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Leading With Values: Grants Management and the Case for More Consistent, Effective Grantmaking Practices

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Introduction

Publicly stated or not, all grantmakers have values — priorities, aspirations, and an over-all world view. Organization values provide grantmakers with both the mandate and the guidance to ask questions about meaning, intention, aspiration, and application. While shared values may not create instant alliances or resolve every difference, conversations about values can help grantmakers get to know one another, explore commonalities, avoid labels and blame, and understand differences in new ways — all of which can help them become more empathetic, consistent, and effective.

Like a compass pointing north, values offer direction — but getting there is on us. When it comes to grantmaking practices, grants management staff are uniquely positioned to carry the compass and to encourage colleagues, boards, senior leadership, and even the broader field on a journey toward values-driven practices. After all, grantmaking practices are one way — sometimes the only way — a grantmaker’s values are revealed to applicants, grantees, and other stakeholders.

As anyone familiar with grantmaking can tell you, practices vary widely in our field. The lack of a single definition of or expectation for grantmaking practices can be a challenge for both foundations and grant seekers. Organization values, however, tend to be less divergent and, by definition, go to the very essence of the organization. The type of foundation — community, private, corporate — or a donor’s life story certainly influence a

Key Points

- This article identifies and explores a set of philanthropic priorities and aspirations that are widely shared by grantmakers today, and examines how the notion of shared values might inspire a fieldwide pursuit of more consistent, effective, values-driven grantmaking practices.
- To study the relationship between grantmaker values and grantmaking practices, a survey of more than 300 organization members of PEAK Grantmaking, a national association of specialists in grants management, asked how the respondent foundations’ values influence their work. The results of the survey not only provided an overview of common values, but also captured reports from grantmakers on how their organizations are actively putting their values into practice.
- The research led to four recommendations for grantmakers: articulate organization values; find common ground with others around shared values; identify the most effective values-driven grantmaking practices; and pursue those practices to the benefit of grantmakers and grant seekers alike.

grantmaker’s values. Community foundations and other public charities, for example, may emphasize transparency and public service, or might mirror the religious values present in communities they serve. Private foundations established by a single donor or a family often attempt to embody the founding donor’s values, in no uncertain terms and in perpetuity.

For example, the Ruth Mott Foundation, of Flint, Michigan, continues to make this connection explicit almost two decades after the death of its founder. Ruth Mott's values and conduct call on us to:

- Be welcoming, inclusive, and egalitarian.
- Treat everyone with respect and dignity.
- Act with kindness and good humor.
- Promote civic hope and pride.
- Encourage personal responsibility.
- Practice prevention.
- Maintain the "long view."¹

How grantmaking organizations commit to specific values is as varied as grantmaking itself. Rather than focus on the ways type, donor, origin, or other factors might influence or even restrict a foundation's values, this article focuses on the ways those values might connect to grantmaking practices and connect grantmakers to one another. Our hypothesis is that explicit, publicly shared statements of values can help grantmakers make a stronger connection between how grants are made — grantmaking practices — and the priorities, aspirations, and overall world view of the grantmaker itself. This article seeks to shed light on values that grantmakers already — and perhaps unknowingly — share, and how shared values might help to operationalize more consistent and effective grantmaking practices. Referring to Mott's values, we might ask: How can grantmakers, guided by the similar values of egalitarianism, kindness, and the long view, operationalize those values into consistent and effective practices? What might more egalitarian, kind, long-view grantmaking practices look like?

We suspected that a number of commonly held values might be identifiable across the many different types, regional priorities, and missions of

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philanthropy. Viewed through the prism of organization values, grantmaking practices can be assessed differently: Do our wait times reflect our value to be responsive and respectful? How could our declination letters embody the value of learning and engaging with the community? Beyond connecting an individual grantmaker's practice to values, we wondered whether certain values are shared among many or most grantmakers and, if so, if a notion of shared values could inspire a fieldwide pursuit of more consistent, more effective, more "values driven" grantmaking practices.

A Survey of Grantmakers

In January 2017, we surveyed more than 300 organization members of PEAK Grantmaking, a national association of specialists in grants management, to ask how their foundation values influence their work. We used their responses to explore the relationship between grantmaker values and grantmaking practices. What we learned has been powerful and illuminating:

- Many grantmakers operate with either explicit or implicit organization values.

