

Strong Partners, Stronger Communities

**2009 Report on
Philanthropy Development Outcomes**

Prepared by Rona Pryor
September 2009

Introduction

Social Venture Partners (SVP) is an international network of 2,000 dedicated individuals who contribute their money and their skills to improve their communities. Since its formation in 1997, the SVP network has contributed more than \$32.2 million in grant investments to 335 nonprofit organizations and provided thousands of volunteer hours in service and counsel. Today, there are 24 Social Venture Partners organizations in the United States, Canada and Japan.

The shared mission of SVPs is two-fold:

- **Philanthropy Development:** Creating communities of lifelong, informed and inspired philanthropists. SVP Partners are individuals who make meaningful contributions to nonprofit organizations by sharing their skills, time, and financial resources.
- **Capacity Building:** Making strategic investments that build long-term capacity for nonprofits so they can better fulfill their missions. SVP Investees are nonprofit organizations that seek new resources and innovative approaches for addressing a variety of issues, including education, environmental protection, and youth development. Capacity building investments focus on increasing the ability of each Investee to fulfill their mission and include cash grants, skilled volunteers, professional consultants, leadership development and management training opportunities.

An area of capacity building on which SVP focuses is program evaluation. Nonprofits which conduct regular evaluations of their programs are able to document their impact and demonstrate how they are making a difference in their communities. They know which programs work, and which can be improved upon. Social Venture Partners is no exception. In order to assess SVP's effectiveness in its mission, in 2004-5, Social Venture Partners International convened a team of partners and staff, led by Blueprint Research and Design, to identify the key outcomes in both philanthropy development and capacity building. The project was funded by grants from the Hewlett Foundation, the Kellogg Foundation, the Lodestar Foundation and the Surdna Foundation.

This report shares the findings from the data collected in 2009 regarding the philanthropy development outcomes, and the comparison of that data with the data collected in 2007. The quantitative survey used to capture the data focuses on three outcomes:

- Changes in how much partners give,
- Changes in how partners give,
- Changes in partners' involvement in their communities.

Between March and June of 2009, eighteen SVPs distributed the survey to their partners: SVP Arizona, SVP Boulder County, British Columbia SVP, SVP Cincinnati, Cleveland SVP, Dallas SVP, SVP Delaware, SVP Denver, SVP Greater Tucson, Los Angeles SVP, SVP Minnesota, Pittsburgh SVP, SVP Portland, SVP Rhode Island, San Diego SVP, SVP Seattle, Silicon Valley Social Venture Fund (SV2)¹, and SVP Toronto. 605 partners participated in the survey.

¹ SV2 distributed the survey in the summer of 2008.

Key Findings

Partners' giving increases because of SVP.

60% of respondents stated that their giving has increased since joining SVP, and 79% of them credit SVP with at least some impact on their giving. 33% cited involvement with SVP as the top factor.

Partners give more strategically because of SVP.

Respondents' use of each of ten giving criteria has increased by 67% - 232% since joining SVP. 94% of them cite SVP as impacting the way they give, with 57% citing it as the top factor.

Partners are more involved in the community because of SVP.

Respondents report increases in nine areas of community involvement, including a 64% increase in volunteering. 43% credit SVP in increasing their community involvement, with 43% citing SVP as the top factor in influencing the change.

The longer a partner is involved in SVP, the larger the changes in all three outcomes.

Almost twice as many (79%) long-term partners report an increase in their giving than new partners (43%). More than one in four long-term partners has increased their giving by more than 100%. Also, long-term partners use nine of the ten giving criteria at a higher rate. Similarly, long-term partners report larger increases in the nine areas of community involvement, particularly leverage (76%), volunteering (73%) and leadership in local organizations (68%).

Survey participants

Length of partnership with SVP

The survey proportionately captured responses from partners at all stages of involvement, from new partners (36%) to long-term partners (31%).

0-1 year	19%	3-4 years	9%
1-2 years	17%	4-5 years	7%
2-3 years	17%	More than 5 years	31%

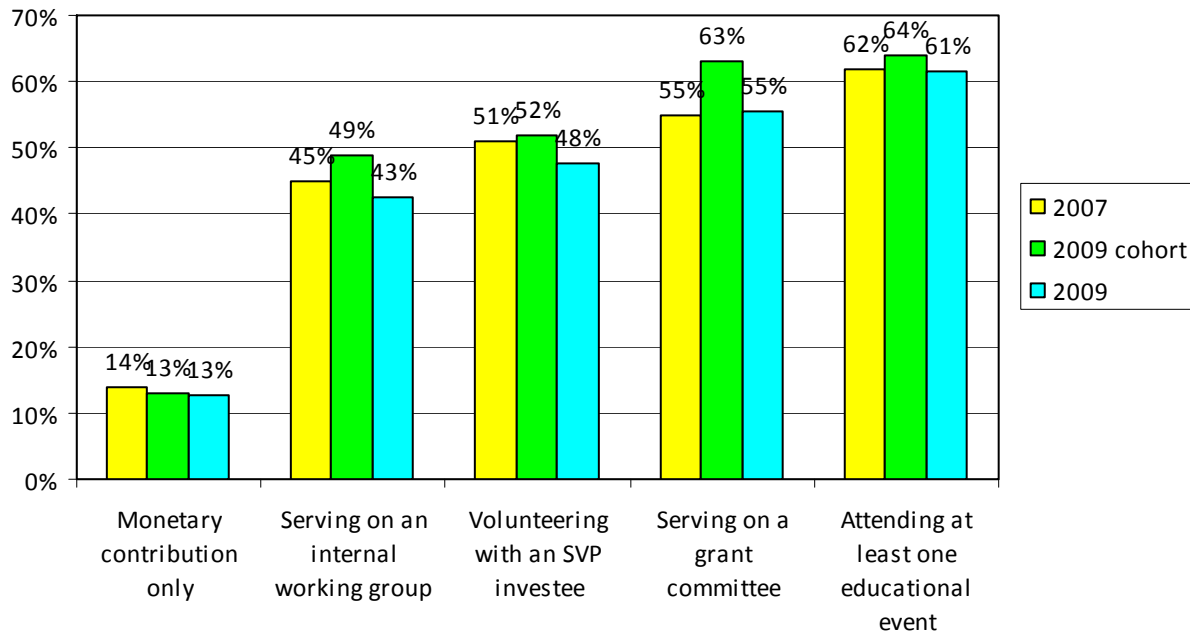
SVP activities in which survey respondents have participated

Monetary contribution only	13%
Serving on an internal working group	43%
Volunteering with an SVP investee	48%
Serving on a grant committee	55%
Attending at least one educational event	61%

A significant majority (87%) indicated that they had participated beyond their annual financial contribution to SVP. 79% of respondents indicated that they have volunteered for SVP in some capacity (on a grant committee, with an investee, or on an internal working group).

These numbers are very consistent with the findings from the 2007 data. The 2009 responses from the cohort that participated in the 2007 survey² indicate that group has participated in every activity at a higher rate, most notably in serving on a grant committee (63%).

