THE CENTER
FOR EFFECTIVE
PHILANTHROPY

STAYING CONNECTED

How Five Foundations Understand Those They Seek to Help

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How Five Foundations Understand Those They Seek to Help

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ABOUT THE CENTER FOR EFFECTIVE PHILANTHROPY
The mission of the Center for Effective Philanthropy (CEP) is to provide data and create insight so philanthropic funders can better define, assess, and improve their effectiveness—and, as a result, their intended impact.

ACKNOWLEDGMENTS
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Fund for Shared Insight

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For more information on CEP, please visit www.cep.org.

Some photos courtesy of the Nord Family Foundation, Duke Endowment, SC Ministry Foundation, Helios Foundation, and The Harry and Jeanette Weinberg Foundation.

CEP THE CENTER FOR EFFECTIVE PHILANTHROPY

TABLE OF CONTENTS

INTRODUCTION

Foundation leaders believe they are more effective when they listen to those they seek to help. Nearly 70 percent of foundation CEOs say that learning from the experiences of those they are ultimately trying to help holds a lot of promise for increasing foundation impact in the coming decades.[1]

Unfortunately, this learning does not always occur. Fay Twersky of the William and Flora Hewlett Foundation, Phil Buchanan of the Center for Effective Philanthropy (CEP), and Valerie Threlfall argue in *Stanford Social Innovation Review (SSIR)* that while "experts and crowds can produce valuable insights," funders too often "ignore the constituents who matter most, the intended beneficiaries of our work: students in low-performing schools, trainees in workforce development programs, or small farmers in sub-Saharan Africa."[2]

Grantees do not see their funders as doing this work well, either. In 2014, CEP found that nonprofit leaders believe most of their foundation funders lack a deep understanding of their intended beneficiaries' needs, and they see this lack of understanding reflected in foundations' funding priorities and programmatic strategies.[3] These leaders say the foundations that best understand their organizations' intended beneficiaries' needs actively engage with their organizations and their work; are humble, open, and collaborative in their approach; or are deeply connected to the issues or communities.[4]

Grant Oliphant, president of the Heinz Endowments and CEP's Board Chair, maintains that this connectedness is crucial for foundations. He writes, "We have a responsibility to use more of [our] wealth to bear witness to the strengths and struggles, dreams and fears of America's most challenged and vulnerable citizens, whoever they may be."[5] Recognizing the importance of this responsibility, nearly 70 funders have partnered in the Fund for Shared Insight collaborative, which funded CEP to undertake this research and has among its goals the promotion of "listening to, and acting on, input from our grantees and the people we seek to help."[6]

1 Foundation CEOs rated 24 different practices on the amount of promise they hold for increasing impact total, including foundation collaboration, impact investing, and scaling organizations and programs. Foundations seeking to learn from the experiences of those whom they are ultimately trying to help was said to hold a lot of promise by the highest percentage of CEOs.

2 Fay Twersky, Phil Buchanan, and Valerie Threlfall, "Listening to Those Who Matter Most, The Beneficiaries," *Stanford Social Innovation Review*, Spring 2013.

3 Ellie Buteau, Ramya Gopal, and Phil Buchanan, "Hearing from Those We Seek to Help: Nonprofit Practices and Perspectives in Beneficiary Feedback" (The Center for Effective Philanthropy, October 2014), http://research.effectivephilanthropy.org/hearing-from-those-we-seek-to-help-nonprofit-practices-and-perspectives-in-beneficiary-feedback.

4 Ibid.

5 Grant Oliphant, "Onward," The Heinz Endowments, *THE Point* (November 16, 2016), http://www.heinz.org/Interior.aspx?id=480&post=38.

6 "What Is Fund for Shared Insight?" *Fund for Shared Insight*, 2017, https://www.fundforsharedinsight.org/about.

> We have a responsibility to use more of [our] wealth to bear witness to the strengths and struggles, dreams and fears of America's most challenged and vulnerable citizens, whoever they may be.
>
> *–Grant Oliphant*

So, how can foundations get better at this? **What are foundations that are rated highly by their grantees on their understanding of beneficiary needs doing to develop that knowledge?** To learn more about how foundations cultivate an understanding of those they and their grantees are ultimately seeking to serve, we interviewed CEOs and program staff from five foundations that have participated in CEP's Grantee Perception Report® (GPR). (For more information about the GPR, see Methodology.)

These five foundations, listed on page six, ranked among the top 15 percent of the 86 foundations that commissioned a GPR between 2016 and 2017, according to how the grantees they fund rated the foundations on the following questions:

- **How well does the foundation understand your intended beneficiaries' needs?**
- **To what extent do the foundation's funding priorities reflect a deep understanding of your intended beneficiaries' needs?**[7]

This report features profiles illustrating how each foundation develops its understanding of beneficiary needs and incorporates that understanding into its work. For these highly rated foundations, learning is part of their culture. We found that common practices among these funders include:

- Listening to and learning from grantees as the experts doing the work on the ground
- Recognizing the importance of going out into the fields and communities their work supports
- Hiring staff from the fields in which they fund

Additionally, we interviewed the leaders of three nonprofits funded by each foundation to gain their perspectives on how the foundation develops and uses its understanding of those it is seeking to serve through its work.

7 The two beneficiary questions upon which this research is based were added to the GPR in early 2016.

PROFILED FOUNDATIONS

THE NORD Family Foundation

LOCATION: **Amherst, Ohio**
YEAR ESTABLISHED: **1988**
ANNUAL GIVING: **$6 million**

Helios Education Foundation

LOCATION: **Phoenix, Ariz.**
YEAR ESTABLISHED: **2004**
ANNUAL GIVING: **$18 million**

THE DUKE ENDOWMENT

LOCATION: **Charlotte, N.C.**
YEAR ESTABLISHED: **1924**
ANNUAL GIVING: **$122 million**

The Harry and Jeanette Weinberg Foundation

LOCATION: **Owings Mills, Md.**
YEAR ESTABLISHED: **1959**
ANNUAL GIVING: **~$100 million**

SC MINISTRY FOUNDATION
Promoting the Mission of the Sisters of Charity of Cincinnati

LOCATION: **Cincinnati, Ohio**
YEAR ESTABLISHED: **1996**
ANNUAL GIVING: **Undisclosed**






NORD FAMILY FOUNDATION

THE NORD Family Foundation

MISSION

The Nord Family Foundation, in the tradition of its founders, Walter and Virginia Nord, endeavors to build community through support of projects that bring opportunity to the disadvantaged, strengthen the bond of families, and improve the quality of people's lives.

BENEFICIARIES

Economically disadvantaged, underserved, underresourced children, youth, families and individuals, including those at risk for homelessness, and the arts, health, social service, education, and civic organizations and systems that work to improve quality of life and outcomes for our beneficiaries through enrichment programming and by protecting and empowering those who face oppression and inequities

LOCATION
Amherst, Ohio

YEAR ESTABLISHED
1988

STAFF
5 FTE

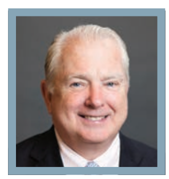
ASSET SIZE
$125 million

ANNUAL GIVING
$6 million

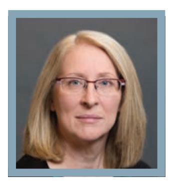
ACTIVE GRANTS
203

GEOGRAPHIC FOCUS
National

INTERVIEWEES



JOHN MULLANEY
Executive director
Tenure – 19 years



DAWN GOLBA
Senior program officer
Tenure – 3 years

TONY RICHARDSON
Program officer
Tenure – 2.5 years

GRANTEES INTERVIEWED

GREATER OHIO People. Land. Prosperity.

ALISON GOEBEL
Executive director

EL CENTRO de SERVICIOS SOCIALES, INC.

VICTOR LEANDRY
Executive director

cleveland PUBLIC theatre

RAYMOND BOBGAN
Executive artistic director

> Our trustees, along with us, are going to sit around with the beneficiaries, the clients, and there are going to be some hard questions and stories shared. I think unless you have that level of engagement, you’re not doing philanthropy.
>
> *–John Mullaney*

CEP: Your foundation’s grantees rate it more highly than most other foundations in our GPR dataset for its understanding of the needs of its intended beneficiaries. Why do you think that is?

JOHN: Our work is more than just a transactional entity where the grant proposals come in and the checks go out. We’ve tried to foster a hunger for knowledge, so that for every grant we look at we will do hours of research to really understand the context in which that particular grantee functions—the social ecology from which these grants are beginning to emerge.

TONY: We also look at systems and see how the organizations we’re working with function within the greater context of those they’re attempting to serve or the needs they’re attempting to meet. We work in multiple geographic areas and are able to go out and see best practices or innovations that are happening, and then take that innovation and share it across our grant portfolio. We support leaders and emerging leaders to really build capacity within their organizations. So it’s a holistic approach to the work, as opposed to just looking at the content of a particular grant.