¹ See <http://www.ruthmottfoundation.org/who-we-are/about-us>

- Most grantmakers believe that intentionally linking practices and values is vital to effectiveness, accountability, and impact.
- Grantmakers we surveyed share a number of values; 10 discrete values were cited most frequently.
- Grants management staff are uniquely positioned to align grantmaking practices with organization values.
- Our research led us to four recommendations for grantmakers in philanthropic infrastructure: to articulate grantmaker organization values; to find common ground with others around shared values; to identify the most effective values-driven grantmaking practices; and to pursue those practices to the benefit of grantmakers and grant seekers alike.

Methods

Qualitative research methods were utilized to determine whether and how organization values inform or might inform more consistent, effective grantmaking practices. A survey of 319 institutional members of PEAK Grantmaking to collect values statements and related commentary was supplemented by analysis of member websites to develop a database of values statements from at least 160 respondents. Survey responses and respondents' websites were studied to analyze an actual or intended relationship, if any, among stated values, grantmaking practices, and effectiveness. One-on-one interviews with grants managers were conducted to capture experience connecting values to grantmaking practice.

The 10 most frequently cited and similarly defined organization values were identified by comparison and analysis of values statements, noting frequency and patterns as well as similar and/or contextualized meanings across differently worded values, using the following methods:

- Coding text: We identified useful concepts and marked key phrases, frequency, and

other descriptive categories. Consistent patterns/words/concepts were identified, noting when implicit versus explicit; noting and, when possible, ranking frequency (most, least), and noting whether and how values were described, touted, or achieved in practice.

- Memoing and theorizing: The researcher kept running notes on each of the concepts and codes identified, including memos or field notes about the concepts and observations and insights. Memos presented a representative set of values that related (directly or indirectly) to, or perhaps even incentivized, ideal practices.
- Integrating, refining: Once coding categories emerged, we organized data around a central category: common language/themes that hold everything together.

We used grounded theory to analyze survey responses and individual members' value statements. Grounded theory enables the researcher to identify and conceptualize latent social patterns and structures through constant comparison. Later, in a deductive phase of grounded theory process, the researcher uses the developing theory to suggest what data should be collected next and which more-focused questions to ask.

Our survey collected 97 responses, a response rate of 30 percent. (See Figures 1 and 2.) While we did not ask respondents to share the number of years in their role or position, we did collect respondent titles, which might proxy for role and leadership responsibility. (See Figure 3.)

Responses

Ninety survey respondents (93.7 percent) reported that their organization operates with either an explicit, publicly shared statement of values (62); an explicit, internally shared statement (14); or an implicit statement (14). Seven respondents (7.2 percent) reported having no statement of values and beliefs. To supplement this survey response we analyzed the websites of 67 members, of similar size and type to the response pool, from

FIGURE 1 Survey Respondents by Annual Grantmaking Dollars

FIGURE 2 Survey Respondents by Type of Foundation

FIGURE 3 Survey Respondents by Title

TABLE 1 How Values Show Up: A Spectrum

Values are imparted but seldom discussed. [9 responses]	Values are present at inflection points. [15 responses]	Values are ever-present. [29 responses]
Representative Comments		
<i>"Our trustees met. They decided what they felt they should be. It was communicated on multiple occasions to staff (staff meetings, retreats, board meetings, etc.)."</i>	<i>"Both in board meetings and at staff meetings, we are reminded of the underlying values and principles of the benefactor and what donor intent means as it is passed down over decades."</i> <i>"Informally through the 'smell test' on new work and processes; formally through annual evaluations."</i> <i>"Values are posted on large posters that are referenced when discussing strategy and practices. ... We just discussed results of CEP grantee survey, and values were a part of that conversation."</i>	<i>"Our desire to promote racial equity, economic well-being, and fundamental fairness for all is rooted deep within each grant we make. We are constantly re-evaluating our funding priorities to ensure that those values are at the center of our work."</i> <i>"We speak about how values influence how we operate as professionals with each other as well as out in the world when we interact with grantees and partners."</i>

among those that did not respond to the survey. This analysis brought the total number of PEAK Grantmaking member organizations included in the study (164) to just over 50 percent. The review of the websites found that 34 from the selected “nonrespondent” pool (50.8 percent) do share explicit values statements.² The remaining 33 from the pool (49.2 percent) do not publicly display or share (i.e., on their website) explicit values statements.³ Of the 164 organizations included in this research, 124 operate with either explicit or implicit values statements.