Comparison of SVP involvement between 2007 and 2009

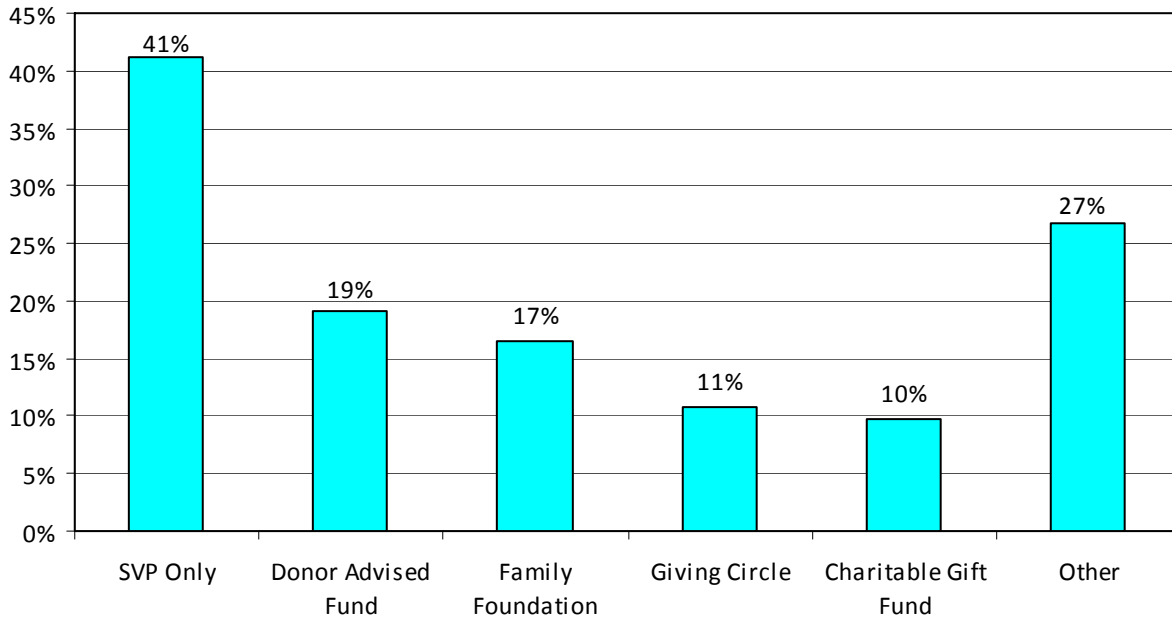


² This group, referred to as the “2009 cohort” is made up of partners from the twelve SVPs who participated in the 2007 survey and have been involved for two years or more.

Involvement in other forms of organized philanthropy

The survey included a question about involvement in organized philanthropy outside SVP in order to better understand the scope of respondents' philanthropic activities.

Involvement in other forms of organized philanthropy



The data suggests that the longer a partner is involved in SVP, the more likely he/she is to be involved in other forms of organized philanthropy as well. While 50% of respondents with less than two years tenure indicated that they are involved in at least one other form of organized philanthropy, the number increases to 70% of respondents who have been partners for more than five years.

Annual contribution amount

The data suggests that seven out of every ten partners is giving at least \$10,000 to nonprofits each year. 70% of respondents indicated that their contribution to SVP is less than half of their annual charitable giving; the average annual gift to SVP from a partner is approximately \$5,000. According to Independent Sector, the US average annual contribution among households which make charitable contributions is \$1,620³. The Canadian average is \$437.⁴

Partner longevity seems to influence this finding as well: the data indicates that the longer a partner participates in SVP, the more their giving increases. Among respondents who have been partners fewer than two years, 62% indicated that their contribution to SVP is less than half their annual giving. That number rose to 68% among partners who have participated for 2 – 5 years, and to 82% among respondents who have been partners for more than 5 years.

³ <http://independentsector.org/programs/research/gv01main.html>

⁴ http://www.givingandvolunteering.ca/files/giving/en/csgvp_highlights_2007.pdf

SVP's impact on how much partners give

"[My giving has] increased ten-fold since joining [SVP]."

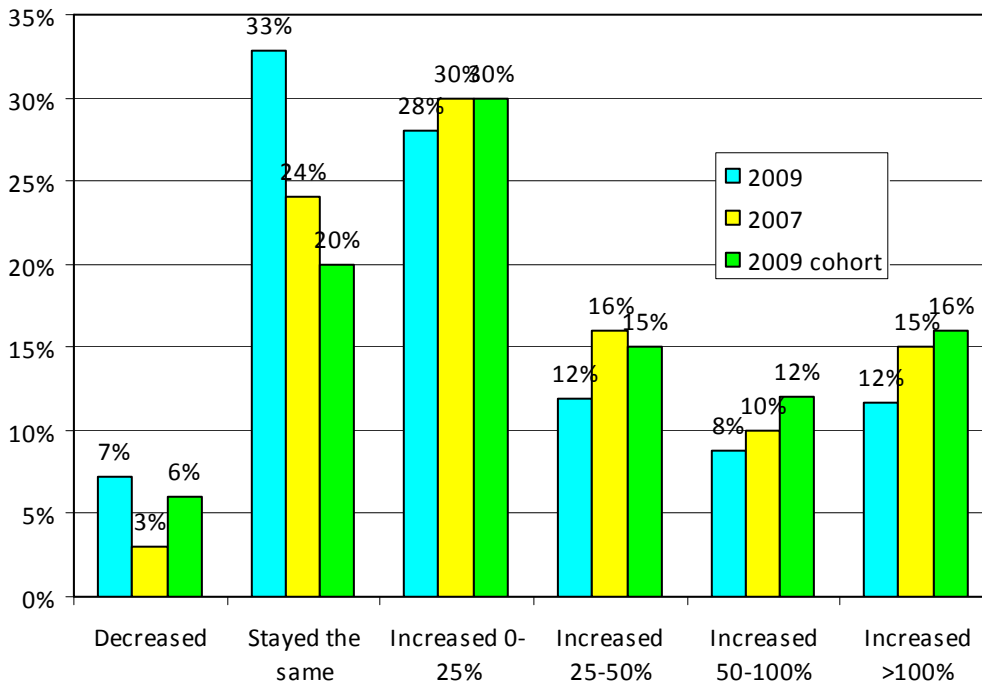
– 2009 Survey Respondent

Changes in amount of giving

The first of the three philanthropy development outcomes that are measured in the survey is changes in the *amount of giving* among partners since joining SVP, and the role that SVP played in those changes.

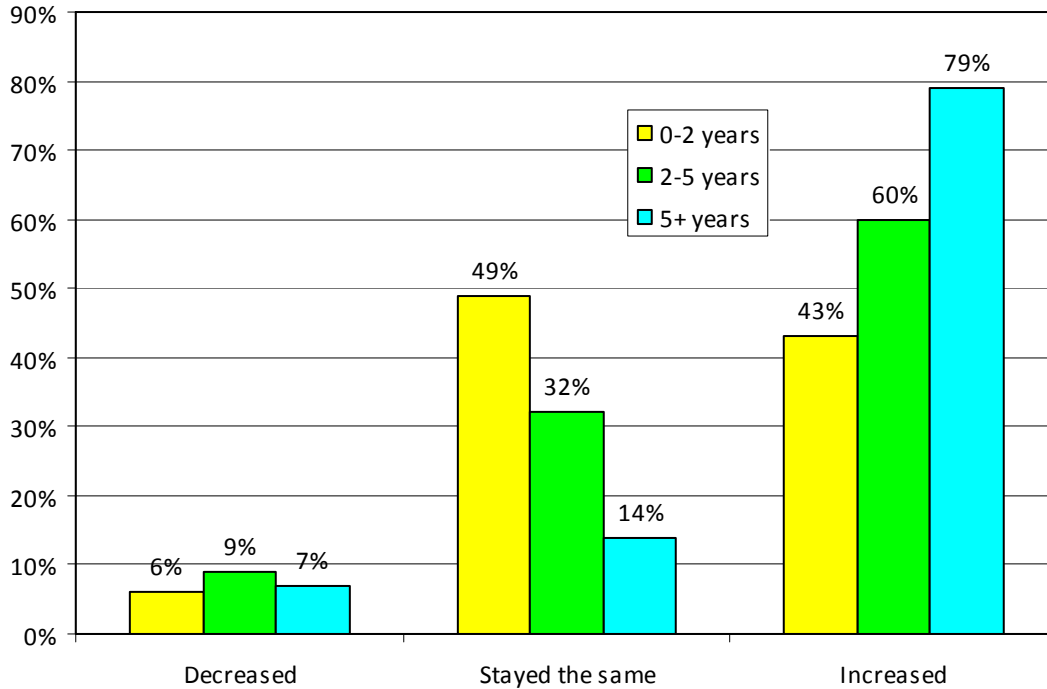
In 2009, 60% of partners reported that their giving had increased since joining SVP. 20% reported an increase of 50% or more. The response from the 2009 cohort is 13% higher, with 73% reporting a giving increase, as compared to 71% in 2007.

