



SYSTEMS CHANGE:

A practitioners guide to shifting systems, measuring change, and building equitable, inclusive and sustainable futures

FOREWORD: WHY SYSTEMS CHANGE NOW?

"You never change things by fighting the existing reality. To change something, build a new model that makes the existing model obsolete."

— R. Buckminster Fuller

For decades, philanthropists, development organisations, and social investors worked from a shared assumption: identify a problem in a community, design a programme to address it, fund and implement that programme, and measure the outputs. This logic was sincere, well-funded, and often locally impactful. Yet the most persistent challenges of our time - poverty, inequality, unemployment, food insecurity, failing health systems, under-resourced education - have not merely endured; in many contexts, they have deepened.

The reason is not a lack of effort or intention. The reason is structural. These challenges are not discrete problems awaiting better solutions. They are symptoms of systems - deeply interconnected webs of relationships, rules, norms, incentives, and power structures - that actively reproduce the conditions we seek to change.

Systems change represents the most significant evolution in development thinking and philanthropic practice of the past two decades. It asks us not merely to treat the wound, but to understand what is causing it - and to change the conditions that make the wound inevitable. It requires different questions, different relationships, longer time horizons, radically different funding instruments, and a fundamental willingness to examine the roles that funders and practitioners themselves play in sustaining the very systems they seek to transform.

The next frontier is to finance and design for the underlying system that produces those symptoms. Durable change requires shifting rules, incentives, relationships, institutions, and power - not only scaling services or improving delivery.

This article makes three core arguments:

1. **Working in a system, working on a system, and working to change a system are different strategies.** Many funders unintentionally mix them, which leads to confusion about ambition, tactics, time horizons, and measurement.
2. **Not every challenge requires transformation immediately.** Some problems call for incremental improvement, some for reform of existing rules, and some for deeper structural redesign and new arrangements.
3. **Systems change is a practice, not a buzzword.** It can be taught, designed, measured, and critiqued, and it demands new mental models, tools, roles, and portfolio approaches.

This guide has been written for the full ecosystem: funders and philanthropists, social impact organisations (for-profit and not-for-profit), consultants, policy actors, and community leaders. It is grounded in both global frameworks and, critically, the African and South African contexts - where systems are shaped by colonial legacies, extreme inequality, vibrant community traditions, and the urgent necessity of change.

A Note on Positionality

This document challenges the entire ecosystem - including funders who have historically defined what 'good' looks like, and practitioners who have implemented programmes designed elsewhere for communities that were consulted last. Systems change begins with honest reflection on who holds power and what assumptions we each bring.

It also draws explicitly on African intellectual traditions - Ubuntu philosophy, communal governance, indigenous ecological knowledge - as resources for systems thinking, not merely as context for applying Western frameworks.

AN IMPORTANT NOTE: THE LINK BETWEEN SCALING AND SYSTEMS CHANGE

The relationship between scaling and systems change is a shift from **quantitative growth** (scaling *up* or *out*) to **structural transformation** (scaling *deep* or *in*).

Traditional scaling focuses on expanding an organisation's direct reach, while systems change uses scaling to permanently alter the rules, power dynamics, and behaviours of an entire ecosystem.

1. The Typology of Scaling for Systems Change

Systems change scholars categorise scaling into three distinct, interconnected dimensions. True systemic change requires moving beyond the first dimension:

- **Scaling Out (Quantitative Expansion):**
 - *Mechanism:* Replicating a proven programme or expanding to more beneficiaries, clinics, or schools.
 - *System Link:* It addresses the immediate *symptoms* of a problem but does not alter the underlying system.
- **Scaling Up (Law, Policy, and Resource Flows):**
 - *Mechanism:* Driving institutional adoption by unlocking public funding, embedding models into national curricula, or changing statutory laws.
 - *System Link:* It permanently changes the formal rules, institutional architectures, and structural constraints of the system.
- **Scaling Deep (Cultural and Mindset Transformation):**
 - *Mechanism:* Transforming cultural values, shifting relational power dynamics, changing deep-seated beliefs, and altering people's hearts and minds.
 - *System Link:* It secures the long-term endurance of the change, ensuring that structural policy changes are not reversed over time.

2. How the Two Concepts Diverge in Practice

Strategic Dimension]	Traditional Program Scaling	Systems Change Scaling
Core Goal	Scale the organisation or project footprint.	Scale the impact , eventually making the organisation obsolete.
Growth Metric	Volume of units delivered (e.g., number of laptops distributed).	Structural friction reduced (e.g., procurement policy changed).
Control Model	Strict operational standardisation and centralised ownership.	Distributed ownership, adaptation, and open-source models.
Locus of Power	The NGO/Funder acts as the central delivery engine.	The community or state absorbs and governs the model.

3. Case Examples of the Link in Action

Example A: Harambee Youth Employment Accelerator

- **Scaling Out:** Placing thousands of individual young people into corporate jobs.
- **The Systems Change Link:** Transitioning to build the *National Pathway Management Network (NPMN)*. Harambee scaled by getting the public and private sectors to change their hiring standards, lowering structural entry barriers for *all* excluded youth nationwide.

Example B: Ilifa Labantwana

- **Scaling Out:** Funding and managing individual Early Childhood Development (ECD) creches.
- **The Systems Change Link:** Creating policy frameworks that scaled national treasury budget allocations directly to the ECD sector, structurally changing how early childhood care is funded by the state.

4. The "Scaling Paradox" in Systems Change

To scale systems change, organisations must embrace a paradox: **they must scale down their own operational presence to scale up the systemic impact.**

- **Losing Control to Gain Scale:** For a model to achieve systemic scale, its creators must open-source the intellectual property. They must allow state departments, corporate sectors, or local communities to adapt, modify, and own it.
- **From Operator to Catalyst:** The scaling organisation stops being the direct provider of a service. Instead, it becomes a systemic backbone, focused on coordinating, advocating, and building capacity across the ecosystem

PART I: UNDERSTANDING SYSTEMS CHANGE

1. What Is a System?

A system is a set of interconnected elements: actors, institutions, policies, norms, relationships, flows of resources and information that together produce a set of outcomes over time. Systems are not random collections of parts; they are organised by structure, and their structure drives their behaviour.

Donella Meadows, whose foundational work *Thinking in Systems* remains essential reading, identified three key components of any system:

- **Elements:** The visible, often tangible parts of a system; schools, clinics, businesses, government departments, households.
- **Interconnections:** The relationships, information flows, rules, and dynamics that link elements together.
- **Function or Purpose:** What the system does; which may differ sharply from what its designers intended or what its actors claim it is for.

Critically, Meadows observed that purpose is the most critical determinant of system behaviour and that the purpose of a system is revealed not by what it says, but by what it does. A health system that consistently produces worse outcomes for poor communities is functioning exactly as its structure dictates, regardless of its stated mission.

Systems Have Properties That Make Them Resistant to Change

System Property	Description	South African Illustration
Feedback Loops	Systems maintain themselves through reinforcing loops (that amplify change) and balancing loops (that resist it). Most social systems are rich with balancing loops designed to preserve the status quo.	Education inequality persists because poor schools produce under-qualified graduates who cannot access economic opportunity, limiting their capacity to invest in the next generation's education - a reinforcing loop.
Emergence	System behaviour 'emerges' from interactions among elements in ways that cannot be predicted by analysing elements in isolation.	Township economies exhibit informal mutual support systems - stokvels, communal childcare - that emerge from systemic deprivation but also represent resources for change.
Non-linearity	Small inputs can produce large, disproportionate effects; large interventions can produce minimal change.	A single piece of enabling legislation can catalyse decades of market development. Conversely, billions spent on textbooks may produce minimal learning gains if teacher motivation and school governance are broken.
Delay	Cause and effect in systems are often separated in time, making it difficult to link actions to outcomes.	The effects of early childhood development investment may not be measurable for 20–30 years - well beyond typical funding cycles.
Boundaries	All system descriptions require us to draw a boundary around what is	Is unemployment in Limpopo a labour market problem, an education problem, a migration

System Property	Description	South African Illustration
	'inside' the system — but that boundary is always a choice, not a fact.	problem, or a legacy of apartheid spatial planning? All are true.

2. What Is Systems Change?

Systems change refers to shifts in the structures, norms, relationships, power dynamics, and mental models that drive system outcomes with the aim of producing better outcomes for people and the planet, particularly for those who have been most excluded.

Defining Systems Change
<p>Systems change is not a programme or an intervention. It is an orientation, a strategy, and an ongoing practice.</p> <p>The most widely cited definition - from FSG's Dawn Nakagawa - describes it as: 'shifting the conditions that hold a problem in place.'</p> <p>These conditions include policies and legislation; resource and funding flows; organisational practices; relationships and connections; power dynamics; mental models and cultural norms.</p> <p>Systems change seeks to address causes, not symptoms - and to do so in ways that are durable because they alter the system itself, not merely some of its outputs.</p>

The six conditions of systems change - as articulated in the influential FSG framework by Kania, Kramer, and Senge — operate at three levels:

Level	What It Includes	South African Examples
Structural Conditions (most visible)	Policies, legislation, governance mechanisms, resource flows, organisational structures and practices	Land reform legislation; budget allocations to township schools; formal employment regulations
Relational Conditions (less visible)	Relationships and connections between actors; power dynamics; communications and information flows	Trust (or distrust) between government and civil society; exclusion of youth voices from economic policy; informal relationships that bypass formal systems
Transformative Conditions (least visible)	Mental models, cultural norms, worldviews, and assumptions about how the world works and who matters	The assumption that communities are beneficiaries rather than architects of change; the normalisation of poverty in post-apartheid South Africa; Ubuntu as a resource for collective action

A critical insight from this framework: most interventions in development and philanthropy operate at the **structural level** - policies, programmes, budgets - while the least-visible conditions (mental models) are often the most powerful drivers of system outcomes. Sustainable systems change usually requires shifts at all three levels.

3. Types of Systems Change

Not all systems change is the same. The ambition, the tactics, the time horizons, and the risks differ significantly depending on the type of change sought. A widely used typology draws on the work of Geels, Westley, and others in the field of sustainability transitions:

Type	Definition	What Changes	South African Example
Incremental Change	Change within existing rules	Improving the efficiency or equity of existing systems without altering their fundamental logic	School nutrition programmes improving delivery; better targeting of social grants; improved TB treatment protocols
Reform	Change to existing rules	Altering formal policies, laws, regulations, or institutional arrangements to produce better outcomes	The National Health Insurance Bill; amendments to the Companies Act to recognise benefit corporations; changes to SASSA payment systems
Transformation	Creation of entirely new rules	Replacing the fundamental logic, structures, or norms of a system with an alternative that operates from different assumptions	A shift from extractive, finance-first capitalism to a wellbeing economy; from individual land ownership to communal stewardship models; from expert-led development to community self-determination
Paradigm Shift	Change in underlying worldviews	Shifting the deepest assumptions about what a system is for, who it serves, and what success looks like	Moving from a 'fixing broken people' mental model to a 'changing broken systems' mental model in welfare; from GDP growth as the measure of national progress to human flourishing

The Importance of Not Confusing Types

One of the most common errors in systems change practice is **misdiagnosing the type of change needed** - and therefore deploying the wrong strategy. Incremental improvements in a fundamentally unjust system can entrench that system by making it more tolerable, reducing the pressure for transformation. Transformation, on the other hand, can be destabilising if the enabling conditions for a new system are not yet in place.

A Challenge to Funders

Most philanthropic and social investment portfolios are weighted heavily toward incremental change, with reform featuring occasionally, and transformation rarely if ever. This is not because funders lack ambition - it is because transformation is slow, non-linear, difficult to attribute, and threatens the very power structures within which funders operate.

Ask yourself: In our portfolios/focus areas, programmes - how much are we investing in changing the rules versus working within them? What would it take to increase the proportion of reform and transformation-oriented giving?

