



Annual Report 2018

Summary

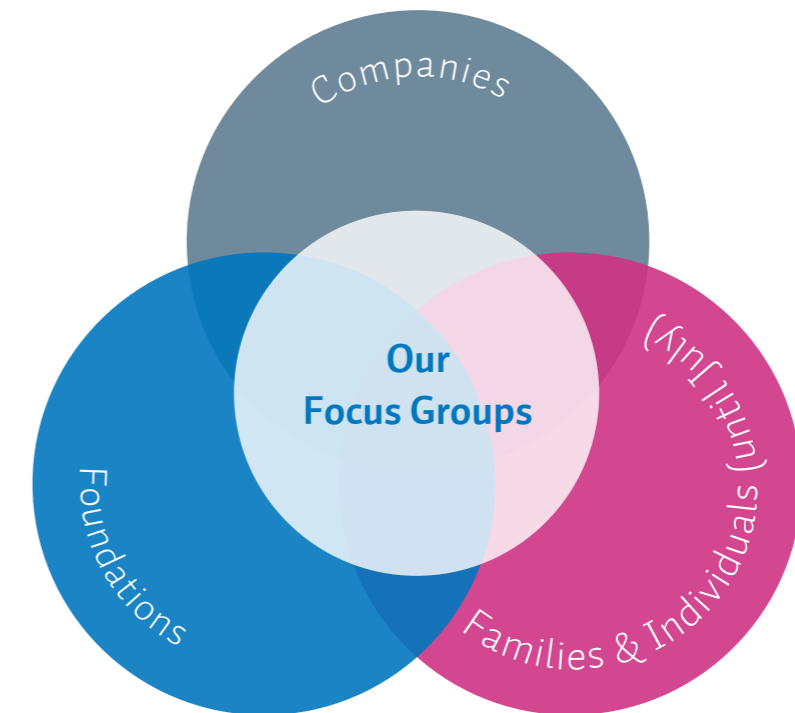
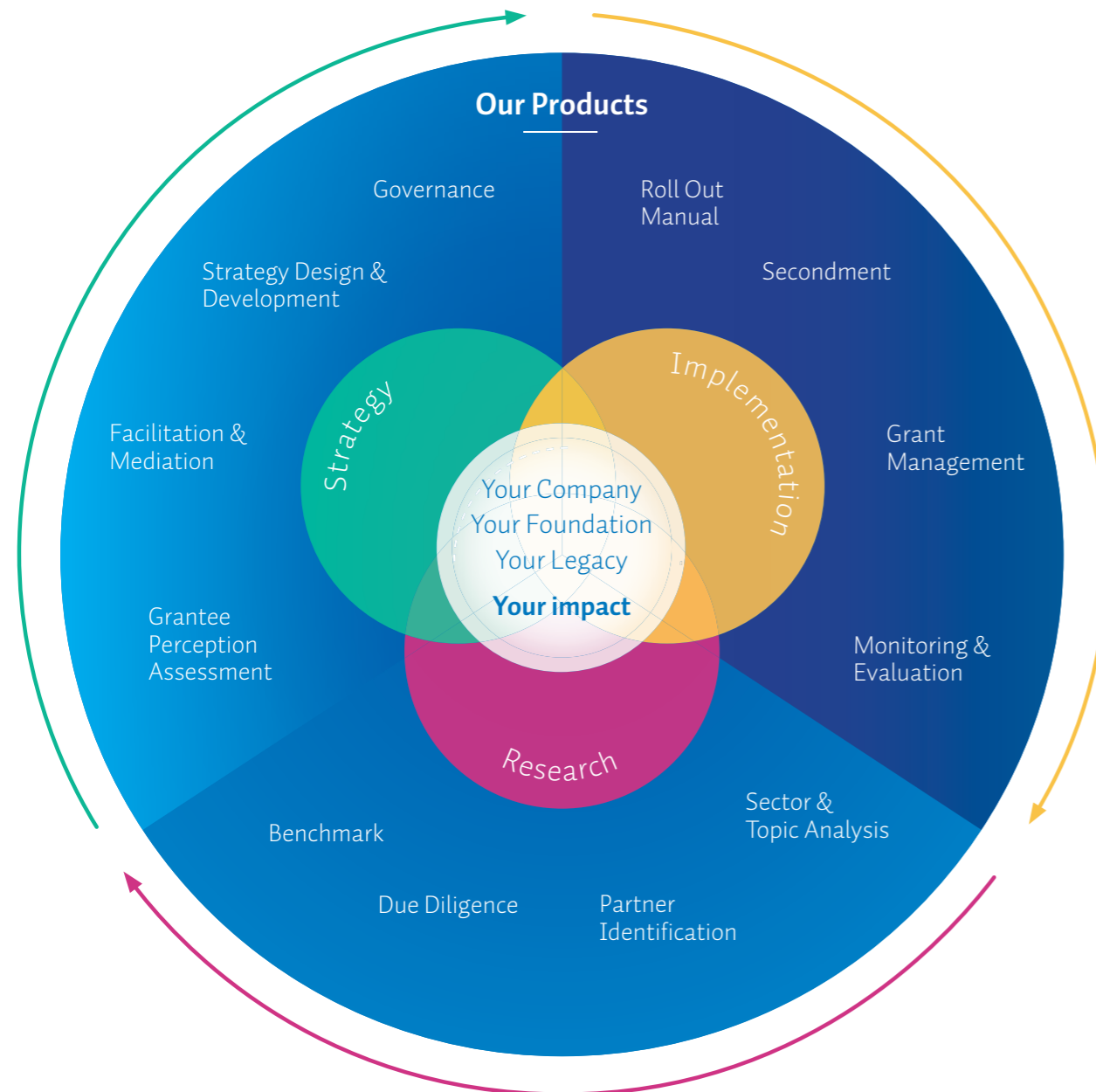
2018 HAS AGAIN BEEN A TRULY
EVENTFUL YEAR FOR US.