> *“Tony comes to our presentations and our conferences. He wants to learn, even though he’s already an expert himself on these issues. The curiosity that he brings allows him to really understand, in a real-time way, what the concerns are on the ground, and helps inform his grantmaking as a result.”*
>
> **ALISON GOEBEL**
>
> GREATER OHIO
> People. Land. Prosperity.

CEP: Does your foundation gather feedback or perspectives from beneficiaries to inform its understanding?

JOHN: We have conversations—take our education portfolio as an example. We will talk with teachers either one-on-one in the school building or afterwards. Tell me what’s really going on in your district. What’s it like to be a teacher every day? Tell me about some of the kids and the families that you work with. Sometimes it’s out of the 9 to 5 day, but having those conversations is absolutely critical. The same could be said for homeless people—we’ll go up and spend time in a facility that’s a transitional housing project. We have a group of trustees going tomorrow to meet with addicts at a drug and alcohol recovery center. Our trustees, along with us, are going to sit around with the beneficiaries, the clients, and there are going to be some hard questions and stories shared. I think unless you have that level of engagement, you’re not doing philanthropy.

CEP: What was the impetus for developing or maintaining this understanding?

JOHN: I had the pleasure to know Eric and Evan Nord and their families quite well. These were humble people in the truest sense of the word. They were out there with their workers in the factories. They were always very approachable. So we take this job of stewardship very seriously and are out a lot meeting with people in the community. I think it’s because of this approach that we’re able to have conversations with grantees where they say to us, “We can talk to you in ways that we can never talk with other foundations.” I don’t know whether that’s a science or an art, but it’s something that we’ve fostered over time. We really have an appreciation for the approach that the founders had toward their community and their own business practice.

"I truly view them as a partner. I can pick up the phone at any time and call anyone from the Nord Family Foundation, invite them to a focus group or a meeting or an event that I'm having here and vice versa—they call me all the time for meetings and stuff like that, so it's a very different relationship."

VICTOR LEANDRY

CEP: What role do grantees play in your foundation's development of its understanding of the beneficiaries' needs?

TONY: We listen to our grantees to inform our understanding of the work. It's a true communication—in our meetings, we're not just talking to pass time, but we're talking to really understand and engage and let that engagement inform our service delivery.

DAWN: They're the experts in their fields, so they're a primary source of information for us. There are some very good theories out there, but those theories don't necessarily work with real people.

"If you have a funder that is curious about the grantee and wants to have a relationship with them, then that's probably a funder that has a culture of some kind of curiosity and desire to understand others. That's naturally going to lead to a better understanding of the beneficiaries."

RAYMOND BOBGAN

CEP: How does your foundation support grantees in learning about the needs of their beneficiaries?

TONY: I think one of the things the foundation has done a really good job with is what we're calling "peer-to-peer learning exchanges." It is one thing if Tony the program officer or Dawn the program officer says, "Try this." It's a different thing when we say, "Here's a grant. Go to this other community, meet with these different community leaders or people working in a similar space as you, and engage." And it's amazing when we join them on these trips and see the learning. We are really focused on making these peer-to-peer learning exchanges a part of what we do a lot more intentionally. I think that's a role for philanthropy in general across the country—to start looking at ways to get our grantee partners out to other communities that are leading the charge. And I've been really humbled by the willingness of communities to engage and share their practices.

"The Nord Foundation has been great in supporting staff time and travel time for a lot of our activities to understand our beneficiaries—we'll convene roundtables periodically, go around the state and into communities, and do original research. Some of that work is supported by Nord."

ALISON GOEBEL

CEP: How important do you think it is for foundations to have an understanding of beneficiary needs separate from their grantees' understandings of those individuals or groups?

TONY: Foundations have professional staff who are educated, highly trained, and come from various backgrounds. So it's important that foundations are out in front, pursuing innovation and trying to get an understanding of community needs. That way, when we are having conversations, we're informed because we've done our homework. I think from a practical standpoint, the people who are on the ground really appreciate that. It's a partnership.

JOHN: And I think our job is to all learn together—it's a real peer learning environment. I'd compare it almost to a college or university setting. We're colearning, and we're excited about what we're learning. We're opening ourselves up to new practices but also realizing that there's a lot of risk associated with that. And we have a good board that gives us the leverage to assume risk that's associated with this learning.

DAWN: I also think it goes back to a greater question—as a foundation, who are you trying to serve? What are you trying to accomplish and how do you measure impact? When you really look at your impact in terms of improving the quality of people's lives and their opportunities, then you're going to have to dig a little deeper. You're going to take a data-driven approach. You're going to look at the stories and data that you come across, and there's going to be more intentionality behind your grantmaking strategy.

CEP: Why do you think the grantees you work with rate your foundation higher than almost all others in our dataset on how well the foundation's funding priorities reflect an understanding of the needs of intended beneficiaries?

DAWN: We listen. We do research. We keep ourselves up on the data for our communities' needs and for the needs of the counties that we're working in. We try to align grant applications with what we know are the true gaps in service based on what the data is telling us is going on in those communities.

TONY: We also stay current and really allow our grantmaking to be flexible and responsive.

JOHN: And even though we have four program areas, we're realizing that so much of what we do in one area has direct impact on the others. You can't be doing these things in siloes. So we'll question ourselves and have to think carefully—is this work really arts or is it more education? Is this issue about mental health or primary health care? So we really develop an understanding of the systems so that we can fine-tune our own programming areas.

> *"Every time we meet with John about our programs, he has a really clear understanding not just of our beneficiaries, but also of the value in how we reach that group. I think that the understanding of who the beneficiary is and what they're dealing with is one thing, but it is also super important to have a real understanding of our values and how we approach the problem."*
>
> **RAYMOND BOBGAN**
>
> cleveland PUBLIC theatre

CEP: What are some of the greatest challenges your foundation faces in developing or maintaining an understanding of beneficiary needs?

JOHN: One of the frustrations and challenges we find is the inability of many of the organizations that are doing great work to gather meaningful data. They don't have the capacity in-house to do it, or even if they do, there's another challenge in the lack of coordination among county and state officials to really consolidate and begin to interpret this data. So I think it's imperative for the philanthropic community to be a voice. We need to build capacity to gather meaningful data about those we serve that will result in efficient, effective, and high-impact use of whatever public dollars are available.

HELIOS EDUCATION FOUNDATION

MISSION

To enrich the lives of individuals in Arizona and Florida by creating opportunities for success in postsecondary education.

BENEFICIARIES

Students across the continuum, from early success all the way to postsecondary completion.

LOCATION
Pheonix, Ariz.

YEAR ESTABLISHED
2004

STAFF
29 FTE

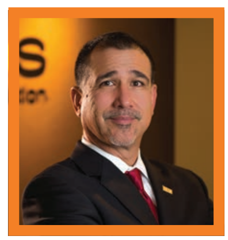
ASSET SIZE
$684 million

ANNUAL GIVING
$18 million

ACTIVE GRANTS
110

GEOGRAPHIC FOCUS
Regional

INTERVIEWEES



PAUL LUNA
President and CEO
Tenure – 11 years

LINDA THOMPSON
Senior vice president, program administration and organizational learning
Tenure – 9 years

GRANTEES INTERVIEWED

ERIN HART
Interim president & CEO and chief operating officer

LAURIE MEGGESIN
Executive director

RICH NICKEL
President and CEO

CEP: Your foundation's grantees rate it more highly than most other foundations in our GPR dataset for its understanding of the needs of its intended beneficiaries. Why do you think that is?

LINDA: First, when we hire, we intentionally seek people who have experience, expertise, and relationships in the focus areas in which we are working. By bringing on board subject area experts who are embedded in the community, we are continually out there seeing what is happening. A strength of our foundation is that everybody here has their own personal education story. There are a lot of first-generation college graduates here, and we have learned and observed from that experience. We all bring that personal perspective and understanding.

PAUL: The other way is as we have expanded our research and evaluation department, we learn a lot about what is really happening with students. Both the quantitative and qualitative research studies that we do about first-generation students, for example, teach us about the environment that is influencing the students; what keeps them on the college-going track and what creates the barriers. So, we learn about the students through the research activities, and that is the beneficiary voice we are trying to understand.

"Helios Education Foundation has highly qualified staff who are recognized as experts in their field. They are incredibly knowledgeable about their priority issues and have a strong understanding of the education landscape. This, coupled with the trust their team has in the community, allows Helios and their team to shape the education landscape in Arizona and ensure they are in strong alignment with the beneficiaries they are ultimately serving."

ERIN HART

Expect More Arizona
THE MOVEMENT FOR
WORLD-CLASS EDUCATION

CEP: Does your foundation gather feedback or perspectives from beneficiaries to inform its understanding, either directly or through the grantees you work with?

