COMMUNITY BUILDING FOR SYSTEMS CHANGE

FINANCE INNOVATION LAB
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ABOUT FINANCE INNOVATION LAB

The Finance Innovation Lab is a UK-based charity working for a financial system that serves people and planet – one that is democratic, sustainable, just and resilient. The Lab began as a collaboration between WWF-UK and the Chartered Institute of Accountants in England and Wales in 2009, and became an independent charity in 2015. Today, we cultivate a community of systems-changemakers and work on initiatives that impact mental models and power dynamics in finance for deep, lasting change. Our work focuses on growing purpose-driven finance, shifting mainstream finance, influencing law, regulation and policy, and building the power of our community.
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EXECUTIVE SUMMARY

In 2021, the Lab launched a new strategy to transform finance for people and planet. The strategy lays out an ambitious ten year plan to realise our vision of a financial system that is democratic, sustainable, just and resilient. To do this will require transformative systems change which impacts mental models, and power dynamics. By ‘mental models’, we mean the social and cultural mindsets, narratives, norms and values that make up and perpetuate what we think finance is, what purpose it serves and how it should operate. Equally important are ‘power dynamics’, that determine how the financial system operates, who gets more influence, and whose interests prevail.

In order to achieve this deep, lasting change, we have identified two specific roles for the Lab: cultivating a powerful community of systems changemakers from inside and outside of finance, and working on specific high impact initiatives. We arrange our impact initiatives across four programmes, which target the key financial system impacts which will be needed to meet our vision: growing purpose-driven finance, shifting mainstream finance, influencing law, regulation and policy, and building our community.

Community building is central to this strategy: it is both one of our two main roles in creating change, and one of our four programmatic focuses. But why is community building so important to transforming finance? And, more broadly, why is community building an effective strategy for systems change?

This paper explores the role of community in building in systems change, the potential for community building to contribute to creating system-level impact, and how we can build communities that have high potential for achieving systemic change. Throughout the paper, we draw on examples from the Lab community and external organisations, and the work of systems thinkers and community builders.

What is the role of community building in systems change? Why is it an effective strategy for creating systemic change? How can we build communities that create systemic impact?

We begin with understanding the background and context: what does the Lab mean by ‘systems change’ and ‘community building’? For the Lab, systems change is not only what we are trying to achieve (a transformational change in the financial system so that it serves people and planet), but also how we do it: we acknowledge and work with the full complexity of the financial system, and draw on the work of leading system thinkers to understand and inform how we can affect change. Community building, for us, is about collaborating with a diversity of actors around our mission. We also take a brief look at the history of the Lab community so far, including testimonies from the Lab community and an example of how our community building approach shapes our programmes.

We then look at the relationship between community building and systems change, exploring how many different systems change organisations have opted for community building as a central strategy or pillar of their work. In particular, we focus on a theory about the role of community building in creating systemic change, developed by pioneering systems thinker and founder of the Berkana Institute, Margaret Wheatley. Wheatley describes how systems change emerges from communities of practice, which in turn have emerged from larger networks of people. Adapting this model for the Lab context, we explain how we see the role of community building in systems change: we build and support a wide community of people who believe in the Lab’s vision of a financial system that serves people and planet; from the community we develop smaller communities of action to work on impact initiatives with clear leverage points to affect change; and,
through doing so, we create the conditions for systems change to emerge. We also look at an external case study to illustrate this process.

Next, we explore how we can effectively build communities, and so maximise the potential for creating systemic impact. To do so, we take a closer look at the concept of communities of practices and different frameworks for how you build them. Examining several different models and theories of community building from peer organisations and community building specialists, we identify three vital components of community building: a shared purpose that unites the community; value creation and exchange that enables community members to not only receive value from the community, but also contribute it; and a progression of engagement, where members can increase their commitment to and participation with the community gradually over time.

Finally, in conclusion, we suggest that these features not only guide us in how to build communities, but also help to further explain why community building could be so useful for systems change organisations. If done well, community building can enable long-term, sustained collaboration between many different actors around the mission of changing a system, in a way which unlocks value and much greater resource than a systems change organisation would have on its own. This, we suggest, allows learning, knowledge and impact to multiply, and can increase the chances of change emerging at a systemic level.

