



MONTREAL RESEARCH LABORATORY ON CANADIAN PHILANTHROPY

October 2015

Conference Summary

Difference Makers? Exploring the Societal Impact of Canada's Grantmaking Foundations

*With assistance from a number of kind research assistants and volunteers who
took careful notes during the sessions.*

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Conseil de recherches en
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Canada

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Difference Makers? Exploring the Societal Impact of Canada's Grantmaking Foundations

June 8th, 2015

Université du Québec à Montréal // Montréal

The official launch of the Montreal Research Laboratory on Canadian Philanthropy (<http://rpc.uqam.ca/en/>) coincided with its first working conference. On June 8th, 2015 over sixty researchers, philanthropic practitioners, foundation partners, and students from across Canada, the United States and Europe converged at the *Université du Québec à Montréal* to share the preliminary results of a collaborative research project, co-financed by the Social Sciences and Humanities Research Council of Canada (SSHRC), Philanthropic Foundations Canada (PFC), Community Foundations of Canada (CFC), Ontario Trillium Foundation (OTF), and the Institute for Community Prosperity (ICP). This three-year research project aims to create and mobilise knowledge on the social innovation and the social impact of Canadian grantmaking foundations.

The primary objective of our research partnership is to coproduce new knowledge by bringing together researchers from across Canada, the United States, and Europe, and representatives of Canadian public, private, and community foundations, in the form of working groups. All partners have agreed on the relevance of developing a body of academic knowledge that will allow a critical assessment of the capacity of Canadian grantmaking foundations to contribute to development or social change with the funds they grant to not-for-profit organisations.

Objectives of the June 8th working conference

- To discuss preliminary research findings from the collaborators of the Montreal Research Laboratory on Canadian Philanthropy;
- To establish, through networking and mobilisation, a critical and evolving dialogue on the issues surrounding the role and place of local, regional and national grantmaking foundations in the development of Canadian society.

The conference day was divided into four sessions, according to the structure of the research groups within the project. Research Cluster 1 on the State of Philanthropy in Canada was divided into two mini-sessions, while Cluster 2 (Governance & Policy Issues), 3 (Case Studies on Collaboration) and 4 (An International Perspective on Grantmaking Foundations) each had their own full-length sessions.

You can find the day's programme on the Laboratory website (<http://rpc.uqam.ca/en/conference-2015/programme>). Under each session is either a draft discussion paper or summary of findings for each topic presented. The summaries below will capture the main points raised during the presentation, the constructive feedback garnered in the large-group discussions and question period, as well as how that feedback will be incorporated into the future research of each cluster over the course of the next eighteen months.

Mini-Session IA: *Getting Here from There : A contextual overview of foundations in Canada*

Speaker: Sid Frankel (University of Manitoba)

[See Summary of Findings here](#)

Three Main Points from Presentation

- There are multiple definitions for foundations across jurisdictions in Canada and around the world. One can find legal definitions, purpose-driven definitions, functional definitions and structural definitions. These definitions often have important conceptual implications.
- One of the more consistent dichotomies is a public-private distinction.
- The findings take a closer look at two very specific narratives in the literature on the role and function of grantmaking foundations in the United States and Canada:
 - The first of these situates foundations as philanthrocapitalist organisations.
 - The second analyses foundations from the perspective of bottom-up collaborative change philanthropy.

Insights from Discussion

- Is there a distinct public-private dichotomy among foundations? Does this dichotomy adequately represent the diversity of Canadian foundations?
- How do foundations who are passive or reactive donors only fit in the typology of foundations? Does this dichotomy limit the reflection of the diversity of foundations out there? Is this the best way of presenting the diversity of forms or practices that we observe among foundations in the field?
- What about Strategic Philanthropy that is based on long-term measurable goals focused on impact?
- What about grassroots philanthropy that is usually more spontaneous in responding to issues at the local level?
- The two models of philanthrocapitalism and bottom-up collaborative change are both focused on organizational or systemic social change, which does not represent the focus of many foundations who work within the status quo (for example, maintaining access to health care and education, rather than reform) or in a more reactive fashion. Thus, might this conceptual dichotomy need to be more nuanced?
- Furthermore, foundations do not always adopt one single strategy for giving financial support. They may have multiple strategies based on different programs or funding areas. This complex reality impacts the way in which we characterize or categorize foundations, which may not fall into the typology presented above.

