

Impact Awards Learning Report

November 2017

Executive Summary

The Stars Impact Awards

Philanthropy, by its very nature, is imbued with a sense of hierarchy. It creates an asymmetrical power dynamic between grantor and grantee. Wealth historically sits in the West or Global North and an increasingly small civil society space caused by government restrictions around the world means funding rarely reaches local groups in countries where there is the greatest need.

Stars Foundation has built its whole approach to philanthropy in trying to redress this power imbalance. It identifies organisations and ideas that transform the lives of disadvantaged children and their communities globally and invests in them. By shifting the axis of privilege, it aims to bring about meaningful social change.

Following a review of our processes in 2014, we undertook some changes to improve our efficiency and transparency, as well as to ensure that we were meeting the needs of local organisations on the ground most effectively. We also piloted a scheme to move our Asia programme officer to Phnom Penh, Cambodia to live and work for Stars in a regional setting. What we did not change however, and that which awardees confirmed as being critically important, was the flexible nature of our award funding.

Since the Impact Awards' launch in 2007, Stars Foundation has recognised

130 

awardees in

41 

countries, reaching over

5 million 

people.

FLEXIBLE FUNDING puts decision making in the hands of the awardees, who determine how best to use the funding they receive and who retain the ability to alter their plans should circumstances on the ground change.

Our flagship programme, the Stars Impact Awards, supports strong locally-led civil society organisations responding to the needs of underserved children. Crucially, it lets organisations steer, sustain or scale their work on their own terms.

Why this report?

As we look ahead at the next 10 years, prompted by our founder's ambitious objectives and desire to do more, we have taken the decision to adapt and evolve our model in order to extend our reach further. We will be working closely with our sister organisation [Philanthropy University](#) in the US to continue supporting locally-led NGOs (non-governmental organisations) through a combination of online courses, access to networks and communities of practice, and funding.

The purpose of this learning report, therefore, is to look back on the changes we have implemented and share our reflections on our work over the past 10 years, both what has worked and what can be improved. The report looks at how we support local NGOs, our advocacy, partnership and collaboration, and offers recommendations for improvements.

Our hope is that this report will encourage donors to reflect openly and honestly on their own practices, and implement our recommendations in order to boost and improve support for local grassroots organisations. In this spirit, we have included a set of detailed key takeaways for each section in the full report.



Kimlong Meng/Stars Foundation

How we support local NGOs

Stars' package of support is designed to broaden organisations' visibility and to provide access to other sector leaders and funders. Stars gives its awardees the power and flexibility to direct the funding where it will do the most good. It raises winners' profiles in the sector by paving the way for networking opportunities and provides press support to help secure local and international coverage.

The Impact Award package:

- \$50,000 flexible funding
- Capacity building support
- Additional activities: awards week, professional photography, exposure to donors, press coverage

Selection process

Eligibility

Using a rigorous selection process, organisations are assessed against both their impact on children and their institutional and management practices. Through the years, we have continuously refined our eligibility criteria to make them as clear as possible. To be eligible for an award, organisations must be:

- child-focused, needs-led, ambitious
- Strong, inclusive, collaborative
- Local, autonomous, independent
- Within the annual income bracket of US\$100,000 - US\$2,000,000

Following the [2014 report](#), we have focused our definition of 'local' to mean that an applicant had to be initiated locally, headquartered in an eligible country, and not part of a global affiliation or brand. Organisations must be registered in an eligible country and have an independent board of trustees.



"Winning the Stars Impact Award in 2015 was a seminal moment for This Life Cambodia. It brought us into a community of organisations globally, who are delivering high impact, cutting edge programs for children and was a rewarding recognition of our commitment to community driven programming."

This Life Cambodia

Key learnings

- The increased clarity of our criteria was reflected in the smaller number of ineligible organisations
- Based on feedback, it seems that on the whole, the eligibility criteria are well understood. However, there is room for improvement, including making criteria more reflective of the regions and countries in which the Impact Awards are offered



Language

In 2015, in an effort to make the whole awards process more accessible, Stars introduced Spanish, French and Arabic in all communications.

“The language factor is a major hindrance that was addressed by the new process of Stars.”

Stars Impact Award winner

Key learnings

The new changes have allowed NGOs to write more meaningful application forms and feedback in a language that is comfortable to them. They have also enabled our communications about the awards to better penetrate the region, creating a deeper relationship between the parties.