IN THIS REPORT, WE WOULD LIKE
TO SHARE WHAT HAS MOVED US
OVER THE LAST 12 MONTHS AND
WHAT LIES AHEAD.

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WHO WE ARE

In 2018, Beyond Philanthropy has focused its consulting activities on foundations and companies, specialising in corporate social responsibility (CSR), philanthropy and social investment. We provide innovative, strategic guidance to help our clients design, develop, and implement the most effective projects for social change.



Our Partners



Beyond Philanthropy works with a global network of partners. An important pillar of this network is the strategic partnership we formed with the advisory firm goetzpartners, that – among other things and within its own CSR-programme – continuously dispatches a consultant to work with us for a period of three to six months. Via this partnership our clients benefit from our deep sector expertise and knowledge in the fields of CSR, philanthropy and social investment, as well as goetzpartners' business consulting know-how in the fields of mergers and acquisitions, strategy and transformation. This year we managed to fully integrate the respective consultants within our team and the different projects. www.goetzpartners.com

We continued our collaboration with Derrick Feldmann, formally Achieve, now Influence|sg in Indianapolis. Influence|sg is a research and advisory expert on cause-related marketing, movement building and corporate philanthropy. Its research on the millennial generation has been crucial in defining new engagement practices. www.influencesg.com

Furthermore, we closely collaborated with GrantBook from Toronto. GrantBook provides philanthropic and digital consulting to help their clients reach their highest potential. www.grantbook.org

We also collaborated with our long-time partners at Social Investor Partners in Zurich and Filiz Bikmen in Istanbul. www.socialinvestors.com

At the end of 2018, our sister organisations Active Philanthropy gGmbH and Beyond Philanthropy GmbH, have reorganised and separated their business areas, which have become increasingly specialised over the years. We will both go our own ways in the future. Following the reorganisation and formal separation, Dr. Felicitas von Peter leads the non-profit Active Philanthropy, while Michael Alberg-Seberich heads Beyond Philanthropy. Beyond Philanthropy will be continued under a new name and with a modified focus in spring 2019.

