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Unpacking the Role of Data in Philanthropy: Prospects for an Integrated Framework

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Keywords: Data, strategic philanthropy, outcome-oriented philanthropy, evidence, systems change, social learning, collective impact

Sector

[L]eadership and boards across the country are tired of not knowing what is happening with their investments. They're just data hungry. ... [I]n philanthropy and nonprofits and for-profits, this idea of being a learning organization and always improving is something that's just universal. It's important no matter what your organization is.

– Philanthropic evaluation officer, central Texas

Key Points

- This article reports qualitative research that explores the role of data in philanthropy and proposes an integrated framework. Interviews with charitable foundations in central Texas, including members of a regional evaluation and learning collaborative, reveal an orientation toward data that is becoming increasingly institutionalized.
- The research suggests that data are generated and used in a multiplicity of ways, including identifying populations and geographies in need of investment, informing funding decisions for service delivery as well as policy research and advocacy; evaluation and learning; and measuring community impact.
- This article discusses these thematic findings, notes specific practices, and presents six principles for integrating a data perspective into philanthropy.

Introduction

The social sector is in the midst of an evolutionary shift in the way nonprofits and foundations contribute to solving society's most challenging problems. It is evolutionary because change is slow, but also because the transformation underway significantly alters the pathways of action and impact into the future.

We live in an age of data and analytics. Terms such as big data, open data, data-democratization, and data-driven decision-making are increasingly being used. The volume and variety of data, combined with increasing computing capacity and algorithms that connect data sets, have enabled ever broader and deeper analysis. New methods of data extraction, strategies of data translation (to move from information to actionable knowledge), and techniques for data visualization have changed the parameters of decision-making. When combined with financial resources, data is being seen as the fuel for innovation and social change.

Foundations and nonprofits are riding this wave and using data to inform action and measure impact (Fruchterman, 2016; MacLaughlin, 2016). Over the last decade an enhanced focus has been placed on data and analytics for evaluation and strategic learning (Frumkin, 2006; Leahy, Wegmann, & Nolen, 2016) and for many years prior, data has been a key part of evaluating philanthropic efforts. Frumkin notes, "Conceived carefully and executed with precision, evaluation research can be a critical tool in advancing

the quality of philanthropic decision making" (p. 347). The innovation is not simply using data for summative evaluation to "prove" program effectiveness, but rather, data are being used for purposes of strategic learning with a focus on adapting to changing circumstances (Leahy et al., 2016). An adaptive or emergent philanthropy (Ditkoff, 2014; Kania, Kramer, & Russell, 2014) requires not only data, but trust, technical capacity, and a culture of data, none of which are easy and all of which may be necessary for the sector to adequately address complex social and environmental problems.

Designing, collecting, and analyzing data in meaningful ways requires capacity that is not only technical, but that also requires a higher-level strategy that answers "how" and "why." Foundations are poised to build capacity in this space, both internally and in nonprofit grant partners. According to a study by the Center for Effective Philanthropy (CEP) (2016), the most important change evaluation staff hope to see in the next five years is a more strategic way of planning and designing evaluations, so that the information collected is meaningful and useful.

Being "strategic" is critical if the sector is going to address increasing demand for services. According to the *2015 State of the Sector Nonprofit Survey* from the Nonprofit Finance Fund (NFF), 76 percent of nonprofits reported an increase in demand for services and 52 percent of nonprofits could not meet that demand (NFF, 2015). At the same time, the number of nonprofits across the country is increasing. From 2004 to 2015, for example, the number of nonprofits in the Austin, Texas, metropolitan area increased by 36 percent (Mission Capital, 2015). A data and analytics strategy can bring focus to both foundations and the nonprofits they support. Data can be utilized at multiple decision points in any foundation-nonprofit data ecosystem to build effective strategies that maximize impact.

Yet, data and evaluation raise important considerations about the power differentials between funders and community partners. Financial and information resources strongly shape dynamics between grantor and grantee, and important considerations are needed for creating open dialogue so that nonprofits feel comfortable sharing not only their successes, but also the challenges they are facing.[1]

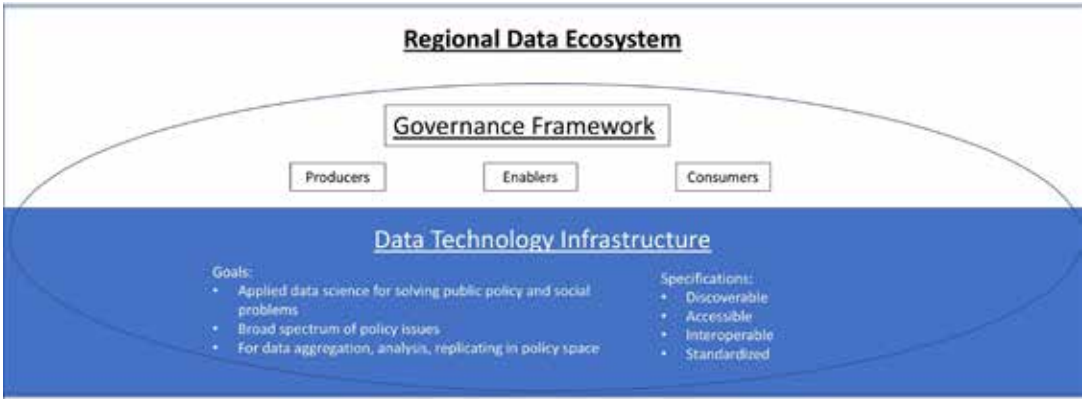
Designing, collecting, and analyzing data in meaningful ways requires capacity that is not only technical, but that also requires a higher-level strategy that answers "how" and "why." Foundations are poised to build capacity in this space, both internally and in nonprofit grant partners.