LINDA: Our best opportunities to interact directly with students ourselves are through events and site visits. For example, an event organized by our grantee partners brought thousands of third graders together to celebrate how many minutes they read, and we were there talking to kids. These are opportunities available to us as a result of working through a partnership with grantees. We may see a panel of students speak at something that one of our partners is doing, and we learn that way. We put ourselves in those positions so that we can have that interaction with students.

"As a grantee, we tremendously value the relationship we have with Helios Education Foundation. We are intentional about including the foundation in multiple facets of our work, whether in setting policy priorities, strategy, or fundraising. We are also inclusive of the foundation in our community coalitions that we convene. Their presence adds value and ensures that the foundation is highly integrated and knowledgeable about our work."

ERIN HART

Expect More Arizona
THE MOVEMENT FOR
WORLD-CLASS EDUCATION

CEP: Was there any specific motivation for your foundation placing such a focus on this learning and developing this understanding?

LINDA: It really goes to our guiding values and our core beliefs. Learning is one of our guiding values, as a way of strengthening our organization. So is inclusion: embracing diversity, seeking out different perspectives, collaboration. All of that feeds into the culture and how we stay engaged in order to understand not only what is happening with our partners but, more important, what is happening with the ultimate beneficiary.

CEP: What role do grantees play in your foundation's development of its understanding of beneficiary needs?

PAUL: We require ongoing reporting and updates from our partners. Oftentimes, our team will read the reports and find interesting things that might lead to a learning opportunity. In those situations, our team will follow up and seek additional information. That is an important way we inform ourselves of what is going on. We make sure we take advantage of the information that they are sharing.

LINDA: If you look at our Grantee Perception Report, you will see that our grantees are transparent in saying that we expect a lot of them. They spend a lot of hours creating their proposal and on the reports and on site visits. We take a lot of their time, but we do not waste it. They appreciate knowing that when they work hard to develop a report, we actually read it, and we are interested in what is happening in the projects. We hope to be subject area experts who can inform and strengthen their work. But at the same time, they are doing the work and they have the frontline perspective, so we are learning from them and being introduced by them to so many people. We stay embedded in that way.

"Ten percent of our grant dollars is devoted to evaluation. Through that process, we work with Helios on putting together the scope. Our most recent evaluation round included a survey of all of the networks we work with and case studies of three of the networks. Evaluation is a requirement of our grants, but Helios learns a lot that way, and we learn a lot that way."

LAURIE MEGGESIN

FLORIDA COLLEGE ACCESS NETWORK

CEP: How well do you believe your grantees understand the needs of their ultimate beneficiaries and how do you know that?

LINDA: One of the things that always draws me in initially is the part of a funding proposal where they have to talk about their target population. A group that does not really understand their target population will say something like, “kids between the ages of 12 and 16 in the ABC school district.” A partner that truly understands its target population is going to describe what the economic needs are and what the basic family structure is. We work with a group in Yuma, Arizona that even went so far as to describe to us how far their households are from things they might need, like groceries and health care. If there is not information in the proposal that shows that they understand, then we go back with some questions. You can really tell just by engaging whether or not the grantee partners we are working with have a good grasp of the people that they are working with.

CEP: How important do you think it is for foundations to develop their own understanding of the needs of the beneficiaries, separate from the understanding of their grantees?

LINDA: We believe that there is a real value add in that. We have a two-way thought partnering process, and everything we do is around inclusion and differing perspectives. I suppose you could still have impact just being a funder that relied solely on the expertise of your grantees, but I think we can do more. There is a value add to more inclusiveness.

“Helios Education Foundation is an ideal partner because they have an in-depth knowledge of our work, what change we are affecting, and how it will improve education in Arizona. Their independent knowledge and expertise about those they are trying to serve enables them to provide meaningful feedback to our work—both positive and constructive—which helps us improve our work and reach our shared objectives.”

ERIN HART

Expect More Arizona
THE MOVEMENT FOR
WORLD-CLASS EDUCATION

CEP: Your foundation's grantees also rated it higher than almost all other foundations in our dataset on how well its funding priorities reflect its understanding of the needs of intended beneficiaries. Why do you think those ratings are so high?

LINDA: Our funding priorities are aligned to our organizational goals, which are strongly informed by data and research. That is how we make sure that what we are doing is relevant to the issue that we are trying to address. We work very hard to make sure we are asking the right questions.

PAUL: It also goes to the ultimate vision of the foundation, which is student-centric. Our vision is driven by students' success in Arizona and Florida. A lot of work went into ensuring that our theories of change and the questions we ask and the focus that we have ultimately lead back to the outcome of students. The fact that we stick to that is what our grantees appreciate.

> *"One thing that Helios does is have its own research and evaluation department. That's an important strand of its work. Part of our work is research and knowledge development—sometimes we partner with Helios on research projects, which strengthens our work and, I hope, Helios' work."*
>
> **LAURIE MEGGESIN**
>
> FLORIDA COLLEGE ACCESS NETWORK

CEP: What do you think the link is, if any, between a foundation's level of understanding of beneficiary needs and that foundation's effectiveness in general?

LINDA: I think it is a pretty strong link. You have to understand what is really happening, otherwise you are imposing an irrelevant solution. For example, there used to be a prevalent belief that Latino communities do not value education. But when you talk to Latino families and when you do focus groups or you do research, it is clear that Latino communities actually value education at a higher level than many white communities. So, the problem to solve is not getting Latino families to understand the value of education, the problem to solve is helping these families understand how to navigate the education system. If you do not understand your beneficiaries, you do not know what problem to solve, and you cannot have any impact at all.

CEP: What advice would you give to other foundations that want to become better at understanding beneficiary needs?

LINDA: A lot of times, people come to the table already very attached to their ideas. I would encourage openness and inclusion in hearing other perspectives and learning from that. If we are open to listening to alternative perspectives and looking objectively at data, that is a good way of really increasing understanding about what is happening for people and what their challenges might be and how to help have an impact.

PAUL: To be open to learning, to new ideas, to not come from a predisposed set of what you think the solutions are. To be data driven, to be results oriented. A lot of those are cultural elements, behaviors and norms of an organization that you have to be committed to. If you really want to be beneficiary-needs driven, you have to come at it holistically as an organization. It is not just doing one survey, and it is not just a programmatic approach. It really is an organizational commitment to engage in that manner.

> *"[The foundation] almost never goes at it alone. If it takes a stance on an issue, it is great about working in partnership with a community leader or with a community voice. I think showing that alignment with leadership in the community is something it's very systematic about and very intentional about. And I think that comes across to the community."*
>
> **RICH NICKEL**
>
> College Success Arizona
> Access·Opportunity·Success

HOW GRANTEES LISTEN

The five foundations highlighted in this report all view grantees as being a crucial resource to help them develop and maintain an understanding of the needs of their ultimate beneficiaries. After all, grantees are the ones working on a daily basis to address the needs of those whom foundations are ultimately seeking to serve.

We know that most nonprofits gather feedback from those they are serving. CEP has found that collecting beneficiary feedback is a widespread practice at nonprofits.[8] With this in mind, we asked grantees of the foundations profiled in this report what their organizations do to develop and maintain an understanding of beneficiary need.

"When we're working with a group of patients or a community, we use focus groups, surveys, or one-on-one communications. One example is when we were trying to figure out where to build a hospice inpatient facility, better known as a Hospice House. We were able to use focus groups to determine that physicians, patients, and the community felt this special facility needed to be on the hospital campus, close in proximity to healthcare facilities, and easily accessible. This valuable input helped make the decision to build the Hospice House on the hospital campus."

JILL BRAMBLETT

McLeod Health Foundation

"We have five team members whose roles focus on community engagement. Every day they are out in the field, serving on local boards or councils, building relationships, and listening to our partners' needs and concerns. Because of this, we have a strong understanding of the most pressing issues and what people care most about."