Comparison of changes in giving levels between 2007 and 2009

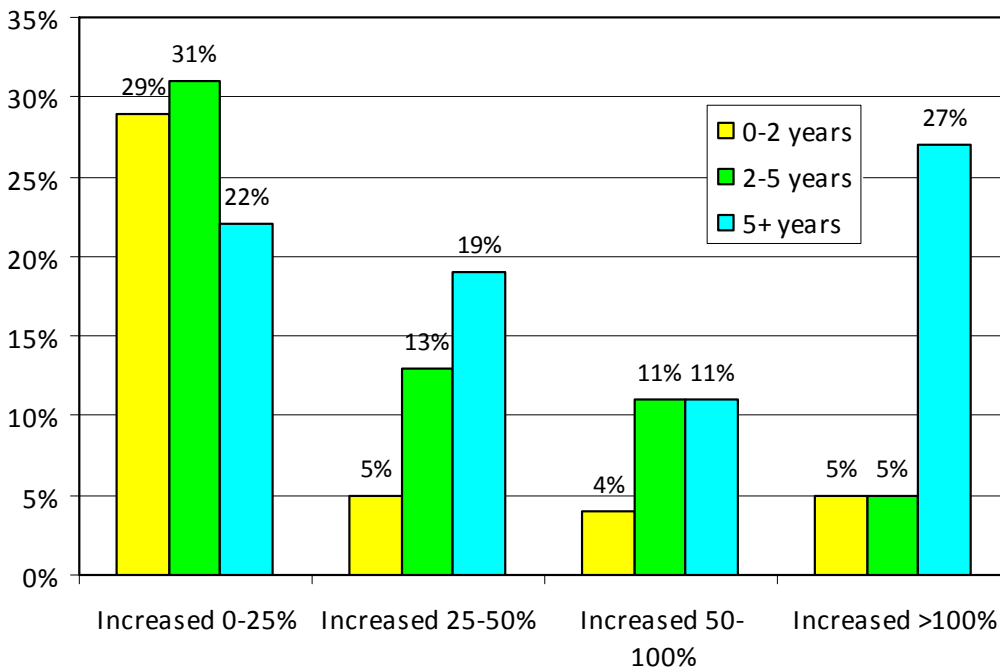


When changes in giving are broken out by longevity, the results are dramatic: while 43% of 0-2 year partners report an increase, 60% of 2-5 year partners and 79% of 5+ year partners report an increase, with more than one in four 5+ year partners reporting an annual giving increase of more than 100%.

Changes in giving by partner longevity

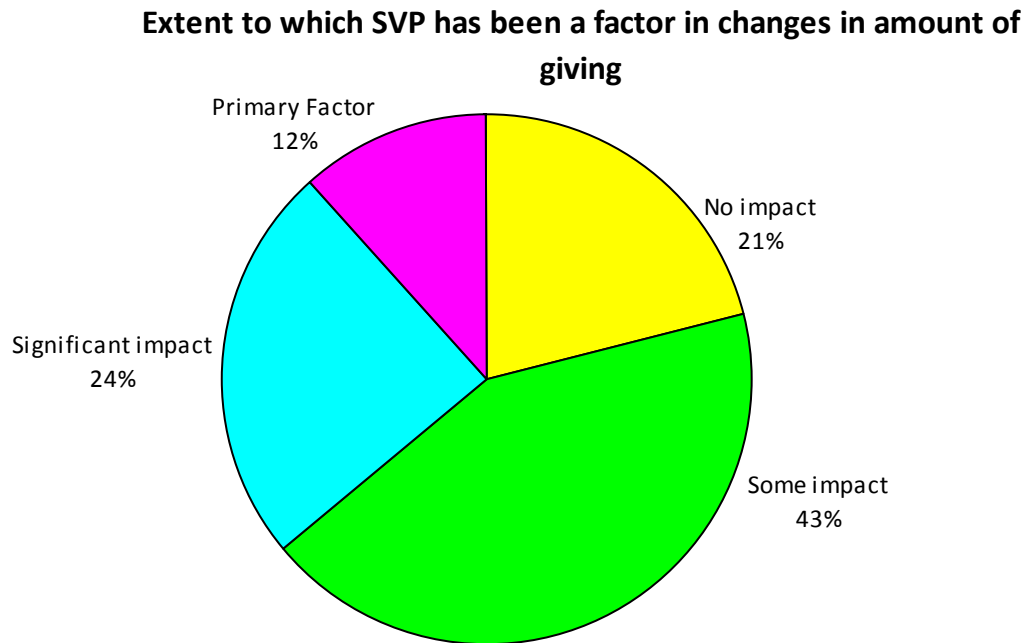


Increase in giving by longevity



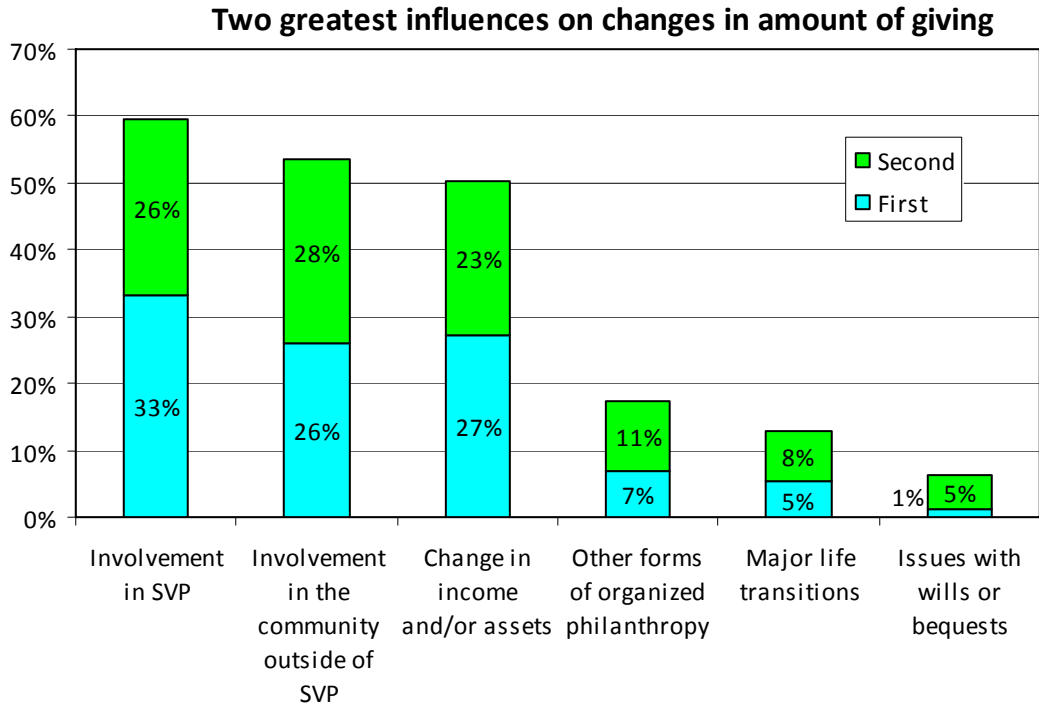
SVP's role in giving changes

When asked to what extent their involvement in SVP has affected the change in their amount of giving, 79% of respondents indicated that it was a factor, with 36% indicating that it had significant or primary impact.



Factors that influence changes in giving levels

Among factors that influence changes in giving levels, SVP was cited by 33% of respondents as the first factor, with 60% of total respondents rating it in the top two. Involvement in the community outside of SVP and changes in personal income or monetary assets were also cited frequently.