Data in Philanthropy: Functions and Touchpoints

This article explores these issues from the perspective of foundations in central Texas. We develop a systems framework that integrates the perspective of foundations as part of a social-sector data ecosystem. The article is based on interviews with eight charitable foundations and the authors' firsthand experiences working in the foundation-nonprofit data space. To be clear, this article is not about advanced analytical techniques or technologies combining big data for impact measurement. Rather, with the acknowledgment that the topic of data in the social sector is undertheorized and in need of conceptual framing, we outline a framework for understanding the conceptual functions and specific touchpoints of data in philanthropy. The framework can serve as a heuristic for future research and practice. For the latter, six principles and recommendations for funders to better

[1] See, e.g., Grantmakers for Effective Organizations, 2015.

FIGURE 1 Governance and Technological Infrastructure for a Regional Data Ecosystem



support community partners in the areas of data and evaluation are reported.

Before proceeding, a couple of definitions are necessary. First, "data" is used to refer to individual pieces of information. Considerations of the role of data in philanthropic decision-making is not new or innovative. The broad framework of outcome-oriented or evidence-based philanthropy, which suggests that donors seek to achieve clearly defined goals and direct grants to support organizations that are using evidence to solve problems (Brest, 2012), has been increasingly used across the sector over the past couple of decades. Some suggest the sector has always been evidence-based (Frumkin, 2006). What has changed is that the advances in digital technology have significantly increased our ability to collect, store, and analyze data.

When data sets extend beyond a single data repository and are too large or complex to be processed by traditional database management and processing tools, it is referred to as big data (Desouza & Smith, 2014). By "impact," we are referring to affecting root causes of social problems and sustained significant change. Finally, we will also refer to the "regional data ecosystem," which provides the context for this research and practice. By this, we are referring to the technological infrastructure and governance mechanisms in place to coordinate a wide variety of actors in sharing and utilizing data for the social sector. The data ecosystem has producers, consumers, and enablers of data that shape decision-making around the flow of information and resources within the system, which in this case refers to Austin, Texas. (See Figure 1.)

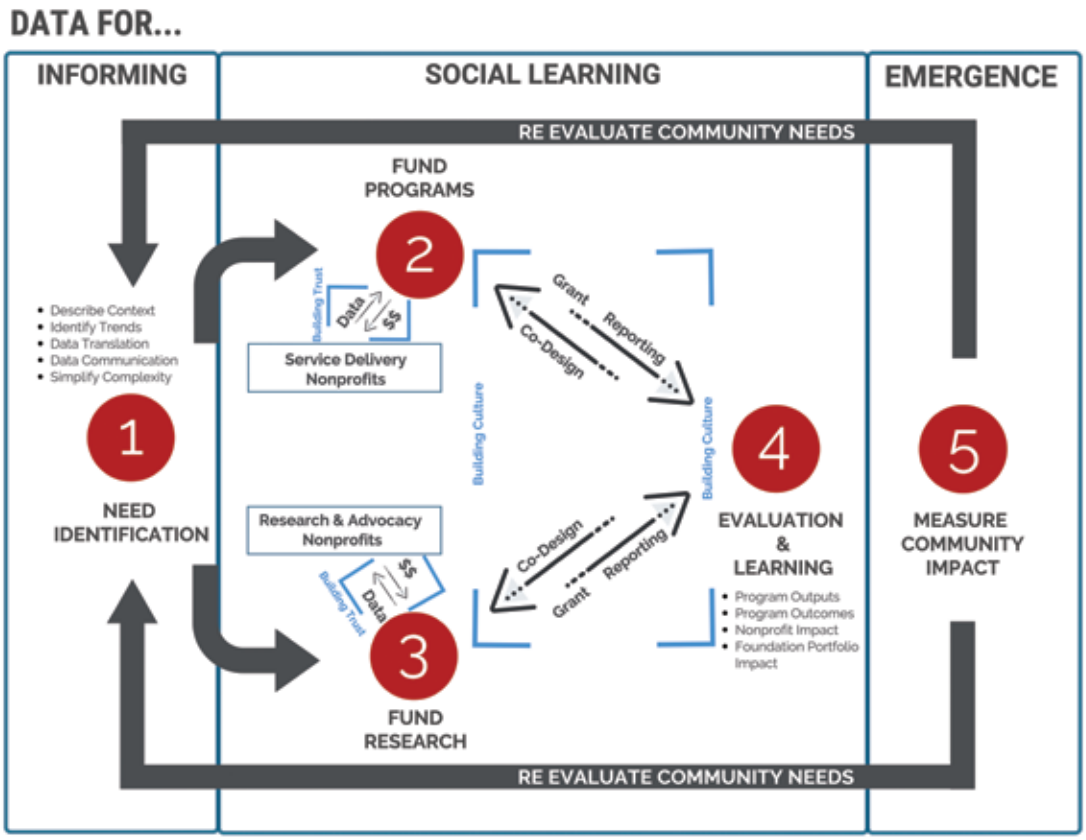
Increasingly in the social sector, value and outcomes are created by transforming data into information and insights. Information and insights drive philanthropic strategy, which in turn creates impact in communities. The role of data in philanthropy is threefold: data for informing, data for social learning, and data for emergence. (See Figure 2.) Within these three broad functions, we identify five touchpoints where data can deliver insights to philanthropic decision-making: need identification, fund programs, fund research, evaluation and learning, and measuring community impact. Each touchpoint fits into a broader function, which will be examined in the following sections.

