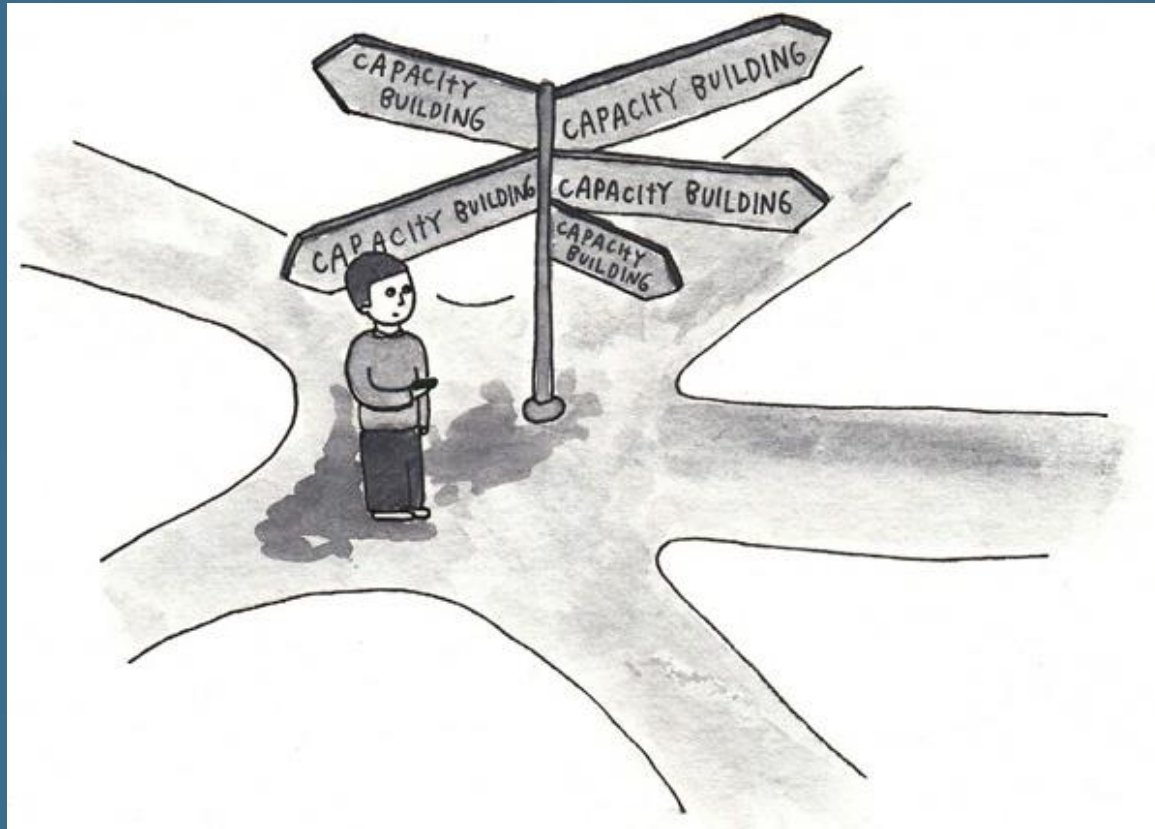


Supporting Grantee Capacity: Strengthening Effectiveness Together



Speakers

- Jen Bokoff, Director, GrantCraft, Foundation Center @grantcraft



- Anna Pond, Consultant



← Pat Swann,
audience provocateur,
New York Community Trust

Session Plan

- Context and framing
- Investment approaches
- Lenses to focus and inform
- Knowing your own capacity
- Power dynamics
- Assessment
- Activity – what would you do?
- Wrap up

About the Foundation Center

Our mission is to strengthen the social sector by advancing knowledge about philanthropy in the U.S. and around the world.

GrantCraft Resources

SUPPORTING GRANTEE CAPACITY
STRENGTHENING EFFECTIVENESS TOGETHER

CAPACITY BUILDING

Supporting Grantee Capacity
Strengthening Effectiveness Together

SPEND DOWN

Retaining an Engaged Staff to the End

MARIA PIGNATARO NIELSEN
NEW YORK, NY

As with other limited-life foundations, management at The Atlantic Philanthropies has had few outside resources to turn to for guidance in planning the foundation's final trajectory. There have been many programmatic and operational issues to resolve, of course, but chief among our concerns have been issues related to our hard-working and capable staff.