To get a feel for how values “show up” in organizations, the survey asked respondents to share

how frequently values statements were discussed inside their foundation. The 53 responses suggested a three-category spectrum — values are imparted and seldom discussed, values are present at inflection points, and values are ever-present — with some accompanying comments. (See Table 1.) At one end of the spectrum, respondents described values being “handed down” from trustees or an individual donor or family as a *fait accompli*. At the other end of the spectrum, respondents described a more nimble process in which values were identified and refined over time, organically.⁴ For these grantmakers, values were “ever-present” and developed through continual inquiry among

²In reviewing the websites of those selected from the nonrespondent pool, online statements labeled “beliefs,” “guiding principles,” “core beliefs” and the like were also considered “values statements.”

³A lack of publicly shared values statements does not mean foundations are not guided by values; these organizations may have stated values but choose not to publish or share them.

⁴More survey respondents (29) described their values in this way. Such active engagement with values might have led to a higher number of submissions from these kinds of organizations, or might simply align with PEAK Grantmaking’s membership, which includes more independent foundations with larger staffing arrangements and, typically, nonfamily trustees. It would be interesting to delve into this more deeply in future research.

FIGURE 4 When Values Are Connected to Practice, What Types of Effectiveness Result?

Sector

staff, trustees, donors, and even grantees and communities — apparently open to interpretation on a daily basis.

Another group, of 15 respondents, fell between the two extremes, with values present and influential when major decisions or planning processes arise. For these grantmakers, values and practices might be addressed formally or informally, during strategic planning and other inflection points. Conversations might be led by the board, executive staff, or program and grants management staff as new programs are being designed.

We also asked survey respondents to identify who, at which levels of the organization, discussed organization values. Fifty-eight of the 66 responses (88 percent) reported that values and practices were discussed at staff meetings; 43 described discussions occurring at the board level; and 44 noted conversations among senior staff leadership. Those selecting “other” specified discussions that took place “during educational programs and funding sessions we hold for grantees around the world,” “during an annual educational board retreat,” “while creating [a]

new, unified grantmaking process,” and “among [the] grants management team when discussing how our values are reflected in our grants management practices, with plans to include the rest of the staff later.”

While the frequency of and participants in values discussions suggest a relationship between values and strategy, we wondered whether alignment of values with practices could result in more effective practices. To find out, the survey asked whether respondents believed “grantmaking is more effective because grantmaking practices reflect and support their organization’s values.” Seventy-three respondents agreed with this statement; as one respondent commented, “otherwise, why bother having values?” Respondents were asked to go further by selecting one or more experiences they associated with values making grantmaking more effective. (See Figure 4.)

Among the four options, “better relationships with grantseekers” (57 percent) and “better fit between applicants and funding areas” (56 percent) were most often cited; “more consistent

A word cloud of terms related to social impact investing. The most prominent words are 'values', 'grantees', and 'need', all in large, bold, teal-colored font. Other significant words include 'organization', 'support', 'relationships', 'mission', 'community', 'partnerships', 'grant', 'transparency', 'grantmaker', 'nonprofit', 'accountable', 'seekers', 'partners', 'work', 'effective', 'vision', 'achieve', 'message', 'walk', 'clarity', 'staff', 'alignment', 'think', 'long', 'way', 'otherwise', 'funders', 'clear', 'broader', 'integrity', 'fit', 'stands', 'one', 'helps', 'value', 'keeps', 'fosters', 'mission', 'partnerships', 'organizations', 'founders', 'communities', 'understand', 'communicates', 'vision', 'achieve', 'effective', 'work', 'partners', 'know', 'funders', 'clear', 'broader', 'integrity', 'fit', 'stands', 'one', 'helps', 'value', 'keeps', 'fosters', 'mission', 'partnerships', 'organizations', 'founders', 'communities', 'understand', 'communicates'. The words are arranged in a dense, overlapping cluster, with colors ranging from teal to red and brown.

their practices because ...” Of the 64 responses, the following were typical:

- “It sends a much clearer message to the community about what we value and support.”
- “It fosters transparency and trust in relationships with potential grantees.”
- “It keeps funders accountable to their founders and communicates a clear message to the broader nonprofit community.”
- “As stewards of charitable dollars, it is up to us to maintain the highest level of integrity.”