Data for Informing/Need Identification

The first function is data for informing, which includes touchpoint No. 1: need identification. According to Merriam-Webster.com,[2] to

[2] https://www.merriam-webster.com/dictionary/indicate

FIGURE 2 Integrated Framework for Data in Philanthropy

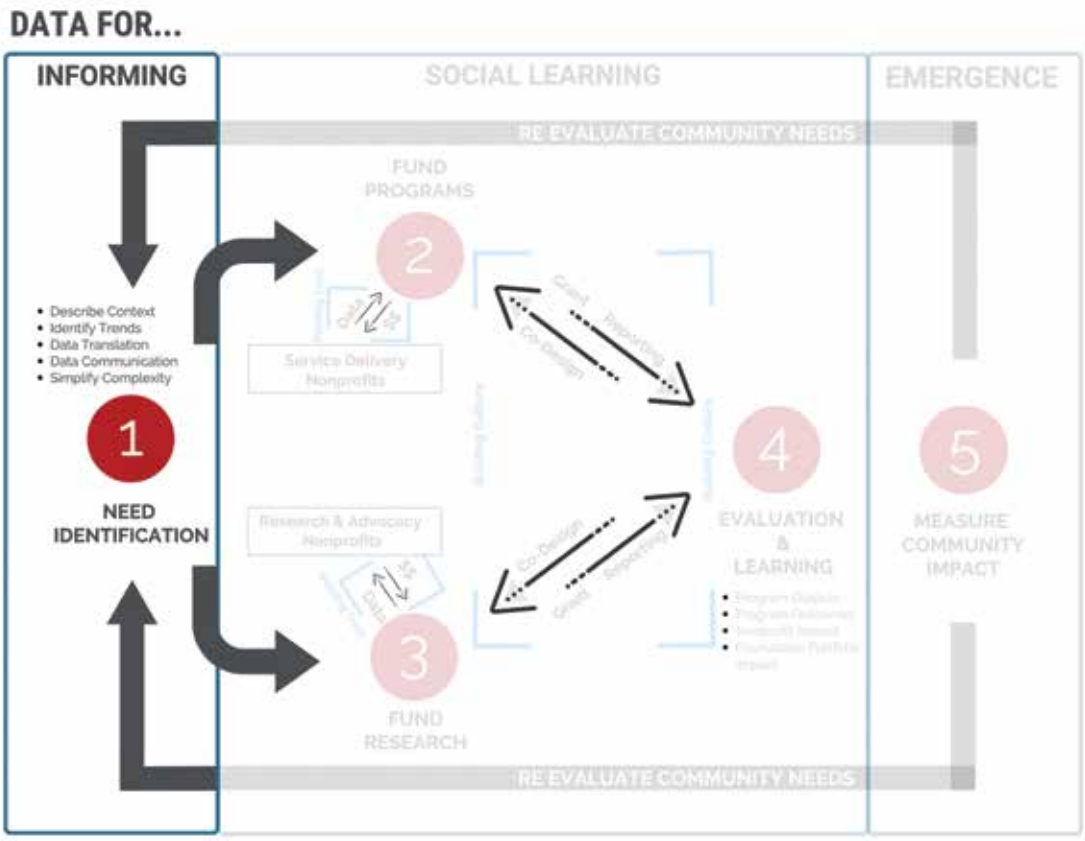


"indicate" can be defined as "to point out or point to" or "to suggest the necessity or advisability of" a course of action. Our experience and evidence suggest that data for informing plays an important function in identifying community needs to inform program and organizational strategy. Using data in this way was summarized by a representative of a community foundation in Austin: "[W]e tend to look at it ... using a community lens, and identify what the data is telling us about the biggest needs in Austin. That's sort of how we start to drive some of our decision-making around here." The same interviewee addressed how data are used to inform investment strategies, starting with using data to inform about community needs:

> We do three things. We inform: By using data, we inform our community about the biggest needs. We invite, so we invite people to the table to talk about that data. And then we invest: We work with our fund holders and others to invest in promising solutions.

Frequently referred to as community indicators, data in this sense are used to inform issue areas in need of investment and used to calibrate investment toward specific goals. Indicators describe context, identify trends, and translate multiple data points into an aggregate number that is easier to communicate and reduces the complexity of most social challenges. Moreover, community indicators must meet the criteria of credibility, legitimacy, and salience to be effective. If trusted and effective, indicators provide important context for how community issues are framed, funding decisions are made, and impact is measured. As another interviewee observed:

FIGURE 3 Data for Informing and Touchpoint No. 1: Need Identification



> It is important to have access to information that is served up in a way that cannot only give organizations data to enact change to serve people better, but also to help them better understand the context in which they're operating.

