

12 TRENDS & PREDICTIONS FOR 2019

Specialist consultants and coaches from **The Xfactor Collective** social impact community share their insights into key trends and predictions to help you make the most of 2019.

1

CHANGES TO HOW WE SEE AND VALUE THE ARTS

Deb Milligan
Specialist Creative Sector
Consultant



Arts funding has taken a hit with dramatic decreases in government funds available for small to medium organisations and individual artists, combined with an increase in governmental pressure tied to that funding. Luckily, the private sector is increasingly recognising the value of the arts and stepping in to provide critical support, as evidenced in a recent report from the Bureau of Communications & Arts Research. I expect 2019 is going to see growth in this area.

This flows from another trend that will continue, which is the ever-growing understanding of the value of creative and cultural activities across sectors and through all levels of society. Enhanced educational outcomes, social inclusion, creative recovery and neighbourhood regeneration are clear examples, and I predict more of our community and business leaders will grow this understanding.

At the same time, I predict we will see more understanding around the component elements of a thriving creative community and the environments that best support this, combined with an exploration into how we can foster the growth of healthy creative ecologies in our efforts to create a better society for all.

2

FEWER PARTNERS, GREATER IMPACT

Linda Garnett & Sharon Dann
Specialist Partnership
Advisors



Have you ever spent the day grazing on snacks, only to wish you'd eaten a proper meal?

That's the trend we're seeing, and expect will increase in 2019, from large corporates seeking community partners. It was highlighted in the *Giving Australia 2016* report that large businesses are "investing in fewer...partnerships to maximise social impact" and it's definitely a trend we notice in our work.

We will continue to see a clear shift away from corporate giving in multiple small amounts to a strategically selected small group of partners aimed at achieving meaningful social impact. Organisations such as Unilever are identifying four or five key thematic areas that integrate with their core business and are seeking partners to help them deliver long-term solutions. More organisations will follow this trend.

This means we will see more charities creating an alignment of values, assets and objectives to win a more valuable and truly transformational partnership. Rather than chasing a corporate's community grant of \$10,000, we believe we'll see more charities positioning themselves for larger, strategically aligned and more sustainable partnerships that will create real social change.

3

CLUSTERS, COLLABORATION GRANTS AND COLLECTIVE EFFORT WILL FLOURISH

Julia Keady, CEO/Founder
The Xfactor Collective



It appears that any word starting with C is coming into its own: collectives, clusters, collaborations, co-working, collective impact, coaching, donor circles, capacity, collective strategy, and many others including change-makers and game-changers.

'Competitive clustering' – where like groups or organisations work together in strategic ways – will continue to rise in 2019. Whether it's driven by savvy leaders or by necessity, I believe we will see more sharing of effort, resources, investment and spaces. Alongside this, I predict that we'll see a handful of progressive grantmakers stepping up to provide 'collaboration grants' that support such efforts.

We will also see more organisations and businesses cluster together for collective impact and indeed collective strategy. Research is one easy area that we're helping organisations pool resources (and reduce duplication), where the results are 80-90% applicable to each party.

Coaching and mentoring is going to play a big role in 2019, with more savvy boards and CEOs realising that capacity and capability can soar when leaders can spend professional development budget on personalised support.

Language that 'inspires' will become more prominent and we'll see growth in the trend towards 'social purpose' and 'social impact', and a move away from deficit language such as 'not-for-profit'.

4

MORE ORGANISATIONS WILL REALISE THE POWER OF THEIR BRAND

Darren Taylor
Specialist Brand Advisor



I'm predicting that the lightbulb around 'brand' will switch on in a big way for many organisations in 2019, as more leaders realise the real meaning and value of brand, and that brand differentiation is critical now more than ever. There are going to be big leaps for leaders who realise that their brand is not their logo. It's not their identity, or their reputation. It's so much more than these things.

I predict we will see more organisations focus less on chasing the fundraising dollar and focus more on reviewing and strengthening their brands to make their hard-earned fundraising dollars work harder. By brand, I am talking about the 'unifying narrative' that is powerfully and consistently communicated at every opportunity, both internally and externally.

