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E SUL NONPROFIT

WORKING PAPER N. 22

**Powering social innovations - the role
of Italian foundations in facilitating
social innovation.
The grantees' perspective**

Elisa Ricciuti, Urszula Swierczynska

VP VITA E PENSIERO

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Abstract

Philanthropic funders are uniquely positioned to contribute to funding social innovations. Their role in facilitating generation, acceptance and implementation of new ideas has been widely recognized in contemporary philanthropic discourse. In Italy, social innovation funding is still weak, but growing, with private foundations representing 22% of total social innovation funding in 2016.

This paper aims at providing Italian foundations with a set of key recommendations for the effective use of their philanthropic capital in this field using the grantees' perspective. This approach, widely applied in some countries, shows that partnering brings significant impact on the effectiveness of funders and on the strengthened capacity of grantees by creating a mutual culture of trust.

This study thus represents a first attempt to explore the perceptions of grantees on the funding received regarding social innovation. An online survey, run between July and September 2017, was addressed to the 116 grantees of the 15 philanthropic funders of social innovation in Italy in 2016. The survey investigated concepts of social innovation, barriers hindering it and potential solutions, relationship between funders and grantees and adequacy of the support received. Preliminary results show that while the majority of grantees recognize the role of foundations as important, the adequacy of grants to fund social innovations is still low in their capacity to be transformative. Interestingly, the lack of non-financial support is reported as the most critical barrier to the development of social innovations. Furthermore, the relationship between funders and grantees results still far from being a mutual partnership, rather falling into a quite traditional donor-driven relationship.

Despite limitations in data collection, the study offers a first attempt to use the grantees' perspective on social innovation funding in Italy.

JEL codes: O35, L31

Keywords: foundations, social innovation, philanthropy, grantees perception, grant evaluation, Italy

1. Introduction

Foundations are the powerhouses of social innovation. As independent, self-governing bodies, with a high degree of freedom and “room to act”, they are uniquely positioned to drive social innovation processes. Their role in facilitating generation, acceptance and implementation of new ideas, processes, products and services has been widely recognized in contemporary philanthropic discourse (Anheier and Leat, 2006; Brest, 2010). Moreover, foundations contribute to fund welfare innovations through their privileged position close to the communities they serve - by leveraging resources in innovative ways (Salamon, 2014) and using their advocacy and political action (Anheier, 2013; Sagawa, 2014). Foundations contribute to problem identification, solution development and optimisation, as well as innovations’ diffusion. Despite different approaches to the study of social innovation (Cappelletti and Lampugnani, 2016), what all social innovation projects have in common is ‘a transformational impact or aspiration’ (Sinclair & Baglioni 2014). In this respect, the European Commission has raised the debate by wondering ‘is there a specific role for philanthropy in financing social innovation projects?’ (EU Commission 2013, p. 44).

Italy offers an interesting case study context to contribute to answering this research question, since social innovation is a rapidly growing field. In 2016 the number of social innovation projects increased by 55% compared to the previous year and the level of funding pro-

vided to social innovation initiatives registered a remarkable growth of 300% (Maiolini, 2017, p. 194). Nonprofits are considered key players in the social innovation field (involved in 53% of the total initiatives), with foundations having a leading role in promoting and sustaining many of them (Crilli and Speroni, 2017). The total amount disbursed by foundations to fund social innovation initiatives in Italy in 2016 reached some €21.4m (22% of the total social innovation funding) (Maiolini, 2017, p. 187).

However, the role of foundations in supporting innovative practices is under studied, partly due to the severe lack of data tracking on philanthropic investments and a blurred identification of what are “social innovations”. For this reason, this paper addresses the question of whether and how foundations support social innovation in Italy, by using a grantees’ perspective. Grantees’ perspective is a common source of information and knowledge sharing in some countries (above all the US and the UK), while it results less common in other countries in Europe. The proposed research contributes to answering the overall research question about the role of foundations in powering social innovations. It taps into both arising opportunities: on one hand, the growth of the social innovation field in Italy; on the other hand, the unique potential that foundations have in strengthening innovations.

Specific objectives of the proposed research are:

- (1) to better understand the overall role of Italian foundations in creating opportunities for and removing barriers to social innovation development in Italy;
- (2) to verify the level of synergy between objectives driving foundations and grantees to pursue social innovation projects;
- (3) to evaluate adequacy and feasibility of social innovation grants provided by the Italian foundations from the grant-recipients perspective;
- (4) to provide Italian foundations with a set of key recommendations for the effective use of their philanthropic capital in the field of social innovations. Recommendations stemming from findings aim to assist Italian foundations in optimizing the use of their philanthropic resources in the field of social innovations.

