

# Leading Through Uncertainty: Education Innovation in Times of Global Funding Volatility

THE 2025 HUNDRED INNOVATOR SURVEY REPORT

bts spark 

REPORT #048

**hundrED**

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### **LEADING THROUGH UNCERTAINTY: EDUCATION INNOVATION IN TIMES OF GLOBAL FUNDING VOLATILITY**

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**Reviewed and Edited by:** Annina Huhtala

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## Introduction

# When the Funding Stops, How Education Innovators Keep Going

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HundrED asked our education innovator community, spread across more than one hundred countries: “How has the volatility of global funding priorities affected the resourcing of innovative solutions in education?”

The 2025 HundrED Innovator Survey demonstrates that educational innovators are facing and anticipate further dramatic shifts in resourcing. Follow-up focus groups revealed that it is innovators’ resilience and skillful adaptation strategies, in particular, collaboration and determination, that keep them focused on the goal of making quality, equitable education available to all children.

As our partner, BTS Spark, notes, “We are in VUCA times: increasingly volatile, uncertain, complex, and ambiguous.” The global education ecosystem is naturally paradoxical: innovation and resistance to change are always at odds. VUCA is a given for most education changemakers, who surmount the barriers to education innovation even as they face the whims of policymakers, funders, and societies bent on quick but verifiable success for minimal resource investment. For many education innovators and educational leaders, changes in any forms of support are particularly disruptive, demanding immediate reactions and responses in addition to the resiliency they have already demonstrated.

This is particularly true in recent years. In 2024, the World Bank reported that development aid for education in low- and middle-income countries

had dropped 1.7%, even as global resourcing went up.<sup>1</sup> In mid-2025, UNESCO announced that global education funding will drop by 25% over the next two years, increasing the number of children without access to education by an unacceptable 18%.<sup>2</sup> Forty percent of the HundrED innovator community are from lower middle income countries. Of those innovators, 28% report operating on an annual budget of less than two million USD. For these micro-organisations, resourcing their programmes is always precarious. This vulnerability was exacerbated by the sudden withdrawal of USAID in early 2025, an action that precipitated a trickle down effect that will have repercussions for years to come.

How should leaders and education innovators react to uncertainty and rapid change? If we hunker down and wait until we understand everything about an issue and the landscape, we will be waiting a long time. Instead, we must lean into uncertainty, even when we do not understand everything about a situation: Imperfect action is sometimes better than inaction, and developing solutions via an iterative, evidence-informed approach can lead to valuable learnings.

BTS Spark and HundrED have come together to open up a dialogue about potential paths forward for education innovators and leaders during times of growing disruption. We provide a synthesis of the findings from the HundrED 2025 Innovator Survey and expertise on how to lead in uncertain times from BTS Spark. Together we hope to offer insight and to catalyse positive movement into these times of change. Leaders in education should not seek to move from uncertainty to certainty before making decisions, but rather, become more comfortable with uncertainty itself.

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<sup>1</sup> Luis Benveniste and Stefania Giannini, "2024 Education Finance Watch highlights the need for more adequate, efficient, and equitable education spending," blog, November 1, 2024, <https://blogs.worldbank.org/en/education/2024-Education-Finance-Watch-Highlights-the-Need-for-More-Adequate>.

<sup>2</sup> Gem Report, "Global aid to education projected to fall even further," UNESCO blog, June 26, 2025, <https://world-education-blog.org/2025/06/26/global-aid-to-education-projected-to-fall-even-further>.

UNESCO announced that global education funding will drop by 25% over the next two years





## The 2025 HundrED Innovator Survey Findings

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### KEY FINDINGS:

- Results demonstrate that the overall attitude about the current situation and future funding prospects is quite negative among education innovators.
- Most of those who had a positive outlook had either some increase in aid (not from international aid) or were stable in their funding.
- Despite the funding cuts, many innovators were positive about their long-term future, stating adaptability as the key component for success.