This paper shares our current ideas, intentions and hopes for building communities to create systemic change. It is intended as a contribution to a conversation about strategies for systems change, building on the Lab’s work to date, the practices and ideas of the organisations and thought leaders mentioned in this paper, and many more people and initiatives who are creating change in the financial system and beyond. We hope it sparks ideas and reflections for you and your work, and perhaps inspires you to get involved with participating in communities (including ours!). The Lab continues to learn and build knowledge in this area and very much hopes to continue this conversation with, and learn from, our community and the wider ecosystem.
COMMUNITY BUILDING FOR SYSTEMS CHANGE

STRATEGY 2020–30

GROW
PURPOSE-DRIVEN FINANCE

SHIFT
MAINSTREAM FINANCE

INFLUENCE
LAW, REGULATION AND POLICY

BUILD OUR TRANSFORMATIVE COMMUNITY
BACKGROUND AND CONTEXT

What does the Lab mean by ‘systems change’?

At the Lab, we view systems change as both an outcome and a process: it is both what we are trying to achieve, and how we do it. We are working to transform the financial system for people and planet, and to do this we draw on the growing body of theories, practice and models about how systems change can be achieved.

Systems change approaches mean grappling with the complexity of the system you are trying to change. At the Lab, we understand systems as interconnected sets of elements, organised to achieve something. While simple systems do exist, those that involve people – like finance - are almost always very complex, and involve complex networks of relationships designed to address a particular problem or specific goals. Complex systems are messy, multi-faceted and non-linear, so systems change is also messy, multi-faceted and non-linear. Systems change is interactive, and often emergent and unpredictable: an intervention might make positive progress in one area but cause negative change in another, or something could improve and then regress, and the strategies and approaches that are the most effective might not be known at the beginning.

There are many different models of systems change. Models used by the Lab include the Berkana Institute’s Two Loops Model, which describes how when systems change the old system and the beginnings of the new system always exist at the same time, and there is a tense, dynamic process of resistance of the old and breakthroughs of the new as the change progresses. Another powerful theory of systems change comes from Donella Meadows. Meadows’ Leverage Points theory identifies places to intervene in a system for maximum impact, including the mindset or paradigm that shapes and creates the system, the goals or purpose of the system and the rules that govern the system. For more information about these systems change models which have informed the Lab’s development and strategy, see our foundational document A Strategy for Systems Change.

What does the Lab mean by ‘community building’?

‘Community’ is a word that is used in many different ways in different contexts. For commercial organisations and brands, community often means social media audiences and/or customer bases. In civil society, community tends to mean a group of people connected by a particular bond, whether that’s by where they live, their profession, a hobby or passion they have, or an aspect of their identity.

At the Lab, community building is understood to mean building a multi-stakeholder community organised around and united by a particular purpose. In the Lab’s case, that purpose is financial systems change: the Lab community is united by its commitment for a financial system that serves people and planet, and works together to create the change needed for this transformation. This
understanding of community building is also known as ‘network building’ ‘ecosystem building’ and ‘movement building’ by peer organisations and others in the social change.

**The Lab community: what is the story so far?**

Community is central to the Lab, and has been since the Lab’s inception. The very first activities of the Lab were bringing together diverse stakeholder groups to explore, together, what a better financial system could look like and how we might get there. In its formative years, the Lab held convenings using participatory methods to generate ideas for financial systems change, hosted regular socials to expand and deepen this community, and launched an online community platform. As the Lab strategy developed and different work streams emerged, community building remained fundamental to the approach and community remained a central part of the new programmes.

When the Lab became an independent organisation in 2015 it continued to use community building approaches in its programmes. For example, the flagship programme Lab Fellowship - an incubator for early-stage purpose-led financial innovations – involved engaging with many different organisations and individuals from the wider ecosystem. In 2018, to build upon this work, and strengthen and scale the Lab community, the Lab put more resource into community, hiring a Community Manager and launching a community programme.

The Lab community programme is open to anyone who is committed to the Lab’s vision of a financial system that serves people and planet and is in some way working towards it. It involves a structured onboarding process including an induction meeting with Lab staff, a match-making programme to connect people with overlapping aims or interests, and regular events. Within the wider community we have several smaller community groups, which are arranged either by a particular topic of interest (e.g. the Climate Learning Lab for bankers influencing the climate agenda within their institutions), organisation type (e.g. the Transforming Finance Network for civil society organisations campaigning on finance) or individual identity (e.g. the Women in Financial Innovation community for women working on purpose-led financial innovation).

The Lab community aims to connect members and encourage collaboration between them; support community members in the work they are doing and seed new initiatives for change; and inspire people within the community and the wider financial system to work for transformational systems change.

