



The Opportunity Fund as a Test Case for Leading Systems Change

Writers: Lilach Dora and Inbar Hurvitz
Edited by Dr. Michal Rom

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Sheatufim acts as a platform for running The Opportunity Fund. **Inbar Hurvitz**, former Deputy CEO of Sheatufim, served as an observer representative on The Opportunity Fund's board between 2018-2020, and **Lilach Dora**, organizational consultant on behalf of Sheatufim, accompanied a strategy devising process for The Opportunity Fund's Inter-sectoral Round Table in 2019. **Dr. Michal Rom** is the Director of Research and Knowledge Development at Sheatufim and has served as an observer-representative on the Board of The Opportunity Fund since 2021.

The article was written from the authors' point of view and it stems from their involvement in these processes. It is based on data collected by them from the Fund's professional materials and via interviews conducted with key officials at the Fund and the Authority for National-Civic Service. All quotations are taken from these materials (the list of interviewees and data sources can be found under the heading 'Sources of Information').

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1. Introduction

In recent years, there has been a growing understanding among philanthropic foundations that in order to lead a change and deal successfully with the complexity of socio-economic-environmental problems, it is necessary to broaden our perspective and look beyond the individual organization while implementing a **systems perspective** - one that includes the wider context in which the problem exists.

Philanthropic investment in various social programs has not necessarily led to the desired results and the longed-for change over time. Therefore, philanthropic foundations have demonstrated an increased motivation to lead a broad social impact with actions that deal with the roots of the problem, while integrating a wide range of stakeholders who have influence and engagement in the social field.

In the article *The Water of Systems Change* written by three renowned scholars of social change – John Kania, Mark Kramer and Peter M. Senge,^[1] the authors offer an operative illumination and a useful model for analyzing a social problem and formulating action strategies that will promote long-term systems change. The applied model presented in the article is based on two main concepts: (1) systems thinking - an approach that Peter Senge has developed,^[2] and (2) the Collective Impact approach to social change, conceptualized in 2011 by John Kania and Mark Kramer.^[3]

The Opportunity Fund, a philanthropic partnership of seven Israeli and American foundations, was established to promote social mobility for young men and women from marginalized populations through national-civic service in Israel. The fund is an interesting example of the implementation of the model for systems change proposed by Kania et al. (2018).

The Opportunity Fund did not consciously act according to the model, but in practice, as we shall elaborate in this article, acted on its principles. The article, written at the end of the Fund's eight years of activity (2012-2020), illuminates internal and external leverage points for the Fund's operations, and examines the applicability of the model in change processes in general and in Israel in particular. Our discussion aims at assisting foundations and organizations operating in the social sector as they prepare to develop strategies for social change, and to promote systems change in a variety of social fields.

[1] Kania, J. et al. (2018).

[2] Senge, P. M. (1995).

[3] Kania, J. & Kramer, M. (2011).



The first part of the article consists of a brief explanation of the applied model for systems change offered by Kania et al. (2018), as well as a concise description of The Opportunity Fund and the social challenge it focused on. The second and main part offers an analysis of the Fund's strategy of action according to the three levels of systems change described in the model.

In the third and final part of the article, we discuss the key insights that emerge from the case analysis of The Opportunity Fund according to the systems change model. We believe that these insights can serve as an example for the leaders of systems change processes in other fields.

2. Systems Change Model, The Opportunity Fund and the Social Challenge

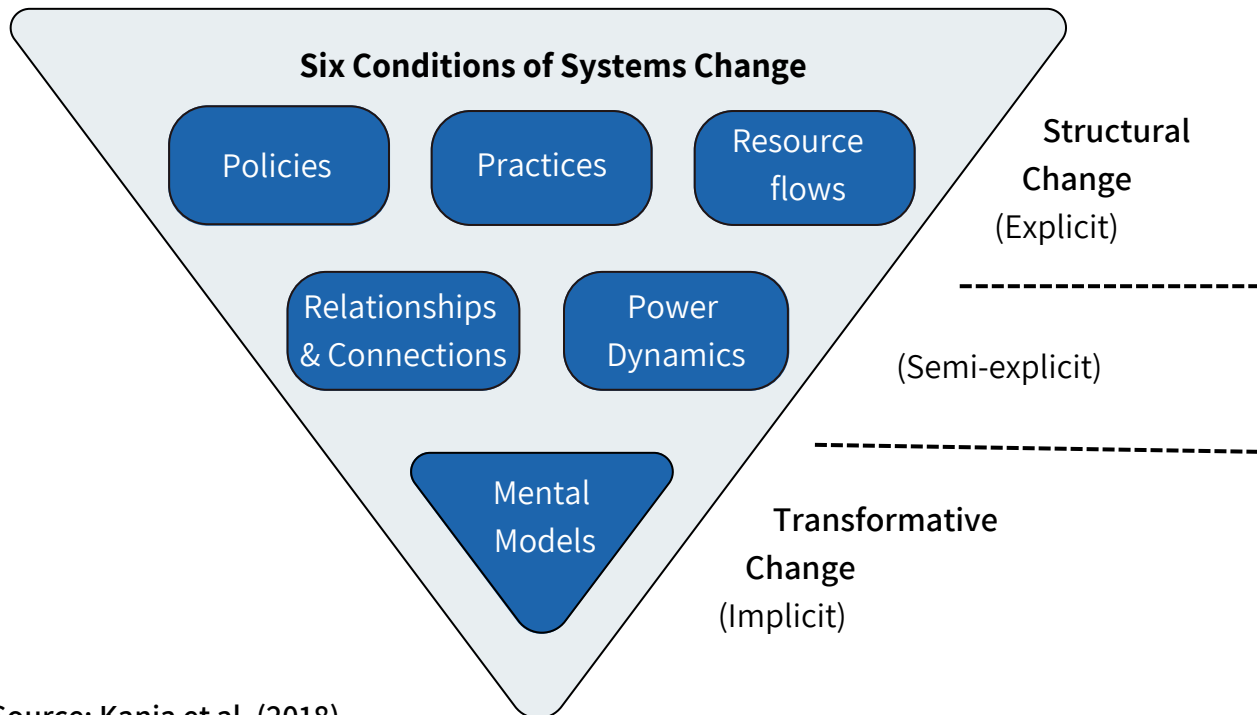
2.1. What is the Systems Change Model?