**OVERALL ATTITUDES FOR CURRENT AND FUTURE PROSPECTS OF MICROBUSINESSES**

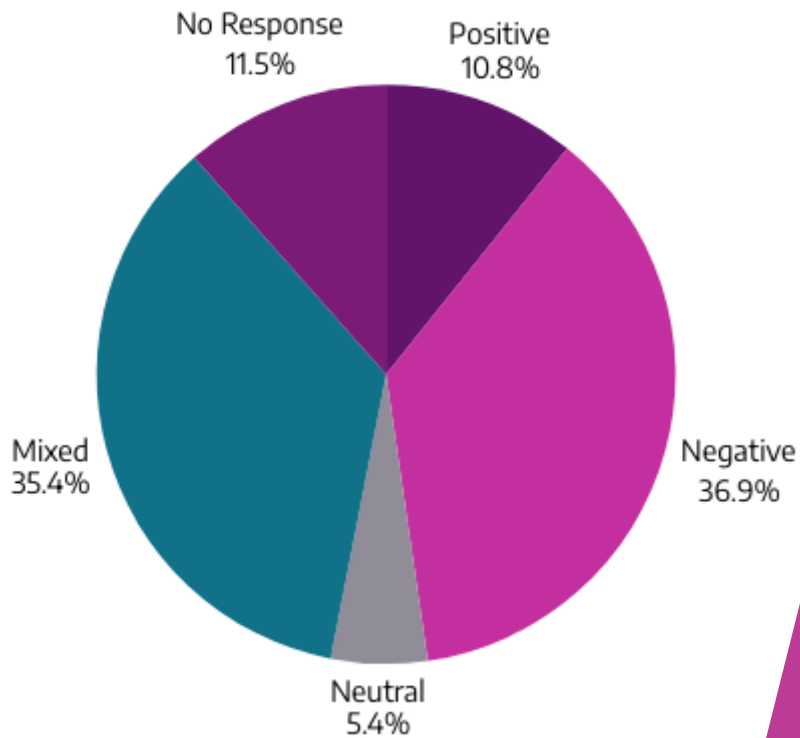


Figure 1. Summary of the microbusiness innovator responses to the 2025 HundrED Innovator Survey

HundrED conducted the 2025 Innovator Survey between April and June of 2025, and received 189 unique responses.

**We asked respondents to tell us**

- Their annual operating budgets (in USD);
- Whether they receive(d) international aid, and if so, how much;
- Whether funding in general was increasing or decreasing;
- Whether shortfalls in funding were being compensated for; and
- What were the short- and long-term impacts of these changes to their work and context.

### THE 2025 HUNDRED INNOVATOR SURVEY FINDINGS

The experiences of the HundrED innovator community provide a window into the global education ecosystem and the role of innovators in developing, disseminating, and supporting the implementation of high-quality, impactful solutions. The objective of the 2025 HundrED Innovator Survey was to collect impressions about the status of international aid in context and how that has influenced funding trends, impacted day-to-day operations and scaling efforts, affected motivational states, and elicited adaptive responses. Importantly, the survey sheds light on the question: have these changes in aid had an immediate systemic or sectoral effect with respect to the implementation of innovative educational solutions?

Given that HundrED’s innovator community is by and large composed of micro-organisations with annual budgets of less than two million USD, the data collected from the survey focuses on that demographic. Of the ninety-four microbusinesses that do not receive any international aid, fourteen of them had a positive outlook overall, additionally reporting their overall funding was increasing. Of the fourteen that receive up to 49% of their budget from international aid, there were no positive outlooks, even in the five of those innovations that reported their overall funding was increasing. Of the five microbusinesses receiving between fifty and ninety-nine percent of their funding from international aid, two reported funding was increasing overall, but four had a negative outlook overall.

The results demonstrate that the overall attitude for the current situation and future prospects is quite negative. This can be further broken down into attitudes based on the following areas identified through inductive coding of the qualitative responses. In coding the responses,<sup>3</sup> we wondered what the positive factors were for innovators, and therefore focused on the positively coded answers.

<sup>3</sup> Open AI, ChatGPT Free, “Please create some code categories...,” May 9, 2025, <https://chatgpt.com/share/689d860a-10f4-800f-bf58-4ab5b50f11ba>.