**77% of Lab community members feel inspired by others in the Lab community**
HOW LAB COMMUNITY MEMBERS DESCRIBE THE LAB COMMUNITY:

“A group of innovators and practitioners who are building and influencing financial systems that work for everyone”

“A group of likeminded professionals from start-ups, social entrepreneurs, corporate or non-profit sector who want to make the current financial system fairer and sustainable”

“A network of people who understand the need to change the economy to better serve people and planet, from a wide range of organisations and perspectives”

“Inclusive, forward thinking, supportive”

“A great place to connect with other people doing exciting things in ethical finance. Friendly and inclusive. Different to typical networking in finance sector.”

“A fantastic expert and collaborative community to discuss imperatives build partnerships share knowledge and network on Fintech innovation and inclusive solutions for society and the economy”

WHY LAB COMMUNITY MEMBERS SAY THEY LIKE THE LAB COMMUNITY:

“The connections, sense of solidarity, inspiration, opportunity to expand my knowledge”

“The open and inclusive approach where everyone’s view is valued, and the radical, progressive and reforming approach to challenging norms and bias in financial systems.”

“The vision, the progress of their work and connectivity to other important stakeholders in the system to drive change”

“Friendly, collaborative and driven by common purpose to change things for the better”

“I like that it has people who are doing, not just thinking”

“I love how forward thinking and imaginative the community is.”

“The ability to draw in other sector perspectives, its ability to read the room and ask the questions other networks don’t touch the sides of! Keep at it!”
LAB CASE STUDY: LAB FELLOWSHIP

Lab Fellowship is our incubator programme for purpose-led financial innovations. We take a community building approach to the Fellowship to maximise the potential for systemic change.

The Fellowship is co-created with the community, who are involved at every stage. For example, ahead of the 2019 Fellowship we ran a series of ideation sessions with community members to understand key themes, questions and challenges to address in the Fellowship. We also relied on the community for outreach for Fellowship recruitment to help us find the most promising innovations. We collaborated with the community to deliver business strategy sessions to the Fellows, bringing community members in to design and deliver content; matched Fellows with coaches and connections from the community throughout and beyond the programme; and asked select community members to attend a ‘pitch practice’ towards the end of the programme to help the Fellows perfect their pitches. At the final event of the programme, Demo Day, we not only invited potential investors but also others from the community who may be able to help to Fellows in other ways, and the event is designed so that the community pledge different forms of support to the Fellows for them to follow up with afterwards. The diversity of actors within the community, and their shared commitment to transforming finance, means the Fellows benefit from a great breadth of organisations and people who are keen to support and collaborate with them.

“FIL are extremely well-connected to a large community of decisions-makers, influencers and supporters in the ‘for-good’ finance sector. One of the key connections they made for us, at CoGo, was with a large business and consumer organisation that ended up being our key strategic partner for launching our core product in the UK. With them coming on board, we hand warm introductions to 100s of potential customers and 1000s of users, and three other strategic partners joined after hearing about the success with the first one. Truly a game-changing event for us.” – Lab Fellow Ben Gleisner, CoGo

We also build a strong sense of community between Fellows. Many come on to the programme feeling alone in their work and mission, but leave feeling connected to and supported by their peers. In 2019, we saw a 163% increase amongst Fellows in feeling part of a community. Fellows report that the collaborative, community building approach of Fellowship helps them pursue challenging projects in the face of systemic barriers, and that exchanging ideas and working with each other helps to strengthen their work and impact.

“It is difficult to have faith in the importance of your work when working in a silo and labelled as at best irrelevant or at worst bonkers... Being part of a community of people provides support and boosts my resolve to keep going.” – Lab Fellow Diana Finch, Bristol Pound

“For us it’s about an exchange of ideas and collaboration. If the community as a whole is working to change the financial system for the better, then by working together we can be stronger, avoid overlap and support each other through partnerships. We’ve found loads of opportunities to work with other Fellows and help each other out and would love to continue this with the wider Lab community.” – Lab Fellow Adrian Davies, NestEgg
“The value lies in a group of diverse minds coming together to share ideas, struggles, and resources in the spirit of collaboration. Holding to the belief that a whole is greater than the sum of its parts, we seek to lift each other up and inspire new ideas that would not have been achievable on our own.” – Lab Fellow Thaslima Begum, TEEK TAKA

After the programme, Fellows remain at the centre of our community and continue to engage with our wider community programme including through speaking and facilitating at Lab events, sharing advice and guidance with new members of the Lab community, and amplifying the Lab’s other work. Throughout and after Fellowship, these activities are designed so as to be mutually beneficial: it’s not only aimed at Fellows receiving support from the community, but also the Fellows helping community members in their work at different parts of the system. In this way, Fellows can influence change at parts of the system that they, and perhaps even the Lab, might not have access to or be able to reach.

