

SAGA – the end of a roller-coaster ride

Andrew Milner and Caroline Hartnell

“SAGA was a brave effort at a fascinating time. I was grateful to be part of the lessons and sad to see the end in the current form, but its work will benefit ventures to come.”

Joy Mills-Hackmann

In February 2006, the *Alliance eBulletin* ran the following short news item: ‘The Southern African Grantmakers’ Association (SAGA) has announced its imminent closure because of a lack of funding to cover costs. The SAGA board said that “good governance rules” prevented it from continuing without guaranteed sources of funding.’ It was a sad – and, to many, surprising – end to an organization that had begun with such high hopes in the heady days of the new South African democracy. What lay behind its demise? As *Alliance* talked to people who knew SAGA from various perspectives – staff, board members, funders, and denizens of the South African non-profit scene – a picture began to emerge of an organization that in the end fell between all stools.

Almost exclusively funded by a handful of international foundations, SAGA failed to hold the enthusiasm of its corporate founding members or to win the allegiance of the non-corporates. When the international funders began to waver, there were no South African funders to step in and plug the gap.

It must be stressed that this article is only a first attempt to understand why SAGA closed. As Gerry Salole, former Ford Foundation Representative in South Africa, puts it: ‘There can never be a single text and a single interpretation of what went “wrong”.’ He draws a parallel with the story of the six learned but blind men and the elephant. Like these blind men, ‘who all experienced, each on their own, a different aspect of the “elephant”, and who then, based on this first-hand experience, described the creature to their companions with comically inconsistent results, we have all touched different aspects of the SAGA Saga.’

A thumbnail chronology

We cannot give a history of SAGA, but a brief timetable of some of the most significant events will help to set the context. SAGA was formed in 1995, in what former Executive Director Colleen du Toit calls the ‘euphoria and idealism’ following the election of the 1994 democratic government in South Africa. It was formed principally on the initiative of a few large South African corporate funders, international donors and local NGOs.

According to Barry Smith, then with INTERFUND, a SAGA founder member (and himself a member of the SAGA board), SAGA was intended to facilitate greater cooperation in supporting national development priorities, to be a voice for the independent funding sector, and to be a forum for communication and exchange between development grantmakers of all kinds. ‘Simply put,’ he says, ‘grantmakers didn’t know each other very well, nor was the sector particularly well defined and documented.’ David Bonbright, then Executive Director of the Development Resources Centre, also

feels that ‘there was very little sense of grantmaking as a profession, with its own craft and distinctive contributions to make to the new South Africa’.

Perhaps above all, it was to be a means of breaking out of what Smith terms the ‘silo mindset’. ‘The NGO intermediary grantmakers were loosely networked, international funders met in the northern NGOs and foundations networks, and CSI funders connected separately. SAGA was intended to be a bridge between these various grantmaker groups, as well as a means to promote joint learning and better development practice.’ As Christa Kuljian, then Mott Foundation Director and SAGA board member, recalled, ‘There was so much to address in South Africa in the post-1994 period that it only made sense to get all donors – corporate and non-corporate – to communicate with one another about priorities and needs.’

By May 2001, when Colleen du Toit became Executive Director, the organization had fallen into the doldrums. ‘There had been a leadership “gap” of seven months,’ she recalls, ‘there was no funding, membership fees had not been collected for the past two years, members were leaving, and the remaining staff were demoralized. SAGA’s public profile, professional legitimacy and work output were at an all-time low.’ Nevertheless, she and her colleagues turned the situation around. This was symbolized for her by the standing ovation they received at the end of their 2002 annual conference. What followed, she describes as ‘bumping down the track of diminishing financial resources and associated stresses and conflict’.

In 2002, following a year-long consultation with SAGA members, a three-year funding proposal was put forward. Atlantic Philanthropies agreed to fund half of the R14 million budget over a period of three years. For their part, Ford and Mott agreed to fund R7 million between them.

Atlantic was always clear that this would be their first and last grant to SAGA as their funding priorities were changing. They therefore made it a condition of the grant that SAGA provide a sustainability plan. This was completed and presented to the board in 2003. Basically, the plan was to increase local membership, increase membership fees, move in the medium term from international to local member support for the organization, create an endowment, and rationalize operational and overhead costs.

