

## Information to support the development of our strategic plan

*Prepared: September 2019*

*Audience: Philanthropy New Zealand members and advisors*

### 1. Overview

This document provides relevant information to support Philanthropy New Zealand's members, advisors and stakeholders providing input into its strategy development.

It provides a summary of environmental analyses for the philanthropic sector, and a look at Philanthropy New Zealand's current reality. It presents the Board's thinking on the organisation's purpose at a high level.

This information aims to stimulate thinking that is informed by the current reality and environment PNZ operates in.

### 2. The process to date

Philanthropy New Zealand's three-year strategic plan concludes this year.

In recent months, the Board, Māori Advisory Committee, Youth Advisory Committee and PNZ staff undertook individual analyses of the environment and PNZ's strengths, weaknesses, opportunities and threats. A summary is provided in Appendix One.

At its July meeting the Board reviewed the analyses, then considered the parameters for consulting with its advisors and membership. It sought to provide sufficient context to guide consultation. It refrained from firming up any detail under the high level purpose, to enable advisors and members to have genuine input. This is summarised in section 5.

Supporting this specific strategic work is the ongoing feedback the PNZ team seeks from members from every-day discussions and also through surveys of events, including training, networking and the Summit.

An overriding objective is that PNZ continues to support and service its membership, as well as lead and support sector innovation.

### 3. Previous strategy

The following text from our website provides key information about our organisation as well as our vision and mission.

“Philanthropy New Zealand is the peak body representing and supporting philanthropy and grant-making in Aotearoa New Zealand. Our members include trusts, foundations, community groups, individuals, investors, local government and iwi. As the hub of philanthropy in New Zealand, we facilitate collaboration and offer practical guidance for anyone with an interest in giving to make the world a better place.

“Our **vision** is for a thoughtfully generous Aotearoa/New Zealand.

Our **mission** is to:

- inspire more philanthropy
- support better philanthropy and grant-making
- help build a stronger philanthropic and grant-making sector.

“We offer representation, networking, professional development and information to the philanthropic sector. This includes our biennial conference, the Philanthropy Summit. We also carry out regular research and we advocate for the sector with both local and central government.

“Philanthropy New Zealand is a non-profit, independent organisation. About half our income comes from membership fees. The rest comes from a range of sources including sponsorship, conferences and events, seminars and speaker tours, and from contract services such as our philanthropic advisory services.”

### 4. Key information to support strategic discussion

- PNZ has a **strong and loyal membership** with many within it championing the work to achieve more and better philanthropy. **Our members ARE our strength** and the Summit showcases this. PNZ provides the framework, platform and coordination and our members provide the bulk of the content.
- PNZ and many in our membership recognise that we **have insufficient understanding of Te Ao Māori and relationships with Māori/iwi in order to effectively fund Māori**. There is currently an exploration of establishing a kaupapa Māori organisation focussed on philanthropy that would partner with PNZ, which is a significant development.
- There is a **move to system thinking** amongst many in philanthropy. This recognises that we need to fund causes not just symptoms. Alongside this is the **increased commitment to collaborate with other funders and other sectors**, recognising a multi-sector approach is needed for system change.

