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The Foundation Review is the first peer-reviewed journal of philanthropy, written by and for foundation staff and boards and those who work with them implementing programs. Each quarterly issue of *The Foundation Review* provides peer-reviewed reports about the field of philanthropy, including reports by foundations on their own work.

Our mission: To share evaluation results, tools, and knowledge about the philanthropic sector in order to improve the practice of grantmaking, yielding greater impact and innovation.

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Editorial

Dear readers,

Context matters in philanthropy. The articles in this issue touch on the role of context in various ways.

One of the contentious topics in philanthropy is the payout rate. During the current time of multiple crises (health, economic, and racial justice), many commentators are advocating for increased payout rates from foundations. **Alexander** constructs a metric using equity and bond market yields as a quantitative leading indicator of when a payout-rate change might be important to discuss. The quantitative approach he developed may be useful input to the ongoing debate, which also includes strategic and moral issues.

Another ongoing contentious issue in the sector is the tension between local and national funders. Too often, local funders see national foundations who want to support work in communities but don't value the experiences of long-term local funders. **Carcedo, Davis, Folkerth, Grubstein, and Kabel** explore how The BUILD Health Challenge® was created and how it allows regional philanthropies the opportunity to inform the national agenda and contribute insights as to what works locally. Emerging evidence on benefits include shifts in confidence to take risks and new approaches to grantmaking.

Ellis, Pinsonneault, Deering, Ehrenfeld, Fabian, and Maurana describe how the Medical College of Wisconsin's Advancing a Healthier Wisconsin Endowment shifted to supporting adaptive rather than programmatic solutions to address critical health issues. The endowment's new approach emphasized engagement with key stakeholders, recognizing the importance of contribution over attribution and requiring a long-term perspective on outcomes. The endowment works to translate new knowledge from national thought leaders and align it with its own experiences to guide the endowment's work.

Gillespie draws attention to an area that is poorly understood — how foundations are fostering economic security for women. She explores the work of Prosperity Together, a coalition of 30 women's grantmaking funds dedicated to advancing women's economic security. The author argues that aligning the work with research recommendations is critical.

Jaquith and Chavez share the lessons of the Aligned Partners Project, a three-year study of a foundation-funded interorganizational collaboration to align the work of three technical assistance organizations to meet the needs of one school district. The focus on supporting the technical assistance providers helped to better coordinate services and support greater impact.

In another article focused on learning, **Lewis-Charp, Berman, Lench, and Siddall** share findings from an evaluation of the Assessment for Learning Project, a grantee engagement strategy led by the Center for Innovation in Education focused on creating a learning community. The project's model and approach are grounded in the core design elements of a field-facing learning agenda, grantmaking that leads with learning, collective leadership, and peer learning among grantees.

There has been increasing interest in limited-life foundations, with one argument in favor that as context changes, perpetual foundations are limited by the intent of the original donor and unable to be as responsive as needed. **Mansson** explores this issue and other benefits and challenges of leading a foundation that is nearing the end of its life.

Effective grantmaking requires understanding the bigger picture — whether it is the status of overall financial markets, the presence of other actors in the geographic area, or the status of research on an issue. We hope these articles encourage you to consider how you engage in context.



Teresa R. Behrens, Ph.D.
Editor in Chief, *The Foundation Review*
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The Foundation Review is published quarterly by the Dorothy A. Johnson Center for Philanthropy at Grand Valley State University in Grand Rapids, Michigan.

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A Canary in the Payout-Rate Coal Mine

John C. Alexander, Jr., Ph.D., Clemson University

Keywords: Payout rate, portfolio yield, sustainable yield, endowments, foundations

Introduction

For many endowments and foundations, there remains a dynamic tension between funding the current needs of the institution and funding its future needs. These objectives can include maximizing the current payout to support the institution, minimizing year-to-year fluctuations in the payout in order to provide budget predictability, and preserving the inflation-adjusted value of the endowment or foundation over the long run in order to sustain the institution's mission.

Proponents for increasing current funding often cite immediate needs driven by facilities or current enrollment. Proponents of funding future needs often cite the importance of growing a more substantial endowment or growing scholarships to fund future enrollment. Payout recipients often worry about predictable payout streams, while payout providers worry about protecting the corpus.

This dynamic tension can create a significant amount of discussion and deliberation that is often saturated with qualitative snares and behavioral hazards. While investment committee members should review their institution's spending policy every two or three years, the question remains: How frequently should ad hoc reviews occur during periods of market volatility and uncertainty without overly burdening the committee or the organization?¹

Discussions around the payout rate often reference the bull market the U.S. has been experiencing for over a decade. But what happens when that bull market ends? What happens if,

Key Points

- In this article, we create a capital markets-based indicator to trigger when a discussion about changing portfolio payout rates may be appropriate. Although the payout rate is often a calendar agenda item for foundations and endowments, volatility in capital markets may cause a deluge of ad hoc payout discussions that may decrease the effectiveness of investment committees.
- Recent market performance provides a poor foundation for decisions related to a sustainable payout. The most sustainable portion of the investment return is the portfolio yield. We construct a metric using equity and bond market yields as a quantitative leading indicator of when a payout-rate discussion may be warranted.
- While this methodology might be more of a resource to university-affiliated or public foundations, which have complete discretion over the level of the payout rate, private foundations might find understanding the sustainable payout of a portfolio useful in determining the potential erosion of the corpus caused by an unsustainable payout rate.

like Japan, we experience a market that effectively goes sideways for an extended period of time? This happened in the U.S. during the 1970s. If you were a buy-and-hold investor of the Dow Jones Industrials, buying at the end of 1969 and selling at the end of 1979, the only return you received was the dividend yield.² If such an event was to reoccur, what affect might that have on the corpus of the portfolio?

¹ Family offices and financial planners advising clients face a similar dilemma when estimating how much of a portfolio might reasonably pay out without endangering the corpus.

² The same conclusion could be drawn on other adjacent 10-year periods, such as January 1972 to January 1982.

Although we consider the sustainable yield of the portfolio as a leading signal to triggering or delaying a discussion, it is highly likely that it would be used in concert with other metrics, such as an absolute-return metric, or the long-term moving average return of the portfolio.

Accordingly, we seek to provide a capital markets-based quantitative metric that might be used as a leading indicator to trigger an appropriate ad hoc discussion. To do this, we consider what components of an investment return are more sustainable and what components are less so.

Investment returns consist of both capital gains and income. The rates of capital gains, such as those which have been prevalent in the equity markets for the last decade, are not a sustainable predictor of future investment returns. Prior work in the area of weak-form market efficiency provides evidence of the pitfalls of such an approach. As a result, attempting to use past returns as a trigger for payout discussions offers little promise.³

The most sustainable portion of an investment return, besides the reoccurring investment expense, tends to be the income or yield of the portfolio. The yield of an equity or fixed-income asset portfolio is much more stable than the price level of that asset or portfolio. We examined

the sustainable yield of a portfolio comprised of both equity and fixed-income components using measures that are currently popular with practitioners and academics alike. We show how this sustainable yield may be used to trigger or delay a discussion on whether a payout-rate adjustment is warranted. Although we consider the sustainable yield of the portfolio as a leading signal to triggering or delaying a discussion, it is highly likely that it would be used in concert with other metrics, such as an absolute-return metric, or the long-term moving average return of the portfolio.

We acknowledge that our methodology might be more of a resource to university-affiliated or public foundations, where the institution has complete discretion over the level of the payout rate.⁴ Private foundations must comply with IRS rules to ensure they are active, and are required to make an annual distribution equal to roughly 5% of its prior year's average net asset value. However, even a private foundation might find understanding the sustainable payout of a portfolio useful in determining the potential erosion of the corpus caused by an unsustainable payout rate.

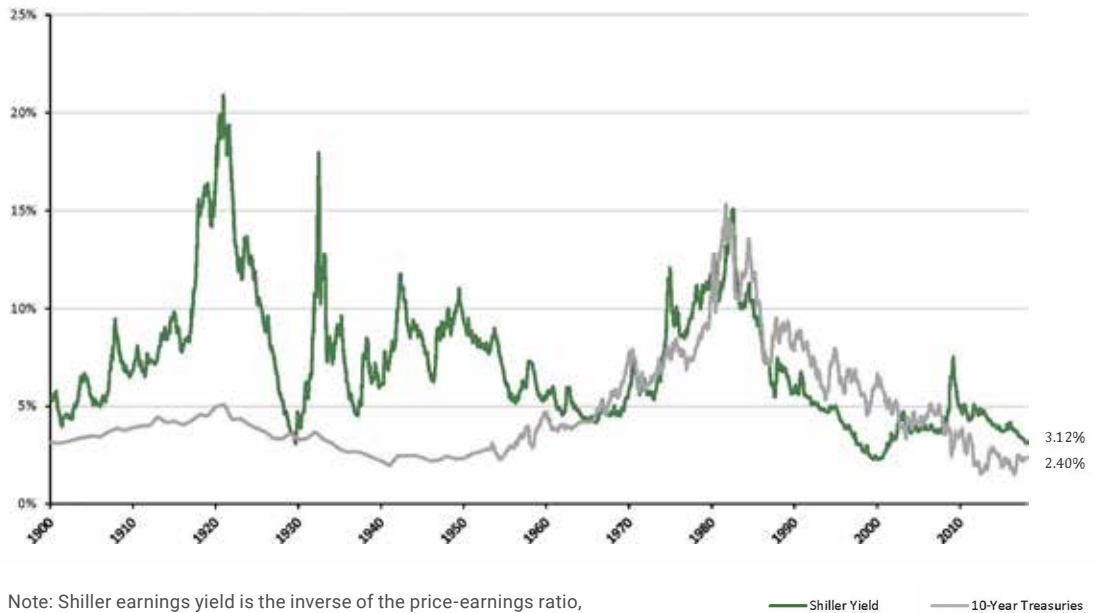
Data and Method

The Shiller P/E Ratio has been a well-respected method for valuing the level of the equity markets (Campbell & Shiller, 1988, 1998, 2001).⁵ The Shiller P/E Ratio takes the price level of the S&P 500 and divides by the average inflation-adjusted earnings for the trailing 10 years for the companies comprising the index. The Schiller P/E ratio has been shown to be a better predictor of the subsequent 10-year performance in the market than other P/E measures (Campbell & Shiller, 1998, 2001). This well-known measure of market valuation was key to the “irrational exuberance” conversations going on at the end of the 1990s.

³ As the sustainability of capital gains is weak, institutions might consider using capital gains to create a reserve fund to aid them in lean years.

⁴ According to Cambridge Associates, a well-known public foundation consultant, the average target payout rate in 2018 for colleges and universities was 4.6%, with target payout rates ranging from a low of 3% to a high of 6.25%. These numbers are similar to the 2018 target payout rates reported by the National Association of College and University Business Officers.

⁵ Due to the acceptance of what has become known as the Shiller P/E model, Robert J. Schiller was awarded the 2013 Nobel Memorial Prize in Economic Sciences.

FIGURE 1 Shiller Earnings Yield (E/P) Versus 10-Year Treasury Yield

Note: Shiller earnings yield is the inverse of the price-earnings ratio, which is calculated using trailing 10-year earnings adjusted for inflation.

The inverse of the Shiller P/E ratio provides an estimate of the real-earnings yield of the companies comprising the S&P 500 index. The Shiller real-earnings yield starting in January 1900 and extending through January 2018 had varied from a low of approximately 2.3% to a high of 20.9%. (See Figure 1.) Over this period, the average real-earnings yield of the S&P 500 index was 7.1%. Examining a more recent period, from January 1988 through January 2018, we had a low of 2.3%, a high of 7.5%, and an average real-earnings yield of 4.3%.

For the fixed-income yield, we used the 10-year Treasury bond. The 10-year Treasury rate was used by former Federal Reserve Secretary Alan Greenspan as the discount factor for equity-market index earnings in his irrational market exuberance discussions. Unlike the earnings yield of the S&P 500, the 10-year Treasury yield is already stated in nominal terms.⁶ Comparing

the earnings yield of the January 1900–January 2018 S&P 500 to the 10-year Treasury yield, we can see the Treasury yield has been much more stable, barring a period of volatility in the 1980s. Through that 118-year period, the 10-year yield averaged 4.7%, with a low of 1.5% and a high of 15.3%. Since January 1988, it has averaged 4.9%, with a low of 1.5% and a high of 9.4%. Although the average earnings yield was much higher than the average Treasury yield from 1900 forward (7.1% vs. 4.9%), we can see that since 1988 the two have been relatively close (4.3% vs. 4.9%), of course keeping in mind that the earnings yield is stated in real terms.⁷

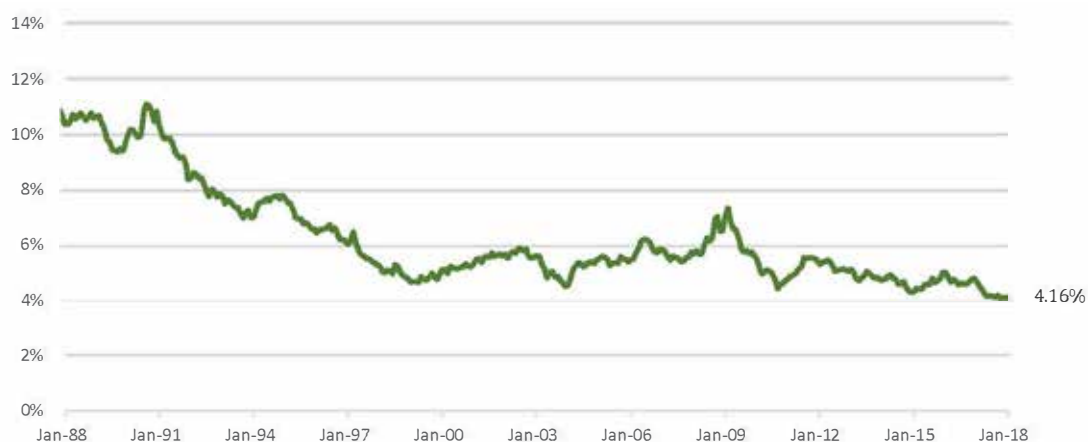
Most foundations and endowments have portfolios containing a mix of equity and fixed income. For our analysis, we constructed a portfolio comprised of 70% equity and 30% fixed income. For the earnings yield of the S&P 500, we added the core consumer price index (CPI) to the real

⁶Data for the analysis can be found at <http://www.econ.yale.edu/~shiller/data.htm>.

⁷Although we chose the 10-year Treasury bond, the Bloomberg Barclays U.S. Aggregate Bond Index may also be a good proxy for the fixed-income component of the portfolio. Over the last few years, the Barclays Aggregate has returned approximately 40 basis points above the 10-year Treasury bond.

FIGURE 2 Model Portfolio Yield

- Nominal yield of a model portfolio that is allocated 70% to equities (S&P 500) and 30% to bonds (10-year U.S. Treasuries)
 - The S&P 500 earnings yield is calculated by using the inverse of the Shiller Cyclically Adjusted Price to Earnings Ratio, which uses the average trailing 10 years of earnings and the current price level of the S&P 500 at the time of observation.
 - Core CPI is added back to the earnings yield to convert it to a nominal yield.
 - The bond yield is the prevailing yield at the time on 10-year U.S. Treasuries.
- The calculation for the nominal yield of the model portfolio for each data point is as follows:
 - $70\% * ((\text{Shiller 10-year earnings per share} / \text{current S\&P 500 price}) + \text{Core CPI}) + 30\% * (\text{10-year U.S. Treasury yield})$



Source: Shiller

— Model Portfolio Yield

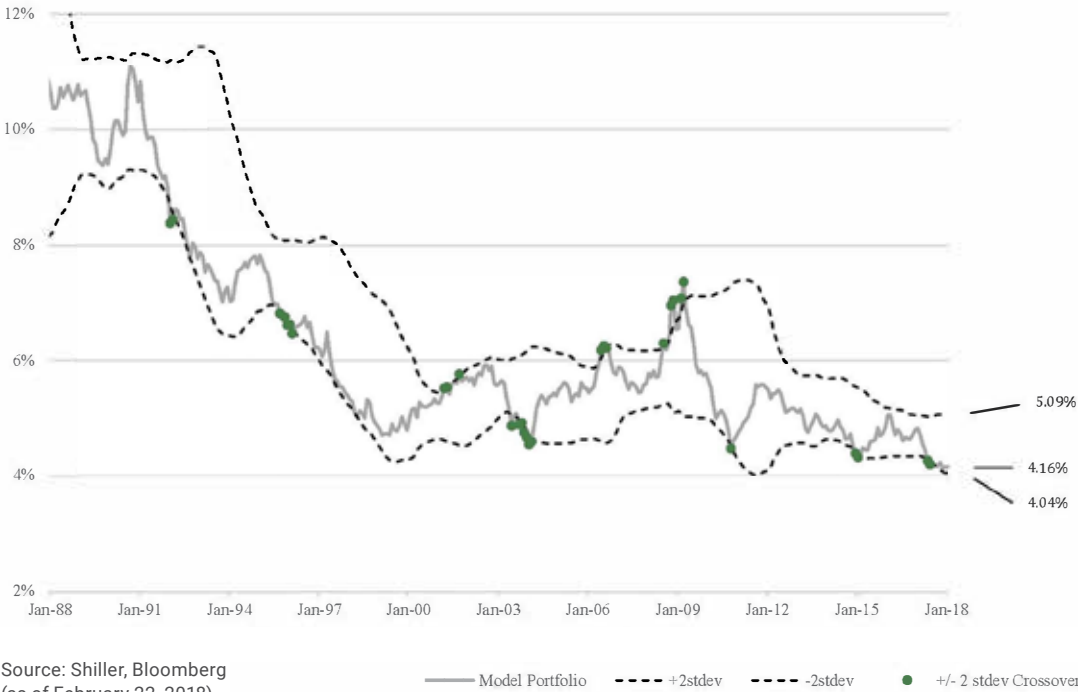
earnings yield, turning it into a nominal earnings yield. The 10-year Treasury yield is already in nominal terms. Although payout rates are often stated in real terms, most constituents tend to think in nominal terms, so from our perspective the conversion to nominal yield is desirable. The methodology we propose can easily be modified to more closely fit the needs of a specific portfolio. For example, it can be easily changed from nominal to real yields. Further, if one desires to use a different P/E, such as a 12-month forward-looking P/E, that P/E can be easily substituted.

Looking at the nominal yield of the combined portfolio from January 1988 through January 2018, we can see the diversification effect of the combined portfolio. (See Figure 2.) More

specifically, the combined equity and fixed-income portfolio has less volatility than equity alone, and a higher return than fixed income alone. Over this time period, the average portfolio nominal yield was 6.3%, with a low of 4.1% and a high of 11.1%. Unfortunately, but of no surprise, we can see that we are currently very close to the low portfolio yield over this sample time period.

We acknowledge that some more sophisticated portfolios may contain alternatives. For portfolios containing alternatives, at first glance this approach may seem less applicable. However, as the name suggests, often alternatives are substitutes for something else. For example, absolute-return hedge funds may be a substitute for fixed income, and long/short-equity hedge

FIGURE 3 Model Portfolio Yield: Rolling 36-Month Standard Deviation Bands



funds may be a substitute for equity. Further, private equity may also be considered a substitute for public equity. So these sectors may be combined with either equity or fixed income to use the current approach.⁸

To provide what we consider a range of normal payout rates, given the portfolio yield, we used a rolling 36-month standard deviation. We chose 36 months, as that is the period of time often referenced in most institutional payout-rate computation models. Of course, the time period chosen to calculate the rolling standard deviation can be easily modified to fit the needs of the user. For illustrative purposes, we compared the monthly portfolio yield discussed earlier to the rolling 36-month standard deviation bands of the portfolio yield at plus and minus two standard deviations.

Recall that based upon the empirical rule derived from the standard deviation of a normal distribution, approximately 95% of all expected occurrences will fall within plus and minus two standard deviations of the distribution mean. This leaves only 2.5% in the upper or lower tail of the distribution. In other words, anything falling within the upper or lower tail of the distribution is certainly a rare occurrence.

Results

As a point of reference in analyzing the rolling 36-month standard deviation, although the most recent nominal yield is 4.16%, the most recent 36-month rolling average yield is 4.57%, with a standard deviation of 0.27%. (See Figure 3.) Examining the two standard deviation bands, we have a nominal low yield of 4.04% and a nominal high yield of 5.09%. Payout rates occurring

⁸ For those who prefer a more technical approach, the technology exists at most Wall Street firms to dissect the return attributes of a portfolio containing alternatives and reconstruct it as a portfolio consisting only of publicly traded equity and fixed income with a very high level of fit.

The question becomes this: How much above the sustainable yield is the institution paying out, and for how long is it going to do so? This measure of sustainable yield will allow that premium to be determined on a regular basis.

above and below that band would be an unusual occurrence relative to the current portfolio yield. At the points at which the portfolio yield falls outside of the two standard deviation sustainable yield bands, we can observe that currently the sustainable portfolio yield is outside or at the lower standard deviation band.

Putting this in perspective, an organization or individual taking a payout of under a 4% nominal level might have the ability to enjoy more payout now without threatening the future corpus. On the other hand, an organization or individual taking over a 5% nominal payout can expect to invade the corpus to support the payout. We are not suggesting that a violation of the bands should result in an immediate adjustment of the payout rate, but it does appear to be grounds for a discussion about the payout rate. In practice, a foundation or endowment may want to observe the bands being violated for a number of months or quarters before a discussion on adjusting the payout rate takes place.