A key role for the Fellows is providing inspiration to different sorts of changemakers working across the system, such as financial regulators and social investors, about what a better financial system could look like and how it could be transformed, so Fellows’ work features heavily in Lab communication, and we harness opportunities to share their work with external audiences.

Our community building approach to Fellowship also helps the programme to influence the wider ecosystem. For example, in 2017 our Financial Health Fellowship supported innovators and people and organisations with experience of living with poor financial health to collaborate on the design of new services and support for the first time. We demonstrated the shared value that co-design could generate for both Fellows and people with lived experience, while improving the quality and impact of innovation. Since then, we’ve seen this approach built on, including by the Fair by Design Fund and Open Banking 4 Good. To increase the systemic impact of our learning, we regularly share our incubation insights with peer organisations.
What does community building for systems change look like?

The Lab is far from the only systems change organisation that has adopted a community building strategy - many other systems change organisations have also chosen this approach.

For example, Ashoka is a global initiative supporting social entrepreneurs around the world. They focus on social entrepreneurs with systems-changing ideas and ambitions, and teach systems change on their accelerator programmes.\(^v\) Community building is fundamental to their work; their core programme is building and cultivating a community of changemakers, consisting of 3,500+ Fellows, 250+ change institutions and 300+ partners worldwide. The effectiveness of their community building comes out strongly in their impact reporting, which shows that Fellows are having systems-level impact.\(^vii\) For example, 74% of Fellows report collaborating with at least one other Fellow, and on average each Fellow reports collaborating with four other Fellows.

The Ashoka Fellowship has also birthed the Weaving Lab\(^ix\) – a platform focused on effective community building – which they call ‘weaving’ - for systems change. The Weaving Lab describe their work as ‘empowering change leaders to nurture collaborative communities that learn and grow together.’ They define weaving as a particular kind of leadership ‘organising communities and teams of change leaders – and deepening their capacity to effect systemic change’. It involves aligning communities to a shared purpose; fostering collaborations within and between communities; deepening collective, systemic impact; enabling learning across and between communities; and modelling a new kind of system. Their work focuses on providing resources and tools to enable people to become ‘weavers.’

The School for Systems Change, run by global sustainability charity Forum for the Future, also take a community based approach. They offer a systems change training called ‘basecamp’ with the intention of nurturing a community of systems change leaders, based on the belief that ‘growing a global community of change agents is our best chance to accelerate a transition to a sustainable future.’\(^xi\) On the training, they teach five different ‘capabilities for systems change’, one of which is collaboration and engagement. They teach participants to seek, initiate, build and facilitate partnerships and coalitions for change, and to engage wider audiences in the change. To do so, they draw on multiple methods including communities of practice, deep democracy, collaborative action inquiry and action networks.\(^xii\)

Whatever the problem, community is the answer

- BERKANA INSTITUTE

Another important example is the Berkana Institute. Founded in 1991, the Berkana Institute has ‘worked globally with dedicated, creative, spirit-grounded, leaders and activists’. Their website shares their learnings from their work over the past three decades. Their work has taught them that ‘relationships are all there is. Healthy change requires respect for and full engagement with people. Community is the most effective locus of change.’ One of their key areas of work is ‘advancing community action’, which includes working with existing communities and cultivating new community connections through tools such as The Art of Hosting and World Café. They have found these to be effective tools in discovering what people care about, finding and creating leaders, restoring broken relationships and laying the foundations for learning and collaboration.\(^xiii\)
There are also many organisations opting for community building as a route to create systemic change in the tech and start-up sector. For example, Zebras Unite is a movement to support purposeful entrepreneurship and alternative business and funding models. Since its inception, Zebras Unite have taken a community building approach to their mission, developing different community ‘chapters’ around the world and engaging them through an online community platform, events and communications. Another example comes from Mozilla Foundation, a foundation building a healthier internet. One of their key initiatives is cultivating a global community of passionate technologists, educators, makers, and more through online activities and bringing them together annually for MozFest, a conference to build tools, create new alliances, and advance thinking on topics like ethical AI or tech policy. Likewise AI for Good, a social enterprise that creates AI-powered technology to help address the needs of the most vulnerable and underserved, opted for a community model to engage people in their work and mission. Their community programme involves an online community forum, regular meet-ups and ‘demo days’ where community members can pitch their ideas.