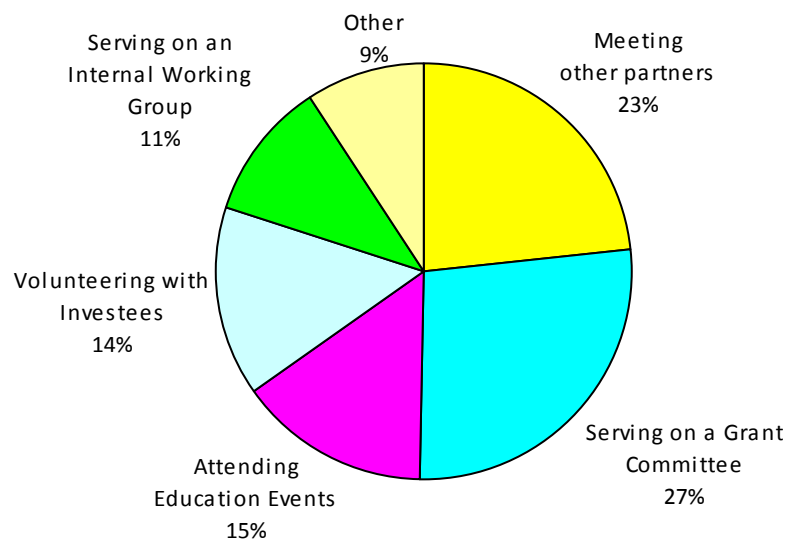
Component of SVP with the most impact on changes in giving levels

“SVP's commitment to making things better for those in need is 'viral' and we are influenced by the partners around us who make trade-offs to be certain their contributions have an impact!”

- 2009 Survey Respondent

Serving on a grant committee was the component most frequently cited as influencing partners' giving level. Meeting other partners was also influential.

SVP components' impact on changes in giving levels



“For me the most important thing about SVP has been seeing the "deal flow". Having been [a] lead partner... learning about the criteria/metrics SVP has developed over the years to distinguish between stronger and weaker investees has helped me evaluate and prioritize potential organizations that I might invest in myself.”

- 2009 Survey Respondent

Strategic Philanthropy Practices

"I am... making sure my donations go to causes I truly believe in because of SVP."

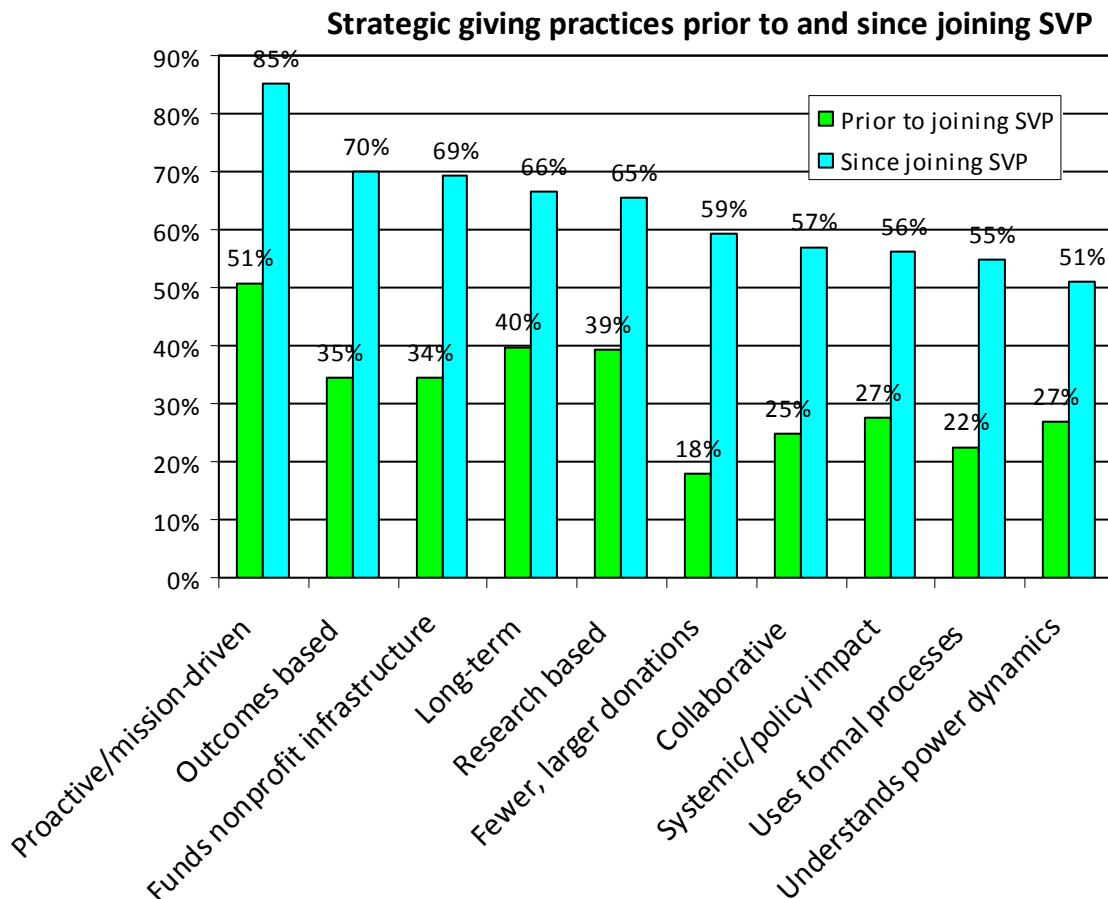
- 2009 Survey Respondent

The second outcome measured for SVP's philanthropy development mission relates to changes in *how partners give*. As a result of their involvement with SVP, many partners are much more thoughtful and deliberate in their approach to giving. In developing its outcomes measurement tools, SVP scanned the philanthropy development field and identified ten criteria of strategic giving:

- Proactive/mission-driven
- Uses formal processes
- Research based
- Collaborative
- Funds nonprofit infrastructure
- Outcomes based
- Systemic/policy impact
- Long-term
- Makes fewer, larger donations
- Understand power dynamics

Complete definitions of each indicator are available in Appendix A.

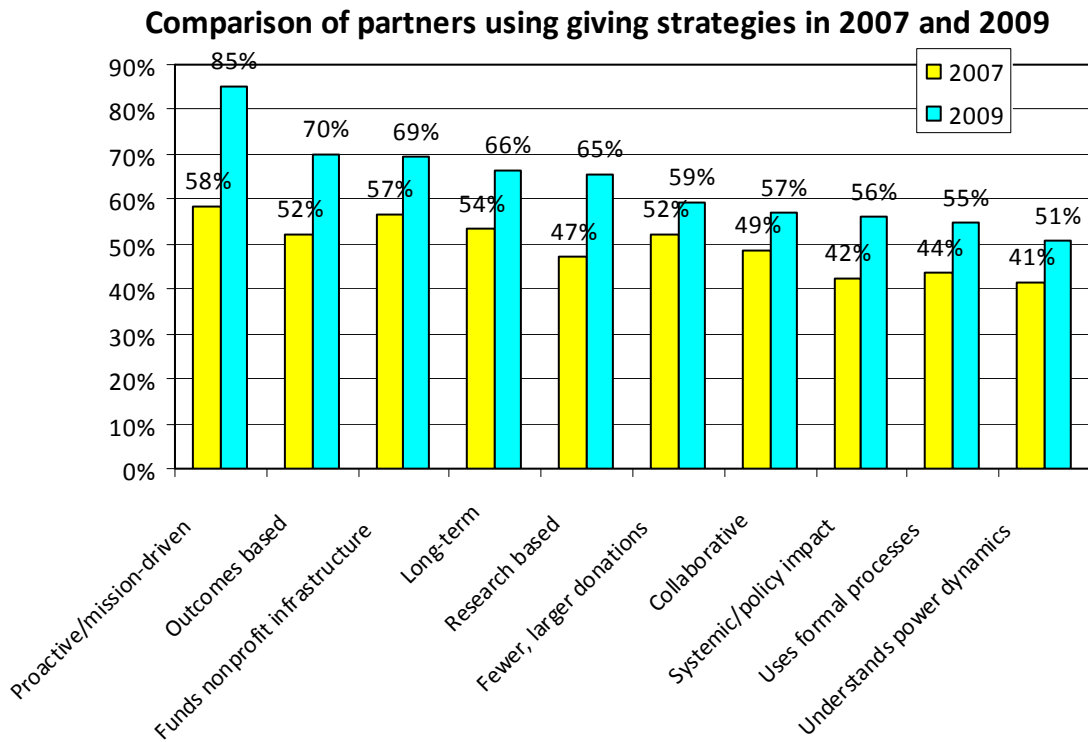
Respondents indicated which strategies they'd used prior to joining SVP, and which they use since joining.