There will be a significant opportunity for switched-on leaders who champion the cause of 'brand' and who will benefit from taking stock to review, refine and align their brands to more effectively win the hearts and minds of their staff, donors and other stakeholders.

5

COMMUNITY PHILANTHROPY WILL SHINE BRIGHT IN OUR REGIONAL & RURAL COMMUNITIES

Kate Buxton, *Specialist Community Philanthropy Consultant*



In 2019 philanthropy will continue to spread its wings and fly further into regional Australia, fuelled by the desire of donors to be more actively engaged in their philanthropy, along with a growing realisation that giving agency and resources to local people, local organisations and communities, can shift the needle on our most entrenched problems.

Community philanthropies – community foundations, local giving groups etc – are tapped into the Zeitgeist; people don't want to give money, they want to create impact. Traditional philanthropy is more challenging in our regions and rural communities, where big donors are thinner on the ground. Community philanthropy changes this – it empowers everyone to be a philanthropist.

While community philanthropy does not equal small (think Silicon Valley Community Foundation), many of the world's 1,800-plus place-based foundations are small. This flexible model works brilliantly at any scale, as Australia's vibrant sector proves. The scene is set for community philanthropy to continue to grow and innovate in our regions.

6

AUSTRALIA WILL CATCH UP TO THE DISASTER RISK REDUCTION MOVEMENT

Rena Hanvin, *Specialist Disaster Resilience & Community Relations Consultant*



The hard fact is our future is one with natural and man-made disasters like we have never experienced before. You can see it happening nearby in Indonesia, where they have recently been hit not once or twice, but three times in as many weeks, with catastrophic consequences to life, property and livelihoods.

Giving has generally been prompted by incident response, because it usually takes a cyclone, bushfire or flood for donors to want to support disaster-impacted communities, yet the real need is beforehand.

Disaster-resilient communities that are better prepared to survive future impacts by planning and mitigating potential vulnerabilities will be the ones who thrive in our future. Forward-thinking philanthropists, social purpose and private sector leaders will enable Australia to catch up to the global disaster risk reduction movement – by supporting communities in the good times to be ready for the bad.

7

DATA AND PREDICTIVE ANALYTICS UPTAKE WILL DRAMATICALLY INCREASE

Adam Peaston, *Specialist Data and Analytics Advisor*



The data and analytics revolution has hit the social sector and is beginning to impact the way social sector leaders make decisions and deliver services. Early adopting not-for-profits and social purpose businesses are working with public data, donor behaviour data and client data to predict and improve client outcomes, make smarter fundraising decisions and drive healthcare and education improvement for people in low-income communities.

In 2019, next generation 'data as a service' platforms will make foundational data resources accessible for people with limited technical capability, allowing them to find, blend and share data to solve social problems together. Organisations embracing the use of data and predictive analytics will get better outcomes and identify new innovations in service delivery. Funders will prefer and seek service providers with sound evidence bases and strategies for data-driven continual improvement.

8

SMART DATA AND PEOPLE STORIES WILL BE THE STARS OF IMPACT REPORTING

Sue Vittori, *Specialist Grant, Submission and Report Writer and Strategist*



The impact reporting horoscope for 2019

shows the stars are aligning for savvy social purpose organisations. Funders want objective, verifiable evidence of the return on their investments. They increasingly value transparency and accountability in community outcomes and impact reports.

At the same time, more affordable mechanisms for capturing results and analysing and reporting data are emerging. Cloud-based apps and tools offering real-time feedback and machine learning capability are transforming capability in this space. Data analysts are in tech heaven! Organisations with nimble systems and practices that support meaningful impact reporting will be ahead of the pack.

The smartest will be honing their objectives and measuring only the most relevant impact indicators using a lean data approach to deliver clear, focused reports. They will be collaborating with complementary organisations to commission research and share and compare data. And storytelling – giving a human face and voice to the numbers – will continue to resonate with decision makers in any sphere.

9

GENUINE – THE NEW AUTHENTIC – PLUS A RETURN TO SOME OLD-SCHOOL TACTICS

Julie Weldon, *Specialist Communications Consultant*



While there is no doubt that online

communication is here to stay, in 2019 I predict a return to more traditional face-to-face communication (virtual, or in person) and personalised hard-copy communications. In our agency, we're already seeing organisations hosting more intimate events and roundtables.