- It's also important to point out **our membership is diverse**. For example, while some operate at the strategic, system or innovative level, the role of others is to fund important existing community services.
- **PNZ's membership continues to grow despite the global decline in membership organisations**. PNZ needs to consider modernising its model, how it operates and works with others.
- Our current view of **philanthropy may not sufficiently cover the broader ways people are giving** and may be a mismatch with how Māori/iwi and younger generations view generosity.
- PNZ's **budget is best viewed on a two-yearly cycle**. It makes a profit from the Philanthropy Summit to cover its deficit in the intervening year. It could be considered a healthy not for profit given its finances and reserves. There is a desire to move to a surplus every year. Any new initiative needs associated funding or an accompanying plan to stop current spend or activity.
- **PNZ is the only peak body for the philanthropic and grant making sector**, so it occupies a unique space in the landscape. However, there is an increase in other organisations that offer services that overlap with those that PNZ has traditionally delivered. It is a dynamic environment in the 'giving' and 'impact' space.
- Much of the community and voluntary sector is financially challenged for a number of reasons. Philanthropy is a major supporter, but at the same time **the current philanthropic system means seeking philanthropic funding can be resource intensive for cash-strapped groups**.
- We have a **strong brand with stakeholders and there is significant demand to partner** with us and collaborate with us. We need to prioritise as we can't meet all requests to partner or collaborate under our current resourcing and model.
- While our current focus is on more philanthropy, better philanthropy and a stronger eco-system, **the bulk of our activity is on supporting members around effective (better) philanthropy**. We are not active in growing philanthropy (more). With the Combined Community Trusts of New Zealand funding PNZ to have a policy and research function we will be increasing our work to support the ecosystem (stronger).

## 5. July Board meeting – strategic context

At its July meeting the Board met to discuss the context that would frame consultation over the strategy. A summary follows:

<p><b>Where We Are</b></p> <ul style="list-style-type: none"> <li>• We’re doing good work supporting individual members and groups of members</li> <li>• We’re uniquely placed to look at the whole system, but we’re not making the most of this unique place</li> <li>• There is lots we can do, and lots we are asked to do and lots we do. We need to choose well</li> <li>• We’re well connected across a broad church</li> <li>• We have a tension between serving members and servicing our world (membership versus movement models)</li> <li>• Diverse range of perspectives, capabilities, knowledge within our membership and advisory groups</li> <li>• We feel a sense of urgency (we’ve been slow in the past)</li> <li>• We wonder what BIG game changing initiative(s) we could start</li> <li>• We are small but big in ideas, networks, and influence with a good brand.</li> </ul>	<p><b>Purpose and Way</b></p>
<p><b>Draft mission/Impact</b></p> <p>New Zealand is the most generous country in the world and we use a uniquely Aotearoa model to be effective in our giving.</p>	<p><b>Conditions for choosing any strategic initiative</b></p> <ul style="list-style-type: none"> <li>• At the/a systemic level</li> <li>• Plays to our unique strengths</li> <li>• Only PNZ can do</li> <li>• Will benefit all participants in philanthropy (from grantseekers through to funders)</li> <li>• Is something a funder or group of funders can’t do by themselves</li> </ul>

## 6. Questions for advisors and members

Given our unique place as the peak body for philanthropy in New Zealand, our assessment is that our current focus is still the right one. Our focus is:

- growing philanthropy (more)
- supporting philanthropy to be as effective as possible (better)
- ensuring there an eco-system conducive for giving (stronger)

We are interested in advisor and membership views on our draft mission/impact. We then seek views on what activity is most important for PNZ to undertake, in order to achieve our desired impact. We ask that you factor in our environment (current PNZ reality and external events and trends).

Some prompt questions that may support input are:

- What would success look like for philanthropy and grant making in Aotearoa?
- What does the current and future environment mean for the philanthropic sector, and PNZ as its peak body?
- What changes are needed to the philanthropic system, in order to achieve the impact outlined above?
- What are the top three initiatives you think PNZ should lead, support or enable in coming years to support philanthropy, and why?
- what type of organisation does PNZ need to be to play its part in achieving the desired impact? How should we operate?
- What does PNZ need to start doing, stop doing and do differently?

## Appendix one: PESTEL and SWOT summary

The following tables combine the PESTEL and SWOT analyses that the Board, MAC, YAG and PNZ staff did separately. Note these are not necessarily the views of PNZ or all of the groups involved but reflect key points raised, including common themes within the groups.

