

# 3 **Building Effective Philanthropy through Strategic Partnerships**

## *A Case Study of the Tanoto Foundation*

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### INTRODUCTION

According to Harvard Kennedy School's *Global Philanthropy Report*, the development and work of institutional philanthropy in the last century have been highly concentrated in the Global North, with 95 per cent of philanthropic foundations currently located in Europe and North America (Johnson, 2018, p. 10). However, the emergence of high net-worth individuals (HNWIs) and families in the Global South in the last few decades has signalled a shift in global dynamics among foundations towards a new discourse that rebalances the predominant power asymmetries between North and South. This shift is accelerated by the growing interest in and rapid development of local philanthropic institutions in developing countries.

In Asia, the growth of philanthropy has outpaced Europe and North America – with the number of billionaires expected to grow another 27 per cent by 2023 (Tang et al., 2020). This increasing wealth is parallel with the increased desire for giving, as well as the potency of giving. The Centre for Asian Philanthropy and Society (2018), for instance, notes that the potential to give in Asia is eleven times more than the amount being donated today. Given that nearly half of the world's most vulnerable communities live in this region and have been disproportionately affected by the COVID-19 global pandemic, the importance of philanthropy towards fulfilling development outcomes cannot be overstated.

The United Nations Development Programme (UNDP, 2014, p. 8) has noted another trend in giving among developing countries, which is represented by the shift from 'common personalised

giving (to family, religious institutions, or marginalised communities) to more formalised structures of giving through organised philanthropy'. It is also worth noting that Global South philanthropic institutions leverage their rootedness, adapt the best practices of the once-trodden philanthropic paths, and readily embrace and normalise global frameworks for development to deliver sustainable, scalable, yet contextualised solutions. Global South philanthropic institutions have also increased their international exposure and experience through international partnerships and collaborations.

Indonesia is an example of a country experiencing a rapid growth in the philanthropy sector (CAF, 2021). However, despite the growing trend and increasing numbers of charities, giving in the country is considered scattered and unstructured. While the Charities Aid Foundation (CAF) World Giving Index ranks Indonesians as the most generous people in the world, the country was ranked at the bottom of the Doing Good Index by the Centre for Asian Philanthropy and Society (CAPS, 2018) in terms of philanthropy conduciveness – that is, the existing legal framework results in most giving being unstructured and ad hoc. This observation of Indonesian philanthropy is also not uncommon across other countries in Southeast Asia, where giving is built upon personal and faith preferences instead of the needs assessment of the society.

COVID-19 may have exposed the frailties of the pre-pandemic system in areas such as education, health, and social justice, but it has also created room for philanthropy to play a role in systemically addressing these vulnerabilities. This process has similarly compelled philanthropic institutions to re-evaluate their roles, strategies, and methodologies along the considerations of resiliency, scalability, and sustainability. Such outcomes can only be achieved with more organised and professionally run philanthropy that can address the needs in a post-COVID-19 environment.

This chapter provides a case study of the Tanoto Foundation (TF), a Global South-originated philanthropy, and its contribution to development in Indonesia. It examines TF's transformation into an

institutionalised philanthropy, its partnership approach that encompasses both local and international agencies, and how it supports the development of a more sustainable social system and a more resilient community through education. In doing so, this chapter examines how a grounded – yet nuanced – catalysing of partnerships and implementation of scalable human capital development (HCD) programmes bring much-needed focus to the impact of philanthropy on the lived realities of communities in the Global South. By considering the substantial disruption that COVID-19 poses towards education, as much as towards health and the economy, this chapter explores solutions and timely interventions across the region – with institutionalised philanthropy and strategic partnerships as the locus.

#### INDONESIA'S EDUCATIONAL LANDSCAPE IN THE AGE OF COVID-19

The key towards an 'adaptive, productive, innovative, and competitive' Indonesia based on President Joko Widodo's 2019 re-election slogan is HCD (World Bank, 2020b). This understanding has been ingrained in the Government of Indonesia's (GoI) development agenda since the beginning of the twenty-first century, where it sought to revolutionise the education sector. In the early 2000s, GoI introduced several reforms to improve the quality of education, which included increasing the education budget to a historical high, decentralising the education system, and implementing programmes for improving educator capacities. From 2002 to 2018, a 200 per cent increase in education spending was aimed at making education more inclusive and expanding access, particularly among marginalised children. The country has also made significant headway in ensuring equitable enrolment across different economic, social, and geographic backgrounds – thereby placing an additional 10 million primary and secondary school students into classrooms (World Bank, 2020b). Today, more than 91 per cent of Indonesian children have access to basic education, while lower secondary school enrolment has risen to more than 76 per cent (KEMDIKBUD, 2021).