To provide context, community indicators are aggregate measures of information reported at a population level (e.g., school, census tract, zip code, city, county, metropolitan area), require valid and reliable primary-data collection and a high level of analytical capacity. Information gleaned from the decennial U.S. Census and the bureau's American Community Survey are good examples of indicator data. Primary data are collected and analyzed and an average statistic is produced to say something about the status of a community: poverty rate, median income, percentage of uninsured, teen-pregnancy rates, and graduation rates are all examples of indicators. Indicators can have top-down effects in a system — for example, when a rising homelessness rate affects the actions of foundations and nonprofits. Data here helps identify community needs. This is touchpoint No. 1 in the role of data in philanthropy (see Figure 3).

Many community indicator projects exist across the United States to serve as data and information hubs for the community.[3] Acknowledging the function that indicators can play in the community, the RGK Center for Philanthropy and Community Service began managing the Austin

[3] For a guide, see www.communityindicators.net/indicator-projects.

Area Sustainability Indicators (A²SI) in 2015.[4] The project is a compilation of secondary data metrics and results of primary data collection through a telephone-based community survey. Using a statistically representative sample of residents, the data collected reflects the perspectives and opinions on a wide range of issues related to quality of life in the Austin area. Data for the survey was collected biennially from 2004 through 2010; in 2015 and 2018; and will continue to be collected on a biennial cycle. The longitudinal data set resulting from each wave of the community survey is a unique asset for an indicators project. The project develops indicators from primary survey data as well as curates and reports out secondary metrics from the U.S. Census Bureau and other federal and state agencies.

The A²SI project has developed close working partnerships with a couple of regional foundations resulting in different reports, one of which is known as Understanding Austin, a collaboration between the RGK Center and the Austin Community Foundation (ACF) to use indicator data from A²SI in identifying areas of need for investment in the community. The initial report developed for the ACF's 40th anniversary uses data from census and community surveys to describe the rapidly shifting demographic context of Austin, the growing economic divide, and the disparities in health, education, and public safety that persist (ACF, 2017). Recently, the foundation released a report that uses A²SI data and analysis to review the status of women and children in central Texas (ACF, 2018). An additional report, on Hispanic quality of life, will be released this year as part of the Understanding Austin series. In this example, the ACF is both a consumer and enabler of data in the ecosystem.

Through working partnerships between A²SI and regional foundations, the indicator project is "informing" philanthropic work. However, to date, strategies to reach or influence a broader audience of philanthropists and decision-makers are yet to be effective. In theory, contextual data in the form of indicators has both intrinsic and extrinsic value in that they guide the internal direction of the grantor-grantee relationship and also can be communicated to the general public (King, 2016). In practice, the specific mechanisms that make actionable the intrinsic and extrinsic value of indicator data are challenged by the often-fragmented nature of data systems in communities. It is frequently unclear to foundations and nonprofits where to go to request and access data, as well as how data can be applied to drive positive community change. Collectively, funders can help to draw attention to the gaps in data infrastructure and advocate for changes and improvements to the data ecosystem.

Data for Social Learning

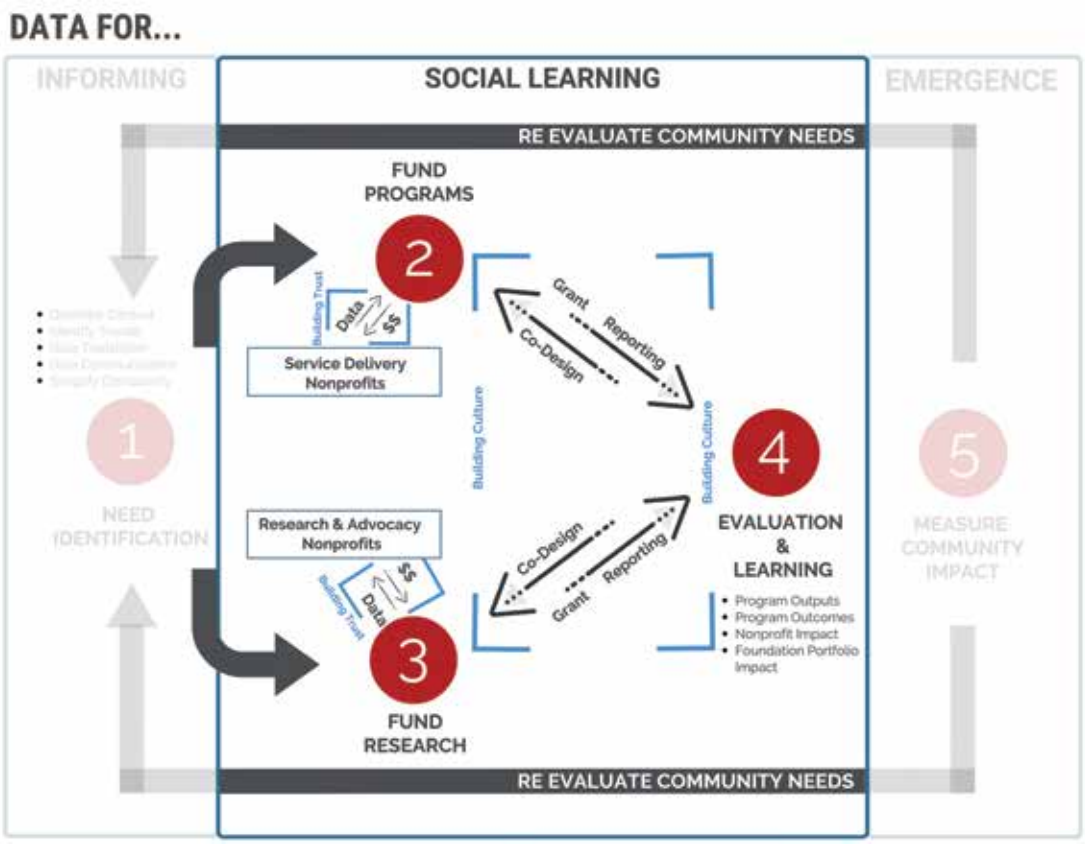
Data for social learning explains the function that data play in a learning process within a social sector data ecosystem. This function includes three touchpoints: funding programs, funding research, and evaluation. Social learning, in general, explains the learning that occurs between social groups through interaction leading to new knowledge, shared understanding, trust, and, ultimately, collective action (Argyris, 1982). Social learning can be described on several different levels — learning from the outcomes of specific actions (single-loop learning); learning about the assumptions underlying our actions (double-loop learning); and learning that challenges the values and norms that underpin our assumptions and actions (triple-loop learning) (Romme & van Witteloostuijn, 1999; Argyris & Schön, 1996). What is learned can be cognitive (factual knowledge), normative (changes in norms, values, and belief systems), or relational (building trust and understanding the worldviews of others), and the outcomes of social learning include changes in practices as well as institutional changes.