The concept of Systems Change is not a new one, but in the last decade it has gained an essential position among various circles of generators of change in civil society: philanthropic foundations, third sector organizations and social activists. Concurrently, Kania et al. (2018) argue that in order to lead systems change, that is, a change that aims at the roots of the social problem, a broad perspective is needed. Such perspective must examine the environmental conditions that affect the problem and its perpetual nature. Accordingly, a strategic action aimed at changing those conditions can be implemented. The model offered by Kania et al. (2018) is intended to be used as a practical tool of analysis for leading systems change. It consists of six conditions that hold a social problem in place on three different levels of reality:

1. **The explicit level** includes systems structures of policy, work practices and resource flow.
2. **The semi-explicit level** refers to the relationships between diverse players in the system and the power dynamics between them.
3. **The implicit level** is the most difficult to change, and it includes mental models (i.e., values, perceptions, attitudes and beliefs) held by diverse stakeholders in the system.



The model organizes the three levels of observation and action in an inverted pyramid structure:



Source: Kania et al. (2018)

The model is an elaborated version of previous models in the field of systems thinking such as Peter Senge's 'domain model'^[4]. The basic premise of the model is that terminating the state of stagnation is impossible without combined action aimed at all three levels. Working for change at all three levels will enable a change that goes down to deal with the causes of the social problem at hand, and will strengthen the possibility of creating a long-term and sustainable social impact.

In many cases, social action focuses on the explicit level and the promotion of services and resources for the relevant target populations. Kania et al. (2018) argue that it is not enough and that the semi-explicit and implicit levels must be addressed and acted upon as well. These levels entail complexity and sometimes ambiguity, and therefore require expansion, in-depth analysis and integration of perspectives of a variety of stakeholders.

The model emphasizes the importance of the interactions between diverse players in the system, and the need to act to change the power dynamics, and the relationships and connections in a conscious manner, tailored to the needs of systems change.

The title of the article, 'The Water of Systems Change', reflects the idea that in order to function effectively, one must know and examine the external environment that surrounds the social problem, as well as the flow paths of the forces that affect it.

[4] Senge, P. M. (1995). Pp. 102-134, 181-211



2.2. The Social Challenge: National-Civic Service in Israel as a Lever for Social Mobility

According to Israeli law, at the age 18 all young adults should enlist in the IDF for a compulsory military service. Ever since the establishment of the State of Israel in 1948 serving in the IDF has become a symbol of contribution to Israeli society, and it constitutes the "normal" path to adulthood for Israeli Jews. Due to its dominant position in Israeli society and its importance for the State, the military service has an impact on social mobility.

National-civic service constitutes an alternative to the compulsory military service. It is a voluntary activity for the benefit of the public in the fields of education, medicine, welfare and community. Historically, the national-civic service was developed as a political arrangement for young women from the Jewish religious Zionist sector who chose not to enlist in the IDF and were exempt from military service on religious grounds. The arrangement was created in order to allow them an alternative and legitimate volunteer framework. The agreement with religious Zionism established the notion that the national civic service is mainly relevant to young religious women and less so for potential volunteers from other sectors within the Israeli society who do not enlist in the IDF. Indeed, the extent of integration of different population groups in the national service has been rather minor for years.

Currently, the civic service is intended for all those who are not called to military service or are exempt from it, from all groups and sectors in Israel, including male and female, secular, religious, Arabs, Jews, people with disabilities etc. The duration of the national-civic service is one year. Approximately quarter of the volunteers continue for another year of service.

In 2007, the "National-Civic Service Directorate" (which later became "The Authority for National-Civic Service") was established as a government authority. The context that led to its establishment was the decline in the number of IDF recruits, the failure to implement the "Tal Law" that sought to promote the integration of the ultra-Orthodox into military service, and the non-inclusion of Israeli Arabs in the framework of national-civic service. The Directorate was assigned the role of regulator of the national service and as the supervising body in charge of the associations and the organizations operating in the field of civic service.

In 2011, about 58,000 young people enlisted in the IDF, a number that accounted for less than 50% of all those in the relevant age cohort. Approximately 10% of the young people who did not enlist were young men and women with disabilities and / or with a background of socio-economic risk factors. An additional 20% of the non-recruits were members of minorities, most of them from Arab and Bedouin societies, and young women from the Druze community. That year the State has allocated approximately 11,000 positions for volunteers in the national service, with less than 1,000 of them allocated to volunteers from marginalized populations.

[5] The Opportunity Fund Concluding Report (2020). P. 5.



The Opportunity Fund has identified the inequality in the opportunity to integrate into the national-civic service, as a significant gap that has contributed to deepening inequality between young men and women in Israel, in a variety of areas such as professional abilities, life skills, self-worth, sense of belonging etc. In light of this, the Fund has set for itself the goal of influencing government policy, in order to open the doors of national-civic service to additional populations, reflecting its sense of over-all responsibility, both for the various populations and for the process.

2.3. The Opportunity Fund: A Philanthropic Partnership as a Driving Force for Change

The Opportunity Fund was established in 2012 as an initiative of the Gandyr Foundation (Israel) and the Charles E. Revson Foundation (USA). The Fund was established as a partnership of several philanthropic foundations: the Ted Arison Family Foundation, UJA Federation of New York, the Foundation for Children and Youth at Risk - the National Insurance Funds, the Littauer Foundation, and the Ruderman Family Foundation. Each of these foundations was already operating in different arenas in order to increase social mobility through a variety of programs. The foundations aspired to advance young people from marginalized groups in Israeli society. The initiating foundations identified national-civic service as a key junction in the life trajectory of young men and women, and as a significant lever for their integration into Israeli society. The common understanding of all the foundations was that the inability of a large number of young people to enlist in the IDF, and the difficulties of integrating into military service, constitute a barrier to the opportunity to acquire life skills and take part in a formative experience. Not participating in such a significant institution increases the inequality gap between them and their peers who have completed military service.