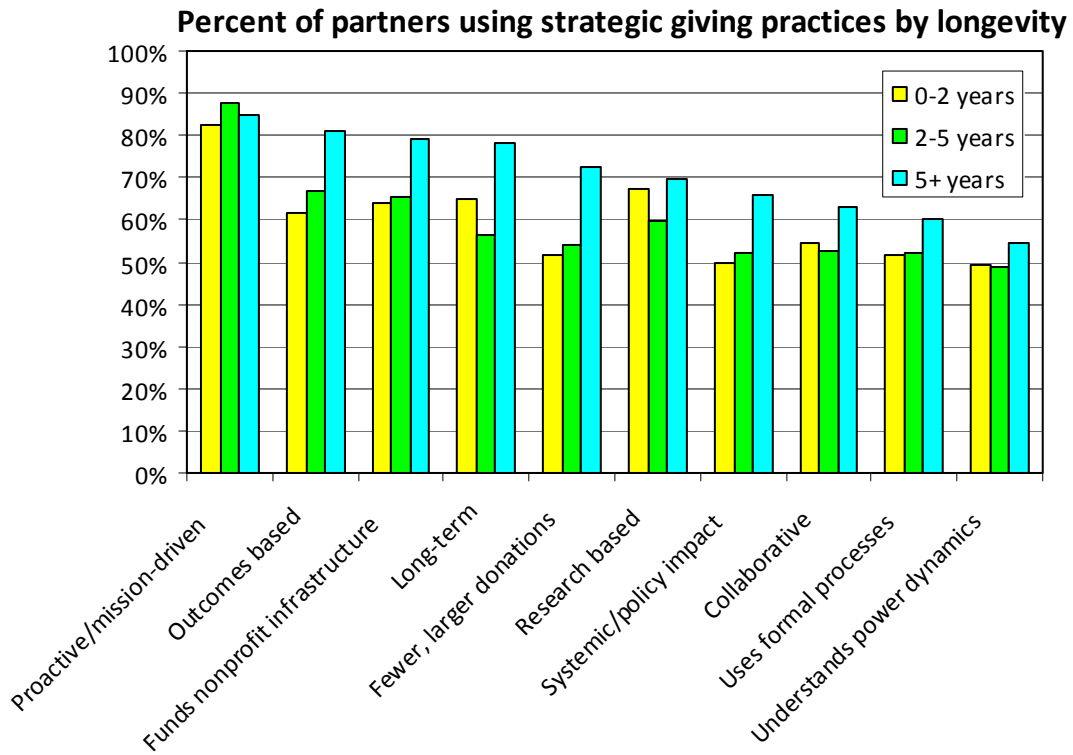
Each of the ten criteria is used by more than 50% of respondents. Significant increases were reported in all ten criteria, with some dramatic results:

- 232% increase in making fewer but larger donations;
- 146% increase in using formal processes;
- 129% increase in collaborative practices.

In each of the ten criteria, a higher percentage of partners in 2009 report using the strategy since joining SVP than in 2007. The percentage using a given strategy prior to joining SVP has stayed about the same. Most notably, 27% more partners report using the criterion of proactive/mission-driven.



For nine of ten strategies, partners who have participated in SVP for more than five years reported a higher rate of using strategic giving criteria. This is also an outcome in which partners' longevity appears to play a role.



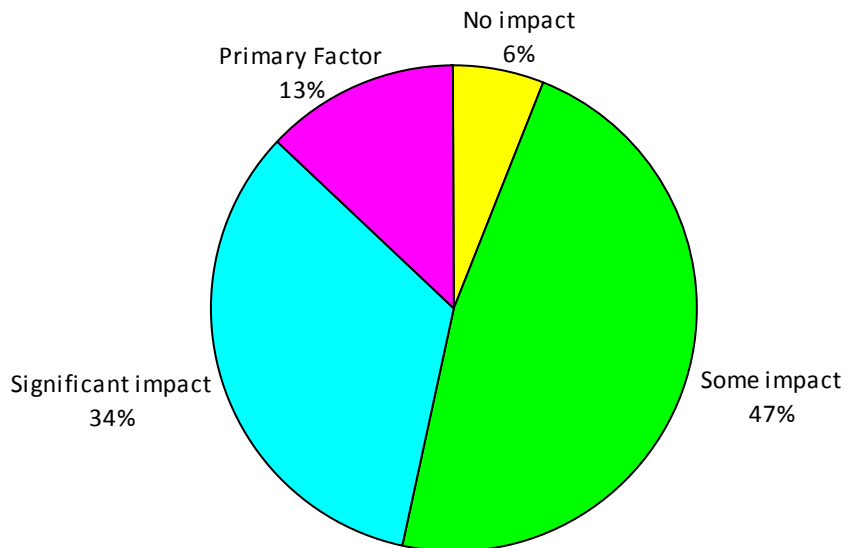
SVP's role in changes in strategic giving

"I've always tried to be targeted but SVP's emphasis on this made me examine my strategy even more closely."

- 2009 Survey Respondent

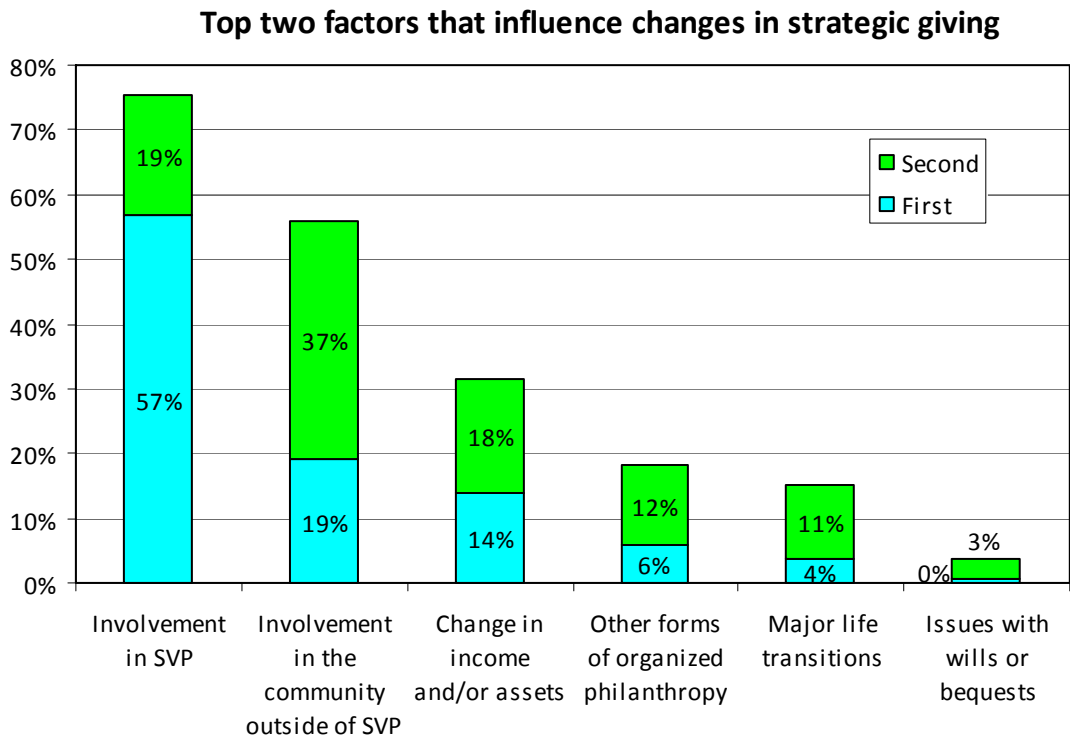
94% of respondents indicated that SVP had at least some impact on the way they give, with nearly half reporting that SVP had significant impact or was the primary factor.