What is the role of community building in systems change?

It is not surprising that so many systems change organisations find community building an effective way to work towards their missions, giving that systems change and community building share so many fundamental concepts. In particular, relationships and connections are integral to both.

As systems change approaches look at and seek to work with the full complexity of systems including all actors in the system and relationships between them, it follows that notions of interconnectedness, collaboration and working with diverse stakeholders would be central. For example, in the seminal report Systems change: a guide to what it is and how to do it, commissioned by Lankelly Chase and produced by New Philanthropy Capital, two of the six key ‘principles for systems change’ identified relate to relationships and collaboration: engage multiple actors and work with others. These concepts are equally fundamental to community building, and show the natural affinity between systems change and community building.

To understand the particular role of community building in systems change, we can turn to the work of Margaret Wheatley, one of the founders of the Berkana Institute. Wheatley has developed a model of systems change in which community building is integral. In a piece entitled Using emergence to take social innovations to scale, Wheatley develops the concept of emergence – systems change which cannot be predicted, or necessarily planned for, but emerges through change processes. She argues that networks and communities play a vital role in emergence and are the two first steps in what she calls the ‘lifecycle of emergence’:

1. **Networks**: the first stage of the lifecycle of emergence, networks are essential for people to find others with similar interests. They tend to be fluid, somewhat self-organising and based on self-interest, so people engage with them for their own benefit or to develop their own work.

2. **Communities of Practice**: out of networks comes the development of communities of practice. These are smaller groups of people engaged in similar work, where they realise there is mutual benefit to working together. In communities of practice, people share knowledge with others, support one another, and work together to create new knowledge for their field of practice. Engagement with the community of practice is based not only on supporting one’s own interests or work, but by serving others in the community too and, often, developing the field of practice to share with a wider audience. Learning happens at remarkable pace and depth within communities of practices.

3. **Systems of influence**: the final stage of emergence, systems of influence,
cannot be predicted. From the practices developed by communities, systems that have real power and influence can emerge and are adopted into the mainstream – in policy, funding, and the wider narrative.

In summary, Wheatley suggests that building networks is an effective way to develop communities of practice, and communities of practice are a powerful approach to creating the conditions necessary for systems of influence, and thus systemic change, to emerge.

**How does the Lab approach community building for systems change?**

The Lab’s strategy and community programme follows this model. We build a wide network of people who are committed to our vision and are in some way working towards it. We call this the **Lab community**. Members of this community benefit from getting information and insights from the Lab, connections with others in the community, interesting and inspiring events, and opportunities to share and amplify their work to others in the community. We continuously grow this community by doing outreach to the wider ecosystem of organisations and people interested in financial systems change, and inviting them to engage with our work and join our community.

Within this larger community, we cultivate particular communities of practice of people doing similar work who can benefit from collaboration and create new knowledge, and potential for change, together. We call these **communities of action**.

Through our communities of action, we create the conditions for systems change to emerge. We do this by working with our communities of action to identify leverage points for change, and collaborating on initiatives with a high potential for impact – with a focus on shifting mental models and power dynamics to transform the financial system.

**COMMUNITIES OF ACTION AT THE LAB**

The Transforming Finance Network is a community of action of civil society organisations campaigning on finance. As well as sharing intelligence and resources, the network meets regularly to align strategies, support and amplify each other’s campaigns and, crucially, identify and launch new joint initiatives. In 2021, for example, the Network coordinated collaborative work to influence the Financial Services Bill.