In 2004, Ford and Mott told SAGA that they were becoming increasingly uncomfortable about being the sole core funders of the organization and about the lack of any local funding –this had been an ongoing issue for several years. However, they also made it clear that they were open to providing continued core support, though not as the major funder, and that they would in any case want to continue funding specific work such as the community foundation programme. They also funded an evaluation of SAGA, carried out by professional management consultants. However, the quality of this report was called into question by Ford and Mott, and in the end no report was ever released. SAGA meantime failed to secure replacement funding until such time as its sustainability strategy should pay off, and the board announced its decision to close early in 2006.

According to Colleen du Toit, the fact that no local funders (who were also SAGA members) were prepared to put in money in 2003, despite affirming their belief in the organization during the consultation process, should have been a wake-up call

– ‘but at that stage we were so focused on re-establishing SAGA’s work and profile that we did not hear that clear warning’.

SAGA’s successes

Given that this is a review of the chief reasons for SAGA’s closure, it will inevitably stress weaknesses in the organization and its position. As a corrective to this, it’s important to consider briefly what it achieved. Colleen du Toit says: ‘I do not believe that SAGA ultimately “failed”. In the years that I was Executive Director, SAGA’s membership trebled, regular networking events took place, three very successful annual conferences were held, and the organization produced more information and training outputs than it had ever done before.’

Max Legodi, a SAGA staff member who managed the pilot programme to establish community foundations, agrees. According to him, ‘members valued the space and opportunities for networking, also information-sharing sessions, such as breakfast seminars, workshops and annual conferences.’

Support for this view also comes from Gerald Kraak at Atlantic Philanthropies. ‘In my view SAGA definitely had an impact on the profile of CSI (corporate social investment), with many corporates professionalizing their CSI operation and making dedicated capacity available for CSI. The dramatic increase in SAGA’s membership by corporates under Colleen du Toit’s watch was testimony to a growing realization of the importance of professionalized CSI.’

Particularly valued by SAGA members themselves, says Colleen du Toit, were the networking opportunities SAGA offered. ‘The answer most often given by SAGA members when asked what they valued most was “networking”.’ The same is true of most of our respondents.

Max Legodi has no doubt that SAGA was providing needed services: ‘During regular membership surveys or one-to-one discussions, the overwhelming majority felt SAGA was needed by grantmakers and that it was delivering relevant services.’ But he also mentions that there was resistance to SAGA increasing membership fees ‘or even providing services on a very reasonable cost recovery basis – members were not willing to pay for services.’ Almost all respondents agreed that this last point is a crucial one in respect of SAGA’s ultimate closure, and we will return to it below.

Pulled this way and that

As we have seen, SAGA was intended to serve as a bridge between various types of grantmaker. But there were always tensions and difficulties latent in this ambition.

A number of our respondents suggest that problems arose because SAGA was perceived as favouring its corporate over its non-corporate members. ‘While its values and development perspective were heavily influenced by its non-corporate members,’ says Barry Smith, ‘these members felt under-served and overshadowed by the business members.’

But Teboho Mahuma, former board member and board chair, is emphatic that the interests of non-corporate members were not neglected: ‘I do not think that it is fair to say SAGA failed to embrace non-corporate members, because at some stage the organization was being criticized for swinging too far into the non-corporate area at the expense of corporate members.’

Joy Mills-Hackmann (nine years a SAGA board member and both Chair and Vice-chair during that time) supports Mahuma’s view. She recalls ‘feeling apologetic for being yet another corporate member’. ‘To demonstrate value for SAGA’s membership was at times difficult,’ she says, ‘when conferences and services focused on very specific issues (many corporate members did not relate to or support community foundations – a regular theme).’

Mokhethi Moshoeshe, Executive Director from 1997 to 2001, agrees that ‘SAGA’s biggest project – the community foundations programme – had very little to do with corporate members. In fact, some corporate board members were completely against it.’

But Mills-Hackmann suggests that SAGA also missed opportunities to win corporate support: ‘Corporates requested SAGA to consider Government’s focus on employment equity, charters and broad-based ownership and participation in the corporate sectors. This presented a massive opportunity to enhance the role of CSI. I believe it would have been easier for SAGA to grow by linking to this political thrust and energy rather than having to deal with international donor pressure to resist this direction.’