4. The Shift from Programme Design to Systems Thinking

For much of the 20th century, development practice (in the Global South and in philanthropic initiatives everywhere) was organised around a **programme logic**: identify a need, design an intervention, fund it, implement it, evaluate outputs, and report. This was (and remains) valuable for addressing discrete, well-defined problems where cause and effect are reasonably linear.

Dimension	Programme Approach	Systems Approach
Unit of focus	A specific problem, need, or gap in a specific community	A system producing problematic outcomes across populations and over time
Theory of change	Linear: inputs → activities → outputs → outcomes	Complex: interventions interact with feedback loops, time delays, and emergent dynamics
Role of the funder	Funder defines the problem, designs the solution, sets the targets	Funder is a participant in the system; role includes enabling, convening, and stepping back
Role of the community	Beneficiary; consulted during design	Co-designer, co-implementer, and co-owner of the change process
Success metric	Number of people reached, services delivered, outcomes achieved	Evidence of shift in conditions; system-level indicators; narrative and qualitative change
Time horizon	1–3-year project cycles	10–20+ year commitments with adaptive milestones
Attribution	Funder/implementer takes credit for outcomes	Change is emergent and collective; attribution is distributed and humble
Risk tolerance	Low; funders want certainty before investing	High; experimentation, failure, and iteration are integral

The shift is not a rejection of programming. It is a **recontextualisation**: good programmes remain essential, but they must be designed within a systems understanding, aligned with a theory of change that explicitly addresses structural and relational conditions, and evaluated against evidence of system-level shift.

Systems thinking is a way of understanding and visualising systems by investigating the interconnections, relationships, and dynamics that exist between their components. It enables an organisation to recognise how different parts of a system influence each other and how changes in one part can have a ripple effect on the entire system. It is non-linear, meaning cause and effect are not necessarily connected with step-by-step chains. Looking at a system from multiple perspectives enables all stakeholders to see underlying patterns and interconnections and better understand how sometimes seemingly unrelated parts can impact each other.

In summary: **Systems thinking is an interdisciplinary approach to understanding systems, while systems change is a deliberate process of using systems thinking to drive transformation in a system.**

5. Systems Change and the African Context

Applying systems change thinking in Africa, and specifically in South Africa, requires attending carefully to context. African societies have their own indigenous traditions of systems thinking that predate Western complexity theory by centuries, their own histories that shaped current systems, and their own priorities for transformation.

Ubuntu as a Systems Paradigm

Ubuntu - 'I am because we are' - is not merely a cultural platitude. It is a relational ontology: a worldview that understands personhood, wellbeing, and agency as fundamentally collective rather than individual. As a systems lens, Ubuntu highlights the interconnections among people as the primary locus of value creation, rather than individual achievement or institutional output.

Ubuntu-informed systems thinking draws our attention to the health of relationships rather than the performance of individuals; the importance of process (how decisions are made) alongside outcomes; the role of community memory and narrative in shaping what is possible; and the danger of interventions that extract value from community networks while failing to strengthen them.

The Colonial and Apartheid Legacy as System Architecture

South Africa's current systems - spatial, economic, educational, health, labour - were deliberately designed under colonialism and apartheid to extract value from Black communities, restrict movement, segregate resources, and maintain racial hierarchy. These are not historical artefacts; they are the structural architecture within which current systems operate.

The System Was Not Broken - It Was Built This Way

Persistent inequality in South Africa is not a system failure. In terms of its historical design intent, the system worked. Apartheid spatial planning, Bantu education, influx controls, and land dispossession all achieved their intended outcomes with brutal efficiency.

This matters for systems change because: (a) the roots of current dysfunction are structural and deep, not accidental; (b) incremental change within existing structures cannot undo structural injustice; (c) transformation requires acknowledging who built the current system and who continues to benefit from it.

Any theory of systems change in South Africa that does not centre race, land, and the political economy of inequality is not actually working on the system.

African Systems Change: Distinctive Features

- **Informality as infrastructure:** A large proportion of economic, care, and social life in African cities and rural areas is organised informally. Systems change strategies that only target formal systems miss most of the operating context.
- **Community as actor, not audience:** In many African traditions, community decision-making - through councils, women's groups, youth structures, stokvels - itself a form of systemic governance. Effective systems change builds on, rather than bypasses, these structures.

- **The role of the state:** In South Africa, the state is simultaneously the primary actor for systems change (through policy, budget, and regulation) and a site of contestation, captured interests, and capacity challenges. Civil society and philanthropy must navigate a complex relationship with the state.
- **Pan-African connectivity:** South Africa's systems are part of a broader continental system. Migration, trade, resource flows, and political dynamics connect South African challenges to conditions across the continent.

6. How Systems Behave: Complexity, Feedback, and Emergence

Systems change **practitioners need a working understanding of how complex systems behave** - not as theoretical background, but as practical guidance for where to intervene, what to expect, and how to interpret results.

The Cynefin Framework: A Navigation Tool

The Cynefin framework, developed by Dave Snowden, distinguishes four types of problems according to the relationship between cause and effect:

Domain	Characteristics	Approach	Development Example
Clear (Simple)	Cause and effect are obvious; best practices exist	Apply best practice; sense-categorise-respond	Routine service delivery; established protocols
Complicated	Cause and effect are knowable with expert analysis; good practices exist	Sense-analyse-respond; engage experts	Engineering a water treatment facility; designing a payroll system
Complex	Cause and effect are only visible in retrospect; no formula for success	Probe-sense-respond; run safe-to-fail experiments	Community resilience; youth unemployment; systems change itself
Chaotic	No perceivable cause-effect relationship; crisis conditions	Act-sense-respond; stabilise first	Post-conflict communities; disease outbreaks; acute food crises

Systems change operates primarily in the Complex domain. This has profound implications: there are no best practices, only emerging practices. Success requires experimentation, iteration, and tolerance for failure. Outcome prediction is limited. Learning is the core activity, not delivery.

Key Systemic Dynamics to Watch For

- **Reinforcing (positive) feedback loops:** Dynamics that amplify change in either direction. In poverty systems, these often create 'poverty traps' - conditions that reinforce themselves regardless of individual effort.
- **Balancing (negative) feedback loops:** Dynamics that maintain stability and resist change. Health bureaucracies often exhibit strong balancing loops that resist reform even when evidence for change is clear.
- **Time delays:** The gap between a cause and its effect - one of the most dangerous features of systems for practitioners, since it makes learning from feedback difficult.
- **Tipping points and thresholds:** Non-linear transitions where gradual change suddenly produces rapid system-wide shifts. Identifying and approaching tipping points is one of the highest-leverage strategies in systems change.

- **Unintended consequences:** Interventions in complex systems almost always produce effects beyond their intended scope. Good systems practice involves scanning for and responding to unintended effects rather than ignoring them.

7. Power, Politics, and the Equity Imperative

This is the section that most systems change frameworks underemphasise - and it is the section that practitioners in the African context repeatedly identify as the most critical.

"Systems are not politically neutral. They were built by someone, for someone. Systems change is inherently a political act."

— Adapted from Anand Giridharadas, *Winners Take All*

Power in Systems

Power operates in systems in multiple forms, drawing on the framework of Gaventa's Power Cube:

- **Visible power:** Formal authority - legislation, policy, institutional mandate, budget control.
- **Hidden power:** Agenda-setting - the ability to determine what issues are discussed and what solutions are considered legitimate.
- **Invisible power:** Hegemonic power - the norms, assumptions, and worldviews that determine what is conceivable and what is unthinkable.

Effective systems change must work across all three dimensions of power: not merely advocating for policy change (visible power), but shifting who has a seat at the table (hidden power) and what assumptions underlie the conversation (invisible power).

The Funder's Paradox

A Challenge to Philanthropists and Social Investors

Funders are powerful actors in the systems they seek to change. The ability to allocate large resources shapes what gets tried, what gets measured, and whose voice is amplified. This creates a structural paradox:

- Funders often benefit, directly or indirectly, from the systems that produce inequality (through returns on capital, tax structures, market access).
- Funder preferences can crowd out community agency - when communities shape their agendas around what funders will fund rather than what communities need.
- Funder accountability runs upward (to boards, donors, regulators) rather than downward (to affected communities).

Systems change philanthropy requires structural changes to how funders operate: longer grants, unrestricted funding, participatory grantmaking, and radical transparency about the power dynamics in the funder-grantee relationship.

Equity as a Systems Design Principle

Systems change that does not centre equity may improve average outcomes while worsening distributional inequality - producing systems that work better for those who are already advantaged. In the South African context, where inequality is extreme and racialised, equity is not merely a value but a technical requirement for durable change.

8. Place-Based Systems Change

While much systems change discourse focuses on sector-wide or national-scale change, some of the most significant innovations in the field are happening at the level of specific places - cities, townships, regions, ecological zones. Place-based approaches have distinct characteristics and advantages.

What Is Place-Based Systems Change?

Place-based systems change focuses on shifting the conditions that produce inequality, exclusion, or unsustainability in a specific geographic location. It treats the place - rather than a sector or issue - as the primary unit of analysis and change.

Advantage	Why It Matters	South African Illustration
Whole-system visibility	A place makes all system elements visible simultaneously - education, health, housing, economy, environment, governance - along with their interactions.	In a township like Khayelitsha, it is possible to see how transport failures interact with employment barriers, which interact with school attendance, which interact with family nutrition.
Community as primary agent	Place grounds change in the agency of residents who know the system from inside and have the greatest stake in its transformation.	The Ubunye initiative in Durban works through ward-level community structures rather than sector organisations.
Cross-sectoral integration	Place-based funders and implementers must coordinate across silos that sector-based organisations rarely cross.	The Greater Good SA 'Activate!' programme builds leadership capacity across government, business, and civil society in specific localities.
Democratic legitimacy	Change anchored in a specific community has inherent legitimacy that sector-wide advocacy often lacks.	Ward council processes, even where imperfect, provide democratic structures for place-based change.

South African Case Studies

CASE STUDY Sozo Foundation SA (reference case) Place-based, youth focused development
<p>What they do: The Sozo Foundation acts as a "systems changer" by transforming the structural, relational, and skill-based environment of Vrygrond (Western Cape South Africa). By creating a physical and digital "bridge" to economic opportunities (skills centres inside a business park), they have successfully changed the "rules" of access for the youth in that community.</p> <p>Systems approach: The organisation moves beyond direct service delivery to alter the economic, educational, and structural opportunities for youth in the Vrygrond community of South Africa. Rather than only providing tutoring, Sozo acts as an intermediary, changing how the community interacts with the local economy.</p> <ul style="list-style-type: none"> • Physical Integration: By establishing skills and entrepreneurship centers inside Capricorn Business Park, they bridged the divide between a low-income community and a high-income business environment.

- **Pathway Creation:** The model links education, skills development (Barista, Coding, Construction, etc.), and entrepreneurship to create direct, functional, and sustainable employment opportunities.
- **Self-Sustaining Ecosystem:** The approach moves from charity to empowerment, with young people becoming mentors and business owners, creating a self-sustaining local ecosystem.
- **Redefining Social Norms:** They are "changing the narrative" on youth unemployment by establishing a new norm where local youth have access to advanced skill training and high-level apprenticeship opportunities.

Impact/Significance: The impact significance of The Sozo Foundation lies in its ability to break generational poverty cycles in highly dense, marginalized urban areas. By operating as a place-based systems changer, its impact moves past basic charity metrics into structural economic inclusion.