NEXT GEN

Positive Impulse Packing in Support

Philanthropy and the Social Economy:
BLUEPRINT 2015
The Annual Industry Forecast
by Lucy Bernholz

OUTCOMES & IMPACT

60 Seconds with Barbara Lanciers
Evaluating the impact of arts exchanges

LEADERSHIP

Scanning the Landscape of Youth Philanthropy

FIELD BUILDING

Philanthropy and the Social Economy: Blueprint 2015

OUTCOMES & IMPACT

60 Seconds with Barbara Lanciers
Evaluating the impact of arts exchanges



Tools



Takeaways



Guides



Infographics



Blog

grantcraft.org/supportingcapacity

PRACTICAL WISDOM FOR FUNDERS

GRANTCRAFT  A service of
FOUNDATION CENTER

SUPPORTING GRANTEE CAPACITY

STRENGTHENING
EFFECTIVENESS TOGETHER



CAPACITY BUILDING

IssueLab Special Collection: Funding Capacity

CAPACITY BUILDING

Pooling Funds for Strong Field-Building

NEO Philanthropy

CAPACITY BUILDING

Using the Balance Sheet as an Indicator

Meyer Foundation

CAPACITY BUILDING

Hawaii Community Foundation

Unrestricted Grants

FIELD BUILDING

Bill and Melinda Gates Foundation

General Operating Support (or
Unrestricted) Grants

Starting the conversation on the same page

- Means different things to different people
- What image comes to mind when you think about capacity building?



Exploring Investment Approaches to Capacity Building



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Key Points

- Different approaches are right for different situations
- Many avenues of support: Nonprofit capacity-building grants and awards, general operating support, grants and contracts with technical assistance providers and intermediaries, peer learning networks and communities of practice, collaborations among funders — and beyond, and other capacity-building instruments, including non-monetary



They all get me there, but which one is my best path?

Action Steps

- Host a program officer brown bag at your foundation on the topic: Is general operating support a form of capacity-building support?
- Create a peer learning network among program staff at your foundation to share information and approaches on capacity building, as well as provide a hands-on experience with peer learning.
- ???

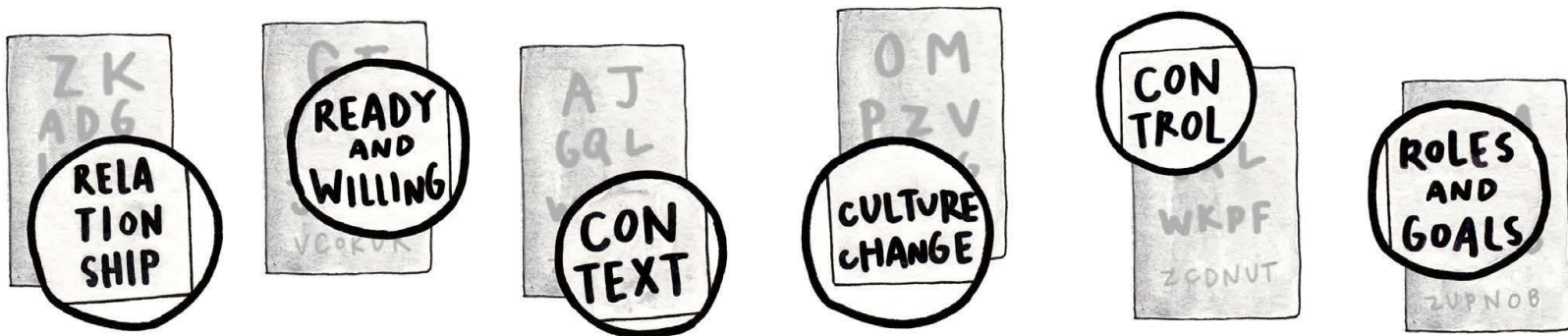
Lenses to Focus and Inform Grantmaking



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Key Points

- “Trust needs to be built so you can ask grantees capacity building questions without them wondering or worrying what your intentions are.”
- To see through different lenses, funders sometimes must adjust their approach and dialogue with grantees in different ways.
- The more lenses you thoughtfully apply, the more that the door opens to honest conversation.



Decisions feel better when everything's in focus.

Action Steps

- Spend 30 minutes reviewing your application processes for capacity-building grants and consider: Do they set the stage for authentic relationship building with grantees? Circulate some suggestions internally for what you might change if your answer is “no” or you are unsure.
- Use the GrantCraft Roles@Work tool to jump-start a conversation among foundation colleagues about how you weigh different roles in grantee capacity building.
- ???

Knowing Your Own Capacity



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Key Points

- Periodically assessing your foundation's own capacity to invest in grantee capacity building can help fortify your overall approach.
- Do your grantees think of you as a capacity-building funder?
- Self-awareness – of yourself and your foundation – is key.



Know your potential, and your limits.

Action Steps

- Identify one capacity-building topic (e.g., governance) around which you think your foundation could develop a broader common understanding. Recommend a process to engage staff and/or your board on that topic.
- Create a Q&A that gets distributed to all capacity-building grantees, clarifying your foundation's position on topics, such as whether your foundation has grant term restrictions, required "rests" before re-application, or required assessments. Embed this Q&A into communication and interaction with grantees (e.g., award letters, reporting requirements, site visits, etc.).
- ???