Nonetheless, managing a sector the size of Indonesia's education system,<sup>1</sup> coupled with the vast geographical spread of the system's operations, remains a complex and challenging endeavour. Learning inequality is observed across schools and regions, with the largest learning gap experienced by students living furthest away from the capital, that is, in the least developed parts of the country. Indonesian students also fall behind their international counterparts: underperformance on PISA (Programme for International Student Assessment) tests show that learning outcomes have stalled in Indonesia,<sup>2</sup> progressive policy-making and a significant increase in funding and investment notwithstanding. This is because student achievement depends highly on teacher quality, school leadership, and early childhood intervention – areas that still require improvement in the Indonesian context. Learning poverty remains one of the most critical challenges facing the country's education sector. According to the World Bank, 53 per cent of Indonesian late-primary age students do not reach the required reading proficiency level, while 49 per cent fail to achieve the minimum passing level at the end of primary school.<sup>3</sup> Another study has shown that the average ability of Indonesian children is equivalent only to 7.8 years of schooling, despite having spent 12.4 years in school (World Bank, 2020b).

The sudden onset of COVID-19 led to some 94 per cent of students globally having to quickly adjust to learning from home<sup>4</sup> – an abrupt transition that has posed a critical challenge to education systems around the world, not least Indonesia's. Learning loss remains a threat, as schools and teachers were unprepared to deliver remote and blended learning syllabi amidst insufficient infrastructural

<sup>1</sup> Indonesia has the world's fourth largest education system with around 53 million grade 1–12 students, 6.3 million children in early childhood education, and 8 million students in higher education. The formal education system collectively employs more than 3.3 million teachers (World Bank, 2020b).

<sup>2</sup> PISA tests evaluate educational systems worldwide by measuring the scholastic performance of 15-year-old students in mathematics, science, and reading.

<sup>3</sup> World Bank, 2020a.

<sup>4</sup> United Nations, 2020.

deficiency. Data by the United Nations Children’s Fund (UNICEF) shows that 20 months of school closure has impacted more than 60 million students across Indonesia – the highest number in the region.<sup>5</sup> Several factors may further hinder the achievement of desired learning outcomes and/or exacerbate learning losses, including: (1) differing capacities in teaching abilities and methods, (2) differing capacities in providing learning infrastructure and support, and (3) the gap between classroom and home learning environments, coupled with the economic inability of parents to support their children with further educational enrichment.<sup>6</sup> These factors pose a complex challenge to policymakers and educators alike, and will continue to persist in a post-COVID-19 world.

#### THE IMPORTANCE OF PHILANTHROPIC PARTNERSHIPS

No one can whistle a symphony. It takes a whole orchestra to play it.

—H. E. Luccock

Even prior to the outbreak of COVID-19, the World Bank (2020b) had made a key recommendation to address Indonesia’s education challenges via multi-stakeholder coordination that would ensure coherence and alignment in the education system. These shared challenges, which the pandemic has further unearthed, can only be overcome through partnerships at the national and subnational government levels – and with dependable partners.

Indeed, partnerships have gained a growing importance in development work for their ability to save costs, strengthen programmes, expand value proposition, improve efficiency, utilise complementary skills, and increase leadership skills. Collaboration also improves interpersonal and inter-organisational capacity through shared power and commitments, as well as resources and capabilities. More crucially, partnerships are required to tackle complex problems, which

<sup>5</sup> United Nations Children’s Fund, 2021.

<sup>6</sup> Alifia et al., 2020.

often have political, social, and technological dimensions (Orfalea, 2015) – such as the educational challenges Indonesia faces.

Philanthropic organisations often play a critical role in strategic partnerships – by virtue of their ability to fill gaps through knowledge exchange, inspiration-sharing, and collaborating with others on social causes. Owing to their neutrality and resources – such as funds, connections, network, information, and knowledge – philanthropic organisations also possess more flexibility to pursue their objectives and more capacity to take risks (Ferris and Williams, 2012). These resources have enabled philanthropic institutions to create innovative solutions that address structural problems, fulfil existing needs, and adapt to the immediate needs in a crisis, such as COVID-19. To this end, philanthropic organisations have a role to play in stimulating efforts to rebuild educational structures, while creating more strategic and sustainable ways to stay resilient amidst the inevitable changes brought about by the pandemic.

#### BUILDING EFFECTIVE AND STRATEGIC PHILANTHROPY

Whole leaves wrap torn leaves.

—Old Vietnamese saying on giving and helping

The number of billionaires in the world has grown sevenfold in less than 30 years, from about 310 in 1993 to 2,200 in 2020.<sup>7</sup> This multiplication of global wealth, democratisation in the political sphere, the shifting relationship among the state, commercial marketplace, and civil society (Johnson, 2014), along with the swelling desire to give, have transformed the face of philanthropic organisations. Even before the rise of formal philanthropy, however, it should be noted that the tradition of giving is ubiquitous in Southeast Asia, with long-standing roots among many societies.<sup>8</sup> What the recent development in public giving does is

<sup>7</sup> Peterson-Withorn, 2020.

<sup>8</sup> This is exemplified by, among others, the spirit of *gotong royong* in Indonesia and *bahaniyan* in the Philippines, the tradition of putting out water jars for thirsty passers-by in Thailand, as well as the long tradition of volunteering in Vietnam.

to signify a new understanding of philanthropy's emerging role in the region. The mushrooming presence of charity-based organisations in the past three decades, for instance, has led to increased public participation in addressing societal challenges. This increased visibility and prominence have been accompanied by efforts across Southeast Asia to institutionalise the charitable practices – reshaping their form into a more structured and organised private giving.