People want to go deeper, they want to have more satisfying conversations and truly understand different perspectives. This is all related to the search for more genuine engagement: what I call the new 'authentic'. People still want organisations and individuals to be authentic – true, reliable and dependable – but there is an increasing desire for more genuine communication that is honest, frank, open and sincere.

This will mean more stories told by those affected; more insight into what's really happening; and more constructive conversations about what we need to do together to make the world a better place. Ultimately, it is only genuine communication that builds trusted relationships.

10

MORE MULTI-YEAR FUNDING AND ALIGNMENT TO SDGS

Annette Herschtal, *Specialist Philanthropy Consultant and Change-maker Coach*



The plurality of philanthropy continues,

reflective of its autonomy and diverse voices of influence. In 2019 we can expect to see innovative approaches gaining traction in Australia. For example, after many years of not-for-profits wishing for untied, multi-year funding, The Myer Foundation has included this in its new strategic plan.

Systems change and place-based approaches that co-ordinate players around a single topic with a shared measurement system are also growing, perhaps in light of successful international examples (such as The Freedom Fund). I also expect we will see more philanthropic organisations aligning their activities up with the UN's Sustainable Development Goals (SDGs). >

“Organisations with nimble systems and practices that support meaningful impact reporting will be ahead of the pack.”

11

GREATER RECOGNITION OF PEER RELATIONSHIPS AS KEY TO BUILDING PHILANTHROPY



Ruth Jones, *Specialist Philanthropy and Governance Consultant*

Philanthropy is a surprisingly social activity. Or perhaps not so surprising. Spending time with people with whom we have something in common is fun. Learning together is usually more enjoyable than learning alone; expanding our understanding of issues can be exhilarating; sharing insights and new-found knowledge with friends, family and colleagues brings a new dimension to our lives.

All this is something to bear in mind if your goal is to build philanthropy and increase giving. Bringing people together with their peers to learn about the root causes of social issues builds social capital that delivers results. The form this education might take is important: a mix of experiential learning, mentoring and training works well. Sometimes it's hard to be hopeful when you see the range and extent of the problems we face. It's tempting to think it's all too hard.

Being part of a group that grasps the root causes and understands how we might counter these brings a sense of hope – a powerful motivation for giving.

12

CONNECTION WILL BE MORE IMPORTANT THAN EVER



Liliana Sanelli
Event Fundraising Specialist

2019 will be the year where we will see more people trying to connect more than ever before. Yes, we are in the digital age and think we are

connected, but we are incredibly devoid of true human interaction. Events therefore become an important tactic for organisations, especially charities, to interact and connect and benefit by building long-lasting partnerships.

In 2019, we will see a number of major events collapse as they are no longer viable and have run their course. In their place, we will see organisations becoming more strategic about the purpose of their events and how they align to their broader organisational goals and reasons they exist.

Organisations will take a niche, targeted approach to events. They will take more time to understand who they want to connect with and what the best tactic will be. Trending will be events that are less slap-dash and more strategic. Think global, act GLOBAL. **F&P**

The Xfactor Collective

The Xfactor Collective is a community of pre-vetted, highly skilled independent consultants, coaches, specialist agencies and mentors, and growing, across 300-plus areas of specialisation. The Collective has a number of initiatives to make life easier for all social change-makers, including a Collective Strategy support program, a Concierge helpdesk for members and clients, a weekly #askXFACTOR LIVE program and YouTube channel, THE X-CHANGE, which comprises 100-plus helpful how-to videos for change-makers. Visit www.xfactorcollective.com.



"We were absolutely thrilled and excited to have raised \$20,000 for Shake It Up Australia and Parkinson's disease research in Australia. That was a really great feeling – definitely one of the most rewarding things we've ever done."

- Maria Montafia
Inspired Adventurer for Shake It Up Australia

Inspired Adventures takes ordinary people on extraordinary journeys. Over \$32 million raised and counting.

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Contact Justine Curtis ☎ +61 421 322 960 ✉ justine@inspiredadventures.com.au