Different interests to reconcile

Whether or not they favoured one or the other, there were differences in behaviour and intent which made the interests of corporate and non-corporate grantmakers difficult to reconcile. According to Moshoeshe: ‘Private foundations, community foundations and international donor agencies were most interested in sharing information about who was funding what in order to avoid duplication and to explore possible co-funding arrangements. Some corporate social investment (CSI) programmes and local corporate foundations played their cards very close to their chest because their social investment was part of their public relations and it had to be hidden from real or perceived competition.’

This conflict was apparent at board level, too, he believes: ‘Corporate members, private foundations and trusts were always represented on the board. The two groups could not agree on the fundamentals – the role of SAGA and its reason for existence – which made it impossible to develop programmes that went beyond the lowest common denominator.’

With such conflicting interests among its membership, it was easy for the leadership of SAGA to feel that, in effect, they couldn’t win. As Colleen du Toit puts it: ‘The one thing we were always sure of was that if we were pleasing one sector of the membership we would be displeasing another!’

A split personality?

If attempts to reconcile the interests of the two main elements of its membership were largely unsuccessful, does this mean that SAGA never had a clear identity? Colleen du

Toit rebuts this suggestion vigorously: ‘I believe that SAGA had a strong identity. We spoke out, we advocated (successfully), we published, we held many meetings/conferences etc. We profiled *all* [her emphasis] our membership at all public events and on the website and in SAGA publications.’

But Mokhethi Moshoeshe disagrees: ‘One of SAGA’s main failures was to agree on and articulate a statement of purpose that all stakeholders including non-members bought into.’ Teboho Mahuma feels that SAGA tried ‘to be everything to everyone, resulting in no one feeling that they were being taken seriously enough for their needs to be prioritized.’

Christa Kuljian feels that the community foundation pilot project may have contributed to the perceptions that members had of SAGA. ‘During the late 1990s, SAGA spent a lot of time, energy and money on the community foundation pilot. ... While I would defend the intentions behind it, I think that SAGA put a lot of energy into this project at the expense of looking at its overall mission. This may have contributed to the impression by some members that SAGA wasn’t focused on their needs.’

Teboho Mahuma adds: ‘My conclusion is that in trying to accommodate everyone’s needs, SAGA tried a “can do” attitude which then saw them battling to meet everyone’s specific needs and agenda equally at all times, thus forever attracting criticism for swinging too much in one direction or another.’

But for Russell Ally, current Mott Foundation Director in South Africa, this corporate/non-corporate discussion is missing the point. ‘SAGA was much too tied to overseas donors,’ he says, ‘and didn’t have enough of a “local” identity, whether corporate or other donors.’

SAGA’s ‘development’ agenda

Apart from their potential importance as participants in the network, the business sector was important to SAGA as a ‘target’ for future development funding. ‘International grantmakers and some NGOs in particular,’ says Barry Smith, ‘felt a need to engage more effectively with the CSI sector on the grounds of overall sustainability. Ultimately foreign funds were a diminishing resource, while CSI funders were in for the long run. It was hoped that through engagement within SAGA, these CSI practitioners would increasingly adopt a more developmental and collaborative approach.’

Colleen du Toit also emphasizes the broader developmental reasons for engaging with the corporate sector: ‘At the other end of the CSI spectrum were the few very well-endowed, well-run corporate giving institutions which we wanted to bring into SAGA to provide leadership and best practice examples – and hopefully to support SAGA financially (the last never happened). We probably did give the corporates priority attention – with the best of developmental intentions.’

Changing corporate interests

Whatever efforts SAGA did or didn’t make to win corporate support, it seems that the corporate members’ interests were rapidly moving elsewhere. ‘The predominant South African figures to initiate SAGA were corporates,’ says Joy Mills-Hackman. ‘But many

didn't remain active in SAGA, and the absence of some of the biggest corporate donors sent a loud message.'

'SAGA was overshadowed by other higher profile, locally funded business organizations in the "corporate social responsibility" and "corporate citizenship" space,' explains Barry Smith. These include the National Business Initiative (NBI), the Business Trust, the African Institute of Corporate Citizenship (AICC), and a number of 'black' umbrella bodies (FABCOS, NAFCOC, etc) – many of them funded by their corporate membership.