Data play an important function in social learning in foundation-nonprofit systems because they

[4] The RGK Center is a research and education center in the Lyndon B. Johnson School of Public Affairs at the University of Texas-Austin whose mission is to educate the next generation of philanthropic and nonprofit leaders. For a look at the A²SI, see www.austinindicators.org.

[5] See https://www.austincf.org/WhatWeDo/UnderstandingAustin.

FIGURE 4 Data for Social Learning and Touchpoints No. 2, 3, and 4: Funding Programs/Research and Evaluation and Learning



provide factual evidence on programmatic effectiveness, inform an assessment of underlying assumptions about the nature of the problem and what is needed, and build relationships and trust between grantor and grantee. If and when triple-loop learning occurs, it empowers nonprofits to work collectively with foundations and other nonprofits to co-design programs addressing challenging social and environmental issues.

Good Measure — a collaborative of foundations in central Texas committed to strengthening the community's ability to collect, access, and utilize data for program learning and improvement — leverages data for social learning to drive a larger conversation in the region. The idea for Good Measure came about in the spring of 2015, with founding members[6] meeting informally to explore how they could work together to strengthen data capacity among their grant partners. The members acknowledge their responsibility to ensure grant dollars are spent effectively and efficiently, while concurrently recognizing that nonprofit partners operate programs in complex social and political environments and therefore can benefit from learning together.

[6] Founding members of Good Measure (see www.goodmeasuregroup.org). include the Andy Roddick Foundation, Applied Materials Foundation, Michael & Susan Dell Foundation, St. David's Foundation, and United Way of Greater Austin. Backbone support is provided by Mission Capital, an Austin nonprofit whose mission is to multiply the impact of mission-driven people and organizations.

Good Measure operates with the belief that opening an honest dialogue about what works, what doesn't, and why is critical to achieving transformational community change. With these insights, the collaborative adopted a theory of change in early 2016 that seeks to achieve progress in several key areas:

- Jointly invest in providing evaluation skill-building to nonprofits through educational programs, coaching, and peer-based learning sessions.
- Identify ways in which philanthropic institutions can shift their own internal practices to better support community providers.
- Explore opportunities to increase timely access to quality community data.
- Increase the level of commitment and engagement among central Texas funders to support data and evaluation efforts.

Good Measure has also developed a set of guiding principles for the role of data in the funder/grantee relationship. (See Figure 5.) These principles offer some sideboards to move from data strategy to integrating data into grantor-grantee practice, and eventually to higher levels of organization.

Data can provide the entrée to foster open dialogue with nonprofit partners so that, together, grantors and grantees can achieve clarity around program success and what is necessary to deliver outcomes. For example, one foundation officer said:

> I'm thinking back five years ago, when we first started talking about outputs versus outcomes and just starting that conversation. Then, maybe three years ago, [we] went to 60 different nonprofits for data site visits where we just sat there and brainstormed about, "OK, I see you do this. What do you think is important to measure? What do you internally measure to speak to your success?"

Data provide the platform for these conversations.

In order for data to function and facilitate social learning, several components are necessary: financial resources, technical skills and capacity, leadership, and trust. Collecting, analyzing, and utilizing data is a time- and resource-intensive endeavor, and foundations can create the "safe space" for conversation more readily by supporting nonprofits in covering the cost of the time it takes to conduct internal evaluation. Paying for evaluation also sends an important message to community partners that foundations value their evaluation efforts.

Even with financial resources, if a trusting relationship between the foundation and nonprofit partner is not present, then data-driven conversations are less likely. One foundation representative spoke to the important role of trust for social learning:

> Our grant partners have come along on this data journey with us because we've built trust with them. When they've had hard times, we haven't left them. I think a lot of this is related to building a trusting relationship and helping people along.