Upon its establishment, The Opportunity Fund chose to focus on three populations: youth at risk, young people with disabilities, and young people from Arab and Druze communities. Its purpose was to enable them to integrate into the national civic service system, and to serve in a valued community framework that would prepare them for an independent and productive life. The foundations shared a common vision that sought to reach a situation where "every young Israeli is entitled to exercise his/her right to contribute and volunteer in the framework of national-civic service."^[6]

From the outset it was clear that the task was complex, requiring both policy decisions and long-term budget allocation. Additionally, it involved a variety of social and political aspects, and a wide range of players from both the public and the third sector. The foundations chose a strategy which was based on the principles of partnership. They established a broad philanthropic partnership whose advantage is the harnessing of various foundations, each offering a unique perspective and expertise with different target audiences, along with pooling resources from diverse sources (public and private, American and Israeli). Such a partnership

[6] The Opportunity Fund Concluding Report. (2020). P. 2.



could increase the likelihood of influencing opinion leaders in the Israeli public and within the government, while strengthening the ability to deal with sensitive issues in the political field.

"I realized that there is an area here with great potential and it is possible to make a significant change on an unprecedented scale. On the other hand, it seems such a politically complex issue that requires the ability to engage the government, and we as donors who are not in Israel have no chance of succeeding without partners who are well versed in Israel's politics and its systems. Therefore, the decision to set up a joint foundation was the right thing to do."

Julie Sandorf, the Revson Foundation

Upon its launch, The Opportunity Fund's management defined the partnership's model of operation and its principles of governance. It was decided that this would be an expendable fund, which would operate and invest philanthropic resources between the years 2012-2016. After further discussions, it was decided that the fund's activities will continue until 2020. This key decision defined the foundation's main strategy of action, which emphasized collaborating with the government in a partnership based on an agreement of common goals and objectives. The next phase will consist of a gradual transition to the government taking responsibility for advancing the project, both at the substantive level and in terms of the resources it required.

In addition, it was decided that the Fund is committed to constant attention to the field and to learning and integrating voices and perspectives of diverse players on the ground. Furthermore, it was determined that a relationship based on mutual trust among the partner foundations is of paramount value.

On this basis, guiding principles were established for the mode of operation and decision-making of the partnership that gave each foundation an equal voice in decision-making, regardless of the amount it invests, with the decisions made by consensus. Emphasis was placed on creating a common language between the foundations, an in-depth learning of the content worlds, and joint discussions regarding challenges and dilemmas. These were held regularly as part of an annual seminar which contributed to the creation of a work culture that encouraged a thorough look at the social challenge on the one hand, and the building of agreements on the other.



"The Arison Foundation has worked for years with children and youth at risk, young people with disabilities and young people from the Arab society. Given the similarity in the goals for the beneficiaries, it was only natural for us to join The Opportunity Fund. At the same time, we wanted to understand the impact's potential. We have gradually realized that the partnership has a broad approach and wants to face the challenge of establishing and building a new social field that turns civic service into a quality and sustainable lever for social mobility. Partnership is not an easy path, but it was clear that it is the only way to achieve broad impact."

Shlomit de Vries, Ted Arison Foundation

3. The Operations Strategy of The Opportunity Fund in Light of the Model of Systems Change

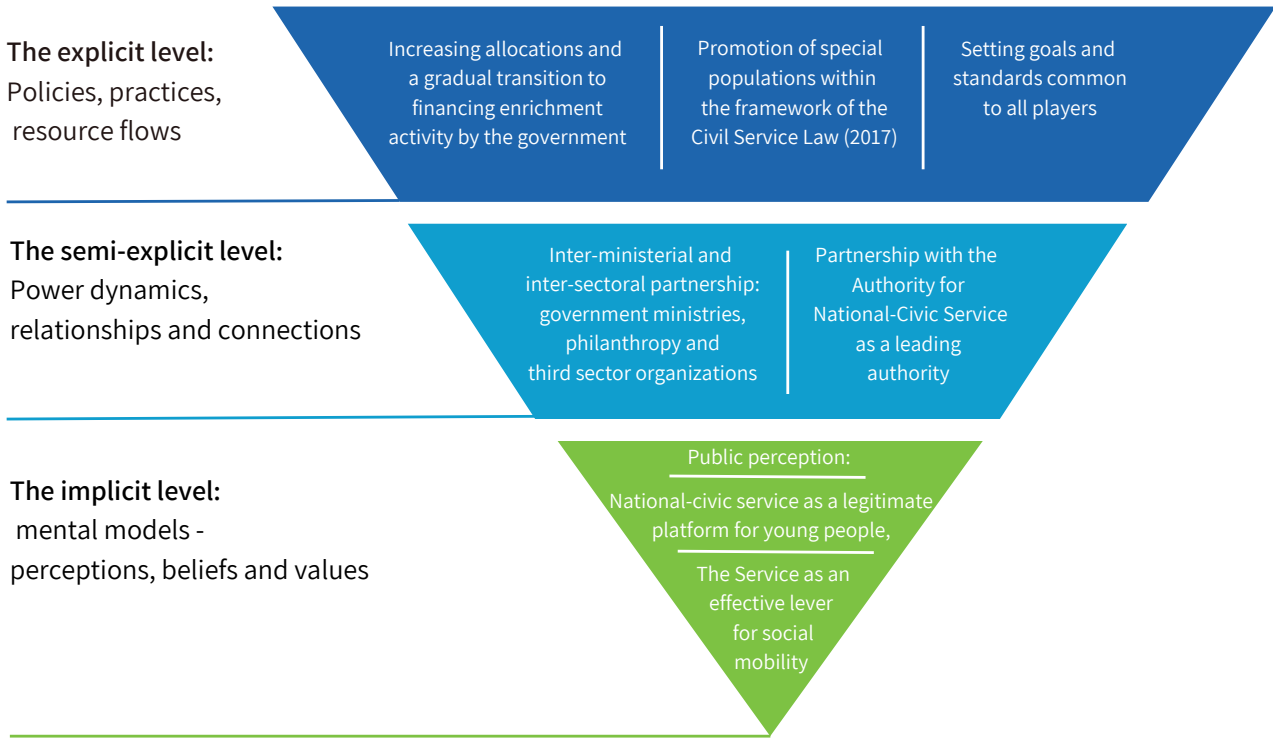
In the following section we will analyze The Fund's strategy of action according to the three levels of the model of systems change: the implicit level (mental models), the semi-explicit level (relationships and power dynamics), and the explicit level (structural change). For each level we will describe the main steps taken by The Opportunity Fund in its cooperation with the Authority for National-Civic Service. We will show how key actions promoted by The Opportunity Fund in collaboration with the Authority for National-Civic Service created a change in some of the conditions presented by the model, and enabled the removal of barriers and the flow of resources, leading to systems change in the social field of national-civic service in Israel.