ERIN HART

Expect More Arizona — THE MOVEMENT FOR WORLD-CLASS EDUCATION

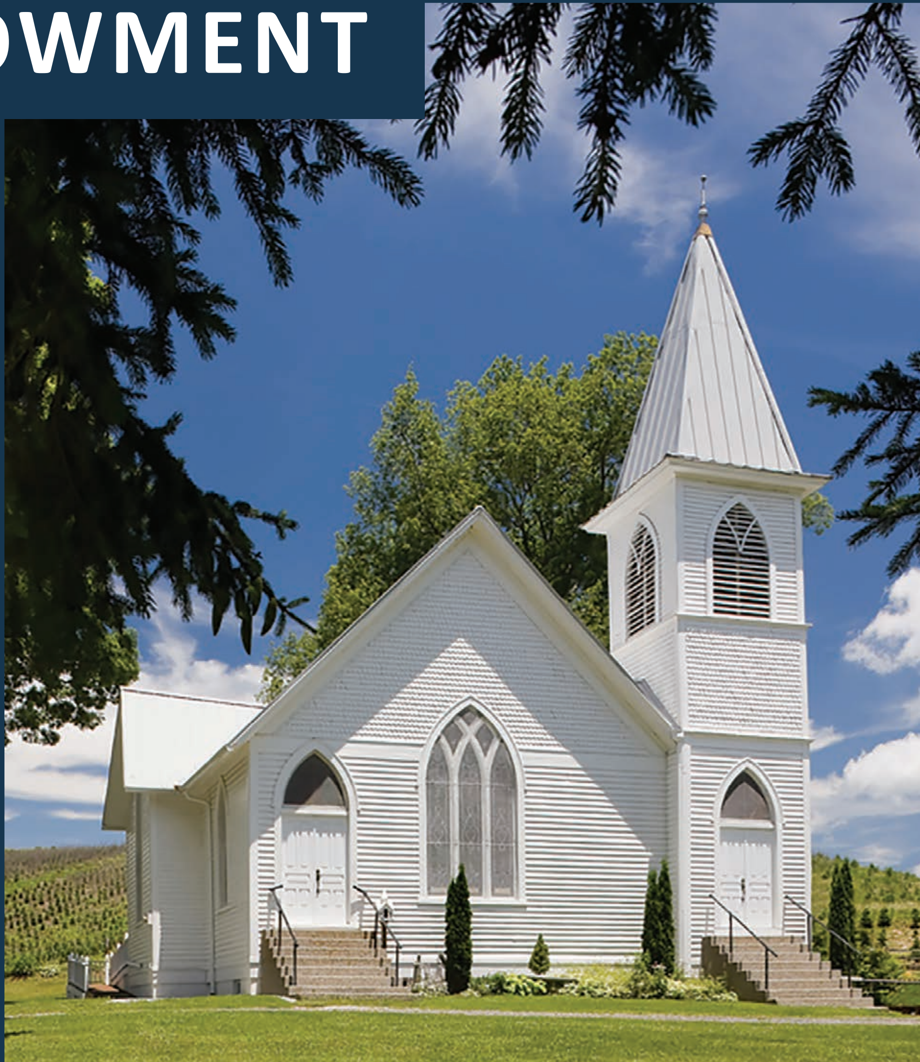
"Our board of directors elected two clients of our organization to sit on its strategic planning committee. We also had two members of the broader community in that group—one from a community association in West Baltimore and the other from a hospital collaborator."

KEVIN LINDAMOOD

HEALTH CARE for the HOMELESS

8 Ellie Buteau, Ph.D., Ramya Gopal, and Phil Buchanan, "Hearing from Those We Seek to Help: Nonprofit Practices and Perspectives in Beneficiary Feedback" (The Center for Effective Philanthropy, October 2014), 9, http://research.cep.org/hearing-from-those-we-seek-to-help-nonprofit-practices-and-perspectives-in-beneficiary-feedback.

THE DUKE ENDOWMENT



MISSION

Since 1924, the Duke Endowment has worked to help people and strengthen communities in North Carolina and South Carolina by nurturing children, promoting health, educating minds, and enriching spirits.

BENEFICIARIES

The patients of North and South Carolina hospitals and clinics; parishioners of rural United Methodist churches in North Carolina; children and families who are involved in the child welfare system and children who are at risk for being removed from their homes; and students of four schools of higher education, named in the original trust indenture, located in the Carolinas.

INTERVIEWEES

RHETT N. MABRY
President
Tenure – 1 year;
25 years total at the foundation

LIN B. HOLLOWELL III
Director – Health Care
Tenure – 1 year;
16 years total at the foundation

LOCATION
Charlotte, N.C.

YEAR ESTABLISHED
1924

STAFF
42 FTE

ASSET SIZE
$3.4 billion

ANNUAL GIVING
$122 million

ACTIVE GRANTS
482

GEOGRAPHIC FOCUS
Regional

GRANTEES INTERVIEWED

MUSC Health
MEDICAL UNIVERSITY of SOUTH CAROLINA

JIM FISHER
Vice president for development

children's hope ALLIANCE

JOHN KOPPELMEYER
Former president & CEO

McLeod Health Foundation

JILL BRAMBLETT
Executive director

> To maintain a thorough understanding of the need, where it is today and where it is going in the future, requires a real time commitment.
>
> *–Lin B. Hollowell III*

CEP: Your foundation's grantees rate it more highly than most other foundations in our GPR dataset for its understanding of the needs of its intended beneficiaries. Why do you think that is?

RHETT: We have a culture of going to the beneficiary, going to the organization, or going to the community that is asking for funding. We spend hours in the car traveling to site visits, which on the surface seems inefficient, but it's critical to our understanding. It helps us make more informed decisions and helps develop a deeper appreciation for the challenges that communities face. Our practice of making site visits for almost every grant has served us well because it helps us learn.

We are a long-term funder and have longstanding relationships—some going back more than 90 years. That familiarity and those deep-rooted relationships have served us well in trying to understand the challenges that our grantees face and the challenges that the populations they serve face.

I worked in health care in Georgia and Florida before I joined the Endowment. Lin worked for a nonprofit hospital in Greenville, South Carolina before he joined. What we try to do is bring in people who have experience in the fields that we support: some understanding of the challenges these organizations and those they serve face.

> *"[The Endowment] joins us on campus twice a year for a site visit. They are out there. They want to have an impact. They want to be a catalyst for health care improvements for the citizens of the two Carolinas. I have always sensed that their primary objective is to partner with their beneficiary institutions to work toward positive change."*
>
> **JIM FISHER**
>
> MUSC Health
> MEDICAL UNIVERSITY *of* SOUTH CAROLINA

CEP: What was the impetus for your foundation being so committed to developing an understanding of beneficiary needs?

RHETT: It is a byproduct of the way Mr. Duke set up the foundation. In his trust indenture, Mr. Duke said he would have tried to do more, but felt it "would [have been] productive of less good by reason of attempting too much." He established a focus, geographically and organizationally, and the focus he established from the beginning led to the relational grantmaking we pursue today.

> *"One of the reasons [the Endowment] is so connected to understanding the beneficiaries is history. They're an organization that's been around for [almost] 100 years and has always been very focused about who they serve. There's always been a very clear understanding about who the beneficiaries that they work with are, which helps narrow the focus for them."*
>
> **JOHN KOPPELMEYER**
>
> children's hope
> ALLIANCE

CEP: What is the greatest challenge you face in developing or maintaining an understanding of those whom you ultimately seek to serve?

LIN: To maintain a thorough understanding of the need, where it is today and where it is going in the future, requires a real time commitment. There are times when you have so much on your plate that it's difficult to find time to go out and meet with people in the field, but it's critical to our work, and it's where you pick up new information and new understanding.

CEP: Does your foundation gather feedback or perspectives from its beneficiaries, either directly or through the grantees you work with, to help inform your understanding?

LIN: We do our best to make sure that we have a thorough understanding of needs before we throw a solution at a problem. And understanding the needs often involves doing some independent research and then capturing lots of different perspectives and connecting the dots where we are hearing consistent information. You cannot just go out there and hear from one person and believe that you have a complete picture.

One example is the development of our grantmaking strategy to develop integrated provider networks serving the low-income, uninsured in the Carolinas. One of the things we realized early on is that we needed an uninsured patient representative on our advisory board to provide a patient's perspective as we were developing services. Getting feedback from the intended beneficiaries of the work is an important part of how we go about understanding and articulating a need before we begin thinking about solutions.

> *"[The Endowment] is so in tune to what's happening in North and South Carolina. They're not just a grantor, sitting, waiting to see what requests will come forward. They are really involved at the local level."*
>
> **JILL BRAMBLETT**
>
> McLeod Health Foundation

CEP: How well do you believe grantees funded by the Endowment understand the needs of the ultimate beneficiaries?

RHETT: I would say not all our grantees necessarily do. It is a bell curve, like any other normal distribution. There are some who understand their communities and the people they are trying to serve better than others. In a lot of organizations, how the organizations are funded drives how they serve and see their community. And on some level, our challenge is—without putting organizations in financial peril—to figure out how we can encourage them to think beyond their existing funding streams. How do we help offset some of their costs, so that they can be a learning organization and develop the systems that allow them to serve better their constituents?

LIN: When you stop and think about who really best understands the need, is it the person in need or is it the grantee organization that is trying to help meet the need? In some cases, the grantee organization may have less of an understanding because it might not have the full picture of that person's life, and there may be components of need that fit outside the scope of its expertise.

CEP: In our data, we see that grantees who rate foundations higher on their understanding of beneficiaries' needs also perceive their relationships with those foundations as being stronger. The same is true for ratings of how well the foundation's funding priorities reflect this understanding. From your perspectives, why do you think there is such a strong link between funder–grantee relationships and a foundation understanding the needs of its beneficiaries?

LIN: They work in tandem. If you do not work to have good relationships with your grantees, you are not going to get a full picture of the beneficiaries. At the same time, coming to the table with your own understanding helps build relationships, and helps you have better, more productive conversations with your grantees, leading to stronger relationships.