The survey concluded by asking respondents to complete this open-ended sentence: “It is important for grantmakers to align their values with

Over half the survey respondents agreed that linking values to grantmaking practice is a relevant and worthwhile pursuit. But the survey

FIGURE 6 PEAK Grantmaking Practice Categories

- **Strategy & Policy:** High-level decisions that affect implementation, e.g., division of responsibility between board and staff; what types of grants and other support the funder is authorized to use; and policy decisions about organization eligibility, focus, geographic range.
- **Approach & Structure:** How grants are structured to achieve outcomes, e.g., the size, type, and length of grant; the relationship between a request and what you actually give; decisions about funding partnerships; and relationships with other funders and with nonprofits.
- **Requirements, Process, & Workflow:** Application and reporting requirements, retention practices, due diligence, award letter and reporting specifics, and workflow – who touches what and when, and the systems in place.
- **Interface – Communication & Relationships:** How the organization communicates about its work, e.g., alignment of requirements; transparency; feedback loops; relationships with grantees through such approaches as customer service-related practices, site visits, telephone availability; and standards around response time and follow-up.
- **Knowledge & Information Management:** What to do with data and information; outside sources that can supplement/complement that information.

FIGURE 7 How Well Do Areas of Practice Reflect and Support Values?

also asked respondents how well they believed they were doing at aligning practice with values, using PEAK Grantmaking’s practice categories as a guide. (See Figure 6). Respondents were asked to “self-assess” how well their own practices aligned with organization values. (See Figure 7.) Respondents perceived “above average” alignment of practice with values, with best

alignment in strategy and policy. All categories showed room for improvement, but no category appeared bereft of values. To the contrary, each practice category represents an opportunity to build on a perhaps underdeveloped, but compelling interest. Given the relevance to multiple audiences and the high importance placed on aligning values and practice, finding ways to

[T]he language and context that give meaning to values change over time. One hundred years ago, a grantmaker might think nothing of terms like “worthy poor” or “widows and orphans”; today, their use might make us cringe. Similarly, it is worth considering that these 10 values mark today’s grantmakers’ place in time, signaling which core beliefs and priorities are most relevant.

start these conversations — within organizations and across the field — is vital.

Findings: 10 Common Values

For PEAK Grantmaking’s membership, a set of shared values may offer common ground for a fieldwide discussion of consistent and effective grantmaking practices. To home in on that common ground, the 124 values statements collected from PEAK Grantmaking’s members were analyzed, compared, and contextualized.

To be clear: The research is descriptive. We did not seek the best values or the one best way to align values with practices. Rather, the research sought to document and describe shared values, by tracking recurring words, similar phrases, and comparable examples. Values statements were defined, coded, and sorted. To be confident that similarly defined terms were grouped together, each value was studied within the context of the organization espousing that value. For values statements culled from member websites, we studied clarifying statements as well as the

foundation’s mission, vision, and strategy. For those responding to the survey, we were able to ask, How does your organization live its values? Taking both online and survey examples into account allowed us to group values with similar definitions and examples; alternatively, a value could be isolated if its definition proved distinctive.

From this sorting, 10 discrete values emerged most frequently across PEAK Grantmaking’s membership:

1. Collaboration, partnership, teamwork, working together;
2. Respect;
3. Integrity, honesty, ethical behavior;
4. Diversity, equity, inclusion;
5. Accountability, responsibility;
6. Transparency, openness;
7. Risk-taking, innovation, entrepreneurial spirit, creativity;
8. Stewardship;
9. Learning, continuous improvement; and
10. Leadership.

Undoubtedly, the most frequently stated values are both familiar and commendable. Because values exist within a larger context of history, language, and practice, we recognize these words as well as the ingenuity, current events, and aspirations surrounding them. Yet, the language and context that give meaning to values change over time. One hundred years ago, a grantmaker might think nothing of terms like “worthy poor” or “widows and orphans”; today, their use might make us cringe. Similarly, it is worth considering that these 10 values mark today’s grantmakers’ place in time, signaling which core beliefs and priorities are most relevant. This research is a snapshot, and might have looked different 10 or

even five years ago. Would “diversity, equity, inclusion” appear on a list from 2007? Would “transparency” be on a 2012 list? It’s hard to say. Getting a sense of how values are defined and applied — or “lived” — is useful for those attempting to connect values to practice, and for the field in documenting what grantmakers and stakeholders cared about in 2017.

Based on survey responses and a study of members’ mission, vision, and values statements, we formulated definitions for the most frequently stated values and included comparable terms and related concepts when grantmakers listed those alongside their stated values. To help highlight any nuances in these strictly philanthropic uses, we sought for comparison general definitions drawn from online dictionaries. Yet even with the best of definitions and intentions, stating a value is meaningless if practices are misaligned or stakeholders fail to see a value in practice. Survey respondents submitted numerous examples of how grantmakers are putting organization values into practice; these representative practices, presented in survey respondents’ words, offer real-life applications of concepts that often remain abstract and aspirational.