- **Direct Economic Inclusion and Job Placement:** In a country where youth unemployment sits at extreme levels, Sozo delivers highly measurable economic outcomes:
- **High Placement Success:** The organisation achieves a 50% employment placement rate for youth passing through its technical programs.
- **Targeted In-Demand Skills:** Training is explicitly mapped to market demands - including professional coding, barista skills, hair and beauty, and construction - ensuring graduates are immediately employable
- **Creation of a Hyperlocal Economic Ecosystem:** Instead of training youth to leave their community, Sozo deliberately forces money and skills back into Vrygrond.
- **Local Leadership:** Over 75% of Sozo's staff are recruited directly from the local community. This shifts the local paradigm from dependency to local ownership.
- **Social Enterprises:** Through operational businesses like the Dancing Goat Roastery and Wild Goose Bakery, they generate local revenue while acting as live training environments.
- **Micro-Business Incubation:** Through their Genesis Hub based inside the Capricorn Business Park, they provide startup kits, funding connections, and infrastructure to help youth pivot from job seekers to job creators.
- **Holistic "Wrap-Around" Interventions:** A major failure of traditional skills training in volatile environments is student dropout due to trauma or financial stress. Sozo's model is significant because it integrates psychosocial support directly into its economic pathways. They focus on building emotional resilience, character, and mental health. This approach moves youth out of "survival mode" so they can successfully retain their jobs or sustain their businesses long-term.
- **Institutional Validation and Scale:** The framework is recognised by major national development bodies as a blueprint for scalable youth development. It is actively supported and funded by critical South African development entities such as the DG Murray Trust (DGMT) and the National Development Agency (NDA). What started as a single-container tutoring initiative has scaled into four thriving Centers of Excellence, proving that localised, agile systems change can effectively combat macro socioeconomic crises

CASE STUDY | Ranyaka | SA (reference case) | Place-based, neighbourhood development (rural and urban)

What they do: Ranyaka is a South African non-profit agency demonstrating place-based systems change by transforming urban and rural neighbourhoods through the "THRIVE" framework, focusing on collaborative, community-led development. Since 2013, they have worked across 8 provinces in over 30 communities, focusing on restoring local ecosystems, fostering social cohesion, and enabling local economic growth by connecting people to place.

Systems approach: Ranyaka emphasizes that "place has power to shape" lives and focuses on physical spaces - improving parks, enhancing public spaces, and boosting social infrastructure - to build local pride and safety. Instead of addressing symptoms, they **target the root causes of socio-economic challenges**, often **acting as a bridge** between local residents, municipalities, and commercial investors.

- **Tactical Urbanism (Fix Your Space):** Ranyaka utilizes "rapid repair projects" such as painting feature walls, creating community gardens, or improving safety features to immediately improve community aesthetics and safety, encouraging investment in the area.
- **Local Ownership:** Their "DNA Mapping" sessions involve community members mapping their own assets and needs, ensuring that development is collaborative and context-specific.
- **Key Partnership:** Ranyaka has served as the national implementation agent for the Nedbank "Proud of My Town" initiative since 2017, demonstrating a successful model of leveraging corporate social investment for grassroots development.

Impact/Significance: They work with diverse communities, including rural areas and towns, with projects covering Early Childhood Development (ECD) centres, economic development, and social cohesion, impacting over 300 ECD centres and 33 communities. Ranyaka's model highlights that lasting, systems-level change is achieved through trust-building, co-creation with community stakeholders, and tangible, visible improvements to local environments.

9. Boundaries in Ecosystems and Systems Approaches

Boundaries define what's "in" vs. "out" of a system - a deliberate choice influencing analysis and action. Rigid boundaries reinforce silos; permeable ones reveal interconnections (e.g., education boundaries must include health for holistic youth development).

- **Drawing Boundaries:** Use participatory mapping to negotiate (e.g., Is employment an education or migration issue in Limpopo?).
- **Risks:** Overly broad dilutes focus; narrow ignores emergence (e.g., township stokvels linking economy/health).
- **African Lens:** Ubuntu blurs individual/system boundaries, emphasizing collective flows.
- **Tools:** Iceberg model to test boundary sensitivity; scale from place (township) to sector (national ECD). For example: In SA and in the ECD ecosystem, Ilifa Labantwana sets ecosystem boundaries around practitioners, policy, and funding, enabling targeted shifts.

South African Case Study

CASE STUDY | Ilifa Labantwana | SA (reference case) | Boundary setting in systems

Systems approach: Ilifa Labantwana (isiXhosa for "Children's Inheritance") is a South African non-profit established in 2007. It functions as a catalyst aimed at strengthening institutions, strategies, and practices, rather than simply acting as a direct service provider.

Key Aspects of Systems Change: Ilifa's strategy has evolved from being a direct funder to becoming a "facilitator" of change, shifting from direct intervention to system-level impact.

- **Partnership with Government:** A key strategy is recognising government's central role, partnering with the Department of Basic Education and Department of Social Development to embed initiatives into policy.
- **Evidence Generation:** Ilifa focuses on generating evidence through initiatives like the Sobambisana Initiative, testing scalable models, and producing the "Essential Package" of ECD services.
- **Sector Coordination:** The organisation acts as a connective tissue in the ECD sector, connecting civil society, donors, and government to create a cohesive ecosystem rather than fragmented projects.
- **Policy Influence & Advocacy:** Ilifa has driven policy reforms, including the shift of ECD functions from the Department of Social Development to the Department of Basic Education.

Boundary Setting and Strategic Focus

To achieve systems-level impact, Ilifa intentionally sets boundaries regarding its role and focus:

- **From "Donor" to "Catalyst" (2012 Shift):** Iflifa shifted away from just acting as a "donor" providing resources to being a "participant" that drives an agenda, requiring a shift in how they select partners.
- **Focus on the Poorest 40%:** The focus is primarily on children in rural or impoverished communities, specifically aimed at the poorest 40% of the population.
- **Focus on Ecosystem Drivers:** Instead of building individual classrooms, they focus on financing models, regulation, and workforce professionalisation to affect the whole system.
- **Emergent and Flexible Approach:** They maintain an adaptive, "emergent" strategy, remaining flexible and responsive to the evolving political, social, and economic context.

10. Opportunities and Requirements for Systems-Level Work

The Opportunities

- **Durability:** Changes embedded in structures, norms, and relationships tend to persist beyond the lifespan of any single project or funder.
- **Scale through diffusion:** When the rules change, outcomes change for everyone subject to those rules - not only those who participated in the programme.
- **Leveraged impact:** Structural leverage points can unlock exponential change relative to the resources invested.
- **Coherence:** Systems-aligned investments reinforce rather than duplicate or contradict each other.
- **Community agency:** Systems-oriented approaches, done well, build local capacity and self-determination rather than dependency.

The Requirements

Systems change is not available to all funders and organisations on all timelines. It requires specific enabling conditions:

Requirement	What It Means in Practice
Long-term commitment	Minimum 10-year engagements; ideally ongoing. Systems change is not a project - it is a posture.
Risk tolerance and psychological safety	Willingness to fund experiments that may fail; to share learning from failure; to resist pressure for premature attribution.
Systems literacy	Staff and leadership with genuine understanding of complexity, systems dynamics, and adaptive management.
Authentic partnerships	Relationships built on trust and equity with communities, with government, and across sectors.
Flexible funding	Multi-year, general operating support; willingness to revise grant conditions as learning emerges.
Epistemic humility	Acceptance that funders and experts do not have all the answers; that communities are co-experts in their own systems.
Power-consciousness	Explicit attention to power dynamics within the funder-grantee relationship and within the broader system.
Adaptive governance	Internal governance structures that enable learning and iteration rather than enforcing rigid plans.

South African Case Study

CASE STUDY | Allan Gray Orbis Foundation | SA (reference case) | Entrepreneurial Ecosystem Funding

Systems approach: AGOF acts as a pivotal funder and capacity builder in the South African entrepreneurial landscape by addressing the foundational gaps in entrepreneurship education and access to early-stage support, shifting the focus towards creating responsible, long-term economic value rather than only immediate financial returns.

Key aspects of the Model: Long-Term Talent Pipeline: The Foundation focuses on "built, not born" talent, identifying potential early and nurturing it through scholarship (high school) and fellowship (university) programs, rather than just funding ideas.

- **Scholarship Program:** Targets grade six learners showing entrepreneurial potential and financial need, providing school fees, boarding, and mentorship.
- **University Fellowship:** Supports undergraduate students with tuition, accommodation, and a comprehensive entrepreneurship curriculum to develop "responsible entrepreneurship".
- **E Squared:** A dedicated investment vehicle supporting the growth of businesses launched by fellows.

Impact on Ecosystem:

- **Ventures and Job Creation:** As of early 2025, 572 fellows have launched ventures, creating 3,000 jobs.
- **Notable Successes:** Supported ventures like Yoco (co-founded by fellow Bradley Wattrus, raising US\$83m) and Khula (co-founded by Matthew Piper).
- **The Association:** Creates a community for networking and collaboration among beneficiaries.

Key Results (20-Year Impact):

- The foundation focuses on long-term, sustainable change rather than short-term gains, aligned with Allan Gray's investment philosophy.
- The aim is to foster 500 high-impact ventures by 2030, with 10 valued over R1bn, aiming to create 30,000 jobs.

10. Developing a Systems Change Theory of Change

A theory of change (ToC) is a logical framework that explains how and why an initiative is expected to produce its intended outcomes. Conventional theories of change are primarily linear: they map a pathway from activities to outputs to outcomes to impact. **A systems change theory of change is fundamentally different in form, purpose, and use.**

Essentially, a systems theory of change:

- Focuses on **causal loops**. It recognises that an intervention in one part of the system might trigger a "balancing" or "reinforcing" loop elsewhere. The "Impact" isn't a final destination; it's a change in how the system constantly behaves.
- Focuses on **emergence**. It acknowledges that the funder or practitioner is only one actor in a massive web. Instead of "controlling" the outcome, the ToC maps how you will **influence** other actors (government, competitors, communities) to change their behaviour.
- Acts as a **living hypothesis**. Because systems are complex and unpredictable, the ToC must be updated regularly based on "probes" (small experiments) that tell you how the system is reacting to your presence.
- A systems-level ToC focuses on the Six Conditions of Systems Change:
 - **Structural:** Policies, practices, and resource flows.
 - **Relational:** Relationships, connections, and power dynamics.
 - **Transformative:** Implicit mental models and social narratives.

How a Systems ToC Differs from a Conventional ToC

Dimension	Conventional ToC	Systems Change ToC
Focus	Programme outputs and beneficiary outcomes	Shifts in system conditions - structures, norms, relationships, power
Logic	Linear (if-then causality)	Non-linear (emergent, adaptive, feedback-driven)
Time horizon	Project duration (1–5 years)	System change horizon (10–20+ years)
Role of funder	Defines and funds specific activities	Participates in, enables, and adapts within a larger change effort
Attribution	Organisational; direct causation claimed	Shared; contribution acknowledged; collective change recognised
Uncertainty	Risks identified and mitigated	Uncertainty embraced; learning is the primary outcome in early phases
Success Metric	Reach and direct results	Shifts in policy, power and mindsets
Assumptions	Environment is stable	Environment is volatile and complex
Learning	Evaluation at project end	Continuous; embedded; iterative; informs ongoing adaptation
Community	Consulted or involved	Co-developer of the theory; primary expert on the system

The Six-Layer Systems Change Theory of Change Architecture

A robust systems change ToC is built in six layers, each informing the next:

- **Layer 1 — System Understanding:** What is the system we are working in? What are its key elements, interconnections, and dynamics? Who holds power within it? What are the root causes of the outcomes we seek to change?
- **Layer 2 — Vision and Aspiration:** What does the system look like when it is functioning well? Whose vision is this? How has it been co-created with those most affected?
- **Layer 3 — Conditions for Change:** What structural, relational, and transformative conditions need to shift? What is the current state of each? What are the leverage points?
- **Layer 4 — Strategies and Interventions:** What strategies will address the key conditions? What roles will different actors play? How do strategies interact and reinforce each other?
- **Layer 5 — Assumptions and Risks:** What must be true for the theory to hold? What could interrupt it? What are the power and equity risks? What are the unintended consequence scenarios?
- **Layer 6 — Learning and Adaptation:** How will we know if the theory is working? What will we watch for? What conditions would prompt us to revise the theory?