### Micro-Organisation Responses to Quantitative Questions

N=130 (unique responses)

Microbusiness (x≤2M) N=130	94	do not receive international aid
	14	funding from international aid $x \leq 49\%$
	5	funding from international aid $50 < x < 99\%$
	11	funding from international aid $x = 100\%$
	61	61 report their overall funding is increasing
	66	report their overall funding is decreasing
	14	overall positive outlook
	48	overall negative outlook
	7	overall neutral outlook
	46	mixed outlook
15	no response	

**Question 1. What are the potential short-term impacts of these funding changes to your work and context?**

		Mentions
Negatively Coded Answers N=124	Emotional and Motivational States	13
	Funding Trends	15
	Anticipated or Potential Future Effects	7
	Operational Impact	42
	Adaptive Responses	33
	Sectoral/System Effects	14
Positively Coded Answers N=29	Emotional and Motivational States	2
	Funding Trends	9
	Anticipated or Potential Future Effects	13
	Operational Impact	4
	Adaptive Responses	1
	Sectoral/System Effects	0

Of the twenty-nine positively coded responses, thirteen were in reference to anticipated or potential future effects, and focused on positive growth and scaling up. Innovators who responded in this positive manner about short-term effects had also not seen any reduction in funding at the time of this survey, and some had even seen an increase in funding.

**Question 2. What are the potential long-term impacts of these funding changes to your work and context?**

		Mentions
Negatively Coded Answers N=130	Emotional and Motivational States	11
	Funding Trends	13
	Anticipated or Potential Future Effects	20
	Operational Impact	40
	Adaptive Responses	16
	Sectoral/System Effects	30
Positively Coded Answers N=51	Emotional and Motivational States	0
	Funding Trends	11
	Anticipated or Potential Future Effects	8
	Operational Impact	13
	Adaptive Responses	17
	Sectoral/System Effects	2

The number of positively coded answers to question two increased 76% over question one, and 33% of those refer to adaptive responses, indicating that in the long-term, innovators see adaptation as a key component of future success for their solutions.

# Narratives in Leading Towards Impact and Scale

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## INNOVATORS IN CONVERSATION TELL HUNDRED THEIR STORIES

After the survey closed, HundrED extended an invitation to all respondents to participate in a focus group that would further inform the study.

Invitations were sent to nineteen respondents who provided very detailed answers to the two qualitative questions on the survey. Focus Group 1 consisted of five participants, Focus Group 2 had two. The groups were composed of HundrED innovators from Mexico, Brazil, Ireland, Germany, Afghanistan, Egypt, Hungary, and the United Kingdom.

The HundrED Research Team posed five main questions, appended by several follow-up questions based on the trajectory of the conversation. In particular, we wanted to confirm the reality on the ground, as well as to ascertain how they were able to stay positive in the face of uncertainty. Additionally, we wanted to draw connections between potential leadership strategies that can support positive outcomes for impact and scale of educational solutions as they face challenges to resourcing.

As we listened to the dialogues between innovators from North and South America to Africa, western Asia and Europe, we were able to home in on key attitudes and insights from the participants. The themes that emerged from the discussions were distilled into four main categories.<sup>4</sup>

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<sup>4</sup> Open AI, ChatGPT 5, "Thematic analysis themes," August 13, 2025, <https://chatgpt.com/share/689c4cc1-c048-800b-972c-80c50db2c946>.

**Theme 1: Global funding contraction and resulting value shifts.** The discussions strongly confirmed the survey results. The pool of financial resources has more recently decreased, with more organisations competing for what is available. Additionally, private sector funders are more wary and government coffers even more strained with respect to education innovation, favouring other priorities. As is often the case with education, short term, less costly and more visible solutions are given preference over sustainable, perhaps more risky ones.

*"After the... decision of the American government everything has changed rapidly and also the other donors... the political framework in Europe has been changing rapidly with all of these right-wing political parties."*

*"Foundations... with limited resources make sure they care for their existing grantees... governments also experience massive cuts..."*

INNOVATORS, EGYPT, MEXICO, AND GERMANY

**Theme 2: Policy and operating constraints.** Governments in regions under stress, such as northeast Africa and areas of Western Asia, are unable or unwilling to provide financial support to education innovation. In Afghanistan, creative workarounds, e.g., online delivery and indirect educational models are useful, but difficult to resource given the digital infrastructure and volunteerism required. In governments that exert more control over education innovation, such as Hungary, innovators face the double-edged sword of losing autonomy over their innovation in exchange for exclusive deployment. In Mexico, government policy is to let schools fend for themselves to fund innovative practices, which in turn often puts the onus on innovator organisations to search for resources to deliver solutions. The uniting factor for innovators in all of these regions is that they are able to face the challenges brought about by policy and operating constraints with realistic positivity.