**COMMUNITIES OF ACTION AT THE LAB**

The Open Finance Working Group is a community of action made up of third sector organisations who predominantly work with financially vulnerable people, and are considering the impacts of technological developments in finance for the communities they serve. They meet and correspond via email on a regular basis to share policy and political insight relevant to Open Banking and Open Finance, as well as analysis of the opportunities and risks arising from their development. As a result, they have jointly met with a number of senior policy makers, and coordinated responses to government consultations. Drawing on what they have learnt together about this new and complex policy area, they are now preparing policy briefings about how Open Finance can serve the needs of individuals, communities and wider society, which will be used to lobby for systemic change.
Community building for systems change, adapted from Wheatley
EXTERNAL CASE STUDY: SHIFTING POWER IN THE CHARITY SECTOR

POCImpact is a community recognising, supporting and connecting People of Colour working on social impact in the UK. It was founded in summer 2019 by two friends, Fatima Iftikhar and Sonia Kumari, working in the charity sector, in response to their frustration at the barriers faced by people of colour working on social change. They hosted some exploratory workshops, bringing together people of colour working on social impact to understand what needed to change and what support was required to make that change happen, and started a Facebook group where community members could connect with each other, share resources and opportunities, and seek advice. Through the workshops they recruited a core group of volunteer organisers to lead the development of the community. They started new activities including a regular event series, of both social gatherings and personal and professional growth workshops, and a resource directory. The organisers soon began to form a community of practice of their own, as they built knowledge about what support was most effective for and valued by the community, supported each other to start new initiatives, brought in new members, and learnt a lot along the way.

Just a few months after launching, POCImpact seeded #CharitySoWhite – a campaign highlighting and challenging systemic racism in the charity sector. It started after one of the POCImpact founders, Fatima, discovered some racist training materials used by a large national charity, and took to Twitter to highlight the issue. While at first the Tweet did not get much attention, after it was shared with the POCImpact community and other online spaces, it began to gain traction. The POCImpact organisers, supported by the collaboration tools and trust they had built through working together over the previous months, identified that this was an opportunity to have a candid public conversation about racism in the third sector. In a matter of hours, they pooled their talents in communications, campaigns and social media to launch the #CharitySoWhite hashtag, encouraging people of colour working for charities to Tweet about their experiences of racism to show that this was not an isolated incident and was, rather, symptomatic, of a deeper, systemic problem. Soon, the campaign came to life: thousands of people began to share their experiences, from interns to board members, and the press rushed to cover the campaign. Overnight, the issue of racism in the charity sector had become undeniable and was getting more attention than ever before.

Since then, #CharitySoWhite has fundamentally shifted the conversation on racism in the charity sector, and created tangible, systemic impact. They have now spun out from POCImpact to be an independent campaign, have grown their group of organisers, and launched several new initiatives. They have succeeded in getting charity and philanthropic leaders to admit to institutional racism, and commit to change, and funders to ringfence funds for BAME communities. The POCImpact community was instrumental not only in seeding the initial Twitter campaign, but supporting it to effectively transition into this impactful campaigning organisation by providing the foundational people, communication and organising mechanisms, and collaborative culture to enable it to happen. As #CharitySoWhite has grown, they have recruited new organisers from the POCImpact community, and the two groups continue to regularly collaborate and support each other’s activities.
If community building is vital to creating the conditions for systems change, the next question is: how do we do it? To answer this, it is illuminating to look at different models and theories of community building. Doing so also helps to further illustrate why community building can be an effective strategy for systems change.

What is a community of practice?

The term communities of practice was coined by Jean Lave and Etienne Wenger in 1991. They developed the concept of communities of practice as a process of social learning that occurs when people who have a common interest in a subject or area collaborate over an extended period of time, share ideas and strategies, identify solutions, build innovations.

Communities of practice are formed by people who engage in a process of collective learning in a shared domain of human endeavour: a tribe learning to survive, a band of artists seeking new forms of expression, a group of engineers working on similar problems, a clique of pupils defining their identity in the school, a network of surgeons exploring novel techniques, a gathering of first-time managers helping each other cope. In a nutshell: Communities of practice are groups of people who share a concern or a passion for something they do and learn how to do it better as they interact regularly.”

- LAVE AND WENGER
social capital and facilitate and spread knowledge.

Communities of Practice, Lave and Wenger

In this way, communities of practice not only bring together diverse perspectives, but also build and sustain these relationships over time, developing new knowledge and tools, and generating new ideas and innovations.

How do you build communities of practice?

There are several different theories, models and tools out there about how you build effective communities in general, and in particular impactful communities for social change.

For example, the Network Building Canvas is a tool developed by The Social Change Agency to support building peer networks or networks of practice for social change. Based on their experience of running and co-convening several networks for social change, the tool is designed to help other develop successful and impact networks.