The institutionalisation of philanthropy is defined as 'the set of private initiatives aimed for the public good that are channelled through independently governed organisations' (Rey-Garcia and Puig-Raposo, 2013, p. 1019). Unique individual values as well as localised aspects of philanthropy create new, specific pathways and approaches to institutionalised giving among philanthropists around the world.<sup>9</sup> This thriving trend is also aimed at making philanthropy sustainable without destroying traditional giving motivations and practices – in that while traditional giving is typically associated with emotional impulse, institutionalised giving relies on long-term, end-to-end, systematic solutions.

Today, philanthropy has gone beyond complementing public and private endeavours – known as the first and second sector respectively – by propelling major social advances.<sup>10</sup> In addition to creating external impact, philanthropy allows knowledge and leadership to be cultivated internally, as well as among key stakeholders and across areas where they operate. Furthermore, this 'third sector' provides an avenue for improving organisational capacities to better manage intergenerational wealth while, at the same time, promoting beliefs, values, and good governance. Research by Institut Européen d'Administration des Affaires (INSEAD) and Swiss bank UBS has shown that the inception and operation of philanthropic platforms among family businesses comes from 'the desire to instil values, strengthen family ties, and promote knowledge and leadership'

<sup>9</sup> Johnson, 2014.

<sup>10</sup> Foster, 2019.

(USB-INSEAD, 2011). It was also the emergence of family foundations that set a new epoch for formalised giving in this region, despite more structured philanthropy being a novel concept.

The next section will explore how TF, as a family philanthropy with a financing system and capacity separate and independent from its business group – Royal Golden Eagle (RGE)<sup>11</sup> – created a partnership framework to build effective programmes. While TF operates across three countries, this chapter will only discuss its impact on improving early childhood education and development – including combating the prevalence of stunting, improving educator capacities, and developing future leaders – in Indonesia.<sup>12</sup>

#### TANOTO FOUNDATION AND ITS STRATEGIC PARTNERSHIPS

If you want to go fast, go alone. If you want to go far, go together.

—African proverb

The Tanoto family has four decades of involvement in philanthropic activities, beginning with the establishment of the RGE Kindergarten in 1981 to provide underserved children in Besitang, North Sumatra, with a healthy learning environment. Since then, TF's activities have been conducted primarily in areas where RGE operates, that is, in Riau, Jambi, and North Sumatra. Yet, it is arguably the transformation of TF into a full-fledged and independent philanthropic organisation – and its decision to pursue strategic partnerships as its capabilities grew to become more mature and sophisticated – that has resulted in the Foundation's ability to address critical issues at the national level.

The need and decision to transform the Foundation arrived in 2017, the 50th anniversary of Mr Tanoto's entrepreneurship journey. An endowment fund concept was adopted, which kicked off the work of TF as an independent philanthropic organisation. The

<sup>11</sup> RGE is a resource-based manufacturing group with global operations.

<sup>12</sup> In addition to Indonesia, TF also operates in China and Singapore. Its other area of focus lies in conducting medical and scientific research.

transformation renewed focus on impact as the cornerstone of TF's philanthropic activities – specifically, how to scale up and scale out its impact. Consulting with multiple like-minded organisations that have assisted TF in developing its strategies and plans, the Foundation arrived at a conclusion to focus more intensively on education to optimise resources, operate not only as an implementer of programmes but also a provider of grants, and engage in strategic partnerships to develop internal capacity, expand reach, multiply impact, and facilitate sustainability. This transformation would also bring systematic change to TF's programme design and delivery which, specifically, must be evidence-based, impact-oriented, and ensure the programme's function as agents for advocacy.

Accordingly, TF seeks to deliver impact through three flagship programmes in Indonesia that aim to develop, institutionalise, integrate, and incorporate best practices for quality long-life learning and education, as follows:

- (1) **SIGAP** (**S**trengthening Indonesia's Early Generation by **A**ccelerating **P**otential; 'sigap' also means 'energetic and active' in Bahasa Indonesia) works with relevant stakeholders at the national, subnational and community levels to support early childhood (0–6 years of age) development and nurture school-ready children, through stunting prevention and developmental care.
- (2) **PINTAR** (**P**romoting Improvement to **I**Nnovate, **T**each and **R**each; 'pintar' also means 'clever' in Bahasa Indonesia) addresses basic education needs by enhancing educator capacities in primary and junior high schools.
- (3) **TELADAN** (**T**Eaching the **L**eADership, **A**dvancing the **N**ation; 'teladan' also means 'role model' in Bahasa Indonesia) aims at developing select university students as future leaders, equipping them with the skills required to thrive and to contribute to their communities. It works through scholarships, structured leadership training, exposure to industries, and mentoring programmes.

Because these programmes involve a broad range of stakeholders, collaborative partnerships are critical not only for their effective and sustainable implementation, but also for maximising their impact.