'During our sustainability drive,' says du Toit, 'SAGA's corporate members (almost without exception very low down on the corporate ladder within their own companies) were telling us they couldn't pay more for SAGA because their bosses were paying such high fees to one or more of these other organizations.'

Both David Bonbright and Max Legodi comment on the changing profile of SAGA's corporate members over time. 'I was struck by the dramatic change in the SAGA constituency at the 2003 AGM from the group of founders that I worked with in 1993 and 1994,' says Bonbright. 'The founders were influential professionals in their companies, people who had wrestled over decades with the challenges of making white-owned corporations more relevant to all of South Africa. They were not sure that corporate philanthropy was all that powerful a lever for realizing wider social responsibility, but they were determined to make it everything that it could be. The members I met at the 2003 AGM were junior, relatively inexperienced people with little influence in their companies.'

According to Max Legodi, SAGA's strategy was to attract influential business leaders to serve on its board in the hope that they would use that influence to raise SAGA's profile among their connections. 'Unfortunately,' he says, 'this never happened. Influential people/business leaders did not really understand SAGA, or worse still understood it as an organization of CSI managers trying to hijack the corporate philanthropy agenda. I have heard of instances of a CEO questioning the role of SAGA in a company meeting and a very active member of SAGA in that company not having the guts to challenge that negative perception.'

Apart from the proliferation of other higher-profile, locally funded business organizations referred to by Barry Smith, were there other changes in the external environment that can help explain this change in corporate perceptions of SAGA? Gerry Salole thinks so. 'To some extent SAGA may have been cobbled together to respond to an anticipated situation that in the event never occurred,' he suggests. 'In the period 1993-95, it looked briefly as if corporate South Africa would be generating serious philanthropic resources that would remain in the hands of corporate or philanthropic donors. A place for their new leaders to meet, coordinate strategy and build an enabling environment therefore made sense. In the event, it soon became clear that the government wanted to exact these resources differently {ie through taxation}, and what looked briefly like very large philanthropic empires soon shrunk to much less imposing edifices.'

Lack of ownership by the members

Even if the emphasis on pleasing the corporate members did not alienate the non-corporate membership, it seems that it at least contributed to their unwillingness to invest

in the organization, materially and morally, and this was to become critical. As Colleen du Toit again remarked: 'If there is to be a membership association, it has to be the grassroots creation of its members. It has to be needed and invented and nurtured by the members themselves ... SAGA was never that.'

'Essentially' she feels, 'SAGA was "invented" by the internationals, and a few locals who then lost interest or moved out of the social giving environment.' Russell Ally echoes this view: 'The membership never really took ownership,' he says. 'International funding was far too dominant.'

In this context Teboho Mahuma again mentions the community foundation programme. This was seen as 'an American concept sold through SAGA,' she says. 'This created the perception that SAGA did not need its members as long as the external funders were happy.' It could also be that SAGA itself, as a grantmaker association, was seen as an imported model, as Gerry Salole suggests (see below).

Meeting members' needs

Since SAGA's closure, a number of its members have banded together informally to buy in training. Why weren't they more willing to pay for services like this in the SAGA days? According to Teboho Mahuma, 'at some stage SAGA was offering really good training on subjects identified by members.' 'All we did was in response to members' clearly established needs,' says Mokhethi Moshoeshe.

Mahuma acknowledges, however, that 'the environment has changed a lot and different sectors have specific needs that SAGA probably could not/did not position itself to meet. Business sector empowerment charters, for example, require companies to look beyond grantmaking in their social plans.'

But Colleen du Toit suggests that 'the issue is not that they didn't want training from SAGA. They just didn't want to pay for it. There was also a perception that private sector management consultants could teach them more about strategic planning, financial management etc than we could. I am sure that to a certain extent that is true.'

Although confident that SAGA was delivering relevant services, Max Legodi also notes 'that there was resistance to SAGA increasing membership fees or even providing services on a very reasonable cost recovery basis'.

How good was SAGA at encouraging collaboration?