RHETT: We are hopeful grantees see us as partners, and that we have some value to add as well—that we can add to the conversation as they think through solutions to their challenges, in terms of the clients they are trying to serve.

CEP: Your foundation's grantees also rated it higher than almost all other foundations in our dataset on how well its funding priorities reflect its understanding of the needs of intended beneficiaries. Why do you think those ratings are so high?

RHETT: It confirms our longstanding practice of getting out, meeting with people, having conversations, and being open. Our conversations with the field largely are the impetus for our strategy. Strategy is not something devised by sitting in an office and reading interesting articles and books. You do need to read, but you cannot formulate strategy without appreciating the struggle and the circumstances our grantees face. It is something that is formulated through the conversations and interactions that we have in the field. When we make site visits, we try to learn, understand, and appreciate, and then we use those insights to inform strategy. I do not think we have found the Holy Grail. I feel compelled to say that we are grateful for the high ratings and think it affirms the approach we are taking, but I do not want us to ever come across as feeling like we have figured it out because we have not. We are going to keep adjusting and keep trying to improve.

"If there's an understanding, then there is definitely better communication. [The Endowment] is actually a great resource for us to learn more. They have a wealth of knowledge that they can bring to us that we may not have thought about. They're always willing to share and help us to do more."

JILL BRAMBLETT

McLeod Health Foundation

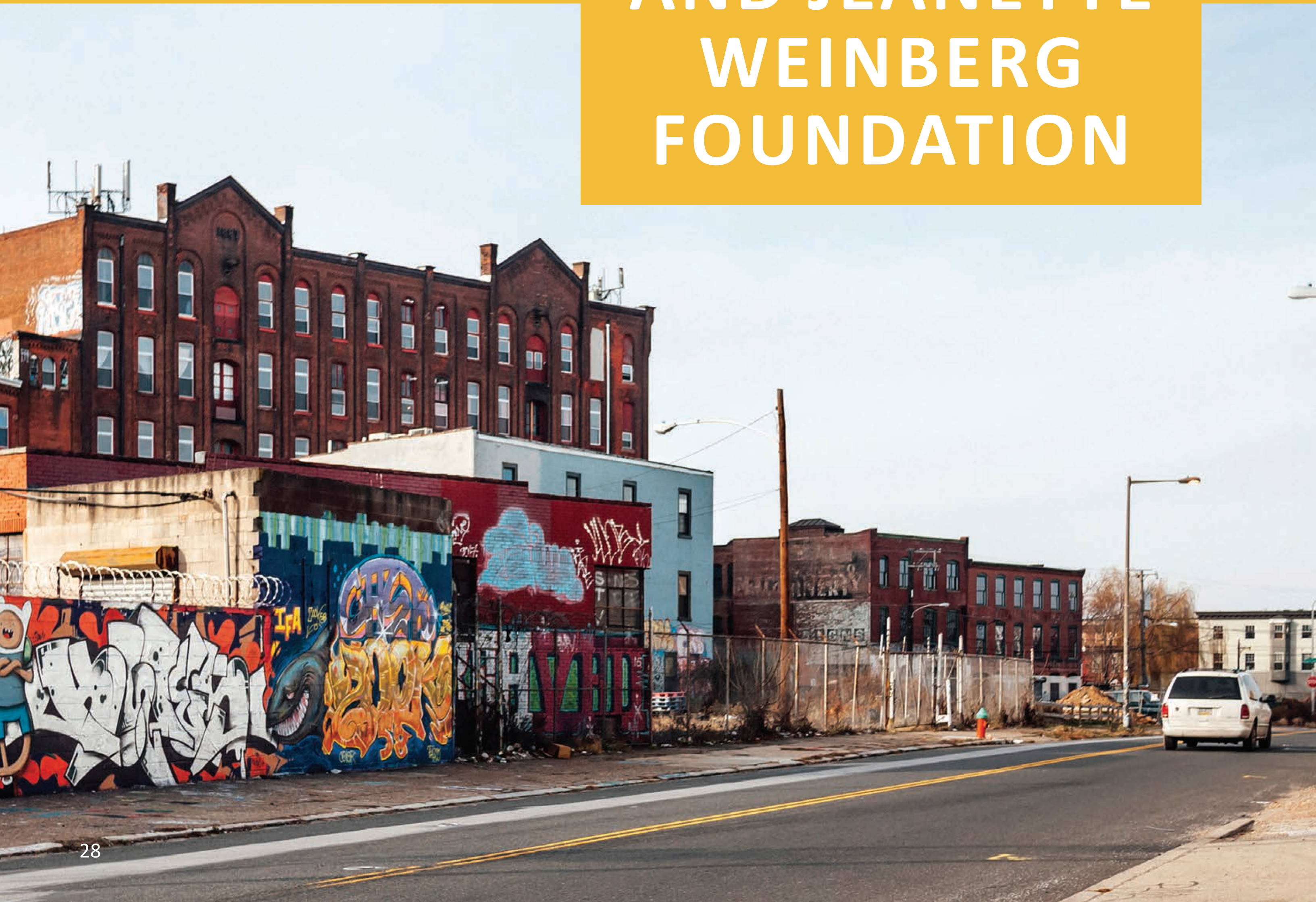
CEP: What advice would you give to other foundations that want to become better at understanding beneficiary needs?

RHETT: Spend time with them. Do not assume you have all the answers. Be curious and willing to learn. Be willing to let go of your current thinking and adjust, as appropriate. Be committed to making a difference, and be willing to absorb and integrate new information to make better decisions. The critique of philanthropy is that we are often arrogant—and I am sure we have our moments—but, hopefully, what comes through most is our commitment to making an impact with the resources entrusted to us.

> *"They're very engaging. They're willing to reach out and ask questions, and they want feedback. They're doing that with a number of different people, so they can get that kind of feedback and understanding."*
>
> **JOHN KOPPELMEYER**

children's hope ALLIANCE

THE HARRY AND JEANETTE WEINBERG FOUNDATION



The Harry and Jeanette Weinberg Foundation

MISSION

The Harry and Jeanette Weinberg Foundation, one of the largest private charitable foundations in the United States, provides approximately $100 million in annual grants to nonprofits that provide direct services to low-income and vulnerable individuals and families, primarily in the United States and Israel. Grants are focused on meeting basic needs and enabling an individual to live as independently as possible. Within that focus, emphasis is placed on affordable housing, jobs, education, health, and emergency assistance in the Jewish community as well as the community at large.

BENEFICIARIES

Low-income individuals and families

LOCATION
Owings Mills, Md.

YEAR ESTABLISHED
1959

STAFF
34 FTE

ASSET SIZE
$2.3 billion

ANNUAL GIVING
~$100 million

APPROVED GRANTS
418

GEOGRAPHIC FOCUS
North America and Israel

INTERVIEWEES

RACHEL MONROE
President and CEO
Tenure – 7 years;
12 years total at the foundation

SHERYL GOLDSTEIN
Managing director of program and grants/program director of US education
Tenure – 4 years

GRANTEES INTERVIEWED

Ronald McDonald House Charities® Baltimore

SANDY PAGNOTTI
President & CEO

HEALTH CARE for the HOMELESS

KEVIN LINDAMOOD
President & CEO

thread THE NEW SOCIAL FABRIC

SARAH HEMMINGER
Chief executive officer and cofounder

CEP: Your foundation's grantees rate it more highly than most other foundations in our GPR dataset for its understanding of the needs of its intended beneficiaries. Why do you think that is?

RACHEL: When the Weinberg Foundation makes site visits, we do not only meet with the professionals and board leaders of an organization. When possible, we also request to meet with the direct beneficiaries of the work of the organization. By hearing directly from those receiving services, we are given a more direct, personal understanding of the importance of the work being done. In addition, several members of the foundation's grant team serve on various national and local committees and collaboratives related to the work of the foundation. By sitting at these tables, surrounded by peer foundation staff, service providers, and experts, we learn about best practices, current trends, and data relevant to the grant areas funded by the foundation. This keeps our knowledge current and gives us the chance to learn from and partner with others doing similar work.

> *"They do things on a personal level. Rachel has come with her children and volunteered and served dinner at the Ronald McDonald House. She understands because she has provided direct service to our families. They really live that out."*
>
> **SANDY PAGNOTTI**
>
> Ronald McDonald House Charities® Baltimore

CEP: Is there anything else that your foundation specifically does to develop or maintain an understanding of its beneficiaries?

SHERYL: A number of our program staff come from a direct service or nonprofit background, so these staff members have experience doing work on the ground with low-income populations or have been in management roles in government or nonprofits working with low-income individuals. This provides a deeper level of knowledge and empathy when staff review grant requests from nonprofits. We also have a number of staff involved in a variety of volunteer roles at a diverse range of nonprofits. While the foundation has strict conflict policies, and employees do not sit on boards of organizations that we fund, many employees serve as volunteers on committees and/or at special events for nonprofits in the community. The Weinberg Foundation culture promotes and encourages staff to volunteer and make a contribution in the community.