*SIGAP: Partnership for Early Childhood  
Education and Development*

Stunting – defined as a condition in which a child’s growth and development is impaired due to the lack of nutrition and early stimulation and frequently observed in the child not meeting height-for-age standards – is a major structural challenge across Indonesia that necessitates proper investment in early childhood education and development. One in four children under the age of 5 suffers from stunting and will experience development impediments that result in lower learning capacity and poor educational performance in childhood as well as reduced earning capacity in adulthood.

While the rate of stunting in Indonesia has decreased significantly from 37.2 per cent in 2013 to 24.4 per cent in 2021, its prevalence is still considered high when taken against the World Health Organization’s (WHO’s) target of a rate not exceeding 20 per cent (BKKBN, 2021).<sup>13</sup> The pandemic posed additional challenges in combating stunting in such areas as access to health care for mothers and children, policy-making and execution, implementation needs and priority, multi-sectoral coordination, and capacity to implement, as well as data availability. Addressing stunting thus requires a multi-sectoral approach that includes both nutrition-specific (e.g., exclusive breastfeeding and food fortification) and nutrition-sensitive (e.g., water sanitation, hygiene, and social protection) interventions. It also requires the effective alignment of strategy and implementation at the national and subnational, as well as community, levels. As such, strategic collaboration with various levels of government, the private sector, local non-governmental organisations (NGOs), academic institutions, and media help to simultaneously increase programme coverage, optimise resource allocations, promote cross-learning, and maximise impact.

TF focuses its stunting-reduction interventions on advocacy, capacity development, and provision of technical assistance to the

<sup>13</sup> Faizal, 2021.

national and local governments – to develop, implement, and evaluate stunting-reduction strategies. For example, the Ministry of Social Affairs (MoSA), with the largest budget allocated to stunting reduction,<sup>14</sup> specifically targets lower-income households whose children are at higher risk of stunting. This is accomplished through a conditional cash transfer social assistance programme that employs around 39,000 frontline social workers to assist 10 million households. In collaboration with TF, MoSA developed a stunting-prevention module using a training-of-trainers approach to build capacity for master trainers across the country. In turn, these trainers equip social workers with skills that promote better dietary habits, sanitation, and hygiene behaviours, as well as good child-rearing practices, in families.

At the subnational level, TF works closely with the government of DKI Jakarta, Central Java and Riau provinces, and the government of Kutai Kartanegara and Pandeglang regencies. This involves an initial financial investment by TF in the establishment of parenting and early learning centres – Rumah Anak SIGAP – to improve the caregiving practices to children from birth to 3 years of age, which are the most critical years in a child's development. Such an arrangement is predicated upon the local government and community taking up ownership, management, and financing of these centres in the long term, while adopting and replicating them in the other villages in the region. As such, the interest, commitment, and readiness of these partners are key factors for ensuring effective programme design, implementation, and scalability.

To advocate for the better alignment of multi-sectoral programmes, systemic changes, and effective implementation of national-level initiatives, TF has also established strategic partnerships with the Office of the Vice President, Coordinating Ministry of Human Development and Cultural Affairs, Ministry of Health (MoH), Ministry of Home Affairs (MoHA), Ministry of Education,

<sup>14</sup> The budget was IDR 26.9 trillion (or \$1.86 billion) in 2021.

Culture, Research, and Technology (MoECRT), Ministry of Women Empowerment and Child Protection (MoWECP), and the National Population and Family Planning Agency.

Furthermore, TF works with non-state development partners to support GoI's stunting-reduction programme. These partnerships have enabled the Foundation to achieve greater impact by taking stunting intervention measures nationwide. In 2019, TF became a founding member of the World Bank's Multi-Donor Trust Fund (MDTF) for Indonesia Human Capital Acceleration (IHCA), which finances activities aimed at supporting and accelerating stunting-reduction efforts. Specifically, the MDTF helps to realise the GoI's long-term vision in improving human capital results in the areas of leadership development, improving the quality of spending at the local and national levels, enhancing sector and local performance, as well as empowering citizen engagement in frontline service delivery. TF also partnered with UNICEF to support Indonesia's adoption of globally recognised early childhood development measurement instruments – the Early Childhood Development Index (ECDI) and Caregiver Reported Early Development Instrument (CREDI). The collaboration with UNICEF has also been instrumental in helping provincial governments develop operational guidelines aimed at implementing behaviour-change communications towards stunting prevention.

### *PINTAR: Partnership for Basic Education*

Basic education comprises a major part of TF's work in Indonesia and constitutes the Foundation's largest programme to date. Despite having the flexibility to deploy resources through piloting, modelling, research, and documentation, TF acknowledges its limited ability to conduct intervention outreach and ensure programme sustainability on its own – factors that are important to supporting the basic education ecosystem in Indonesia. To mitigate this, TF operates across twenty-five districts in five provinces, modelling innovative intervention in select schools that serves as centres of excellence

and working alongside government partners to plan and disseminate these programmes to even more schools.