The canvas identifies several different areas that they think are imperative for a successful and impactful network: network identity (why people join the network, the purpose that drives it, and the values and culture that create the network feel); governance, power and decisions (how the network is set up, how decisions are made and how leadership is configured within the network); value creation and exchange (the key activities that offer value to members, how they can contribute and a plan for the network to scale); infrastructure and resourcing (the different roles, assets and infrastructure the network needs, including communication mechanisms); impact (how the network measures and evaluates its impact); and change management (plans for how the network will manage big transitions or conflicts).

The Community Canvas is another tool that lays out the foundational building blocks of effective community building. It includes 17 themes which fall into three main sections: identity (who are we and what do we believe in?), experience (what happens in the community and how does it create value for members?) and structure (what gives the community stability in the long-term?).

A further example comes from the Mozilla Foundation, who use a community building model called The Mountain of Engagement. It sets out a process to build a sustainable community by moving community members from first contact, through to sustained participation, on to taking community leadership roles.

The Mountain of Engagement begins with discovery – potential community members finding out about the community through promotion or publicly available information. The next stage is first contact between the potential community member and the community – where the potential community member understands the vision and mission and ‘must knows’ about the community. Hopefully, that first contact will lead to participation where the community member is invited to join, and agrees to the guidelines and code of conduct of the community. For this participation to convert into sustained participation the community member should connect to the mission, and find a match for their interests and skills within the community. Some sort of recognition for their participation in the community is also useful for sustaining participation. The next stage is networked participation where community
members begins to take an active role in organising and connecting the network. This often requires training, and can offer professional development opportunities for members. Finally, the peak of the mountain of engagement is leadership, where community members take a role leading a part of or activity within the community. Leadership should be based on an invitation, where clear expectations are set about what the leadership role entails and there is a clear value exchange.

A similar model is the Community Commitment Curve, xxvii which has been developed by community building expert Carrie Melissa Jones inspired by the work of Marshall Ganz, Douglas Atkin and Ayelet Bacon. The commitment curve plots out how you increase the engagement of and asks to community members over time, moving them from discovering the community, to onboarding into the community, engaging with the community, and finally leadership positions within the community.

1. **Shared purpose and shared values:** why does this community exist? Why are we coming together?

2. **Value consumption:** members (existing and potential) should be able to easily understand how they benefit from the community. This includes community features like support, events, documentation and more.

3. **Value creation:** there should be clearly defined routes for members to create new types of value for others in the community.

4. **Incentives and rewards:** quality contributions and community-centric behaviour should be acknowledged and applauded. This helps to build a sense of belonging, unity, and satisfaction.

5. **Accountability:** there should be set processes for workflow and peer review. This produces better results, but also increases collaboration and skills development within the community.

6. **Diverse participation driven by good leadership:** leaders must embody and
empower diversity, values and good conduct to cultivate the community culture.

7. **Governance**: governance mechanisms should be open and collaboratively evolving with the community, to give community members ownership and responsibilities, and increase engagement.

CMX, an organisation providing community builders with education, events and community support to effectively improve their community building practice also suggests seven principles for community building, which they call the **7Ps of Community**.

CMX’s seven principles are:

1. **Purpose**: clearly define the goal of the community
2. **People**: choose the right community members and leaders
3. **Place**: gather in a compelling space, appropriate to the purpose of your community and your members
4. **Participation**: take members on a journey of participation and engagement over time
5. **Policy**: enforce a clear set of rules
6. **Promotion**: start small, but have a plan for how the community will grow.
7. **Performance**: measure the success of your community to improve over time.

Further useful models, tools and case studies for community building for social change can be found at Communities for Impact, an online toolkit for impact-focused community builders to help them maximise the power and impact of their communities.

Surveying these different models of community building, it is possible to identify several common features. Firstly, communities are arranged around a **shared purpose**, and this purpose is the primary draw of the community. Secondly, regardless of the particular activities that the community involves it should involve **value creation** and **value exchange**: clear benefits to members and ways for them to contribute or generate value. Finally, and of critical importance, is the sense of **progression of engagement** – while communities are often relatively low-commitment to join, to minimise the barrier to entry, there must also be ways to become more involved and active in the activities, growth and even governance of the community on offer to members and, as a result, for the community as a whole to become more self-organised, self-sustaining and resilient over time.