Future Research Directions

It may be more useful to think about philanthrocapitalism and bottom-up collaborative change philanthropy as two extremes along a spectrum, or two ideal types within a broader and more inclusive typology. The development of a typology of foundations in Canada must consider family, independent, community, donor-advised and corporate foundations, as well as the different practices and approaches that foundations have and self-identify themselves as pursuing.

Mini-Session IB: *Untapped Potential of Available Data for Foundations in Canada*

Speakers : Iryna Khovrenkov (University of Regina) & Michael Lenczner (Ajah)

[See Summary of Findings here](#)

Three Main Points from Presentation

- Compared to other countries, Canada has the best (ie. most thorough and publicly available) data on foundations in the world. This data is more complete and more accessible than those produced elsewhere.
- Only 17 academic papers have been identified that write about Canadian foundations and use empirical data (eg. T3010) that is publicly available. Compared to the US, this is a very small sample.
- As very little research has utilized this data and as foundations themselves don't necessarily have the resources to do so, there is a dearth of knowledge on the topic relative to what we could know. Taking advantage of data would enhance our knowledge on Canadian foundations and enable us to better understand their reality.

Insights from Discussion

- The relatively smaller foundation sector (compared with the US) and the number of researchers interested in foundations in Canada may help explain the lack of research despite access to good data.
- While the data may be widely available, it is also a very large data set (over 270,000 cases) that requires a great deal of labour to code and "clean". A lot of information is missing and incomplete, and must be searched for and manually entered. Furthermore, there is no standardisation across groups, and different codes may mean something different to different people. Standardising terminology, groups, and codes would thus be necessary in order to utilize this data fully.
- In order for foundations to want to invest in this area, they must consider how data and information are essential to accomplishing their mission. How can increased information flow between stakeholders benefit foundations? Further to this, what would be the most important data to analyse?
- One possibility of increased information may be increased scrutiny from regulators. Is this something that foundations are concerned about?

Future Research Directions

Our research team would like to produce empirical academic research using available data and data from foundations. It is our goal to ensure that in consultation and partnership with foundations, the topics will be mutually defined and interesting for both parties and contribute to improving the knowledge on and the practice of foundations in Canada.

Session II: *The Governance and Policy Landscape for Canadian Foundations: Issues on the edge of change*

Speakers : François Brouard (Carleton University), Peter R. Elson (Institute for Community Prosperity, Mount Royal University) et Adam Parachin (Western University)

[See four Draft Discussion Papers: D1; D2; D3; and D4.](#)

Three Main Points from Presentations

- Foundation reporting can take many forms, such as tax & regulatory, financial, social, and grant-making. These documents only give partial data rather than a complete picture of foundations' activities.
- As an illustration of this, we do not currently know a lot about foundations' policy engagement. What type of policy engagement do they undertake, if any? What is the impact of these activities?
- Current regulations restricting advocacy do have an impact on the role that foundations play in terms of policy. Having greater regulation on this issue would serve to further politicise it. A legislative solution does not necessarily represent the best option.

Insights from Discussion

- Mirroring our discussion above in mini-session IB, a proactive approach to the disclosure of foundations' activities would potentially benefit foundations and most likely assist in their practice. This is in contrast to the current passive approach, where a number of foundations, particularly private ones, prefer to avoid the spotlight.
- Community foundations do not often recognise the work that they do on the spectrum of policy engagement, and therefore may not be activating their full potential for policy impact. In general, foundations have not historically had a strong role as public policy actors.
- Charities are permitted to expend 10% of their resources on political activities, but across the board, charities expend only about 0.5%. This is a huge untapped resource for social change. This gap cannot be attributed solely to the effect of regulation; it would appear to be more of a self-imposed "chill" in the charitable sector, when in reality, the rules are much more enabling than foundations may realise.
- Foundations are concerned about anything that could impact the role played by charitable organisations or reduce their capacity for action. Until now, there has been no clear consensus regarding the boundaries between state activities in the public sphere, the philanthropic activities of foundations, and those of charitable organisations. Since the charitable sector is continually developing and relations between this sector and governments are frequently subject to review, it may be time to clarify the relationships between these three actors in terms of their roles, functions, and areas of competence.

Future Research Directions

Research to date suggests a number of pertinent questions relevant to private, public, and community grantmaking foundations. These questions necessitate a deeper and more rigorous look, and therefore further research. The next stage of our research process is to engage further with foundations on their reporting & transparency practices, their engagement in the policy process, and their role in advocacy, to gain better insight into what is happening on-the-ground.