This arrangement enables TF to function as a cog in the broader wheel of Indonesia's education system, by addressing implementation gaps on the ground. This includes areas like quality assurance, training, and content provision, as well as strategic planning, which are conducted by different agencies within each district. By employing a piloting and monitoring methodology, PINTAR provides capacity-building for teachers, school principals, and teacher training institutes (teacher colleges) to raise pedagogical standards that can optimise learning outcomes.<sup>15</sup> Being present in the field also allows TF to better understand, document, and advocate around the actual challenges of policy implementation in the classrooms.

Partnership with the government at all levels enables several objectives to be met. At the subnational level, district governments are key partners for the effective delivery of the PINTAR teacher training programme in schools, while ensuring programme scale, continuity, and sustained impact. As a case in point, TF reached a total of 8,490 teachers directly between 2018 and 2021, and 44,306 teachers – a five-fold increase – through the Foundation's partners.<sup>16</sup> Indeed, the key to successful programme dissemination lies in proper documentation and use of data, both of which build credibility and ensure confidence when investing in best practices. On the other hand, strategic collaboration with the national government opens the door for TF to inform policy based on lessons learned from the field as well as obtaining first-hand information about new initiatives that can be further conveyed to its government partners at the subnational levels. Operating at both levels of government also places the Foundation in a unique position to facilitate the central–local communication and coordination, thus closing the feedback loop in an effective manner.

<sup>15</sup> [www.tanotofoundation.org/en/program/learning-environment/basic-education/pintar/](http://www.tanotofoundation.org/en/program/learning-environment/basic-education/pintar/).

<sup>16</sup> [www.tanotofoundation.org/en/publications/annual-report/](http://www.tanotofoundation.org/en/publications/annual-report/).

When COVID-19 struck the world, TF was able to transform the delivery approach of its programmes from a conventional face-to-face setting to digital-based training. Some 2,751 teachers were trained around the themes of digital active learning, while an additional 445 principals were trained in school management. These training materials have since been integrated into several existing or newly built government-owned digital platforms, which have then been made accessible for all teachers within a district and beyond. This bodes well for programme sustainability. The success has also culminated in the official launch of e-PINTAR – an open and free online teacher training programme through which participants can enrol in selected courses, self-learn through structured materials, and be mentored virtually by facilitators.

The impact of PINTAR is borne out by statistics. Since the implementation of PINTAR in 2018, the percentage of principals implementing best management practices has risen significantly: by 26, 30, and 27 percentage points respectively, for making scheduled classroom supervision visits and involving the community in school planning, as well as implementing reading programmes as part of the school's annual lesson plans in 2021. In primary schools, the number of teachers implementing best practices have risen by 12 and 26 percentage points for reading and mathematics at the upper grades, and by 49 and 16 percentage points at the lower grades. These results must also take into context the disruption to classroom activities caused by the outbreak of COVID-19. In PINTAR schools, the learning loss that resulted from school closures was practically negligible.

At the same time, TF acknowledges the importance of building strategic partnerships with like-minded organisations to drive and sustain impact through knowledge-sharing, information dissemination, and policy advocacy. The Basic Education Working Group (BEWG) comprises organisations that address structural issues in basic education, such as the World Bank, UNICEF, The Department of Foreign Affairs and Trade (DFAT), and The Abdul Latif Jameel

Poverty Action Lab (JPAL). These organisations employ different models and approaches, from giving grants and informing policy, to conducting research and building infrastructure. Through the BEWG, TF connects with like-minded development partners in basic education to collaborate in realising GoI development goals.

Finally, TF employs the partnership model of grant-making together with the Global School Leaders (GSL), Djarum Foundation, and TAP Agri through the INSPIRASI Foundation, an initiative that supports school principals and administrators to improve the quality of learning. This mechanism allows TF to trial, and prove the effectiveness, of innovative ideas on a smaller scale before integrating them into the Foundation's flagship programmes, which helps to mitigate risks.

#### *TELADAN: Partnership for Leadership Development*

TF's leadership development programme is carried out in partnership with nine public universities.<sup>17</sup> TELADAN is designed to produce future leaders through the provision of training, mentoring, and experiential learning activities for university students. In addition to financial support via scholarships, students are put through soft skills-building, internships, and apprenticeships, as well as community development programmes.

With the short-term goal of enabling these scholars to be successfully absorbed into the workforce, partnerships with industries and alumni are important programme components. TF works with more than 67 companies that provide these scholars with internship and career placement opportunities, in addition to some 100 industry professionals who volunteer their time and expertise as mentors. To better develop leadership capabilities, scholars are expected to mentor first-year students upon reaching their final year in university.

<sup>17</sup> These are Bogor Agriculture Institute, Bandung Technology Institute, Andalas University, Brawijaya University, Diponegoro University, Gadjah Mada University, University of Indonesia, University of North Sumatra, and University of Riau.

That scholars are placed at the centre of TELADAN's programme development is recognition of the role they can play in programme delivery and impact measurement. Once admitted into the programme, scholars are at liberty to determine their learning and growth journeys, supported by a strong network and a direct feedback channel to TF. It is through this feedback and consultation channel that the Foundation can identify concerns among its scholars on a host of matters, including burnout, remote learning, and socio-emotional care – and re-synthesise the programme accordingly.