1. Collaboration, Partnership, Teamwork, Working Together

Merriam-Webster.com defines “collaboration” as “work[ing] jointly with others or together, especially in an intellectual endeavor.”⁵ Survey respondents went deeper, defining this value as cooperating, both internally and with community partners, because combined efforts lead to better outcomes.

Reports from respondents on how their organizations are putting this value into practice included:

- “The foundation believes support for regional-level work is critical so that regions across [the state] can better collaborate, share information, and align systems that support the success of all students.”

- “We believe in partnerships and do a great job of co-creating with grantees what the project/outcomes should be to meet mutual objectives; we stay in regular conversation with grantees to talk through challenges/opportunities; we are open and receptive to changing course as needed.”

2. Respect

Dictionary definitions of “respect” include “esteem for or a sense of the worth or excellence of a person” and “deference to a right, privilege, privileged position, or someone or something considered to have certain rights or privileges.”⁶ Survey respondents define it as holding people with whom they work (grantees, partners, community members, staff and board members, etc.) in high regard and treating them accordingly, generalized to a belief in the worth and dignity of all people and often noted alongside the inherent power dynamics at work in the funder/grantee relationship. Comparable terms offered by respondents included dignity, kindness, trust, fairness, collegiality, and equity.

Examples of how the value of respect shapes respondents’ practice included:

- “Humility, open-mindedness, and fair competition are all reflected in our open submission application process, whereby any organization or person can propose a project idea that will be evaluated. ... We recognize that the best ideas don’t necessarily come from our staff, and over half of our funding over the past six years goes to open submission projects.”
- “The foundation strives to be responsive and respectful to grantees so that technical limitations do not impact their ability to be successful grantees. We also offer technical support to grantees via subsidized training programs at a local nonprofit training center.”

⁵ <https://www.merriam-webster.com/dictionary/collaboration?src=search-dict-box>

⁶ <http://www.wordreference.com/definition/respect>

Survey respondents mentioned incorporating and including views and voices of staff, boards, and community members in all aspects of decision-making and rejecting bias, injustice, and other inequities that exist in the world. Comparable terms included fairness, accessibility, respect, empowerment, and opportunity.

- “The majority of our grants provide general operating support.”
- “[We make] the application process and the post-grant reporting simple and straightforward.”

3. Integrity, Honesty, Ethical Behavior

GoogleDictionary defines “integrity” as “the quality of being honest and having strong moral principles; moral uprightness.”⁷ Survey respondents identified such specifics as telling the truth and holding themselves accountable to the highest ethical standards, both internally and when interacting with grantees and the community. Related concepts included stewardship, transparency, respect, and accountability.

Respondents described putting this value into practice by “invit[ing] all grantseekers to discuss their proposed programs before applying” and providing “honest feedback regarding funding outcomes; we are clear about our intentions.”

4. Diversity, Equity, Inclusion

Merriam-Webster.com defines “diversity” as “the condition of having or being composed of differing elements ... the inclusion of different types of people (as people of different races or cultures) in a group or organization.”⁸ Survey respondents mentioned incorporating and including views and voices of staff, boards, and community members in all aspects of decision-making and rejecting bias, injustice, and other inequities that exist in the world. Comparable terms included fairness, accessibility, respect, empowerment, and opportunity.

Examples of how respondents are practicing diversity, equity, and inclusion included:

- “‘Tzedakah — social justice towards those in need.’ Our foundation focuses on accomplishing our mission by serving those with the least access to resources.”
- “For our open grants, we are careful to choose a diverse panel and award grants to a diverse range of applicants. We have redesigned our application to make it more inclusive to the types of groups we want applying.”
- “Everybody matters. We live this value by an intentional effort to diversify our staff so that we have a variety of inputs into our grantmaking and other decision making.”
- “[We are] revising how we do hiring, assess staff performance, conduct ... risk assessment; moving to much greater transparency; working with staff and board to educate ourselves about racial equity and currently determining how greater focus on racial equity can be applied to our grantmaking as well as internal practices.”

5. Accountability, Responsibility

A dictionary definition of “accountability” is “an obligation or willingness to accept responsibility

⁷<http://googledictionary.freecollocation.com/meaning?word=integrity>

⁸<https://www.merriam-webster.com/dictionary/diversity>

⁹<https://www.merriam-webster.com/dictionary/accountability>

or to account for one's actions.”⁹ To survey respondents, this means holding themselves personally and organizationally answerable to the mission, purpose, and results of actions taken, including the expenditure of foundation resources. Among the related concepts mentioned were stewardship, transparency, and integrity.