How successful was SAGA in encouraging collaboration and providing leadership on issues that affected the sector? Respondents were lukewarm on this point. Christa Kuljian believes that while SAGA was involved with a group of local (non-corporate) grantmakers to advocate with the National Development Agency, it 'did not take the lead with this initiative and left the leadership to others'. Similarly, she feels that in the late 1990s 'there was the potential for SAGA to take the lead around tax incentives for donors ... but the work was done by the Non-Profit Partnership' – despite the fact that SAGA held an important conference on tax in 1996. Clearly, these were missed opportunities for SAGA.

According to Joy Mills-Hackmann, ‘SAGA did not facilitate donor collaboration effectively. Where it did happen it was as a result of the local networks which were set up as voluntary initiatives by local donors.’ Kate Miszewski of Old Mutual Foundation, never a member of SAGA though she attended SAGA conferences, felt that SAGA ‘did not create an environment for collaboration in the practical sense’, and was of the view that its approach in this respect was rather ‘academic’.

A competitive environment

However, SAGA’s inability to produce a sense of solidarity among its membership and a greater degree of donor collaboration should be read against a background of competition, rather than cooperation, among donors. Teboho Mahuma argues that, ‘despite all talk of a need for collaboration, sectors and individual organizations are still largely competing for “Brownie points” from government and other voices of political power. For a while, SAGA was succeeding in bringing grantmakers together to cross-pollinate good practice and identify areas of common purpose where collaboration was necessary and possible. This I suspect will sustain beyond SAGA even if it’s informal.’

Gerald Kraak largely endorses this view: ‘I think it is important to state that donors – even northern donors – are not known for collaboration. There are turf issues and lots of underlying politics.’ To its credit, he feels, SAGA did partly overcome this obstacle: ‘It is a real achievement that SAGA managed to forge a degree of collaboration.’ In its absence, he says, ‘I would imagine that collaboration is happening informally or not at all.’

‘The truth is,’ concludes Colleen du Toit, ‘that the diverse sectors of SAGA’s membership were themselves often unwilling to cooperate with one another in spite of our efforts to encourage mutual growth, information-sharing, knowledge development, partnerships etc. While there were some lovely examples of cooperation and knowledge sharing, there were also a lot of issues related to competitiveness and “turf”.’

The *Southern African Grantmakers’ Association*

One of its earlier funders professes some disappointment that SAGA remained largely a national organization and was never able to establish itself regionally. ‘I represented a foundation that had a regional southern Africa focus,’ says Malusi Mpumlwana of the Kellogg Foundation. ‘Since SAGA stood for the *Southern African Grantmakers’ Association*, we had hoped it would live out the regional commitment, and at one time gave them a grant to look at how that would be achieved. It appears that SAGA was never really able to go that far. That is where “donor collaboration” might have been helpful for us at Kellogg.’

Colleen du Toit supplies an explanation: ‘The “regional” dimension of SAGA’s operations was a misnomer during my time, and can be said to have “failed”. Although we employed a senior staff member to revive this initiative, it never got off the ground – most regional grantmakers operate from South Africa anyway, and all the efforts we made to encourage regional membership failed. We only had two real paid-up regional members and we did not have the resources necessary to continue this work. At each annual conference we organized a “regional” session. These were marginally successful.’

She feels that one of the reasons for this is that South African-based attempts at organizing in the region are viewed with suspicion because of its regional dominance. 'After several not very successful ventures into the region during 2002–2003,' she concludes, 'we took a conscious decision in late 2003 to put our regional efforts into helping to set up the Southern African Trust (SAT).' This important trust is now well established.

Dependence on a few funders

'One of the difficult areas SAGA had to handle,' says Gaynor Humphreys of the WINGS network, 'seemed to be how to achieve not just take-up of its services by a wide range of members but a real commitment from them to build and lead it. This is an area every new grantmaker association has to work at, but it is particularly difficult when a few big, externally funded foundations are able to provide a high level of support at the start.'

Here she puts her finger on the relationship between SAGA's two key problems. Whatever the reasons for it, the lack of member 'buy-in' also compounded another of the organization's difficulties – reliance on a few overseas funders.