Practical Guidance: Building Your Systems Change ToC

The following process guide is designed for organisations and funders seeking to develop or strengthen their systems change theory of change:

Step	Description
Step 1: Convene a diverse sense-making group	Include community members, frontline practitioners, policy actors, researchers, and critically - people who have lived experience of the system's failures. This group should not be constituted only of experts.
Step 2: Map the current system	Use visual system mapping (see Section 11) to identify key actors, relationships, resource flows, rules, and feedback dynamics. Focus on what the system actually produces, not what it is intended to produce.
Step 3: Identify root causes and leverage points	Using the system map, identify the structural, relational, and paradigm conditions that most powerfully drive current outcomes. Use Meadows' leverage point framework to prioritise.
Step 4: Articulate a system vision	Describe in concrete, narrative terms what the system looks like in 20 years if your change effort succeeds. Make this specific enough to be motivating and testable.
Step 5: Identify the change pathways	For each key condition that needs to shift, identify the most credible pathways for shifting it. Acknowledge where pathways are clear versus experimental.
Step 6: Define your contribution	Be specific about which part of the overall change effort your organisation or funder is positioned to support. Humility about scope prevents over-claiming and under-collaborating.
Step 7: Articulate assumptions explicitly	List the assumptions on which the theory rests. These become your primary learning agenda - the questions you must actively monitor.
Step 8: Build in review and revision	Establish a regular (at minimum annual) process for reviewing the ToC considering evidence, learning, and shifts in the system context.

Meadows' Leverage Points: Where to Intervene in a System

Donella Meadows identified twelve leverage points: places within a system where a small shift in one thing can produce big changes in everything. Listed in order of increasing effectiveness:

Leverage Point	Description	South African Example	Impact Potential
Constants, numbers	Parameters and sizes (subsidies, taxes, flows)	Adjusting the amount of a social grant	Low
Regulating negative feedback loops	The strength of corrective feedback	Improving the accountability mechanism for school principals	Low–Medium
Driving positive feedback loops	The gain around reinforcing loops	Scaling up a successful enterprise support model	Medium
Information flows	Who gets information and when	Transparent publishing of school performance data	Medium
Rules	Incentives, punishments, constraints	Changing land tenure law	High
Self-organisation	Power to change system structure	Enabling community self-governance of local resources	High
Goals	The purpose of the system	Changing the mandate of a development finance institution	Very High
Paradigms	The shared ideas from which the system arises	Shifting from 'development as charity' to 'development as justice'	Transformative

South African Case Studies

CASE STUDY The DG Murray Trust (DGMT) SA (reference case) Shifting National Trajectories
<ul style="list-style-type: none"> • The Systemic Challenge: Traditional, siloed NGO funding patches over social symptoms without moving structural levers. • The Theory of Change Structure: DGMT's Theory of Change rejects localised project delivery. Its core premise is that a dynamic national impact requires mapping and triggering specific system-wide levers. • Core System Levers Addressed: <ul style="list-style-type: none"> ○ System Map: The ToC identifies and targets critical inflection windows in a human life cycle where interventions have exponential returns. ○ The Pivot: Moving from isolated project support to building coalitions of public, private, and civil society actors to force policy change. ○ The Innovation: Funding strategic, high-risk, "messy" conceptual ideas rather than standard compliance models. ○ Assumptions Underlying the ToC: Systemic change in South Africa is deeply relational. Lasting shifts require navigating cultural perceptions of powerlessness, historical inequality, and bureaucratic inertia.

CASE STUDY | KwaZulu-Natal Primary Health Care Transformation Committee (PHCTC) | SA
(reference case) | Health Systems Framework

- **The Systemic Challenge:** Severe misalignment and lack of integration between health academic institutions, provincial health policy-makers, and frontline Community-Oriented Primary Healthcare (COPC) units.
- **The Theory of Change Structure:** Co-developed in 2021 following pandemic-related disruptions, this ToC outlines a **Learning Health System framework**. It tracks how contextually relevant research drives curriculum and operational policy.
- **Core System Levers Addressed:**
 - **Institutional Capabilities:** Integrating the Office of the Premier, universities, and NGOs to jointly structuralise primary healthcare training.
 - **Altering Flow of Evidence:** Shifting the paradigm so that frontline healthcare workers' data directly steers provincial strategy and academic health research mandates.
 - **Assumptions Underlying the ToC:** Aligning the competing incentives of policy-makers, frontline practitioners, and research scientists (e.g., publishing vs. community implementation) is essential to achieve collaborative working arrangements

CASE STUDY | Mosaic | SA (reference case) | Transforming Survivor-Led Justice Systems

- **The Systemic Challenge:** Victims of gender-based violence (GBV) are forced to navigate fragmented, under-resourced, and traumatic judicial and healthcare systems.
- **The Theory of Change Structure:** Mosaic's ToC outlines an ecosystem strategy targeted at **systemic de-fragmentation** across four interconnected pillars (Respond, Prevent, Heal, Influence).
- **Core System Levers Addressed:**
 - **Power Dynamics:** Elevating survivors to actively shape the design and service models of justice and support infrastructure.
 - **Cross-Sector Coordination:** Breaking service silos to link immediate medical-legal response directly to long-term economic independence.
 - **Assumptions Underlying the ToC:** Short-term, disconnected services cannot prevent re-traumatization. True systemic reduction in domestic violence requires survivor-centered systems that uphold dignity and justice.

11. Mapping Systems

System mapping is both a technical practice and a participatory process. As a technical tool, it helps analysts understand system structure. As a participatory practice, it builds shared understanding, surfaces hidden assumptions, and creates the relational foundation for collective action.

Types of System Maps

Map Type	Description and Best Use
Causal Loop Diagrams (CLDs)	Visual representations of the feedback loops and causal relationships within a system. Show reinforcing and balancing dynamics. Best for understanding systemic dynamics.
Actor and Stakeholder Maps	Visual representations of who is involved in a system, their relationships, power, and interests. Best for understanding relational dynamics and power.

Map Type	Description and Best Use
Systems Iceberg Model	A layered representation distinguishing between visible events, underlying patterns and trends, systemic structures, and mental models. Best for identifying root causes and leverage.
Network Maps	Representations of the connections between actors and organisations in a system. Can be quantified using social network analysis. Best for understanding collaboration, information flow, and isolated actors.
Journey Maps	Representations of the experience of individuals moving through a system (e.g., a young person navigating education to employment). Best for surfacing system failures from a user perspective.
Influence and Political Maps	Maps of who holds power in a system and how they use it. Explicitly address hidden and invisible power. Best for political strategy and coalition-building.
Leverage Point Maps	Overlays of system maps with Meadows' leverage point framework to identify highest-impact intervention opportunities.

Participatory System Mapping: Process Principles

- **Include those with lived experience as the primary mappers:** their systemic knowledge is often more accurate than expert analysis.
- **Use visual, accessible tools:** not technical software that excludes non-specialists.
- **Expect disagreement:** different actors see different parts of the system. The disagreement is data.
- **Build in iteration:** maps are never finished; they should be reviewed and updated as the system changes.
- **Use maps to generate questions, not just answers:** the process of mapping is as valuable as the product.

Assessing System Change Over Time

System maps can be used for baseline and progress assessment by comparing maps at different points in time. Key questions for change assessment include:

- Have key relationships between actors changed? Are new relationships forming?
- Have resource flows shifted? Who is receiving funding, and from whom?
- Are new rules or policies in place?
- Are previously excluded actors now part of the system?
- Have key feedback loops changed in direction or strength?
- Is there evidence of mental model shifts - in public discourse, in funder priorities, in community self-perception?

12. Strategic, Operational, Programmatic, and Portfolio Lenses

Systems change must be operationalised across multiple levels of an organisation. The following four lenses help distinguish the type of thinking and action required at each level:

The Strategic Lens: Organisational Orientation

At the strategic level, the question is: How does our organisation position itself within a system change effort? What is our theory of change? What relationships and partnerships are essential? Strategic systems change questions include:

- What system are we working in, and what is our theory of how it changes?
- What is our unique contribution to the broader change ecosystem?
- What power dynamics do we need to actively manage?
- How do we build authentic partnerships with communities and co-actors?

The Operational Lens: Enabling Systems Practice

At the operational level, the question is: How does our organisation function in ways consistent with our systems change ambitions? Operational systems change questions include:

- Do our grant cycles and reporting requirements align with systems change time horizons?
- Do we have the internal capacity (skills, relationships, culture) for adaptive management?
- Do our governance structures support learning-oriented risk-taking?
- Do our employment practices and organisational culture embody the equity principles we promote?

The Programmatic Lens: Designing for Systems Change

At the programme level, the question is: Are our specific initiatives designed to shift conditions, not just deliver services? Programmatic systems change questions include:

- Does this programme explicitly address structural, relational, or paradigm conditions - or only outputs?
- Does this programme build local capacity that persists after the programme ends?
- Does this programme connect to and strengthen other components of the change system?
- Does this programme include an explicit learning and adaptation mechanism?

The Portfolio Lens: Aligning Investments for Systems Impact

At the portfolio level, the question is: Does the aggregate of our investments add up to a coherent systems change strategy? Portfolio systems change questions include:

Portfolio Question	Elaboration
Portfolio coherence	Are investments reinforcing each other - addressing different parts of the same system? Or are they fragmented across unrelated issues?
Balance across change types	Does the portfolio include incremental, reform, and transformative investments? Or is it weighted entirely toward the safe end?
Depth vs. breadth	Is the portfolio spread too thinly across many issues to drive meaningful systems change in any of them?
Grantee health	Are grantees organisationally healthy enough to sustain systems work? Is general operating support sufficient and unrestricted?
Learning infrastructure	Does the portfolio include investment in collective learning - shared evaluation, peer exchange, system monitoring?
Exit strategy alignment	Where do we intend to 'finish'? What does a successful handover look like, and to whom?

For Funders: Traditional vs. Systems Change Funding

Traditional funding focuses on discrete projects with linear metrics, while systems change demands adaptive, ecosystem-wide support. This shift enables funders to catalyse structural reforms beyond short-term outputs.

Aspect	Traditional Funding	Systems Change Funding
Unit of Focus	Specific programs (e.g. build 10 clinics)	Ecosystem Conditions (e.g. health workforce pipelines)
Time Horizon	1-3 years, project based	10+ years, multi-phase with iteration
Funding Style	Restricted, milestone tied	Flexible, unrestricted, catalytic
Role in Ecosystem	Controller/designer	Convenor, power-sharer, learner
Risks	Low tolerance, quick exits	High, with failure as learning

Measuring Beyond Quantifiable Aspects

Measuring beyond the quantifiable requires shifting focus from "deliverables" to the underlying health and connectivity of the system. Indicators should be presented as "leading indicators" - signs that the system is beginning to reorganise itself before large-scale results appear.

- Tracking Relational Shifts: Measuring Social Capital:** In systems change, the "infrastructure" consists of trust and relationships. Relational shifts can be tracked by looking at the bonding, bridging, and linking ties within the ecosystem.
 - **Social Network Analysis (SNA):** Map the "invisible" connections between grantees and other actors. Look for a reduction in isolated actors and an increase in cross-sectoral ties (e.g., a grassroots NGO now having a direct line to a policymaker).
 - **Trust Indicators:** Use community-based participatory methods to measure generalised trust and perceived support. High-trust networks are more resilient to external shocks and move faster when opportunities arise.
 - **Collaborative Health:** Track the growth of "trusted spaces" - places where stakeholders can move from "strategic bargaining" to "perfect cooperation".
- Mental Models: Discourse and Narrative Analysis:** Mental models are the "hidden" drivers of a system. To measure shifts in how people think and talk, practitioners use tools that surface deeply held beliefs.
 - **Discourse Analysis via Surveys:** Instead of standard "Agree/Disagree" questions, use open-ended survey responses to analyse precise language and turn-construction. This reveals the "social texts" and "common sense" meanings that dictate action.
 - **Narrative Change Assessment:** Track whether certain keywords or framing are shifting within the sector - e.g., moving from a discourse of "fixing beneficiaries" to one of "systemic empowerment".
 - **Mental Model Surfacing:** Periodically "unpick" the narratives and values that hold the current system in place to see if they are being challenged or rewritten by the partners.
- Capturing Emergence: The "Unintended" Impact:** Emergence refers to positive outcomes that were not planned but arose from the new ecosystem conditions.
 - **Unintended Collaborations:** Track instances where two grantees started a new project together without the funder's prompting. This is a sign of a "living" ecosystem.