The first section of this paper offers a brief literature background on the role of foundations in powering social innovation as seen by their grantees.

The second section will describe the methods for data collection and analysis, reporting all the methodological steps, from the construction of the sample of grantees until the online survey used as a primary method for data collection.

The third section report findings, based on the evidence collected from the survey, though still limited to preliminary results.

Drawing on research findings, the discussion section will develop on the identification of key entry points, effective practices and reinforce-

ing levers that enable Italian foundation to better power social innovations in Italy. In fact, the study provides Italian foundations with valuable feedback from grant recipients on good practices, as well as key challenges and lessons learnt from the previous projects.

Conclusion will highlight the limitations of the study and the potential to expand such studies to the benefit of all, foundations, grantees and public institutions.

2. Foundations and social innovations: grantees can help the debate

Foundations' privileged position in contributing to social innovation is now widely acknowledged and studied more and more, especially after the financial crisis has put grant-making foundations under the attention of public institutions, which find suitable partnerships with the philanthropic sector in contributing to develop innovative solutions to pressing social needs (Abramson et al. 2014). Presumably independent from governments and the market, foundations are free to act in pursuit of their mission through a higher risk-taking capacity than both the public sector and market – a fundamental driver to innovative processes. Moreover, foundations contribute to fund welfare innovations by leveraging on their privileged position, close to the communities they serve. Their potential includes leveraging resources in innovative ways and using their convening power to push

discussion forward new approaches or the study of new methodologies to develop social innovations.

Although the literature on social innovation is varied and formed by different cultural approaches (Dees 2012; Mulgan, 2012), its transformational and entrepreneurial treat is widely recognized: in the attempt to find a “working definition” of social innovations – broad enough to include a wide spectrum of initiatives, but not necessarily bounded by a rigid academic framework - are those solutions or approaches which aim at bringing change – whether it is a change in the way problems are tackled, in the target of the action (new needs vs. old), in the design of services or solutions (usually integrated or cross-sectoral), in the participatory and inclusive type of governance designed for the new response. Moreover, social innovations, recognized as experiences grown in practice before theory (Mulgan, 2012), result successful when they find connections with durability and broad impact (Westley and Antadze, 2010).

While social innovation has entered into the radar of foundations’ funding in Europe, and in Italy too, figures are still limited. If the latest Report on Social Innovation in Italy shows that almost 22 million euros were devoted from foundations to fund social innovations in Italy (Maiolini, 2017), this figure sounds extremely low compared to the total amount of assets of Italian foundations (including, on top of debate, foundations of banking origin). A way to help uncovering the potential of foundations in funding social innovation is by looking at

the grantees' perspective. The opinion of grantees in forming, fertilizing and changing foundations' strategies is not new in some countries, like the US or the UK, where the tradition of philanthropy has exclusive and peculiar characteristic and a long-standing presence of studies and experimentations. This practice – to work in partnerships with grantees with the aim of ameliorating the effectiveness of giving – generally rests within the practice of the so-called “high-engagement philanthropy”, a growing field of debate in philanthropic studies (Herrold, 2006). This practice is based on the funders' assumption that partnering with grantees brings greater impact, by significantly increasing the operating capacity of grantees and empowering the relationship between grantees and founders through the creation of a culture of trust (Grady et al., 2017).

This approach is by far more effective where it comes along with a culture of data tracking and sharing. Examples are surveys of thousands of grantees addressed to share knowledge and inform philanthropic funders about the dimensions of adequacy of their interventions, aiming at stimulating debate on issues directly oriented to foundations' organizational learning and reflection – such as clarity of funders' communication of their goals and strategies, quality of interaction with foundations' staff, expertise and orientation of the foundation (The Center for Effective Philanthropy, 2004). Overall goal of these interventions is optimizing the relationships between funders and their grantees. Beyond general reports which bring an

overview of the country, the methodology of Grantees Perception Reports – the most widely used grantees’ survey methodology - is applied by single donors to solicit feedback and elicit views and opinions from their grantees .

Research, indeed, confirms that grant-makers who are more connected with their grantees are more likely to provide the support they need – which does not necessarily come through grants, but through all sorts of support beyond money . Supporting nonprofit organizations, in fact, may result in the use of different forms, starting from traditional grants provision, all the way to different venture philanthropy instruments (such as loans, equity or quasi-equity) (Balbo et al., 2016, p. 53).