'Despite much effort on the part of SAGA,' says Barry Smith, 'revenues from membership fees and local funding remained very low until the end, and SAGA in 2005 was still overwhelmingly reliant on international support – mainly from large US foundations.' The figures bear out these views. At the time of the drafting of the Sustainability Plan in 2003, SAGA derived 98 per cent of its revenues from grant funding.

In the opinion of Gerald Kraak of Atlantic Philanthropies, one of those funders, this 'narrow donor base and an over-reliance on northern funding' was the root cause of its closure. He also suggests that SAGA's failure to mobilize its members' resources was partly due to what he calls an 'enduring conservatism' about the nature and possibilities of CSI on the part of local corporates, which led to their reluctance to put money into it.

Several of our respondents feel that the issue of over-dependence on funders was exacerbated by the large grants received in 2003. As seen above, Atlantic agreed to a R7 million grant over a period of three years on top of the R7 million being provided by Ford and Mott. 'It would be my view,' says Christa Kuljian, 'that such a high level of funding from international donors without any matching funding from local sources left the organization very exposed.' It had been hoped that the National Development Agency would come to the table, as well as other SAGA members.

Kate Miszewski agrees with Kuljian. 'What sometimes happens when large sums of money are donated to an organization is that they grow too quickly, and then when the crunch comes they are unable to sustain themselves.' Too much money, in other words, can sometimes be as much of a problem as too little. Russell Ally comments that this level of funding made SAGA too independent of its members and 'too blasé about attracting local funds'.

The withdrawal of international funding

Given the 98 per cent figure quoted above, withdrawal of this overseas funding was clearly going to be disastrous. As already seen, the Atlantic grant was always intended as a one-off. According to Gerald Kraak, at the time when Atlantic made its grant to SAGA, it had been undergoing a strategic reevaluation of its grantmaking and had decided to discontinue its programme to strengthen the institutional environment of the NPO sector. 'We had made significant investments in this field,' he said, 'and felt it was time to focus on areas where we felt we could make greater impact. I recognize in this that we at Atlantic contributed to the demise of SAGA.'

In 2004, with both Ford and Mott continuing to stress the need for 'matched funding' from South African members but none on the horizon, SAGA was clearly in deep trouble. By that time, the organization had drawn up its Sustainability Plan, but it was too late.

Plans for sustainability

The Sustainability Plan, devised in 2003, stated that SAGA had achieved institutional and organizational sustainability over the preceding three years, but that 'the challenge now is to achieve financial sustainability'. This would involve, among other things, reducing grant dependence in the medium term to 70 per cent and raising the income from membership fees and sale of services to 15 per cent each (the figures at the time the Plan was drafted were, respectively, 98 per cent, 1.8 per cent and 0.2 per cent). Ultimately, SAGA was unable to do this.

Colleen du Toit points to the timing here: 'The problem is that there never was a long-term plan until 2003 – and that was too late.' Initially, she explains, 'membership fees were notional because the organization was (in institutional form if not in identity) really just another internationally funded NGO. There was never, at any time before 2003/04/05, a suggestion, let alone a plan, for the local members to take over financial responsibility for SAGA.'

Russell Ally agrees that 'these efforts came too late, when the organizations was already in serious financial difficulty. Members were then reluctant to go in and bale out an organization that they had never completely identified with, at least in terms of funding it.' Du Toit backs this up: 'SAGA's local members were either unwilling or unable to step into the breach. We could not find even one South African member who could/would either contribute financially, or stand up at an AGM and argue for SAGA's financial wellbeing.'

The board, in du Toit's opinion, failed to provide the sort of leadership and dynamism that might have helped mobilize the rest of the membership (a view shared by Gerald Kraak and Gaynor Humphreys – see below).

Leadership

We have looked at the parts played by members' attitudes and the dependence on overseas funders in the demise of SAGA. What about its management, both board and staff? Does that bear any degree of responsibility for the failure to secure the organization's future?

According to Barry Smith, ‘In its early years of existence, SAGA suffered some serious wobbles in management performance and credibility, and in a very real sense the organization never fully recovered from the loss of confidence that resulted among its membership, donors and the wider community.’ Moreover, he feels, this contributed to the subsequent unwillingness of members to commit to SAGA: ‘A membership mentality emerged in which the onus was on the SAGA board and staff to prove their worth and relevance – instead of the membership taking ownership and building SAGA as an expression of common purpose.’