Given the decade-long bull market we have experienced, it would be no surprise to find many institutions having a payout rate significantly above the sustainable yield of the portfolio. An organization may feel comfortable paying out not only the sustainable yield, but also some portion of the accumulated capital gains. More specifically, foundations can make a payout above the sustainable payout through using prior capital gains that were in excess of the

sustainable payout, or through fundraising. The question becomes this: How much above the sustainable yield is the institution paying out, and for how long is it going to do so? This measure of sustainable yield will allow that premium to be determined on a regular basis.

For example, has the institution historically been paying out 1.5% above the sustainable portfolio yield? If so, that may be acceptable to the organization given the historically significant bull market that we have been experiencing since 2009. However, if portfolio returns going forward are to become less robust, perhaps even flat or negative, that premium above the sustainable yield may become more of a concern. Assume that an organization had been generating a capital gain premium of 5% above the sustainable yield of the portfolio, and it had been contributing a third of capital gain premium to the payout. If returns are expected to decline to only a 1% capital gain premium relative to the sustainable yield, 30% of a 5% premium above the sustainable yield (1.5%) is certainly going to be greater than 30% of a 1% premium (0.3%). If the decision is made to continue the existing payout in such a low return environment, the corpus can be expected to erode.

We are not suggesting that the sustainable payout of the portfolio would be the only metric considered in a discussion regarding payout rate. It may however be a leading indicator to compliment to other metrics, such as absolute return benchmark or objective and the long-term moving average annual return of the portfolio. Of course, regardless of the metrics used, these decisions must all be made within a reasonable time horizon.

Conclusion

We examined the sustainable component of an investment return as a way to determine when a discussion about long-term payout rates may be beneficial. We formed a quantitative metric to determine the sustainable yield of a portfolio comprised of 70% equity and 30% fixed income. We then added a rolling 36-month two standard deviation band to provide a range of normal

payout rates based upon the sustainable yield of the portfolio.

This evaluation tool is designed to place payout discussions in a proper market context by equipping decision-makers with a capital markets-based leading indicator to evaluate the return implications of current market levels. By evaluating payouts through this lens, organizations can mitigate the risk of embarking on a payout plan that is unsustainable after a period of cyclically strong market performance.

We feel that this methodology not only is easy to understand, but it can also be easily customized to a specific portfolio. This leading indicator may complement existing metrics within the organization that compare portfolio performance to an absolute return objective or the long-term moving average return of the portfolio. Dissecting the payout rate into what components are sustainable and what components are not may allow more effective discussions relative to the payout rate, and the impact that the payout rate has on the growth of the corpus. This may provide a useful reference, in conjunction with other reference points, to trigger or delay discussions regarding payout rate. Further, it also might be a convenient tool to add to a risk dashboard.

Although we have primarily directed our discussion toward endowments and foundations, this methodology could be used by family offices, financial planners, or consultants in determining sustainable rates of payout for any investment portfolio. Extensions of this model might examine varying sample periods, allocations, or band sensitivities.

Acknowledgments

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By evaluating payouts through this lens, organizations can mitigate the risk of embarking on a payout plan that is unsustainable after a period of cyclically strong market performance.

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Is More Always Better? A Reflection on the Dynamic Nature of Nationally and Regionally Focused Funder Collaboratives

Jo Carcedo, M.P.Aff., Episcopal Health Foundation; Merry Davis, B.A., Blue Cross and Blue Shield of North Carolina Foundation; Megan Folkerth, M.P.H., Interact for Health; Lori Grubstein, M.P.H., M.S.W., M.P.A., Robert Wood Johnson Foundation; and Chris Kabel, M.P.H., Kresge Foundation

Keywords: *Funder collaborative, community health, collaboration, innovation*

Working Together to Improve Community Health

Medical care accounts for only part of our nation's health and well-being. Other factors — sometimes estimated as contributing up to 80% of a community's health status — involve the interplay and influence of our social, physical, health care, and economic environments, and their effects on health behaviors (Magnan, 2017). These upstream factors, often referred to as the social determinants of health (SDOH), include influences as diverse as early childhood development, employment opportunities, air and water quality, and transportation access. No one organization or sector can successfully address these factors alone when it comes to improving community health.

In response to this challenge, de Beaumont Foundation, The Kresge Foundation, the Robert Wood Johnson Foundation (RWJF), The Colorado Health Foundation (CHF), and the Advisory Board consulting firm came together in 2014 to create a dynamic funding collaborative to support multisector and community-driven collaboratives that aim to drive sustainable improvements in health, reduce downstream health care costs, and promote health equity.

Their collaboration resulted in The BUILD Health Challenge® (BUILD), a funding collaborative and national awards program designed to support partnerships between community-based organizations (CBOs), public health departments, and hospitals and health systems that are

Key Points

- Funding collaboratives allow foundations to align, increase effectiveness, and collectively address systemic issues. Such alliances are increasingly important in the quest for social change in the face of large-scale challenges like climate change, political polarization, and inequity, which require contributions from across sectors to create meaningful impact. An exploration of why such collaboratives form, how they evolve, and what impact they have offers insights for foundations interested in tackling such complex challenges.
- The BUILD Health Challenge® is a funding collaborative that includes national and regionally focused funders working together to drive sustainable improvements in health. Through a reflective survey and conversation with its funders, BUILD documented the evolving composition and outcomes related to the funding collaborative. This structure, rooted in speed, flexibility, and reach, creates a symbiotic relationship between the two groups of funders, and allows regional philanthropies the opportunity to inform the national agenda and contribute deep insights as to what works locally.
- This article discusses how The BUILD Health Challenge's funding collaborative was created; the challenges and opportunities created from its structure; and outcomes from the program. Emerging evidence on the benefits of such collaboratives are explored, including shifts in the confidence to take risks and new approaches to grantmaking.

FIGURE 1 The BUILD Health Challenge Principles

working to address important health issues in their communities. Each community collaborative participating in BUILD addresses SDOH in its local area by leveraging bold, upstream, integrated, local, and data-driven approaches. (See Figure 1.)

Collaboratives must have a strong track record of working together, have developed joint priorities and implementation plans with high levels of community engagement and leadership, and be primed to advance equitable, systems-level changes in their communities. Awardees may receive up to \$250,000 over two years to implement their efforts. In addition, each community collaborative receives a robust array of support services provided by a team of technical assistance coaches, communications practitioners, and evaluation specialists.

Examples of efforts by BUILD awardees include:

- working to reduce chronic stress, social isolation, and sedentary lifestyles by increasing investments in public spaces and safety,

stabilizing and enriching residential and business communities, and influencing key decision-makers around issues affecting the community's health;

- creating an interdisciplinary network of supports to address environmental and social asthma triggers among children, including changes to the built environment (e.g., home remediation), access to care, and social support; and
- changing organizational practices and policies to support breastfeeding in communities and among families.

Following the launch of the first cohort in 2015, the program added two cohorts and has grown to include additional funders and awardees. To date, 16 national and regionally focused funders have participated in one or more of the cohorts, and together invested more than \$20 million to support 55 multisector, community-driven partnerships around the country addressing SDOH.

[O]ne of the early design decisions for BUILD was to require the participation of three core entities: a locally trusted CBO, a local health department, and a hospital system committed to addressing upstream health.

From Idea to Action

BUILD was created from a series of contextual events, converging interests, and serendipitous connections. Tracing its origins to 2014, many communities and health systems at the time were working to take advantage of the opportunities presented by the Affordable Care Act (ACA) — particularly the shift from volume to value — and the health care community began to more intentionally encourage and incentivize upstream interventions addressing SDOH to keep people healthy and out of the hospital (Anderson, Davis, & Guterman, 2015).

Chris Denby, then a senior vice president at Advisory Board, sought to create an awards program that would recognize and support innovative hospital-community partnerships addressing SDOH that could serve as useful case studies for health systems. At the time, Advisory Board was the nation's largest consulting firm specializing in health care¹ and was receiving an increasing number of inquiries from its member hospital systems about how they could change their business models to adjust to the coming value-based reimbursement systems incentivized by the ACA.

Denby recognized the value of engaging philanthropic partners that had more grantmaking experience and nuanced knowledge on

addressing SDOH, rather than supporting direct medical care, and approached Kresge (first Kimberlee Cornett, managing director of Kresge's Social Investment Practice; then Chris Kabel, senior program officer with Kresge's Health program) about a potential partnership. The foundation had a track record in this space, and Kabel brought substantial experience designing and executing competitive grant programs for multisite initiatives. During these early conversations over the spring and summer of 2014, Advisory Board committed \$500,000 to the effort and Kresge committed \$1 million.

As the design phase became more intense and the group leaned toward creating a funding collaborative, new members joined the team. Graham McLaughlin, managing director of social impact at Advisory Board, had read a blog post by Brian C. Castrucci (2014), then chief program and strategy officer at de Beaumont and now its president and CEO, that discussed SDOH, and invited Castrucci to help design what would eventually become BUILD.

With Castrucci's endorsement and the support of de Beaumont's founding CEO and board chair, James B. Sprague, the foundation contributed \$1 million in pledged grant support, bringing the total to \$2.5 million. More importantly, the de Beaumont team emphasized the essential role of public health agencies in creating and implementing local solutions. Local health departments are the only entity with statutory authority for ensuring the health of all residents within their jurisdictions, and they bring substantial data, research, and program capacities to local efforts. Thus, one of the early design decisions for BUILD was to require the participation of three core entities: a locally trusted CBO, a local health department, and a hospital system committed to addressing upstream health.

Shortly after de Beaumont joined the collaborative, Kabel reached out to Abbey Cofsky, at the time a senior program officer and now managing director of the Healthy Communities program at

¹ Advisory Board was purchased by Optum, a division of UnitedHealth Group, in November 2017.

RWJF. Cofsky identified resonance between the proposed initiative and RWJF's strategies, and pledged to contribute \$1 million, bringing the fund's total to \$3.5 million.

A funding collaborative now existed. As in other cases, BUILD funders were motivated by access to greater resources and impact, leveraging each other's expertise, taking and sharing risk, shared knowledge and learning, growing relationships in the sector, greater resources to engage in systems change, and exposure to a wider range of emerging issues and pool of potential grantees (GrantCraft, 2016; Minyard, Phillips, & Baker, 2016; Powell, Ditkoff, & Twersky, 2019; Huang & Seldon, 2014). The funders also recognized the documented benefits for grantees of large initiatives, including a boost in reputation, access to nonfinancial support, and an increased ability to drive systems change in collaboration with others (Powell et al.).

BUILD funders endeavored to “create and co-invest in a[n] ... initiative that gives grants or operates programs” (Huang & Seldon, 2014, p. 4), one of several designs articulated by the Bridgespan Group. Under this type of collaborative, BUILD funders hoped to share in these benefits and manage associated costs. Together, they aimed to foster sustainable improvements in community health through bold, upstream, integrated, local, and data-driven approaches. Here, “decision making starts to be shared, and the way funders define their governance structure is of critical importance” (Huang & Seldon, p. 4).

The funding collaborative members went on to design key program structures that distinguish BUILD from other programs and laid the groundwork for participation by both national and regionally focused funders. Several key elements explored and incorporated by the collaborative members included:

- Goals: The funders articulated three broad goals capturing their motivation for participating in BUILD:
 1. Use learnings from these efforts to inspire and inform others, ultimately helping to create a new norm for how to improve community health.
 2. Catalyze multisector collaborations among organizations at the local level to help develop and advance best practices for community health.
 3. Move resources, attention, and action upstream to drive sustainable improvements in community health in alignment with their respective organization's goals.
- Leadership structure: The founding members required that the participating CBO act as the lead applicant in any BUILD partnership to ensure that the proposed project reflected community priorities, was carried out by an organization with deep roots and established trust in the community, and disrupted the usual power dynamic between large institutions and smaller CBOs.
- Braided resources: The collaborative required the hospital system partner to match the BUILD award with “community benefit” dollars or a mix of in-kind and cash support. By law, every nonprofit hospital system in the United States must operate a community-benefit program (Kabel, 2013). By encouraging hospital systems to use these dollars in a more impactful way — moving beyond event-based programs such as health fairs and fun runs — the group aimed to help solidify hospital systems' commitment to investing their resources upstream.
- Community requirements: The funders set a population threshold of 150,000 for the types of cities eligible for the award. The rationale was that sizable cities were more likely to have a health system large enough to meet the match requirement, a health department large enough to partner on this award, and a sufficiently robust nonprofit infrastructure.

The original funding collaborative members took BUILD from an idea to a public-facing program in just seven months' time.

- **Scale:** The funder collaborative supported neighborhood-scale work (the “L” in BUILD stands for “local”) rather than funding city-wide, countywide, or regional projects. Funders expected impact at the neighborhood/census tract scale would be an achievable goal for the size of the awards.
- **Funder roles:** de Beaumont served as fiscal sponsor and administrator of the pooled fund and did not charge an administrative fee, allowing more resources to be devoted to the program.

Next, the funders released an open call for applications in November 2014 — roughly seven months after the first meeting between Advisory Board and Kresge. Soon after, Suzanne White, a senior program officer with the CHF, approached Kabel with interest in joining the collaborative as a regional funder. White identified with the CHF’s health care transformation strategies and was interested in supporting three BUILD awardees in Colorado. The CHF agreed to contribute \$750,000 to fund three community collaboratives and \$250,000 toward the costs of the initiative’s infrastructure. A testament to the funding collaborative’s design, its members were able to quickly incorporate the CHF by revising the call for applications and rereleasing it.

BUILD received 319 proposals, eventually funding 18 community collaboratives, including the three from Colorado. After the first cohort ended in 2017, BUILD created a second cohort featuring 19 awardees with support from 12 funders (including seven new foundations). In 2019, BUILD launched its third cohort, featuring

18 awardees and 11 funders (including four new foundations).

Dynamic By Design

Today, BUILD’s strategy can be articulated as part of a five-year plan anchored by key strategies and tactics tied to measurable outcomes. However, its policies and practices were not always so established — by design. The funders look back and consider how three key operating structures — speed, flexibility, and reach — have been pivotal in the growth and evolution of the funding collaborative and BUILD overall.

Speed

Starting a program of BUILD’s size, resources, and complexity was challenging. The original funding collaborative members took BUILD from an idea to a public-facing program in just seven months’ time. While the funders were eager to develop and launch the program quickly, Advisory Board in particular encouraged the group to release the call for applications before the end of the year. To realize this, the funders had to attend to the mechanics of designing a large-scale, multisite initiative while simultaneously building trust and understanding each other’s goals and perspectives. While the informal funding collaborative structure allowed funders to move quickly, it also required a great deal of attention and time on the part of the funders. Since BUILD had no dedicated staff to assist with its creation, each funder was contributing to the development of the initiative in addition to managing myriad other responsibilities distinct from BUILD.

Several of the participating funders characterized this period as “building the airplane while you fly it.” In retrospect, the funders agreed that this approach, while rewarding, was also challenging for all involved. The partners reflected that more time and planning could have enhanced the experience by allowing for processes to be developed, which would thereby have required a less intensive level of involvement. For those working on creating new multisector collaboratives, BUILD partners strongly recommend a “go slow

to go fast” approach and dedicated staffing to help bring the idea to life.

As BUILD evolved, much of the focus shifted to investing in processes, such as developing a formal governance plan and strategic plan, and applying learnings from the first cohort. These processes help the funders continue to engage with a sense of urgency, and also provide a foundation from which to act with greater efficiency and effectiveness.

Flexibility

With no precedent for a national community health awards program supported by a funding collaborative with both national and regional funders, a high degree of flexibility in the development and execution of the program was necessary to bring the idea to life. An example of this can be demonstrated by the funding collaborative’s decision to have de Beaumont serve as fiscal sponsor and administrator of the pooled fund. As a smaller organization relative to the other partners, in terms of staff and endowment size, de Beaumont was not an obvious choice for this role. However, its size and investment in BUILD ultimately allowed and incentivized its staff to act nimbly and change its own established practices to address the needs of the program. In taking on this role, de Beaumont changed its own grants system to not only accommodate the influx of applications and new awardees, but also become a grantee of the other funders in the collaborative in order to accept grants from them used to fund the program. This flexibility allowed BUILD to stay on its desired timeline and streamline efforts by other funding collaborative members.

While this decision created efficiencies, it also carried unintended challenges for the partners, requiring them to navigate new financial and legal requirements such as compliance with expenditure responsibility guidelines, adoption of a separate accounting mechanism, and creation of memoranda of understanding between partners. The prioritization of flexibility in this instance ultimately yielded significant benefits that funders believed outweighed the challenges:

With no precedent for a national community health awards program supported by a funding collaborative with both national and regional funders, a high degree of flexibility in the development and execution of the program was necessary to bring the idea to life.

Not only were grant administration costs eliminated, but the arrangement also helped to reduce grant management activities for the other funders. This set the precedent for one funder to administer the awards, with regular reporting and transparency for the members.

Reach

With the creation of a second cohort, funders realized there was an opportunity to further leverage the national and regional funder structure that BUILD had created to benefit more communities. To do so required changing several requirements for both funder and awardee participation.

One such example is BUILD’s population requirement of 150,000 for community collaboratives in the first cohort. As new regional funders expressed interest in joining, it became clear that the population threshold could be a barrier to supporting regions and states comprised mainly of smaller towns and rural areas. The funders discussed the trade-off between maintaining the criteria so communities would be more likely to have the resources and organizational capacity needed to execute their proposals, versus expanding their reach by allowing communities from less densely populated areas to apply. The funding collaborative members ultimately retained the population criteria, but waived it for specific geographic areas (e.g.,

BUILD allowed national funders the opportunity to learn from regional funders about what works locally and how to enact that work in a local context.

Reflective Practice

a state or city) when a funder could invest only in that area, and that area did not meet the population criteria. Logistically, BUILD's national funders continued to absorb a large portion of the program's national and operational expenses, such as staff, evaluation, and convening costs. This allowed BUILD to allocate the majority of the regional funders' support toward specific community collaboratives and include smaller communities.

Around this same time, the funding collaborative members also discussed the possibility of formalizing BUILD's organizational structure — for example, applying for 501(c)(3) nonprofit status and establishing BUILD as an independent entity. Considerations in favor of such a move included the need for less direct oversight from participating funders, simplification of grant processes between funders, and possibly greater awareness of and stability for BUILD. Alternatively, such a change would fundamentally alter the funding collaborative structure. Formalizing the structure could potentially jeopardize the speed, flexibility, and reach the program, its awardees, and funders had come to value. The funders also had little appetite for undergoing the administrative process of establishing a new 501(c)(3), including the need to apply to state and federal governments for approval, create bylaws, establish employment policies, and adhere to financial and legal reporting requirements. Ultimately, the funding collaborative members decided to maintain BUILD's less formal structure so that the program can evolve as its stakeholders need it to.

Collaboration Leads to Unexpected, Regionally Focused Gains

With the deepening integration of both national and regional funders, there grew an opportunity to harness the insights that arose from working together. This led to the articulation of a fourth objective for the funding collaborative: Provide and receive valuable regional and issue-specific expertise to inform the BUILD initiative and BUILD communities.

This objective not only helped to explicitly reinforce the national and regional funder structure of BUILD, but also put a strategic focus on pursuing insights stemming from this funding collaborative structure and its regional funding partners. Working together toward more region-specific insights and applying them nationally yielded gains in three particular areas that funders did not originally anticipate: embracing local dynamics, expanding networks, and diffusing risk.

Embracing Local Dynamics

Upon reflection by funding collaborative members, BUILD allowed national funders the opportunity to learn from regional funders about what works locally and how to enact that work in a local context. Likewise, regional funders benefited from such ready-made program structures as strategy development, evaluation frameworks, and reporting and due diligence processes that buttress the collaborative and which are largely the result of investment by the national funders.

In an effort to elevate regional learnings within BUILD, the regional funders have helped their national counterparts understand regional alliances, local politics, nonprofit capacity, the stories behind local data, and other nuances of conducting business in local regions that are paramount to the shared goal of advancing SDOH. For example, in states with high uninsured rates, hospitals typically use their community-benefit dollars to defray the cost of serving that population. Additionally, fierce competition among urban hospitals and the closures of rural hospitals potentially compromise the opportunity to meaningfully collaborate with these entities on

bold, upstream solutions — much less provide a cash award to do so. Regional funders have helped to navigate these issues by working with the national funders to deepen understanding of the challenge, while also building the capacity of CBOs to negotiate with hospitals.

Collaboration in this case presents an opportunity for national funders to rely upon regional funders as legitimate experts and thought partners — to learn from each other in ways that can inform strategy and enhance the collective impact.

Expanding Networks

Working together has also taken the form of more tactical support among the funders and is made possible with their growing familiarity and trust. For example, when there is interest in supporting a new organization, community, or issue area within a funder's portfolio of grants, BUILD funders have been able to turn to one another to secure key contacts, hear firsthand experiences, and gather different perspectives. BUILD funders have leveraged not only the financial, but also the social capital that is possible in a formalized network, bringing together funders that otherwise might not cross paths and providing a platform from which to engage, learn, and co-create.

Beyond learning and networking among funders, participation in BUILD also advanced discussions and fostered working relationships between institutional providers and communities in new strategic ways. For example, the local BUILD project supported by one regional funder helped a community development corporation (CDC) reach out to the local hospital in its neighborhood to leverage the hospital's existing healthy eating and physical activity programs. It created a symbiotic relationship that helped the hospital reach participants it had previously been unable to attract, while supporting the health objectives of the CDC. Importantly, the BUILD requirement that hospitals contribute a match to the program opened a new source of revenue for the CDC and provided the hospital with an opportunity to support community preventive health care efforts.