Moreover, feedback provided by grantees may nurture learning and favor strategy refresh in funders’ organizations. With this aim in mind, this exploratory study makes use of the grantees’ perspective to elicit their views on the support received by foundations in funding social innovations, through the methods described in the following section.

3. *Methods*

To respond to the research objectives, the proposed study collects primary data directly from foundations’ grantees by eliciting their perception, following the above-mentioned approach which is extensively applied in large North American and UK foundations, but of

which there is very limited knowledge in the Italian context. The choice of bringing grantees into the picture is motivated by the believe that ‘the relationship between a funder and its grantees ought to be a dynamic, long-term, and open-ended consultative process’ (Berresford, 2009) and this is even truer if we accept the transformational impact embedded in the concept of social innovation.

Main methodological steps of the research study are:

- (1) To map Italian foundations investing in social innovation projects;
- (2) To identify major grantees of the selected foundations through their grants databases or annual reports;
- (3) To collect grantees’ perceptions through an online survey, looking at the donors’ processes, overall support, clarity and timeliness of communications, quality of the relationship and administrative burden involved in grant implementation, as well as the underlying social innovation discourse;
- (4) To analyze data with a view to respond to the research question and offering key recommendations for optimization of social innovations foundations’ funding in Italy.

Building the samples

The map of foundations to be included in the study has been drawn by a larger database of those subjects already identified as social in-

novation funders, in Italy, during the year 2016 (Maiolini, 2017). Funders have been identified through a Google search for keywords, including “social innovation” AND “calls/funds”, for a total of 30 funders. The sample has been narrowed to include only private foundations or partnerships between foundations and other private or public institutions, thus excluding public institutions or corporations alone. Following this process, 15 foundations, or partnerships with public institutions or other private organizations including foundations, represent the final sample for the research (half of social innovation funders in the country).

After that, a desk-based research on all foundations’ websites has been run in order to identify all grantees related to the calls explicitly addressed at funding “social innovation”, regardless of the field of investment (culture or arts, entrepreneurship, environment, etc.). At the end of the process, the database included all funders, all calls addressing social innovations, all amounts of resources given in the form of grants – or other types of support such as training or in-kind donations, all foundations’ grantees and the available contact information. The final sample included a total of 116 grantees.

Data collection and analysis

To respond to the research objectives, an online survey has been built and sent personally – where possible - to the grantees using the Qualtrics platform. Data collection run between July and September 2017.

The survey has been intended as anonymous, to avoid potential bias in responses, since several questions were addressed to solicit a comment on the relationship between the grantee and the funder as well as the grants' adequacy. All precautions taken to guarantee the anonymity of respondents were taken by researchers and communicated both through the invitation email and in the opening page of the online survey.

The survey was structured as follows. A first section relates to the concept of social innovation as perceived by the grantees, including questions on the role of foundations as enablers (or not) of social innovators compared to other funders and the potential barriers to social innovation to be overcome in the Italian context. The second set of questions relate to the grant(s) received and the extent to which it contributed to the organizations' objectives related to social innovation. The third section refers more closely to the adequacy and feasibility of the grant(s) received, in terms of amounts, timing, role of the funder in the process (from application to implementation) and more generally the relationship between the grantee and the foundation in supporting the project. Finally, a fourth set of questions contains a few questions to draw the profile of the grantee, to collect meaningful aggregate information though respecting anonymity.

Data analysis has been done by both researchers, reviewing reported answers and cross-checking results through multiple discussion. The analysis has been run with a view of giving funders recommenda-

tions on their role as social innovation supporters and helping them improving their relationship with grantees.

4. Findings

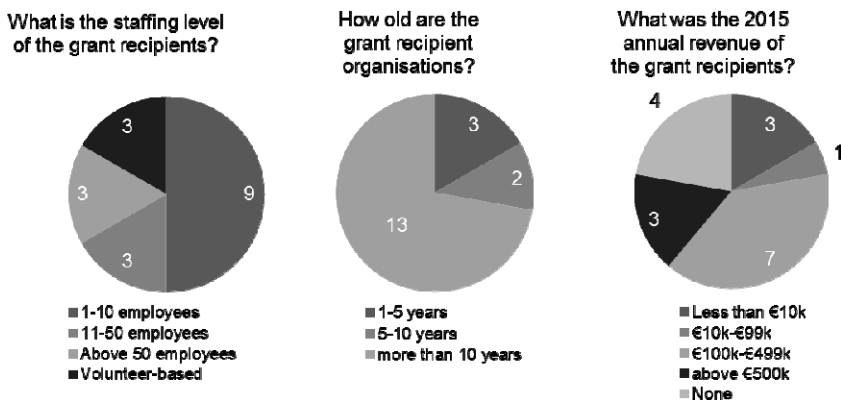
About the recipients' profile

Of the 116 invitations to respond to the questionnaire, 18 complete responses were received by September 30th: the response percentage is relatively low (15,5%) and the survey is still open. For this reason, the study has so far produced preliminary findings, which will be complemented by a second round of invitations to respond to the survey and in-depth interviews to key informants who declared their willingness to be interviewed – voluntarily overcoming the anonymity requirements proposed by the survey and disclosing their contacts for a follow-up. Thus, the following findings will be reported in percentage, on a total number of responses of 18, unless differently specified.