Extent to which SVP has been a factor in changes in giving strategies



Factors that influence changes in strategic giving

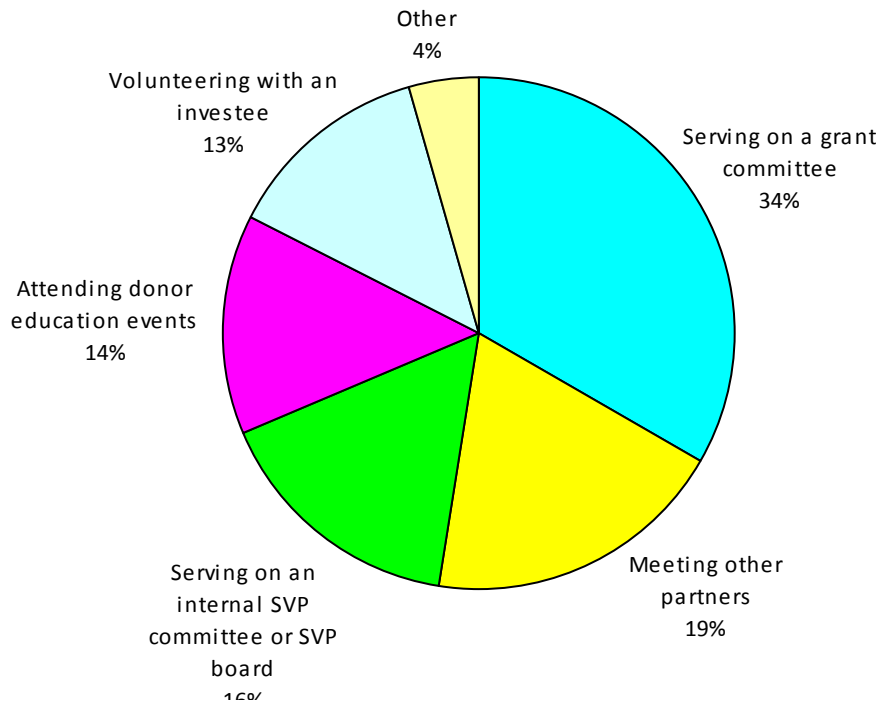
Among factors that influence changes in giving strategies, SVP was cited by 57% of respondents as the first factor, with 76% of total respondents rating it in the top two. Involvement with SVP was consistently cited as the primary factor across all 18 participating SVPs.



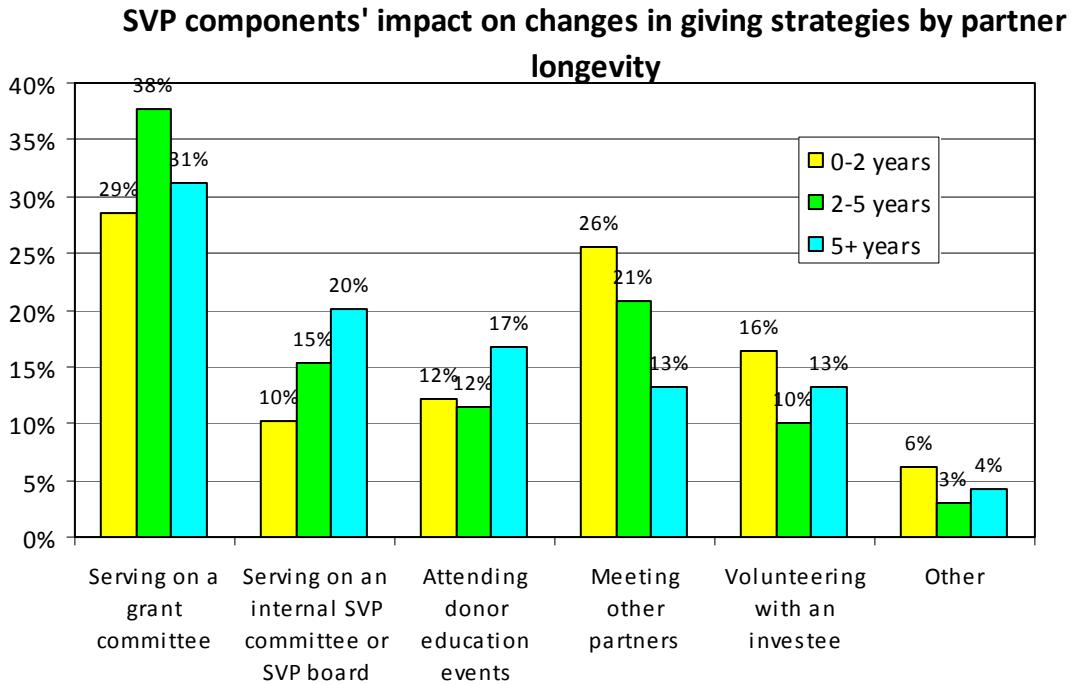
Component of SVP with the most impact on changes in strategic giving

Serving on a grant committee was the component most frequently cited as influencing partners' strategic giving. Meeting other partners was also influential, although when analyzed based on partner longevity, meeting other partners became less significant over time.

SVP components' impact on changes in giving strategies



At the same time, attending a donor education event and serving on an internal SVP committee was reported to be more influential by long-term partners than by those who have participated for fewer than five years.



“Since joining SVP I understand better how difficult and time consuming fundraising is for most nonprofits; it has encouraged me to give more and more consistently.”

- 2009 Survey Respondent

Community Involvement

"[SVP] has given me the credibility and confidence to be a more effective philanthropic investor and community volunteer/leader."

- 2009 Survey Respondent

The final outcome assessed by the survey is related to partners' involvement in the community.

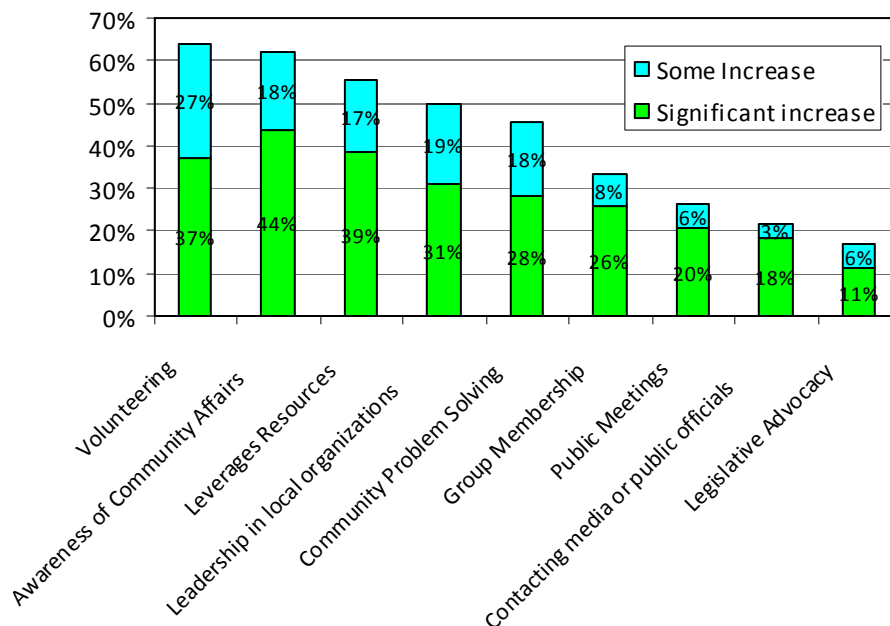
Changes in community involvement

Nine criteria of community involvement were identified by SVP after reviewing literature in the field:

- Community problem solving
- Volunteering
- Group memberships
- Contacting media or public officials
- Legislative advocacy
- Leadership in local organizations
- Leveraging resources
- Attending public meetings
- Awareness of community affairs

In four of the nine criteria, at least half of the partners surveyed indicated that their involvement had increased. Volunteering (64%) and Awareness of community affairs (62%) saw the greatest increase.

