



Insights

# Making the Case to Invest in Collaborative Funds

Collaborative Learning  
for Impact Philanthropy

**Insights**

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 PANORAMA GLOBAL



## Acknowledgements

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## Collaborative Funds

Collaborative funds, or collaborative giving, is one of the fastest growing giving mechanisms. Today, there are more than 400 philanthropic collaboratives based in the U.S. and increasing in popularity worldwide. These funds pool donor resources, provide deep subject matter expertise, and channel resources to organizations that accelerate social change. Collaborative funds leverage the power of the collective to address complex systemic social issues.



## Collaborative Learning

With more than half of the funds started after 2010, collaborative funds have already channeled over \$2–3 billion per year to nonprofits. Most recently, as part of philanthropist MacKenzie Scott's \$14 billion giving between 2020–22, more than \$1 billion went to collaborative funds. Through the Collaborative Learning for Impact Philanthropy initiative, Panorama Global facilitated a peer learning community of collaborative funds that received Scott's funding. For many participating organizations, the Scott gift was their first time receiving a grant of this magnitude. Learnings from this group provide insights on the power of well-funded collaborative funds.



# Global Summit of Collaborative Funds

In October 2023, the learning community joined more than 100 collaborative funds for the inaugural Global Summit of Collaborative Funds, co-hosted by the Bill & Melinda Gates Foundation and Philanthropy Together, to identify promising practices and shared challenges among those leading and funding collaborative funds. Panorama Global hosted a session and engaged more than 100 participants to co-develop key messages for funders to invest in collaborative funds, underscoring the process and benefits. The following insights reflect the collective experience and wisdom of collaborative fund leaders and partners and intend to support an ongoing dialogue in the philanthropic community. Funders give for many reasons across issue areas, geographies, ways of giving, and more, and the collaborative funds represented by these insights reflect a similar diversity.



## *Making the Case*

Below are ten reasons that make a case for investing in collaborative funds which benefit donors, nonprofit organizations, and the broader sector. Collaborative funds staff should adapt and tailor these messages based on each donor, as there may be a specific motive or set of reasons that resonate to advocate for investment.

# 10 Reasons to Invest in Collaborative Funds

## 1 **Contribute towards large-scale, sustainable change.**

Collaborative funds pool donor resources into large investments to redistribute to groups and organizations that can carry out impactful and sustainable change. Through this mechanism, one gift can be part of a larger social movement that can transform society.

## 2 **Exponentially grow networks and increase reach.**

Collaborative funds can act as “boundary spanners,” bridging connections between funders and communities or organizations that are smaller, localized, and may have less access to philanthropy. Collaborative funds foster trust and relationships with communities and stakeholders, enabling funders to extend their reach.







### **3 Lean on experts who are closest to the issue.**

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Collaborative funds bring extensive subject matter expertise to inform the distribution of resources to groups and organizations that accelerate change. Funders can lean on and learn from staff and community experts to deeply understand the latest best practices and innovations in a particular issue area or field.

### **4 Center community needs and social solutions.**

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Collaborative funds draw from community sharing and re-distribution of wealth practices. Collaborative funds can be a way for funders to share the power that comes from wealth and partner with community experts to address pressing issues in our society.





## **5 Promote relational and equitable giving.**

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Collaborative funds do the time consuming and important work to develop deep relationships with communities to fully understand their needs. This human-centric approach to giving addresses existing communication barriers between donors and the communities they aim to reach.

## **6 Explore new and interconnected issues or expand geographic reach.**

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Funders who are expanding their portfolios can leverage existing expertise and partners for new issue areas or geographic locations. Collaborative funds often move beyond single-issue grantmaking and explore giving to interconnected issue areas.

## **7 Join a community with other donors, experts, and community leaders to learn and take action.**

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Collaborative funds provide a community for funders to engage and learn alongside other donors through ongoing sessions, strategic planning meetings, or by sharing information gathered from grant recipients. If helpful, donors can stay less visible while exploring new issue areas, geographies, or ways of giving with the benefit of the collaborative.

## **8 Leverage existing infrastructure and services to maximize cost-sharing.**

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Particularly for new donors, partnering with collaborative funds helps leverage infrastructure and services to distribute funds and resources. This can also be beneficial for funders who are exploring a new issue area and can expand their reach without building a new team of experts or developing new structures.







## 9 Learn from the collective learnings of nonprofit leaders.

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As a convening hub, collaborative funds encourage nonprofit leaders to share knowledge, exchange strategies and insights across a sector, and learn from one another around cross-cutting challenges. These opportunities can strengthen and sustain the health and impact of organizations which funders are investing in.

## 10 Support nonprofit leaders in reducing the continuous cycle of fundraising and reporting.

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By providing access to pooled funding, collaborative funds often provide larger amounts of funding with lower effort required by nonprofit leaders, allowing them to focus on programs. Similarly, impact and outcomes reporting collected by collaborative funds is shared with a larger set of donors.





## Social Impact

These insights provide donors with a better understanding of the benefits of investing in collaborative funds. Ongoing research from The Bridgespan Group provides an overview of how collaborative funds work and an analysis of their grantmaking potential. Each fund develops its structure and practice, but what unites them is the benefit they offer to funders, nonprofit organizations, and the broader sector. To date, collaborative funds have deployed \$2–3 billion annually. With their existing staff and infrastructures, collaborative funds have the potential to substantially deploy more resources, an estimated \$16 billion per year.

We call on funders to consider investing in collaborative funds and optimize our shared potential to create ample social impact. The Philanthropic Collaborations Database is a resource to learn more about existing collaborative funds.

## Additional Resources

- [The Power of Well-Funded Collaborative Funds](#)
- [The Philanthropic Collaborative Landscape](#)
- [“To go far, go together” How donor collaboratives are changing the world](#)
- [Donor Collaboratives website hosted by the Bill & Melinda Gates Foundation](#)

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## About Panorama Global

Panorama Global is a social impact nonprofit that empowers changemakers through radical collaboration.

Our goal is to achieve maximum impact by partnering with visionary leaders to co-develop solutions to hard problems. We use our voice when it counts, and initiate projects when we see gaps that need to be filled.

Panorama Global has distributed nearly \$24 million in grants across six collaborative funds since our founding in 2017. We believe in harnessing the collective power of established and early-stage organizations that focus on advancing social change and paving the way for others. We work with partners under the shared vision that pressing social issues can be addressed more effectively, equitably, timely, and sustainably through the sweeping lens of collaboration than the narrow mindset of competition.

For more insights and information gathered as part of our work, visit our [Collaborative Learning for Impact Philanthropy](#) section.

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