> *"The project officers for the foundation's various areas of focus are not just funders in their fields of expertise, they are very much participants in the broader community. The person overseeing homeless services participates in our local Continuum of Care."*
>
> **KEVIN LINDAMOOD**
>
> HEALTH CARE for the HOMELESS

CEP: Does your foundation gather feedback or perspectives from beneficiaries to inform its understanding?

RACHEL: The foundation does not formally conduct evaluations of individual beneficiaries of the organizations it funds. However, the foundation is knowledgeable about best practices within the areas of funding in which this is done. For example, adults with disabilities often complete a standard, nationally used survey called "Ask Me!" This survey attempts to collect as much self-directed input from each individual about living, working, and personal needs. The foundation pays attention to nonprofits that utilize this kind of beneficiary input in their work.

CEP: As an international funder, how do you approach understanding the beneficiary needs in a place where you are not directly?

SHERYL: While we do not have staff on the ground in Israel, our staff travels to Israel multiple times a year. It is very difficult to apply American standards in Israel, or any foreign country, and expect the same outcomes. For example, you cannot assume that their homeless agenda is the same as ours with the same inputs and outputs. You have to learn a different world, so I think international grantmaking is extremely complicated. American philanthropists, though well intended, may impose American attitudes and values in foreign countries instead of carefully learning, listening, and partnering with local funders on the ground.

CEP: Does your foundation support, either monetarily or nonmonetarily, the grantees it works with in obtaining perspectives from those they're serving?

RACHEL: The overwhelming majority of our grantmaking is not focused on evaluation, though we have funded several specific evaluation efforts. Weinberg has worked with MDRC on a range of evaluations, and the summer funding collaborative in Baltimore surveys its participants in pre- and post-surveys as one small example. However, because the foundation focuses its support on nonprofits that are providing direct services, we look to see that they listen to, survey, and get input and feedback from their constituents as part of their ongoing work.

"They do not fund our outreach directly, but they have supported overall buildout of our information capacities. So they have been a part of getting better data. If they had not invested in our overall capacity needs, I don't think we would have gotten to this place with client surveys."

KEVIN LINDAMOOD

HEALTH CARE for the HOMELESS

CEP: How well do you believe your grantees understand the needs of the beneficiaries they serve, and how do you know that?

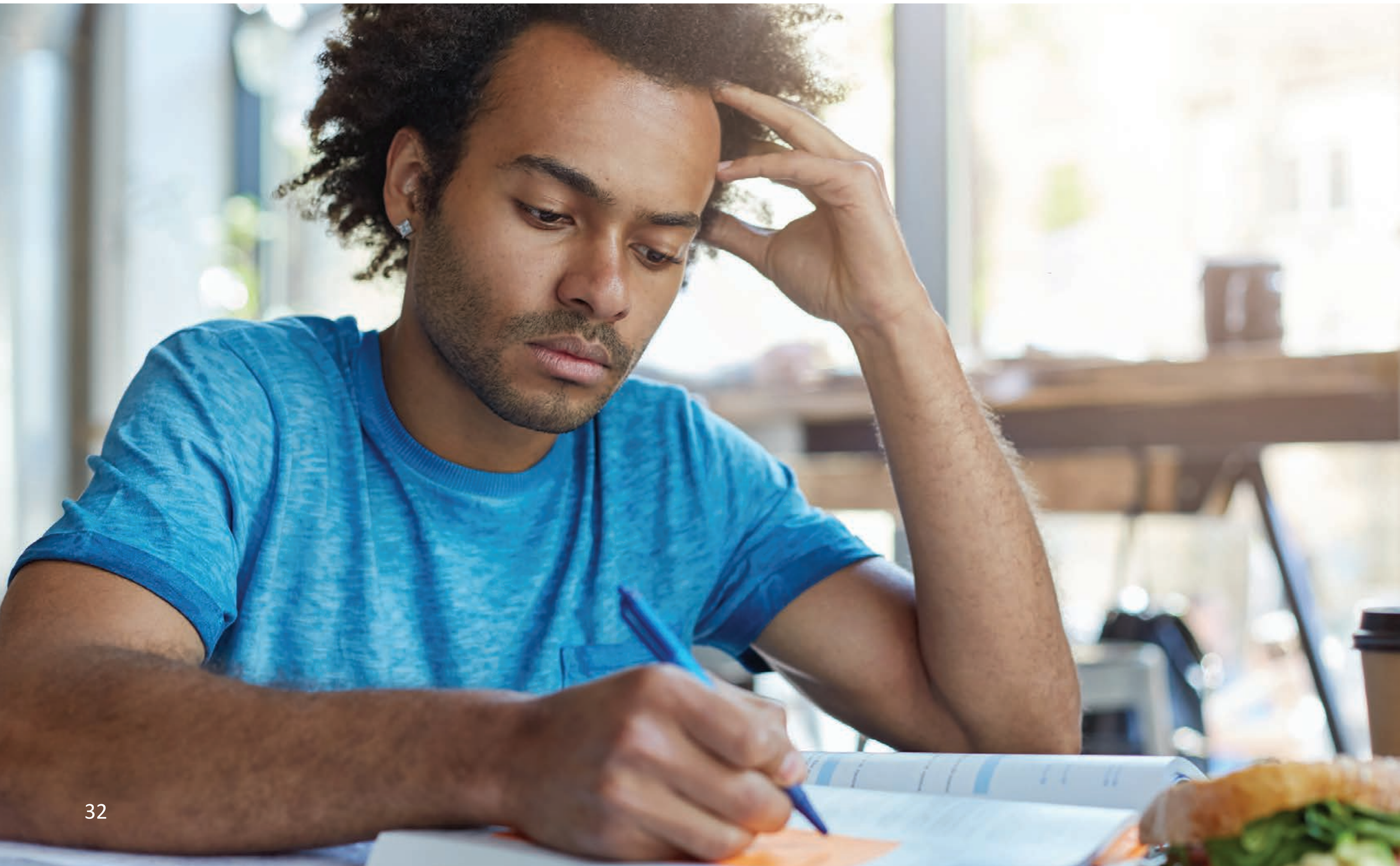
RACHEL: I would say the organizations we fund know the needs well. Before the Weinberg Foundation makes a grant, we conduct rather intense due diligence. Others often say we kick the tires hard and try to figure all of that out during the application process. It is easy to know whether organizations are close to their work or not when one principal walks through a school and does not know any of the children's or staff's names, while another principal walks through a school and knows every single name and stops and says, "Hey, Bobby, what happened last night? Did it get done?"

SHERYL: We have also really tried to support organizations that have been working in communities effectively, with proven results and scale, for a long time—organizations that know their communities and have developed trusting and longstanding relationships.

CEP: What role do grantees play in your foundation's development of its understanding of the beneficiaries' needs?

SHERYL: Once we have faith in the nonprofits we support, we tend to rely upon them because they are the ones who are working directly with the beneficiaries on the ground. We listen to what they share with us—what they are seeing, hearing, and being challenged to resolve for the population they are serving. Rather than Weinberg conducting direct outreach to clients and people in low-income communities, the foundation relies upon those who are doing the work, and doing the work well, to inform us about the new trends and challenges facing this population.

RACHEL: A good example is from our program director for basic human needs and health. She will convene all of the Weinberg Foundation active grantees in her portfolio on an annual basis for a day of sharing and discussing opportunities and challenges they are seeing among the populations they are serving.



Another example is our program director for workforce development who helped put together a workforce training program with the Aspen Institute. The foundation brought together leaders (in most cases those just below the CEO position) at workforce development nonprofits for a year of collaborative learning. The group identified certain challenges that they were seeing among the clients they were serving and worked to identify best ways to solve each of these new issues. As one small example, the group learned that many clients who were taking a test to enter workforce development or certificate programs could not pass the test because the individuals did not have the necessary basic literacy or numeracy skills. As a result, the foundation is supporting organizations to provide more adult education so the people who are not ready to take those workforce classes can receive the education they need and pass the workforce tests, rather than being turned away from job opportunities.

"There's a genuine desire to learn and understand, and there's a lot of listening that goes on. Over the years, with anyone I've interacted with at the foundation, they're great listeners—they're curious and they don't make assumptions."

SARAH HEMMINGER

thread
THE NEW SOCIAL FABRIC

CEP: Why do you think the grantees you work with rate your foundation higher than almost all others in our dataset on how well the foundation's funding priorities reflect an understanding of the needs of intended beneficiaries?

SHERYL: One of the strengths of the foundation as it relates to helping nonprofits meet their beneficiary needs is that we are not looking for them to change up their game every year. We believe that organizations can develop strong service delivery models and want to provide ongoing support for those models. The Weinberg Foundation is looking for tested and true ideas and service delivery models that are proven to work and have had a strong impact on beneficiaries. I think that is something that is beneficial to a number of our grantees. We hope nonprofits do not feel like they have to invent a new program in order to approach us—we are open and interested in supporting the good work they are already doing.