- **Ripple Effect Mapping:** Use qualitative interviews to trace "black swan" or unexpected events - small, high-impact breakthroughs that suggest the system is reaching a tipping point.
 - **Learning and Co-production:** Measure the frequency and quality of shared learning events where diverse stakeholders align around a "shared vision".
4. **Funding Pattern Analysis:** Aiming for 15-20% Growth: To align execution with strategy, funders should analyse their own portfolios to ensure they are funding the cause, not just the symptom.
- **Target Multi-Stakeholder Grants:** Track the percentage of the portfolio dedicated to multi-stakeholder collaborations targeting root causes. A world-class target is a 15-20% annual growth in this specific category.
 - **Funding Interconnectedness:** Use data to see if funding is bridging gaps between different sectors (e.g., linking academic research to industrial application or community action).
 - **Measuring Social Enterprise Growth:** Monitor how charitable investments create "ripple effects" across entire economic sectors, such as the growth of social enterprises in previously underserved markets.

South African Case Studies

<p>CASE STUDY Thrive by Five and Innovation Edge SA (reference case) Measuring Early Learning Outcomes</p> <ul style="list-style-type: none"> • The Systemic Challenge: South Africa lacked standardised, affordable, and locally tailored tools to assess early childhood development across diverse linguistic and socio-economic demographics. • How Systems Change was Measured: Innovation Edge funded the creation of the ELOM suite of data tools. Systems change was measured by tracking the institutional adoption rate of this data framework across state departments, NGOs, and corporate social investors. • Measurement Tools: Data systems change was proven when the ELOM tool scaled to power the nationwide <i>Thrive by Five Index</i>. This index altered the system by changing how the national government collects data, establishes baseline targets, and benchmarks systemic performance.
<p>CASE STUDY Harambee Youth Employment Accelerator SA (reference case) Pathway Management</p> <ul style="list-style-type: none"> • The Systemic Challenge: Addressing structural barriers within the labour market that keep millions of youth excluded from sustainable economic opportunities. • How Systems Change was Measured: Moving away from standard placement tallies, Harambee tracks structural marketplace friction reductions and shifts in corporate hiring behaviour. They measure systems change through the growth, behaviour, and policy inclusivity of the <i>National Pathway Management Network (NPMN)</i> under the Presidential Youth Employment Intervention. • Measurement Tools: Behavioural analytics, multi-partner data integrations, and tracking changes in the inclusive hiring policies of major employers
<p>CASE STUDY Fundisa for Change SA (reference case) Environmental Education Policy</p> <ul style="list-style-type: none"> • The Systemic Challenge: Integrating environmental sustainability and climate transformation structurally into teacher education across South Africa. • How Systems Change was Measured: The Fundisa for Change Project Evaluations shifted away from counting individual teacher workshops. Instead, they evaluated changes by measuring collaborative planning architecture across a vast national network of higher education institutions, government bodies, and NGOs. • Measurement Tools: Network mapping, curriculum policy change tracking, and long-term institutional response audits.

13. Tactics, Priorities, and Time Horizons for Systems Change

A Framework of Systems Change Tactics

The following table organises key systems change tactics by their primary mode of action, typical time horizon, and degree of disruption to existing system structures:

Tactic	Description	Typical Horizon	Change Type
Narrative change	Shifting the stories, language, and frames through which a system is understood - changing what is seen as natural, possible, and desirable	5–15 years	Transformative
Advocacy and policy influence	Using evidence, relationships, and political strategy to change formal rules, policies, and legislation	3–10 years	Reform
Coalition building	Connecting actors across sectors and scales around shared system change goals	2–8 years	Incremental–Reform
Field building	Developing the organisations, practitioners, knowledge, and norms of a sector oriented toward systems change	10–20 years	Reform–Transformative
Demonstration and proof of concept	Testing new models in specific contexts to build the evidence base for broader adoption	2–5 years	Incremental–Reform
Market shaping	Using investment, procurement, and standard setting to shift the rules and incentives in markets serving poor communities	5–15 years	Reform
Community organising and power-building	Building the collective power of marginalised communities to advocate for their own rights and interests	5–20 years	Transformative
Research and knowledge production	Generating and disseminating knowledge that challenges dominant narratives and informs strategy	Ongoing	Incremental–Transformative
Capacity building	Strengthening the skills, knowledge, and organisational health of actors working on systems change	Ongoing	Incremental
Convening and network weaving	Facilitating the connections, trust, and shared learning that enable collective action	Ongoing	All
Technology and innovation	Deploying technology to disrupt existing system structures or create new models	3–10 years	Reform–Transformative

Setting Time Horizons Realistically

The 10-20 Year Reality Check

Research on systems change consistently shows that meaningful, durable systems change requires 10–20 years of sustained effort and often more.

This creates a profound tension with typical philanthropic and social investment cycles, which operate on 1–3-year grant periods.

Leading systems change funders are responding by: (a) making multi-year, often decade-length commitments; (b) funding grantee organisations rather than specific projects; (c) designing adaptive milestones rather than fixed targets; and (d) accepting that measurable impact may not align with the funder's own existence or strategic cycle.

Implications for South Africa: Systems change in post-apartheid South Africa is working against 350+ years of colonial and apartheid system design. The urgency is real. So is the time requirement.

14. Roles in Systems Change

Different organisations are positioned differently within systems - with different resources, relationships, legitimacy, and capabilities. Rather than a single 'systems change actor' archetype, effective systems change requires diverse roles, played well and in coordination:

Role	Description
Designing for Systems Change	Creating the strategies, frameworks, and structures that guide collective action. This role requires deep systems analysis, theory of change development, and the ability to translate complexity into actionable direction. Funders and strategic organisations most often play this role - though it should be co-designed with communities.
Facilitating and Enabling Systems Change	Creating the conditions - trust, shared language, convening space, information flows - that allow other actors to act more effectively. Network weavers, backbone organisations in collective impact models, and intermediaries play this role. Often invisible in impact reporting, but critical for system-level change.
Implementing a Systems-Oriented Approach	Delivering programmes and services in ways that are explicitly designed to shift conditions, not just deliver outputs. This requires systems-aware frontline practitioners, adaptive programme design, and ongoing feedback loops between implementation and strategy.
Leading Systems Change	Providing vision, legitimacy, and political will for large-scale transformation. This role is often played by government leaders, major funders, or social movement leaders. It requires both systems literacy and political courage.
Coordinating Systems Change	Managing the complexity of multi-actor, multi-level change efforts - ensuring alignment, surfacing conflicts, managing information flows, and maintaining shared accountability. Backbone organisations and coordination bodies play this role.
Holding the System to Account	Advocacy organisations, journalists, researchers, and community monitors who track system performance, challenge power, and insist on accountability. This role creates the pressure without which voluntary system change is unlikely.

Role	Description
Living the Change	Community members, social entrepreneurs, and change-makers who are themselves demonstrating alternatives — not waiting for the system to change but building the new within and alongside the old.

No Organisation Plays All Roles

Strategic Clarity About Role
<p>One of the most common sources of confusion and inefficiency in systems change is organisations trying to play multiple roles or claiming to play roles they lack the positioning to play.</p> <p>Funders who try to implement lose their ability to listen and adapt. Implementers who try to lead policy advocacy can undermine their relationships with government. Coordinating bodies that take strong public positions can alienate the actors they need to bring together.</p> <p>The question is not: 'Are we doing enough?' The question is: 'Are we doing the right things for who we are in this system?'</p>

South African Case Study

CASE STUDY Do More Foundation SA (reference case) Systems Catalyst
<p>Systems approach: The Do More Foundation's development model move beyond traditional charity to act as a catalyst for systemic transformation in Early Childhood Development (ECD) through Collective Impact. It shifts the focus from solely providing resources to restructuring how public, private, and NGO sectors collaborate to support young children and communities. The Foundation's model changes the <i>rules of engagement</i> - moving toward shared responsibility, leveraging corporate expertise for social good, and creating sustainable, collaborative structures rather than temporary philanthropic project.</p> <p>Context and Problem: In South Africa, ECD services are often fragmented, under-resourced, and isolated, failing to meet the holistic needs of children. Traditional corporate social investment (CSI) often provides short-term relief rather than long-term systemic solutions.</p> <p>The Systemic Approach (The "How"): The Foundation operates as a "backbone organisation," coordinating various stakeholders (government, private sector, NGOs) under a unified vision to "create better tomorrows for young children".</p> <ul style="list-style-type: none"> • Partnership Methodology: Instead of acting alone, they leverage the resources and reach of corporate partners like RCL FOODS to drive sustainable, community-level changes. • Embedding Sustainability: They integrate climate resilience into ECD, supporting ECD centres to become community hubs for food security and environmental education. • Open Source Knowledge: They make program models, such as food gardens and educational initiatives, adaptable for broader application in other contexts. <p>Indicators of Systems Change:</p> <ul style="list-style-type: none"> • Shifting Power Dynamics: The model shifts businesses from being passive donors to active, long-term catalysts for sustainable development. • Collective Action: The foundation organises diverse sectors to work together to address malnutrition and improve ECD service delivery, aiming for long-term transformation. • Resilient Infrastructure: The initiatives build long-term, sustainable livelihoods and economic inclusion in marginalized communities, such as in Rustenburg. • Focus on Root Causes: By focusing on the first 1,000 days of a child's life and the surrounding ecosystem (household, community), they address the root causes of poverty.

PART IV: MEASUREMENT AND ACCOUNTABILITY

15. Measuring Systems Change

Measurement is one of the most challenging and most contested aspects of systems change practice. The challenge is not merely technical it is conceptual and political. Systems change is emergent, non-linear, and often visible only in retrospect; measurement systems designed for linear programmes cannot capture it without significant adaptation.

"Not everything that can be counted counts. And not everything that counts can be counted."

— Attributed to William Bruce Cameron (often misattributed to Einstein)

What to Measure: A Framework for Systems Change Indicators

Systems change measurement requires indicators at multiple levels, capturing change in conditions as well as outcomes:

Indicator Level	What It Captures	Examples
System condition indicators	Evidence of shifts in the structural, relational, and paradigm conditions identified in the theory of change	New policies enacted; composition of decision-making bodies diversified; funding flows redirected; narrative shifts in media and public discourse
Network and relationship indicators	Evidence of new or strengthened connections among system actors, particularly across previously divided sectors or communities	Social network analysis showing increased connectivity; new cross-sector partnerships formed; previously excluded actors now participating in governance
Population-level outcome indicators	Long-term trends in the wellbeing of the population the system serves	Education attainment rates; employment rates; income distribution; health outcomes - disaggregated by race, gender, geography
Learning and adaptation indicators	Evidence that the change effort is learning and adapting effectively	Number of strategy revisions based on evidence; quality of collective learning processes; quality and honesty of failure reporting
Equity and power indicators	Evidence that power is shifting toward excluded communities	Representation in leadership; community ownership of assets; shifts in who controls resources

How to Measure Systems Change: Methods and Approaches

Method	Description and Application
Developmental Evaluation (DE)	An evaluative approach designed specifically for complex, emergent initiatives. Embeds an evaluator in the change effort to support real-time learning rather than summative judgment. Developed by Michael Quinn Patton. Recommended as the primary evaluation framework for systems change.
Most Significant Change (MSC)	A participatory technique that collects stories of significant change from across a system and uses deliberative processes to select and analyse the most

Method	Description and Application
	important. Surfaces unexpected and systemic changes that are invisible to pre-specified indicators.
Social Network Analysis (SNA)	Quantitative and qualitative mapping of the connections among actors in a system. Enables tracking of whether collaboration, trust, and information-sharing are growing. Particularly valuable for assessing relational conditions.
Causal Loop Diagram (CLD) Tracking	Using system maps as a baseline and tracking changes in the strength and direction of key feedback loops over time. A technically sophisticated but powerful approach to systems-level measurement.
Population Health and Wellbeing Surveys	Long-term tracking of population-level indicators in the communities served by the change effort. Requires long time frames and clear baselines to attribute to systems change.
Discourse Analysis	Tracking changes in public, policy, and media discourse around key issues - a proxy for shifts in mental models and narrative conditions.
Contribution Analysis	A rigorous method for making plausible, non-causal claims about an initiative's contribution to observed changes in a complex system.
Outcome Harvesting	A participatory approach that 'harvests' evidence of changes that have already occurred and then works backwards to assess the extent to which a change effort contributed to them.