OUR YEAR

Some of our topics:

Business models/sustainable finance models for civil society organisations

Corporate Citizenship

Corporate Social Innovation

Corporate Volunteering

CSR and Social Enterprise Development

Cultural Education (in school & outside school)

Digital Corporate Citizenship

Eating Disorders

Green Start-ups

Impact Investing and Infrastructure Development

Impact Investing

Mental Health

Payroll giving

Philanthropy and International Development

Philanthropy Support Infrastructure

Plastic

Project Transfer in Education

Species Protection

STE(A)M Education

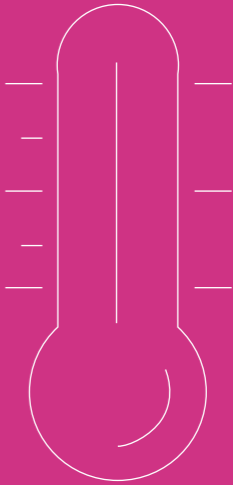
15
Implementation
Services

17
Research & Analysis

36
Strategy Design
& Developments

68

projects completed
several alongside a consultant from goetzpartners



Approx.
€ 710 k revenue

42
clients

3 studies, in addition to articles in a variety of magazines and books (and on our own social media channels)

800 followers
on Twitter

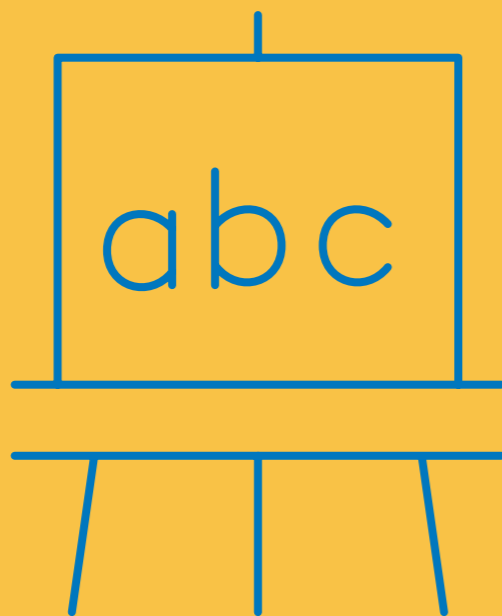


9 podcasts



WHAT WE LEARNED IN 2018 AS AN ORGANISATION

Digitalisation is a challenge. Not only did we do a lot of research on digitalisation and its effects on foundations and corporations, we actually implemented Salesforce and Teamwork at Beyond Philanthropy. We learned that it takes constant effort and perseverance to see the fruits of your work.



WHAT WE LEARNED ABOUT PHILANTHROPY

Again, we saw the importance of networks to share experiences and knowledge in order to maximize the impact of philanthropic activities and approaches. Furthermore, it has become clear that digitalisation and AI will also change the landscapes

of philanthropy and Corporate Citizenship. Not only will digital tools provide deeper knowledge and insights on social issues, they facilitate participation, improve efficiency, and provide new approaches to problem solving.

WHAT WE LEARNED ABOUT CORPORATE CITIZENSHIP

As an integral component of an overarching CSR/Corporate Citizenship strategy, Corporate Volunteering is the most frequently used resource after financial and in-kind donations (Stifterverband, Corporate Citizenship Survey 2018). Given its footprint and growing relevance, together with the team from the Chair of CSR at the University of Mannheim we have taken a closer look at Corporate Volunteering at the DAX 30 companies - Germany's 30 largest publicly listed corporations. In summary: due to the diversity of the businesses

as well as the myriad of questions associated with Corporate Volunteering, we have come to the conclusion, that there is no single recipe for success. However, we have developed four guiding principles around ***Playing Field, Kick Off, Coaching and Performance*** that should provide valuable orientation for Corporate Volunteering practitioners. And similar to our Corporate Citizenship study ***From Good Intentions to Real Results*** from last year, we hope to further contribute to a constructive discourse on this topic.