### Major political, economic, social, technological, environmental and legal trends impacting philanthropy and grant making

Political	<ul style="list-style-type: none"> <li>• Strengthening understanding of Te Ao Māori (the world of Māori) and political partnership approaches and progress with settlements. Increase in systems approach to decolonisation and redevelop in partnership with iwi/Māori</li> <li>• Government willingness to partner. Accessible Govt expected to continue</li> <li>• Wellbeing, Living Standards Framework, SDGs – more holistic approach</li> <li>• Increase in support for social innovation and community driven initiatives</li> <li>• Issues of importance to voters change – eg to climate crisis</li> <li>• Short electoral cycle means changing priorities</li> </ul>
Economic	<ul style="list-style-type: none"> <li>• Growing economic base for Māori post settlement</li> <li>• Intergenerational wealth transfer</li> <li>• Move for inclusive growth</li> <li>• Lack of clarity around impact measurement</li> <li>• Move to look at systems interventions in philanthropy</li> <li>• Corporate increasingly looking at environmental and community impact/engagement</li> <li>• Reduced investment returns due to market – less giving</li> <li>• Rise of social enterprise and Māori enterprise</li> <li>• Rise in impact investment</li> <li>• The future of work</li> <li>• Youth give differently – through social procurement, crowd funding, peer to peer, increase in online</li> <li>• Competition for philanthropic funds</li> <li>• More players in the ‘giving’ space, connectors, impact measurement etc</li> <li>• Underfunded charities and competition for all types of funding. NFP sector is struggling</li> </ul>
Social	<ul style="list-style-type: none"> <li>• Increased inequality and increased concern over it</li> <li>• Localism</li> <li>• Social issues are high profile – poverty, housing, child abuse</li> <li>• Demographic trends – rise of youth and aging population</li> <li>• Increased diversity – ethnic, gender, sexual. More Māori and younger</li> <li>• Rise in activism and in philanthropic support for advocacy.</li> <li>• Funders as champions for causes</li> <li>• Increase in understanding of Te Ao Māori</li> <li>• Philanthropic decision makers not representative of the population (not sufficiently diverse)</li> <li>• Philanthropy is not community driven</li> <li>• Rise in kaupapa Māori models. Increased capability to work outside the Pakeha system</li> </ul>

	<ul style="list-style-type: none"> <li>• Success of kaupapa Māori models, eg waka ama, kura kaupapa, kohanga reo, kapa haka provides learnings and evidence</li> <li>• Ongoing racism</li> <li>• NFP sector undervalued</li> <li>• Generational divide</li> <li>• Willingness to engage more with Māori and youth – how to grow capability to do this</li> <li>• Negative portrayal in media</li> <li>• Increasingly connected iwi and indigenous people globally</li> </ul>
Environmental	<ul style="list-style-type: none"> <li>• Climate change has become a climate crisis</li> <li>• Rise of environmental movements – Predator Free</li> <li>• Mass extinctions are occurring</li> <li>• Philanthropy underfunding climate change</li> <li>• Indigenous knowledge being acknowledged</li> </ul>
Legal	<ul style="list-style-type: none"> <li>• Reviews of Charities Act; Incorporated Societies, tax settings</li> <li>• Increasing responsibilities of trustees/directors</li> <li>• Anti money laundering requirements</li> <li>• Ongoing conversations expected around our constitution</li> <li>• Definition of Māori organisational structure</li> <li>• Increased red tape takes time and costs</li> <li>• Legal strings attached to funding</li> <li>• Law unable to keep up with threats of technology eg hate speech promotion</li> </ul>
Technological	<ul style="list-style-type: none"> <li>• Increase in data gathering, accessibility and use – opportunities to use data better (eg impact measurement)</li> <li>• Rise in digital philanthropic marketplaces</li> <li>• Artificial intelligence and blockchain</li> <li>• Less geographical barriers to collaboration</li> <li>• Lack of data on iwi/Māori. Needs data captured, move to more strengths based information</li> <li>• Data supports transparency and sharing of power</li> <li>• Increase in access to ideas and data to support system redesign</li> <li>• Social media – increase in ‘othering’, normalising discrimination, and them and us mentality</li> <li>• Intellectual property</li> <li>• Development of apps that lead to change</li> </ul>

