

Nonprofit Funding Reimagined: Global Lessons for Driving Impact and Resilience

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Keywords: social finance, social and economical inclusion, global indigenous wisdom, impact investing, nonprofits

Abstract

Non-profit organizations worldwide face mounting financial pressures, driven by shifts in government funding, market dynamics, and rising demands for measurable social impact. These challenges necessitate innovative approaches to financing and governance, particularly for organizations striving to sustain their missions in complex and resource-constrained environments. This paper examines evolving financing trends for non-profit and social economy organizations in Canada as a case study, situating these within broader global patterns and lessons. We analyze key challenges faced by non-profit managers, including reliance on earned income, outcome-based funding models, and equity-focused capital allocation. Drawing on global practices—from Scotland’s (UK) impact investing ecosystem to ethical microfinance models in Pakistan—we identify actionable strategies for practitioners to navigate financial uncertainty and foster resilience. These include adopting hybrid funding models, leveraging community-driven approaches, and embedding equity and inclusivity in financial strategies. This paper aims to equip non-profit managers and decision-makers with practical tools to adapt global insights to local contexts, fostering sustainability and social impact. By bridging lessons from diverse regions, this paper offers pathways to strengthen the social economy and its contributions to societal well-being.

Introduction

Globally, the rise of social finance and impact investing signifies a broader recognition of their potential to address systemic inequities. Recent bibliometric analysis has highlighted the multidisciplinary nature of social finance, encompassing themes such as ethical investment, sustainable development, governance, and technological innovation (Secinaro et al., 2021). The field has seen significant growth, particularly since the adoption of the United Nations’ Sustainable Development Goals in 2015, which has catalyzed scholarly and policy focus on innovative financial tools to address social and environmental challenges. In Canada, these global trends are reflected in the development of initiatives like the Social Finance Fund and the Investment Readiness Program (IRP), which aim to align local efforts with international momentum. However, as with global counterparts, Canada’s approach underscores the need for greater transparency, innovative governance models, and systemic alignment to maximize impact. By examining these developments within the Canadian context, this paper provides insights relevant to the broader Global North.

The financial landscape for nonprofit and social economy organizations in Canada exemplifies the broader transformations happening across the Global North. The Canadian social economy—comprising government, for-profit, and nonprofit sectors—functions as a nested and interconnected ecosystem, reflecting global trends of increasing cross-sector collaboration (Bouchard, 2013). Changes in funding sources—from governments and businesses to community and corporate foundations—have created both opportunities and challenges for sustainability and innovation. These dynamics have spurred discourse within Canada and beyond, highlighting the need for nuanced understanding and systemic approaches to manage these shifts effectively (Phillips & Smith, 2011).

Despite notable progress, the Canadian experience demonstrates that cross-border learning is not merely about adopting new ideas; it is about fundamentally transforming how practitioners think and act within their ecosystems. By examining international models, particularly those from resource-constrained contexts in the Global South, Canadian social purpose organizations can enhance their resilience and adaptability. This learning process enriches the Canadian context while offering valuable insights for the broader Global North.

The global rise in social finance and impact investing underscores the growing recognition of these approaches as critical tools for addressing systemic inequities. In Canada, this shift is evident in efforts to align with these global trends. However, as promising as these initiatives are, Canada has much to learn from global counterparts to foster greater equity, innovation, and systemic resilience. This paper uses Canada as a case study, situating its social finance developments within the broader context of the Global North while drawing lessons from international experiences.

This manuscript is structured as follows: an **Introduction** presents the context and purpose of the study, outlining the need for innovative financing models and governance structures in light of systemic financial challenges facing nonprofit organizations. It also situates Canada's social finance ecosystem as a relevant case study within global discussions. **Section I** outlines current funding trends in Canada, highlighting strengths and gaps in its social finance ecosystem. It examines financial challenges, including reduced government support, market fluctuations, and the rise of outcome-based funding models. **Section II** begins the conceptual analysis by exploring global approaches to social finance, drawing on case studies from Pakistan, India, and New Zealand. These examples demonstrate how ethical microfinance, corporate social responsibility mandates, and Indigenous-led funding models can embed equity, transparency, and resilience into financial systems. **Section III** continues the conceptual analysis and provides actionable recommendations for practitioners, focusing on strategies to balance funding diversification with mission integrity, embed participatory governance, and leverage cross-border learning for scalable, context-sensitive solutions. By situating Canada's experience within a global perspective, this section seeks to enrich domestic practices and contribute to broader discussions on strengthening social finance ecosystems. A **Conclusion** follows, synthesizing key findings and emphasizing the importance of adaptive, equity-driven financial strategies that respond to both local and global challenges.