Christa Kuljian observes: ‘I watched SAGA over the course of three executive directors. The challenge for the first was to start up and build a base of membership. The challenge for the second was to turn SAGA into a member-directed, locally owned organization. The challenge for the third was to overcome SAGA’s poor reputation and clarify where the organization was going.’ Joy Mills-Hackmann feels that SAGA’s leadership ‘didn’t sufficiently achieve an invitational style encouraging fellowship and ownership ... We failed to have members understand they needed to be *partners with a mission*.’

Was the organization too top-down? Yes, says Mills-Hackmann. ‘Although there was regional membership representation on the board, there was little to no consulting or feedback with members on board issues.’ No, say Mokhethi Moshoeshe and Russell Ally. ‘By default rather than by design,’ says Barry Smith. Probably, thinks Colleen du Toit, but she feels this was often a matter of necessity, in the absence of real commitment from members. ‘The organization was (except for the very early days when it operated from within Liberty Life) always “driven” by the office,’ she says.

How important were failures in leadership to SAGA’s ultimate fate? ‘Very important!’ says Colleen du Toit.

She confronts this question with considerable honesty: ‘When the financial crunch came, my particular personality was perhaps not charismatic enough to deal with the “public” challenge of an organization in financial crisis. An Executive Director with more charisma, charm, and publicly exhibited passion would probably have done a better job of marshalling the members, and perhaps of resource mobilization.’

She is being unfair to herself, however, on Gerald Kraak’s reading: ‘Colleen du Toit could not have provided better leadership to SAGA and she transformed it into as effective an entity as the broader environment allowed.’ He adds: ‘I do feel, however, that in the closing year of SAGA’s life the board did not provide her with the support she needed and in some cases obstructed her.’

This view is endorsed by Gaynor Humphreys. ‘One of the network’s frustrations in the final period of SAGA’s work was that SAGA’s board members did not take up the offer of advice and support from the WINGS Secretariat, nor from counterparts in other countries. Many people in the network were keen to offer assistance and felt it a lost opportunity that they were not consulted.’

Overall

What emerges from the above is a partial and very complex picture of the demise of an organization. A fuller treatment would of course bring this picture into clearer focus.

One of the clearest thing to emerge is that SAGA always suffered from being the creation of foreign donors. Sponsored chiefly by foreign donors, it remained dependent on these donors. It never succeeded in attracting the kind of indigenous financial support that might have guaranteed its long-term survival.

This was both a cause and a consequence of the fact that SAGA did not succeed in producing the kind of membership involvement that would have helped it to become sustainable. Members were divided into two groups, corporate and non-corporate, whose interests were not easy to reconcile. At different times, each of these groups felt that the organization was neglecting its interests at the expense of those of the other.

In some respects, too, it was a house built on shifting sand. The CSI and general funding climate in South Africa changed markedly in the era after apartheid. This meant that SAGA pinned many of its hopes on a corporate constituency whose shape and character changed considerably.

Successive leaders grappled with these problems with more or less success but the atmosphere was, as Barry Smith suggests above, always one of an embattled leadership struggling to prove itself to its members. For Colleen du Toit, under whose tenure as Executive Director the ship was to some extent steadied, it was 'always a roller-coaster ride'.

Is philanthropy infrastructure really needed?

Given SAGA's closure, we must ask if South Africa actually needs a philanthropy infrastructure organization? Gaynor Humphreys feels that any question of 'whether philanthropy infrastructure is misconceived and maybe only valued by funders turns on its head the experience of most grantmaker support organizations. We have a growing body of evidence of their value. We are seeing a rapid growth in all sorts of grantmaker support networks and associations, in every region of the world. We are also very aware that there are a small number of funding bodies working internationally which readily see the value of supporting philanthropy development and infrastructure and offering resources for its development.'

So much for the general view, but what of the South African case? Christa Kuljian's view is that 'the excitement about non-profit infrastructure in South Africa in the mid-1990s has fizzled. This is the case not only with SAGA, but also with SANGOCO, the South African NGO Coalition, and with community foundations.' However, she still believes that grantmaker associations 'have the potential to influence funding flows in South Africa'. For Kate Miszewski, 'there is a dire need for a body to encourage a collaborative approach to CSI here in South Africa.'

