- understand categories of assets utilised by the poor.

Has a potential applied implication for the:

- pursuit of an asset-based approach to development – including innovative investment strategies and matching support formulas;
- reassessment of the confines/limitations of drivers, including accountability and what is valued;
- assignment of shadow values to assets beyond money; and
- reconfiguration and rethinking on profile of the donor's bid or offer – for example, the determination of a viable and mutual contribution, including a grantmakers' own competencies and motivations, against the range of assets that the poor appreciate/want; as well as the most appropriate offer combinations for each community.

## Maintaining and moving

Offers a way to help grantmakers:

- refine intervention strategies and priorities;
- understand what can be reasonably expected from PoC, especially as a catalyst for social change;
- bring to the fore, understand and track poverty exit–entry; and

- identify indicators of community status (poverty) and potential for change.

Has a potential applied implication for:

- underpinning the rationale for grant structure/mix;
- making expectations more realistic in terms of targets and what can be achieved;
- offering indicators to help understand the strengths and deficiencies of relevant policy;
- probing into and exploring the expected rate of change within a community which has high PoC and within one which does not;
- exploring what sustains movement upward and out of poverty to provide insight into definitions and strategies about poverty; and
- deepening context/situational analysis.

## **Norms and conventions of decision-making**

Offers grantmakers:

- a wider array of possible conditions and compliance agreements than can be negotiated;
- indicators of group/operational strength and functioning;
- a broadened understanding and applying of (mutual) accountability;
- measures to track how help systems change over time; and
- a contribution to the analysis of local power relations.

Has a potential applied implication for:

- altering grant conditions;
- tracking the grant process; and
- providing indicators of accountability.

## Philosophy of the collective self

Offers a way to help grantmakers have a deeper understanding/appreciation of:

- collective action – what holds a group together, what belonging is all about, how community and humanity are understood;
- the notion of dignity – the assumption that there is a contractual relationship and shared moral framework which respects the dignity of the recipient, as opposed to a paternalistic approach;
- a normative framework – the way poor people assess/filter and judge the behaviour of external actors which donors can be more aware of (insight into what is anticipated or expected of donor behavior to ensure people's values are respected);
- motivation patterns – why you do something for someone else (gives ideas about the boundaries that people set in their approach to help – can external support reflect this?);
- expectations about reciprocity;
- reputation standards; and
- the value of the act of helping as opposed to the quantum of the assets.

Has a potential applied implication for:

- offering a way to appreciate people as equals and not dependents – i.e. locate respect, reputation and dignity more centrally as principles of grantor–grantee relations in a mutually beneficial relationship (this could go some way to shift perceptions in power relations between grantor and grantee);
- re-assessing the style and approach to negotiating and contracting a grant; and
- offering new categories for donor performance and indicators of accountability.