Examples of how respondents are practicing accountability and responsibility include:

- “As a small, place-based funder with our trustees living in the communities we serve, it is critical for us to ‘walk the talk.’ We utilize outside consultants to rate our work as well as regular convenings with our grantees. We have a clear and rigorous vetting process for our grants and our trustees hold us accountable as agents of the foundation.”
- “Our individual performance objectives include how we reflect our values in our work.”
- “We take [Center for Effective Philanthropy] survey results very seriously and create work groups to address issues.”

6. Transparency, Openness

Merriam-Webster.com defines “transparency” as “free from pretense or deceit, ... readily understood, characterized by visibility or accessibility of information especially concerning business practices.”¹⁰ Respondents define transparency and openness as making operations, decision making, and other processes visible, often noting that transparency has not always been the rule in philanthropy. Comparable terms included integrity, honesty, accountability, and access to information.

One respondent's organization is putting this into practice by “making information public regarding grants, financial statements, and policies. We are highly engaged in the community. We are available for open discussions with

potential applicants and grantees.” Another reported, “We publish evaluation reports on our website and hold community meetings to share information and get feedback.”

7. Innovation, Risk-Taking, Entrepreneurial Spirit, Creativity

“Innovation” is defined by one dictionary as “a new idea, method, or device.”¹¹ Survey respondents interpret this value as finding new ways to look at problems, investing in ingenuity, and supporting creativity to solve tough problems.

Examples of these values in practice include “us[ing] our funds to get important ideas implemented, and then work[ing] to get projects noticed and supported by other, larger funders”; and “support[ing] projects that we believe will lead to systemic change, as well as projects that can work together to produce that change.” Another respondent reported that, “given our focus on people and the environment, [we] support staff by making sure we have the tools and resources to do our jobs effectively, in a LEED Platinum-certified building and office space.” Said another: “While we only fund organizations, we recognize that organizations are powered by individuals. People are the innovators.”

8. Stewardship

Merriam-Webster.com defines “stewardship” as “the conducting, supervising, or managing of something; ... the careful and responsible management entrusted to one's care.”¹² Respondents define it as striving to responsibly manage and care for financial and other resources entrusted to their use and being stewards of a donor or founder's vision and legacy; the concept of “accountability” was also mentioned.

For one organization, stewardship in practice means prioritizing funding for areas “that the [family/donors] addressed in their personal giving — education, health care, human services, arts and culture, conservation and wildlife, and youth

¹⁰ <https://www.merriam-webster.com/dictionary/transparent>

¹¹ <https://www.merriam-webster.com/dictionary/innovation>

¹² <https://www.merriam-webster.com/dictionary/stewardship>

Survey respondents see learning and continuous improvement as seeking new knowledge and carefully evaluating and drawing insight from their own actions.

and amateur athletics.” For another, it is looking “for established marks of quality programming in grantees’ proposals, while remembering the hallmarks of the family’s philanthropic interests of education and family stability.”

9. Learning, Continuous Improvement

Merriam-Webster.com defines “learning” as “knowledge or skill acquired by instruction or study ... modification of a behavioral tendency by experience.”¹³ Survey respondents see learning and continuous improvement as seeking new knowledge and carefully evaluating and drawing insight from their own actions. Comparable terms included evaluation and curiosity.

Respondents said their organizations put this value into practice by “regularly host[ing] convenings of grantees and other stakeholders to keep all parties apprised on the issues of health care” or “only ask[ing] for information that we will use and will help us learn.” One organization reported “an anonymous feedback loop with our grantees to get their feedback on their experience”; another said “senior staff review of metrics help[s] to ensure we are performing well to meet our values and mission.”

10. Leadership

Merriam-Webster.com defines “leading” as “providing direction or guidance.”¹⁴ Survey respondents expanded on that, defining “leadership” as cultivating and celebrating effective leaders inside their organizations and in the

communities they serve, and accepting responsibility for and offering guidance on issues relevant to their mission and role.

One responding organization characterized the practice of leadership as “invest[ing] in leadership development and other capacity-building investments.” Another took a broad view: “We are intentional about choosing grantees whose leadership and work is rooted in the communities they aim to impact. Most of our grantmaking is for grassroots organizing and several of our grantees are led by people of color.”