Section I: Defining the Problem: Trends in Financing for Nonprofit & Social Economy Organizations

The Canadian nonprofit sector depends on diverse funding sources, including individual donors, foundations, and government support (Unwin, 2004). Although government funding to nonprofits doubled between 2003 and 2018 (Statistics Canada, 2022; Blumberg, 2018), it has not kept pace with the sector's growth (Hall et al., 2005). This highlights the urgent need for managers to diversify funding sources and secure their organizations' financial futures.

Since the 1980s, reductions in core public funding have increasingly shifted the delivery of public services to nonprofits, facilitated through contracts, partnerships, and service agreements (Elson, 2011; Statistics Canada, 2009 & 2022). To bridge funding gaps, nonprofits have relied on alternative sources such as private donations and impact investments. While these sources provide crucial financial support, they also introduce governance challenges. Private funding often prioritizes donor interests over community needs, contrasting with the democratic oversight typically associated with public funding (Brown & Kalegaonkar, 2002). This dynamic reflects what Salamon (2014) identifies as “philanthropic paternalism,” the third of his four philanthropic failures. In this scenario, donors exert disproportionate influence over funding priorities, sidelining community voices and potentially reinforcing power imbalances. These challenges demand that nonprofit managers carefully balance accountability, financial sustainability, and mission integrity to ensure equitable, community-driven outcomes.

Provincial and territorial governments now serve as the primary financial supporters, particularly for service-oriented organizations (Statistics Canada, 2022). While their funding practices—such as those from the Desjardins Group and Chantier de l'économie sociale (Bourdeau, 2018)—address local needs, they also reflect a philanthropic mindset that contrasts with the mutual aid ethos central to grassroots movements. The philanthropic model often emphasizes a top-down approach, prioritizing donor objectives and measurable outcomes, which can create power imbalances and limit community agency. In contrast, mutual aid operates on principles of solidarity, reciprocity, and collective problem-solving, where resources are shared equitably based on need rather than external priorities. This divergence underscores a tension within the funding landscape: while philanthropic models can provide critical resources, they may inadvertently undermine the participatory and self-determined nature of grassroots initiatives.

Additionally, shorter-term, outcome-focused funding models often destabilize long-term objectives. For instance, earned income activities are increasingly critical, yet only 40% of nonprofits report surpluses from these efforts (Imagine Canada, 2013). Managers must balance innovation and stability in an evolving funding environment.

Efforts to address historical inequities are reshaping funding priorities, but they represent only a fraction of Canada's overall charitable landscape. For context, Canadians donate approximately \$10 billion annually to charities, not including significant funding through government grants and contracts (Statistics Canada, 2024). Within this broader ecosystem, the McConnell Foundation's \$30 million capital transfer to Indigenous-led foundations—including \$10 million

to the Indigenous Peoples Resilience Fund (IPRF)—stands out as a notable milestone. While this is the largest known capital transfer to an equity-seeking entity in Canada within the past five years, it underscores how much more remains to be done to balance systemic inequities. This transfer not only reallocates assets but also seeks to shift power dynamics, empowering recipients to drive systemic change. As Indy Johar of Dark Matter Labs argues, such efforts must transcend traditional accountability frameworks to foster a truly post-colonial philanthropic system (Johar, 2023). Managers should actively pursue funding partners committed to equitable relationships and design programs that prioritize community-led decision-making, ensuring these strategies contribute meaningfully to transformative change.

As Indy Johar notes, alternate governance and accountability frameworks are essential—not necessarily more or fewer mechanisms, but fundamentally different ones. The default tendency to layer new mechanisms onto existing systems without reconsidering foundational assumptions often results in significant transaction costs, particularly when compared to mainstream capital. Managers should seek funding partners committed to equitable relationships and design programs that empower community-led decision-making, ensuring that strategies contribute to transformative change.

The rise of smaller funders—community, family, corporate foundations, and high-net-worth individuals—has diversified the funding landscape but remains vulnerable to market fluctuations. Managers must develop risk management strategies and advocate for equitable practices that balance financial sustainability with accountability.