> The Weinberg Foundation is looking for tested and true ideas and service delivery models that are proven to work and have had a strong impact on beneficiaries.
>
> *–Sheryl Goldstein*

> *"They communicate about funding very well. They've outlined their priorities and their goals. Everything is very clear and laser-focused."*
>
> **SANDY PAGNOTTI**
>
> Ronald McDonald House Charities® Baltimore

UNDERSTANDING BENEFICIARIES TO BUILD TRUE PARTNERSHIPS

Some foundations believe it is not their place to deeply understand those they ultimately seek to serve—they feel it is enough to get to know the grantees they directly fund and let those organizations maintain an understanding of their beneficiaries. Most of the nonprofits we spoke to for this report, however, disagree.

From the grantee perspective, foundations *must* understand the end beneficiaries of the work they are funding in order to build a true partnership with their grantees. In fact, in CEP's latest research, *Relationships Matter: Program Officers, Grantees, and the Keys to Success*, we found that grantees' perception of how well a foundation understands their intended beneficiaries' needs is highly related to the strength of a funder–grantee relationship.[9]

"Seeing everything from one lens doesn't work. You need that different perspective. So it's helpful, not only for the foundation, but for the nonprofit, too, when foundations have an understanding. Then, when we have conversations, they have some different knowledge they can share with us."

VICTOR LEANDRY

EL CENTRO de SERVICIOS SOCIALES, INC.

"It's crucially important for foundations to have their own understanding of the needs of beneficiaries. Everybody has to keep each other honest and have their own sources of information. I don't know how you would decide what to fund if you didn't have some vision of the communities that you wanted to support and some direct knowledge of them."

DONALD KERWIN

CMS CENTER FOR MIGRATION STUDIES

"I think it's really important for foundations to understand their beneficiaries. It allows them to thoughtfully use experiences with other people and organizations to provide constructive feedback about what the nonprofits could do differently or better. That sort of communication—of not just learning independently, but rather looping back to the grantees with input—is really critical."

SARAH HEMMINGER

thread THE NEW SOCIAL FABRIC

9 Ellie Buteau, Jennifer Glickman, and Matthew Leiwant, "Relationships Matter: Program Officers, Grantees, and the Keys to Success" (The Center for Effective Philanthropy, November 2017), 19, http://research.cep.org/relationships-matter_program-officers_grantees_keys-to-success.

SC MINISTRY FOUNDATION

SC MINISTRY FOUNDATION

Promoting the Mission of the Sisters of Charity of Cincinnati

MISSION

SC Ministry Foundation is a public grantmaking organization. The foundation promotes the mission and ministry of the Sisters of Charity of Cincinnati, as stated: "Urged by the love of Christ, and in the Spirit of our founder, Elizabeth Ann Seton, we Sisters of Charity of Cincinnati strive to live Gospel values. We choose to act justly, to build loving relationships, to share our resources with those in need, and to care for all creation."

BENEFICIARIES

Children and adults who are vulnerable, oppressed, and/or living in poverty; students in preschool and in Catholic schools; children and adults in need of affordable health care

INTERVIEWEES

SISTER SALLY DUFFY
Immediate past president and executive director

Tenure – 11 years; retired, July 2017

AMELIA J. RIEDEL
Interim executive director

Tenure – 4 years

LOCATION
Cincinnati, Ohio

YEAR ESTABLISHED
1996

STAFF
3 FTE

ASSET SIZE
Undisclosed

ANNUAL GIVING
Undisclosed

APPROVED GRANTS
251

GEOGRAPHIC FOCUS
Primarily local; some national and international

GRANTEES INTERVIEWED

earthlinks — COMMUNITY ENDS ISOLATION

KATHLEEN CRONAN
Executive director

CMS — CENTER FOR MIGRATION STUDIES

DONALD KERWIN
Executive director

SANTA MARIA COMMUNITY SERVICES™

H.A. MUSSER
President and CEO

> We conduct site visits for every grant proposal. Even though we have grantees in Colorado and in other parts of the country, we visit and get to know them face to face.
>
> *–Sister Sally Duffy*

CEP: Your foundation's grantees rate it more highly than most other foundations in our GPR dataset for its understanding of the needs of its intended beneficiaries. Why do you think that is?

SISTER SALLY: We conduct site visits for every grant proposal. Even though we have grantees in Colorado and in other parts of the country, we visit and get to know them face to face. I would call it a privilege to witness the work. I find grantees extremely helpful and resourceful in educating us in a broader way on the complexity of the issues that they are dealing with. That is key to developing our understanding and for us to have a broader vision in terms of how we can be helpful to our grantees and, above all, the people they are serving.

AMELIA: We deal with very complex issues, and it takes a lot of time to really dive in and understand. We cannot have our feet on the ground the way the grantees do, so we rely on them through the site visits. We also have them invite some of their beneficiaries to meet with us, when possible, so that we can hear directly from them.

In addition, we make a great effort to keep our staff and board educated on the key issues that are impacting the beneficiaries. Especially now, with all the different things happening at the policy level, we really try to make sure that we stay informed and understand what the impact is on the beneficiaries because that has a ripple effect on the grantee. We need to stay informed so that we can try to work with them to be prepared for changes around the corner.

"SC Ministry Foundation visits us. Sometimes this is as part of a formal visit for a pending funding request, but it happens at other times as well. We are not strangers. They take the time to see our facility, observe what we are trying to do, and speak to our program participants who are experiencing homelessness. SC Ministry Foundation is a partner with us in trying to make real change for our participants and for Earth. That's pretty important."

KATHLEEN CRONAN

earthlinks
COMMUNITY ENDS ISOLATION

CEP: What specifically does your foundation do, if anything, to develop or maintain an understanding of the beneficiaries?

SISTER SALLY: We encourage professional development for our own staff, which is helpful in keeping them up to date on the issues. We are part of membership groups. We are all learning together. We invite our board to three or four different site visits. We offer board education sessions at least quarterly for our board and board committees.

AMELIA: The other thing I would add is that Sister Sally is very involved in a lot of different collaborative initiatives. For example, she serves on the steering committee for an initiative in our city that is addressing childhood poverty. We all try to learn from being out in the community and participating in community gatherings on specific issues and then share that with our staff and board. That helps keep us informed and helps to gain that understanding of what the beneficiaries are facing.

"They're involved with other agencies that work with immigrants and refugees as well. And they regularly participate in larger gatherings of groups that serve these communities across the country, as well as participate in advocacy meetings and liaison meetings with government officials on these issues. So they're independently active and then active through and with their grantees."

DONALD KERWIN

CMS CENTER FOR MIGRATION STUDIES

CEP: How well do you believe your grantees understand the needs of the ultimate beneficiaries and how do you know that?

AMELIA: I feel that they understand these needs very well, and one of the ways that we provide the evidence of that is the fact that our entire funding process is based on a measurable outcomes structure. Grantees apply for funding based on what outcomes they are proposing to accomplish, and we ask for progress reports every six months. Those reporting cycles are an opportunity for a program officer to have a conversation with the grantee about fully understanding what the need is. That provides an opportunity for continued dialogue. We do not just award a grant and send them off for a year or two before hearing from them again. We are in regular contact with them, which helps them to keep track of how things are going and also helps to keep us informed.

SISTER SALLY: When we do the site visit, it gives us the opportunity to really have dialogue. We are asking for clarity as to their understanding of who it is they are serving and what the needs are. We always ask how they know those are the needs and what processes they have in terms of dialoguing with the people that they are serving.

CEP: Does the foundation support the grantees in learning more about these beneficiaries?

AMELIA: Because we work with organizations across the country, we can offer best practices to our grantees. If there is an organization working on homelessness in Denver and there is one here in Cincinnati, we can have them share what they are doing and what their successful interventions are. That is another attribute that grantees seem to appreciate because they can get narrowly focused on their own issues, but the issues are pretty similar in other cities. We can help them to connect and even network with each other.

> *"SC Ministry Foundation has invited us to trainings, both at the foundation and via webinar. These are offered free to us, and have been a great benefit. The conferences and conversations offer an opportunity to share information among agencies who are doing the work of 'justice.' The foundation understands the challenges facing those who are economically poor and without housing: there are many things in common between someone who is without a home in Cincinnati and one who is without a home in Denver. The experience of the Foundation in its home city can translate into understanding the barriers facing individuals who are similarly situated elsewhere."*
>
> **KATHLEEN CRONAN**
>
> earthlinks
> COMMUNITY ENDS ISOLATION

CEP: How important do you think it is for foundations to develop their own understanding of the needs of the beneficiaries, separate from the understanding of their grantees?

SISTER SALLY: I think it is essential. I do not know how you can do this work without that. To me, it is an imperative if you are really partnering in the mission of the organization and who they are working with.

AMELIA: We have a person-centered approach, not institution centered. We are less focused on making the institution successful, and more focused on successful outcomes for the people that we are trying to serve.