While the process led by the Fund is not a clear-cut example of leading systems change according to the model, it is a test case that allows one to see where the activity performed in accordance with the model was found effective, and where the model calls for a re-examination in order to ensure long-term systems change.

The following illustration describes the operation of The Opportunity Fund according to the model proposed by Kania et al. (2018):



Conditions for systems change – The Opportunity Fund



3.1. The Implicit Level: The Impact on Mental Models of Government Officials and the General Public

Mental models consist of beliefs, assumptions and worldviews that people and institutions formulate over the years, and in many cases become a prevalent public perception and a convincing social narrative. Mental models are important because they guide the way we collect information, analyze it, make decisions and act. Therefore, influencing mental models and creating a new social narrative are necessary conditions for leading systems change.

The main move The Opportunity Fund's management took was changing perceptions and creating public awareness.

The national-civic service is perceived as a worthy contribution to Israeli society. However, it was exclusively identified with young women from the religious Zionist sector. Initially, integrating other marginalized populations was not regarded as a significant task within the framework of the national-civic service. Nor was it accompanied by a strategic plan.



In light of this, The Opportunity Fund has set itself the mission to lead a major perceptual change in the field, in two areas:

1. An acknowledgment that the national-civic service is an essential nexus for diverse target audiences among non-conscripts from various populations in Israeli society, and as an effective tool for reducing gaps and promoting social mobility.
2. Changing the existing perception according to which the national-civic service is primarily a tool for contributing to society, and replacing it with a broader concept emphasizing the importance of the learning and training processes that volunteers go through during their service ("the volunteer at the center" perspective).

In order to implement these changes, The Opportunity Fund cooperated with the Authority for National-Civic Service as the leading body in the field that is in charge of the promotion of policy and implementation over time. The first set of actions included the recognition that the national-civic service is a key lever for social mobility for marginalized populations.

Although stakeholders agreed that civil service is an opportunity for socio-economic mobility for marginalized populations, in practice few resources have been allocated to create a system that is adapted to the needs of these groups and is supportive of their efforts. The Opportunity Fund led a change in the perception that national-civic service of young people at risk, young people with disabilities and young people from Arab society can bring about change in society as a whole. This shift was in line with the growing public pressure regarding the need to address the issue of a growing non-conscripted population. At that point, the government seemed to accept the idea that the national-civic service could be a significant lever for the social mobility and could contribute to the integration of young men and women from marginalized groups in quality education and employment pathways.

At the same time, placing the volunteer at the center of the national-civic service experience has encouraged and expanded the understanding that the service of young people from marginalized populations cannot be the same as the national service of any other citizen, since their needs are different.

Successful integration within the service, followed by integration into the life path of education and employment, requires a dedicated, particular, and sensitive investment that takes into account the needs of the various groups. This change of perception had a significant influence on the way that was paved by The Opportunity Fund, because the greater the understanding of diverse needs in the field, the greater the chances of producing systems change.



"We, the Authority and the Fund, share a common goal in our desire to see change in society, and we create change. One example is a change of terminology in the field."

Sar-Shalom Jerbi, Head of the Authority for National-Civic Service between 2010-2019

A key aspect of the change process was building and shaping a relationship between the Fund and the Authority for National-Civic Service. At a fairly early stage it was evident that the dialogue between the organizations is effective and that both organizations perceive their collaboration as valuable. In addition, the Fund worked in full cooperation with the Authority for National-Civic Service to establish a dialogue with various parties in the field, such as the Ministry of Welfare and Social Affairs, the Ministry of Health and the Ministry of Finance, and promoted the notion of specific investments directed at marginalized populations within the national-civic service. The dialogue with the various government ministries established the infrastructure for the creation of an operating model that included a unique approach to providing guidance, assistance, and tools for the personal development of the volunteers during their service.

"When we started operating within the framework of The Opportunity Fund, we realized that the integration of volunteers from marginalized populations in the national-civic service requires an expansion in the perception of our work and goals: from volunteering that is perceived as a resource and as a mean to economize state's budgets, to a service that takes into account volunteers from marginalized populations and their long-term economic and social advancement."

Ronit Amit, Executive Director of the Gandyr Foundation and chair of
The Opportunity Fund 2012-2019

In order to promote the change of perceptions, The Opportunity Fund supported various studies aimed at anchoring the principles of the new concept and establishing the willingness of government ministries to adapt the model of national-civic service accordingly.

For example, the collaborative Forum of Non-Profit Organizations has supported economic research^[7] that included a return on investment (ROI) analysis and showed that volunteering for civil service produces positive, significant and substantial economic value for the national economy in the medium and long term. The Fund helped advance the study and its results supported the process of changing perceptions in the government sphere, both in relation to the effectiveness of investment vis-à-vis the Ministry of Finance, and in relation to the Ministry of Welfare's position as a leading and responsible factor for young people from marginalized populations during their national civic service.

[7] Adalya Economic Consulting. (2011)



Refashioning perceptions and positions within the relevant government ministries is a long-term challenge and is a significant aspect of leading systems change. The Fund's activity in that area has significantly helped, but it is clear that more needs to be done to ensure that the change is sustainable.

3.1.1 Changing Perceptions in Arab Society

Within the Arab society in Israel the national-civic service of young men and women is a politically contested issue. Israeli Arab leaders tend to oppose the idea of national-civic service. An idea which is at the core of the complex relationship between Arab society and the State of Israel and the IDF. Thus, establishing a comprehensive volunteering framework for the Arab community was a challenging task.

The main part of the effort to change perceptions regarding the national-civic service of young people from Arab society focused on designing dedicated practices that could address the needs of potential volunteers, and at the same time, would assist in decreasing the opposition to the change.

An initial and significant process in changing perception involved the use of a new language: from national-civic service to **civic service** or **community volunteering**. These concepts encouraged wider enrolment of young Israeli Arabs because they distanced themselves from the discourse on the issue of nationality and its political complexity. In addition, the new conceptualization enabled the understanding that civic volunteering within the State of Israel is also relevant for Israeli Arabs, regardless of their national perceptions.