Government funding dynamics have also evolved. By 2007, federal funding constituted less than 5% of nonprofit revenues, leaving provincial and territorial governments as the sector's primary funders (Statistics Canada, 2009 & 2022). Many provinces have reviewed their engagement with the sector to improve funding practices (Imagine Canada, 2022). Managers must adapt to these shifts, as provincial approaches significantly impact sustainability and emphasize the sector's economic contributions—social service organizations alone account for nearly a quarter of the sector's GDP (Statistics Canada, 2022).

Programs like the Investment Readiness Program (IRP) and the Social Finance Fund (SFF) also play critical roles. The IRP enhances investment readiness, helping organizations build capacity to access social finance opportunities, while the SFF focuses more broadly on market-building within the social finance ecosystem. Managers must leverage these tools strategically to align funding strategies with investor expectations and ensure financial tools support their missions.

Equity and inclusion are increasingly becoming key priorities for funders in Canada. Organizations like the Toronto Foundation and the Community Foundations of Canada are at the forefront, working to tackle systemic inequalities by channeling philanthropic resources into meaningful initiatives. These efforts focus on empowering marginalized groups and driving long-term systemic change within communities. This approach aligns with Canada's broader commitment to a social economy, which champions collaboration, community-driven solutions, and cooperative models to promote inclusive and sustainable growth.

Lastly, the reduction in core government funding has driven nonprofits to adopt more entrepreneurial strategies to sustain their operations (Dees, 1998). This shift reflects broader ideological and administrative paradigms, such as Neoliberalism, which emphasizes market-driven solutions and individual responsibility (Harvey, 2007), and New Public Management, which focuses on efficiency, performance metrics, and accountability in public service delivery (Hood, 1991). By 2017, nearly half of nonprofit sector revenues originated from earned income rather than traditional grants or donations (Statistics Canada, 2022). As a result, public-private partnerships, corporate collaborations, and social enterprises have become integral to a hybrid social finance ecosystem (Austin et al., 2006). For nonprofit managers, cultivating entrepreneurial capabilities and pursuing earned income opportunities is now critical. Successfully balancing this entrepreneurial approach with equity and mission alignment ensures organizations can adapt to evolving funding landscapes while staying true to their core values.

Section II: What We Don't Know—Insights from Global Practices: The Transformative Power of Cross-Border Learning for Social Economies

One of the most significant challenges in advancing any nation's social economy is the underutilization of cross-border learning—an approach that enables organizations to leverage insights and strategies from diverse global contexts. Cross-border learning is more than the adoption of new practices; it involves a fundamental shift in how practitioners think and act. By drawing on global experiences, managers and practitioners can transform their strategies, drive innovation, and improve societal outcomes.

For the social economy to thrive, practitioners must adopt a global perspective that transcends borders while adapting to local contexts. Across the world, social economy organizations have devised creative, resilient ways to sustain themselves through blended funding models, community partnerships, and innovative practices. While specific solutions may vary, the shared goal is the same: fostering equitable and sustainable societal change. Lessons from these global efforts provide practitioners with a roadmap for navigating challenges and reimagining approaches in their local ecosystems.

This section draws on examples from **Scotland, Pakistan, India, Bangladesh, and New Zealand**—regions with distinct socio-economic landscapes yet similar commitments to social innovation. These cases highlight effective practices in impact investing, ethical finance, corporate social responsibility (CSR), integrated development, and Indigenous-led approaches. While rooted in local realities, these strategies offer universal lessons applicable across jurisdictions. By exploring these successes, practitioners and policymakers can unlock opportunities for systemic transformation and create more equitable, inclusive communities worldwide.

Cross-border learning transcends adopting best practices; it redefines how we conceptualize and implement solutions. This paradigm shift can empower practitioners globally to embrace innovative thinking and foster resilient, impactful social economies.

Scotland: Localized Solutions with National Relevance

Scotland's impact investing strategy focuses on addressing domestic socio-economic challenges, emphasizing solutions tailored to its unique context. Anchored by institutions like the Scottish Investment Bank and Social Investment Scotland (SIS), this strategy prioritizes renewable energy, social housing, and community-driven development. These initiatives underscore a localized, needs-based approach that builds resilience within Scotland's social economy.