The Measurement Paradox: Accountability vs. Learning

A Critical Tension in Systems Change Measurement

Two legitimate purposes of measurement pull in opposite directions in systems change:

- **Accountability measurement asks:** Did the grantee/implementer achieve what they said they would? This requires pre-specified outcomes, clear attribution, and funder-defined success criteria.
- **Learning measurement asks:** What is happening in the system? What is working, what is not, and what should we do next? This requires flexibility, humility, and community-defined success criteria.

In complex systems, excessive accountability measurement distorts behaviour - grantees begin managing toward measurable outputs rather than systemic conditions. Leading funders are therefore moving toward 'shared measurement' frameworks that serve both purposes without collapsing one into the other.

Recommendation: Agree on a small set of system-level indicators with grantees and co-actors. Supplement with qualitative developmental evaluation. Resist the pressure to claim attribution for complex, collective change.

16. Challenges, Barriers, Risks, and Threats

Systems change is hard. Not as a warning, but as a design parameter. Understanding the specific challenges that practitioners and funders encounter is essential for strategy, governance, and resilience planning.

Internal Challenges: Within Your Organisation

Challenge	Description
Short-termism in funding cycles	Annual or biennial grant cycles are fundamentally misaligned with 10–20-year systems change timelines, creating pressure to show results too quickly.
Attribution pressure	Donors and boards want clear 'we did this' narratives. Systems change produces collective, distributed outcomes that are difficult to attribute - creating perverse incentives.
Capacity gaps	Systems change requires specific skills - complexity thinking, facilitation, political analysis, adaptive management - that most organisations and funders have not systematically built.
Organisational incoherence	Organisations working on systems change externally often reproduce the very dynamics they seek to change internally - hierarchy, exclusion, silo thinking.
Risk aversion	Fear of failure discourages the experimentation essential for systems learning. Many funders communicate risk tolerance but do not practice it.

Ecosystem Challenges: Within the Field

Challenge	Description
Competition instead of collaboration	Organisations and funders often compete for resources, credit, and positioning in ways that undermine the collective action systems change requires.
Coordination costs	Multi-actor systems change requires significant investment in relationship-building, shared learning, and coordination - which is chronically underfunded.
Power differentials in collaboration	Collective impact and collaboration frameworks can entrench existing power imbalances if not explicitly designed to shift them. Large funders can dominate 'collaborative' processes.
Narrative capture	The language of systems change can be adopted by actors with no genuine systems orientation - 'systems change-washing' that dilutes the field's integrity.
Leadership transitions	Systems change depends on relationships and trust that are invested in individuals. When key leaders move on, collaboration can collapse.

Structural Risks and Threats

Risk/Threat	Description
Political and policy backlash	Reform-oriented systems change can produce backlash from actors who benefit from the current system. This is particularly acute for work on land, economic policy, and racial equity.
Co-optation	Change initiatives that gain visibility can be absorbed into existing system structures in ways that neutralise their transformative potential. Government adoption of a successful model can be positive, or it can be fatal.

Risk/Threat	Description
Elite capture	Resources and decision-making in systems change efforts can be captured by elites - including 'development industry' elites - who extract value while communities remain marginalised.
Funder fatigue and exit	Long-term commitments are vulnerable to strategic shifts in funder priorities. Sudden withdrawal of anchor funding can collapse multi-stakeholder systems efforts.
Harm to communities	Poorly designed or exited systems change efforts can leave communities worse off with raised expectations, disrupted local systems, and no improved outcomes.

PART V: CASE STUDIES

17. South African Case Studies

The following cases are selected to illustrate diverse approaches to systems change across different sectors, scale, and change types in the South African and African context. Each demonstrates at least one key dimension of systems change practice.

CASE STUDY | Harambee Youth Employment Accelerator | South Africa | Employment & Labour Markets

What they do: Harambee connects young, unemployed South Africans particularly from low-income backgrounds to jobs in South Africa's formal economy. Harambee has placed over 1.5 million young people since inception and works directly with over 1,000 employers.

Systems approach: Rather than running a job placement programme, Harambee operates on the supply (youth readiness) and demand (employer hiring practices) sides of the labour market simultaneously. It works to shift employer norms and hiring criteria away from credentials toward demonstrated ability and challenges the assumption that the unemployed are unemployable. It actively researches and publishes on the structural causes of youth unemployment, contributing to narrative and policy change.

Impact/Significance: Harambee has become an influential voice in national employment policy, has shifted hiring norms among major South African employers, and provides a living proof-of-concept that the labour market can include youth from township backgrounds. Its data and research actively contribute to the policy discourse on unemployment.

CASE STUDY | Southern Africa Food Lab (SAFL) | South Africa / Southern Africa | Food Systems

What they do: The Southern Africa Food Lab is a multi-stakeholder platform that brings together actors across the food system from smallholder farmers to major retailers to policymakers to work on the structural causes of food insecurity and unsustainable food systems.

Systems approach: SAFL uses dialogue, scenario planning, and collaborative action to shift the relationships, mental models, and strategies of powerful food system actors. It explicitly works at the relational and paradigm levels - building trust and shared understanding between actors who are normally adversarial - rather than primarily at the structural level. It has pioneered the application of Theory U and deep learning approaches in the African food systems context.

Impact/Significance: Has catalysed multiple cross-sector food system initiatives in South Africa. Has shifted the narrative among major food system actors from competition to collaboration on shared systemic challenges. Recognised internationally as a model for multi-stakeholder food systems transformation.

CASE STUDY | Equal Education (EqualEd) | South Africa | Education

What they do: Equal Education is a social movement of learners, parents, educators, and community members based in Khayelitsha and working nationally. It campaigns for quality and equal public schooling through community organising and legal advocacy.

Systems approach: Equal Education operates explicitly at the political and structural levels of the education system. It uses learner-led organising, public campaigns, and litigation to shift government policy, budget allocation, and accountability structures. It has successfully challenged the Norms and Standards for School Infrastructure - securing a legally enforceable framework for school infrastructure delivery.

Impact/Significance: Secured the Norms and Standards for School Infrastructure in 2013 after years of campaigns, providing a legally binding framework that the government must meet. Demonstrates that community power can be a driver of structural change in public systems, not merely a beneficiary of it.

CASE STUDY | Bertha Centre for Social Innovation and Entrepreneurship | South Africa / Africa | Ecosystem and Field Building

What they do: Housed at the UCT Graduate School of Business, the Bertha Centre builds the field of social innovation in Africa through education, research, and practitioner development.

Systems approach: The Centre's systems change contribution is at the level of the ecosystem: building the knowledge, skills, norms, and networks of the social innovation field in Africa. It develops the next generation of systems-oriented practitioners, produces research that informs field practice, and engages policy actors to shift the enabling conditions for social innovation.

Impact/Significance: Has trained hundreds of social innovation practitioners across Africa. Contributed to national policy frameworks for social enterprise. Internationally recognised as a leading hub for social innovation thinking in Africa. Hosts the African Social Innovation Fellowship.

CASE STUDY | Resilience Fund (Omidyar Network South Africa) | South Africa | Economic Equity / Narrative Change

What they do: A South Africa-focused grant-making portfolio from Omidyar Network that supports organisations working on economic inclusion, narrative change, and structural reform in the South African economy.

Systems approach: The Resilience Fund explicitly targets the narrative and structural conditions that perpetuate economic exclusion - funding media organisations, think tanks, advocacy groups, and social movements working to shift the dominant story about inequality, race, and economic opportunity in South Africa.

Impact/Significance: Supports organisations including Daily Maverick, the Centre for Economic Justice, and advocacy networks challenging economic concentration. Represents a deliberate funder strategy of targeting paradigm-level conditions - shifting what is thinkable in South African economic policy.

CASE STUDY | Lumkani | South Africa | Place-Based / Informal Settlement Safety

What they do: Lumkani develops fire detection networks and insurance products for residents of informal settlements - areas where devastating shack fires cause loss of life and property for hundreds of thousands of South Africans annually.

Systems approach: Lumkani demonstrates place-based systems change by intervening simultaneously in the market system (developing affordable insurance), the information system (networked fire detection), and the community system (social capital and mutual response). It does not treat shack fires as individual misfortunes but as outcomes of a system of exclusion and inadequate housing and builds solutions that work within that reality while advocating for systemic housing reform.

Impact/Significance: Operates in 50+ informal settlements, has detected thousands of fires, and pioneered community-based insurance models now being replicated. Has contributed to national policy discussions on informal settlement upgrading and disaster risk management.

South African case studies that demonstrate how local funders are moving beyond traditional grant-making to embrace "ecosystem architecture" and systemic shifts.

- 1. DG Murray Trust (DGMT): Scaling through Policy and Ecosystems:** DGMT is a leading example of a funder shifting from project-based funding to "population-level impact."
 - **Strategic & Operational Shift:** They moved from "funding pilots" to a multi-pathway scaling strategy that includes policy advocacy, national mobilisation, and an ecosystems approach.
 - **Portfolio Practice:** Their portfolio is organised around "10 opportunities to escape the inequality trap," such as zero-stunting and youth employment, rather than fragmented sectors.
 - **Execution:** They use strategic litigation and political coalitions to "release systemic chokes" that trap people in poverty.
- 2. SAB Foundation: Catalytic Capital for Innovation:** The SAB Foundation uses a blended approach to support the broader entrepreneurship ecosystem.
 - **Portfolio Practice:** They use a mix of grants, business support, and interest-free loans to de-risk early-stage social and disability innovations.
 - **Strategic Goal:** Their focus is on "entrepreneurship development" as a systemic lever for job creation in rural areas and for marginalized groups.
- 3. PSG Group (Curro Holdings): Philanthropy as Infrastructure:** The acquisition of Curro Holdings by Jannie Mouton's PSG Group is cited as a shift toward philanthropy as infrastructure.
 - **Strategic Shift:** Rather than building isolated schools, they invested in an entire education ecosystem - including proven operational systems and the capacity to scale quality education rapidly across the country.

South African case study that demonstrate how a development organisation shifted from an outreach delivery model to a structural, community-led governance architecture.

The **Ubunye Foundation** operates as a rural development trust in the Ngqushwa and Makana municipalities of the Eastern Cape, South Africa. Rather than treating rural poverty as a series of short-term material deficits, Ubunye focuses on changing the root systemic dynamic: **the locus of power and decision-making**.

- 1. The Systemic Pivot: From ABCD to "Siyakhana"**
 - **The Baseline Approach:** Ubunye originally deployed an Asset-Based Community Development (ABCD) framework. While communities could identify their internal resources, the foundation realised that external donor priorities still drove the project designs.
 - **The Systemic Paradigm Shift:** To fix this power imbalance, the foundation co-created the **Siyakhana ("building together") governance model**. Siyakhana alters the local development system by removing the donor as the central project director and elevating community structures to the primary decision-makers.
 - Traditional Development System: Donor Capital → Prescribed Projects → Community as Beneficiary
 - Ubunye's Systemic Siyakhana Model: Community-Led Working Groups → Designs Program Strategy → Donor Capital Deployed Flexibly

2. Operationalizing Systems Change Across Levers

Ubunye drives systemic changes across the Eastern Cape by addressing multiple, interconnected structural pillars:

Shift 1: Altering Financial Ecosystems (The Savings and Livelihoods Programme)

- **The Systemic Barrier:** Deep rural communities are excluded from the formal banking sector, exposing families to predatory micro-lenders.
- **The Intervention:** Ubunye scaled a self-sustaining, community-owned financial savings infrastructure.
- **Systemic Metric:** Instead of measuring the volume of commercial micro-loans issued, systems change is evaluated by the **growth of self-managed community capital**. This framework earned recognition at the MTN Awards for Social Change for using M&E data to optimise learning and promote community financial independence.