*“Every educator’s professional training goes through one government entity... if there’s bullying, no one except the police can go to the school to implement the programming.”*

*“Girls are not allowed to attend high school... We provide online education... but families struggle to pay internet costs.”*

*“Government schools don’t have their own funding... we rely on the private sector and foundations... we’ve seen a reduction in potential places to ask for support.”*

INNOVATORS, HUNGARY, AFGHANISTAN AND MEXICO

**Theme 3: Adaptive patterns.** The results of adaptive responses to decreased resourcing within the sector as a whole can and has led to collaboration between education innovation organisations. Innovators have taken a practical approach by changing their spending models and solution delivery to decrease costs, by exploring relationships with individual rather than corporate or foundation-based donors, and by forging alliances across sectors. Within their own industries, they have shared the load and filled in gaps rather than trying to secure primacy over a single area of need. And while the voices of innovators in local circles grow louder, they are also leaning into the idea of international collaboration between organisations for support, financial and otherwise.

*“During COVID-19 we came up with a business model based on a zero fund equation... we had to build a huge database of volunteers... those people had to dedicate part of their time in order to implement activities with teachers and students.”*

*“We started hosting round-donor tables via a common network... progressive individuals invested in our work.”*

*“We’re moving to paper-based programmes and collaborating with universities... working through platforms to open doors.”*

INNOVATORS, EGYPT, GERMANY, AND THE UNITED KINGDOM

**Theme 4: Mindset shifts from inspiration to determination.** In past interactions with the HundredED innovator community members, we have noted that resilience is a key quality that these individuals and their organisations possess. The survey highlighted it once again, and the Focus Group discussions do not differ. However, there has been a strong mindset shift from feeling inspiration to being driven by determination in the face of demotivational cutbacks. In spite of competition for funds, to bolster the wider education innovation community, banding together has become vital in sustaining morale.

*"The organisations working for the cause tend to stick together really well and support each other."*

*"We should work united to solve this... my hope now is the international community so that we can help each other."*

*"Changes are 90% negative, 10% positive—yet organisations stick together and support each other."*

*"It's no longer motivation, it's absolute determination... regardless of what comes, because we know what is needed."*

INNOVATORS, GERMANY, EGYPT, AND THE UNITED KINGDOM





SEAN SLADE, BTS SPARK



## Embrace MESSY Mindset to Lead through Change

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In times of turbulence, it is the leaders who embrace ambiguity and vulnerability who thrive, writes Sean Slade, the head of BTS Spark, USA.

What is becoming clear through the findings of HundrED Innovator Survey 2025, and via our daily lives, is that change is becoming more constant. It is becoming our norm, encompassing systems, policies, processes and, as this survey highlighted, also funding sources. Each change brings new apprehension as systems are swept into the unknown, but it also brings both opportunity and a need to lean in. If leaders sit back and wait to see what happens and how it will all play out, they will be waiting a long time. Just in the past year, there has been an increased infusion of AI into our systems along with dramatic changes to employment, employability, roles, and procedures.

We have also seen increasing numbers of disturbances and conflicts globally, accompanied by global migration. This, too, is unfortunately likely to continue.

In the US in particular, we have seen dramatic changes to education policies and funding sources that have affected many globally outside our borders. But in our schools, these changes impact assessments, pedagogy, and student and staff wellbeing and sense of belonging. The question we are posed with as educational leaders is less “What changes will come?” but more so, “How should we react?”

successful school leaders all had something in common: they led, not with certainty, but rather by embracing the uncertainty. They didn't assume to have the answers, and they displayed their own vulnerability. They were, by most accounts, the opposite of the superhero archetype who flies in to save the day.

Leadership has always been a bit messy, especially in schools, where leaders have always had to navigate ambiguity and complexity. But prior to 2020, much of the messiness was hidden.

Before the pandemic, strong leaders were often expected to focus their leadership on process, accountability, and strategic planning that presented a very controlled picture of leadership: The leader led and others followed. There was a theoretical rhythm and cadence to how effective leadership should look.