Changes in community involvement since joining SVP

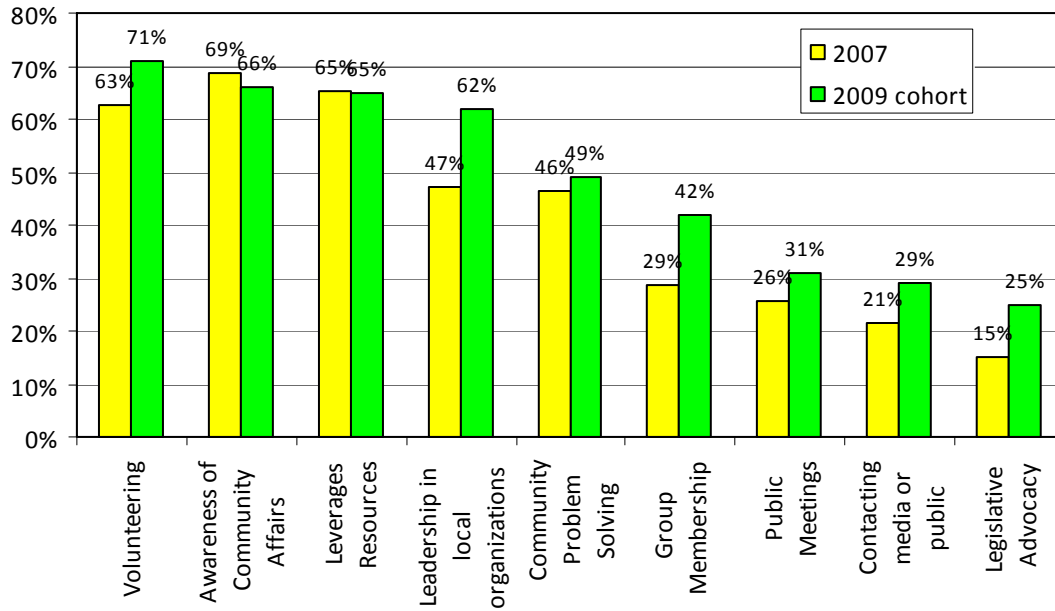


"I responded that involvement with community has stayed the same. In my case, I have not been that involved in community issues and still haven't fully jumped in. However, SVP had made me more aware and I feel myself moving in the direction of more involvement."

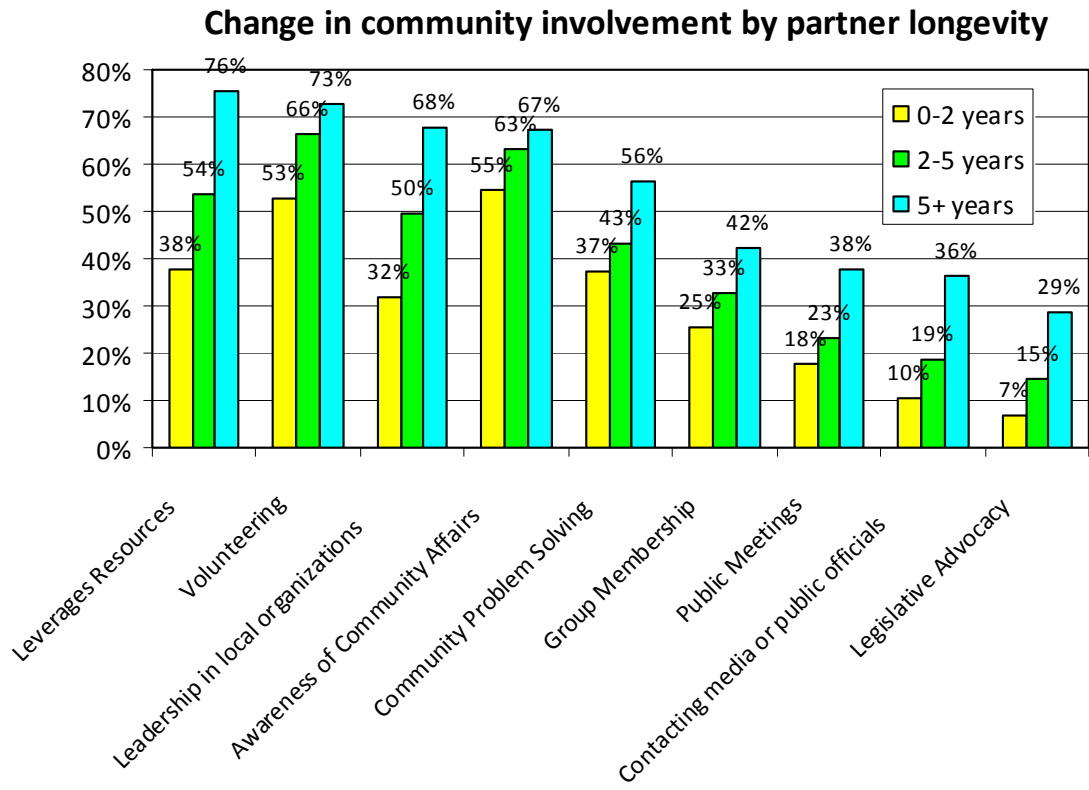
- 2009 Survey Respondent

The 2009 responses from the cohort that participated in the 2007 survey indicate that in seven of the nine criteria, community involvement continues to rise.

Comparison of partners' change in community involvement in 2007 and 2009 cohort



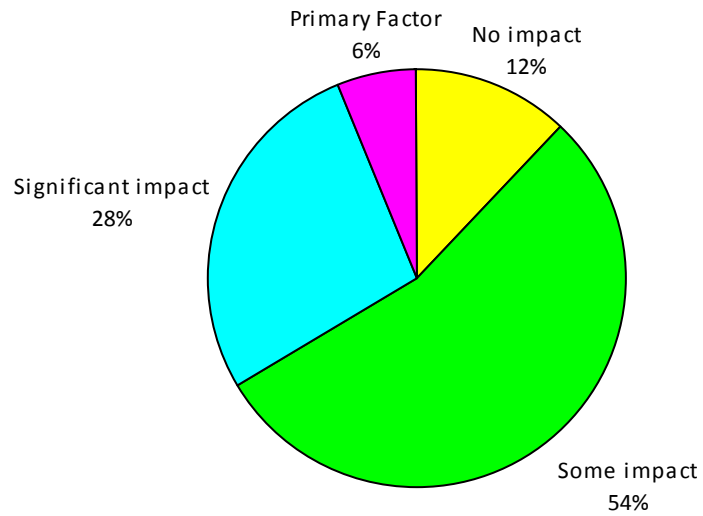
This idea is also supported by the data when it's analyzed by partner longevity. All nine criteria show a continuous increase as partner longevity increases.



SVP's role in changes in community involvement

88% of respondents indicated that SVP had some impact, a significant impact, or was the primary factor in the increase of their community involvement.