Recent innovations, as highlighted in SIS's *Annual Impact Report (2022-2023)*, include the Social Enterprise Just Transition Fund, which supports sustainable development in the North-East of Scotland, and the Financial Inclusion for Scotland initiative, designed to combat financial exclusion. During the COVID-19 pandemic, Scotland's nimbleness in leveraging digital platforms and launching responsive funds demonstrated the adaptability of its social enterprises. For example, projects like Well-Fed and Edinburgh Printmakers provided critical community services, addressing food insecurity and social isolation.

Scotland's approach—characterized by resilience, community engagement, and strategic innovation—offers critical lessons for jurisdictions seeking to strengthen domestic social finance ecosystems. By prioritizing internal challenges while maintaining flexibility and inclusivity, Scotland's model highlights the importance of adaptive strategies in addressing societal needs.

Pakistan: Ethical Microfinance as an Engine for Empowerment

Akhuwat, a non-profit organization in Pakistan, presents a pioneering model of Islamic microfinance that combines financial services with social empowerment. Operating on the principle of *Qard al-Hasan* (benevolent lending), Akhuwat's model mobilizes charitable donations to provide interest-free loans, fostering financial inclusion for underserved populations (Akhuwat, 2024).

Akhuwat's community-centric approach, involving local committees for loan screening and repayment monitoring, builds trust and accountability. Complementary initiatives, such as financial literacy training and vocational programs, further strengthen borrowers' capacity for sustainable income generation. Notably, Akhuwat's housing finance program has achieved remarkable results, financing over 47,000 homes with a 99.95% repayment rate as of January 2024.

Beyond its housing program, Akhuwat has established targeted microfinance initiatives for women entrepreneurs, small business owners, and individuals seeking vocational training. These programs emphasize financial inclusion as a pathway to broader socio-economic empowerment. By addressing structural barriers to credit, Akhuwat exemplifies how innovative and ethical financial practices can reduce inequality, build resilience, and foster sustainable development in low-income communities.

This model demonstrates the value of integrating ethical principles, community ownership, and targeted support services into financial systems. For Canadian social economy managers and practitioners, Akhuwat's success underscores the potential of inclusive, community-driven financial models to address systemic inequalities and build resilience.

India: Mandating Corporate Responsibility for Social Impact

India's mandated corporate social responsibility (CSR) policy, which requires companies to allocate 2% of annual profits to social development initiatives, illustrates an impactful policy approach to corporate engagement. This framework has fostered greater collaboration between businesses and nonprofits, directing resources toward education, healthcare, environmental conservation, and poverty alleviation. Annual reporting requirements enhance transparency and accountability, providing a replicable model for integrating private sector contributions into broader social development agendas (Government of India, 2013).

A key feature of India's model is its mandatory CSR contributions, which contrast with the voluntary approaches prevalent in many Western countries. This structured approach ensures consistent private-sector engagement and echoes, in principle, **Italy's** cooperative sector mandate (CIRIEC, 2021). In the Italian model, cooperatives are required by law to contribute a portion of their earnings to a cooperative development fund, supporting innovation and the broader cooperative ecosystem. Similarly, India's CSR model fosters a focus on localized solutions by encouraging corporations to collaborate with grassroots organizations, enabling the implementation of projects tailored to the specific needs of communities. These efforts foster deep local impact and ensure greater inclusivity in development efforts. Furthermore, India's system of annual reporting enhances transparency and accountability, creating an environment where companies are incentivized to disclose their activities and adopt best practices.

The impact of India's CSR initiatives extends beyond compliance. It has catalyzed partnerships between corporations and grassroots organizations, enabling the delivery of tailored solutions to community-specific issues. For instance, major corporations have invested in rural infrastructure, digital literacy programs, and sustainable agriculture projects. These initiatives not only improve quality of life but also create economic opportunities for marginalized populations. Moreover, India's CSR ecosystem encourages innovation through competitive grant funding and public-private partnerships. This has led to the development of scalable models addressing systemic issues, such as malnutrition and urban sanitation. For policymakers, India's CSR mandate exemplifies how regulatory mechanisms can incentivize corporate participation in societal well-being. The model underscores the importance of accountability and structured partnerships in achieving large-scale impact.