The data for social learning function is characterized in three similar but separate dimensions: (1) decisions to fund nonprofit service-delivery programs, (2) decisions to fund research and advocacy, and (3) evaluation and learning, of both service delivery and research grantees.

Nonprofit Service Delivery

Foundations are critical in providing the financial support and capacity building necessary for nonprofits to deliver human services or engage in direct community work. Nonprofits, through investments made by foundations, generate data on populations being served and on nonprofit program outputs and outcomes. In many cases, this information is specific and targeted around the outputs of a specific program. Logic models, pre-tests, post-tests, observational and qualitative data are all tools that nonprofits utilize to generate programmatic data. This information is used to report back to funders through formal grant reporting mechanisms and is also increasingly shared informally through broader collaboration between nonprofits and foundations.

FIGURE 5 Guiding Principles for Data in Philanthropy

Creating the "safe space" for information sharing and social learning between nonprofits working on similar issues and between nonprofits and foundations is critical for a strong sector. For example, one nonprofit that works in a predominantly Hispanic and low-income community of Austin discussed the role of a foundation in creating a space to discuss with other nonprofits "common milestones, so we are collaborating and not competing." Foundations can drive collective impact initiatives through requests for joint funding proposals, resulting in collective models with data on outputs and, potentially, data on collective outcomes.

Balancing the usability of data with due diligence and external accountability must be considered, yet it is critical to create an environment where partners have the freedom and flexibility to collect and utilize metrics that are both meaningful to them and lend themselves to broader conversation and learning.

Nonprofit Research and Advocacy

Foundations play an important role in supporting research and analysis that informs policy and makes government more effective (Collado, Gerlach, Ticse, & Hempstead, 2017). A representative from a foundation that operates in the environmental sector offered the following statement: "'You can't manage what you don't measure,' I think, is extremely true and relevant." From that perspective, the decision to fund a nonprofit is linked with the generation of data that can inform public-policy processes. The data that are generated is circulated back to the foundation both informally and through formal grant reporting. The foundation has thus played the role in the data ecosystem as data producer.

A different foundation articulated a similar aspect: "I would love to use [data] for policy work, to get city council members, counties, focused on the data and on these issues. Get other funders doing that." The MacArthur Foundation offers an excellent example of this data touchpoint in "Foundations and Public Policy" (Benedict, 2004); this brief observes that foundations can shape policy by generating data to make fundamental change in the structure and institutions of policymaking. Through support for policy change or for structural transformation, philanthropic grantmaking can have far-reaching consequences. To reach that potential, however, foundations need to identify and measure progress at both the grantee level and at the broader portfolio or systems level, and have mechanisms in place for continuous learning (Beer & Reed, 2009).

Foundations and nonprofits engage in cycles of funding, data collection, reporting, evaluation, and learning. Advancing the capacity of individual nonprofits and foundations to be more data literate is a key focus of evaluation and strategic learning. The Good Measure collaborative focuses on building the capacity of its grant partners to gather, analyze, and utilize information for decision-making.

Evaluation and Learning

Foundations and nonprofits engage in cycles of funding, data collection, reporting, evaluation, and learning. Advancing the capacity of individual nonprofits and foundations to be more data literate is a key focus of evaluation and strategic learning. The Good Measure collaborative focuses on building the capacity of its grant partners to gather, analyze, and utilize information for decision-making. It also acknowledges that building technical evaluation capacity in the nonprofit community is only one piece of a

larger puzzle. Nonprofits need support in creating and maintaining a data-driven culture in which organizations regularly seek to answer questions such as: "How do we know we are making a difference?" "Is our work creating fundamentally better outcomes for our clients and the community?" "How can we use data to improve our offerings?"

Social-sector discussions of "data" typically occur in the evaluation and learning space. The trend in philanthropy is for partners to measure their outputs and outcomes, frequently employing a "results chain" or "logic model" that has roots in evaluation dating back to the 1960s. Typical logic models have five categories of information: inputs, activities, outputs, outcomes, and impacts. Nonprofits have been most successful at collecting and reporting data on outputs, whereas outcome measurement is less common and more difficult to do, given that organizations have less control over the activities and events beyond organizational boundaries (Ebrahim & Rangan, 2014).

In 2017, Good Measure instituted Measuring What Matters, a six-month program to move from theory to practice on developing specific, data-driven evaluation outcome goals. Organizational teams receive ongoing support via group learning sessions and individualized coaching as they work to answer the question, "How do we know that our work is producing meaningful results?" Importantly, this initiative was a collective endeavor where the multiple foundations of Good Measure and their multiple nonprofit partners participated together. One foundation interviewee said of Measuring What Matters:

> I think it's helped our thinking in how we work with our [nonprofit] partners, but it's also helped them get a different take on evaluation and hear it from another source that's not just us. … And even if they weren't doing it for a program that we're funding …, it's all about the culture and how they're looking at how they do evaluation overall. So, I think it's helped accelerate their growth and understanding, and really get them to buy into this evaluation culture in a bigger, faster way.

