Impact Evaluation 2020 SNAPSHOT

Grassroot Non-Profits and Social Enterprises



RESEARCH PARTNER



EXECUTIVE SUMMARY

The Funding Network Australia (TFN) brings people together to find, fund and support grassroots social change programs that directly help people in need.

Since 2013, TFN has facilitated more than \$15.5 million for over 360 non-profit programs. While TFN's events remain the central focus, TFN has continued to expand the range of services and support it provides to build the capacity and networks of grassroot non-profits and social enterprises, contributing to their ability to create greater impact in their local communities.

The following is an excerpt from the 2020 Impact Evaluation commissioned by TFN in August 2020 to understand the outcomes that it creates for its "alumni" - the grassroots non-profits and social enterprises selected to pitch at its events. It builds on a 2017 Impact Evaluation conducted by Social Ventures Australia (SVA), which found that the collective benefits of the fundraising and other supports provided by TFN had significant and sometimes transformational outcomes for presenting organisations.

This updated evaluation contains the findings of a survey, interviews and other data collected by TFN and reviewed by SVA, which together provide a rich picture of the continued impact of TFN on the organisations it serves. The full report can be found online at: www.thefundingnetwork.com.au/impact/our-impact

Why Grassroots?

Australia is facing many challenges and difficult-to-fix social problems. TFN believes that in many cases, it is grassroots non-profit organisations and social enterprises that are finding the best ways to tackle these persistent issues.

That is why TFN seeks to build the capacity and strengths of these for-purpose organisations. TFN gives them a platform through live crowdfunding events to tell their stories to secure vital funding and support that will help them grow and deliver services that address these problems.

TFN defines "grassroots" as organisations with less than \$1M in average annual revenue over the previous three years. All applicants must deliver relief to people in need.

KEY FINDINGS

Overall, the TFN experience has proven to be both enjoyable and impactful for non-profits and social enterprises. Results of the 2020 evaluation were similar to the previous 2017 evaluation, however the depth of impact appeared to have increased for many participating organisations.

In 2020, there was a greater proportion of respondents who stated that TFN had a 'very important' or 'critical' impact on their organisation and there also appeared to be further increased value attributed to the capacity building and relationship building aspects of the TFN experience. This suggests a positive reflection on the continued refinement of the TFN program over time. As seen in 2017, for some alumni the non-monetary elements of the TFN experience are even more valuable than financial donations. They can also have a longer-term impact, as these new skills and networks are being utilised well beyond the period of direct involvement with TFN.

The table below summarises key findings of the 2020 evaluation, and compares results to 2017, demonstrating that TFN has continued to be a positive experience for alumni and, in an increasing number of cases, it has been critical to unlocking growth and progress.

	2017	2020	Change
Average rating of overall positivity of the experience for alumni (out of 10)	8.9	9.1	1
Average rating of overall positivity of working with TFN (out of 10)	8.5	9.0	1
Alumni that say TFN had a critical or important impact on their ability to get to where they are now	68%	85%	1
Alumni that say that financial donations received as a result of TFN event were extremely or very valuable to their organisation	80%	90%	1
Alumni that say relationships formed, marketing and promotions and other non-monetary elements of TFN (combined) were extremely or very valuable to their organisation	38%	50%	†

MISSION

To build the capacity of grassroots non-profit organisations, deepen the culture of giving and facilitate greater community engagement.

IMPACT







111Live crowdfunding events





\$1.2 Million
Value of in-kind support



20,000+
People joined TFN's collective giving movement





THEORY OF CHANGE



TFN's model is based on the following Theory of Change, which outlines an understanding of the key issues faced by grassroots non-profits and social enterprises, the activities TFN undertakes in response, the consequences that can be expected and the desired outcome.

The 2020 Impact Evaluation demonstrated that these outcomes are indeed occurring. There is also evidence to suggest that this is resulting in the longer-term outcomes articulated below, including greater reach, heightened brand awareness and stronger networks and providing non-profits with the ability to better serve their end-beneficiaries.

Issues for grassroots non-profits & social enterprises (current state)	TFN activities	Immediate consequences	Outcome (future state)
Lack of access to funding and resources	Easy and supportive application process	Funding, exposure, efficient access to networks for future support and resources	Greater reach through heightened brand awareness and stronger networks
Difficult to attract and retain talent	Pitch coaching, mentoring and emotional support	Increased capacity for programs, and confidence in pitching and storytelling	Improved ability for grassroots organisations to serve people in need
Lack of access to networks	Live crowdfunding	Pro bono and in-kind support	Increased organisational capacity
Crowded social sector	Events providing access to donors, supporters and volunteers	Expanded network of volunteers and advocates	Support shift to sustainability
	Ongoing support for TFN alumni network		

PURPOSE & DESIGN OF THE EVALUATION

The purpose of this evaluation was to assess the impact TFN has on its alumni over time.

It aims to answer five key questions to provide a deeper understanding of the multi-dimensional effect of TFN's approach and to test TFN's theory of change. These were the same questions posed by the 2017 evaluation, with this report providing an update on the findings and changes over time.