Besides a section on the grantees' profile, the survey had three main areas of investigation, according to which results will be reported in this section: a) general outlook on social innovations - understanding of the term, its relevance and importance, motivations for pursuing, barriers and solutions to further development; b) the role of foundations in pursuing social innovations and their relations with grant recipients; c) grant utility, adequacy and feasibility of the application process.

The profile of grantees which took part in the survey revealed some interesting characteristics of the organisations implementing social innovation programmes in Italy (Figure 1).

Figure 1 - The profile of respondents

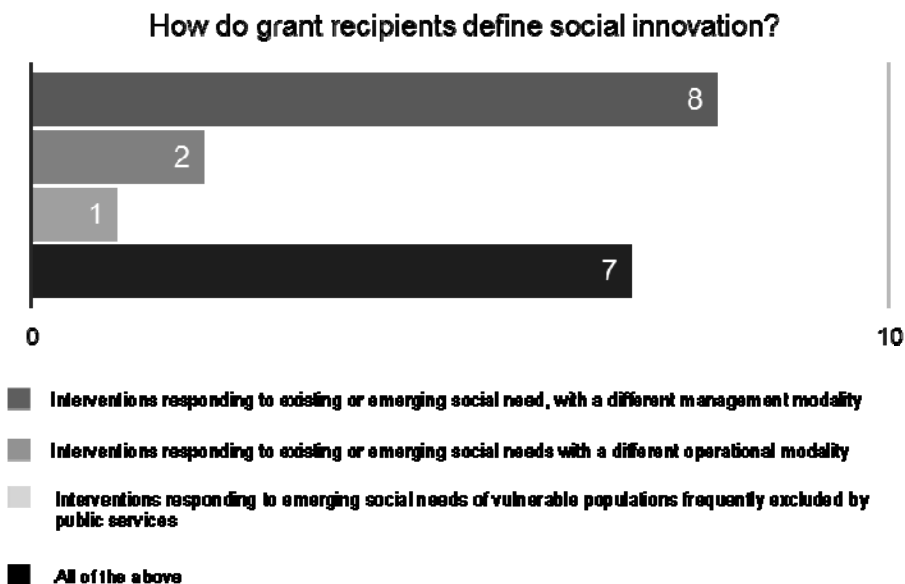


Almost a half of the grant recipients who responded to the survey were relatively small in size - they employed up to 10 people. Three of them were relying purely on volunteer workforce. Out of the remaining sample group, some further 3 have between 11 and 50 employees and another 3 employed more than 50 people. Despite their relatively long existence in the nonprofit market (almost three quarters of the organisations exist for more than 10 years), budget-wise they remain very small, with some 15 organisations having annual revenues below €500.000.

General outlook on social innovations among the grant recipients

Substantial differences have been identified with regard to understanding social innovation term among the grant recipients (Figure 2). Most of the grantees adopted focus on management systems, defining social innovations as “interventions responding to existing or emerging social needs, with a different management modality, i.e. including beneficiaries in service management, more open and participatory governance, as well as including non-traditional actors into welfare management”. While this definition was true for 8 organisations, some 2 of the grantees connected social innovations with finding new operating modalities. They defined social innovation as “responding to existing or emerging social needs with a different operational modality, i.e. use of new technologies or finance mechanisms”. One respondent organisation defined social innovation as “responding to emerging social needs of vulnerable populations frequently excluded by public services”. For the remaining 7 survey respondents social innovation included all the three core components: new management models, new operational modalities, as well as inclusion of non-traditional stakeholders of the social services system.

Figure 2 - The definition of social innovation according to grantees



Grant recipients have various motivations for pursuing social innovation programming, but for many of them the relevance of the topic is relatively low in comparison with their entire programme spectrum (Figure 3).