Shift 2: Restructuring Governance (Programme Working Groups)

- **The Systemic Barrier:** Rural development initiatives often bypass local leadership, which creates institutional dependency and erodes civil agency.
- **The Intervention:** Ubunye instituted permanent **Programme Working Groups** managed directly by village representatives. These groups govern three core areas:
 - *Masiphile*: Healthcare and wellness protocols.
 - *Isisekelo*: Localized lifelong learning systems.
 - *Sinako*: Sustainable micro-enterprise and livelihoods.
- **Systemic Metric:** Tracking the structural **reversal of the community voice**. As documented by researchers success is visible when rural participants transition from passive attendees to co-owners who monitor, evaluate, and steer regional resources.

Shift 3: Changing Health System Interactions (The Lelethu Initiative)

- **The Systemic Barrier:** Social stigma and institutional isolation prevent rural women living with HIV from consistently accessing vital state clinics.
- **The Intervention:** Through the *Lelethu ("it's ours")* program, Ubunye integrated government-employed Community Health Workers directly into peer-led support groups.
- **Systemic Metric:** Shifting how public healthcare workers interact with vulnerable patients. The system changes when public clinic staff and community members co-create individualised "Life Plans" that connect medical treatment with local economic opportunities.

Key Takeaways For Philanthropic Funders

The Ubunye Foundation case study proves that funding systems change requires donors to transform **their own operational habits**:

- **Trust-Based Capital Allocation:** Funders must provide unrestricted, highly flexible capital. Rigid, output-bound budgets prevent community working groups from dynamically addressing emerging systemic needs.
- **Redefining "Scale":** True systemic scale is not just duplicating an NGO's internal staff. Rather, it means **scaling community capacity** so local leaders can govern their own sustainable development frameworks indefinitely.

South African case study that demonstrate how a development organisation shifted from an pure delivery model to a significant example of systems change, specifically within the realms of the circular economy, retail, and poverty eradication in South Africa.

Taking Care of Business (TCB) is a South African non-profit social enterprise that empowers unemployed individuals, primarily women, to escape poverty by starting their own small retail or repair businesses. It works with major retailers to repurpose waste, fostering a circular economy that creates financial independence and jobs.

By shifting the narrative from a traditional linear "waste disposal" model to a circular, human-centric "enterprise development" system, TCB transforms the root causes of unemployment rather than merely mitigating the symptoms.

1. The Challenge (The Old System)

Historically, retail sustainability and poverty reduction were treated as separate, often conflicting issues.

- **Retail Waste:** Major retailers disposed of high volumes of unsold, returned, or slightly damaged goods (clothing, appliances, homeware) in landfills.
- **Unemployment:** High rates of unemployment left many individuals, particularly mothers, in poverty with limited access to formal jobs.
- **Linear Mindset:** Retailers operated on a "produce-sell-dump" model, viewing unsold inventory as waste to be eliminated.

2. The TCB Model: A Systemic Approach

Taking Care of Business (formerly The Clothing Bank) introduced a "competitor collaboration" (co-opetition) model, transforming this linear system into a circular, multi-stakeholder ecosystem.

- **Circular Economy Integration:** TCB acts as the intermediary, collecting over 2 million unsold items annually from 16 major retail partners (e.g., Foschini, Woolworths, etc.).
- **Re-purposing Waste:** Through its three pillars - **Resell, Repair, and Remake** - TCB transforms this "waste" into a supply chain for new, micro-entrepreneurial businesses.
- **Holistic Capacity Building:** Instead of a simple charity donation, TCB provides a two-year training programme covering business, life, computer, and financial skills, along with mentoring.

3. Why This Counts as Systems Change

Systems change is defined as altering the underlying structures, power dynamics, and mental models that maintain a problem. TCB achieves this through:

- **Shifting Mental Models:** Retail partners now view unsold products as "stock with a second life" rather than "waste to be destroyed".
- **Redefining Roles:** Unemployed individuals are empowered from "beneficiaries" into "entrepreneurs," shifting their agency and financial independence.

- **Lasting Impact on Structures:** By integrating into the supply chain of major retailers, TCB changes the logistics of retail waste management at scale, diverting 22.9 million items from landfills since 2010.
- **Economic Impact:** As of 2025, over 7,800 recruits have generated an estimated R559 million (\$30M+) in profit.
- **Data-Driven Accountability:** TCB uses the Greenlight Movement Tool to objectively measure and confirm that families are genuinely escaping poverty.

4. Key Lessons

- **Co-opetition is Effective:** Getting competitors to cooperate on a shared, sustainable logistical goal (waste management) accelerates system change.
- **Holistic Support Matters:** Addressing personal and financial skills along with providing resources (stock) creates lasting change.
- **Value Chain Transformation:** True systemic change often involves fixing a piece of a larger, broken chain, such as taking the "waste" part of a supply chain and making it a value-creating, pro-poor business.

Key Takeaways For Philanthropic Funders and Development Organisations

TCB's model is not just a programme; it is a **system of contribution** that merges economic inclusion with environmental responsibility. By creating a sustainable, self-reinforcing loop that connects retailer waste to entrepreneurial development, TCB successfully addresses the structural causes of both poverty and environmental degradation.

18. Global Reference Cases

These international cases provide additional models for specific systems change approaches that are relevant for the South African context:

CASE STUDY | M-Pesa (Safaricom / Vodafone) | Kenya / Africa | Financial System Transformation

What they do: M-Pesa is a mobile phone-based money transfer and financial services platform launched in Kenya in 2007, now serving tens of millions across Africa.

Systems approach: M-Pesa represents market-driven systemic transformation - disrupting the formal banking system by creating an entirely new financial architecture that serves people excluded from conventional banking. It demonstrates how technology can shift the structural rules of a market system, producing transformation at scale without waiting for government reform.

Impact/Significance: Has brought formal financial services to tens of millions previously excluded from banking in Kenya and beyond. Transformed the structure of the financial system in Kenya and catalysed mobile money revolutions across Africa and globally. Proof of concept that market-led transformation of systemic exclusion is possible.

CASE STUDY | Collective Impact (Strive Together) — FSG/Bridgespan | USA (global methodology) | Methodology / Collaborative Systems Change

What they do: Strive Together is a national US network that brought together over 300 community partners in Cincinnati to improve educational outcomes from cradle to career - one of the first implementations of what became the 'collective impact' methodology.

Systems approach: Collective impact coordinates multiple actors around a common agenda, shared measurement system, mutually reinforcing activities, continuous communication, and backbone support. It is one of the most widely replicated systems change coordination approaches globally, adopted in South Africa by numerous multi-stakeholder initiatives.

Impact/Significance: Significant improvements in educational outcomes across Cincinnati over 10+ years. The methodology has been widely adopted globally, including in South Africa. Critics note the importance of explicit power and equity attention in implementation - original models were criticised for insufficient community voice.

CASE STUDY | Ashoka Changemakers / Ashoka Fellow Network | Global | Systems Entrepreneurship / Field Building

What they do: Ashoka identifies and invests in social entrepreneurs ('changemakers') working to shift systems and builds a global network of leaders collaborating across sectors and geographies.

Systems approach: Ashoka operates at the ecosystem level - building the 'field' of systems entrepreneurship globally and in Africa. Its theory of change holds that systems change requires a critical mass of systems thinkers and innovators who can see and shift root causes. The Ashoka Fellow selection process itself is a statement of values: it funds people and ideas committed to changing systems, not merely delivering services.

Impact/Significance: Over 3,800 Fellows in 90+ countries. Has catalysed sector-wide innovations in education, health, environment, and economic inclusion. The 'Everyone a Changemaker' vision has influenced global education policy discourse.

PART VI: SELF-ASSESSMENT TOOL

19. Systems Change Readiness and Orientation Diagnostic

This self-assessment tool is designed for use by funders, implementing organisations, and ecosystem actors. It is structured around six domains of systems change practice, with diagnostic questions for each domain. It can be completed by an individual leader, a leadership team, or a broader organisational group (producing comparative data).

How to Use This Tool

SCORING: For each question, rate your organisation's current state:

- 1 = Not Yet: This is not yet a feature of our practice
- 2 = Emerging: This is developing but not yet consistent or embedded
- 3 = Established: This is a consistent, embedded feature of our practice

PROCESS: For maximum value, complete this tool in a facilitated group process with leadership and staff. Note specific evidence for your rating. Disagreement in ratings is valuable data - explore it.

INTERPRETATION: No organisation scores 3 across all domains. The purpose is not to reach a perfect score, but to identify priority areas for development and to track progress over time.

REVISIT: Revisit this diagnostic annually to track your organisation's systems change development.

Domain 1: Systems Literacy and Understanding

Diagnostic Question	Not Yet (1)	Emerging (2)	Established (3)	Notes / Evidence
We have a clear, shared understanding of the system we are working in - its key elements, actors, dynamics, and root causes.	Little or no shared analysis	Some shared analysis; not embedded in strategy	Deep, shared, regularly updated analysis	
We use system mapping or equivalent tools to inform our strategy and programme design.	We do not use system mapping	We have mapped the system at least once	System mapping is a regular strategic practice	
We can identify the structural, relational, and paradigm conditions driving the outcomes we seek to change.	We focus mainly on visible symptoms	We have identified conditions but do not systematically address them	Our strategy explicitly addresses all three levels of conditions	
We understand feedback loops in our system -	We have not analysed	We are aware of key loops but do not	We actively monitor and respond to	

Diagnostic Question	Not Yet (1)	Emerging (2)	Established (3)	Notes / Evidence
including loops that reinforce inequality.	feedback loops	actively monitor them	key feedback dynamics	
We regularly update our system analysis in response to new evidence and changing conditions.	Our system analysis is static	We review it occasionally	Review is embedded in our learning cycle	

Domain 2: Theory of Change Quality

Diagnostic Question	Not Yet (1)	Emerging (2)	Established (3)	Notes / Evidence
Our theory of change explicitly targets the conditions holding the problem in place, not only the problem's symptoms.	Our ToC is mainly about delivering services or outputs	Our ToC mentions conditions but does not systematically address them	Our ToC explicitly addresses structural, relational, and paradigm conditions	
Our theory of change has been developed with the communities whose systems we seek to change.	Community was not involved in ToC development	Community was consulted but not co-designers	Community is co-designer and co-owner of the ToC	
Our theory of change includes explicit assumptions that we actively monitor and test.	Assumptions are implicit or unstated	Assumptions are listed but not actively monitored	Assumptions are explicit and form our primary learning agenda	
Our theory of change is designed for our specific system and context, not adapted from a generic template.	Our ToC is a generic template	Our ToC is somewhat contextualised	Our ToC is deeply contextualised and locally grounded	
We have a process for revising our theory of change based on evidence and learning.	We do not revise our ToC	We revise it at strategy review junctures	We revise it regularly in response to learning	

Domain 3: Funding and Resource Practices

Diagnostic Question	Not Yet (1)	Emerging (2)	Established (3)	Notes / Evidence
We provide (or seek) multi-year funding commitments of at least 3–5 years.	We fund on annual cycles only	Some multi-year grants available	All major grants are multi-year (3+ years)	
We provide (or receive) general operating support	Only project funding	Some operating	Operating support is the norm	

Diagnostic Question	Not Yet (1)	Emerging (2)	Established (3)	Notes / Evidence
rather than project-only funding.		support available		
Our grant-making (or funding seeking) processes allow for adaptive use of funds as strategy evolves.	Funds are tightly restricted to pre-approved activities	Some flexibility built in	Adaptive use of funds is explicitly designed in	
We fund (or support) coordination and backbone functions, not only direct implementation.	Coordination costs are not funded	Some coordination funding available	Coordination and backbone functions are explicitly funded	
We have (or support) a 10+ year commitment to systems change in our primary areas of focus.	Short-term orientation	Some medium-term planning	Explicit 10+ year commitments in place	