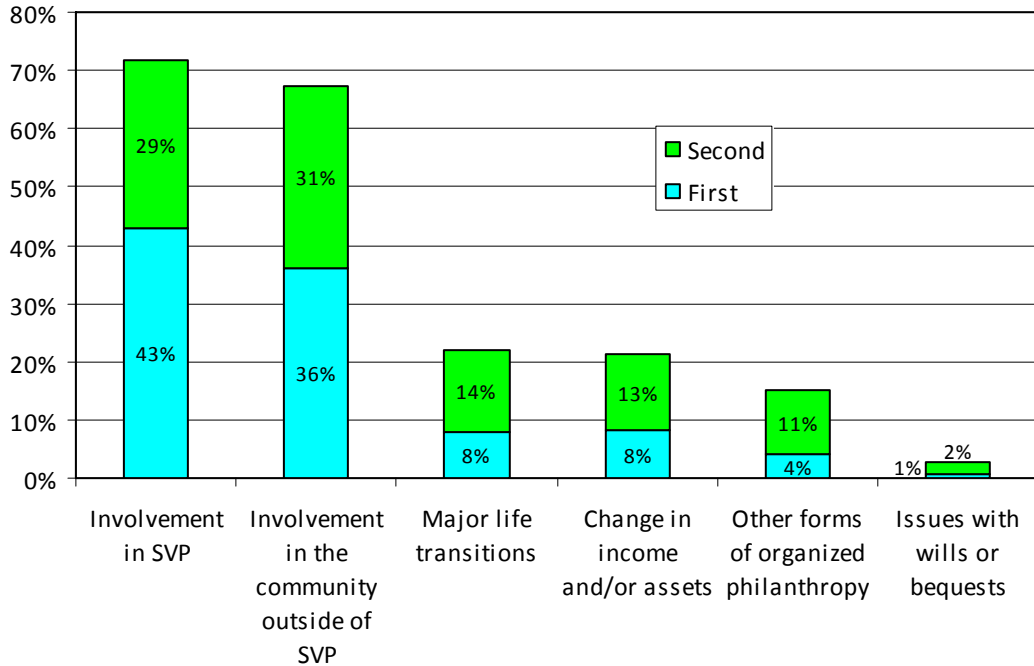
Extent to which SVP has been a factor in changes in community involvement



Factors that influence changes in community involvement

When asked about the top two factors influencing change in community involvement, 72% of partners indicated that SVP was among them, a 12% increase from the survey results in 2007.

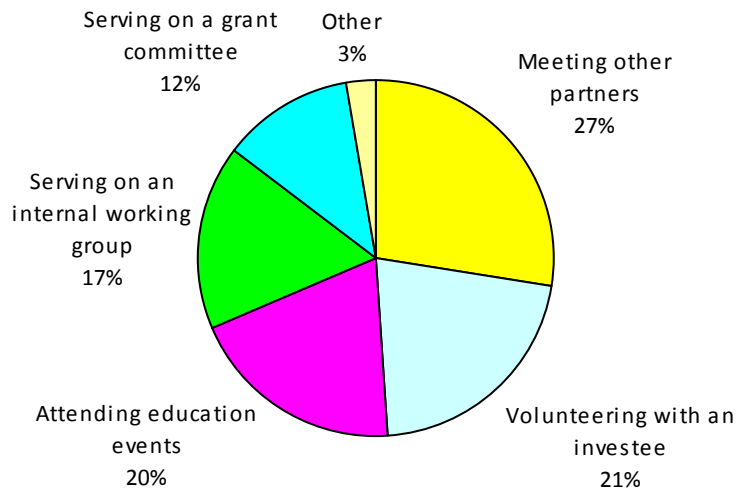
Top two factors that influence changes in community involvement



SVP factor with the most impact on community involvement

27% of respondents indicated that meeting other partners had the most impact on their level of community involvement. Serving on a grant committee (21%) and volunteering with an investee (19%) were also significant.

SVP components' impact on changes in community involvement



Conclusion

"Thank you SVP for [helping me in] becoming a better citizen."

- 2009 Survey Respondent

With more than a decade of experience in engaged philanthropy and the largest network of individual philanthropists in the world, it is clear that the Social Venture Partners model successfully develops philanthropy and an engaged citizenry. SVP's unique model has a lasting and substantial impact on its partners – their giving increases and becomes more strategic, and they get more involved in their communities. As the SVP network continues to grow, its impact will multiply as well.

Appendix A: Definitions for Strategic Giving

The strategic giving criteria listed below are drawn from best practices research in the field including the following resources:

- New Visions Philanthropic Research and Development: *Philanthropy's Forgotten Resource? Engaging the Individual Donor: The State of Donor Education Today & A Leadership Agenda for The Road Ahead* By Dan Siegel and Jenny Yancey
- Tracy Gary and Melissa Kohner in *Inspired Philanthropy: Creating a Giving Plan*
- New Ventures in Philanthropy, Donor Education Knowledge Lab, Aspen Wye River, MD, November 15-17, 2004
- Venture Philanthropy Partners' *High-Engagement Philanthropy: A Bridge to a More Effective Social Sector*
- The Rockefeller Foundation's *The Philanthropy Workshop*

Strategic Giving Criteria

Proactive/mission-driven: Partner has a vision for change and contributes to nonprofits based on advancing his or her overall giving goals and/or strategies.

Uses formal processes: Partner uses established, documented criteria for grant or donation assessment, conducts due diligence (such as site visits or interviews), has a plan for assessing whether a gift met its goals.

Research-based: Partner uses issue analysis and research to inform decisions about which organizations he or she wants to fund.

Collaborates with others: Partner solicits input from and collaborates with other funders, donors and/or community members to understand community needs, make informed grant decisions, and have greater impact.

Funds nonprofit infrastructure: Partner supports more than nonprofit programs, but also invests in the organizational capacity (staff and systems) of the groups he or she supports.

Outcomes-based: Partner seeks information about nonprofit performance and uses outcomes data to inform funding decisions.

Focus on systemic/policy impact: Partner includes funding for efforts that address systemic change (e.g. advocacy, organizing activities).

Long-term approach: Partner makes multi-year gifts, maintains contact with nonprofit after grant is made.

Writes fewer, larger checks: Partner makes fewer gifts each year, but the average value of each is significantly higher.

Understands power dynamics: Partner considers how issues of power and cultural differences (language, values, communication styles etc.) can impact the effectiveness of his/her philanthropy.

Appendix B: Definition for Community Involvement

The community involvement criteria listed below are drawn from best practices research in the field including the following resources:

- Civic Engagement Index (developed in 2003 by researchers at George Mason University, Rutgers and DePaul and funded by Pew Charitable Trusts)
- Social Capital Community Benchmark Survey (developed in 2000 by the Saguaro Seminar at the John F. Kennedy School of Government and funded by three dozen community foundations)
- Leadership Development Survey (part of 10-year Violence Prevention Initiative recently completed by The California Wellness Foundation)

Community Involvement Criteria

Community Problem Solving: Partner has worked with a person or group to solve a problem in the community where he or she lives.

Volunteering: Partner has volunteered within or outside SVP.

Group Membership: Partner has joined groups, either locally, nationally, or internationally and participated as an active member (PTSA, labor, rotary, community group, etc.)

Contacting media or public officials: Partner has written a letter to the editor or contacted the media and/or public officials on behalf on an organization or issue.

Legislative Advocacy: Partner has started or joined a legislative advocacy effort on behalf of an organization or issue.

Leadership in local organizations: Partner has held a leadership role (such as a board member, officer, or committee chair) of a local organization or community group.

Leverages resources: Partner has recruited new volunteers and/or financial resources on behalf of an organization or community group.

Participates in Public Meetings: Partner has attended and/or spoken at public meetings in which there was a discussion about community affairs.

Awareness of Community Affairs: Partner knows what is going on and talks about community affairs.