Only 3 organisations out of 18 are actually specialised in social innovations and pursue it as their mission mandate. While for half of the grant recipients social innovation was identified as an area somehow related to their work, slightly more than one-fifth reached out for the opportunity in a random way by applying for social innova-

tion funding the same way as they apply for any other type of funding. Two of the grant recipients actually admitted that they do not specialize in social innovation and have actually been attracted to the topic only due to availability of the funding. Same number of the survey respondents actually does not see any significant relevance of the social innovations to the project funded. This may be due to the earlier mentioned lack of an agreed definition and hence lack of unified understanding of what does social innovation entail. Activity classified as a social innovation by the donor, may not be perceived as such by the grant recipients.

Figure 3 - The relevance of social innovation in the grantees' organization activity profile

How relevant is social innovation for grant recipients?

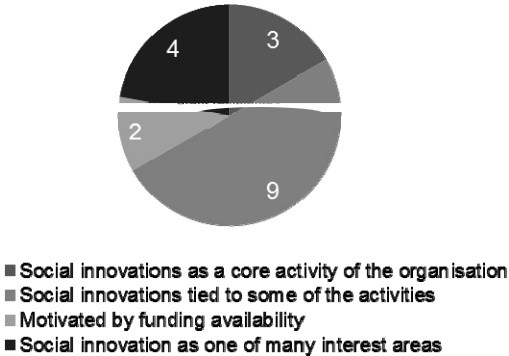
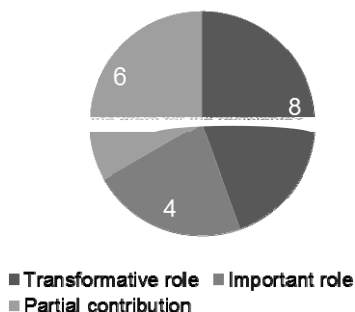


Figure 4 - The role of the grant received in pursuing social innovation

What is the importance of the grant for the recipients?



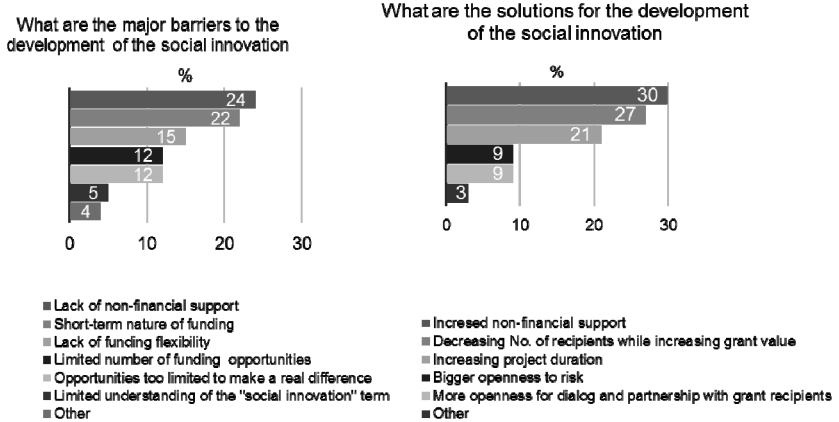
In terms of grant importance (Figure 4), less than a half of the grant recipients (8 respondents) rated the support granted by the foundations as an important one. For those organisations funding provided was a “turning point”, as it allowed them to implement a project which otherwise would not be put into action. For others, funding granted was somehow important (4 organisations), as it partially contributed to project implementation, while for one-third of survey respondents (6 grant recipients) its importance was limited, as the grant provided constituted one of many funding sources for the social innovation projects.

When asked to identify the main obstacles to the development of social innovations programming in Italy and suggest possible solutions

to lift them, survey participants touched on some key aspects: barriers and potential solutions are both represented and compared below (Figure 5). Lack of capacity building support (i.e. training, coaching/mentoring, incubation, support of the fundraising efforts), as well as short-term nature and limited flexibility of the funding, low value of the grant and general lack of funding opportunities for social innovations were identified as main hindrances. In addition to that, some of the organisations admitted the lack of understanding of the social innovation field was impacting negatively on their ability to pursue this type of programming. Other hindrances included elevated requirements for project co-financing, as well as donor's inertia and unwillingness for co-programming.

When asked about the ways in which foundations could potentially help lifting the barriers to development of social innovation, grant recipients suggested increased provision non-financial support options by the donors, extending project duration or reducing number of grantees while raising the grant value. Some of the grant recipients emphasised foundations should be more willing to take risks and more open for dialog with grant recipients and beneficiaries. In particular, remarks were made on the need for the foundations to avoid "self-referentiality" and provide more space for experience exchange.