Bangladesh: Holistic Development Through Scalable Models

BRAC, based in Bangladesh, offers a compelling model for building holistic and scalable social impact systems. As one of the world's largest development organizations, BRAC integrates interventions in education, healthcare, microfinance, and women's empowerment, addressing

poverty's multifaceted nature with tailored solutions deeply rooted in community engagement (BRAC, 2023; Ahmed, 2004).

BRAC's model is characterized by several key features that contribute to its success in addressing poverty and fostering development. Its holistic programming tackles multiple dimensions of poverty simultaneously by providing integrated services that address a range of needs. Community ownership plays a central role, as BRAC emphasizes local engagement to build trust and develop solutions tailored to the unique needs of each community (Smillie, 2009). Additionally, the organization's robust monitoring, evaluation, and training systems ensure scalability and adaptability, allowing it to replicate impactful models across diverse contexts (Hashemi & Morshed, 1997). Finally, BRAC's sustainable financial models, which include revenue-generating microfinance initiatives and social enterprises, reduce dependency on donor funding and provide a framework for long-term viability (Chowdhury & Bhuiya, 2004).

The long-term effects of BRAC's **Targeting the Ultra Poor (TUP)** program have demonstrated its transformative impact on the economic lives of those in extreme poverty. Research has shown that interventions combining asset transfers, training, and income support can lead to sustained improvements in household consumption, income generation, and overall well-being (Banerjee et al., 2015). BRAC's TUP program exemplifies this by delivering a comprehensive package of support that helps participants build a foundation for financial independence and escape chronic poverty.

Additionally, insights into the economic lives of low-income households emphasize the importance of designing interventions that address interconnected needs, such as healthcare, education, and financial services (Banerjee & Duflo, 2007). BRAC's integrated approach aligns closely with this understanding, providing solutions that reflect the complex realities of poverty and equipping communities with the tools to break its cycle.

BRAC's emphasis on women's empowerment has also been transformative. Through education and microfinance initiatives, millions of women have achieved financial independence and improved their quality of life (Bornstein, 2004). Additionally, BRAC's vocational training programs address unemployment by equipping young people with skills for high-demand industries, while its social enterprises generate revenue to fund broader development efforts.

Another hallmark of BRAC's success is its ability to influence systemic change. Advocacy efforts informed by grassroots insights have shaped national poverty alleviation strategies, demonstrating the power of aligning community-driven initiatives with policy interventions.

New Zealand: Indigenous-Led Approaches to Social Finance

Impact investing in Aotearoa New Zealand integrates financial and social returns through culturally grounded approaches. Rooted in Te Ao Māori principles, investments emphasize early collaboration with Māori communities, respect for tikanga (customary practices), and alignment with Te Tiriti o Waitangi (the Treaty of Waitangi). Initiatives like the New Zealand Housing

Foundation and the Impact Enterprise Fund exemplify these principles in action, combining cultural sensitivity with innovative financing to achieve community impact (Philanthropy New Zealand, 2021).

Philanthropy New Zealand (PNZ) highlights the necessity of cultural competence, advocating for equity-focused partnerships with Iwi, hapū, and whānau. Training programs on New Zealand's history and targeted grant funding further support Māori-led initiatives. Such practices underscore the value of co-designed solutions and culturally tailored impact measurement, as seen in the "Impact Investment in Action" report (Kelly and Price, 2021).

In addition to housing and enterprise-focused programs, New Zealand's impact investing ecosystem is expanding into renewable energy and sustainable agriculture. These sectors align with Te Ao Māori's emphasis on kaitiakitanga (stewardship of the land and environment), ensuring that investments benefit both present and future generations. The integration of these principles highlights the potential for socially and environmentally sustainable economic models (Connective for Philanthropy New Zealand, 2021).

For social economy managers and impact-oriented practitioners, New Zealand's approach underscores the importance of embedding cultural and historical contexts into social finance strategies. This fosters inclusivity and ensures that social finance initiatives resonate with diverse stakeholder needs. Furthermore, New Zealand's dynamic impact assessment processes—which emphasize strategic insights and continuous learning—offer a valuable framework for evaluating and refining social finance initiatives in other contexts.

Section III: Conceptualizing the Path Forward: Insights and Strategic Directions for Social Economy Leaders

To navigate the evolving funding landscape and build resilient social economies, social economy managers and practitioners must adopt strategies that integrate local contexts with global insights. The evolution of nonprofit funding ecosystems across the globe reveals critical patterns and potential leverage points for transformative action. While grounded in the Canadian experience, the following recommendations offer a universal framework for fostering sustainability, equity, and innovation in social finance. These insights underscore that fostering equitable, inclusive, and sustainable social economies requires innovative financial mechanisms, systemic shifts in governance, community engagement, and cross-border collaboration.