Country clusters

In the past, our process steered us to award in countries where civil society is more established. However, it became clear that organisations from smaller countries with less-developed civil societies struggled to gain recognition through the Impact Awards. Consequently, we decided to focus on clusters of countries in the three regions where we work on a rotational basis. This enabled us to reach the full range of local organisations that are working hard to address the needs of underserved children.

Key learnings

- Stars staff believe the reduction in the number of countries for the Impact Awards has given them a much greater awareness of the local contexts and challenges. This awareness would be strengthened by visiting the organisations, but that is not always possible due to time, staffing and security constraints
- By focusing our clusters on countries from which we had received fewer applications in the past, we were able to award in many countries that had not previously made it through our selection process. Of the 13 countries awarded across 2015 and 2016, 10 were new countries - including all four countries in the Africa-Middle East region



Proactive sourcing process

In 2015, Stars changed how it looked for applicants to the Impact Awards, moving away from the ‘open’ application process to an approach we called ‘proactive sourcing’: actively searching for organisations through a variety of partners, including previous winners. This involved first carrying out research into the key issues in each country, and then identifying referral partners.

Key learnings

- The proactive sourcing approach led to a significant decrease in the number of applications allowing Stars to be more applicant-centred and follow up in more detail on eligibility. Another key improvement was the significant increase in the quality of applications and significant decrease in ineligibility rates
- Our previous winners proved to be great referral partners: having been through the selection process themselves, they knew exactly what we were looking for
- For Stars’ staff in Cambodia, being in the same time zone or city made meetings with Referral Partners much easier and more convenient for all parties
- From the point of view of the referral partners, there were clear improvements that could be made, such as more guidance around what we were looking for in our applicants



Application process

Key changes to the application phase of the selection process in 2015 included removing information about the applicants’ institutional processes from the written application; adding hour-long video interviews to reduce the reliance on application forms; visiting a larger shortlist of organisations; moving the regional selection panels to after the assessment visits; holding the panels in-region and requesting a representative of a past award winner to participate on each regional panel.

Key learnings

- The video interviews proved a success as applicants were able to expand on the information given in the expression of interest, providing greater clarity for Stars
- For Stars staff in Cambodia, assessment visits were much more cost-efficient, which meant Stars staff was able to undertake more trips and less support from consultants was needed
- The panel taking place after the assessment visits allowed decisions to be based on a broader range of data
- Visiting a larger number of organisations than those we expected to award gave the panel a greater pool of organisations to choose from
- The participation of past award winners on the 2016 panel was overwhelmingly positive. Not only did the award winners gain an insight into decision-making in philanthropy, but they also brought valuable contributions to the discussions
- Having the Asia-Pacific panel in-region meant we could attract strong regional expertise



Awards package

Award funding

Until 2014, Stars operated the awards under four categories (Health, Education, Protection, and WASH), awarding one winner and one runner-up in each. Following the 2014 review, these categories were removed to reduce restrictions on who could be awarded. We also realised that many of our runners-up were as strong as the winners and it would be fairer to remove the runner-up category as well. From 2015 we awarded eight winners per region, 24 in total, with award funding of \$50,000 for each winner.