Figure 5 - Barriers to the development of social innovations and potential solutions proposed

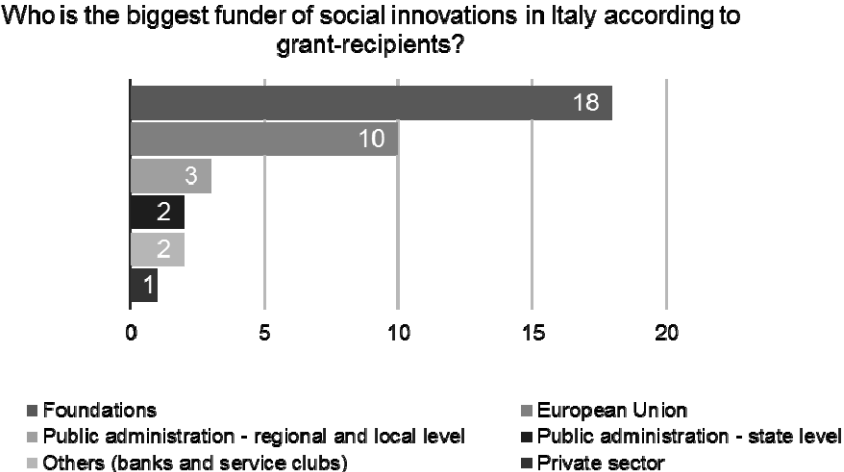


The role of foundations in pursuing social innovations and their relations with grant recipients

According to the vast majority of the interviewed grant recipients (16 out of 18 survey respondents), foundations have a significant role to fulfil in the pursuing of social innovations in Italy. When asked to identify three most important types of funders for social innovations in Italy in 2016, all of the respondents (18 grant recipients) replied that in their view foundations are the most prominent funders of the social innovation in Italy, with second place granted to the European Union (10 grant recipients) and third to public administration, at both local (3) and national (2) level. Two grant recipients saw the biggest role in funding social innovations at the banking sector and service

clubs (such as Rotary or Lion’s Clubs), while only 1 grant recipient assigned this role to of the private sector (Figure 6).

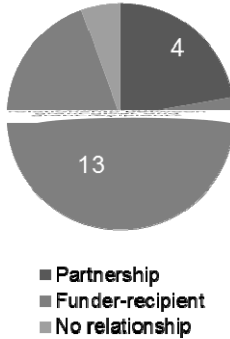
Figure 6 - Social innovation funding: sources



Foundations were largely seen as sources of funding and this role - in survey respondents’ view - did not extend much beyond this point. When asked to describe the type of role that the foundations play in pursuing social innovations (Figure 7), only 4 out of 18 grant recipients perceived them as partners, while 13 of the grant recipients said foundations were mere funders. One grant recipient admitted they did not have enough relations to classify it as any of the two. None of the survey responders perceived foundations as advisors, to whom they might turn to in case they need advice on projects.

**Figure 7 - The role of foundations in the relationship
with their grantees**

What is the
relationship between
grant-giver and
grant-recipient?



When asked whether grant recipients should have a role in helping foundations to operate more effectively, all of the respondents agreed. However, one grant recipient admitted that even if they suggested any course of action to the grant giver, it would probably not be taken into consideration.

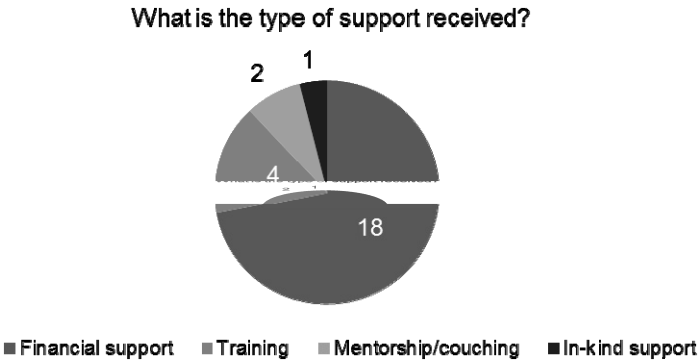
Nonetheless, most of the grant recipients described their general perception of the funder-recipient relation in positive terms. Eight survey respondents saw it as “effective”, 6 as “useful, while 3 of the survey responders described the relation with grant-provider as “transformative” and 1 as “excellent”. All of the respondents maintained some form of contact with grant-making entity, with 1 grant

recipient staying in touch with donor on a weekly basis, 10 monthly and 7 occasionally.