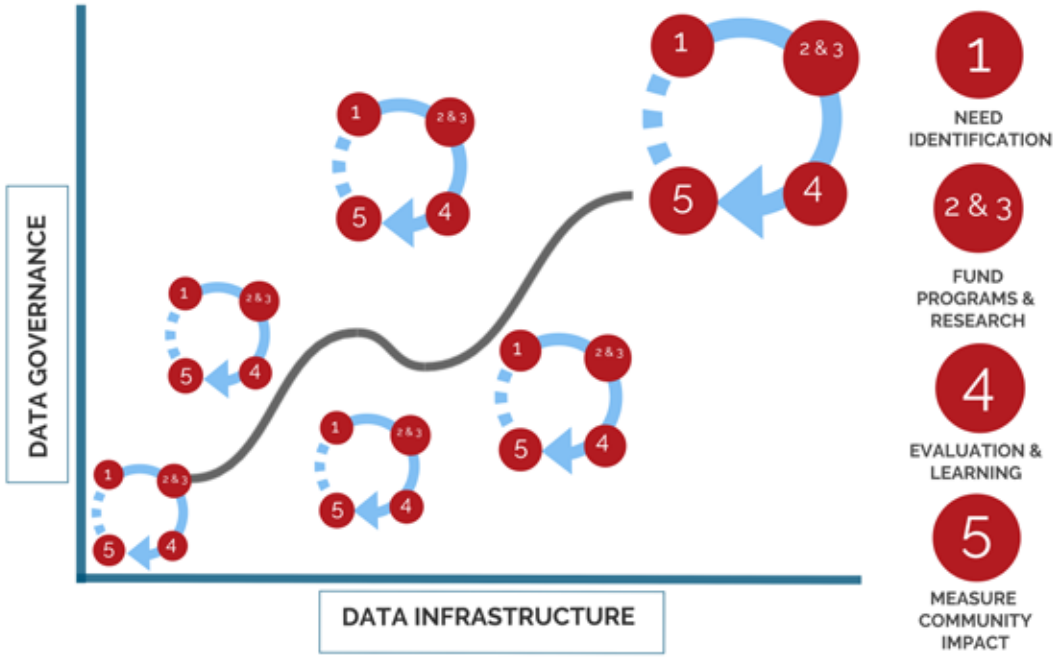
Good Measure is demonstrating how the evaluation and learning cycle is transformative in the ways it develops trust, technical capacity, and organizational culture around data. By working collectively, it is effectively building this capacity and culture at a higher level of organization than a one-on-one, grantor-grantee relationship. Coordinated evaluation is increasing in the sector, with 42 percent of foundations saying they are engaged in such efforts (CEP, 2016). These collaborations move the conversation forward in meaningful ways that better link data to strategy at both the individual grantee organization and around collective issues. Yet, advances in learning and evaluation are still one step removed from the role of data in measuring broader community impact.

Data for Emergence

Emergence — a term borrowed from the science of complexity — is best described by the phrase "the action of the whole is more than the action of the parts" (Holland, 2014, p. 2). Here, we conceptualize a regional data ecosystem of data producers, consumers, and enablers (of foundations and nonprofits as well as an array of public- and private-sector actors) that, at the aggregate, exhibits properties not obtained by the sum of its parts. Emergent systems result from the interacting subsystems at multiple levels. Kania, Kramer, & Russell (2014) write that "to solve today's complex social problems, foundations need to shift from the prevailing model of strategic philanthropy that attempts to predict outcomes to an emergent model that better fits the reality of creating social change in a complex world" (para. 1). Data for emergence begins to conceptualize this complexity.

At finer scales and in specific subsystems, there will be grantor-grantee cyclical processes of identifying need, funding, evaluation, and learning. (See Figure 6.) These subsystems go through their own cycles, using and generating data at touchpoints No. 1, No. 2–3, and No. 4. To be effective at higher levels of organization, the governance and technological infrastructure demands increase. An increasing culture of data is necessary, including access, sharing, and understanding the value-added proposition,

FIGURE 6 Increasing Levels of Organization of Data in Philanthropy



as well as the nuts and bolts of governance (i.e., Who makes decisions? How? When?) Similarly, the technological infrastructure to handle a high volume and variety of data, utilize analytical computing capacity and algorithms, and combine multiple data sets is increasingly important at higher levels of organization.