These definitions and clarifying examples ground the common values in current experience and conventions. Several of the definitions place a value within the larger context of philanthropy’s efforts to evolve, challenge inherent power dynamics, or address systemic oppression. For example, grantmaking’s reputation for being opaque is implicitly understood and rejected by stating values of transparency and openness. This signal may be clearly understood by students of philanthropy in 2017, but could be considered too obvious to require stating for someone stumbling upon a 2017 values statement in 2037. Values can be viewed as philanthropy’s effort to acknowledge past failures and improve. It is so much more important, then, to understand this context and hold grantmakers accountable in practice to their stated values.

Shared values offer common ground for conversation and dialogue among grantmakers seeking to discover how practices might be aligned more consistently and effectively with, say, shared values of collaboration; diversity, equity, and inclusion; or learning. Discussion of consistent and effective grantmaking practices, when grounded in values, suddenly becomes relevant to board members, senior leadership, program and grants management staff, grantees, and other stakeholders. The many examples of values-driven practices submitted by survey respondents strongly indicate that grants management staff recognize the relationship

¹³ <https://www.merriam-webster.com/dictionary/learning>

¹⁴ <https://www.merriam-webster.com/dictionary/leading>

between practices and values. Interviews offer even more evidence of grants managers ensuring alignment, prompting conversations about values-driven practices, and, sometimes, sounding the alarm when misalignment occurs.

A Look at Three Grantmakers

How do grants management staff prompt alignment of grantmaking practices with organization values? It depends. Organization mission, culture, and even staff seniority can influence whether and how conversations about values and practice happen.

Like many grantmakers, HealthSpark Foundation, the Summit Foundation, and the Maine Health Access Foundation developed the wording and intent of their respective organization values during the founding process. Those values, with only minor changes, have remained central to mission and strategy since that time. Jennifer Pedroni of HealthSpark, Jamie Amagai of Summit, and Catherine Luce of Maine Health Access arrived at organizations whose values were already well established. In fact, each recalled considering the foundation's values when deciding whether to join. All three expressed a strong commitment to aligning grantmaking practice with values, and, in ways that vary based in part on their organization's culture and their particular role, each has taken opportunities to introduce values into formal and informal discussions of practice with senior leaders, staff, and even board members.

Pedroni is vice president of administration for HealthSpark, a private, independent foundation providing support to organizations that address the health and human services needs of residents of Montgomery County, Pennsylvania. She joined the foundation as finance manager and grants administrator in 2003, shortly after the foundation was established, and was promoted to vice president in 2010. Pedroni manages staff operations and leads the areas of finance, budget, grants management, information systems, human resources, and facilities:

When I step back and look at the grants manager's role, I am in a unique position because I have

The many examples of values-driven practices submitted by survey respondents strongly indicate that grants management staff recognize the relationship between practices and values. Interviews offer even more evidence of grants managers ensuring alignment, prompting conversations about values-driven practices, and, sometimes, sounding the alarm when misalignment occurs.

been here a long time, so I have authority to ask questions that others might not. This role gives me access and perspective that few others in the foundation have. I will sometimes say, "I'm going to put on the grantee hat," and so we play out what [a practice or policy] looks and feels like for grantees.

These conversations, Pedroni says, are particularly informed by one of HealthSpark's values: "Fair, respectful, honest and professional relationships with all who come in contact with the foundation."

As director of grants management for Summit, Amagai says she lives the foundation's value of "investing in people" by focusing on grantees: "If I see things that don't make sense or that something in our process seems off or difficult for grantees, I bring it up." She says she focuses on ensuring that the grants process moves smoothly, effectively, and by the book, and that she considers herself as an "advocate for the grantees."

Luce, director of grants management at Maine's largest private health care foundation, oversees operations with an eye to making sure they are

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coordinated and integrated with the foundation's other program and administrative functions. "Guided by the voices of the people we're dedicated to serve" is the foundation value that Luce says resonates most profoundly with her:

I always think of myself as a liaison or an advocate for applicants, trying to minimize the barriers; and it is something we, as a foundation, think a lot about. I think I always try to bring the applicant and grantees to the table.

An explicit value of "respect for grantees" certainly gives grants managers unique responsibility and opportunity to align practices with values. Many of the most frequently named values fall within the purview, if not the direct responsibility, of grants management staff. Of course, not all grants management staff, by virtue of title alone, can make a stand for values-aligned practices. Seniority helps, too: Pedroni says she knows she can gently push colleagues to remember HealthSpark's values. "I often question things, and that's my role," she says. "And so I might bring up the potential implications of decisions." Not every grants manager has Pedroni's institutional authority or her years of experience, just as not every

grantmaker's culture supports empathy and self-reflection. As Pedroni acknowledges, "It is a delicate balance to lead from wherever you are."