CEP: Your foundation's grantees also rated it higher than almost all other foundations in our dataset on how well its funding priorities reflect its understanding of the needs of intended beneficiaries. Why do you think those ratings are so high?

SISTER SALLY: When we did our strategic plan, we offered sessions where people could come here to the foundation and attend webinars to review what our strategic direction was and talk about any changes. Comprehensive community development requires patient funding. Concentration of poverty does not happen overnight, it usually takes decades. The fact that we are open to patient funding and recognize the long-term complexity of it is important.

CEP: What advice would you give to other foundations that want to become better at understanding beneficiary needs?

SISTER SALLY: Get out of your office and be present for and with the people. Ask questions that require more than a yes or no. Spend time in the neighborhood. When I am going to a place to do a site visit, I try to go for a run around that neighborhood to get a feel of it. If I cannot do that, I might just go into McDonald's to get a feel of what is happening in the neighborhood. You cannot learn being in an office. You have to be out attending events in the evening where communities are gathering and are discussing different issues. It is presence and listening, and the openness to learn and to reflect on those experiences, and to integrate that into who you are and what you are about.

AMELIA: I would just add that investing in staff is key. Sister Sally has always been very supportive of any kind of professional development opportunity that we wish to seek, so that we can become more informed and gain better understanding. You do need a level of understanding to even have that conversation and to hear truly and deeply what it is that you are listening to and give it that context. Despite the fact that we have a small staff and we try to reserve our funding as much as possible so that we can give as many grants as possible, there is a priority of making sure that we are investing in our people to make them stronger.

"They are visible and accessible, and they leave their office to come out and find out what's going on. I know that Sister Sally's on the road a lot. When Katrina came through, they spent lots of time actually in New Orleans helping decipher what was needed and seeing how they could be a contributing partner in that redevelopment or rebuilding. That's one of the reasons that they are perceived as understanding the needs—they're actually getting out and getting on the ground to find out how things are working."

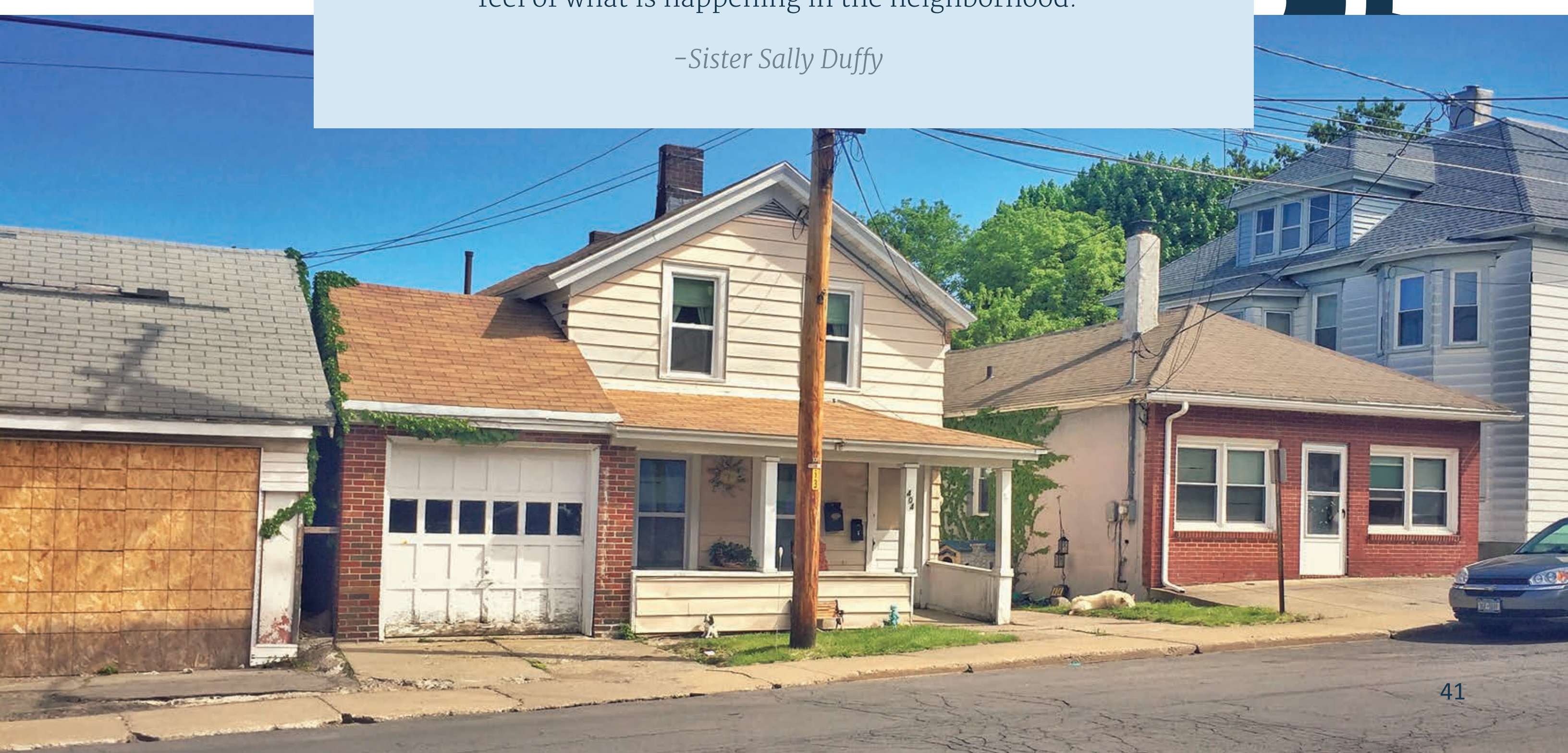
H.A. MUSSER

SANTA MARIA COMMUNITY SERVICES™

"

When I am going to a place to do a site visit, I try to go for a run around that neighborhood to get a feel of it. If I cannot do that, I might just go into McDonald's to get a feel of what is happening in the neighborhood.

–Sister Sally Duffy



METHODOLOGY

GPR DATA

Grantee data discussed in this report was gathered through surveys administered as part of CEP's GPR process. Foundations commissioned GPR surveys to receive confidential feedback from their grantees on a range of issues, including:

- Grantees' perceptions of the foundation's understanding of intended beneficiaries' needs;
- Grantees' perceptions of the extent to which the foundation's funding priorities reflect a deep understanding of intended beneficiaries' needs;
- Grantees' perceptions of the clarity and consistency of the foundation's communications;
- Grantees' perceptions of the foundation staff's responsiveness;
- Grantees' comfort in approaching the foundation if a problem arises;
- Grantees' sense of how fairly they are treated by the foundation;
- Grantees' perceptions of the foundation's overall transparency;
- Grantees' perceptions of the impact the foundation has on its organization, the field in which they work, and the community in which they work.

Sample

Between spring 2016 and summer 2017, 86 foundations commissioned a GPR and 25,906 of their grantees were invited to participate in the GPR survey. Of those surveyed, 17,248 grantees responded, resulting in a response rate of 66.6 percent.

Survey Period	Number of Grantees Surveyed	Number of Responses	Survey
Spring 2016 to summer 2017	25,906	17,248	66.6%

Among the 86 foundations that received grantee feedback, 73 were independent foundations (including nine health conversion foundations), five were corporate foundations, and eight were community foundations. The median foundation in the dataset had about 20 staff, $500 million in assets, and an annual giving of $20 million.

Foundation Characteristics	Range	Median Value
Staff Size	1 FTEs to >400 FTEs	~20 FTEs
Assets	>$5 million to <$35 billion	~$500 million
Giving	$1 million to >$500 million	~$20 million

Method

The GPR survey consisted of about 50 items, many of which used seven-point Likert rating scales. All surveys were fielded online. Participants were sent a brief e-mail that included a description of the GPR survey, a statement of confidentiality, and a link to their survey.

PROFILES

Foundations

Five foundations are profiled in this report as examples of foundations whose grantees rate them as having a thorough understanding of intended beneficiary needs and as having funding priorities that reflect a deep understanding of intended beneficiary needs. All of these foundations are among those rated by grantees in the top 15 percent of our dataset.

The CEO at each foundation was invited to be interviewed along with a member of the foundation's program staff he or she felt could best speak to the issues related to understanding beneficiary needs. Interviews were conducted via phone and lasted approximately 60 minutes. The interviews were recorded and transcribed. The CEOs and staff members interviewed reviewed their respective profiles and agreed to share them publicly in this report.

Grantees

Foundations invited to participate in this study were also asked to provide contact information for three to five grantee organizations they felt could speak to the foundations' understanding of beneficiary needs and how it effects their work. The CEOs of these grantee organizations were invited to be interviewed. Interviews were conducted via phone and lasted approximately 45 minutes. The interviews were recorded and transcribed. The CEOs interviewed were invited to review all quotes included in this report before they were shared publicly.

NOTES

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