Grant utility, adequacy and feasibility

Funding provided to socially innovating nonprofits who took part in the survey was 100% in the form of traditional grant-making (as opposed to alternative forms such as loans, loan guarantees, social investments, matching grants etc.). While all of the respondents (18 organisations) received financial grant, some 4 recipients received in addition training, 2 received mentorship and coaching, while 1 received in-kind support.

Figure 8 - Type of support received



In terms of grant value (Figure 9), most of the social innovation grants provided to nonprofits in 2016 can be classified as relatively

small. None of the grants reached a total value of €500.000. While for 5 out of 18 of the survey respondents grants provided ranged between €100.000 and €499.000, some 7 of the grants provided totalled up to €50.000-€99.000 and 3 ranged between €1.000-€29.000. Some 2 of grants provided fell between €30.000-€29.999 and 1 organisation reported receiving a grant for an amount below €1000. In addition to being relatively low in value, social innovation grants provided in 2016 to Italian nonprofits were also short in duration. Fifteen out of 18 of the surveyed organisations received funding for projects lasting between 1-2 years, while only 3 organisations were funded for period above two years.

Grant recipients had a mixed perception on the process of proposal submission. While on the one hand, half of them was rating the process as complex, the remaining part described it as relatively simple. In terms of timing between the application deadline and granting decision (Figure 10), for majority of the survey respondents (12 out of 18) it took anywhere between 3-6 months to receive a response on their project submitted to the foundation. For 4 of the grant recipients it took more than 6 months from the moment they submitted the project proposal to receiving a confirmation of funding from the foundation. For 2 of the survey respondents the process took between 2-3 months. However, delays in funding decision was largely compensated by a smooth grant execution process. Once funding was granted, for almost all but one recipients grant operating procedures were

processed timely. This contributed to achieving high project results, with some 15 out of 18 of the grant recipients declaring to successfully pursue their planned project objectives.

Figure 9 - The value of the grant received

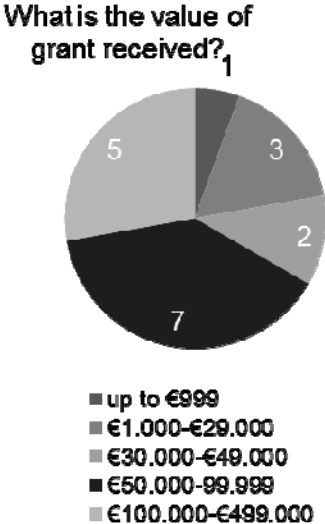
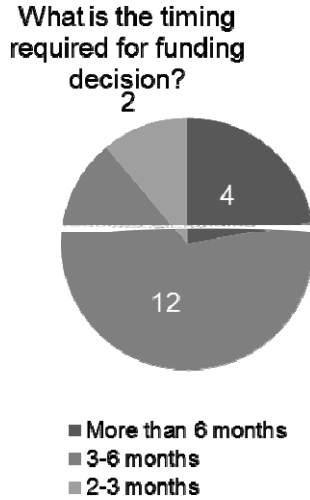
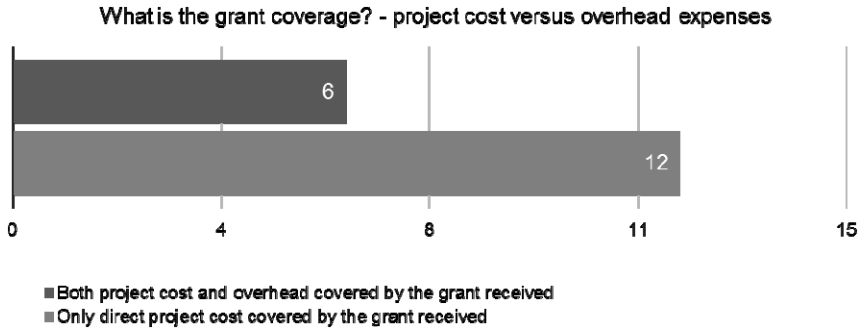


Figure 10 - Timing for funding decision



In terms of spending flexibility (Figure 11), social innovation funding provided to the surveyed nonprofits in 2016 was largely of a restricted nature. While 6 out of 18 grant recipients could cover both direct project cost and overhead, for 12 of the nonprofits, grant did not allow for covering of the organizational expenditures (such as administrative and fundraising).