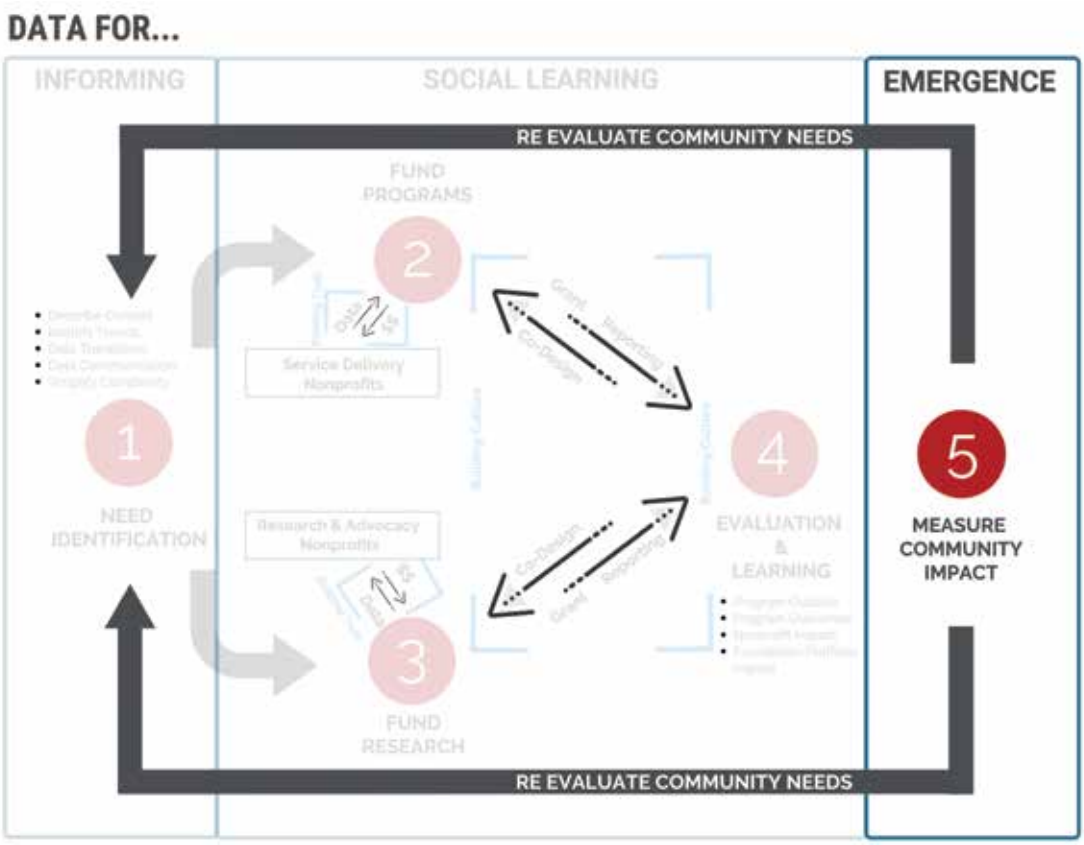
In some cases, multiple foundations and nonprofits work together at a higher level of organization. This new system is emergent, guided by what's happening at lower scales, and has characteristics that are not simply summative of actions/interactions at smaller subsystems. In the case of Good Measure, where multiple regional foundations are collectively working to advance the data capacity and culture among many foundations and nonprofits, there are opportunities for strategy alignment, evaluation, and learning at a community level. When multiple funders coordinate evaluation work with a range of nonprofits working on the same issue areas, opportunities emerge for measuring broader community impact.

Measuring Community Impact

Measuring the impact of philanthropy at the community level emerges from the interactions of many actors working to solve social problems: nonprofits, foundations, public sector, and private sector. Through interaction, the actors exchange resources and information the sum of which can provide meaningful data to measure community impact beyond the ability of any one effort. This is touchpoint No. 5 in the role of data in philanthropy. (See Figure 7.)

Part of the challenge with measuring community impact is one of alignment: designing metrics and measurement systems to support the achievement of well-defined, systemwide objectives. Measuring community impact necessitates an agreement on what is being measured, strategic alignment of programmatic and

FIGURE 7 Data Touchpoint No. 5: Measuring Community Impact



operational recourse, and shared understanding of desired impact.

This can be achieved from a higher level in the regional social sector ecosystem to see how the work of multiple subsystems fit together to achieve impact that are greater than the sum of the parts. It also requires foundations to think from the perspective of collective investment and seek alignment around the different nonprofits and programs they fund. This process is emergent and strategic (but nonlinear), and requires data to provide feedback to the system so that foundations and nonprofits can adapt.

At touchpoint No. 5, innovative techniques for data visualization and strategies that make data actionable are key. One interviewee remarked:

> Usable data is information that helps [grantees] make some sort of behavior change or programmatic improvement that can either accelerate impact [or] deepen impact for those they're serving. That's what we mean by usable data: information that can be immediately connected to something practical.

Effective community-impact measurement systems will have a high degree of system governance (agreement on what to measure and how) as well as a high degree of technological infrastructure (a system that can leverage big data). This emergent system will combine the data functions of informing (what does the data say) with social learning (we all agree with what the data says and understand the impact we want to create). The following observation from an interviewee captures the challenges of governance

and infrastructure: "We're trying to move to this roll-up of information about a community. What are proxies that are showing that a community is changing in a positive direction?"

This relatively simple statement has complex implications for the who, what, and where of that "roll-up of information" and the agreement on proxies and direction of change. It implies a transparent and results-based governance framework that can provide data in real time for tracking performance and strategic learning. Undoubtedly, this requires a high level of capacity within a regional data ecosystem.

Conclusion

Our research suggests that the role of data in philanthropy is increasingly important, yet multifaceted and nuanced. There is much more to understand about what it takes to effectively utilize data in philanthropy, develop a culture of data, deal appropriately with grantor-grantee power dynamics, and employ data-driven strategies in ways that lead to measurable community impact. An awareness of the key functions of data — informing, social learning, and for emergence — as well as the touchpoints of data in philanthropy can provide insight for developing a data strategy at multiple levels. Substantive and ongoing conversations are occurring in central Texas regarding the regional data ecosystem for philanthropy and nonprofits, and we are excited to continue seeking a systems-based understanding of the role of data in philanthropy.

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