[R]isk can be mitigated, in part, by structuring the collaborative based on the tenets of transparency, formalized funding agreements, and routine reporting and communication procedures that build trust[.]

Diffusing Risk

It is by working together that risk is distributed among BUILD's funding partners so that no one funder is disproportionately affected by any adversity. This is of particular relevance to regionally focused funders that want to participate in and support a program such as BUILD in their local area, but are concerned with cost, bandwidth, or, in some cases, the risk of failure associated with executing such a program.

A key learning is that risk can be mitigated, in part, by structuring the collaborative based on the tenets of transparency, formalized funding agreements, and routine reporting and communication procedures that build trust — all of which are aspects of the internal BUILD infrastructure now. The funders themselves, with their experiences as national and regional funders, also play an important role in mitigating the risks associated with programs such as this one. Regional funders, for example, often share their knowledge of a local community to inform decisions related to awardee selection, grant management, and program design. Similarly, national funders bring with them large and diverse portfolios of programs that can help put proposals into context or allow for connections to be made in support of the awardee that might not otherwise be possible. In both instances, risk is mitigated as a result of the insight and experiences available to inform the final decision of the funders.

Given that one of the pillars of BUILD is “bold,” the collaborative must also be prepared to accept that such action, even with the diffusion of risk, might not yield the intended results. If that is the case, all partners have committed to learning from that failure and adapting the collaborative’s practices accordingly. Risk mitigation, as experienced by both national and regionally focused funders in this collaborative, is ultimately about being nimble, the ability to define success, and willingness to learn from failure.

Preliminary Impact of the Funding Collaborative

In an effort to better understand the impact of the funding collaborative, BUILD’s technical assistance, communications, and evaluation teams helped to identify and track progress made by awardees during their time with the program. BUILD’s evaluation team also gathered reflections from funders to learn how they leveraged BUILD within their work, how they worked together, and what impact BUILD had on their respective programs. Understanding these elements helped shape BUILD’s current strategy and ensure its relevance as a dynamic program that allows for risk taking and, ideally, a greater impact than would otherwise be possible for any one of the participating funders alone. Several examples of BUILD’s outcomes are shared within the frame of the funding collaborative’s four goals and its national and regional structure.

Goal No. 1: Use learnings from these efforts to inspire and inform others, ultimately helping to create a new norm for how to improve community health.

- Shared learnings: Since its launch, BUILD has endeavored to share its learnings on topics ranging from health equity and collaboration to data and community engagement. The materials produced have helped to inform and inspire thousands of individuals over the last five years, as demonstrated by the more than 20,000 online visits to BUILD-created materials and 3,000 attendees at BUILD-specific conference and webinar sessions.
- Creation of a new norm: BUILD emboldens funders, and in particular regional funders that might otherwise not participate in a program at this scale, to pursue bold, systemic, and upstream initiatives focused on SDOH with their local partners through a funding collaborative model. For example, in the second cohort alone, BUILD tracked 58 new systems-level changes directly impacted by the 19 awardees between 2017 and 2019 (Equal Measure, Spark Policy Institute, & Michigan Public Health Institute, 2019). These changes included securing reallocated or new funding streams to continue or enhance their efforts after BUILD funding has ended; shifting and scaling of organizational practices and policies; and helping with the passage of regulatory and legislative policies, primarily at a municipal or city level, that have the potential to positively affect health and equity at a population level (The BUILD Health Challenge, 2019). Together, funders and awardees are able to challenge more traditional norms from within and across organizations to address SDOH and pursue health equity outcomes. As more funders invest in such approaches to change like BUILD, and more community collaboratives are finding success, a new norm may begin to take hold.

Goal No. 2: Catalyze multisector collaborations among organizations at the local level to help develop and advance best practices for community health.

- Community collaboratives: To date, BUILD has supported the advancement of more than 55 community projects across the United States. BUILD has created a set of markers to track awardee progress, based on the experiences and learnings of past awardees, that allows for measurement of progress specific to each BUILD principle. In the second cohort, using these markers, all 19 awardees demonstrated an increased technical capacity and effectiveness in implementation within each BUILD principle over the course of their participation

in the program. This is a promising sign that sustainable improvements in health are happening in these communities and will continue to materialize.

- **Applications:** Over the last three calls for BUILD applications, more than 500 community collaboratives have applied with a specific idea for how to work together to improve the health of their local residents. By working together, national and regional funders have created a program that not only resonates with diverse communities across the country, but also helped spark ideas for hundreds of other programs implementing a cross-sector and community-driven approach to improving community health.

Goal No. 3: Move resources, attention, and action upstream to drive sustainable improvements in community health in alignment with their respective organization's goals.

- **Resources:** As evidenced by the second cohort, the BUILD program facilitated a combined \$8 million investment from 12 funders. Participating community collaboratives raised a total of \$5 million in support from hospital and health system matches, and an additional \$13 million in support from other entities within their communities with the purpose of addressing SDOH.
- **Attention:** BUILD worked with participating community collaboratives to amplify their stories, learnings, and impact both locally and nationally. Conservatively, BUILD has earned more than 12 million media impressions over the last five years through BUILD-related coverage. The involvement of regional funders in particular has helped to secure local coverage for BUILD by providing a familiar and trusted voice with a unique perspective on individual communities.
- **Action:** Throughout the last five years, BUILD has facilitated and inspired action

to improve health within communities.

Beyond the 55 community collaboratives supported by BUILD, the funders and BUILD have endeavored to provide an on-ramp for others to act. For example, BUILD partnered with Campbell Soup Co. on a pilot to strengthen local networks of partners in three specific communities in which it operated. The goal was to help organizations take action to improve health locally by deepening capacity within nonprofits and strengthening their networks. The pilot led to increased readiness within participating organizations to implement cross-sector and community-driven initiatives such as BUILD.

Goal No. 4: Provide and receive valuable regional and issue-specific expertise to inform the BUILD initiative and its communities.

BUILD's structure has facilitated the early development of regional and issue-area learnings that benefit both the funding collaborative and participating BUILD communities. Based on these learnings, the funding collaborative has not only refined BUILD's governance policies and practices, but also increased its own awareness about how funders can best work together in BUILD and more broadly in philanthropy. For the awardees, regional and issue-specific convenings have allowed for the deepening of connections and sharing of knowledge. Examples include a peer gathering where all BUILD awardees in New Jersey had the opportunity to convene and receive targeted, regionally focused technical assistance with support from a regional funder, New Jersey Health Initiatives. Similarly, BUILD convenes awardees around issue and organizational interests such as housing, transportation, and hospital/health system structures to facilitate issue- or structure-based learning.

Overall, the collaborative nature of BUILD, as illustrated in the impacts above, shows how it is possible to expand the traditional boundaries of philanthropy for both national and regional funders by allowing partners to act together to amplify the sum of their individual contributions

Importantly, it is the social capital that allowed partners to mobilize financial capital (that is, the financial mechanism of this collaborative) given the trust that they developed.

and produce results beyond the reach of any single philanthropy.

Conclusion

By leveraging philanthropic funding and increasing social capital for the BUILD concept at the national and regional level, BUILD has grown from a set of ideas to the creative harnessing of the health care transformation happening across the country. Since its launch, BUILD has supported the advancement of more than 55 cross-sector, community-led collaboratives to address SDOH and ultimately promote health equity. In reflecting on whether the inclusion of more funders furthered BUILD's goals, the funders agree that doing so enabled BUILD, as a funding collaborative and program, to generate a greater impact than any one partner could have achieved on its own.

Investment of social capital in BUILD has enabled the development of shared values, norms, and trust based on the relationships that were being forged. Importantly, it is the social capital that allowed partners to mobilize financial capital (that is, the financial mechanism of this collaborative) given the trust that they developed. This confluence of investments created an opportunity for each funder to play to its strengths in ways that enhance the entire collaborative. In particular, growing the partnership facilitated new relationships among national and regional funders and in communities that brought new and different perspectives to the table to spark learning and solutions. And while not readily evident early on in BUILD's formation, it was the social capital built by working

together to overcome obstacles, celebrating successes, and supporting awardees that allowed funders to embrace local dynamics and develop a new appreciation for the knowledge and experiences that each brought to the program. In more fully integrating regional funders into BUILD and tailoring components of the program to meet their needs, their unique value as local area experts and conduits to expand the reach of BUILD provided additional value to the program and fellow funders.

More partners also meant that as relationships between them strengthened, power between the community collaborative members and funders was shared in new and different ways. In the case of BUILD, the priority is to act in deference to the people and organizations closest to the issues, rather than the traditional power players. In some cases, this may mean relying on a smaller, unexpected, or nontraditional partner. For members of the funding collaborative, this has allowed for an expansion of the network that has helped to inform and influence each other's efforts in the broader field of philanthropy.

More partners also allowed BUILD to diffuse the risk of funding and implementing innovative and untested programs within participating foundations and communities. The support of and participation in BUILD by trusted foundations opened doors into organizations and communities that otherwise might have taken years longer to establish. BUILD's broad support has helped to encourage hospitals, health departments, and CBOs to come together to consider the SDOH in their communities. In hindsight, it would be difficult for any one of the funders to have taken on such a program on its own, let alone try to scale it for national impact.

While building something with others is arguably the better path forward, it is not always the easy path. Creating together comes with trade-offs and the creation of new challenges for all those involved. BUILD's funding collaborative has encountered challenges, and there remain opportunities for improvement. This is decidedly true given the competing visions, missions, strategies, metrics, funding cycles, and priorities

of participating funders. As demonstrated by BUILD's funding collaborative, it is in this push and pull between partners that new ideas are often born. A work in progress, BUILD will continue to evolve and refine its own policies and practices, representing a true reflection of the funders who comprise it: As they evolve, gain new insights, and grow, so too does BUILD.

It has become commonplace for funders to suggest that potential applicants and grantees work more collaboratively to break down the silos and shift the systems that keep our most persistent community inequities and the many resulting problems in place. It is incumbent on funders to do the same in order to see and contribute to meaningful social change. BUILD's funding collaborative experience is a call to other foundations to consider partnership early and often in their quest to make a meaningful impact on complex issues where traditional approaches are simply not enough.

As a result of BUILD, communities from across the country are working in new cross-sector ways to address the SDOH driving the persistent health inequities that plague our country. This is a solid foundation to inform the broader transformation of health care that is happening in states and nationally where payers have moved beyond "value over volume" and are beginning to implement practices that pay for health, not health care (Lohr, 2019). It is difficult to conceive of any one funder, working alone, achieving BUILD's outcomes. Rather, it was the collaboration of many that is contributing to the creation of a new norm — one that puts multisector, community-driven partnerships at the center of health to reduce health disparities caused by system-based or social inequity.

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Turning Changemaking Inward: How One Health Philanthropy Transformed Its Grantmaking Approach to Drive Deeper Impact

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Introduction

FSG's seminal 2018 report, *The Water of Systems Change*, called on funders to reflect on their structural approaches to addressing systemic inequities and provided a new framework for creating change (Kania, Kramer, & Senge, 2018). For the Advancing a Healthier Wisconsin Endowment (AHW), this framework brought new clarity and valuable language to a transformational shift in strategic perspective already underway at the statewide health philanthropy.

In 2014, AHW had launched *Moving From Grantmaker to Changemaker*, a five-year plan conceived and developed around changemaking: specifically, how to create lasting, sustainable, positive impact on the health of the people of Wisconsin. Starting with its first grants in 2004, AHW averaged \$17 million in annual funding over the next 10 years for interventions, critical research, and innovative programs that showed potential to impact health in communities across the state.

With each application, AHW asked the prospective grantee how it intended to sustain its work. And in nearly every response, the applicant indicated that sustainability would come in the form of another grant application. With the understanding that funding new programs and interventions was important and necessary work, the endowment faced the question of how to drive sustainable, transformative change in

Key Points

- In 2014, the Medical College of Wisconsin's Advancing a Healthier Wisconsin Endowment made a significant shift in focus to supporting adaptive rather than programmatic solutions to address critical health issues, and adopted a new approach that emphasized engagement with key stakeholders, recognizing the importance of contribution over attribution and requiring a long-term perspective on outcomes.
- The endowment identified three new "changemaker" roles for itself, alongside new funding mechanisms and a set of conditions where positive change could be supported to influence health. While changemaking began as a description of the endowment's strategic direction, today this philanthropic philosophy permeates all that it does.
- This article discusses how the endowment experimented with a new model of creating change, ultimately translating new knowledge from national thought leaders and aligning it with its own experiences to create a path that continues to guide the endowment's work. This article also shares lessons for other funders seeking to identify how to deepen their engagement and drive true systemic change.

health outcomes. The answer? The endowment itself would have to change.

It was a challenge that AHW's leadership and staff embraced (Maurana et al., 2016), and the first five years on their journey led to critical lessons that shaped the endowment's path forward.

Identifying the Components for Supporting Change

The endowment's philosophy at its founding was grounded in traditional philanthropic approaches, with grants awarded to projects that showed promise in supporting AHW's mission to improve the health of residents statewide. Over its first decade, the endowment focused on building its infrastructure and establishing its grantmaking practices. Internally, it explored its unique identity as a health conversion foundation tasked with stewarding public funds entrusted to the people of Wisconsin (Office of the Commissioner of Insurance, 2000) from within the Medical College of Wisconsin, a private academic health center.¹ Unlike other health conversion foundations in the United States, which are largely established as independent foundations, the AHW has a hybrid structure involving shared public-private leadership, governance under state public-records and open-meetings laws, and reframing and institutionalizing community-academic partnership models (Maurana et al., 2016).

From the outset, the AHW funded a range of traditional grant support for the development and implementation of community health initiatives and research. The endowment documented the outcomes of each investment as reported by grantees, assuring that individual investments were achieving the outcomes identified in their funding applications. However, it was clear that accommodating such a breadth of health topics was not creating the deep, long-term impacts the endowment wanted to see — namely, a healthier Wisconsin as shown in health outcome rankings. As AHW turned to developing its third five-year plan, input from those working in health improvement efforts across Wisconsin confirmed what the endowment was seeing

firsthand — providing awards to a range of grantee-identified approaches was not translating into significant, sustainable improvement in health outcomes.

The endowment began planning a move away from transactional grantmaking, turning to the literature on best practices in philanthropy (i.e., Orosz, 2000; Brown, Colombo, & Hughes, 2009; Brown, 2012; Crutchfield, Kania, & Kramer, 2011), experts in the field, and its grantees and key stakeholders to learn how it might redesign its efforts to have a lasting impact. These and other resources informed the endowment's changemaking approach in a number of ways, including the value of funders using their non-financial power to influence community change; being willing to take risks and tackle the complex problems that require more long-term, larger-scale investments; and advancing social, cultural, and systems change in partnership with communities. In addition, they indicated that if the endowment intended to have a lasting impact, it would need to leverage one of its greatest assets — its staff, which had the mandate, knowledge, and skills to be ambassadors for change with the communities and key stakeholders they served. Working with their governing bodies, endowment leadership and staff became critical to creating the internal culture and structural changes needed to ensure a successful shift from a grantmaking to a changemaking approach.

This process led to the development of three key components that would become the guiding principles of the endowment's 2014–2018 Moving From Grantmaker to Changemaker plan:

1. select strategies, called changemaker roles, for how to approach the work;
2. a set of investment strategies structured toward long-term impact that also accommodated the emerging priorities of the communities it served; and

¹ Academic medicine consists of entities that have a mission to educate the next generation of physicians and biomedical scientists, discover causes of and cures for disease, and advance knowledge of patient care while caring for patients (Kanter, 2008).

FIGURE 1 Changemaker Roles

3. accountability for changing the conditions, which it called checkpoints, that underpinned the work of its partners.

Changemaker Roles

Incorporating changemaking as an intentional strategy called for the endowment to shift to a relationship with grantees that was more active than the traditional funder–grantee model and to engage not only with funded projects, but also with funders, decision-makers, and other contributors with a shared commitment to addressing the state’s most complex health challenges.

The endowment initially agreed to explore six roles that its leadership and staff could assume within the broad system of health improvement work in Wisconsin: investor, influencer, broker, convener, learner, and partner. But the extent to which these roles were integrated and interdependent soon became clear. Staff members were having a hard time knowing which roles they were playing at any given time and defining what each role meant in practice, because the differences were very nuanced. In time they discovered that AHW didn’t need to play all of these roles; many needs were being addressed by other funders, nonprofits, and institutions. This experience showed the endowment that changemaking would require not only identifying new approaches and testing them in practice, but also listening to and reflecting on insights from staff on the front lines of the work and being willing

to respond with necessary modifications. Key to this process were transparency, frequent and clear communication, and building the mutual trust needed to try new ways of working while also learning from what wasn’t working.

Leaders and staff then worked through developmental evaluation approaches and market research to identify three critical changemaker roles that could be readily put into practice and would guide AHW operations and investments. The first role was that of high-impact investor, where staff would interact with current and prospective grantees to direct funding to the most viable solutions and sustainable efforts. The second role was that of connector: bringing people and ideas together to facilitate effective solutions to improve health. Acting as a connector, the endowment would not only form networks and strengthen relationships, but also generate and share knowledge and insights. And the third role was that of influencer, using the endowment’s unique position to motivate and inspire others to action. Through the dedication of resources and leadership, AHW would encourage the behaviors and create the conditions necessary to address Wisconsin’s toughest health issues. (See Figure 1.)

Investment Strategies

As it clarified its own roles as changemaker, the endowment also worked to realign its internal mechanisms. This included reshaping its perspective on the stewardship of its funds, and the

result was a translation of those roles into a set of investment strategies designed to deepen AHW's impact.

The endowment's unique position at the intersection of academic medicine and community philanthropy placed it within "conventional" (Kramer, 2009) funding philosophy: The responsibility for improving health outcomes rested with the endowment's funded partners, and AHW's role was to put grant money into the right hands. For its first 10 years, the endowment did traditional, competitive grantmaking to invest in biomedical and population health research, the education of health professionals, and community-based programs and interventions. This approach unintentionally limited investment to those applicants that excelled at writing proposals that aligned with the endowment's broad mission, but it helped demonstrate proper stewardship of the public's funds. However, the wider result was that grantees in academic medicine operated their research and education initiatives the way they always did, and community grantees conducted their programming and outreach the way they always did.

This approach also limited the endowment's own ability to impact health to the priorities of its grantees. Its staff and leadership, experts and advocates in their own right, sat outside of processes that identified statewide health priorities, good solutions, and necessary outcomes. Statewide, the impact of this approach was more of the same — while good things were happening, health improvements were not accelerating and disparities were widening.

And so, the endowment was confronted with a question: To be a good steward of public dollars, what was more important — getting those dollars to grantees as quickly as possible, or using its influence to ensure maximum return on the public's investment? While the latter choice was clear early on, this new perspective on public stewardship would require a philosophical shift in grantmaking based on a catalytic model of philanthropy, which places additional responsibility on the funder for achieving impact at a population level (Kramer, 2009). Core to a

catalytic approach is how philanthropy brings resources to the table in conventional and non-conventional ways to solve problems.

The result was a translation of the endowment's changemaker roles into mechanisms for funding. Building from best practices in the field, these strategies would leverage what was working in earlier endowment investments — community-academic partnerships, community-led initiatives, and access to funding responsive to identified needs and priorities — while adding components that emphasized collective action and systems change, such as capacity building, demonstrations of leadership and influence, and strategic long-term investments. The distinct yet complementary mechanisms would focus on:

- *strategic investments* — multimillion-dollar, multiyear initiatives aimed at producing sustainable, long-term change by infusing financial and nonfinancial resources over a longer funding period;
- *responsive investments* — smaller multiyear investments in community-led partnerships to advance a much-needed policy and systems change, or in researcher-led collaborations across basic science, clinical and translational research, or population health; and
- *capacity-building investments* — both a short-term funding mechanism to support the development of needs assessments, strategic plan development, or creation of other tools that brought immediate resources to a particular region, community, or health issue; and a method by which the endowment could convene and connect its partners with co-learning and skill-building opportunities critical to creating change, such as funded-partner cohort meetings, symposiums, learning series, and community-academic conversations.

One strategic investment was a \$20 million commitment that spanned 10 Wisconsin communities over eight years to tackle each community's unique challenges for improving

FIGURE 2 Advancing a Healthier Wisconsin Checkpoints

behavioral health. The high-impact investor role intersected with this initiative through a selection process that involved grantee-pitch presentations about community need rather than a preselected, evidence-based intervention. The convener role came into play through the endowment's creation of a learning community in which representatives from each of the 10 communities committed to regular convenings to learn with and from the other cohort members. In its influencer role, the endowment committed to an annual summit held to motivate and influence over 200 behavioral health practitioners and those with lived experiences.

Checkpoints: Six Conditions for Change

Over its first decade, the endowment wrestled with how project-by-project investments would have a positive impact on the health of an entire state. The resources did not exist to bring meaningful change on every critical health issue or cover the massive research and education needs

of academic medicine and public health. The pace of change was slow, and AHW also knew it was not the only entity with an influence on Wisconsin's health.

As its transition to changemaker was articulated, the endowment identified areas where it was uniquely positioned to make a difference. Alongside its changemaker roles and investment strategies, AHW turned its search from evidence that its investments alone were the reason for change to finding out more about how its strategy and approach represented one of many needed aligned strategies for change (Stern, 2015; Pillsbury, 2007). The resulting framework was designed not to focus on a small subset of health challenges, but instead to help hold the endowment accountable for eliminating barriers that prevented scientists, innovators, and communities from advancing broader solutions.