Session III: *Collaboration among Canadian Grantmaking Foundations: Results from five case studies of collaboration*

Speakers : Jean-Marc Fontan and Sylvain Lefèvre (Université du Québec à Montréal)

[See summaries of each case study here](#)

Three Main Points from Presentation

- Regional collaboration is more common than national collaboration in the cases examined.
- Forms of collaboration present in the five case studies indicate in general few resources, either human or financial.
- The most common form of collaboration is information exchange, which sometimes includes the mobilisation and promotion of knowledge in the form of webinars and conferences directed within the sector as well as to external stakeholders. Information exchange generally focuses on sharing best practices, data, and expertise.

Insights from Discussion

- Successful collaborations among foundations exist, such as those emerging from the Canadian Environmental Grantmakers' Network (CEGN) and the Circle on Philanthropy and Aboriginal Peoples in Canada. How can the conditions conducive to such collaborations be created in other areas?
- Collaborations may not always be appropriate or desirable for every issue or group. Collaboration tends to be centred on a problem and a common goal for addressing it, which requires agreeing on a common strategy.
- Given that foundations tend to have their own individual missions and pursue specific objectives, the more pressing question is to better understand their reasons or motivations for collaborating at all.
- Collaborating must not always be seen as the goal, as foundations may be able to achieve their goals individually more efficiently and effectively.
- Numerous foundations lack the human resources necessary for developing effective collaborations, which can be highly demanding and take time to foster.
- Foundations can collaborate on many fronts: by sharing financial resources and communications tools, presenting a common voice in the public sphere, working together to measure their impact, etc.
- Governance and infrastructure are important aspects to consider. How is collaboration structured and funded?
- It is also important to examine collaborations between foundations and other organisations.

Future Research Directions

The above case studies have been examined individually. The next step will be to consolidate the research into a comparative analysis that will facilitate the identification of conditions conducive to collaboration. Furthermore, not only will this working group examine collaborations among foundations, but they will expand their research to include collaborations between foundations and other societal actors.

Session IV: *International Comparisons: Analysis of trends and issues from the international grantmaking sector*

Speakers : Nazita Lajevardi (University of California San Diego) & Nicole Rigillo (McGill University)

[See Draft Discussion Paper here](#)

Three Main Points from Presentation

- Comparing the Canadian philanthropic sector to the international scene is important for situating the activities of Canadian foundations and highlighting their specificities and contributions to social innovation. The United States, United Kingdom, and New Zealand are three jurisdictions that share a similar history and institutional structure with Canada. Their philanthropic sectors thus share many similarities with the Canadian one.
- France, Sweden, and Italy have developed very different institutional forms not only from Canada, and but also from each other. They are home to unique foundation forms and grantmaking practices that differ in the services that they provide, the laws that give rise to their respective organisations, and the core principles that shape their practices.
- In Asia, Africa, and Latin America community foundations dominate the philanthropic sector.

Insights from Discussion

- There are different definitions of foundations across jurisdictions, corresponding to different legal contexts. When comparing cross-nationally, is there a core set of elements characteristic of foundations that would enable the adoption of a common definition?
- A key difference between the Canadian and Anglo-Saxon philanthropic sector and those of other countries rests on the relationship between the state and the non-governmental sector. In Canada, the US, UK and NZ, foundations act independently of and in a manner that is complementary to the state. This is in contrast to the state being a driving force of philanthropy in continental Europe.

Future Research Directions

The future work of this cluster will centre around creating a cross-national typology of countries based on its foundation sector. Direct comparisons of the Canadian context with other jurisdictions intend to inform foundation practice in Canada. Furthermore, the focus of this international cluster will expand to include research on the international flow of Canadian philanthropy dollars out of the country, as well as flows into the country from international locations.

Call to Action: Moving towards a more Partnered Engagement & Mobilisation Strategy

Based on the outcomes of this conference and feedback from participants and Lab members, it is clear that it is imperative to look at how we engage within and between clusters, as well how to strengthen the role of all participants, including researchers and foundational partners.

Additionally, we aim to identify more efficient methods for exchanging knowledge among the different sectors involved in the Lab. Finally, by utilising the network of researchers and representatives of philanthropic organisations we have already built, we will mobilise new members from both the academic and philanthropic communities. We will reinforce our research partnership by gathering regular feedback and more sustained dialogue with the involved sectors.

For further information, or to join our collaborative research network on Canadian philanthropy, please contact us.

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