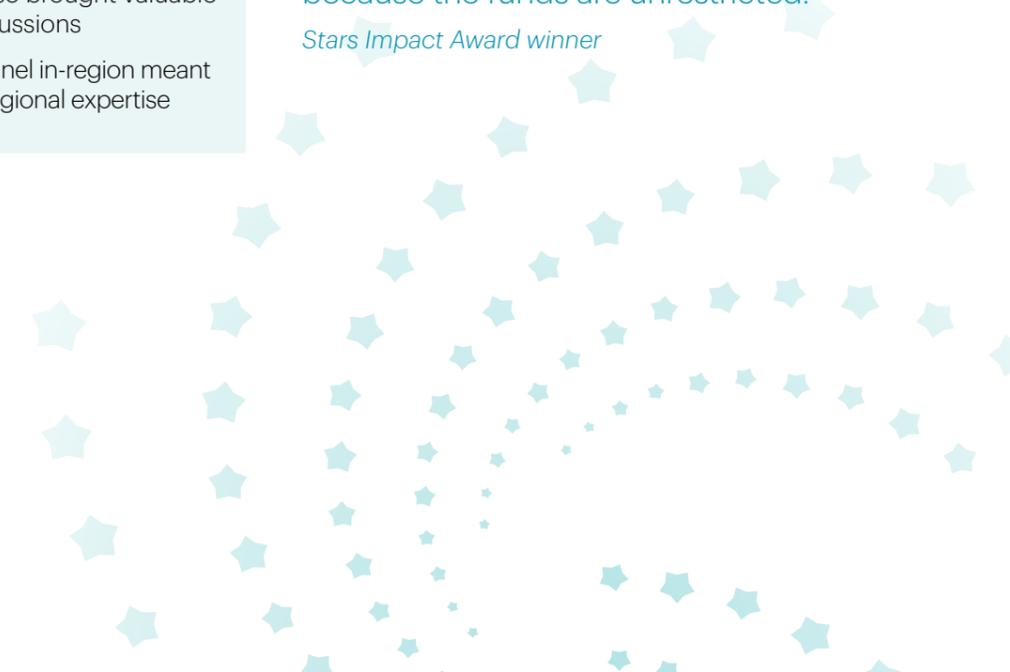
Key learnings

The flexibility of the award has been extremely well received by award winners across the years, as it allows them to spend the funds as they and their beneficiaries need, without conditions and restrictions imposed by those who do not understand the issues and context as well.



“Despite the fact that the award fund is only US\$50,000, it helps small organisations to strengthen their service operations and capacity building because the funds are unrestricted.”

Stars Impact Award winner



Capacity building

The purpose of the second element of the award has always been to strengthen the institutional systems of the award winners. Until 2014, 'consultancy support' offered winners the opportunity to hire a consultant or attend trainings. However, this became a fuller package in 2015 offering both tailored consultancy support on areas chosen by each organisation and the opportunity to visit and attend regional workshops with other winners.

Key learnings

- The capacity building funds were seen as useful because both donors and NGOs tend to prioritise programmes and service delivery over the strengthening of institutional processes when funds are limited
- The group capacity building activities meant workshops could be delivered by consultants with an in-depth understanding of the region. They also allowed the winners to learn about the other winners' work in person, giving them a much deeper understanding of what they do and why, also enabling them to think about how they are tackling similar problems



"We have been able to finance those investment and admin costs which are not funded through other donors but contribute to institutional sustainability."

Stars Impact Award winner



"This was perhaps the most enriching aspect of Stars' support, because the experiences of the other organisations are very similar to what we do, learning from each other is the best way of learning how to improve."

Stars Impact Award winner



Fabio Cuttica/Stars Foundation

Monitoring and Evaluation (M&E)

M&E of our award winners

Stars believes that the intensity of the selection process leads us to award strong and effective organisations in whom we have a high level of trust. Stars makes an effort only to collect information that is needed for Stars reporting, either to the public or for compliance purpose.



"I believe that the process in place enables Stars to carry out its monitoring without being too intensive."

Stars Impact Award winner

There has also been a change to the length of the Stars-awardee relationship, which was reduced from three to two years to accommodate the capacity of Stars' programmes team to manage an increasing number of relationships simultaneously.

M&E of the awards

Stars is conscious that many donor organisations focus their M&E on how their partners are spending the funds awarded, rather than their own internal processes. Internally, Stars reviews its selection process using: feedback from all key stakeholders in the selection process; reviews of the process; statistics; and annual plans.

Key learnings

- On the whole, our winners have told us that the reporting documents are easy to fill in and reporting annually is appropriate. Stars staff are in agreement that these reporting documents are a significant improvement on previous templates and hold a lot of value
- Many of our award winners claimed they would prefer a relationship longer than two years in order to get more out of both the award and their relationship with Stars
- Follow up visits are perceived by the award winners as being very positive experiences. Stars also sees great value in seeing the organisation in person, rather than relying on other people's accounts
- Having a staff member based in the region has enabled more frequent and in-person meetings with award winners, helping to deepen these relationships

There are two key learnings for Stars' M&E processes that have come out of this report:

- We lack consistency in the data we collect
- We sit on a lot of data - we could do more with it

Safeguarding

Safeguarding is of paramount importance to us. We look at and assess safeguarding mechanisms, processes and policies as part of our award selection process before making a decision on awarding an organisation. In 2014, we updated our own organisational safeguarding policy.