Nevertheless, our research did find that organization values seem to allow for different kinds of conversations, at all levels, on matters as significant as strategy, policy, and impact. Bringing values into a discussion of more consistent and effective grantmaking practices seems an obvious method for achieving those practices. "Using values to prompt those discussions is a valuable tool," Pedroni observes. "I want to be sure we are behaving in ways that people believe we are living our values."

Sometimes, Amagai notes, values provide a different way for colleagues to frame and understand different points of view. At Summit, for example, realizing that two competing values were at the heart of an issue helped the foundation achieve compromise. One value — "achieving results" — is interpreted to mean the need for specific outcomes and very specific application guidelines. This interpretation had kept the foundation from approving a more applicant-friendly common application form. Rejecting that form, however, seemed to fall short of another Summit value — to "respect grantees." Rather than label one argument "right" and the other "wrong," Amagai sought instead to strike a balance: "We try to make our forms similar to other organizations', to make it easier for grantees. I try to always have processes and questions generic enough so that we are not asking for something no other foundation asks for."

Luce and Pedroni describe similar tensions arising from the competing values of risk tolerance and risk management. Historically, risk management has been core to grants management. As Maine Health Access looks to balance its value of "accountability" with its value of "promoting innovation and cultivating bold ideas," Luce says she urges her grants management team to tolerate a bit more risk:

I always say, if an organization is a 501(c)(3), then there is really nothing else we need to know; a 501(c)(3) has already met the compliance requirements. ... [I]n the past, we were very focused on due diligence, but now that we are more established I try to think about risk as it relates much more to our values — not just basic compliance.

At HealthSpark, Pedroni saw similar tensions emerge when trustees sought, understandably, to protect the foundation from risk. Framing the discussion around values, she says, helped defuse the tension:

In that particular dialogue, once I knew that they were concerned most about risk, then I understood. Just by having a conversation, we could address the concern but also introduce other values. By focusing on all the organization's values, we could keep an eye on what was most important, rather than "I'm right and you're wrong."

Pedroni says she believes knowing and discussing the organization's values helps her foundation achieve healthy compromise: "I have this mantra, 'assume positive intent.' I may not always agree with the decision, but we at least discussed it. Values don't provide an answer, but they remind us to ask the question."

Conversations about values help grantmakers learn what matters to them and how "what matters" is or is not borne out in practice. These conversations are vital not simply because they will help grantmakers to practice what they preach and feel grounded in organization values, but because without this accountability, grantmaking is at best hypocritical and at worst dishonest — two values that definitely were not surfaced in this research.

An Opportunity for Grantmakers

With shared values and illustrative practices identified, this research suggests an opportunity for grantmakers to go on to adopt consistent, effective, values-driven practices. Once grantmaking organizations articulate their values, they've established common ground to name and adopt consistent practices that "live" those values. Our findings indicate that

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grantmakers are already having these conversations. Indeed, grantmakers appear eager to align practice with values even if they are not yet confident they are doing so; many examples were described as "a work in progress." These continuing conversations must be encouraged and documented.

As the stories shared in this article suggest, values-led practice is being driven by some grants management leaders in some grantmaking organizations. More examples of how foundations themselves report values influencing practice will deepen our understanding of this pursuit. Perhaps even more important, more examples of how grant seekers and grant recipients experience foundation values in their interactions with funders would strengthen our understanding while giving grants management staff and others who interact routinely with grant seekers and recipients additional evidence to bring to conversations with senior leaders and trustees. Additional research, including off-the-record interviews with grant seekers and grant recipients, would add immeasurably to what is still a developing body of research.

While many foundations are ready to coalesce around shared values and consistent practice, let's not forget that roughly 25 percent of the organizations included in this study either do not operate with or do not make public their organizational values. We urge grantmakers without organizational values, as well as those with less commonly seen values, to initiate a conversation by asking these questions: What role do values play in your philanthropy? How do organizations

begin to articulate their values? Do grant seekers and grant recipients experience your practices? Do these experiences align with your values?

Our research suggests a profound willingness within grantmaking organizations to link their values and practices, which we believe can be tapped to the benefit of grantmakers and grant seekers alike.

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