In the same vein, TF has acknowledged that a top-down approach is dated and no longer tenable for a scholarship programme that wishes to accommodate a heterogeneous set of growth trajectories and talents. This recognition has encouraged the TELADAN team to collaborate more closely with university partners to achieve scholar-centric development goals. Thus far, results have been promising. In 2017, 68 per cent of TELADAN scholars successfully found employment within six months. That number has since risen to 100 per cent in 2021.

### *Fostering South–South Philanthropic Partnerships*

As the number of wealthy individuals continues to grow exponentially, private giving and institutionalised philanthropy will continue driving sustainable development in the region.<sup>18</sup> The increasing number and financing capabilities of philanthropic organisations in Indonesia and across Southeast Asia have also allowed cross-cutting collaboration among institutions and countries. TF adopts the South–South Philanthropy Partnerships model with Filantropi Indonesia (FI), Asian Venture Philanthropy Network (AVPN), and Asia Philanthropy Circle (APC).

<sup>18</sup> According to the Asian Development Bank, private philanthropic giving and its impact on accelerating poverty alleviation and other Sustainable Development Goals (SDG) efforts is gaining more salience in the Asia-Pacific, and has already helped 1 billion people exit poverty.

FI aims to strengthen the philanthropy network and amplify its impact across Indonesia. It leverages the complementing power of its members to work on social justice and sustainable development agendas through three programme pillars – advocacy and facilitation, communication and partnerships, as well as research and education. As the coordinator of the Education Cluster at FI, TF serves as a catalyst and forges cross-sectoral partnerships for knowledge-sharing, best practices, philanthropy capacity-building, and policy advocacy in the education sector.

At the regional level, TF has partnered with AVPN, a social investment network which builds collaborative ecosystems aimed at increasing capital flow for effective and impactful resource allocation across Asia. Through AVPN, members connect and learn from each other while driving systemic changes through capital mobilisation. They also impact community-building, resource and tools development, learning, and best practices. The Foundation's support for the AVPN Southeast Asia Summit reflects how philanthropic organisations can tap into network associations to drive collaboration and knowledge exchange.

TF has also partnered with APC, a platform for philanthropic organisations in Asia, to catalyse and grow the impact of their work. The platform aims to foster an innovative, forward-looking, and respected community of progressive givers through knowledge exchange and collaboration. In 2017, TF and APC published the *Education Giving Guide for Indonesia*, based on a study by McKinsey & Company and AlphaBeta (APC, 2017). The guide provides analysis of the education landscape in Indonesia and the opportunities it presents for philanthropic institutions to effectively review and adapt their efforts. It was also through APC that TF and its partners developed the INSPIRASI Foundation initiative.

The above examples demonstrate how Global South philanthropic institutions can synergise and collaborate to accelerate the improvement of quality education, while also positively influencing government policy.

*Partnership with Government in an Emergency  
Context and Beyond*

Besides addressing systemic challenges to development, the partnership between philanthropic organisations and state agencies supports pressing needs, especially in areas of disaster mitigation and relief and other emergencies. When Indonesia faced a shortage of personal protective equipment, face masks, and oxygen masks during the COVID-19 outbreak, the public–private partnership between TF and GoI expeditiously facilitated the delivery of life-saving equipment to hospitals and communities in need. As the pandemic abated and schools started to reopen, TF mobilised vaccination for teachers and principals in partner districts, while also helping to supply temperature-checking equipment. This has enabled schools to meet the minimum health and safety protocol requirements that are necessary for conducting physical lessons.

Philanthropic partnerships with the government also accelerate and support the government’s work in dealing with the barriers to sustainable development. According to UNICEF (2020), programme implementation, along with monitoring and evaluation, are among the challenges to realising Indonesian children’s developmental needs. Recognising this, TF has invested in leadership and capacities-building for public service officers through partnerships with the State Administration Agency (Lembaga Administrasi Negara, LAN) and the SDG Academy Indonesia. The latter is a product of TF’s collaboration with the UNDP and the Ministry of National Development Planning (Bappenas),<sup>19</sup> and serves as the country’s first comprehensive capacity-building programme for SDGs targeted at stakeholders across the public, private, and people sectors. In April 2021, the Academy further launched an SDG Leadership Programme to empower leaders in various sectors by enriching their knowledge of development within the SDG framework. To sum up, these

<sup>19</sup> Kementerian Perencanaan Pembangunan Nasional Republik Indonesia/Badan Perencanaan Pembangunan Nasional (Kementerian PPN/Bappenas).

partnerships provide stewardship and agility to the development agenda – by leveraging the leadership, resources, and networks of government, and with the support of subject matter experts from the philanthropic and research networks.