To that end, the endowment identified six conditions, or checkpoints, that it was positioned to influence. (See Figure 2.):

The shift from measuring changes in health outcomes and behaviors to measuring changes in how academic medicine and communities produce solutions to impact health required AHW to use data and evaluation to not just demonstrate impact, but also to inform learning.

- *Translation and dissemination of new knowledge:* This occurs when new knowledge is not only generated but also translated and disseminated to a wide variety of audiences and sectors. It can involve sharing the findings of cutting-edge and often complex medical research to nonspecialist audiences to influence program and policy implementation. This checkpoint also requires finding structured ways to engage others in what is being learned in the community around policy, systems, and environmental change.
- *Promotion of effective partnerships:* This occurs in collaborations among the endowment and funded projects and among the endowment and other entities; in collaborations that are not funded; or in a collaboration among partners in a funded project. The endowment incentivizes effective partnerships through its funding directed at multisector, interdisciplinary, and interprofessional collaborations. A significant amount of networking also occurs at learning opportunities and cohort meetings to enhance effectiveness.
- *Cultivation of leadership in public health and research:* This occurs when the endowment and its partners are positively influencing Wisconsin's health agenda or when its staff, projects, and partners are recognized for contributions that extend the life of the financial investments. The endowment creates a culture of leadership in health and opportunities to apply skills to solve complex problems with impact beyond a single sector.
- *Strengthening of community and academic capacity:* This is accomplished when the endowment and its partners have the tools, skills, information, data, and equipment to build effective health solutions. The endowment strives to be seen as a trusted partner and a resource for these and other types of resources.
- *Development of innovative research and discovery:* This is achieved when the endowment and its partners refine, improve, and propose new applications of theoretical concepts, approaches or methodologies, instrumentation, tools, or interventions. Investments are directed toward innovative research efforts that can inform the health needs of Wisconsinites and influence a culture that includes practices that support innovation, "failing forward," and full participation and inclusion of nonacademic partnerships.
- *Development of effective programs, policies, and practices:* This occurs when the endowment and its partners identify, develop, adapt, and scale solutions with the potential to change the way health needs and disparities are addressed. The endowment and its partners work together to influence change in policy that addresses health at the local, state, regional, or national level; it also seeks to identify policy or practice change developed through a funded initiative for replication or scaling in another location, field, or organization.

The shift from measuring changes in health outcomes and behaviors to measuring changes in how academic medicine and communities produce solutions to impact health required AHW to use data and evaluation to not just

demonstrate impact, but also to inform learning. The endowment spent all five years of its Moving From Grantmaker to Changemaker effort defining and refining what transformative change in these six checkpoints looked like and why it mattered. Today, these checkpoints are grounded in an understanding of the transformational change that is needed within and across these systems, how that change will strengthen the impact on health, and the extent to which the purposefully developed strategies address these conditions for change. The endowment used this framework to determine the types of programs and portfolio work it would invest in and, eventually, the relevant outcomes sought through its investment.

Building Internal Capacity for Change

A shift in strategy and implementation at this level required a period of experimentation with and exploration of policies and practices, both internally and with external partners. Further, the endowment committed to the following assumptions during this staff transition:

- The transition plan will be a developmental process with the flexibility for modifications.
- Opportunities will be embraced to make necessary changes in how things were done in the past.
- The transition process will be authentic and effective.
- The endowment team will acknowledge that transformation takes time. Care must be taken not to overload staff whose responsibilities are changing while their original responsibilities need to be covered and/or transitioned.
- Everyone's responsibilities will be aligned to the strategic plan, while an integrated team structure will allow for collaboration and cross-coverage when needed.
- Professional development and additional resources will be allocated to support the

A shift in strategy and implementation at this level required a period of experimentation with and exploration of policies and practices, both internally and with external partners.

staffing plan as team members assume new responsibilities and work in different ways.

The endowment implemented its staffing model with careful thought, bringing together the business needs of the new changemaking approach and the talents and experience of the existing staff. A smooth process required transparency, staff engagement in revising job descriptions and defining expectations of the new roles, and responsiveness to feedback from staff on how the process could be made more effective. A commitment to professional development and opportunities for staff to demonstrate leadership at local and national meetings was also critical to success.

In most cases, the staff embraced the shift to new roles as an opportunity to contribute the full capacity of their knowledge and to grow new expertise and skills. The setbacks experienced in the transition to the new staffing model were largely a result of a lack of clarity about expectations, discomfort with the uncertainty that comes with change, and mistrust about whether the shift would “stick” over time. Celebrating successes, addressing challenges as they arose, and providing meaningful feedback to staff were key to overcoming challenges. Since its initial transition, the endowment has continued to strengthen its commitment to nurturing its staff leaders and fostering a culture that reflects the lived values of the endowment.

In 2019 the endowment launched its next five-year plan, building on its transformation from grantmaker to changemaker to begin fully implementing this new model of philanthropy.

Developing and Strengthening Changemaking Partnerships

Because it is housed within an academic medical center, the endowment holds a core value of supporting community-academic partnerships. Under its traditional grantmaking model, the value of this partnership was largely transactional and its success was often due more to how well the individual partners functioned together than to supportive structures or systems.

Going into its third five-year plan, the endowment realized it needed to change its relationship with grantees and broader stakeholders. While these community-academic partnerships were a deeply held value, endowment leadership and staff recognized the opportunity to strengthen working relationships, cultivate new and unique partners that could add value to a systems approach, and invest in developing the leadership and capacity of partners for strong collaboration with each other and the endowment.

To achieve this, the endowment empowered its staff to bring communities and academic medicine together in more authentic ways. The staff were charged with identifying opportunities to engage with networks and develop infrastructure to advance collaborations. Efforts to recruit and develop emerging and existing leaders in public health, education, and academic medicine included a learning community, a technical-assistance partner program, workshops, cohort meetings, and an annual summit. This required the endowment to appreciate and use its full

resources (human, financial, physical, intellectual, etc.) to support its partners.

The Long Game of Systems Change

In 2019 the endowment launched its next five-year plan, building on its transformation from grantmaker to changemaker to begin fully implementing this new model of philanthropy. This intentional choice to focus on deeper application reflects the lessons learned in the endowment's experiment with its new model.

At the start of its experiment, the endowment recognized that the impact it was seeking from its grantees required a deeper kind of support — one that went beyond writing a check and monitoring progress. In wanting to create systems change, AHW had to take a systems perspective and turn the lens on itself. The endowment started by defining the roles it was best positioned to play in the greater system of statewide health, selecting conditions that it was best positioned to influence, and then establishing investment strategies most likely to create the desired change. And while it inherently understood that creating these changes required it to work differently, it still anticipated that changemaking would come from the work it funded. Its applications even asked prospective grantees to identify the changemaking potential of the proposed work and how the project would align with the endowment's changemaking roles.

Through its shift to changemaking, the endowment embraced a leadership role in which it could serve with its partners in advancing systems change to sustain health improvement and integrate positive change into practice. During its traditional grantmaking years, AHW intentionally did not invest in policy and systems change due to concerns that such priorities were complex, risky, and outside of the parameters of its role in supporting communities. As changemakers, the endowment embraced the power of the systems lens and supported grassroots policy, environmental, and systems change to foster sustainable efforts to effectively improve community health. These have already begun to create positive change: AHW's behavioral health initiative, for example, empowers communities

to leverage endowment expertise and resources using a systems-based approach that focuses on making healthier choices feasible and sustainable for every community member by addressing the policies and environments that impact health behaviors.

As noted by one of the endowment's partners in the behavioral health initiative,

[Our community] built a strong coalition; received amazing leadership training; learned from a national expert; used the model to build an incredible project with which we will produce population-level change; offered and received support through a learning community of dedicated, passionate professionals across the state; and used all of these things to benefit our local community and drive quality improvement in how our coalition engaged in systems-level work for mental health.

This funding model filled a gap for that community, allowing it to focus on capacity building, strengthening leadership, and mobilizing an effective coalition — all aspects of an effective system that were being missed within the framework of the endowment's traditional funding philosophy. In addition, this method allowed the community to use other locally leveraged funds in new and targeted ways to support more specific aspects of the project.

Lessons Learned

While there have been clear successes and exciting impacts from its funded projects, today the endowment recognizes that the responsibility for creating change is its own. Changemaking must start from within. Leaning on the language provided in *The Water of Systems Change* (Kania et al., 2018) to articulate what it had discovered, the endowment reflected on the lessons learned — and shares those reflections here.

First, take a systems approach to your own work. If you want to drive systems change, you first need to understand your place within the system. The endowment had to fully understand and embrace its position among the funders, organizations, and individuals that impact the health of Wisconsin residents. Only after AHW stepped

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back and identified its own place could it then identify the roles it was best positioned to play to drive the change it wanted to see.

Second, recognize your philosophy of philanthropy — and recognize when it needs to change. The endowment had long operated in a traditional sense: a transactional relationship with funded projects, a model within which staff provided only technical support and monitoring to grantees. To create the change it wanted to see, the endowment had to practice what it preaches. Its leadership recognized that change in its philanthropic philosophy necessitated change as identified by Kania et al. (2018) through the systems-change perspective:

- The endowment had to review its own policies, practices, and flow of resources and revise internal job descriptions and staffing models, allocating financial resources for staff to offer a wide variety of programming and capacity-building opportunities and making changes to practice that allowed staff the time to build relationships with grantees.
- It had to be willing to shift relationships and power dynamics between AHW governance bodies and staff to enable deeper engagement with partners, grantees, and stakeholders.

- Mental models had to shift, beginning with recognition that the endowment leadership and staff needed to embrace a shared philosophy of philanthropy that emphasized the importance of being more than a grantmaker.

Today, the endowment continues to deepen its analysis of itself, looking to its six checkpoints as a clear framework that will sustain its full support for systems change.

Conclusion

Since its inception, the Advancing a Healthier Wisconsin Endowment has been focused on supporting positive change. The endowment began with a traditional model that awarded grants for projects that showed promise to impact health outcomes, and designed its operations and funding strategies to achieve that purpose. Along the way, the endowment learned it could partner to accelerate discovery, catalyze innovation, and support communities across Wisconsin in impacting poor health outcomes. Yet it recognized that to create greater impact it needed to go beyond grantmaking, and that its partners wanted a deeper kind of support. The endowment took this recognition as a challenge to plan how to do more, better.

The result was an experiment with a new focus: Moving From Grantmaker to Changemaker. The years since that shift have been marked by tremendous growth and learning as the endowment took a leap into an entirely new way of thinking about and doing its work. Operations and strategies have shifted to not only invest in measurable, positive change, but also to connect sectors and communities and to influence the way ideas and knowledge can be transformed into action.

In *The Water of Systems Change*, the endowment discovered the language to articulate its experiment and a framework to identify opportunities for continuing its internal shift. Today, AHW is using this framework to reflect on its policies, power dynamics, and mental models in a way that will allow it, through its change-making roles, to create conditions that will help

its partners produce better outcomes for their communities, develop knowledge that can accelerate research innovations, and support the education and training of the health workforce. The endowment has identified a new purpose for itself: that of a driver, not just a supporter, of change. This shift in perspective has been transformative for its operations, investments, and the potential to achieve outcomes that will promote cross-sector system change and sustainability to impact its ultimate mission of creating a healthier Wisconsin.

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Women's Grantmaking for Economic Security: The Work of One Coalition

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Keywords: Women's philanthropy, foundation grantmaking, economic security

Introduction

Economic insecurity is closely linked to the broader issue of gender inequality (Jain-Chandra, 2015). A survey by the United Nations (2009) maintains that women's "equal access" to and "control over" financial and economic resources makes possible "equitable and sustainable economic growth and development" (p. iii). The World Bank estimates the annual global cost of gender inequality at \$160 trillion (Wodon & de la Briere, 2018), and just two years ago the World Economic Forum (2018) stated it would take 108 years for this gender gap to close.

In the United States, women are still relegated to the bottom tiers of the economic hierarchy and the wage gap has remained virtually unchanged over the past two decades (Graf, Brown, & Patten, 2019). According to the Institute for Women's Policy Research (IWPR), only 65% of working women are economically secure and women are more likely than men to live in poverty (Suh, Clark, & Hays, 2018). Women hold roughly 11% of the highest-paying jobs in the U.S. (DeSilver, 2018) and just 5% of Fortune 500 CEO positions (Inequality.org, 2019); only 4.5% of working women are among the top 1% of earners in the U.S. (Yavorsky, Keister, & Qian, 2019).

The research strongly indicates that economic security — defined as economic independence and stability — is key to bringing about gender equality (Golla, Malhotra, Nanda, & Mehra, 2011; Office of Global Women's Issues [OGWI], 2016). Economic independence implies access to important resources and opportunities (OGWI); the IWPR specifies that it represents the ability of women to pay their monthly expenses and save for emergencies (Suh et al., 2018). To realize its sustainable development goal of achieving

Key Points

- Philanthropy has historically been an avenue for citizens to pursue positive social change, yet little is known about what foundations are doing to foster economic security for women. This article seeks to help bridge this gap between theory and practice through an examination of one type of philanthropic organization — women's grantmaking funds.
- Focusing on the work of Prosperity Together, a coalition of 30 of women's grantmaking funds dedicated to advancing women's economic security, this article explores what the funds are doing to support this work. It draws on data from a landscape scan of the coalition's members as well as interviews with a sample of leaders from member funds.
- This article also seeks to contribute to the development of a framework for advancing women's economic security that draws on the extent to which the work women's funds are doing aligns with research recommendations. This framework also may provide useful insights for donors, practitioners, and other nonprofits looking to engage in philanthropic efforts to advance the economic well-being of women.

global gender equality by 2030, the United Nations similarly emphasizes women's economic well-being through economic empowerment (U.N. Women, 2018).

Barriers to economic security, however, are complex and difficult to dismantle (World Economic Forum, 2015). Historically, nonprofits and philanthropy have been avenues for citizens to address social problems and pursue positive social

TABLE 1 Landscape Summary of U.S. Women's Funds (n = 209)

Organization Type	No. of Funds	Percentage
Independent 501(c)(3)	78	37%
Donor advised fund within a larger organization (e.g., community foundation)	131	63%
Funding Source	No. of Funds	Percentage
Public (multiple sources)	192	92%
Private (single source)	17	8%
Funding Scope	No. of Funds	Percentage
Local	150	76%
State	25	13%
National	2	1%
International	9	4%
Combined/Overlapping	12	6%

Source: Gillespie, 2019a

change (Dobkin Hall, 2016; Frumkin, 2006; O'Connor, 2010); yet little is known about what philanthropic organizations are doing to foster economic security for women. The purpose of this article is to help bridge the gap between theory and practice through an examination of one type of philanthropic organization — women's grantmaking funds — with a focus on the work of Prosperity Together, a coalition of 30 members of the Women's Funding Network (WFN). The article also seeks to contribute to the development of a framework for advancing women's economic security that draws on the extent to which the work women's funds are doing aligns with what research recommends. This study also highlights an aspect of the framework that could benefit from further discussion among the members of Prosperity Together.

Women's Grantmaking Funds

Throughout American history, women gained access to the public sphere through charity work; creating women's organizations was one manifestation of this practice (Stivers, 2000; Johnson,

2017). These organizations have commonly given women a degree of power and the ability to advocate for values and issues important to them (Martin, 1990). And in the struggle to advance women's rights, there is a long tradition of seeking philanthropic support (Johnson, Stivers). Women's philanthropy has the potential for exponential impact on meaningful social change benefiting women and their communities (Gross, 2019; Women's Philanthropy Institute, 2019), as is evidenced by Melinda Gates' pledge in 2019 to invest \$1 billion to address gender equality in the U.S.¹

The women's movement of the mid-20th century developed a specific type of philanthropic organization — women's funds — to disperse financial resources to other nonprofits supporting women and girls (Atienza et al., 2009; Shaw-Hardy, 2005). Over the past 50 years, these funds expanded in number and capacity (Brilliant, 2000, 2015; Gillespie, 2019a), enabling them to widen the diversity of funding priorities to better advance gender equality (Mollner & Wilson, 2005). (See Table 1.) As of 2019, there were 217 such

¹ As part of this pledge, Melinda Gates awarded a \$1.69 million dollar grant in December 2019 to the Women's Funding Network to develop a coalition of 10 women's funds focused on women's economic mobility in their communities (Marek, 2019).

Women as both donors to and beneficiaries of women's funds suggest that the historic tradition of women helping women and other marginalized populations through philanthropy continues through these funds today.

funds in 44 states, collectively holding nearly \$1 billion in assets and awarding more than \$175 million a year in grants² (Gillespie, 2019a; 2019b). According to the Women's Philanthropy Institute (Gillespie, 2019a), 61% of women's funds support economic-related programming for women through grantmaking, which indicates that these funds are likely the largest group of philanthropic organizations currently working on women's economic security.

Before recent reports published by the institute (Gillespie 2019a, 2019b), little research existed into the perspectives, practices, or activities of women's funds. This article builds on the few available studies. A 2009 report funded by the WFN and the Foundation Center studied a sample of WFN members and found that "economic justice and sustainability" was the "top grantmaking priority" of surveyed funds, and that members were particularly focused on "economically disadvantaged women, young and teenage girls, and women of color" (Atienza et al., 2009, p. xi). Eleanor Brilliant's *Constancy and Change in the Women's Funding Network* (2015) found that the members' initial goals — to empower women and create social change — are still embraced by these organizations today, and that the collective identity developed among WFN members aids their overall efforts to

mobilize resources. Both studies suggest women's funds have long been champions for women's economic security, but neither explicitly examines women's economic security as a strategy to advance gender equality, nor offers a framework for further development and evaluation.

Understanding how women's funds approach work to support women's economic security is important for several reasons. The funds are authorities on women's issues (Gillespie, 2019a; 2019b), and their commitment to grantmaking explicitly to women suggests their perspectives and practices may be valuable to the work of furthering gender equality. Findings generated from the study of women's funds might also be of importance to women who give to those funds (Dale, 2019), as well as to other practitioners, activists, and nonprofit organizations seeking to support efforts to advance the economic well-being of women, families, and their greater communities. Additionally, gender-focused research is lacking in the study of philanthropy and is largely missing from academia in general — an issue that Perez (2019) argues contributes to maintaining a society designed by men for men. A framework developed from data obtained from women's funds presents an opportunity for Prosperity Together, WFN, and other women's funds engaging in similar activities to evaluate the effectiveness of their overall approach to creating impact on women's economic security.

This study draws on publicly available data from Prosperity Together, a coalition formed by members of the WFN³ that in 2015 committed to awarding \$100 million over five years to support women's economic security (WFN, 2016a). Data were collected from the websites of 28 of the coalition's 30 members and interviews were conducted with leaders from a sample of five member funds. While the findings emerged from a landscape scan of 93% (28 of 30) of Prosperity Together members, the funds in the coalition make up just

² 2016 data for all 217 U.S. women's funds show collective asset total of \$870,671,338 (n = 68 of 209 women's funds) and a collective total awarded in grants of \$175,246,052 (n = 98 of 209 women's funds).

³ The WFN (2017) is the largest women's philanthropic network in the U.S.; in 2015, its members collectively awarded \$410 million in grants.

14% (30 of 217) of all women's funds in the U.S. (Gillespie, 2019b). As such, generalizability is limited; however, findings might still be relevant to women's funds that help to make up the 61% of those focused on funding economic-related programs (Gillespie, 2019a). Findings may also inspire greater collaboration across all women's funds.

The research specific to the grantmaking practices and activities of women's funds that does exist is largely focused on women as donors (Women's Philanthropy Institute, 2012, 2016). Most women's funds are public, in that donations derive from a variety of sources rather than one major donor (GrantSpace, 2016; Gillespie, 2019a). Women as both donors to and beneficiaries of women's funds suggest that the historic tradition of women helping women and other marginalized populations through philanthropy⁴ continues through these funds today. Created to be changemaking organizations (Shaw-Hardy, 2005), another historic characteristic of women's philanthropy observed in present-day women's funds is the desire to create social change (Bunjun, 2010; Gillespie, 2019a).

The most recent examination of the organizational practices of an individual women's fund (Ostrander, 2004) studied how the Boston Women's Fund incorporated grantee feedback into grantmaking guidelines and found that its approach encompassed "building community, developing grassroots leadership, and educating for social justice" (p. 41). Similarly, *Women's Emancipation and Civil Society Organisations*⁵ (Onyx, Schwabenland, Lange, & Nakagawa, 2016) looked at whether the work of certain international women's groups is challenging the status quo. While the authors were unable to decisively answer that question, findings indicate that women's philanthropic organizations play a key role in efforts to advance women's emancipation worldwide.

[T]he WFN report recommended that women's funds ensure resources are being used as intended and that programs and policy advocacy funded through grantmaking are regularly evaluated.

Funding Support for Economic Security

Several general implications can be drawn from the lack of research into exactly how organizations can provide effective support for women's economic well-being: few grantmaking foundations focus on women's economic security; data may be limited because grantmakers are less than fully transparent about their practices and funding decisions; observable progress takes time or has yet to materialize; and the lives of women are not consistently at the forefront of research considerations. As for what organizations should do to advance women's economic security, however, multiple recommendations emerged from available research. Golla and colleagues (2011), for example, argue that organizations "must address the underlying factors" preventing success: "individual and community resources, and norms and institutions" (p. 4); but offer few insights on how to address those factors — a seemingly immense task. They further suggest that organizations should "determine where resources are best spent," develop the best ways to challenge barriers to success, and understand what funded programs can and cannot achieve (Golla et al., p. 4).