At the same time, there was criticism from officials in the leadership of Arab society. Their disapproval led The Opportunity Fund to devise a number of codes of action that could encourage national-civic service in Arab society:

- refraining from activity in communities where local leadership opposes it;
- the basic condition for incorporation in the activity are candidates' free will and their personal motivation;
- promoting volunteering possibilities for young men and women within their local communities and their place of residence.

Since volunteering is a significant value that is deeply rooted in Arab culture, the civic service was conceptualized as a platform for institutionalized volunteering within the local community. In this new framework, the civic service creates an optimal and more accurate connection between the service and world views and values that are relevant to Arab society.



The main messages addressed to the Arab society were based on the concept of 'the volunteer at the center' and volunteering as an opportunity for personal development and the acquisition of tools and skills for the future. Following the change in narrative, the Israeli-Arab public opinion, and especially the family members of the young men and women, expressed interest and support in volunteering for civic service despite opposition from religious, political and local leadership. These principles of action led to a high volume of volunteering for civil service among young women from Arab society. Gradually, it became clear that the Arab public opinion supports the process and sees it as an opportunity for a meaningful experience that will help in future integration into Israeli society.

The process described above demonstrates the steps required for effective action when we aim at changing the conditions that shape the mental models according to the model of systems change (Kania et al., 2018). Effective action should include:

- Analysis and recognition of existing mental models.
- Creation of a new language and terminology that encourages the process of change.
- Adapting action practices to the existing value system in order to engage the players in the actions of change.

Specifically, the process of working with the Arab society in Israel required, as expected, sensitivity and attentiveness to the variety of voices within it. In practice, it meant dealing with the Arab language and culture, with gender perceptions, national and anti-national perceptions, and diverse religious views. All of these were accompanied by concerns and complexities that were expressed both in the initiation stages and in the implementation processes, as described by the model for systems change.

At the same time, The Fund's move to better understand the depth of complexity of the work within the Arab society and the accuracy of the Fund's responses, allowed for more relevant implementation processes over time. For example, adapting the components of volunteering to the community, while taking into account that this might constitute a possible barrier to social mobility if there is no venturing outside the community. The challenge of providing appropriate responses and their adaptation to the mental models on the one hand, while remaining goal-oriented on the other hand, is one of the significant contributions of the model.

3.2. The Semi-Explicit Level: Building Relationships and Changing the Power Dynamics

A philanthropic foundation that enters a particular social field for a defined period of time might perceive changing the power dynamics and building relationships between different sectors and political currents as an intimidating task. However, as Kania et al., (2018) argue that these changes are essential for leading systems change. At this point, learning the field and taking the time to devise a thorough strategic action can lead to an effective intervention in the power dynamics so as to advance the goal and eliminate barriers that fixate the existing situation.



Therefore, the first step is analyzing the arena and identifying and mapping the key players and their relationships.

We now turn to describing the arena in which the national-civic service operates; A relatively limited and restricted field that includes key players from the public sector and the third sector:

- **The Authority for National-Civic Service** - In charge of advancing policy to encourage and enhance volunteering as a legitimate option for young men and women who cannot enlist in the army but are interested in a civilian path of contribution to the State and the community. The Authority is a statutory body that has operated under various government ministries over the years.
- **Various government ministries such as the Ministry of Welfare and Social Affairs, the Ministry of Education and the Ministry of Health** - These are integrated in the operation of national-civic service volunteering positions and coordinate their work with the Authority for National-Civic Service.
- **Third sector organizations and public authorities** - Major players in charge implementation and operation of the national-civic service. They are divided into two different categories:
 1. **Recognized entity** - an association appointed by the Head of The Authority for National-Civic Service as an official organization for referring volunteers to national-civic service. It is responsible for locating, sorting, deploying, accompanying, training, making payments, and overseeing the rights and safety of the volunteers throughout their service. All the volunteers work through associations that have been defined as recognized entities.
 2. **Operating entity** - a public authority, public institution, public utility company, or a cooperative association, which accepts volunteers for the purpose of national-civic service. The volunteers are referred to the operating entity by one of the recognized entities (in accordance with an agreement with it). The volunteers carry out the actual volunteering in the operating entities, including hospitals, schools and day care centers, education organizations, welfare and health organizations, etc.

Upon its establishment, The Opportunity Fund joined the national-civic service arena as a new player and was required to shape its relationship with each of these bodies: the Authority for National-Civic Service, the various government ministries and third sector organizations. **The Fund understood that impacting relationships and power dynamics is a critical component in the process of change.** Therefore, it chose to act differently vis-à-vis each of the bodies. With some, a dynamic of power relations was created that promoted the systems change process, while with others the dynamic inhibited it, as will be described below.



3.2.1. The Opportunity Fund's Relationship with the Authority for National-Civic Service

The paramount importance of inter-sectoral partnership in its activities was a core value for the Fund. It stems from the understanding that in order to bring about change, it is necessary to build a relationship of trust and partnership between philanthropy and the public and social sectors. This perception itself was a lever for change.

"One of the most prominent characteristics of the fund was its perception of partnership. It was clear that this was philanthropy that came to promote a change in reality."

Reuven Pinsky, Head of the Authority for National-Civic Service as of 2018

A basic principle in the Fund's operation was its strategic partnership with the Authority for National-Civil Service as the main player on behalf of the state. This principal rests on the conception of governance and the role of the State as a sovereign leading policy-making and its implementation. As an expendable fund it was clear that the role of the Fund is to cooperate with the Authority and to form a stable and strong professional infrastructure of field development, while establishing the concept of civic service as a lever for social mobility. The aim was to ensure that upon the closure of the Fund, the State will be able to continue to operate, expand and strengthen the national-civic service mechanisms that the Fund has established during its activity.

For this reason, the Fund, together with the Authority, worked with various government ministries that are key players in the field: the Ministry of Welfare and Social Affairs, which is responsible for the young men and women, the Ministry of Finance, which is responsible for allocating resources, and the Ministry of Health, the Ministry of Education, the National Insurance Institute and others who guide the young volunteers themselves, and establish work principles regarding their volunteering.

As we will explain below, the Fund has invested time and resources in building a relationship based on trust with the Authority. It has done so while emphasizing the importance of creating a strong professional infrastructure for the government through several components: advocacy processes, research that established work standards, and building a new and common language for all players.