### *Pushing the Agenda of SDGs*

In the 2021 SDG Index – which measures performance based on progress towards achieving the 17 SDG goals – Indonesia’s rank increased from 101 out of 166 countries to 97. These goals continue to provide a common language for deeper public–private collaboration and an impetus to drive meaningful change on the ground. To this end, TF has partnered with local and national government bodies, international development organisations (e.g., UNDP, World Bank, UNICEF), philanthropy organisations both local (e.g., FI) and overseas (e.g., GSL, Bill & Melinda Gates Foundation (BMGF)), and business entities (e.g., APRIL Group).

TF strives to ensure that its philanthropic programmes are aligned with both the GoI’s national priorities as well as the United Nations (UN) SDGs. For instance, stunting reduction is aligned with SDG Goal 2, Target 2.2,<sup>20</sup> while the Rumah Anak SIGAP programme that aims to ensure early childhood development, care, and pre-primary education is aligned with SDG Goal 4, Target 4.2.<sup>21</sup> Similarly, the adoption of ECDI – a population-based measure used in UNICEF surveys – is critical to the GoI improving data collection and performing analysis on the well-being of children and women. These actions, in turn, drive policy decisions, programme interventions, and public outreach. It is worth noting that prior to the adoption of ECDI, Indonesia did not possess any metadata to understand

<sup>20</sup> Target 2.2 aims to end all forms of malnutrition by 2030, including achieving, by 2025, the internationally agreed targets on stunting and wasting in children under 5 years of age, and addressing the nutritional needs of adolescent girls, pregnant and lactating women, and older persons.

<sup>21</sup> Target 4.2 aims to ensure that all girls and boys have access to quality early childhood development, care, and pre-primary education so that they are ready for primary education, by 2030.

the state of early childhood development or to provide any indicator report related to SDG progress.<sup>22</sup> Today, the index has been successfully integrated into SUSENAS, the national survey conveyed by Indonesia's National Bureau of Statistics.

Thus, TF's approach brings a range of benefits that includes the harmonisation of data-collation methodologies at the national level, the sharing of newly codified knowledge from its HCD work, and growing solidarity among like-minded public and private-sector partners. These are the outcomes of impact-driven institutionalised philanthropy which, through strategic partnerships, drives stakeholders to look at transforming systemic vulnerabilities into new launch pads for HCD.

#### LONG-TERM CHALLENGES TO IMPACT DELIVERY

While SIGAP, PINTAR, and TELADAN have made considerable progress in the respective areas of stunting prevention, improving basic education, and leadership development, longer-term challenges remain that may affect the Foundation's ability to further its impact across Indonesia.

The first challenge lies in quantifying progress, which is key to evaluating the success of programmes across the development world. With an ambitious GoI target of lowering stunting rates to below 20 per cent by the end of 2024, the acceleration of prevention programmes has become more crucial. But while the national rate of stunting has accelerated in the three years since the implementation of SIGAP,<sup>23</sup> it may be difficult to attribute exactly how much the programme has contributed to overall progress in and of itself. This is a challenge faced not only by TF, but by all organisations with development as their *raison d'être*.

<sup>22</sup> The SDG 4.2.1 indicator looks at the proportion of children aged 24–59 months who are developmentally on track in health, learning, and psychosocial well-being, by sex.

<sup>23</sup> Stunting decreased from 37.2 per cent to 30.8 per cent between 2013 and 2018, that is, over a span of five years. From 2018 to 2021, the rate of stunting fell from 30.8 per cent to 24.4 per cent – marking a quicker acceleration rate over three years, and despite ground operations being disrupted by the COVID-19 pandemic.

The second resides in the replicability of TF's programmes. Doing so requires more than merely an acknowledgement of the Foundation's work by the GoI, but the political will to advocate that these best practices be adopted elsewhere. The heterogeneity of Indonesia necessitates the localisation of training content and poses challenges to successful programme replication. Taken in this light, the stunting-awareness module developed to train frontline social workers may not necessarily be replicable across Indonesia. While digital PINTAR represents a cost-effective and scalable means of bringing quality professional development content to Indonesian teachers outside TF's partner districts, its successful adoption may depend on factors beyond the Foundation's control.

The third relies on TF's ability to continue identifying areas of intervention that it can leverage partners to either match or add to, in terms of funding. For example, TF has contributed \$2 million to the World Bank MDTF to support GoI in executing the national stunting-prevention acceleration strategy, while enabling other partner organisations to contribute and expand the reach of the programme. The BMGF has committed \$4.45 million, and the German Development Bank has committed €800,000 – effectively tripling the amount of funding to the MDTF. As with any organisation involved with development work, TF needs to ensure that it can continue to achieve the greatest impact and multiplier effect with its limited resources.

#### DISCUSSION: FROM CASE STUDY TO THE PHILANTHROPY REALM

The transformation journey towards becoming a more strategic philanthropy has shaped how TF establishes its strategic partnerships. There are several key learning points to note.