The WFN (2016b) Economic Security Benchmarking Report presented several evidence-based recommendations for women's funds seeking to focus on economic security,

⁴ Among the examples of this tradition are Jane Addams and Hull House, as well as the earliest women of wealth in the U.S. who gave to support women's suffrage and access to higher education (Johnson, 2017; Knight, 1991; Shields, 2006).

⁵ Women's emancipation and civil society organizations are nonprofits that primarily provide direct services, rather than engage in grantmaking.

including grantmaking for programs that help women with financial literacy and employment, particularly in the STEM fields. Job training that leads to economic security, the report argued, must provide the tools, skills, education, and wraparound services necessary for women to get and keep living-wage jobs. It also encouraged advocacy for policies designed to facilitate women's advancement at every level of government; currently, only 16% of all women's funds engage in some type of advocacy including public policy advocacy (14%) (Gillespie, 2019a). Grantmaking and policy advocacy, the WFN advised, should be done in collaboration with other organizations through the development of networks, community building, and cross-sector alliances, as well as educating diverse groups of women for civic participation.

Finally, the WFN report recommended that women's funds ensure resources are being used as intended and that programs and policy advocacy funded through grantmaking are regularly evaluated. How to oversee careful stewardship of funds and how to evaluate programs and policies require further discussion and development.

According to 2016 grantmaking data,⁶ women's funds — members and nonmembers of WFN — collectively awarded around 20% of their combined assets to grantees. This may indicate that the funds are not awarding enough of their resources to truly address root causes of women's economic insecurity, although it may also represent a desire to sustain women's philanthropy as an ongoing resource. Some research (e.g., Anheier & Leat, 2013; Callahan, 2017; Faber & McCarthy, 2005) has noted general critiques of grantmaking foundations which question whether they are committed to the support of social-change efforts that address the needs of marginalized populations or instead are instruments of the elite.

The Women's Economic Security Campaign (WESC, 2013) recommended funding approaches similar to those from the WFN, including the application of a gender lens, and also advocated broad-based communication efforts about women's issues and their impact, suggesting an educational component to advancing economic security. The WESC encouraged funders to support organizations whose programs "provide gender-specific recruitment, training, [and] networking" that "enable women to work and care for their families" (p. 8). Further research is needed to better understand the types of programs that receive grants from women's funds and how those programs are designed to advance women's economic security.

Methods

The research question guiding this study concerns what women's funds are doing to support economic security for women. A secondary question seeks to determine the ways in which the framework for that support align with research recommendations.

Both of these questions were addressed through a landscape scan of Prosperity Together members. The landscape scan involved pulling and analyzing data from women's funds' websites and any documents available for download, and IRS 990 forms.⁷ Semi-structured interviews with leaders of a sample of five coalition members — three executive directors, a vice president, and a director of operations — were conducted in November 2016, averaging about 30 minutes. (See Table 2.) Interview transcripts were triangulated with information obtained from each fund's website, and the transcripts and data were coded into themes related to approaches taken to advance economic security. Findings were then compared to research recommendations.

⁶ 2016 grantmaking and asset data were pulled from the database created as part of a larger study of all 2018 U.S. women's funds (Gillespie, 2019).

⁷ The data pulled from websites and IRS 990s were compiled into a database, which was created as part of a larger dissertation study (Gillespie, 2020). The database is made up of 217 U.S. women's funds including Prosperity Together members and the database is the data source/reference for Tables 1–9.

TABLE 2 Interview Participants

Interviewed Fund	Inception Year	Organization Type	Funding Scope	Grant Range (2016)	Total Awarded (2016)
Org. A	1994	Stand-alone 501(c)(3)	State	\$1,000–\$5,000	\$109,020
Org. B	1994	Affiliate	Local	\$5,000–\$60,000	\$107,098
Org. C	1990	Affiliate	Local	\$15,000 (average)	\$250,000
Org. D	1999	Affiliate	State	\$500–\$12,000	\$83,000
Org. E	1987	Stand-alone 501(c)(3)	State	\$1,000–\$35,000	\$939,014
Average	1992				\$297,626

Findings

All of Prosperity Together's member funds support women's economic security through several primary activities and practices, including collaboration and coalition-building to enhance the funds' collective impact. They fund a range of programs related to economic security that support diverse populations of women and address, through a wide range of interventions, myriad factors that affect women's economic security. Other activities among members include:

- establishing goals around women's economic security (100%, or 28);
- developing and implementing strategic approaches to advancing women economically (93%, or 26 of 28);
- applying at least one grantmaking philosophy as a strategic guide for decision-making, including social-change philanthropy (79%, or 22 of 28);
- developing diverse criteria for grant applicants (68%, or 19 of the 28 members in the study);
- conducting research that informs funding decisions and is used to educate others about the economic status of women and girls in local communities (61%, or 17 of 28); and

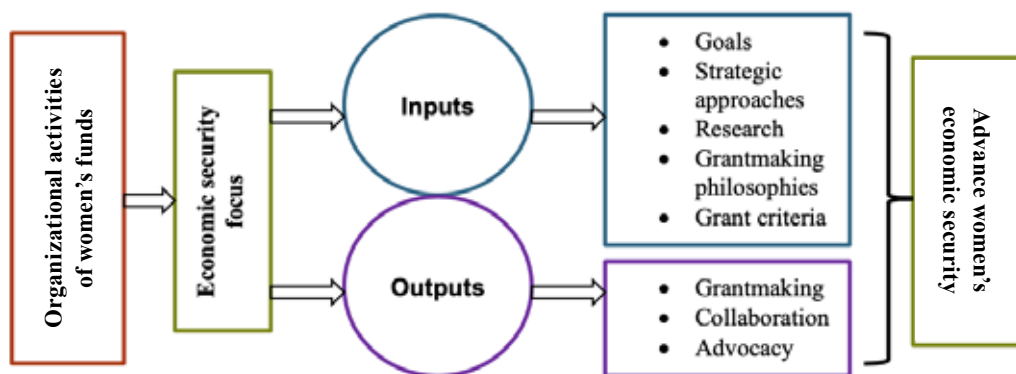
- advocating for women's economic security, including policy advocacy (57%, 16 of 28).

These activities of the framework are not inclusive of every activity or practice engaged in by each coalition member (e.g., some members may run in-house programming or host educational workshops). The framework is a general guide that offers action steps and it can be adapted to address the different needs of diverse women in different communities. (See Figure 1).

Goals

The desire to create some type of change is a goal expressed by a majority of coalition members (93%), suggesting change, as a guiding principle or objective, is a key characteristic of their overall framework. It also affirms Brilliant's (2015) assessment of WFN members as change-focused organizations. Change is sought through empowering individual women; one coalition member's website states, "Women are authors of their lives and changemakers in their communities." However, most coalition members frame change in the context of systemic, lasting social change.

Interviews shed further light on funders' change goals and their connection to women's economic security. One participant said their focus was on "having an understanding of what components of our current system create greater challenges for women and families, and what types of changes could have greater benefit for women

FIGURE 1 Prosperity Together's Framework for Economic Security

on the path to the economic self-sufficiency.” Comments like these underscore how achieving an impact on women’s economic security occurs through an assessment of systems and where changes can be made within those systems, and indicates that rather than attempting to change an entire social system by itself, one grantmaking foundation will focus on creating change within an existing system.

While the types of change sought by coalition members vary, some do emphasize broader social changes. One fund’s website states, “We select the projects that are innovative and create long-lasting change”; another looks for “effective, long-term, positive changes in systems that currently prevent women and girls from researching their full potential.” An interview participant remarked:

[With] the expectations for women and the way family dynamics are changing, ... I think we have an opportunity as a whole, with women’s foundations really building momentum on this, ... to change the system so that not only are economic outcomes better for women, but [also] for their families, for communities ..., [for] the strength of our entire economy.

How this is done requires further investigation. But references to broader social change in interviews and on fund websites suggest that individual women’s funds that express systemic

social-change goals joined a coalition of like-minded members. Moving forward, coalition members should collectively determine how to better achieve their bigger-picture social-change goals together while maintaining their efforts to create change in their local communities.

Research

Independently and collaboratively, 61% of Prosperity Together members — and the interviewees from all five selected funds — conduct, use, and disseminate research on the status of women and girls. The purpose of this research is to identify specific barriers to equity experienced by women in their communities; the data are used to inform funding decisions and local and regional education efforts. One coalition member’s website explains that the research it conducts “enables us to understand and target the greatest gaps in services and identify the most effective solutions that can advance positive social and economic change for women and girls,” and notes the significance of research to the fund’s overall approach:

We engage in landmark original research as well as leverage leading research from organizations around the world to guide our granting, inform our donors and partners, and strengthen our credible voice for women and girls. Research guides our prioritization of issues, our advocacy strategies, and ultimately, the financial and human resources we invest with our community partners.

TABLE 3 Grantmaking Philosophies of Coalition Members

Grantmaking Philosophies (n = 22)	Number of Members	Percentage of Members
Social-change philanthropy	8	36%
Two-generational grantmaking	6	27%
Impact investing	3	14%
Strategic grantmaking	3	14%
Collective grantmaking	3	14%
Gender-lens investing	2	9%
Economic-justice grantmaking	1	4%
Participatory grantmaking	1	4%
Gender-justice grantmaking	1	4%
Inclusive grantmaking	1	4%
Gender-equality-lens investing	1	4%

This coalition member suggests it uses research not just to educate others but also to legitimize their practices and decisions.

Regularly conducting research further implies that coalition members are educational organizations in addition to grantmakers. As another interview participant observed,

From our perspective, all of our work is rooted in research. Research helps us identify some of the most substantial challenges and, also, the greatest opportunities for progress for women on the path to economic self-sufficiency. [Our] research helps define the priorities for our public policy work with a better understanding of what those key challenges and opportunities really are.

These comments support the earlier finding that women's funds advocate for change and are guided in decision-making by a desire to be strategic.

Grantmaking Philosophies

The majority of coalition members (79%) adopt at least one grantmaking philosophy for the purpose of guiding decision-making and advancing impact. Eleven philosophies were identified on

the websites of coalition members.⁸ (See Table 3.) One coalition member that practices social-change philanthropy described that philosophy as “grantmaking that aims to address the root causes of social and economic inequalities.”

Importantly, this finding identifies a population of grantmaking foundations that are practicing philosophies that are discussed primarily in theoretical terms or through individual organizations. The practice of using a grantmaking philosophy also supports earlier findings that these foundations are making strategic funding decisions. While the information on grantmaking philosophies is somewhat limited, evidence of their use may provide critical insights to other organizations looking to advance economic security for women and to researchers looking to study how grantmaking philosophies are understood and carried out in practice.

Grant Criteria

The websites of Prosperity Together members offer fairly detailed criteria for grant applicants. (See Table 4.) And interview participants discussed how their funds approach decision-making about which programs will receive

⁸The philosophies are not mutually exclusive.

TABLE 4
Program Criteria for Grant Applicants: Examples

The organization and its program must:
<ul style="list-style-type: none">• address needs or systemic barriers• apply<ul style="list-style-type: none">◦ a gender-equality lens◦ a two-generational approach• be grassroots in nature• demonstrate<ul style="list-style-type: none">◦ a social-change focus◦ evaluation tools are in place◦ knowledge of and deep engagement with the community◦ meaningful relationships with multisector partners◦ measurable outcomes & specified objects• emphasize community organizing and advocacy strategies for meaningful institutional change• expand choices and opportunities• involve<ul style="list-style-type: none">◦ collaboration with other organizations◦ families in planning and implementing projects◦ program participants in decision-making• offer strategies that develop positive self-image• promote prevention and enrichment activities• serve significant numbers for greater impact• use research-based strategies

TABLE 5 Prosperity Together Annual Grantmaking

Grantmaking Year	Grant Totals
2018 (n = 15)	\$25,667,805
2017 (n = 15)	\$21,265,384
2016 (n = 24)	\$28,140,343

grants strategically through the establishment of grant criteria and specific expectations for grant applicants. One reported:

We are always looking to partner with organizations that bring a gender lens to the work. ...[W]e want to see a demonstration of an organization’s understanding of some of the unique challenges that women face; with regards to STEM... maybe recognition that women do face different sorts of challenges in the STEM workforce given their historical underrepresentation in the fields.

Out of the 19 coalition members with grant criteria, 11 expect applicants to demonstrate how their program is designed to bring about social change, whether it be systemic or within institutions or communities. This expectation is often communicated in the context of addressing a specific barrier to women’s economic advancement. One funder’s website asks grant applicants to offer “a compelling articulation of how the proposed work will catalyze change ... [and] outcomes aimed at addressing proven barriers to low-income women accessing and maintaining viable jobs (e.g., child care, transportation).” Further research is needed to assess how these programs meet criteria related to social change.

Grantmaking

Grantmaking is the primary activity of Prosperity Together. Of the \$100 million members pledged to economic security programming between 2015 and 2020, publicly available data indicate that more than \$75 million was awarded in the first three years. (See Table 5).⁹ However, investing resources through grantmaking does not necessarily correlate to achieving an impact on economic security. To understand the full impact of the coalition’s funding will require additional evaluation and tracking and sharing of data related to program evaluations. Even so, coalition members associate economics with nearly every aspect of women’s lives, from child care needs to safety or leadership development. One interview participant observed that economic security “is a category of its own, but ... all tied together

⁹Since 82% of coalition members are multi-issue funders (i.e., support areas in addition to economic security, such as health or education), the exact amount given specifically to economic security is not known. Still, funding areas are often interrelated; for example, women’s educational attainment helps to improve economic security (Gillespie, 2020).

— economic self-security, sexual literacy, violence against women, and leadership development.”

Grantmaking intended for diverse populations of women was evident across the coalition. Twenty-six different populations, encompassing different races, ethnicities, socio-economic backgrounds, and other factors (e.g., single motherhood), are supported by member-funded programs, suggesting an inclusive approach to grantmaking. (See Table 6.)

A variety of programs are included within the broad category of economic security. (See Table 7.) One interview participant explained how her fund has targeted its grantmaking:

We've launched an initiative specifically for the increased economic security of women aged 18 to 29. ... We are actually defining it quite broadly — thinking about what are immediate basic needs ..., things like domestic violence, sexual exploitation, homelessness, criminal history of incarceration, that are creating barriers to economic security.

While such an approach may suggest a focus more on the lives of individual women than on systems, the economic security of individual women and the overall well-being of communities can be seen as mutually dependent. As another interviewee remarked, “If we want our states and our country to be better economically, we need to start giving women and girls the opportunities that they need to be successful.” In other words, investing in women leads to positive consequences for broader communities.

For obvious reasons, a living wage and access to affordable child care for women who are in job training and in the workforce are two areas that receive significant support from Prosperity Together funders. Without child care, “it’s nearly impossible for a single mother ... seeking job training opportunities to pursue them,” an interviewee said. “Then, once training is completed, if child care wasn’t available ... she

TABLE 6 Populations of Women Supported by Coalition Members¹⁰

- Bilingual
- Disabled
- Girls
- Families
- Immigrants & refugees
- LGBTQ individuals
 - Inclusive of sexual orientations
 - Nongender conforming
 - Trans people of color
- Low income
 - Living check-to-check
 - Living in poverty
- Senior aged
- Single mothers
 - Teen mothers
- Women of Color
 - African American
 - American Indian/Native American
 - Asian American & Pacific Islander
 - Latina
 - Multiracial

TABLE 7
Funded Economic Security Programs: Examples

- Aging in place: Housing for women age 75+
- Basic skills and ESL development
- Career planning for high school students
- Computer and robotics workshops for girls
- Economic support: Child care, transitional housing, transportation
- Entrepreneurship
- Exposure to nontraditional careers
- Financial education/literacy and credit repair
- Helping mothers finish high school, college
- Leadership development
- Mentoring and youth empowerment
- STEM training
- Wage negotiation workshops

¹⁰ The descriptions or labels used for the populations in Table 7 were pulled directly from Prosperity Together member websites. Those populations that are similar are grouped together but were not merged or cut down into all-encompassing labels. Populations supported are not mutually exclusive and Prosperity Together members may specify African American or Latina instead of using Women of Color more broadly, as examples, for reasons not discussed on their websites.

TABLE 8
Members' Description of Economic-Security Goals

Descriptions	Number of Members	Percentage
Security	17	61%
Empowerment	7	25%
Self-Sufficiency	6	21%
Justice	5	18%
Opportunity	4	14%
Supports	2	7%
Equality	2	7%
Well-Being	2	7%
Independence	2	7%
Change	1	3%
Development	1	3%
Potential	1	3%
Prosperity	1	3%

wouldn't be able to hold a job." Another funder's website specifically supports direct service programs, according to its website, that focus on helping women obtain the training necessary to secure "living wage employment with benefits and a career path" or to "advance up an existing career ladder."

The programs and populations supported by funding from coalition members speak somewhat to the debate over whether grantmaking foundations truly support marginalized populations. Publicly available data suggest Prosperity Together funders are directing financial resources to programs aimed at economic security for women. This type of grantmaking is a strategic approach to philanthropy: "We can't fix everything," an interviewee said, "so we have to try to connect those places where we feel like a small investment on our part would actually make a meaningful impact."

Advocacy

Half (51%) of Prosperity Together members mention advocacy on their websites, as do all

five funds whose leaders participated in the interviews, although only three of those funds are directly involved in policy advocacy. One interviewee, who described her fund's mission as "grants, advocacy, and education," said policy is "probably our biggest thing that we're doing." She described work to advocate legislation aimed at payday lenders — whose predatory practices can trap working women in a cycle of debt — as "one of our big initiatives. We started that last year and the bill didn't get out of committee, but we're going to try again."

One of the two interview participants not currently engaged in policy advocacy hinted that advocacy may be something the fund engages in down the road:

We have started to have conversations about [it] within the context of economic empowerment. [There] are things that we might be willing to start to advocate for. ... [A] paid family leave bill in our state legislature ..., some of the things are gaining traction across the country [such as] student loans ..., Those are things that maybe policy change could help.

Engaging in advocacy implies a desire to elicit greater support for economic security initiatives and policy change, as well as to achieve a wider-reaching and more lasting impact on women's economic security. However, greater transparency on websites is needed to understand what types of policies coalition members support and how successful they have been with their advocacy efforts.

Framework Development

The framework used by coalition members is specific to economic security. However, 11 of 28 coalition members do not use the phrase "economic security" to describe their grantmaking priority. A review of websites found 12 related phrases used by coalition members, the most common being economic empowerment and self-sufficiency.¹¹ (See Table 8.) In one interview, the implication was that the fund sees economic

¹¹ Descriptions are not mutually exclusive.

self-sufficiency as distinct from economic security:

[Our] mission is to build resources that lead to change so that every woman and girl ... achieves her full potential, and our interpretation of "full potential" has always been focused on economic self-sufficiency. ... In some cases, the conversation has been around economic security.

The concern is that different descriptions imply different meanings: Economic empowerment, for example, does not necessarily mean the same thing as economic security. It may be necessary for coalition members to articulate the connection by adopting the phrase "economic security." The lack of a shared description for economic-based funding may be a source of confusion for those wanting to support the efforts of Prosperity Together and other women's funds to advance women's economic security. Further research is needed to evaluate whether the various descriptions used are interchangeable, or distinct but interrelated.

Shared terminology implies a unified movement around a specific issue. Engaging in a collective effort to clarify terminology would also build on Brilliant's (2015) finding that collective identity developed across women's funds assists their efforts to mobilize resources.

Conclusion

The formation of a coalition is an act of organizing to more effectively create impact. Historically, women organizing as a larger movement have achieved advances in the rights and status of women. Prosperity Together represents a collaborative partnership of women's funds from across the U.S. for a common cause, and has been successful at bringing attention to a critical issue — economic security for women — and spearheading a more focused response from a larger group. While data suggest the coalition's members still operate more as individual funds than as a unified funding movement, Prosperity Together's investment of \$100 million

in the cause that drew its members together may inspire more women's funds to create more coordinated coalitions with deeper resources that can wield greater influence on policy and within philanthropy.

The mission and work of Prosperity Together are significant for other reasons. Only 3% of the wealthiest U.S. foundations grant specifically to women and girls (Foundation Center, 2013).¹² Some estimates show that only 7% of all foundation giving goes to this population (Atienza et al., 2009; Brilliant, 2015) and women and girls are the recipients of only 1.6% of all charitable giving (Mesch et al., 2019). Without funds like those that comprise Prosperity Together, the needs of women might remain largely overlooked by American philanthropy. Representation of this population in research is another aspect of this missing perspective: smaller and public grantmaking foundations, which describe most women's funds, are almost entirely disregarded in the literature of philanthropy (Anheier & Hammack, 2013). This study further contributes to research on gender-based perspectives and practices, including organizational perspectives, which are largely missing from the literature on foundations and women's philanthropy.

This study's findings help to fill gaps in knowledge about theories for advancing women's economic security and what philanthropic organizations are doing in that sphere. The broader framework that emerges from the examination of Prosperity Together embraces different grantmaking philosophies, funding approaches, and populations of women. Its members' use of different practices and perspectives toward a shared purpose presents a chance to build consensus around best practices and improve and expand funding efforts. The inclusive nature of this framework might be important to women donors who want to support diverse populations of women and their different needs and aspirations, but the framework and its impact may benefit from a clearer strategic approach and

¹² 2013 is the last year with publicly available data about funding to women and girls by the wealthiest U.S. foundations through the Foundation Center's website (now Candid).