The Fund's partnership with the government had two unique characteristics:

1. The Fund chose to take a proactive part and be practically involved in the hard work of creating change - it was a full partner in law-making committees and in planning and thinking processes that aimed at circulating ideas and practices. In the field, the Fund had employees who were personally committed to the change process, and therefore were valuable in leading it.
2. Proper integration in the structure of the partnership between the bodies - in shaping the relationship between the administration of The Opportunity Fund and the Authority for National-Civic Service, the relative advantage of each organization was emphasized: the philanthropy as more entrepreneurial and flexible than the government, and the government as a policy maker and resource holder. As the Fund was actively involved in leading the change processes, it provided added value and relevance to the challenges along the way, and paved the way so that the Authority can fully take the lead in the next phase under the State's budget. In addition, the Authority has promoted partnerships between several government ministries that have collaborated in a joint inter-ministerial administration to develop the operating model of marginalized populations in the national-civic service. The quality of the professional relationships that the Fund built with the administration and with government ministries enabled the Fund to implement far-reaching changes.

"The key to the success of the Opportunity Fund is that it put on its boots and got into the mud with us, seeing itself as a partner with high levels of commitment, responsibility and accountability. A partnership between the government sector and philanthropy contains many challenges, but there is a complementary value between them - on the one hand, the philanthropy has money, although not much compared with the government, and on the other hand it has a much higher level of flexibility than government. The government for its part has high funding capacity but a low level of flexibility."

Reuven Pinsky, Head of the Authority for National-Civic Service as of 2018

3.2.2. The Opportunity Fund's Relationship with Social Organizations

'Recognized entities' had been, for many years, the main executive branch for volunteering within the national-civic service. These long-standing associations are highly experienced in recruiting, training, placing and accompanying young men and women in national-civic service.



Their main area of activity was within the target population of religious young women, with a partial volume of activity among secular Jews, Arab society, people with disabilities and youth at risk. The board of The Opportunity Fund promoted the notion that in order to encourage quality national-civic service for target groups among all marginalized populations, it is necessary to develop guidance and support programs tailored to their unique needs, especially those of youth at risk, people with disabilities and young men and women from Arab and Druze society. An array of supportive programs, tailored and relevant to each of these target groups, was perceived as a necessary component in creating a successful integration of the volunteers within the service. The model developed in collaboration with the Authority and with representatives of government ministries to promote national-civic service to marginalized populations. It has recognized the need for dedicated training for those populations by experts in the field. There was a common understanding that young people from marginalized populations need the appropriate support so that they can persevere and get the most out of volunteering as an opportunity for a leap forward.

The working premise of The Opportunity Fund was that in order to train the target populations it was necessary to involve additional social organizations who have expertise and experience in accompanying and training young people from the various groups: people with disabilities, youth at risk and members of Arab society. To a large extent, The Opportunity Fund encouraged the entry of 'population expert organizations' (which were also defined as enrichment organizations) as new key players into the arena. Following this move, the "Organizations Forum"^[8] comprised of population expert organizations was established. At the same time, incorporating the enrichment organizations into the Fund's operating model posed a significant challenge to the dominance of the recognized entities in the allocation of services.

In addition, The Opportunity Fund's board promoted the design of a combined model that is based on collaborative effort of recognized entities (specializing in national-civic service) and enrichment organizations (specializing in working with the designated groups). This process highlighted the need for a clear distinction between the processes of national-civic service, and the training, support and development of volunteers from marginalized populations.

The model provoked widespread opposition among the recognized entities. In the early years of the process the combined model was the reason to a tense relationship between the Fund and the recognized entities.

[8] The Organizations Forum or The Forum for the Advancement of National-Civic Service was established in 2013 by nine social change organizations, in order to promote the integration of marginalized populations through the national-civic service, to become a significant player in advancing policy and maintaining quality standards.



The recognized entities had an established position in the field, and therefore were very powerful: they operated the service, worked on a regular basis with the Authority for National-Civic Service and with government ministries, and successfully led the volunteering in the national-civic service of tens of thousands of young women over the years. The relationship between these organizations was characterized by constant tension, and overt and covert competition. Most of them worked within the religious Zionist sector, although some worked with the general public (a few of the organizations engaged in advancing the service of marginalized populations).

Against this background, the process led by the Opportunity Fund to designate the "population expert organizations" as those leading the professional training and development of the content for working with volunteers from marginalized populations, provoked a significant opposition among the recognized entities. The criticism pointed out that the dialogue between the Fund the recognized entities should have taken place transparently and with greater participation in decision-making processes. Moreover, the recognized entities argued that their organizations should have been more involved in designing the combined model.

Criticism became a real rift when the Authority for National-Civic Service decided to set new tender conditions, which included the enrichment organizations as key players in receiving resources and responsibility for providing the enrichment programs. This tender created tension due to the fact that it changed what had hitherto been perceived as a permanent government tender, and created a bureaucratic and economic burden on the recognized entities. The tension increased and overshadowed the relationship between the Fund and the recognized entities, and even constituted a barrier in the subsequent change processes.

The opposition turned into a crisis that intensified with the appeal of some of the recognized entities to the Supreme Court of Israel in a petition against the Authority and the tender that fundamentally changed the working methods and forced the recognized entities to deal with new financial and bureaucratic burdens.

Following the court's ruling, the parties were referred to mediation. The mediation process paved the way to the establishment of a cross-sector working groups. The groups were comprised of representatives from government ministries and The Opportunity Fund, recognized entities and enrichment organizations. The groups were created in order to promote greater level of cooperation and transparency in decision-making processes.

Over the years, the Fund has expanded its activities with the recognized entities, admitting that there are recognized entities that have developed expertise in accompanying marginalized populations. The dichotomy between the two groups of third-sector organizations became slighter, and gradually a relationship of trust was built that allowed for cooperation on the one hand and reduced criticism on the other.



This process illustrates the importance of designing relationships and partnerships with all relevant players. In analyzing the relationship with the recognized entities according to the systems change model it is evident that the relationship with the recognized entities was fundamentally different from the relationship created with other key players.