This of course wasn't necessarily true in practice, but these were certainly long-held assumptions of how good leaders acted. There was an expectation of professionalism, and in some extreme cases, leaders were viewed as superheroes whose schools and organisations depended on them for survival. But we also saw those who responded differently. We saw leaders who were vulnerable, who were open to listening, and acknowledged they might not have all the answers. These were leaders who

Leaders who thrived  
were ones who embraced  
MESSY Leadership.

is intended to help leaders adjust and respond to this uncertain world. MESSY was not only a description of where we are but also an acronym for this new framework. Leaders who thrived were ones who embraced MESSY Leadership. MESSY refers to key mindsets and behaviors that allow leaders to successfully navigate rapid change and thrive in the messiness.

whole-heartedly embraced the ambiguity and looked to thrive in the uncertain messiness.

BTS Spark introduced a framework based on our research of more than 20,000 school leaders that

The MESSY acronym encapsulates the essential qualities of effective leadership in such environments:

**Meaning making:** Taking a broader view of issues and exploring how to engage others with a shared vision

**Emotional connection:** Bringing emotion and empathy into leadership and decision-making

**Seizing momentum:** Adjusting course as needed, demonstrating flexibility and a willingness to admit mistakes

**Sensing the future:** Being open to new ideas and solutions, creating quick learning loops with rapid iteration

**Your presence:** Being comfortable with saying "I don't know" and putting aside the traditional leader's role

While guidelines for these challenges may be sparse, this form of MESSY leadership has roots in design thinking, collaborative leadership, and the flat hierarchy movement. These attributes highlight the needed human side of leadership, fostering collaboration and openness to new ideas.

These guidelines, however, are not intended as an antidote when change occurs, but rather a newer way of thinking as change becomes the constant.

So, given what we know and what we've learned from our recent crises, what should we do to adapt and adjust to these new funding challenges? BTS Spark believes the answers will be discovered via leadership that brings others in and actively hears from others. It will come via discussions and many short trials and errors. It will also come from removing the blinders around our perspectives.

## CRISES, CHALLENGES, CHANGES

One of the first things to adjust to is our terminology (and as a consequence, our mindsets). Reacting to each new thing as a crisis will become exhausting and self-defeating. Seeing new things as challenges is better but still moves us to respond independently. Adjusting to see these events as changes should allow us to take in the bigger picture and be better prepared to change constantly.

Understandably, we are witnessing changes in real-time that legitimately feel like crises. Our first step should be to try and determine what is a crisis and what is a challenge or a change, as we are likely experiencing all of these to varying degrees. From the dramatic and sudden shifts in U.S. policy and funding, to the introduction and adoption of AI across sectors, and from the upending of world order and alliances to the continued degradation of our planet and climate, we have witnessed and are witnessing varied leadership responses to these shifts. Many leaders have hunkered down, understandably waiting to see what happens next and to give themselves time to make sense of the confusion. Some leaders have clung or reverted to traditional methods, showing up as reserved and in control, seeking stability and a return to the status quo. Others are seeking to embrace the uncertainty, discussing vulnerability, displaying openness, acknowledging the ambiguity of these transformative times, and thriving in the uncertain messiness.

These phenomena didn't just show up in the education world. Globally, leaders in every industry are faced with similar choices. There isn't a discreet handbook for managing shrinking budgets or integrating AI; most are experimenting and learning as they go. The most successful leaders are those who share their work—their successes and their failures—and who lead with empathy, learning from others.

Change has become the norm in our high-speed world, where life is increasingly lived in beta. Leaders, like everyone else, have two options: dig in their heels or learn to ride the wave of change. Extraordinary leaders lean into these challenges and adjust, focusing on understanding and connecting with others. Future challenges, whether related to funding, policy, climate, AI, or other unforeseen issues, will demand adaptive and empathetic leadership. The leaders and the communities that thrive will be those that embrace the messiness of leadership, moving away from rigid hierarchies to more flexible and collaborative approaches.

The changes that we are experiencing may be new, but the relationships and alliances we form do not have to be. There is strength in numbers. There is support in teams. Collaboration and sharing multiples and amplifies ideas. What is needed now are human-centric leaders who expect change, build their leadership on relationships, and stay consistently curious in the face of constant change.

BTS Spark believes the answers will be discovered via leadership that brings others in and actively hears from them.

Leadership Mindset Map



Figure 2. BTS Spark's Leadership Mindset Map



LASSE LEPONIEMI, HUNDRED



## Beyond the Cuts: The Rise of Local Solutions in Global Education

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When funding falters and resources waver, innovation thrives on faith and diversified funding, writes Lasse Leponiemi, CEO of HundrED.