The public policy advocacy work of the coalition has the potential to create wider social change due to policy changes affecting greater numbers of people. Additionally, the activities making up the framework used by the coalition aligns with multiple aspects of what the literature recommendations for supporting women's economic advancement.

implementation. This might be achieved through greater communication about practices.

The framework incorporates activities beyond grantmaking. The pursuit of research and policy advocacy by most Prosperity Together members suggest that these areas are key to their mission. Non-grantmaking activities by some coalition members signal that women's funds have expanded their efforts and organizational practices since their origins in the 1970s. Still, Prosperity Together's primary focus remains on grantmaking that advances women's economic security within local communities, an approach that may fall short by addressing symptoms more often than root causes.

Findings show that much of what coalition members are doing matches recommendations made by research. Data indicate that despite its broader social-change goals, the coalition does not actively or consistently challenge larger social structures and systems that oppress women economically. Programming details were too limited to address whether grantmaking gets at root causes of economic security. Reasons why

could include that coalition members are granting to organizations and programs focused on economic-security issues within their local communities rather than at a systemic level or that more time is needed to evaluate the impact of their funding.

The public policy advocacy work of the coalition has the potential to create wider social change due to policy changes affecting greater numbers of people. Additionally, the activities making up the framework used by the coalition aligns with multiple aspects of what the literature recommendations for supporting women's economic advancement. The similarities between Prosperity Together's framework and the literature on women's economic advancement may be important to donors looking to support approaches that have the perceived potential to create impact. Additional research and interviews with women's funds may help to determine how the work of women's funds might be challenging larger oppressive social structures.

In terms of the literature debate about whether foundations are change agents or maintain the status quo, this study found that coalition members are heavily focused on social change. At the very least, the intent of coalition members is not to help maintain things as they are but to make shifts toward greater gender equality through economic-security funding. For donors looking to support organizations seeking to create change benefiting women and other marginalized populations, women's funds appear to be good stewards when it comes to funding what they say they fund. However, programs funded by grants are primarily empowerment-based and have not necessarily produced systemic social change for women's economic well-being. To succeed in this regard may necessitate a greater number of women's funds joining coalitions and concentrating efforts on economic policy advocacy.

Coalition members differ from other larger foundations in their strategy to create change through women and their explicit focus on gender-based economic issues. This insight brings a much-needed gender lens to the

literature on economic-focused approaches to grantmaking. Additionally, this study contributes insights from a group of grantmaking organizations that publicly claim to practice grantmaking philosophies, which is an opportunity to explore how these philosophies are understood and carried out in practice.

Not all coalition members describe women's economic security in the same ways, which indicates the framework is open for further development. Clearer definitions can aid the evaluation of programs and general assessment of impact, and through a shared language may also help to strengthen the women's funding movement as a whole.

Research on women's funds, while growing, has overlooked organizational efforts to approach gender equality through women's economic security. For funds looking to more effectively capitalize on their relationship with women donors, the insights gained from this study are a call to action.

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Coherent Assistance in Education Improvement: How Foundations Can Help

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Keywords: *Coherence, grantmaking, partnership, collaboration, improvement*

Introduction

Efforts to address education improvement can suffer from incoherence (Elmore, 2004; McLaughlin & Mitra, 2001). Multiple projects are often going on in a district or school at the same time, and frequently with different foci, theories of improvement, methodologies, district champions, resources, and time horizons. As a result, improvement efforts often compete for time, attention, personnel, and other district resources. This is a complex problem, ripe for social innovation — and the sort of work that philanthropies seem well positioned to do.

Foundations appear well-suited to address this issue for several reasons. The problem is significantly challenging and ubiquitous, and impedes progress toward improvement in the education field. No government entity is working on making instructional improvement efforts more coherent, particularly when the efforts involve multiple organizations and agencies. Yet, philanthropic organizations can inadvertently contribute to the problem by funding programs that meet their goals but may not address the most pressing needs of school districts.

The Aligned Partners Project, a three-year study of an interorganizational collaboration to align the tools and services of three technical assistance organizations (TAOs) to meet one school district's needs, found significant challenges in developing coherent technical assistance (TA).¹ Our study examined the causes of those challenges and identified three grantmaking practices that could

Key Points

- Philanthropic organizations are experimenting with ways to support capacity building in order to scale innovations and leverage funding for greater social impact. Increasingly, philanthropies are also attending to their own organizational needs for learning in order to inform strategy, shape future work, and measure effectiveness.
- This article shares the lessons of the Aligned Partners Project, a three-year study of a foundation-funded interorganizational collaboration to align the work of three technical assistance organizations to meet the needs of one school district. It identifies challenges to providing coherent assistance as well as grantmaking practices that could address them.
- A foundation seeking to fund an education-improvement project is encouraged to work with all key stakeholders in the earliest stages to establish a learning agenda, hire a partner outside the project to facilitate that agenda's development, and involve district stakeholders in project goals and design. This article also argues for awarding research grants as a capacity-building strategy to support grantees and grantmaking organizations, and to yield greater impact in the field.

improve efforts to use TA to develop greater instructional coherence in school districts:

1. In the earliest stages of a project, the foundation should work with all key

¹ For the purposes of this article, we identify two dimensions of coherent TA: the ability of TAOs to co-produce a solution to the problem of separate and unintegrated TA offerings, and their ability to contextualize that assistance to meet a district's needs.

stakeholders to establish a learning agenda that includes each participant's goals for the project, and a governance structure that outlines clear roles, decision-making processes, and communication systems.

2. The foundation can hire a nonproject partner to facilitate this critical work and aid interorganizational communication. The funder of this study hired a research organization (the authors of this paper) to document and analyze this project as it occurred.
3. Before funding a project, the foundation should engage key stakeholders from the school district (e.g., school site and central office personnel) in developing the project goals and design; their contribution will be critical to developing coherence.

Learning From the Aligned Partners Project

The Aligned Partners Project investigated the possibilities for interorganizational partnership among three TAOs — organizations that provide specialized knowledge, skills, and expertise — as a way to contribute to greater coherence of improvement efforts within one specific school district (Jaquith & Chavez, 2020). Each TAO brought distinctive strengths and capacities to the project:

- the “teaching” TAO specialized in project-based teaching,
- the “assessment” TAO had skills in the development and implementation of performance assessments, and
- the “leadership” TAO had expertise in supporting the work of school district leaders to develop career-integrated, interdisciplinary courses of study.

The foundation funding the project had existing grants with each TAO and relationships with their executive leaders, and saw the potential

for these three TAOs, working together, to help the district develop the capacity necessary to transform teaching and learning for the benefit of students. Foundation leaders encouraged the TAOs to explore a three-way collaboration and invited them to submit a concept paper, which was circulated among foundation leaders and led to follow-up discussions and a formal proposal. Before making a final funding decision, the foundation initiated a site visit to the school district to discuss the project with district leaders and the TAOs.

Data collection for this qualitative study, which occurred in three phases, commenced shortly after the foundation awarded the first grant to the Aligned Partners Project and spanned the duration of the grant period plus an additional year. (See Table 1.) The chief purpose for data collection was to understand how the partnership progressed and to what extent the project was able to develop coherence in the district's efforts to support secondary teachers' use of project-based teaching and performance assessment methods. Data collection was both planful and emergent (Charmaz, 2014; Glaser & Strauss, 2006). We observed, interviewed, and collected relevant documents from the three groups involved in the project: the TAOs, the foundation, and the school district, including district and site administrators, staff, teachers, and students. (See Table 2.)

Data analysis was ongoing and led to the collection of additional data. To examine the data, we used the Four I's of decision-making (Weiss, 1995), an analytic lens that helped to illuminate the complex interplay among the partners' interests, ideologies, and information-sharing behaviors, and the broader institutional environment. This analysis revealed how hidden aspects of partnership work — personal relationships, trust, power, beliefs, and organizational and personal interests — intersect and influence actions.² For instance, organizational norms and beliefs about how TA operates or should operate differed among the individuals involved in the project and influenced the sort of information

² Social network analysis would be a useful analytic tool to use in future studies of interorganizational partnerships.

TABLE 1 Grant Activity and Project Timeline

Project Phases	Grant Activities
Project Design Summer 2015 – February 2016	<ul style="list-style-type: none">• Idea for multigrantee project emerges and concept paper is invited• Discussions among technical assistance organizations (TAOs) and school district and among foundation, TAOs, and district occurs• Formal proposal is submitted to foundation• Foundation and TAOs visit district to discuss proposed project• Foundation asks Stanford Center for Opportunity Policy in Education (Scope) to consult with each TAO about its potential role in Aligned Partners Project
Project Planning August 2016 – May 2017	One-year grants (with opportunity to renew) awarded to TAOs (Spring 2016) and to Scope (Summer 2016) TAOs: <ul style="list-style-type: none">• Work to develop aligned products and services• Hold three all-day planning meetings Scope <ul style="list-style-type: none">• Begin documentation of the project work• Share field notes from each planning meeting with TAOs• Prepare internal technical assistance (TA) memo, share with each TAO, and discuss contents
Project Implementation Summer 2017 – Winter 2018	Both grants renewed for the following year TAOs: <ul style="list-style-type: none">• 4-day TA workshop in district, Summer 2017• 1-day follow-up session in district, October 2017• 1-day follow-up session in district, February 2018 Scope: <ul style="list-style-type: none">• Prepares internal funder memo and shares with the foundation, August 2017• Prepares internal administrative memo and shares with district, June 2018• With district permission, shares internal administrative memo with TAOs and foundation, October 2018

Reflective Practice

they thought to share or seek out. The TAOs initially assumed that they had similar views of these less-visible aspects of partnership work. This assumption had consequences that affected the ability of the project to realize the partnership’s full potential.³

Our analysis of the project revealed many significant accomplishments. One accomplishment was that the TAOs, accustomed to working independently and in different ways, developed a service offering that integrated project-based teaching and performance assessment. The assessment TAO said, “This is the first time [the teaching and assessment TAOs have] done

something ... that’s truly aligned. ...We’re planning together. We’re implementing together. We’re delivering together.” Both of those TAOs have since used these integrated tools and services with other districts. In addition, after the project began the TAOs reframed their project goals in terms of the district’s needs, rather than in terms of their own organizational interests (Jaquith & Chavez, 2020).

Our study also identified three significant challenges the project faced in achieving its dual goals of aligning services among the TAOs themselves and with the particular strengths, interests, and needs of the district’s educators and students:

³ See Jaquith & Chavez (2020) for more discussion of how the TAOs reframed their goals.

TABLE 2 Data Collected and Outcomes By Phase

Project Planning (Year 1)	
Data Collected	<ul style="list-style-type: none">Detailed field notes and documents from 60 hours of in-person Aligned Partners meetings and monthly, hour-long phone calls (August 2016–April 2018)Analytic memos of 3 in-person Aligned Partners meetingsInterviews: Twice with representatives from each TAO; once with 7 district administrators
Preliminary Analyses	2 memos — 1 to TAOs and 1 to foundation — that highlighted patterns, synthesized themes, provided analysis of data collected to date, and raised questions for TAOs and the foundation to consider as project progressed
Project Implementation (Year 2)	
Data Collected	<ul style="list-style-type: none">Detailed field notes and documents from 6 days of TAO-led professional development (PD) sessionsInterviews with teachers, administrators, and instructional support staff at schools who attended the PD sessionsClassroom observations in 6 classroomsFocus groups with students in participating teachers’ classrooms
Preliminary Analyses	Administrator memo to the district with observations and questions about how teachers, administrators, and coaches participated in the Aligned Partners PD program and how they attempted to use the ideas, practices, and materials in their own work-place context
Follow-up (Year 3)	
Data Collected	<ul style="list-style-type: none">Interviews with executive leaders from each TAO and 3 foundation personnelFollow-up interviews with teachers and administrators at 1 schoolInterviews with 4 central office administrators with responsibility for instruction, teacher PD, and graduation defensesObservations of 12 graduation defensesInterviews with representatives from the assessment TAO and leadership TAO who supported the district graduation defenses

1. There was insufficient knowledge about and involvement with the district prior to the project’s start.
2. Each of the partners — the TAOs, the foundation, and the district — had different goals for the project, and none were aware of those differences before the project began.
3. The school district lacked the infrastructure to support its ongoing learning and experimentation with the project-based teaching and performance assessment methods — and the organizational partners had not

considered assistance to develop that infrastructure as part of the project.

Different conceptions of the TAO role contributed to these challenges (Jaquith & Chavez, 2020). Examining them might help a foundation identify ways to aid the development of more coherent TA.

The Work of Foundations

Foundations are a unique sort of organization. They are independent actors (Slater, Constantine, & Braverman, 2004), typically playing the roles of conveners, grantmakers, problem solvers, and social innovators. They also tackle some of

Reflective Practice

From the outset, the foundation wanted to learn from the Aligned Partners Project: In the words of its current president, it wanted “to learn alongside its grantees.”

our most complex and vexing social problems. Increasingly, foundations are experimenting with ways to support the development of needed capacity in the education field in order to bring innovations to scale and to leverage philanthropic dollars for greater social impact (Social Impact Exchange, n.d.).

In 2016, the Center for Effective Philanthropy (CEP) reported that most foundation CEOs believed a path to greater impact was to take advantage of their unique role to experiment and innovate, and to listen to and learn from those they seek to help (Buteau, Orensten, & Loh, 2016). These leaders identified three types of barriers to progress faced by foundations: internal challenges, the external context of the foundation's work, and a lack of collaboration. Each of these barriers is pertinent to our study.

For instance, some CEOs reported that finding highly qualified employees was a challenge. In our study, several foundation leaders also described personnel challenges, saying that the foundation took a hands-off approach to the Aligned Partners Project largely because it did not have program officers at that time with enough knowledge about the complexities of school districts to be particularly useful.

In terms of barriers involving the external context of the foundation's work, CEOs told the CEP of having too few resources for the enormity and complexity of the problems on which they focused, particularly those related to underlying systems that needed to change (Buteau et al., 2016). The Aligned Partners Project grant

represented a small portion of the foundation's limited portfolio. With this barrier in mind, the project can be viewed as a philanthropic experiment, helping grantees to collaborate on a systems problem and creating learning opportunities for future attempts at supporting interorganizational collaboration.

In this way, the project addresses the third barrier described by foundation CEOs: widespread lack of collaboration. In general, grantees are reluctant to collaborate with each other and foundations are often unwilling to collaborate on projects. Notably, a third of those surveyed by the CEP said more and better collaboration is a key strategy for helping foundations address society's future needs (Buteau et al., 2016). Understanding the barriers foundations face is instructive not only in the case of the pioneering work of the particular foundation that this article examines, but in underscoring the need for foundations to forge practices that support collaboration, innovation, and learning in order to do their best work at solving social problems.

Grantmaking to Foster Coherence: A Step-by-Step Approach

Drawing upon the successes and challenges of the Aligned Partners Project, how can foundations approach grantmaking — particularly prior to funding, during the project design phase — to make it more likely that projects develop coherence and grow capacity in the field?

Plan for Intentional Learning

From the outset, the foundation wanted to learn from the Aligned Partners Project: In the words of its current president, it wanted “to learn alongside its grantees.” The foundation's president serving at the start of the grant recalled that regardless of the success or failure of the project, the foundation wanted “to really understand what happened. What worked? What didn't work? What did we learn? How did things emerge and change?” The foundation also thought that providing formative information to the TAOs and to the district as the project unfolded might assist them in realizing the project goals. So it awarded a grant to Stanford

University's Stanford Center for Opportunity Policy in Education (SCOPE), a research organization that specializes in documenting ongoing efforts to provide in-the-moment feedback to the people doing the work as it occurs.⁴

As part of the planning for intentional learning, SCOPE and the foundation determined that SCOPE would document the collaboration among the three TAOs, document the implementation of the TA work in the school district, and provide formative memos about the unfolding work to the TAOs, the district, and the foundation. SCOPE discussed its project documentation role with the TAOs and the foundation prior to project funding and invited input from both about how it could best support each partner's learning in and from the work they were doing. All the partners expressed interest in the opportunity to learn from the work as it progressed and thought that SCOPE's role had the potential to reveal blind spots that could help them improve their individual and collective work.

The researchers made the project's work visible to all the partners at various points in the process by creating opportunities for the partners to reflect on their work in conversations and interviews, and by sharing field notes and memos that highlighted emerging themes, questions, and observations pertinent to the project's stated goals. At the end of the first year, SCOPE wrote two memos — one for the TAOs and district, the other for the foundation — that noted patterns, synthesized themes (e.g., the varied organizational interests of the TAOs and the district), provided an analysis of the data collected to date, and raised questions to consider as the project progressed. SCOPE also made several visits to the district to talk with school and district administrators about the project and what they were hoping to gain from their participation. At the end of year two, the implementation year, SCOPE wrote a memo for the district with observations and questions about how teachers, administrators, and coaches participated in the project's professional development (PD) program

Foundations can make it more likely that an education improvement partnership will succeed by involving school districts in the earliest stages.

and how they used its ideas, practices, and materials in their own workplace context.

Although SCOPE's roles were clear from the outset, in hindsight it is also clear that giving some advance thought to how project partners might plan to discuss and make sense together of the researchers' observations and questions would have been useful. As one of the partners expressed in a conversation with the researchers, "The synthesis was really powerful and important, and I'd like to think about how we can actually use that to guide our reflections and support our work while we're in it."

As the project progressed, we learned that providing information and insights is not the same as helping people to make use of them. Therefore, if a foundation is going to make a significant investment in partners' learning, the design phase should include asking the project partners not only whether they would like feedback, but also how they plan to use that feedback as they proceed.

Involve the School District at the Beginning

Foundations can make it more likely that an education improvement partnership will succeed by involving school districts in the earliest stages. The Aligned Partners Project did not involve the district at the outset of the design phase, which created some barriers to the success of the project.

During the design phase, the foundation requested a meeting with the district representatives and the members of the three TAOs, but

⁴For a full description of Scope's work, see <https://edpolicy.stanford.edu/whatwedo>.

Organizations decide to participate in projects and partnerships based upon their strengths, interests, and needs.

at that meeting the district was not asked about its goals for the project. A leader from one of the TAOs recalled that the meeting was “pretty unsatisfying and confusing.” From the district’s perspective, the meeting’s chief purposes were to persuade the foundation to fund the TAOs’ work and to learn whether the district would be the test site for that work.

“I didn’t know who was pitching to what,” one district administrator said. “It was obvious ... we had a lot of needs and we could use assistance, but [the conversation] was more about what [the foundation was] willing to fund.” By the time the TAOs developed their aligned tools and services, the district had forgotten that the project had received a grant and that work had begun. “That first year,” the administrator said, “it was more about the conversation that happened between [the TAOs]. ... It was just conversations that didn’t involve us.”

An observation by a representative from one of the TAOs may help explain this lack of early engagement: Districts tend to appreciate “free support ... that [they] otherwise might have to pay for.” While they may sometimes sign on to projects that are only loosely connected to their needs, it is not a practice that leads to coherent improvement efforts. The district’s interests could have been incorporated into the project design and budget if it had been involved and consulted from the outset.

Thinking back to the project’s design phase, a foundation director recalled that “this trio of providers had articulated clearly the goals of the district.” In retrospect, however, the director realized that the foundation did not solicit the district’s thoughts and expectations directly from its representatives:

Here’s what we should have done: Go to the district and go to the sites that are working with these folks. Talk to the principals and talk to the assistant superintendent. Really understand, from their point of view, what the highest value would be for investment.

Furthermore, districts should be asked to consider which of their stakeholders should be involved in the design phase. The people best positioned to speak for the district’s strengths, needs, and interests are often those with the power to allocate resources (time, money, expertise, and materials), the authority to direct educators’ attention, and knowledge of how goal-setting and decision-making occurs both at the central office and inside the schools. The districts should be relied upon to identify where these capacities reside (e.g., superintendent, director of curriculum and instruction, principal supervisors, principals, and teachers).

Identify the Interests of All Organizations Upfront

Organizations decide to participate in projects and partnerships based upon their strengths, interests, and needs. Xavier Briggs notes that “partnerships (or strategic alliances) allow us to tackle hard problems together and ‘co-produce’ solutions” (2003, p. 1), and describes partnering as a strategy for delivering value. When considering collaboration on a project, therefore, potential partners need to understand one another’s interests in order to make an informed decision about whether participating might be a way to deliver value — to one’s own organization and, perhaps, to society. This didn’t happen in the Aligned Partners Project. Instead, each of the TAOs remarked that they had made assumptions about each other and how they would work. “We’re philosophically aligned,” the leadership TAO recalled thinking. “We can do this. We’re friends.” A member of the teaching TAO said,

Did we all just think, “Hey, we’re going to all work in this space together. We’re going to do what we do, and we’re going to figure out how that works or doesn’t work,” instead of being intentionally design driven to say, “OK, we do certain things individually, but we’re going to collectively need to

be different in this effort, and how do we need to be different”?

The more organizations involved in a partnership, the wider the set of organizational interests a project presumably needs to satisfy. Therefore, if foundations are going to support interorganizational collaborations, it is a good idea to develop a project design process that helps all potential partners, including the foundation, have conversations about the organizational interests that are motivating their participation. Looking back on the Aligned Partners Project, the foundation director said, “I didn’t really interrogate the motivations.” In this case, that would have required conversations focused on the relational aspects of the planned work — how much trust a grantee has built and how a grantee plans to spend its time in the district — rather than on gathering technical information about the number of schools participating or the number of PD meetings planned.