Domain 4: Power, Equity, and Community Agency

Diagnostic Question	Not Yet (1)	Emerging (2)	Established (3)	Notes / Evidence
We have explicitly mapped who holds power in the systems we work in and how that power is exercised.	Power has not been analysed	Power analysis done but not acted on	Power analysis informs strategy and governance	
Communities most affected by the system's failures are genuine co-designers of our strategy, not merely consultants or beneficiaries.	Community is not involved in strategy	Community is consulted during design	Community co-owns strategy and decision-making	
We have examined and are actively addressing the power imbalances in our own funder-grantee or funder-community relationships.	Not examined	Acknowledged but not systematically addressed	Actively addressed through policy and practice	
Our equity strategy addresses the distributional effects of our work - not just average outcomes.	No explicit equity strategy	Equity is mentioned in strategy	Equity analysis is embedded in design, monitoring, and evaluation	
We actively include and amplify the voices and leadership of people with lived experience of systemic exclusion.	Lived experience is not a priority	Some representation	Lived experience is centred in leadership and strategy	

Domain 5: Collaboration and Ecosystem Orientation

Diagnostic Question	Not Yet (1)	Emerging (2)	Established (3)	Notes / Evidence
We have a clear understanding of our specific role in the broader systems change ecosystem - and where our role ends.	We operate independently	We collaborate informally	Our role in the ecosystem is explicitly defined and agreed with peers	
We actively contribute to the strengthening of other actors in our ecosystem - not only our own organisation's impact.	We compete with peers	We share knowledge but not resources	We actively invest in peer capacity and collective infrastructure	
We have formal or informal coordination mechanisms with key co-actors in our system.	No coordination mechanisms	Ad hoc coordination	Regular, structured coordination with key actors	
We actively participate in and contribute to shared learning in our sector or system.	Learning is internal only	We participate in some shared learning	We are active contributors to field-level learning	
We have a strategy for engaging government as a partner in systems change, not only as a target for advocacy.	No government engagement strategy	We engage government reactively	Government engagement is proactive and strategic	

Domain 6: Measurement, Learning, and Adaptation

Diagnostic Question	Not Yet (1)	Emerging (2)	Established (3)	Notes / Evidence
We measure shifts in system conditions - not only programme outputs and outcomes.	We only measure outputs	We track some condition indicators	We systematically measure condition change alongside outputs	
We use evaluation approaches designed for complex, emergent change (e.g., developmental evaluation, MSC, outcome harvesting).	Standard log frame evaluation only	Some complex-oriented evaluation	Complex-appropriate evaluation is standard practice	
We have a culture that genuinely learns from failure - including publicly	Failure is not discussed	Internal failure learning	Failure learning is public and	

Diagnostic Question	Not Yet (1)	Emerging (2)	Established (3)	Notes / Evidence
sharing what has not worked.			actively shared	
We review and adapt our strategy based on evidence and learning - not only on donor requirements.	Strategy is fixed until cycle end	Some mid-cycle adaptation	Continuous, evidence-based adaptation is embedded	
Our measurement and learning practices are co-designed with communities and frontline practitioners.	Measurement is designed by leadership/evaluators only	Some community input into measurement	Community co-designs and co-interprets measurement	

20. Scoring and Interpretation Guide

Calculating Your Score

For each domain, sum the scores for its five questions. The maximum per domain is 15; the minimum is 5. Sum all six domain scores for an overall systems change orientation score (maximum 90; minimum 30).

Score Range	Stage	Priority Actions
30–45	Early Systems Awareness	Your organisation is beginning to develop systems awareness but operates primarily within a programme logic. Priority: Build shared systems literacy across leadership and staff. Invest in a facilitated theory of change development process with communities. This is not a criticism - this is where most organisations and funders begin.
46–64	Developing Systems Practice	Your organisation has meaningful systems orientation and is building the practices to match. Priority: Deepen the weakest domains. Focus on power/equity and long-term commitment. Build coalition with other systems actors. Share learning with the field.
65–80	Established Systems Actor	Your organisation is a mature systems change actor. Priority: Contribute actively to field-building. Challenge others (including funders) to strengthen their systems practice. Guard against complacency - systems change thinking must evolve.
81–90	Systems Change Leader	Your organisation is operating at the frontier of systems change practice. Priority: Document and share your practice. Mentor others. Engage in the most contested and transformative aspects of systems change - power, equity, paradigm shift.

Domain Profile: Identifying Priority Areas

Your domain scores reveal your organisational profile — the shape of your systems practice. Common profiles include:

- **Strong on Strategy, Weak on Practice:** High scores in ToC quality and systems literacy, low scores in funding practices and equity. This is common in strategy-oriented organisations that have not yet changed their operational model.

- **Strong on Implementation, Weak on Systems Understanding:** High scores in measurement and collaboration, low scores in systems literacy and ToC. This is common in organisations with strong operational practice but limited strategic systems thinking.
- **Strong on Equity, Weak on Collaboration:** High power/equity scores, low collaboration scores. Common in advocacy organisations that maintain independence but could benefit from strategic ecosystem engagement.

Using the Diagnostic in Practice

This tool works best as a conversation-starter, not a final verdict. Use it to:

- Surface differences in perception across leadership and staff teams - the disagreement is data
- Identify 2–3 priority development areas for the next 12–18 months
- Track progress over time by repeating the assessment annually
- Compare your profile with partner organisations to identify where collective ecosystem strengths and gaps lie
- Frame a learning and development agenda with funders - shifting the conversation from 'what did you achieve?' to 'how are you developing as a systems actor?'

AFTERWORD: A CHALLENGE TO THE FIELD

A thought leadership document that claims to address systems change must itself embody a systems perspective - including the willingness to name uncomfortable truths. So here is a direct challenge to each actor in this ecosystem:

To Funders

Your current funding architectures are structurally misaligned with systems change. Annual grant cycles, project-based funding, attribution requirements, and risk aversion are not minor inconveniences - they are systemic barriers to the change you claim to want. The most important thing you could do for systems change is not to create a new programme, but to change how you fund. Extend your time horizons. Move to general operating support. Fund coordination. Accept uncertainty. Share power with communities. Examine honestly who benefits from your endowment's investment strategy.

To Social Impact Organisations

Many organisations that claim to work on systems change are still fundamentally service delivery organisations with systems language added to their theories of change. This is not necessarily wrong - excellent service delivery is essential. But honesty about what you are doing is prerequisite to doing it well. The diagnostic in this document will tell you clearly what level of systems orientation you have achieved. Use it honestly, without ego.

To Consultants and Ecosystem Actors

The systems change field has a growing consulting industry that spreads frameworks, facilitates processes, and develops strategies. At its best, this industry builds genuine capacity and accelerates collective learning. At its worst, it extracts value from under-resourced grantees, spreads jargon without building understanding and gives funders the feeling of progress without genuine change. Ask yourself honestly which end of this spectrum you are closer to.

To All of Us

Systems change in Africa - and especially in South Africa - is not an intellectual exercise or a professional specialisation. It is a moral responsibility. The systems we are working within were built to exclude, exploit, and dehumanise most of the population of this continent. The urgency is not abstract. Children in poorly resourced schools, young people without work, families without food security, communities without healthcare - they are not the context for our systems change work. They are the reason for it.

"The most common way people give up their power is by thinking they don't have any."

— Alice Walker

Further Reading and Resources

Frameworks & Strategy Guides

- **The Water of Systems Change (FSG):** Explores the six structural, relational, and transformative conditions that hold social problems in place.
- **Systems Change: A Guide to What it Is and How to Do It (NPC):** A step-by-step operational handbook for charities and social investors navigating complex ecosystems.
- **Cultivating Systemic Change Toolkit (Rockefeller Philanthropy Advisors):** Practical toolkits focused on aligning philanthropic capital deployment with deep systemic intervention.
- **The Systemic Philanthropy Guide (Ashoka):** Frameworks to shift funding focus from short-term project interventions to open-source, collaborative field-building.

Foundational Texts

- Meadows, D. (2008). **Thinking in Systems: A Primer.** Chelsea Green Publishing.
- Senge, P. (1990). **The Fifth Discipline: The Art and Practice of the Learning Organisation.** Doubleday.
- Kania, J., Kramer, M. & Senge, P. (2018). **The Water of Systems Change. FSG.**
- Westley, F., Zimmerman, B. & Patton, M. Q. (2006). **Getting to Maybe: How the World is Changed.** Random House Canada.
- Snowden, D. & Boone, M. (2007). **A Leader's Framework for Decision Making.** Harvard Business Review.

Measurement and Evaluation

- Patton, M. Q. (2010). **Developmental Evaluation: Applying Complexity Concepts to Enhance Innovation and Use.** Guilford Press.
- Williams, B. & Hummelbrunner, R. (2010). **Systems Concepts in Action: A Practitioner's Toolkit.** Stanford University Press.
- Cabaj, M. & Weaver, L. (2016). **Collective Impact 3.0: An Evolving Framework for Community Change.** Community Foundations of Canada.

Measurement Guides

- **Evaluating Complexity: Propositions for Assessing Systems Change (Funder Collaborative for Strategic Learning):** Focuses on assessing real-time systemic patterns rather than rigid linear indicators.
- **Evaluating Systems Change: A Guide for Funders (The Australian Center for Social Innovation):** Guidance on measuring power reconfigurations, structural friction, and emergent outcomes.
- **Transformative Equity Evaluation Guideline (South African Department of Planning, Monitoring, and Evaluation):** A public policy reference framework focused on addressing inequality through systems thinking.
- **The ELOM Data Suite & Technical Resources (Innovation Edge / DataFirst):** Open data tools demonstrating how systemic benchmarking transforms national early development infrastructure.

Power, Equity, and the African Context

- Gaventa, J. (2006). **Finding the Spaces for Change: A Power Analysis.** IDS Bulletin.
- Giridharadas, A. (2018). **Winners Take All: The Elite Charade of Changing the World.** Knopf.
- Metz, T. (2011). **Ubuntu as a Moral Theory and Human Rights in South Africa.** African Human Rights Law Journal.

- Bond, P. (2000). **Elite Transition: From Apartheid to Neoliberalism in South Africa**. Pluto Press.

Key Online Resources

- FSG Systems Change Resources: fsg.org/systems-change
- Nesta Systems Change Resources: nesta.org.uk/feature/systems-change
- Ashoka Changemakers: changemakers.com
- Southern Africa Food Lab: southernafricafoodlab.org
- Bertha Centre for Social Innovation: berthacentre.ac.za
- Harambee Youth Employment Accelerator: harambee.co.za
- Social Innovation Exchange (SIX): socialinnovationexchange.org

Global & African Systems Change Networks

- **Social Justice Initiative (SJI)**: South African donor network that advises on channelling philanthropic capital toward systemic human rights, legal advocacy, and structural change.
- **Independent Philanthropy Association South Africa (IPASA)**: A network of private foundations exploring localised systemic social investment, collaborative funding platforms, and trust-based practices.
- **The Skoll Foundation Ecosystem**: Resources, global case studies, and toolkits profiling social entrepreneurs driving large-scale systemic transformation.
- **Systems Innovation Network**: An open-access platform featuring systems mapping tools, educational modules, and peer networks for systems thinking professionals.

About the author

Reana Rossouw is the founder of Next Generation - a leading impact advisory firm specialising in social innovation, sustainable development, impact investing, and impact management and measurement (IMM). With more than two decades of experience, she supports organisations across the social, solidarity, and impact economies to design impact strategies, measure impact, and improve impact performance.

For more evidence of her work, visit the Next Generation website or download her latest research reports on trends and insights for the social, solidarity and impact economies in South Africa. Read more on this topic in our Social Innovation Knowledge Hub or download our free books, case studies and practice notes.