As a test case it challenges the model in terms of the political sensitivity needed when intervening in the power dynamics within the system, and the range of risks associated with such intervention. The premise of the model is that intervention should be goal-oriented while providing space for all relevant players. Systems change in essence should serve the outcome as well as the effectiveness of existing systems, and therefore the model calls for the integration of players from opposing ends into the decision-making processes, despite the expected complexity.

The example above shows that when choosing not to include players in the decision-making phase, the difficulty is likely to arise at a later stage and will most likely constitute a significant barrier to creating the desired systems change.

3.2.3. Multi-Sectoral Relationships: Government Ministries, Third Sector and Philanthropy

Alongside the Fund's relationships with the government and with third sector organizations, the multi-sectoral collaboration that connects them all together has been a guiding principle in The Opportunity Fund's change strategy. It was clear that by building trust and creating cross sector collaborations and partnership between government units the Fund would be able to advance the new perceptions and required practices.^[9]

In 2018, the Fund established an inter-sectoral and inter-ministerial round table in order to create a dialogue regarding strategic issues in implementing a quality service relevant to marginalized populations. The round table was a significant operational tool in leading a multi-sectoral partnership and laid the infrastructure for establishing a fruitful dialogue between the field and the government, and between the various forces within the field.

"The round table became a kind of 'board' for the venture and it outlined the policy. One of the contents that the table has developed and formulated is the division of control responsibilities: administrative control (the role of the Authority) and professional control (supervision of the guidance and the enrichment is the role of welfare / health / education organizations)."

Source: The Opportunity Fund Concluding Document, 2020, p. 9

[9] The Opportunity Fund Report (2018)



Over time, the round table expanded and was joined by other partners who saw value in being part of it. The addition of representatives from other government ministries strengthened the effectiveness of the work and the durability of decision making. The round table came to include the Authority for National-Civic Service, the Ministry of Education, the Ministry of Welfare and Social Affairs, the Ministry of Health, the Ministry of Justice, the Civil Service Commission, the partner foundations, the recognized entities and the enrichment organizations, and it was intended to promote processes of policy change and expansion of the scope of activity of the civil service in marginalized populations. The round table met once every quarter, with preparatory work conducted before each meeting by the steering committee whose members were representatives of the Authority for National-Civic Service, the board of The Opportunity Fund and government ministries.

The round table allowed for cross-field dialog in various combined levels: senior management levels in broad decision-making processes, professional intermediate levels in designing models for action, joint clarification of the quality of their application, continuous learning of the field, and shaping connectivity between the government, third sector and philanthropy. Examining the effectiveness of the round table raised the need for strategic thinking about its continued operation. Consequently, during 2019, the Authority, in collaboration with the members of the table, chose to reframe it as a round table of all national-civic service organizations with a subgroup that would deal with marginalized populations. **This decision clarifies and reinforces the importance of action to promote relationships and interactions between players in the field as part of a strategic conceptualization for leading systems change.**

A round table is an operational tool for promoting relationships and interactions, as well as for establishing a relevant infrastructure for strategic processes for systems change. The table creates a space in which diverse players can meet and enables a discussion that combines diverse and even opposing worldviews. The round table tool served the Fund in leading the change and constituted a relevant platform for changing the six conditions of the problem according to the model.

3.3. The Explicit Level: Impact on Policy, Structural Change and Resource Flow

Systems change requires structural changes. When these changes are made concurrently, together with efforts to change mental models and build supportive relationships, it is more likely that they will establish the anchors needed for long-term change. Alongside the actions described above at the implicit and semi-explicit level, The Opportunity Fund board has acted to make changes in policy, resource flow and work practices as part of the core strategy for change.



Here are some major examples:^[10]

- **Increasing the number of post openings:** In 2012, the number of posts available to marginalized populations was 1,400, and at the end of the Fund's eight years of operation, the number of openings increased to 6,900. The work done by The Opportunity Fund has led to a fivefold increase in the number of openings designated for marginalized populations and for guaranteeing positions within the law.
- **Securing enrichment programs for everyone:** As of 2019, all volunteers are accompanied under the enrichment program, including 1,500 young men and women with disabilities, 1,000 young women at risk and 4,000 young men and women from Arab and Druze societies. Following the model development process, the Fund's administrators also worked to fundamentally change work practices with marginalized populations, and promoted moves to expand support for marginalized populations within the National-Civic Service so they will receive training and personal development.
- **Approval of the Civil Service Law while ensuring it is acknowledged that the law is a central platform for the advancement of young people from marginalized populations:**^[11]
Until 2017 the National-Civil Service was not regulated by law and the Authority acted to advance the law, regardless of the activities of The Opportunity Fund. The Fund thus identified an opportunity to influence the contents of the law and ensure that the system would be fully committed for the long-term to national-civic service even for marginalized populations, and acted in favor of their integration into the new law. Indeed, under the new law, the Authority for National-Civic Service was given the responsibility and authority to operate, formulate, and implement policies for the benefit of volunteers from populations at risk and / or people with disabilities. It was the first time that the Israeli government, through legislation, recognized the national-civic service as a central platform for the advancement of these young people - a significant systems change on the explicit level.
- **Funding:** The Fund has led a gradual process of expanding the State's share in funding enrichment programs, while the Fund reduced its share accordingly. In 2012 the Fund funded the training and mentoring programs designed for marginalized populations on the order of \$ 1.3 million and the government funded them at only \$ 0.05 million. In 2019, after the State accepted the model and approved the funding, its investment increased to \$ 1.7 million while the Fund invested only \$ 0.9 million.^[12]

[10] All the examples are taken from The Opportunity Fund's concluding document, 2020

[11] Civil Service Law (2017)

[12] The Opportunity Fund (2020). P. 1



"All the things that the Fund has set for itself as a goal for the national-civic service has become a work plan of the Authority, and it included funding. This is a great achievement of the Fund."