When you speak with someone genuinely passionate about their work, you can easily detect spark in their eyes. When HundrED asked innovators to share their insights of the current state of the sector, many jumped for the opportunity to share a glimpse of their reality. We encountered on the one hand, discouragement and disillusionment, and on the other, a renewed sense of determination and purpose. Due to the recent cuts to funding, individuals and organisations that have put their hearts delivering better learning for many have been left without a clear way forward, and yet they persist.

Education often needs to adapt to emergencies, but this might be the first time that the whole education development sector needs to react to politically caused emergencies, as many Western countries are cutting back their educational aid budgets.

Especially in low- and middle-income country contexts, abruptly stopped programmes promise short- to mid-term negative impacts. If we compare this to the response to COVID, at that time, schools were shut down but the aim was to provide learning opportunities. Now, in some cases, learning

This might be the first time that the whole education development sector needs to react to politically caused emergencies.

opportunities have simply vanished, and there is no consistency or clarity on how we can equip youth with fundamental skills and competencies.

This, in turn, will cause turmoil across the sector, as many traditional, well-resourced organisations are in urgent need of

restructuring: they must balance their operations with the new realities. Also, many outstanding educational solution providers have felt the impact of suddenly cut funding firsthand. Despite the cuts, these organisations are obligated to follow local laws, which in some cases, have led to the urgent selling of assets to pay salaries and keep up with legally binding commitments.

Even as we have witnessed some global aid and non-profit organisations backing away from their country programmes, we have also heard small positive whispers from locally founded organisations. These organisations serve a specific context, and their role becomes even more important if and when global actors withdraw their programming. If we look at the silent trend of the current momentum, we might see the active decolonisation of education development work.

For the small portion of innovators reporting a positive change in their resourcing, one commonality is a well-rooted position in their local context, alongside diversified income structures. The foundation sector is currently undergoing a significant shift. Funding for global programmes is being cut, while new investments are being directed toward initiatives in a smaller number of countries. At the same time, new partnerships are being forged with local governments and the development sector. In the regions receiving additional funding, this repositioning could stimulate greater adoption of locally developed innovative solutions.

However, in many countries where the education system is weak, governmental contributions for these collaborative resourcing vehicles have been hard to get – signing a memorandum of understanding is easier than earmarking money in state budgets for education. The lack of public commitment to invest is causing challenges for systems transformation. In many countries with weaker education systems, the non-profit and civil sector are supporting local educational opportunities. When money is channelled through public-private partnerships, these NGOs that are supporting the public education sector are often left out. Direct social investments and grants for education nonprofits and other social actors are much needed.

To summarise, this really ambivalent resourcing situation is seen as a lack of enthusiasm in discussions with education innovator communities. In many ways, the sector knows how to achieve impact and greater results, but when resources are getting scarce and organisations are fighting to survive, collaborators can turn into frenemies. We also have less global advocacy work in the education sector, which might blur our vision towards the global education agenda and status of innovative organisations working in the sector.

In looking at the HundrED education solution database, it is possible to identify very similar solutions created in different contexts. For example, in the world of thinner education budgets, many organisations invest in AI driven solutions to achieve cost benefits. We at HundrED believe in the importance of making these cross-sector trends visible, and explaining their wider importance for education delivery.

Clarity and value-based decision making are needed now, when education providers in different countries are adapting their learning systems to renewed curriculums and changed resourcing structures.

At HundrED, we want to encourage the decision makers in the education sector - whether on the policy level or working directly at the school level

- to co-create solutions and collaborate with education innovators for their own context. There are fantastic solution providers out there who have already thought about the challenges we are facing today, and by channeling resourcing for these organisations, we can collaboratively work towards educational goals.

We also believe that resourcing micro and small organisations is vital to creating a vivid educational ecosystem that can tackle future challenges. Through the HundrED Foundation's capacity and acceleration grant programmes, we continue resourcing these smaller organisations. The aim of our programmes is to support them in winning the trust of their local public education providers. We invite all bold, curious and forward looking philanthropic organisations to join us on this mission.

At HundrED, we want to encourage the decision makers in the educator sector to co-create solutions and collaborate with education innovators to work towards educational goals.



**hundrED**

[hundred.org](http://hundred.org)

[info@hundred.org](mailto:info@hundred.org)