Reimagining Governance for Equity and Agency

Strengthening community-centered governance and decision-making is crucial. Embedding participatory governance in funding systems draws inspiration from global practices, such as Te Ao Māori principles in New Zealand, which emphasize local traditions, cultural stewardship, and shared accountability (Geobey, 2024; Chapter 8). These approaches illustrate the value of co-creating metrics that reflect community-defined success rather than relying solely on conventional reporting frameworks. Social economy organizations can adopt participatory

funding councils or integrate grassroots voices into strategic decisions, mitigating risks of "philanthropic paternalism" (Salamon, 2014) and aligning resources with local needs.

Adopting alternative accountability models allows for the inclusion of qualitative, community-defined metrics that reflect long-term and holistic impacts. Drawing on Indigenous governance models further embeds cultural values and co-design principles into financial decision-making processes (Geobey, 2024; Chapter 19). These governance adaptations reinforce accountability to those most affected by funding outcomes and strengthen systemic resilience through community agency. Engaging beneficiaries in governance can also strengthen organizations' capacities for self-organization, promoting relational systems thinking and mutual accountability.

Balancing Diversification with Mission Integrity

Diversifying funding sources is essential for building resilience while maintaining mission integrity. Hybrid financial models that combine earned income strategies, impact investments, microfinance, and philanthropic grants create balanced revenue streams. However, diversification must not come at the cost of diluting organizational values. Ethical financial practices, such as Pakistan's Qard al-Hasan microfinance model, enhance financial access for marginalized groups without reinforcing inequities. Similarly, Canada's Indigenous Peoples Resilience Fund exemplifies how equity-focused funding mechanisms can empower historically excluded groups by redistributing assets and fostering community ownership (Geobey, 2024 & 2025a).

The triangular framework introduced by Geobey (2024) highlights the interplay between philanthropy, mutual aid, and traditional business models. Social finance strategies must navigate these intersections to avoid "mission drift" and uphold community-driven goals. Public-private collaborations can also foster financial sustainability. Regulatory frameworks like India's CSR mandate offer replicable models for consistent private-sector engagement, ensuring corporate contributions to social challenges remain transparent and equitable. Social economy managers can design funding strategies that balance diverse income streams with robust accountability mechanisms to uphold their mission objectives.

Innovating through Integrated, Scalable Models

Innovation is a key driver of systemic transformation. Global exemplars, such as BRAC in Bangladesh, showcase the transformative potential of integrated, community-driven approaches to addressing interconnected social challenges. BRAC's model combines asset transfers, skills training, and income support to deliver sustained improvements in well-being (Geobey, 2024; Chapter 8). By designing pilot programs with robust evaluation systems, BRAC strategically scales successful interventions without compromising quality.

Additionally, BRAC's sustainable funding model, which integrates social enterprises and revenue-generating activities, demonstrates how organizations can reduce reliance on traditional funding sources while aligning financial sustainability with their mission. Geobey (2024)

emphasizes the need for organizations to adopt learning-focused frameworks that include developmental evaluations to adapt to emergent challenges. Social economy practitioners can leverage these lessons by adopting holistic frameworks that integrate digital tools, multi-dimensional initiatives, and long-term systems thinking to enhance adaptability and maximize societal impact.

Cross-Border Learning as a Driver of Systemic Change

Cross-border learning transcends the adoption of external solutions and involves rethinking systems by adapting strategies to local contexts. The juxtaposition of innovations from the Global South, like BRAC's holistic development model, with those from the Global North, such as Scotland's tailored impact investments, reveals how diverse approaches can address shared challenges (Geobey, 2024; Chapter 19).

Scotland's Social Investment Scotland (SIS) initiatives, including the Social Enterprise Just Transition Fund, demonstrate the importance of flexible, needs-based approaches that address local realities while remaining inclusive. Organizations can foster international partnerships and participate in knowledge-sharing platforms to strengthen their approaches. For example, adapting India's CSR framework to enhance ties between corporations and Indigenous-led organizations can yield impactful, community-specific solutions.