KEY QUESTION/SECTION OF THE REPORT PURPOSE To articulate the process involved for NFP partners What is the overall experience and impact for To measure TFN's success at the NFP partners? achieving impact To pinpoint where TFN should What is the relative impact of specific elements of TFN? focus its efforts to maximise its impact 3a Funding & in-kind support **3b** Networks & relationships 3c Capacity building **3d** Marketing & promotion What are the implications of these findings? To understand the full extent of the impact To explore opportunities to improve the future?

Methodology:

- A survey to 69 non-profits and social enterprises who had participated in TFN events since 2017. The survey included a mix of both structured and open-text questions. A 58% total response rate was achieved.
- 14 in-depth open format interviews with a diverse sample of alumni.
- An analysis of TFN operational data which captures financial and in-kind support provided during and after the event.

KEY INSIGHTS

TFN continues to play a key role in the growth of grassroots organisations:

Early-stage non-profits and social enterprises (under \$100,000 annual revenue) continue to gain the most benefit and TFN has a 'critical' impact for more established organisations as well (up to \$500,000 annual revenue).

Alumni reflect very positively on their TFN experience:

Overwhelmingly alumni continue to express positive experiences.

The professionalism of TFN, well organised events and activities, and the friendly and supportive team contributed to the overall experience.



Fundraising continues to be the most valuable aspect of the TFN experience.

Majority of alumni continue to feel that the funding received is very or extremely valuable to their organisations.



Non-monetary benefits are also highly valued.

Many alumni mentioned the non-monetary elements of the program as having a longer-term and sometimes even more significant impact than the financial gains.



Pitch coaching continues to receive praise from alumni.



TFN's pitch coaching was considered a valuable element of the program.

Smaller organisations found it most beneficial and most organisations continue to use the skills they learned.

Relationships made are especially valuable.



Many alumni developed important relationships with nearly 70% rating relationships and networks as either very or extremely valuable (higher than in 2017 - 58%).

Increased credibility with donors.

Consistent with 2017, the majority of alumni felt their credibility increased as a result of being involved with TFN which often resulted in additional funding opportunities or new relationships.



Substantial importance of in-kind donations and additional funding.

More than 80% of alumni received some form of in-kind donation (up from 65% in 2017), which they considered to be 'very' or 'extremely valuable'.



In-kind donations from corporate sponsors seemed to be most impactful.

FEEDBACK

99

"The overall experience, the training, meeting local connections was great, but what was amazing was that even though it was a short working timeframe I felt a very close connection was developed, a high level of support, a very safe space. [It] feels like the team is wrapping its arms around you.

Not just the one-toone training. It was the whole package. Culminating in a great event night. A team of professionals that gave me confidence."

"The experience with TFN was priceless. Not just for the organisation as a whole and the funding that came from the event but also the personal development through the pitch coaching.

I've used the knowledge from the pitch practice continuously when presenting the organisation to funders, donors and at forums. It's helped me be more confident in communicating our message to the public." "The entire TFN experience has been the most valuable lesson in my 19 years in the NFP sector.

To gain the confidence in not only my own ability to tell the story of our organisation but to be confident that as an organisation we have much to be proud of and there is genuine desire in community to see us do well. It helped me to stand back and look at our offerings through a different lens and understand the value that our community and key stakeholders see. It helped me turn the table

in negotiations.

I no longer go into a meeting "cap in hand" when seeking

support, I go
in armed to
tell them why
they need
us and [why
they] would be
foolish to miss
out on such an
opportunity."

TFN is an experience of a lifetime. If you get the chance to be a part of an event, buckle up and enjoy the ride of a lifetime!

"TFN do not just provide a path to raise funds they also provide ongoing development and support of your charity via the TFN Non-profit Alumni Program that offers access to their partner network.

[We] cannot speak highly enough of the great work by TFN and how exciting it was to be involved with their event."



WHAT THIS MEANS FOR TFN

TFN continues to have a positive impact on alumni and for some, has further deepened this impact.

The combination of fundraising, skills development and networking opportunities is essential to this impact – together these elements are more powerful than any single element is on its own. This evaluation shows that TFN can continue to create impact by focusing on the early-stage grassroots organisations because these small organisations benefit the most.

In 2020, in response to the COVID-19 pandemic, TFN pivoted to online virtual events which have been very successful, raising \$2.2 million across 15 events (figures at November 2020.) In the coming months and years, TFN can further support for-purpose organisations to weather the COVID-19 challenges through virtual or hybrid events, pitch coaching and other capacity building supports. Additionally, TFN can further extend support to alumni by helping them to maintain and broaden connections with supporters after events.



RESEARCH PARTNER



SVA Consulting is a part of Social Ventures Australia, a non-for-profit organisation that works with partners to alleviate disadvantage – towards an Australia where all people and communities thrive. SVA's services are designed to scale social impact, helping business, government and philanthropists to be more effective funders and social purpose organisations to be more effective at delivering services.

For more information, please see: www.socialventures.com.au