**A shared purpose**: 95% of Lab community members say they are committed to a financial system that serves people and planet
PROGRESSION OF ENGAGEMENT AND VALUE EXCHANGE IN THE LAB COMMUNITY: NONHLANHLA’S STORY

Nonhlanhla Makuyana attended their first Lab community event in June 2018, after being referred by a colleague at Positive Money where they worked at the time. The event explored the barriers faced by women working to transform finance, and was the first of what would become the Lab’s Women in Financial Innovation initiative. At the event, Nonhlanhla highlighted the need to have a similar conversation about the experiences of people of colour working to change finance, and offered to help explore what this might look like. Nonhlanhla began meeting regularly with the Lab team, and shaped the foundational strategy of the Lab’s work to support people of colour in financial innovation.

Nonhlanhla’s collaboration with the Lab continued when they co-founded Decolonising Economics, a grassroots collective building a new economy movement rooted in racial justice. They spoke and facilitated at multiple Lab events, and trained multiple members of Lab staff through Decolonising Economics’ workshops.

In 2020, Nonhlanhla was invited to be a Lab Senior Fellow in recognition of their contribution to the Lab and their impact on building a better financial system. Since then, further collaboration between the Lab and Decolonising Economics has included co-delivering presentations to external audiences, feeding into each other’s strategies, and scoping joint projects. Nonhlanhla continues to contribute to and collaborate with the Lab, and is now a core member of the Lab community.

PROGRESSION OF ENGAGEMENT AND VALUE EXCHANGE IN THE LAB COMMUNITY: NEIL’S STORY

Neil Sellers is Head of Credit Risk at Triodos UK. He first came across the Lab when he heard our former CEO Anna Fielding speak at the 2017 Triodos Annual Meeting. Then, the following year, his CEO asked him to represent Triodos at the launch of our report The Regulatory Compass. This was his first experience of a Lab event, and he immediately knew he wanted to get more involved. As Neil puts it: ‘I just love meeting such inspiring, driven people!’

When we launched our community programme in 2019 he was one of the first people to sign-up and have an onboarding call with our Community Manager. Since then, he has attended multiple Lab community events and contributed to the Lab’s work and mission in many ways. His contributions including supporting Lab Fellows, facilitating group discussions at Lab events, presenting to mainstream bankers on our Shift programme, and even featuring in press coverage about the Lab’s work. He is a real champion of the Lab, using his online channels to continuously raise awareness about our work, and always gives useful feedback to help us record our impact and improve our activities. The Lab’s work is useful for Neil outside of his job too: Neil mentors several students, and always refers them to the Lab website as a source of inspiring ideas in finance.
CONCLUSION

In summary: why is community building an important strategy for systems change?

Identifying the three foundational features of community building – a shared purpose, value creation and exchange, and a progression of engagement - not only demonstrates how to effectively build communities, but also further highlights why community building can effectively create the conditions for systems change. Community building is a way to bring together multiple stakeholder groups with different perspectives around a common purpose and facilitate collaboration between them. This is important for systems change – which relies on collaborative action from diverse actors across the system. In particular, the progression of engagement that is integral to community building offers a way to build long-term, sustained participation. Given systems change is long-term non-linear and unpredictable, this is critical for systems change work. Moreover, and of crucial importance, the value exchange inherent in community building means it is a resource efficient way to do this. While effective community building undoubtedly requires substantial time and resource, the resource committed to the community is returned and multiplied as members begin to contribute and progress their engagement. Given that most systems change organisations are small and resource-poor in comparison to the system they are trying to shift, community building therefore offers a route to amplify their capacity for change, try and test more interventions, and gather more learning along the way. While systems change remains unpredictable and emergent, and so can never be guaranteed, community building offers a route to expand the number and diversity of actors involved in working for change, increase the number of interventions attempted and leverage points targeted, generate new learning and practice and, ultimately, maximise the potential for systemic impact.

Community building for systems change: what happens next?

The Lab continues to explore the power of community building for systems change and, in particular, its role in transforming finance for people and planet. We are committed to continuing to document and share this journey with our community and the wider ecosystem, learn together, and feed this learning back into our community programme and strategy. We invite others to share their ideas and stories too: what is your experience of being part of or building communities for systemic change? Which community building techniques have you tested, where have you had successes, and what challenges have you encountered? Most importantly, how, in your experience, can we build communities and create communities of practice in a way which best enables systems change to emerge? The power of community building relies on the contribution of many to a shared purpose, so we hope to continue to work with other communities and community builders to deepen and improve our community building practice and create systemic change.
ENDNOTES

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xxx https://communitiesforimpact.org/
CONTACT US

For general enquiries, please email hello@financeinnovationlab.org. Please note that we are a small team and may not be able to respond to your query immediately.

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