Each organization involved in the Aligned Partners Project had its own reasons for participating. Without advance discussion about each of their underlying interests and motivations, it is not surprising that ultimate goals for the project differed. The teaching TAO said its initial goal was “to revise our three-day, project-based teaching professional development offering” to meet the needs of teachers in career-focused courses of study, and to consider ways to use the new offering with other districts. The assessment TAO said it wanted to understand how valuable and marketable the integration of the TAOs’ respective services might be to see “if we succeed in finding a way in which our services ... need each other,” and saw an opportunity to respond to the acceleration and growth of school districts’ interest in project-based teaching, performance assessment, and career-themed courses of study. The leadership TAO’s interests were “around leadership development” and creating “the leadership capacity conditions to support changes in teacher practice.” It also wanted to explore the possibility that their tri-organization collaboration would be more beneficial for a district than each TAO’s individual, discrete assistance offerings: Because of their expertise in performance

The more organizations involved in a partnership, the wider the set of organizational interests a project presumably needs to satisfy.

assessment and project-based teaching, would involving the other two organizations in its systems-change efforts help the leadership TAO do its work better?

Meanwhile, the foundation’s primary interest was “this question of systems,” its president said: “How is the system of [TAOs] working together, or not, to support the district’s goals?” The district’s strengths, interests, and needs were central to the foundation’s goals, yet they were either absent from or ancillary to the project goals identified by the teaching and assessment TAOs. Indeed, throughout the project the assessment TAO often framed it as an “opportunity for R&D ... to develop materials for the broader field.” A member of this TAO viewed the project’s purpose as supporting the development of aligned tools for “the unknown and unnamed districts that come after.” This member said, “That’s the hugely philosophical difference that was always at the heart of this The [leadership TAO] would never accept the fact that this project was not about this particular district; it was about districts in general.” This statement also makes clear that the assessment TAO did not understand that the foundation’s interest in the project was to learn how or if TAOs could directly support district goals.

Ultimately, each organization’s interest in the project was influenced by its own mission, perception of its internal capacity, and ways it conducted its work. Once the project proposal and budget were complete and the grant awarded, it was not easy to revisit and refine the project goals for any of the organizations, although significant time and well-meant effort was spent attempting to do so.

Establishing two-way communication among all partners is critical for sharing information and understanding organizational interests, both of which can help establish interorganizational trust and foster greater coherence.

Establish Communication Mechanisms Among All Partners

Establishing two-way communication among all partners is critical for sharing information and understanding organizational interests, both of which can help establish interorganizational trust and foster greater coherence. Developing a governance structure at the project's outset for communication and decision-making is important. While choosing one organization to be the chief spokesperson for the Aligned Partners Project seemed like a good way to streamline communication, we found that doing so created problems for the relationships between the TAOs and the foundation and between the TAOs and the district.

The foundation's goals for the project were not clearly communicated to the other partners. Early on, a district administrator expressed a desire for "more clarity" on why the project was being funded; the assessment TAO reported never having "direct conversations with the foundation about ... what they were hoping to accomplish." The foundation was chiefly concerned with meeting the district's goals, while two of the TAOs had different priorities. At the conclusion of the project, the assessment TAO said, "One of the things that has been trickiest about aligning on this project has just been people's understanding of the boundaries and ... rationale behind the project." This TAO believed that the three organizations could have better accomplished their goals — developing tools that

aligned — if they had collaborated on a theory of alignment before identifying the district partner, because that could have enabled the selection of a district better suited to test their theory. This perspective underscores the fundamental disconnect between the TAOs' understanding of the project's purpose and the foundation's goals. Such misunderstandings may have persisted because there was insufficient communication among the TAOs, the foundation, and the district. Working effectively in partnership takes time and energy; funders, therefore, need to be prepared to invest in that time and energy.

Another breakdown in communication occurred when the assessment TAO, in its effort to better understand the district's performance assessment needs and to determine what tools could be useful, initiated its own one-on-one visits with district representatives. Although the assessment TAO informed the full team about these visits — and, indeed, the visits provided important information — a significant and overlooked consequence of the visits was that the teaching TAO became the only partner not talking directly with the district. After the project concluded, a leader of the teaching TAO said,

The frustrating part ... was around the leadership work and the fact that we didn't have access to school or district leaders as much as we would normally in a partnership. This really compromised our ability to customize the curriculum for teachers the way we needed to and to ensure that teachers were going to get the support that they deserved.

Ultimately, communication needed to flow among the TAOs themselves and among the TAOs, the foundation, and the district. Without more thorough conversations about what would be required for the district to use and learn from its use of the Aligned Partners tools, the roles of each organization were underconceptualized, underdeveloped, and, perhaps, underresourced.

Identify Organizational Roles that Best Serve Project Goals

If goals are more thoroughly discussed with all participating organizations before a project

begins, then the roles each organization can assume in the project become clearer. In the Aligned Partners Project design phase, the leadership and teaching TAOs discussed with each other which of their organizations would best be positioned as the grantee and the project's fiscal agent. Although both executive leaders reported thinking the leadership TAO might be best positioned to play this role, they opted for the teaching TAO because, they decided, that organization would be more likely to be awarded the grant — not the best basis for a role assignment. That this was the motivation — even in this collaboration, where all organizations had relationships with the foundation — underscores the need for a reimagined design phase that creates opportunities for participants to discuss such questions openly and to establish mechanisms for routine sharing of information among all partners.

In the design phase, foundations and potential project partners should explore together who from each organization will be involved in the project and how, if at all, executive-level leadership from each organization will be involved. If one of the goals is to change the nature of an organization or its work products (i.e., its fundamental interest), then high-level leadership needs to be knowledgeable and supportive as decisions are made. At minimum, executive-level leaders need to be kept informed about the evolving interorganizational dynamics that will occur in a multiorganization collaboration. Such discussions provide the following:

1. an opportunity for the funder and the organizations' leaders to determine how best to connect grant resources to the project goals;
2. the space to define reasonable expectations for each partner's commitment and effort, as well as the capacity to make institutional decisions for the duration of the project;
3. a greater likelihood that the funder and project partners have a shared

Before a project is funded, it will be useful to determine how the TAOs will work with school and district leaders to help identify and develop conditions that will enable the best use of project resources.

understanding of what successes will look like, how to attain them, and how to assess progress; and

4. a channel through which to address the common, ongoing disagreement within the field of philanthropy about the definition of impact and what it means to impact a system.

Help Schools Develop an Infrastructure for Ongoing Learning

Before a project is funded, it will be useful to determine how the TAOs will work with school and district leaders to help identify and develop conditions that will enable the best use of project resources. While district leaders are ultimately responsible for creating these conditions, they might benefit from some outside assistance.

Questions to consider include: Who from the district should the partners talk to? Who knows the district's strengths, needs, interests, and concerns? Who is best positioned to provide logistical and practical support to the TAOs for working with the district and coordinating services? And, finally, who will provide political leverage for sustaining the work in the district after the project concludes?

The design phase is also the time to determine the in-kind contributions the district can make to the project. This requires the district to clearly understand the project's aims and examine its own goals for TA.⁵ Asking the district for specific

⁵ See Jaquith & Snyder (2019) for a tool that can help districts fit TA to their goals.

examples of its commitment to the project will be useful to the project and to the district itself. Will it fund a portion of teachers' or administrators' time to attend PD that is offered as part of a capacity-building effort like the Aligned Partners Project? How will the district identify and select project participants? Will it convene and support school leaders and coaches to provide ongoing support to the project's PD participants? Will (and should) the district involve people with a range of school and central office roles in identifying its strengths, interests, and needs with regard to the professional resources the project will provide? And, finally, what will the district do to support and sustain the use of these resources? Questions of this nature, posed to the organizational partners, can also help signal the foundation's goals for the project.

Conclusion

A funding strategy that seeks to develop capacity in the field by helping to forge mutually beneficial interorganizational collaborations seems to be a promising way to grow and sustain the benefits of an education improvement project. In such collaborations, foundations can play an important brokering role in the development of relationships among TAOs, between the TAOs and their school district partner(s), and among TAOs, districts, and the foundation. The strength, quality, and nature of these relationships will be critical to the success of such complicated and dynamic projects, and investing in opportunities to discuss project goals pragmatically and honestly with all participants early on is a worthwhile investment.

As changes are inevitably introduced, the needs of participants will evolve. Therefore, continuous capacity for open and direct communication among the project partners is essential. Funders can take a number of steps to support the development and maintenance of these relationships over the project's different phases:

- Determine each organization's role, how the partnership will be managed and governed, the necessary internal capacity of each organization to assume its role, and the decision-making authority of organizational actors.
- Specify what successful implementation looks like from each organization's perspective.
- Clarify communication mechanisms among project partners, between partners and the district, and between the project and the funder.

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Lessons From the Assessment for Learning Project: Strategies for Building an Authentic Learning Community

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Keywords: Learning community, learning networks, assessment for learning, demonstration of learning, learning agenda, collective leadership, experimentation, innovation, reflective practice, funder-grantee relationships

Introduction

There is clear evidence in education, business, and philanthropy that innovation and complex problem-solving require regular reflection and learning from successes and challenges (Ashford & DeRue, 2012; Ellis, Carette, Anseel, & Lievens, 2014). This skill is vital for foundations and grantees because the complex challenges that philanthropy addresses require pioneering strategies and solutions, honed through collective trial and error (Applebaum, 2017). Even as a growing number of funders argue that solving our most pressing social challenges require strategies that embrace vulnerability, transparency, and iterative problem-solving (Bryk, Gomez, Grunow, & LeMahieu, 2015; Maxwell, 2007), it has been difficult to create a culture where grantees feel safe to talk about their hard-earned lessons (National Committee for Responsive Philanthropy, 2018).

Obstacles to creating a learning culture are plentiful. Patrizi, Heid Thompson, Coffman, and Beer (2013) identified three “traps” that “hamper foundations in advancing the kind of robust learning needed to guide strategy” (p. 50): (1) linear theory of change models, which limit space for complexity and uncertainty; (2) funder distancing from the strategies being tested, making learning and adaptation difficult; and (3) allegiance to performance indicators tied to the theory of change that “distract foundations and grantees from asking and exploring more salient questions” (p. 57). Even if funders strategically sidestep these traps, power dynamics and reporting requirements often inhibit grantees from

Key Points

- This article explores findings from an evaluation of the Assessment for Learning Project, a grantee engagement strategy led by the Center for Innovation in Education focused on creating a learning community founded in continuous reflection and safety for risk-taking. The article shares the project’s model and approach, grounded in the core design elements of a field-facing learning agenda, grantmaking that leads with learning, and collective leadership.
- This article highlights the Assessment for Learning Project’s practices, such as a Request for Learning rather than traditional Request for Proposals; a requirement that grantees provide formative feedback to each other; and public demonstrations of learning in lieu of traditional reporting. And it explores how the project’s design helps flip the script on expertise by encouraging grantees to draw on one another for support and how it promotes a culture of experimentation that deepens learning relationships.
- Finally, this article points to the role of the project’s leadership team in modeling reflection and vulnerability, co-designing with grantees to bolster their leadership, and expanding its network by strategically connecting grantees to the broader field via a common learning agenda.

sharing their challenges, key learnings, and mid-course corrections (Pritchard, 2013). Because the prospect of losing funding is a constant threat, there is an incentive for grantees to “perform” for funders, avoid risk-taking, and rely on pre-existing approaches, missing the opportunity to innovate, reflect, and learn from their experiences (Center for Effective Philanthropy, 2016).

This article explores findings from the evaluation of the Assessment for Learning Project (ALP), an initiative that pivots away from the more traditional models of grantmaking and philanthropic learning. Led by the Center for Innovation in Education (CIE) at the University of Kentucky, ALP focuses on supporting educators to rethink the role of assessment in student learning. The project has applied knowledge and best practice from the field of education and learning sciences around how to support student growth to its own grantmaking processes, in order to promote a culture of continuous reflection and learning (Ancess, Rogers, Grand, & Darling-Hammond, 2019). This article describes ALP’s approach to grantmaking and lifts up lessons learned that other grantmakers can use to support innovation, iteration, and honesty among their grantee partners.

Launched in 2015 with support from the William and Flora Hewlett Foundation and the Bill & Melinda Gates Foundation, ALP is co-led by CIE, Next Generation Learning Challenges (NGLC), and 2Revolutions. The project provides funding to teams of educators across the United States working in public and charter schools, small and large school districts, state education agencies, and education networks and intermediaries that want to fundamentally rethink the role that assessment plays in student learning. Through ALP, grantees have access to personalized coaching and technical assistance (TA), thought partnership from field leaders, and a robust nationwide network of like-minded colleagues collectively working to rethink assessment — the ALP learning community.

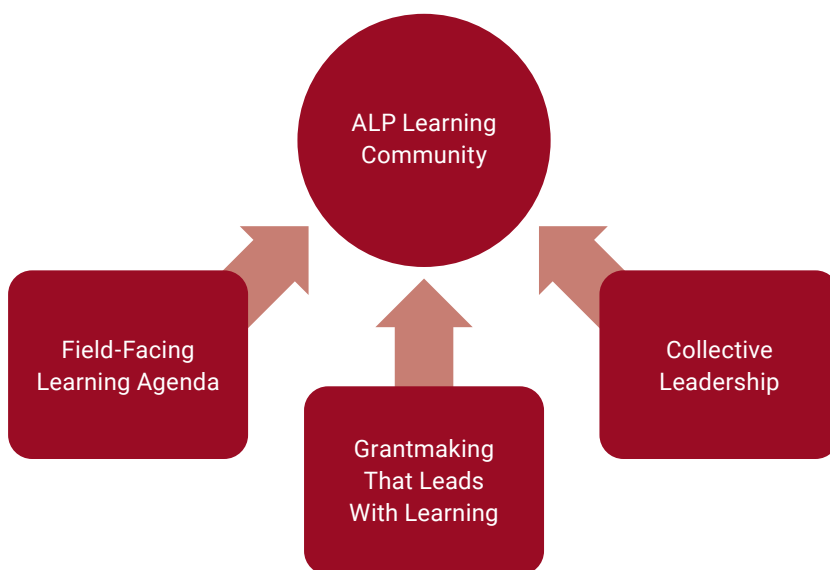
ALP’s Strategy and Approach

The project’s strategy and approach is guided by a set of hypotheses about how to avoid the

The project’s strategy and approach is guided by a set of hypotheses about how to avoid the “traps” that commonly detract from strategic and reflective learning in philanthropic initiatives. These hypotheses, intended to support field-level innovation and change more effectively, were articulated by ALP leaders at the onset to shape the project’s overall design.

“traps” that commonly detract from strategic and reflective learning in philanthropic initiatives. These hypotheses, intended to support field-level innovation and change more effectively, were articulated by ALP leaders at the onset to shape the project’s overall design. A select sample follows:

- If we have a different type of funding process, where dollars incentivize learning and support full-cycle thinking, then we will have higher-impact investments.
- If we organize and manage our work around a field-facing learning agenda, then we can more effectively support grantee efforts and have a greater influence on the field.
- If there is a range of expertise and perspectives guiding the project, then the partnership will foster productive debate and yield new approaches.
- If we design convenings as peer-learning experiences, then grantees will build stronger connections between projects

FIGURE 1 Core Design Elements of ALP

and stronger relationships as a learning community.

These hypotheses led to the development of ALP's core design elements: a field-facing learning agenda; grantmaking that leads with learning; and collective leadership — all of which, in combination, support the ALP Learning Community. (See Figure 1.)

Field-Facing Learning Agenda

At the heart of ALP is a field-facing learning agenda that grounds all aspects of the project, from design to execution.

A learning agenda is an alternative to an initiative logic model, which articulates a pathway to desired, often externally imposed outcomes. Instead, the learning agenda presents a set of core questions for the field and is based in the theory of emergent learning, which “can be used to support both adaptive and emergent strategy, but is designed specifically to expand agency” (Darling, Guber, Smith, & Stiles, 2016, p. 64). In this way, the learning agenda offers a framework around which ALP, its grantees, and the learning

community are organized that presents opportunities for grantees to engage in deep inquiry that can meaningfully contribute to their own evolution, ALP's strategy, and the broader field. As Jeff Heyck-Williams, from grantee Two Rivers Charter School in Washington, D.C., observed,

[In] the traditional paradigm ... we have a logic model and all of these deliverables. It feels like we're filling in boxes and it's secondary to our learning. [ALP] has given me opportunities to learn deeply about how to solve this problem around assessment and realistic avenues for reporting on that: Writing in a blog or presenting at a conference are both things that are really valuable for me to synthesize and to share my learning.

ALP's learning agenda consists of the following set of core questions:

- How can assessment support a broader definition of student success?
- What assessment practices most effectively empower students to own and advance their learning?

- How can we most effectively build educator capacity to gather, interpret, and use evidence of learning to enhance instruction?
- How does assessment for learning inform broader contexts of accountability, policy, and systems design?
- How can we pursue equity through assessment for learning?

Instead of a classic proposal, ALP asks grantees to produce a unique learning plan — a set of questions for the field they intend to answer — tied to the overall learning agenda. It invites grantees to be ambitious, take risks, and experiment with strategies they have not tried before. Because learning itself is the core objective of ALP, grantees’ deviations from their original project goals is not a problem, but rather a learning opportunity. A core benefit of the learning plan is that it does not limit grantees to prefabricated solutions, but instead encourages them to expand their field of vision and experiment with different approaches. As Justin Wells from Envision Learning Partners, another grantee, said, “The problem with the deliverable approach is that it forecloses the imagination [because] you have to think in advance as to what the particular solution is going to be, before you’ve wrestled with the full nature of the problem.”

Instead of reporting progress toward predetermined metrics, ALP grantees report on their progress toward answering the questions outlined in their learning plans. To the degree possible, these demonstrations of learning are public to an authentic audience, mirroring a central principle of assessment for learning (ALP, 2019). For example, grantees have shared their learnings in Education Week blogs, at education conferences, and with one another in learning community gatherings. Grantees often collaborate on presentations of learning, and have worked with ALP leadership to create resources for the field tied to the learning agenda. One example of this is an exhibition of student voices — a compilation of audio recordings of students from each grantee’s learning environment

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speaking about what assessment for learning means to them.

Grantmaking That Leads With Learning

Building upon the body of knowledge around investing in impactful collaboration, ALP seeks, as described by Wei-Skillern and Silver (2013), to “focus on mission ..., manage through trust ..., and build constellations” (p. 121). The project’s grantmaking process has therefore been designed to foster trusting relationships between grantee organizations and between grantee and funder, which in turn creates the space for both individual and mutual learning and reflection. The assumption was that requiring applicants to demonstrate an interest in and capacity for this type of reflection would filter out organizations seeking to do “business as usual,” shift the funder-grantee power dynamics that inhibit innovation and sharing of lessons, and accelerate the generation of new knowledge for the field. Furthermore, the project sought to use a three-part, iterative funding strategy to slowly expand the network in phases while helping to close key gaps in the learning agenda:

1. *Request for Learning (RFL)*: In 2015, ALP released an RFL inviting proposals for projects that would support educators in “fundamentally rethinking the roles that assessment should play to advance student

The leadership structure of ALP was created through two interrelated assumptions. First, bringing together partners with diverse perspectives would foster productive debate, which would create the conditions for new and innovative approaches to funder leadership. Second, to be grounded in its own principles of assessment for learning, ALP's leaders had to "walk the talk" by engaging in their own cycle of reflection and learning.

learning." Unlike a traditional request for proposal, the open RFL invited applications from organizations that "possess a learning orientation" and seek to create transformational, rather than incremental, change. The RFL asked "that grantees enter into this work with a strong learning disposition, a readiness to be candid within the network about what you are learning from your own work, and a sense of shared collective purpose." ALP received 145 applications and used a common rubric to score the proposals on various criteria, including testable ideas, demonstrated learning stance, and readiness for transformation. Forty semifinalists were selected and reviewed by expert review panels, and the 17 final grantees fell into "learning constellations" centered on certain key aspects of ALP's learning agenda, with testable hypotheses on how to address the most pressing problems faced by the assessment field.

2. *Concept paper and peer review:* Two years later, ALP invited a subgroup of the first round of grantees that were ready to scale their innovations to submit a concept paper on "driving scalable, sustainable impact in complex systems." These 12 grantees were asked to go deeper on issues of systems change and equity related to assessment for learning. The project asked grantees to identify the driving questions that they would explore, describe key reflection and learning milestones, and develop a formative reflection group with whom they could test their ideas and learnings. Members of each grantee team convened in Summer 2017, went through a feedback and revision process in which they provided peer feedback on one another's concept papers to enhance their collective work, and received support from ALP coaches to deepen the thinking in their proposals. This meeting not only strengthened the concept papers, it launched discussions around areas of intersection across grantee organizations. Many of these grantees identified it as a powerful learning opportunity that shifted their relationships with others in the learning community. When ALP "said, 'We want you to give each other feedback,' [it] was incredibly powerful," recalled Nancy Gerzon of WestEd, a grantee. "We had to use the feedback and put it into our proposal and say what we would do differently. ... It opened the door for new conversations."
3. *Microgrant RFL and Assessment for Learning Self-Reflection Tool:* In 2018, the project opened an opportunity for school districts and nonprofits to receive a "microgrant" to join the ALP learning community. As part of the application, organizations were asked to assemble a team and use a Self-Reflection Tool created by ALP to discuss their current assessment practices and reflect on gaps and areas for growth. ALP intentionally made this discussion a requirement of the application so it could understand each organization's willingness and readiness for critical self-reflection. When asked later about their experiences of using the

tool, microgrant applicants indicated that the discussions helped their teams to think more deeply about their current assessment practices, and to acknowledge needed cultural shifts to implement true assessment for learning. The Self-Reflection Tool also presented an opportunity to bring together people from across systems to have common conversations with common language. “The tool helped us reflect and focus on specific areas where we have strength and needs,” said Lora Shields of Shelby County Public Schools, a micrograntee in Kentucky. “It helped us think through what we could lead ourselves and what we needed learning partners for.”