Figure 11 - Type of expenses covered by the grant received



5. Discussion

General analysis of the foundations' support provided to social innovation entities which took part in the survey allows for some general key conclusions. The overall concept of social innovation is still fairly vague for the grant recipients and needs further clarification and diffusion. There exists a lot of uncertainty and confusion on the exact definition of the term, which - as organizations admit - creates a further barrier to successful development of the programming. Very few nonprofits who pursue the social innovation projects are actually specialized on the topic. Organizations who seek and successfully obtain the social innovation funding from the foundations keep being attracted to the topic not as a result of a conscious strategic management decision, but rather as random pursue for funding. This seems to confirm a general tendency of the nonprofit sector to be donor-driven, as opposed to being need-driven (Ostrander, 2007).

Vast majority of the grant recipients rate the role of foundations in pursuing social innovation programming as important. However, in recipients' opinion foundations are mainly classified as mere funding providers. This leads to the overall donor-recipient relation being transactional. While foundations treat nonprofits as service suppliers, the latter reciprocate treating grant providers as "philanthropic banks" (Salamon & Burckart, 2014). As a result, both sides might be missing on the opportunities for creating meaningful and long-lasting partnership relations. Improvement of donor-recipient relation seems to be needed, with foundations creating more space and opportunities for partnership creation and development.

Funding provided by the foundations to socially innovating nonprofits is largely classified by the latter as either very important or important. However, only less than a half of the grant recipients perceive it as truly transformative. Organizations also do recognize the importance of social innovations and its potential for development, but further development of the field is hampered by several factors, including limited organizational capacity of the grant recipients (i.e. lack of self-confidence or specific competence on social innovations), as well as characteristics of the grants provided (low value, short-term nature and lack of flexibility). Key solutions to unlocking the full potential of social innovations for nonprofits include increasing capacity building type of support, provision of flexible and long-

er-term funding, as well as reducing risk-aversion of the funding providers.

In terms of grant utility, adequacy and feasibility, foundations seem to be quite restrictive in their grant provision. Funding provided for social innovation is generally too small to make any large-scale and meaningful change, while the project duration is too short to allow for seeing any project impact. Grant-application procedures used by foundations are very often inadequate to the proposed funding levels, i.e. even small grant value requires filling in intricate grant application and long decision-making timeframe. While on the one hand, complex application processes act as a security buffer and prevents the foundations from receiving excessive numbers or irrelevant applications, on the other hand, it shifts the burden of workload into the applicants, making them spend unnecessary amount of time filling in bespoke forms, collecting specific and sometimes costly data, without having any guarantee that the grant proposal would be further funded.

Limitations imposed on grant spending result with reducing opportunities for the organizational growth. Large part of the grants recipients are constrained to spending the funding on direct project cost only, leaving key capacity building expenditures outside of the grant's coverage. Although generally speaking restrictions placed on grants very often aim at increasing effectiveness of the results expected, very often they work counterproductive to this aim (Fried-

man, 2013, p. 127). In the longer-term such funding models might lead to stunted organizational growth and nonprofit “starvation cycle” (Goggins Gregory and Howard, 2009). Core project spending restrictions might be particularly damaging for nonprofits working in the programming linked to innovations (i.e. social innovations), where the cost of research and development, as well as risk of failure are the highest. Lack of flexible funding may lead in such case to nonprofits having to cover the cost of experimentation, prototyping and test-piloting from their own means, with very few organizations having the capacity to do so. This may effectively lead to lower quality programming or reducing the number of actors who are pursuing social innovation type of projects.

6. *Conclusion*

This study represents a first attempt to explore the perceptions of grantees on the funding received regarding social innovation. The potential to generalize findings is hampered by some limitations to the study. First, a methodological limitation of the study concerns the way through which social innovation funders have been identified. Despite using a keyword search based on Google is a rough method of research, it represented the most suitable way to obtain the information needed in a short amount of time, given that databases reporting social innovation founders do not exist at all, partly for a limited

culture of data tracking, partly for the definition itself of social innovations which is so broad to be contestable. Nonetheless, certainly a limited number of foundations have resulted included in the sample by using a method like this, thus it is easily assumable that the sample is underestimated. Second, the limited number of responses may severely hamper the generalizability potential: for this reason, the study can be deepened and reinforced not only through a second round of survey data collection on the same grantees, but also through the expansion of the number of grantees involved in social innovation projects.

Despite these limitations, the study still offers a first attempt to use the grantees' perspective on social innovation funding to both contribute to strengthen their capacity and favor donors' learning on their grants and the view of social innovation funded by philanthropies in Italy. Both funders and grantees could benefit from a long-term, standardized way of collecting this type of data, through implementing methodologies similar to Grantee Perception Reports in partnerships with public institutions. This could favor both the advancement of knowledge on social innovation and philanthropy, and practical implications such as strengthening partnerships between donors, their grantees and civil society.

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