OUR CLIENTS

We work with companies, foundations, and private individuals who want to improve their social impact. Over the last few years, we have worked with clients from over 30 countries. In 2018 alone, we covered roughly 20 topics. We look forward to continuing our relationship with our existing clients and to working with new partners towards social change.

“We hired the services of Beyond Philanthropy to explore and to assess our business model ideas. After having worked with them for several months they delivered a high-quality final report which has been very valuable for the further development of our organisation. The Beyond Philanthropy team is extremely professional and knowledgeable. I can highly recommend their work and I would definitely hire their services again.”

María Virto Marcilla
Manager Funding and Partnerships
at European Cultural Foundation

“Searching for grant-worthy institutions or projects for the FREIHERR BRUNO VON SCHRÖDER STIFTUNG, Michael Alberg-Seberich was of enormous help for the Foundation’s Board of Trustees in several respects. Firstly, by reviewing and refining the criteria that the Board of Trustees of the Family Foundation had developed for its grants, as well as because of his personal access to interlocutors valuable to the Board of Trustees in the selected areas of support from his impressive network. He also provided knowledgeable assessment of a strategic grant partnership of the Foundation with a project supported by a social enterprise in the field of education.”

Christoph Schröder
Chairperson of the Board of Trustees,
Freiherr Bruno von Schröder Stiftung

Some of our clients



| BertelsmannStiftung

BMW Foundation
Herbert Quandt

FREIHERR BRUNO VON
SCHRÖDER STIFTUNG



SIEMENS | Stiftung

Ingvild Goetz Philanthropy



KURT & MARIA
DOHLE STIFTUNG



OUR PROJECTS

ORGANISATIONAL DEVELOPMENT

A German foundation commissioned Beyond Philanthropy to accompany the organisational development process of its partner organisation.

Over the course of one year, we supported the respective organisation’s journey through different phases of the development process.

In the first phase we thoroughly analysed the ecosystem in which the organisation operates. In addition to a research and mapping of competitors and funders we conducted 13 qualitative telephone interviews with internal and external stakeholders of the organisation in order to gain deeper insights for further steps and recommendations.

The results from the first phase laid the groundwork for the second phase. We closely collaborated with our client and its partner organisation through regular

meetings or workshops and jointly followed the goal of developing a financially more sustainable business model. An individually tailored work plan helped us to guide the organisation in this important process. Furthermore, we provided advanced research and input on certain topics that were relevant in order to develop the most suitable needs-based business model.

Finally, we entered the third phase by defining milestones and concrete steps towards the eventual implementation. Also, we developed a variety of potential scenarios including cost calculation, potential impact and set up of the organisation. After ranking the different scenarios, we conducted a joint workshop with our client and its concerned partner organisation. During this meeting, we presented our final results and recommendations, discussed the scenarios and developed a plan with next steps for each party involved.

ENVIRONMENT FOR PHILANTHROPY

An enabling environment for philanthropy and social investment is crucial for the effectiveness of the sector. The infrastructure to create and maintain such an environment is typically not in the limelight but highly relevant for a functioning philanthropy and social investment sector. Given the interconnectedness of today’s challenges and calls for increased collaboration across sectors and borders, as well as the growing influence of EU legislation this is not only a national topic but clearly there is a need for European infrastructure. So it is not surprising that the infrastructure of European philanthropy and social investment (EPSII) has grown and diversified in recent years.