Reuven Pinsky, Head of the Authority for National-Civic Service as of 2018

Further, other aspects that illustrate how The Opportunity Fund became an active partner in the processes of policy advancement and implementation can also be found in the Fund's role as an assisting agent in the field of research, information gathering, data formulation and inter-sectoral process management in several channels. The following examples clarify the ways in which it was done:

- The partnership with the Ministry of Finance enabled the Fund to influence the addition of positions allocated for marginalized populations within the national service.
- The partnership with the Ministry of Welfare and Social Affairs has been a significant component in establishing work practices with young people during their National-Civic Service. It was established that the ministry is responsible for their future, security and development.
- The partnerships between different ministries have promoted and led to a clear division of responsibilities between the various bodies. In particular, defining which agency is in charge of operation, which agency is professionally responsible, and which agency manages and coordinates the national-civic service. Further, the perceptions and definitions regarding supervisory and control roles in the field became clearer once the Authority was given full responsibility for organizing and implementing supervision over the associations that provide the enrichment services, the quality of volunteer service recipients, and oversight over all associations' budgets. This process created clarity and improved the effectiveness of the partnership.



4. Summary: The Opportunity Fund as a test case for leading systems change

"As foundations consider the external dynamics of systems change, they must also recognize that this same water of systems change flows within their organizations as well. Any organization's ability to create change externally is constrained by its own internal policies, practices, and resources, its relationships and power imbalances, and the tacit assumptions of its board and staff."^[13]

The Opportunity Fund's board led a process of systems change with significant achievements. The process laid the groundwork for expanding the national-civic service as a channel of volunteering for many young men and women from unique populations striving to integrate into the Israeli society through a path of personal development and contribution to society.

Evidence of the importance and significance of the change can be found in a strategic recommendations document published in 2020 by the Institute for National Security Studies in light of the Coronavirus crisis.^[14] The document argues that in order to strengthen solidarity in Israeli society, "a model of civilian service for all must be implemented, so that anyone who does not enter military service will volunteer in various civilian settings." The operation of The Opportunity Fund and the partnership it has created with the Authority for National-Civic Service have established the necessary infrastructure for such a move.

As the role of the philanthropic partnership has now ended, the main task is shifting responsibilities to the State's authorities. The authorities must expand the possibility of volunteering to the full potential of target populations, continue to improve the quality of volunteering and improve and diversify meaningful volunteer locations. The State should create a follow-up and monitoring system aimed at ensuring that young men and women who participated in civic service were integrated in education and employment paths, with greater sense of belonging to the community and to the Israeli society.

In this article, we presented a retrospective analysis of the Fund's decision-making process regarding its action strategy, based on the systems change model proposed by Kania et al., (2018) The three levels of change in this model illustrate the range of critical components for formulating an effective action strategy. It is evident that during its eight years of operation, The Opportunity Fund, together with the key players in the field, sowed the seeds of change and laid the groundwork for expanding the scope of national-civic service for marginalized populations, and further increased the quality of service, in order to establish the long-term change for social mobility and integration in Israeli society.

[13] Kania J., et al., (2018). P.5.

[14] Mor, Y. (2020)



A number of insights emerge from the analysis of The Opportunity Fund's strategy of action according to the principles of the model. These insights can serve as an example for leaders of systems change processes in other arenas as well:

- It is very important to invest in internal work processes and to develop a relationship of trust among the members of the philanthropic partnership before turning to engaging in collaborations and developing services in the external field.
- In order to achieve optimal systems change, the key players operating in the arena must be identified and action must be taken to change and strengthen the relationships between them in a way that will support the required action. Along with the emphasis on building a strategic partnership with government bodies, it is necessary to emphasize building trust and developing infrastructures of cooperation with all the organizations in the social field, especially in situations of differences and disagreements.
- Multi-sectoral partnership mechanisms (in this case: government, philanthropy, third sector) that operate on an ongoing basis, can be a platform for changing the power dynamics in the field, building trust, creating a common language and strengthening new collaborations.
- Changing perceptions, beliefs and mental models is a complex process. Gradual action that changes language and practices over time is valuable as it enables trust to be built in the first stage and has the potential to change deeper perceptions later on.
- A change in the systemic constraints or conditions that created the problem, necessitates a strategy that perceives the process itself as valuable to the outcome. The need that arises from the model to first influence infrastructure, system structures and perceptions before operating or expanding social services, is a key message in leading processes of systems change.

Finally, we believe that the case study of The Opportunity Fund based on the Kania et al., (2018) model for systems change could serve as an invitation for philanthropy and organizations interested in promoting systems change to do so through a practical application of the model. The model's contribution in this context is enabling strategic planning to take into account ways of dealing with the six conditions of the phenomenon or social problem, and thereby increasing the chance of the effective implementation of systems change.



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Efrat Shaprut, CEO of The Opportunity Fund between the years 2016-2020

Julie Sandorf, director of the Revson Foundation

Hila Marmos, director of The Opportunity Fund from 2020, co-director between 2013-2020

Yifat Shmuelevitz, VP of Social Investments, the Ted Arison Family Foundation

Reuven Pinsky, head of the Authority for National-Civic Service from 2018

Dr. Ronit Amit, Managing Director of Adva R&D, representative on the board of The Opportunity Fund and Chair of The Opportunity Fund between 2012-2019

Shlomit de Vries, CEO of the Ted Arison Family Foundation

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Appendix: Managerial team and board members at The Opportunity Fund

Managerial team

Efrat Shaprut	CEO	2016-2020
Hila Marmos	Co-director	2013-2020
Meytal Brown Mendelewicz	Co-director	2012-2015

Board of Directors – representatives of philanthropic foundations

Yitzchak Sabato	Department of funds at the National Insurance Institute. Co-director 2019-2020
Uri Leventer-Roberts	UJA-Federation of New York
Elise Slobodin	UJA-Federation of New York
Alan Divack	Littauer Foundation
Julie Sandorf	The Revson Foundation
Galia Granot	Ruderman Family Foundation
Tal Recanati	Gandyr Foundation
Yifat Shmuelevitz	The Ted Arison Family Foundation
Dr. Naama Meiran	Gandyr Foundation
Steven D. Fleischer	UJA-Federation of New York
Dr. Ronit Amit	Gandyr Foundation and Chair of The Opportunity Fund 2012-2019
Shana Novick	UJA-Federation of New York
Shira Ruderman	Ruderman Family Foundation, Co-chair of The Opportunity Fund 2019-2020
Shlomit de Vries	The Ted Arison Family Foundation

Board of Directors – Observers for Sheatufim

Debra London	Deputy Director, Sheatufim	2014-2016
Ronit Segelman	Directory of Philanthropy	2016-2018
Inbar Hurvitz	Deputy CEO, Sheatufim	2018-2020
Dr. Michal Rom	Director of R&D	From 2021