Key learnings

Our policy and procedures are now much stronger than they have ever been. However, improvements could still be made:

- Our policy is long and quite detailed, so an easy-to-read version could be of great value
- A basic training in the induction of new staff could be helpful to tide them over until the main staff training takes place

Advocacy, partnerships and collaboration

Stars Foundation's hope is to amplify organisations' work in order to attract new funding and encourage others in the philanthropic sector to fund flexibly and locally.



"Donor collaborations allow individual donors, foundations or government agencies to access partners' expertise, gain sufficient 'voice' to pursue high-level changes, leverage capital for larger scale and allows partners to take on big agendas, tougher issues, and longer-term challenges."

Swatee Deepak, Partnerships Consultant, Stars Foundation

Impact partnerships

In 2015, Stars Foundation piloted the 'impact partnerships' approach. Our aim was to engage with philanthropic partners in a more streamlined and systematic way, to ensure that support offered to organisations can be as strategic as possible.

Recognising that most funders cite time or resources required to source and assess local partners as a barrier to giving locally, we have shared, at no cost, packs comprising assessment data, background checks and analysis for the 2015 and 2016 Impact Award winners, informed by the awards selection process.

Convening dialogues with other funders

During the same period as the impact partnerships initiative, Stars hosted a number of events and workshops with other funders, designed to:

- Share learning on the landscape and evolution of high impact collaborative philanthropy
- Better understand others' co-funding agendas and align around the principles for co-funding partnerships
- Identify and align around relevant thematic issues related to children and young people in our three country clusters
- Build on the sharing of assessment data by exploring and driving forward cross-funder collaboration
- Identify practical linkages between funders and Impact Award winners

Building on collaboration: the With and For Girls Awards

Often the best ideas come from a hive mind. Most recently, Stars Foundation worked with a group of donors to co-create the With and For Girls Awards. The With and For Girls Collective is a group of organisations who believe that girls are agents for change and, through the With and For Girls Awards, provides flexible funding to local and grassroots girl-led and girl-centred organisations. The decisions on who wins an award are made by regional panels of adolescent girls.

The With and For Girls Collective has provided over

\$1.95 million

in flexible funding to

60

grassroots, girl-focused or girl-led organisations across

41

countries.



"Working with Stars Foundation has allowed us to provide support to strong in-country NGOs. We want to be able to give funding to local organisations to help build their capacity and independence, and reduce countries' reliance on international aid. However, these are often the hardest organisations to assess. Working with Stars Foundation has given us the reassurance we need that our funding will be able to support successful award winners to further benefit the communities they work alongside."

Simon Pickard, Fund Manager, Waterloo Foundation

Key learnings

- The importance of sharing data across the sector to avoid other organisations undertaking assessments or research that have already been conducted
- There are regional differences in donors' presence and capacities, which resulted in a variation in the amount of funding leveraged by Stars
- There has been significant interest from donors on a number of collaborative opportunities
- All funders have their own interests, requirements and timelines and so leveraged funds have not been fairly distributed across all winners
- Tracking advocacy interventions made by your own organisation is very difficult
- Having a regional presence in Asia-Pacific strengthened Stars' position to better identify and connect with relevant partner organisations which also focused on the region



Fadi Arouri/Stars Foundation

Conclusions and recommendations

Understanding the need to be flexible: Offering organisations the flexibility to respond to the changing needs in their communities means they can respond faster and more effectively.

Recommendations

At Stars, we have provided flexible funding in order to support organisations to be able to respond to changing needs. However, there are also other ways to do this:

- ✓ Foster an open dialogue about the challenges organisations face, allowing for constructive discussions about how best to support their work
- ✓ Collaborate with other donors to blend flexible and non flexible funding
- ✓ Come together in a collective to share ideas and risk
- ✓ Understand that without funding key costs, such as staff and infrastructure, the services cannot exist
- ✓ Support capacity building of organisations so they can develop
- ✓ Understand the need to take risks in order to be flexible and the possibility that things might not go to plan
- ✓ Ensure your whole organisation – from trustees to junior staff – understands why a flexible approach is needed and is on board with your organisation's approach

Building the capacity of local NGOs: The capacity building element of the Impact Award was perhaps the biggest change made following the 2014 review. We have seen first-hand the value of earmarked capacity building support for organisations looking to strengthen their teams and their institutional systems. Far too often, these needs are overlooked in favour of direct programme support.