In 2018 a joint initiative of the Adessium Foundation, the Calouste Gulbenkian Foundation, the Fondation de France, the King Baudouin Foundation, Robert Bosch

Stiftung and Stiftung Mercator commissioned us to develop options for how the European Philanthropic and Social Investment Infrastructure could be re-designed to adapt to future needs and meet the expectations of its members and key stakeholders. We interviewed 51 stakeholders, conducted a comprehensive literature review and analysed the current situation, future needs and expectations and the gaps and areas that exist for further development.

In our findings we focussed on collaboration options in areas that were rated as especially critical: namely policy advocacy, data, capacity building, and communications. As a result, key stakeholders are discussing how to further formalise and increase their collaboration and concrete joint programmes are under development and being implemented.

RESEARCH ON PAYROLL GIVING

Corporate volunteering and the promotion of volunteer work by employees is currently very popular among CSR managers. However, there are also other, often more simple approaches to allowing employees to participate in the company’s social commitment. One example is so-called payroll giving, on which a German corporate client commissioned us to conduct research.

Employees who participate in payroll giving voluntarily agree to round down the cent amount of their monthly salary and make it available for social purposes. It might sound simple but in practice, payroll giving raises a number of questions for a company:

- What is the easiest way to integrate payroll giving into the company’s accounting?
- How can as many employees as possible be encouraged to participate in the initiative?
- Where and how is the donated money collected?
- And above all: Who decides on the beneficiaries?

Many companies use donations resulting from payroll giving to support charitable organisations or to provide additional funds for projects from their CSR portfolio. However, companies can also make the donated money available to employees in need. Be it for the repair of fire damage, the purchase of an electric wheelchair or the repair of a highly needed family car, which could not be financed from the employee’s own resources.

There are many possibilities to use the donations in a meaningful way to help other people. However, since the money originally comes from the employees, they must be informed about the awarding process and maybe there is even a possibility to involve them to a certain extent. Our research has shown that there are already a couple of interesting cases in which payroll giving contributes every month to a social cause. In order to reach this point, it is very important to consider various factors, so that eventually everyone involved is satisfied with the outcome of the payroll giving initiative.

PUBLICATIONS

In 2018 we continued to publish our own research as studies. Furthermore, our management and team published articles in a variety of magazine and books (as well as on our own social media channels).

STUDIES

The Right Setup for Corporate Volunteering. Insights from the DAX30

Together with the team of the Chair of Corporate Social Responsibility at the University of Mannheim, we examined the corporate volunteering approaches of the DAX30 companies. We have identified principles of action that can be used to harness the entrepreneurial and social potential of corporate volunteering. Therefore, the central pillars for the correct positioning of corporate volunteering are the following:

- Defining a clear framework for corporate volunteering.
- Finding out employees' needs and taking them into account when developing corporate volunteering.
- Encouraging employee commitment through credible support from management and top management.
- Checking the achievement of impact goals through well-founded impact measurement in order to allocate resources effectively.

www.de.beyondphilanthropy.eu/ideen/publikationen/Studien/Corporate-Volunteering (in German)

Digitalisation and Corporate Citizenship. Perception and Reality for Social Impact

Bertelsmann Stiftung commissioned us to conduct exploratory research on Corporate Citizenship in the digital age. Assuming there might be considerable differences between Germany and the USA as a technological pioneer, we partnered with research advisors based in the US, Derrick Feldmann and Amy Thayer from Influence|sg.

Our findings suggest digital tools have allowed for deeper engagement by employees, better communication among internal and external stakeholders,

and deeper knowledge and insights on social issues. However, companies do not yet use digitalisation to revolutionise their social engagement and impact. At the same time, it seems that on an operational level, digitalisation is more advanced than on a strategic or conceptual level. Digital tools have been introduced to the daily Corporate Citizenship business when it comes to practical project and grant management, whereas strategic decisions seem to be done in more traditional ways.

www.beyondphilanthropy.eu/ideas/publications/studies/Corporate-Citizenship-and-digitalization