Cross-border learning initiatives enrich local practices by equipping practitioners with adaptable strategies informed by global exemplars. Mutual aid networks and trust-building initiatives can bolster community resilience and foster cooperative economic structures that align with community-defined goals.

Building Ecosystem Capacity and Advocacy

Capacity-building efforts play a pivotal role in ensuring financial sustainability. Investment in financial literacy and management training equips nonprofit leaders and staff with the skills to navigate complex financial instruments and develop entrepreneurial capabilities (Geobey, 2024). Programs like Canada's Investment Readiness Program (IRP) provide organizations with tools and resources to prepare for engagement with social finance opportunities.

However, scaling these efforts requires creating global learning networks where practitioners can co-develop solutions and share insights. Advocacy is equally vital. Policies that incentivize equity-focused funding models or mandate corporate contributions, as seen in India and Italy, create an enabling environment for systemic transformation. Policymakers and practitioners can collaborate to build frameworks that prioritize public-private synergy and equity-driven outcomes.

Embedding Cultural and Historical Contexts into Funding Models

Embedding cultural contexts into social finance strategies ensures inclusivity and relevance. Respecting and integrating cultural and historical nuances enhance the resonance of funding

models with local traditions while addressing systemic inequities. New Zealand's culturally grounded impact investing practices and Canada's Indigenous Peoples Resilience Fund highlight the importance of culturally sensitive funding approaches.

By supporting grassroots initiatives aligned with community-defined goals, social economy leaders can foster empowerment and strengthen community agency. These strategies offer scalable solutions for creating resilient social finance ecosystems and addressing systemic inequities. As noted in Geobey's analysis (2024), initiatives that integrate historical and relational perspectives promote sustainability and foster collective well-being.

Advancing Policy and Ecosystem Support

Advocating for enabling regulatory frameworks is vital for systemic change. Policies that mandate or incentivize corporate contributions to social economy initiatives ensure consistent resources for transformative projects. Increased public investment in social finance is another crucial step, as the economic and social returns of such commitments are substantial (Geobey, 2024; Chapter 19).

Participation in international dialogues and forums allows practitioners to influence global best practices and adopt innovative approaches to social finance and impact investing. By embedding principles of equity, inclusivity, and sustainability into their practices, social economy managers and practitioners can build robust social economies capable of addressing systemic challenges and creating meaningful, lasting impact.

Conclusion

Social finance offers tools for addressing systemic inequities and fostering sustainable development. However, achieving transformative change requires more than adopting innovative practices—it requires a shift in how practitioners think and act. Cross-border learning is not just about importing external solutions; it is about fundamentally transforming strategies and decision-making processes. This resonates with the understanding that lessons from both the Global North and Global South can reshape practices globally.

The insights from Canada, though rooted in a national context, offer lessons that resonate internationally. Programs such as the Investment Readiness Program (IRP) (Statistics Canada, 2024) and the Social Finance Fund (SFF) illustrate not only Canada's efforts but also the broader potential of hybrid funding models that blend public, private, and nonprofit collaboration. By positioning Canada as a contributor to the global dialogue, this model underscores how lessons learned through Indigenous-led funding models like the Indigenous Peoples Resilience Fund (Johar, 2023) can inform international practices in cultural competence and participatory governance. These approaches align with global examples such as New Zealand's Te Ao Māori frameworks (Philanthropy New Zealand, 2021), Pakistan's ethical microfinance through Akhuwat (Akhuwat, 2024), and India's CSR mandates (Government of India, 2013).

The Canadian experience also reflects the need for reciprocal learning: cross-border partnerships with initiatives like Scotland's Social Investment Scotland (SIS) and BRAC's holistic development models illustrate the shared importance of adaptability and multi-stakeholder collaboration. These collaborations highlight the potential for Canadian innovations, such as the emphasis on community co-design, to influence international standards while adapting lessons from global exemplars.

Importantly, this approach challenges colonial legacies by emphasizing equity-based partnerships and rejecting unilateral adoption of solutions. Instead, it positions Canada—and other nations—as co-creators of systemic resilience and innovation. Cross-border learning invites a multi-directional exchange of ideas, prompting practitioners to continuously revise and deepen their approaches.

In conclusion, this paper demonstrates that localized initiatives, when embedded in a global conversation, can reshape mindsets, foster inclusive economic ecosystems, and inform practices that transcend borders, providing actionable insights for social economy managers worldwide.

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