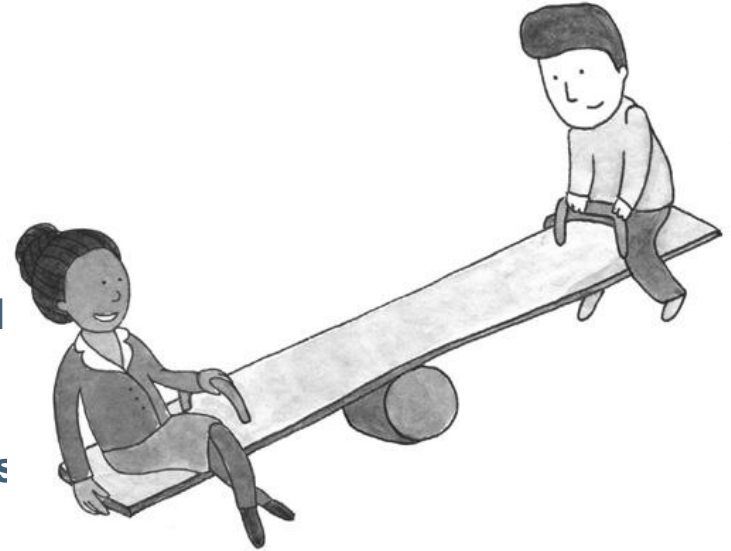
Acknowledging Power Dynamics



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Key Points

- Change is important, but **comes with unknowns**.
- Capacity building can take funders and nonprofits outside of their area of expertise. That can be a recipe for people **behaving defensively** or overcompensating for their lack of knowledge and experience.
- Capacity building is **not the core work** of nonprofits.
- Funders and grantees are more used to issue-based program relationships. When they work together on capacity building, the roles, expectations, and the boundaries — real and perceived — of **relationships often change**.
- When a funder and a grantee start talking about the direction of an organization or field or movement, they may have **different ideas** about how to approach that direction.



Great minds think alike, but power drives perception.

Action Steps

- Initiate a dialogue inside your foundation comparing the capacity building you fund and the capacity building grantees ask for, or might ask for if they could. Are they aligned or different? What are the implications if they are different?
- Find ways to build power role-plays into new foundation staff orientations and all foundation staff retreats.
- ???

Assessing Impact: The Holy Grail



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Key Points

- It's a multi-part process without a defined path.
- Being able to assess the value and impact of capacity building can help foundations and nonprofits focus future capacity building more wisely.
- Good assessment practice starts before a grant is made and carries through interactions with grantees to reporting.



Maybe I'll stumble on a path if I start out trying...

Action Steps

- Read GrantCraft's *Opening Up: Demystifying Funder Transparency* guide. Suggest ways your foundation could become more transparent in reporting out capacity-building assessment results.
- Read *Drowning in Paperwork, Distracted from Purpose*, a report from the Grant Managers Network collaborative initiative Project Streamline. Suggest changes to your grantee capacity-building application and reporting processes based on the tips the report and this guide provide.
- ????

Putting It All Together



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WHAT WOULD YOU DO?

- **The ask:** The executive director of a nonprofit that you have funded for several grantmaking cycles approaches you for \$100,000 to hire a consultant to support its executive director transition.
- **Background on the nonprofit:** This grantee is a U.S.-based national nonprofit support organization with offices in New York City, Los Angeles, Chicago, and Washington, DC. The organization, founded in 1987, has a \$5 million operating budget and about 20 staff. While most funding comes from grants, about a third of its revenue is from its nonprofit consulting practice focused on strategic planning and board development. The executive director has run the organization for more than 10 years. Rumor has it he plans to retire in the next couple of years. Your grant support to this nonprofit has always been program based, but this time the executive director has come to you with this capacity-building request. The ED isn't exactly forthcoming about the timing of the transition. You also know the organization is going through a number of executive and board changes — a new COO and new board chair — while also having just completed a strategic planning process. You've seen the new strategic plan, and it appears almost identical to the last five-year plan. The consultant the executive director wants to hire works for the firm that conducted the strategic plan for his organization.
- **Reflect on:**
 - experience with CB that can inform your decision-making process
 - your foundation's capacity for CB
 - how power might be at play, and what you might do about it
 - real v. cosmetic change
 - would you fund? Any conditions?

Thank You for Attending!

Any lingering questions?

Contact us

- Jen Bokoff
jen@foundationcenter.org

grantcraft.org/supportingcapacity

fundingcapacity.issuelab.org

@grantcraft