Value² study published in English

Beyond Philanthropy and Social Impact, supported by the BMW Foundation Herbert Quandt, have released a study that hopes to inspire companies to adopt the Base of the Pyramid (BOP) concept in Germany. Developed in 2002 by C. K. Prahalad, the BOP concept is a business model for companies that specifically targets the low-income population. People from the Base of the Pyramid can for example serve as customers, suppliers, or intermediaries and, by doing so, strengthen their material and social standing. The concept was originally implemented in developing countries. In 2018 we published the English version of our study. www.beyondphilanthropy.eu/ideas/topics/mehrwert_eng



PODCASTS

At the beginning of the year, we introduced our 'Podcast from the Field'—as a new format. Speaking to prominent stakeholders in the area of philanthropy on a variety of topics, we have published nine editions so far.

www.beyondphilanthropy.eu/ideas/publications/beyond-podcast

INTERVIEWS

One of your themes this year was digitalisation, on which you held workshops and published articles. What are the main concerns that foundations have to deal with when going digital?

Critical success factors when going digital do not only concern foundations but all organisations. It is crucial to develop a digital vision and strategy before starting such a project. At the same time, technology is just one component of the strategy, and not its starting point. Furthermore, it is essential to understand digitalisation as a change project that affects the organisation in its core. That means that the team, management, and stakeholders have to be involved in developing the strategy as early as possible, and they need to be informed about the progress throughout the entire process. To justify the technological investments, KPIs should be defined. For non-profits it might make sense to define a Return on Mission (ROM), instead of the classic ROI.

In a nutshell:

- Vision & Strategy: Shape your digital vision and define objectives
- Theory of Change & KPIs: Review your theory of change and define the relevant KPIs
- Stakeholders: Involve stakeholders early and keep them informed
- Roadmap: Develop a roadmap including timeframes and responsibilities
- Review: Review and adapt your process continuously



Julia Röhrich is a Senior Consultant, specialising in the areas of education, youth participation, impact-driven funding strategies, impact analyses, and the implementation of impact-oriented project management.

Was there a recent consulting project you found exceptionally interesting and inspiring? And why?

Oh yes, there was a consulting assignment for the German Röchling Foundation on plastic waste and the environment which I worked on with a colleague of mine. We conducted a lot of research work and interviews with experts from the field to compile an issue handbook on challenges and solutions regarding plastic waste. Even though I thought I already knew a lot about this issue I learned so much more. The fact that one rubbish lorry's worth of plastic ends up in the oceans every minute was shocking. If nothing is done about this, by 2050 the oceans will be home to more plastic than fish. So imagine: while you are reading this newsletter a few additional tons of plastic waste have gone into the sea. Another interesting detail for me was the view of geologists who argue that when looking back at our century people in the future will say that we lived in the plastic age, like

our ancestors lived in the stone age.

Nevertheless, there are also several substantial and innovative solutions on the horizon, and I am keen to learn more about them. In general, our growing plastic waste is something I will stay interested in and I will keep on trying to adapt my lifestyle towards a more sustainable one. However, right now I am looking forward to a conference we are organising together with our client on the issue for the end of March here in Berlin.



Anna Wolf is a Senior Consultant. She focuses on the development of impact-driven funding strategies, projects and grant management for corporate foundations and companies in information technology, financial services, transportation and food.

INTERVIEWS

Can smaller foundations also integrate impact investing as an instrument in their financial strategy?

When I talk to foundations and family offices about impact investing, they often say that they do not have the resources or knowledge for impact investments. However, foundations do have a lot of experience in conducting a due diligence as they thoroughly screen each project before committing to funding. Furthermore, foundations usually have a close-knit pool of experts such as lawyers, accountants as well as social impact advisors to support the core activities around direct investments such as deal sourcing, due diligence, and portfolio management. Deploying these networks and resources decreases the initial implementation costs and puts foundations in an excellent position to start looking into direct investment opportunities. On a practical level, the following tips are useful:

- Pool resources / co-invest
- Combine financial and non-financial support
- Start with small ticket sizes

Further information:
www.beyondphilanthropy.eu/ideas/News/impact-investing



Julia Oestreich is a Consultant who supports foundations, companies and private individuals in their efforts to identify tailor-made financial instruments that help to solve social challenges in a sustainable way.