First, the institutionalisation process plays a key role in shaping strategic and effective philanthropy. For philanthropic institutions in the Global South, the institutionalisation process is critical to facilitating a move towards structured giving that fulfils public needs and, more strategically, avoids ineffective social investments while

grounding giving in evidence and partnerships. As institutionalisation often means being independent and free-standing, it provides a stronger impetus for an organisation to apply systematic interventions and giving. Institutionalisation also facilitates the internal restructuring that is often necessary to optimally align with the lived daily realities of beneficiaries. More importantly, it allows the organisation to effectively define a strategy that goes beyond just charitable giving, and that is focused on sustained and replicable impact. Indeed, the transformation of TF into a full-fledged philanthropic organisation has allowed the Foundation to address nationwide issues of stunting prevention, alleviating learning poverty and developing future leaders at a holistic level – as opposed to focusing its philanthropic activities only in the areas where RGE businesses operate.

Secondly, a strong strategic partnership requires alignment of vision and values, shared commitment to consolidate resources, ownership of issues, and the readiness of all partners to act. How effective a partnership turns out is largely dependent on partner selection and the organisation's ability to build effective partnerships with them. Strategic partnerships must remain sufficiently flexible and agile to adapt to the needs and contexts of stakeholders and beneficiaries.

Thirdly, there is no one-size-fits-all approach to strategic partnerships. The partnership strategy, approach, and model depend on the objective of the partnerships, the interconnectivity among stakeholders, issues that are addressed by the programme, as well as the type and stage of partnership-building. It is thus imperative to carefully determine the needs, shared values, and the sets of objectives expected from the intended collaboration.

Equally, the nature of the issues, flagship programme, and local context are important considerations when determining the partnership model. For example, PINTAR deals with the quality of learning through building capacity for teachers and school administrators. SIGAP addresses the stunting issue, which requires the deployment of interventions across multiple vulnerable areas. TELADAN works with the higher education system, a domain comprising institutions

that are comparatively established. These differing contexts influence the partnership models that a philanthropic organisation like TF must carefully review and adapt to.

Fourthly, establishing a strategic partnership with the government is central to philanthropic work, and is particularly critical to scaling up intervention programmes. *Strategic* philanthropy must take into consideration various aspects of public policy and government funding (Bridgespan Group, 2021). In its transformation journey to becoming a more strategic organisation, TF recognises the importance of working closely with the government at the local and national levels, on a more formal and continuous basis. With respect to the programmes mentioned in this chapter, the aim of TF lies in enabling their eventual ownership and sustenance by the GoI. Hence, the Foundation has a clear entry-to-exit strategy, with clearly defined roles for TF and the GoI – such that for every role TF occupies at the district level, a government counterpart also exists. This enables the Foundation to better address pressing public problems while also ensuring social impact that is sustainable and lasting.

Fifthly, building an effective partnership and maintaining its dynamic is a process that requires time. An effective partnership must possess several elements, including shared values and agreement on the levels of commitment and contribution. To deliver impact, discipline is necessary both to identify partnership needs and to navigate the diverse perspectives of multiple stakeholders and characters. When partnering with the local government, it is crucial to engage local leaders to holistically influence systemic changes via policy and programme replication. It is equally important to engage the various levels of leadership within a government organisation, to garner trust and establish robust relationships at the institutional level. All of these constitute processes that demand time.

## CONCLUSION

As Asian philanthropic institutions continue to flourish and thrive, private giving has the capacity to help both governments and markets

address emerging societal challenges. The rise of Global South philanthropy has presented opportunities for a more effective philanthropic contribution. These philanthropic organisations' unprecedented exposure to global partnerships, while maintaining rootedness in addressing local community issues, should be considered strengths in a modern world that demands contextualised solutions to complex challenges.

Through a more institutionalised and structured private giving model, TF has transformed itself from a charity-based organisation that provided improved access to education, to an impact-seeking philanthropy aiming to uplift lives through a more structured approach. This transformation is crucial in view of TF's mission to continuously unlock the potential of people through the provision of quality education; more so in a milieu that will inevitably entail navigating the long-term effects brought about by COVID-19 to the education sector.

With learning poverty remaining one of the most critical challenges facing Indonesia's education sector, a more exhaustive, well-targeted, and sustainable approach involving diverse sectors and multiple actors is required. Improved partnerships in the TF's programmes – SIGAP, PINTAR, and TELADAN – have enabled the Foundation to strengthen programme planning and deliver better implementation. Partnering with both national and local governments, like-minded organisations, and beneficiaries have allowed the organisation to expand its value proposition and improve knowledge and leadership within and between organisations. Both the partnerships, and the improved organisational qualities they bring about, are expected to serve TF well as it continues to expand its philanthropic mission in a post-COVID-19 world.

As the pandemic crisis continues to expose vulnerabilities in our social system and uncover areas for improvement that only cross-sectorial partnerships can address, private philanthropic institutions will feel a continued impetus to reflect upon and improve their roles and methodologies in giving. Such a process will not only enable philanthropic institutions to solve the immediate needs brought

about by the most pressing global health crisis of our time, but also place them in a stronger position to address systemic shortcomings and achieve development goals in the longer term.

Finally, the presentation and discussion regarding TF's approach in building partnerships are not intended as a model. After all, the world is too diverse for only a single model to suffice. However, the approach can serve as a source of inspiration – with many practical solutions that may be applied to similar challenges that philanthropic organisations face.

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