More time needed

Gerald Kraak agrees, but feels that more time is needed: 'The experience of other countries has proved that philanthropy infrastructure is of value. But it is a relatively new phenomenon in South Africa, really only since the advent of democracy, and I think it needs time to mature and we need time to demonstrate its value.' He points out the successes that SAGA notched up, and is among those who believe that, ultimately, it had

to close largely because of a narrow donor base and an over-reliance on northern funding. Attitudes among local corporates are beginning to move, he feels, but they did not move fast or far enough to save SAGA. ‘I am convinced that had SAGA continued this would have reached a critical mass where at least a proportion of companies would have come to see the value of investing in SAGA – but I think we needed another five years to get to that point.’

He also feels that domestic entities such as the National Development Agency and the National Lotteries were short-sighted in this respect and failed to see the purpose that SAGA could have served between them, the corporate sector and NPOs. ‘They should, in my view, have been core supporters of SAGA.’

Russell Ally feels that more time and different approaches were needed. ‘We have to be smarter. More patient. Willing to build over the long haul. And take the members with us every step of the way. Too much money too quickly creates its own problems, especially if it’s not from the actual members of the organization.’

‘SAGA’s leadership had high aspirations,’ remarks Barry Smith. ‘The gap between these aspirations and the organization’s ultimate fate suggests a need to learn some hard lessons. We need to rethink what kind of principled, pragmatic and “bridging” leadership is required to build critical mass – and powerful champions in every sector – for a more collaborative, networked development support community.’

Too soon for South Africa’s grantmaking community?

From the beginning, says David Bonbright, the diverse and immature character of the grantmaking community was a complicating factor. As quoted above, he feels that there was very little sense of grantmaking as a profession. ‘A professional association can only be as strong as the professional identity of its members,’ he says. ‘Ownership, engagement, needs identification, collaboration, dues paying – it all follows from a sense of identity. Who were the professionals that let SAGA die? What part of themselves did they kill off? What had not yet been born in them so that SAGA could thrive?’

But it may also have been that the creation of SAGA was seen as ‘imposition of an American model’, suggests Gerry Salole. ‘The scaffolding for philanthropic institutions had reached considerable maturity in the United States, and to some extent the problem was merely the fact that a more “mature” philanthropic experience was being offered without adequate flexibility. There is always a risk that people misread the commitment to infrastructure as an imposition of a model or some other sort of “agenda”. Sometimes support for an umbrella structure is simply what it says it is: support and belief in an umbrella structure, but it’s not always easy to convince people who see no need for it whatsoever.’

1 From *The Blind Men and the Elephant, a Hindoo Fable* by John Godfrey Saxe (1816-1887), a verse version of a story popular in India, but also in Africa and China.

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Russell Ally Director, South Africa office, Charles Stewart Mott Foundation

David Bonbright Founder and CEO, Keystone; a Ford Foundation Program Officer in 1991-94 during the gestation of SAGA; Executive Director of the Development Resources Centre at the time of its establishment

Colleen du Toit Former Executive Director, SAGA (May 2001 – August 2005)

Gaynor Humphreys Executive Director, WINGS

Gerald Kraak Head of Offices, South Africa, The Atlantic Philanthropies

Christa Kuljian Visiting Research Fellow, Centre for Policy Studies, Johannesburg; former Director, South Africa office, Charles Stewart Mott Foundation (1992-2003), and a former SAGA board member (1995-2001)

Max Legodi Former staff member, SAGA

Teboho Mahuma Former board member and Chair, SAGA; Interim Executive Director for a short time

Joy Mills-Hackmann Former board member, Chair and Vice-Chair of SAGA

Kate Miszewski Manager, Old Mutual Foundation

Mokhethi Moshoeshe Former Executive Director, SAGA (1997-2000)

Malusi Mpumlwana Regional Director of African Programs (until 31 August 2006), Africa Regional Office, W K Kellogg Foundation

Gerry Salole CEO, European Foundation Centre; former Representative of the Ford Foundation in South Africa

Barry Smith Regional Director, Southern Africa, Synergos Institute; former SAGA board member