What are Beyond Philanthropy's plans for 2019?

2019 will be an unusual year for Beyond Philanthropy. There are far reaching internal changes ahead for the organisation. A big change will be the re-branding of the company in March 2019 and a new website. As part of this process there will be a new person joining our leadership. All this will also affect our strategy, which will focus even more on foundations and corporations and all aspects of their societal engagement. In addition, we will further strengthen our social justice and education expertise.

These changes are a reaction towards the market that we work in. Our 2018/2019 study on the European Philanthropy and Social Investing Infrastructure has clearly shown that the sector feels its legitimacy and its impact is challenged. Impact measurement, digitalisation but also new forms of participatory, transformative grant making will be crucial for the sector. In addition, we again see a growing interest in understanding the scaling of projects, organisations and ideas. As part of this interest a rather down-to-earth attitude also seems to be thriving. Many clients have asked us the most basic, but maybe also the hardest, question in the sector: How can we help to create financial sustainability for foundations, organisations or projects?

The latter is a question that we also get asked by many corporate partners that are deepening their relationships with social enterprises, NGOs and other civil society actors. Our corporate volunteering study together with the University of Mannheim has shown clearly that there is a growing need to better understand the dynamics around these programmes in companies and civil society organisations. Our work in 2018 with

the Bertelsmann Foundation on the digitalisation of the sector has also raised new questions about the growing importance of platforms in the management of Corporate Citizenship programmes. In 2019 we will also further explore how innovations in the social sector influence corporations.

We look forward to the changes ahead for us. We have already again started intense reflections with our clients on their challenges and possible solutions to them. In 2019 we would like to share even more of our learnings to contribute to strengthening the societal relevance of the work of our clients and the sector overall.



Michael Alberg-Seberich is Managing Director at Beyond Philanthropy. He heads the advisory work of Beyond Philanthropy and handles all questions relating to philanthropy, CSR and impact investing.

BCORP & BEYOND

Beyond Philanthropy is among the first B Corps in Germany and was re-certified in 2017. We meet rigorous standards of social and environmental performance: accountability, transparency, and sustainability are at the heart of our day-to-day work. We also work in close cooperation with our charitable sister organisation, Active Philanthropy.



This year, we also worked on the organisational development of Beyond Philanthropy, especially becoming more digital, and invested in continuing education for our team. In addition, The Beyond team volunteers one day a month in organisations dedicated to a range of social issues, such as children and adolescents in need, youth unemployment, and inclusion and accessibility.

People	Planet	Profit
One volunteering day per month for every employee	Recycling	All our profits are made in pursuit of social change
Gender balance	Sustainable and certified stationary	
Free coffee and organic fruit for employees	Reduced carbon footprint	
Regular training	All travel offset through atmosfair	

Team



Michael Alberg-Seberich
Managing Director



Dr. Felicitas von Peter
Managing Director



Julia Oestreich
Consultant



Julia Röhrich
Senior Consultant



Lisa Born (until September 2018)
Executive Assistant



Nadine Bubner (since August 2018)
Executive Assistant



Eva Schneider (since September 2018)
Analyst



Lisa Steinke (until August 2018)
Analyst



Lea Buck
Senior Consultant



Maximilian Grimm (until June 2018)
Consultant



Gabriele Störmann (until July 2018)
Senior Consultant



Fabian Suwanprateep
Manager



Kerstin Ischen
Communications Manager



Anne-Sophie Oehrlein
Consultant



Anna Wolf
Senior Consultant

About this Report

If you want to learn more about Beyond Philanthropy, visit our website: <https://www.beyondphilanthropy.eu>

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