Recommendations

- ✓ Capacity building must be defined and required by the organisation itself, and not by its donors
- ✓ It is important to create a safe space for organisations to meet, learn and share their experiences
- ✓ Provide as wide a range of capacity building support as possible: workshops are not enough
- ✓ Be aware that the best learning comes from peer-to-peer exchanges
- ✓ Take this opportunity to learn from your partners, and think how you can adapt the support you are giving them based on these learnings
- ✓ Consider offering Southern practitioners the opportunity to share their experience and their programmatic approaches with their Northern colleagues

By bringing together what we have learnt over the years with the power of technology, our hope is that Philanthropy University will expand the capacity building offer we have provided to date to reach a larger number of organisations.

Being more transparent: Stars makes sincere efforts to ensure clear communications with applicants, winners and other stakeholders, and constantly strives to make improvements in this regard. There have been clear advances, such as making Spanish, French and Arabic working languages for the application process as well as in reporting documents, site visits, surveys, feedback letters and communications materials.

Recommendations

- ✓ Develop a communications plan
- ✓ Add an FAQ section on the website with information for each key stakeholder
- ✓ Systematically publish more of the data gathered through the selection process
- ✓ Make key documents available on the website

Redressing the inevitable power imbalances in philanthropy: Stars has already made significant strides to try and redress the power balance in philanthropy by funding locally-led organisations, giving flexible funding, having previous winners nominate organisations for an award and connecting our award winners to other winners and donors.

Recommendations

- ✓ Consider not just funding registered charities – often small, grassroots or youth-led groups cannot be registered in their country due to legal frameworks and capacity
- ✓ Consider including either beneficiaries or previous award winners on your board to influence strategy and objectives
- ✓ Consider reimbursing the time commitment required for organisations to host an assessment visit
- ✓ Have previous winners review and redevelop the assessment criteria
- ✓ Have panels of children and young people in each region decide who wins the award
- ✓ Re-think the language used in external and internal communications to ensure it represents a more equal partnership between donor and partner

Participatory grant-making: In the past year, Stars has sought increasing participation from its Impact Awards winners, both in the selection process and beyond, and in every instance it has proved invaluable.

Recommendations

Further participation could include:

- ✓ Winners involved at further stages of the selection process
- ✓ Greater leadership in workshops
- ✓ More exchange visits
- ✓ Seeking out more opportunities for award winners to be their own voice rather than having Stars represent them
- ✓ Winners conducting follow up visits to other winners on Stars' behalf

The power of collaboration: At Stars, we have long seen our role as being one of a broker. It is a theme that cuts across all of our awards programmes. Additionally, over the years, Stars has worked on a number of donor collaborations - with individual donors, funder groups, and, most recently, the With and For Girls Collective.

Recommendations

Further opportunities for collaboration could include:

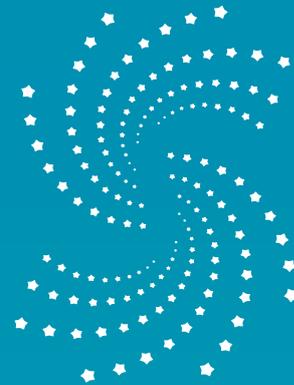
- ✓ Thematic collaborations with other funders and collaborators
- ✓ More sharing of background checks and assessment data
- ✓ More smart and coordinated funding from donors

Sustainability: At a very basic level, for every £2 spent on the award winner directly, £1 is spent on both directly running the process and indirect costs associated with the programme. We do recognise that this ratio is high, however, we have always believed that the model serves as an investment.

Recommendations

For other donors looking to implement a similar model, we have identified a number of opportunities to increase the cost-effectiveness of our model:

- ✓ Increase funding given to award winners, shift to multi-year commitments
- ✓ Shift away from an annual award process to one that only runs once every two or three years
- ✓ Fund smaller organisations with a small amount of funds
- ✓ Fund through a collective of organisations to share costs



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Registered Charity No. 1087997
Registered Company No. 4250105

Founded by Al-Dabbagh Group