### Major strengths, weaknesses, opportunities and threats

Strengths	<ul style="list-style-type: none"> <li>• Connections to many loyal members</li> <li>• MAC and MAC networks</li> <li>• YAG</li> <li>• Competent Board and staff</li> <li>• Openness to change and agility/small and nimble</li> <li>• Enables networking and sharing of ideas</li> <li>• Specialist in philanthropy</li> <li>• Good brand amongst sector – established and trusted</li> <li>• Connector between sectors</li> <li>• Apolitical</li> <li>• Members who are champions and influential. PNZ is it’s members</li> </ul>
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	<ul style="list-style-type: none"> <li>• Independence (multiple sources of funding)</li> <li>• Only peak body for philanthropy</li> <li>• Broad membership</li> <li>• The Summit – key event for learning and networking</li> </ul>
Weaknesses	<ul style="list-style-type: none"> <li>• Very limited funding and capacity</li> <li>• Dependency on the Summit to cover deficit</li> <li>• Insufficient Board and staff representation of community, therefore knowledge of Te Ao Māori and colonial history</li> <li>• Lack of relationship with Māori and iwi/lack of relevance to Māori</li> <li>• Lack of technology used</li> <li>• Lack of technology to support connection between members (funders with funders and funders with grantseekers)</li> <li>• Lack of data (for PNZ to use and for the sector)</li> <li>• Philanthropy a term that many don't relate to (grant makers, Māori/iwi), not well understood</li> <li>• Lack of focus/clarity and marketing for potential members, and lack of specific resource on retention (aside from services provided)</li> <li>• Cross party political relationships – lack of capacity to support</li> <li>• Community membership – limited offering and not currently a specific focus</li> <li>• Diversity of membership means different service offerings are needed</li> <li>• CE and staff time spent fundraising takes away from delivering to members</li> <li>•</li> </ul>
Opportunities	<ul style="list-style-type: none"> <li>• Unlock Māori potential through funding kaupapa Māori models</li> <li>• Māori influence the sector through PNZ</li> <li>• Philanthropy and iwi collaborate to have more influence on systems change within Government</li> <li>• Better engage with youth, next Gen and Māori/mana whenua and iwi (and risks if we don't)</li> <li>• Opportunity for membership growth given untapped areas of funders</li> <li>• Opportunity for membership growth because courageous and leading</li> <li>• Platform for collaboration for funders</li> <li>• Better communication and marketing of our offering</li> <li>• Giving Movement – support wider generosity (no specific activity under our 'more philanthropy' mission currently)</li> <li>• Produce sector research</li> <li>• Our amazing members and what they do!</li> <li>• Stronger relationships through a more collaborative approach with other umbrella bodies</li> <li>• More collaborative work with other sectors (Govt, business, etc)</li> <li>• Webinars to increase accessibility</li> <li>• Modernise to support changing trends in organisational models</li> <li>• Access to funding given membership type</li> <li>• Leverage networks rather than just rely on traditional operations</li> <li>•</li> </ul>
Threats	<ul style="list-style-type: none"> <li>• Other umbrella groupings within philanthropy strengthen and no longer need PNZ (eg community trusts, community foundations, high net worth individuals etc)</li> <li>• Lose membership due to traditional view of philanthropy, new philanthropists seek different support and structures</li> </ul>



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|  | <ul style="list-style-type: none"><li>• Declining membership model popularity globally – when will this impact PNZ?<br/>Youth more likely to join movements not memberships</li><li>• Trend for more information to be openly available for public benefit, not just to members</li><li>• Revenue declines due to others offering the services we traditionally have offered</li><li>• Giving is a ‘hot’ space with many more consultancies and programmes</li><li>• Deficit budget and dependence on Summit and events to make a profit</li><li>• Can’t meet needs of iwi/Māori in a world where they’re increasingly influential and collaborative.</li><li>• Organisations think we are wealthy given our name and the sector we operate in, rather than a not for profit that needs to seek income.</li></ul> |
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