Collective Leadership

The leadership structure of ALP was created through two interrelated assumptions. First, bringing together partners with diverse perspectives would foster productive debate, which would create the conditions for new and innovative approaches to funder leadership. Second, to be grounded in its own principles of assessment for learning, ALP’s leaders had to “walk the talk” by engaging in their own cycle of reflection and learning. Having different perspectives at the leadership table was intended to be a vital catalyst for this cycle of learning.

To test those assumptions, C!E assembled a diverse group of leaders in the education field to steer and implement the project. It partnered with NGLC to lead the grantmaking and coaching aspects and 2Revolutions to serve as a design partner. C!E also recruited several education leaders — researchers, policymakers, and funders — from across the country to serve as an advisory group and provide feedback on the project’s early design. Over the course of the initiative, the eight individuals comprising the core ALP leadership team created the RFL, decided upon the learning agenda, made granting decisions, designed experiences for the learning community, and more.

Through regular virtual meetings and multiday retreats, the leadership team grappled with issues related to the design and execution of ALP. These

meetings provided ongoing opportunities for sensemaking, as the leaders reflected on the progress and challenges of their grantees and on what they themselves were learning about assessment and systems change. As a group, the leadership team invested early in building trust and creating the environment for honest exchange and feedback. The variety of perspectives at the leadership table means that differences of opinion are common and welcomed as productive tension. ALP’s learning stance also means that the leadership team takes its own risks and reflects upon its own missteps, both inwardly as a team and outwardly with grantees.

Importantly, the distributed leadership model is also mirrored by ALP’s own funders. Having two foundations engaged as partners in the initiative leads to its own productive tensions and opens up possibilities for demonstrating success that do not need to be strictly tied to either funder’s typical measurement and learning protocols.

The ALP Learning Community

Each design element is in service of the ALP learning community, which continues to expand as new stakeholders join the movement to rethink assessment. The learning community is comprised of a cohesive, yet expanding, group of education professionals — grantees, micro-grantees, and others in the field — seeking to grow their own and the field’s collective knowledge about assessment and its role in supporting learning for students and teachers.

Although the activities weaving together the learning community are common features of many foundation initiatives, the evaluation has found that the infusion of a learning orientation alters the structure of these activities and the ways in which participants engage. In the case of ALP, features of the learning community have contributed to a culture where grantees step into leadership and express a sense of investment and ownership in the community. This type of grantee leadership is itself a primary goal of ALP, which hopes ultimately to create self-reinforcing momentum within the field.

[C]apacity building through ALP evolved into a peer-driven model, where grantees in the ALP cohort provide TA, formative feedback, and thought partnership to one another; these individuals come from organizations already in the TA business, and also from organizations such as schools and districts implementing innovative practices.

Peer Learning Experiences

ALP's emphasis on peer learning experiences promotes grantee leadership while also building strong relationships between individuals and organizations.

Since 2016, ALP has held an annual, in-person meeting that provides opportunities for grantees to share progress on their learning plans and grapple with problems of practice. These convenings, which receive consistently high participant ratings, have expanded from 36 participants in 2016 to 420 participants in 2020 as the ALP network and community have grown. Convenings have included grantee presentations of learning, a design thinking lab, the student voices exhibition highlighting student reflections on assessment from across all grantees, and recently took the form of an Assessment for Learning Conference co-designed by grantees and open to the broader field.

ALP also supports virtual learning groups on assessment issues and grantee-led webinars, which have explicit ties to ALP's learning agenda. Dawn Kau'i Sang of the Hawaii Department of Education, another grantee,

explained, "The design of the convenings forces you into conversations as a network so that you learn from each other and you can see things through other people's lenses." She added:

As we've learned together as an ALP community, one of the things that I appreciate most is the ability to have this feedback loop, even if only once a year. ... [ALP] helps us to broaden our thinking around the work that we're trying to do so that it has that essence of assessment for learning embedded in our work. ... There's continuously an iterative cycle for me and the work that we're doing here, but also as that work lends to the larger conversation within the ALP group.

Demand-Driven Technical Assistance and Coaching.

In its initial phases, ALP amassed a list of experts and TA providers available for grantees to draw upon for TA and coaching. However, it soon realized that this support was underutilized, partly because grantees felt more comfortable reaching out to their peers and ALP leaders than to high-profile field leaders.

With this recognition, capacity building through ALP evolved into a peer-driven model, where grantees in the ALP cohort provide TA, formative feedback, and thought partnership to one another; these individuals come from organizations already in the TA business, and also from organizations such as schools and districts implementing innovative practices. The ALP grantees have invited their fellow cohort organizations to come to their learning environments and present on topics or conduct workshops with their staff. Tony Monfiletto, from grantee Future Focused Education, observed:

It was super helpful for us to learn about an assessment model in [another grantee's context]. ... For us to learn in a practical way how it was done has been very helpful because it's helped us think about our own critical path to getting there through their example.

Grantee Co-Design and Leadership

Since the beginning of ALP, co-design processes between initiative leadership and grantees have been baked into the project's design, including

development of ALP's principles of assessment for learning, creation of the student voices exhibition, and blogs and thought pieces for the field.

As grantees have gained an expanded sense of ownership over the project and its future, they have gradually taken on more leadership in the design of the ALP learning community itself. One example of this is the 2020 Assessment for Learning Conference, for which grantees led the development of the conference design, curated the four primary conference strands, and presented at the majority of the conference sessions. As ALP looks to the future, the leadership of grantees will become increasingly central to carrying forward the movement for assessment for learning.

The Evaluation: Key Findings

Understanding the role that evaluation plays in service of strategy (Price, Reid, & Leahy, 2019), in 2017 ALP hired Social Policy Research Associates and the Stanford Center for Opportunity Policy in Education to serve as its evaluation and learning partners. The formative and developmental evaluation findings presented in this article are focused on (1) assessing how ALP's unique model advances scalable and sustained change, and (2) identifying how the project develops grantees' capacity to catalyze meaningful change.

With the principle of "embedding strategic learning into everyday work" (Price et al., 2019, p. 112), the evaluation focuses on formative feedback to help strengthen ALP and surface real-time learnings as they emerge. In service of this goal, the evaluation includes three rounds of in-depth telephone interviews with all grantees and micrograntees, leadership team members, advisors, and others in the field; observations of ALP convenings, coupled with surveys of convening attendees; observations of all leadership team meetings and virtual learning opportunities for grantees; periodic online pulse surveys to capture how grantees are progressing toward their learning goals and their challenges; and site visits to specific grantees to observe ALP-related activities. Because the project seeks to grow the assessment for learning field, the evaluation also includes an annual social network analysis

Grantees note that a learning stance provides an opportunity for them and their partners to comfortably experiment with new approaches and explore alternative ways of thinking and talking about their work.

survey, which documents the growth of the ALP network over three years.

The evaluation has surfaced key lessons for grantmakers looking to embrace a learning orientation and interrupt the traditional funder-grantee dynamic. One mediating factor is that ALP is administered by an intermediary team — C!E, NGLC, and 2Revolutions — rather than directly by foundations, which may influence how grantees engage with the initiative (Szanton, 2003). Still, there are aspects of ALP's approach to grantmaking that can be adopted by foundations looking to partner with their grantees in a different way.

What Difference Does It Make to Approach the Work With a Learning Orientation?

Grantees repeatedly elevate ALP's focus on learning as being valuable for them personally and being fundamentally different from what they have previously experienced with funders. Grantees point to the following outcomes arising from this approach:

- A learning orientation creates opportunities for everyone to take risks, experiment, and engage in vulnerable exchanges with one another. Grantees note that a learning stance provides an opportunity for them and their partners to comfortably experiment with new approaches and explore alternative ways of thinking and talking about their work. Grantees commonly use the word "safety" to describe their engagement with others at ALP convenings, even

Learning Orientation in Action: Del Lago Academy

Del Lago Academy, a public high school in Escondido, California, focuses on how assessment can help students connect their learning to their goals for college and career. In Del Lago's first round of ALP funding, they developed Competency X, an assessment approach for workforce-informed performance tasks where learners choose how to curate evidence of their learning and earn digital badges that have currency in the workforce. In developing this approach, Del Lago realized with the help of the ALP learning community that what it was creating was a system of performance assessment. Del Lago also recognized that in order to give the digital badges more validity, it would need a partner experienced in this type of assessment practice. Therefore, it reached out to the **Center for Collaborative Education (CCE)**, an ALP grantee focusing on microcredentials as a form of performance assessment for teacher development. The CCE now provides TA to Del Lago and supports Competency X with frameworks for performance assessment and external communication about the validity of badges in today's workforce.

though they generally convene in person only once per year and participants can vary year to year. The ALP leadership team is also able to take risks in its programmatic approach and to model vulnerability in listening to grantees' critiques and constructive feedback, and then act on that feedback. For example, in the project's first year, grantees reported that they needed more peer engagement and opportunities for co-learning outside of the convenings to be a strong learning community. The ALP leadership team was welcoming of and responsive to this feedback, and provided resources for grantees to collaborate together outside of the formal convening spaces, such as by co-presenting at conferences and events, or writing thought pieces

together for the field. As Gary Chapin of the Center for Collaborative Education, a grantee, observed,

In this community, there is a fearlessness. There is an assumption of best intentions. We are able to push each other and be provocative. ... [ALP] convinced me that I had permission to learn, that I wouldn't be penalized if things didn't go as projected. That has made a huge difference. This is literally the most interesting work I've done in my professional life.

- A learning orientation flips the script on expertise, creating openings for grantees to step into field leadership. ALP's structure has supported the emergence of "lead learners," who are called upon to serve as resources for the entire learning community. Sometimes these grantees are established TA providers, but often they are individuals who would not be traditionally considered field leaders. For instance, leaders at individual schools have had their tools and processes shared and approximated by larger school districts and national education organizations. Over time, it has become clear that there is great value in drawing on "peer experts," or other grantees who are grappling with the same issues. As the ALP network has evolved, so has the perception of who holds or "owns" expertise (W.K. Kellogg Foundation, 2007), which has, in turn, helped individuals within the learning community see themselves as leaders in building the assessment for learning field.
- A learning orientation refocuses grantees on the reality that systems change in education cannot happen without students, families, and educators. When organizations embrace a learning orientation, they are more likely to recognize what they do not know and what they cannot do on their own (Grantmakers for Effective Organizations [GEO], 2016). This understanding has made it imperative for ALP grantees to work in collaboration with educators, families, and students to come to broader and deeper answers to the questions they are exploring.

This has emerged as a strong theme in ALP convenings — which have continually pointed to the need to center students, families, and educators — and reflects a fundamental part of the initiative’s model, both in ALP’s principles of assessment for learning and in the learning agenda questions about educator and student agency. As Justin Wells of grantee Envision Learning Partners said, “We need to keep listening to the students. ... We will recommit to the purpose of this movement if we keep checking in and asking kids what they want and need from our education system.”

What Steps Can Foundations Take to Support a Learning Orientation Among Grantee Partners?

Funders can support a learning orientation by creating a culture for learning and trusting relationships, while practicing humility and power sharing (National Committee for Responsive Philanthropy, 2018). Potential steps illuminated by the evaluation of ALP include:

- Identify a learning orientation as a key dimension of grantee “readiness.” ALP screened applicants for a learning orientation in various elements of the application process, such as the RFL solicitation, the individual learning plans, the required Self-Reflection Tool discussion, the process of soliciting peer feedback on proposals, and more. The learning orientation acts as a through-line for the initiative and has given grantees the license to take risks and honestly reflect on challenges in service of learning. Amy Spicer of the Colorado Education Initiative, a grantee, said,

Being part of ALP has taught me how important it is to be vulnerable and transparent, and come with a learner mindset. It’s easy to just highlight all the things that are working well because you want to show that you are meeting grant outcomes and milestones. With [ALP], if you’re not willing to be transparent and vulnerable, then you’re not going to be a successful participant in the community.

Learning Orientation in Action: Leadership Public Schools

Leadership Public Schools (LPS), a charter high school network in Oakland, California, explores how assessment can make each student’s learning the collective responsibility of the entire class. Initially, LPS created a system of peer-to-peer feedback meant to create more equitable experiences of assessment. However, when LPS solicited feedback from students, they discovered that students with learning and English-language gaps were actually feeling unsafe because of these practices — therefore reproducing systems of inequity in the classroom. Rather than continuing to scale a practice for which it was funded, LPS brought this learning to the ALP and was supported to course-correct and examine its own biases as educators to have greater awareness of how students feel judged on the basis of their identities. This resulted in a new system of collective feedback called “identity-safe formative assessment” that brings together self-assessment, goal setting, reflection, and feedback — a system that focuses on cultivating positive student mindsets and identities to create a more equitable learning environment.

- Shift the focus of grantmaking from a performance framework, focused on compliance and accountability, to a learning framework, focused on innovation and iteration. One of the core themes arising from grantee interviews is the way in which they view the ALP leadership team as being fundamentally different from traditional funders with whom they have worked. With ALP, grantees do not feel that they are “checking boxes” to justify their merit for continued funding or spending time on reporting structures that do not support their own learning. The ALP grant requirements are viewed as worthwhile, in and of themselves, because they generate insights that help grantees advance the quality and impact of their work. Instead of asking for an accounting of

Resources created through funder-grantee partnerships act as trusted proof points for the field and catalysts for systems change (GEO, 2016). ALP grantees point to co-creation of resources, including the project's own principles of assessment for learning, as a valuable outcome of their participation in the project.

outputs tied to funding, ALP asks questions and facilitates problem solving.

- Model the risk-taking, reflection, and vulnerability that is needed to create a safe environment for breakthrough ideas. One of the most common themes arising from ALP grantees over the last few years is the way in which ALP leaders model vulnerability and reflection. According to grantees, ALP's focus on learning would not be as powerful if leaders were not willing to model risk-taking themselves. ALP leaders continuously test their own hypotheses about how to develop a learning network and engage in their own cycle of reflection and action, enabling them to pivot smoothly from strategies that are not working. This type of learning is reflected in the collective leadership model, with its focus on productive debate; and, as the evaluation team has observed, in the responsiveness of the leadership team to formative evaluation findings. Jonathan Vander Els of New Hampshire Learning Initiative, a grantee, remarked,

That's the culture of the project: It's the culture of learning and it's safe here and we're going

to make mistakes and we're going to pick each other up and we're going to move forward. I think that the leadership team ... does a good job of modeling that in their interactions with us.

- Consider relationships as one of the most valuable resources that a funder can offer to a grantee. For many grantees, the most valuable aspect of ALP thus far has been the relationships they have built with each other through in-person convenings. Although these meetings happen only yearly, grantees describe them as "qualitatively different" from other types of learning communities in which they have engaged, explaining that the convening space goes beyond "generic networking" and sets the stage for honest conversation and true relationship building. In contrast, a key part of ALP's initial design was an online hub that was intended to support ongoing communication. While a few grantees viewed the hub as a useful resource, engagement in the platform was ultimately low because it lacked the face-to-face opportunities to deepen relationships. Andy Calkins of NGLC, a leadership team member, observed,

It feels like we have been walking our talk through our designs for the convenings. ... The grantees connect with each other more genuinely and seem to feel that they are part of an authentic learning community. There's more trust among grantees than you might expect. ... A lot of that stems from our asking — our charging — them to be vulnerable in talking about their projects and lessons learned at the convenings. It's given them a sense of being fellow travelers in ways that I don't know that we'd normally see across all of these different kinds of communities.

- Build in opportunities for authentic demonstrations of learning. Rather than require grantees to submit grant reports, funders can have grantees present their progress and key learnings to an authentic audience. ALP's approach requires that grantees demonstrate their learning to the ALP learning community, and also invites grantees to present to the broader education field.

The project supports grantees to collaborate with each other on these presentations, such that their combined learning offers intriguing questions and answers for the field. A number of grantees who have collaborated on conference presentations reflected that the process also helped them deepen their relationships between in-person meetings.

- Collaborate with grantees on the creation of resources for the field. Resources created through funder-grantee partnerships act as trusted proof points for the field and catalysts for systems change (GEO, 2016). ALP grantees point to co-creation of resources, including the project's own principles of assessment for learning, as a valuable outcome of their participation in the project. The student voices exhibit has been used widely by individual grantees, which have created their own exhibitions and have used the ALP installation to garner attention and funding for their work. The exhibit "was really impactful," said Samantha Olson from the Colorado Education Initiative:

It shifted our mindset around how to bring youth voice and credibility to the work. ... Instead of recreating our own [exhibit], we realized that there was value in having people engage in what already existed and reflect on their own work relative to that. ... A funder hasn't provided us with that kind of resource before.

- Use an iterative and phased approach to expand a learning community and broader network. ALP has developed a number of strategies for expanding its network of relationships and influence. First, through individualized coaching, it has connected grantees with one another and with resources in the field. Second, the project has strategically expanded its learning community in phases, by providing microgrants to innovators in assessment, inviting field leaders to join convenings as participants, and co-locating its conferences with other aligned networks' meetings. ALP also intentionally invites local like-minded educators

and organizations to join the learning community when it holds a convening in their area. For example, when one convening was located in Santa Fe, New Mexico, ALP invited the director of a local organization working to transform that state's schools; this organization is now one of the most well-known ALP grantees in the assessment for learning field.

- Reframe challenges into learning opportunities for improvement. While the project and its grantees have experienced numerous successes, the path forward has not been without challenges and setbacks. For example, the online hub was originally a core piece of the ALP model, intended to provide a platform for engagement and learning for grantees between in-person convenings. However, the hub was underutilized and grantees described it as having limited usefulness for their work. Rather than characterize this unexpected outcome as a challenge, however, the ALP leadership team chose to see it as a valuable learning opportunity about what motivates people to connect with and learn from each other, and to course-correct to provide more face-to-face learning opportunities for grantees. Similarly, ALP found that grantees did not take advantage of its initial network of field experts and TA providers, turning instead to one another for thought partnership and support.

Conclusion

The evaluation of the Assessment for Learning Project suggests that as grantmakers seek to make progress toward solving complex social problems, there is an opportunity to reconsider the traditional, highly structured initiative focused on predetermined indicators of success that leave little room for innovation and improvement. Seeking to avoid the obstacles and pitfalls that often inhibit learning in philanthropic initiatives, ALP tested a number of hypotheses about the value of a field-facing learning agenda, grantmaking that leads with learning, and collective leadership. While each of these design elements proved important for

[T]he leadership team also engaged in a continuous reflection and learning cycle, supported by formative evaluation data, that led to the evolution of the design elements. A powerful outcome of this process was that the project ultimately reduced its focus on traditional forms of “expertise,” while amplifying the focus on providing space for grantee relationships, leadership, and co-design.

the development of the ALP learning community, the leadership team also engaged in a continuous reflection and learning cycle, supported by formative evaluation data, that led to the evolution of the design elements. A powerful outcome of this process was that the project ultimately reduced its focus on traditional forms of “expertise,” while amplifying the focus on providing space for grantee relationships, leadership, and co-design.

Beyond the specifics of the initiative, ALP is a promising model for how the philanthropic field can partner with grantees in a way that fully acknowledges that finding solutions to our most intractable social problems will require experimentation, accepting uncertainty, and deep, reflective learning.

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The Experiences of a Foundation With a Limited Life: Benefits and Challenges

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Keywords: *Limited life, philanthropy, family philanthropy, foundations, family foundations, sunseting, spend down, nonfamily CEO of family foundation*

Introduction

The MAVA Foundation,¹ a family philanthropy based in Switzerland, supports work on the environment in West Africa, the Mediterranean, and Switzerland, as well as globally via our Sustainable Economy program. With an annual budget of about \$80 million in U.S. dollars, we are long-term funders dedicated to listening to the needs of our grantees, whom we prefer to call partners — a term more indicative of the kind of relationship we seek to build with those we fund. We are known for a flexible and supportive approach combined with deep technical knowledge of the work we support. Our founder was a practitioner as well as a funder, and was seen by many as a visionary in the field of conservation.

In MAVA's final six years of grantmaking, we have adopted an outcome-based approach to grantmaking. Via a highly participative process involving our partners and other funders, we defined four to eight specific, measurable outcomes we wanted to achieve with each of our four programs. These outcomes are focused primarily on biodiversity, such as protecting sea turtle nesting sites in three Mediterranean countries. We worked collaboratively and transparently with partners to build the strategies for achieving those outcomes. We currently have about 400 ongoing projects, with an average grant size of about \$1 million per project.

Winding Down MAVA

After a multistage recruitment process, I received an offer in the spring of 2010 to take up the role of Director General of the MAVA Foundation, my dream job. What an opportunity to be able to make a difference on issues

Key Points

- This article discusses the benefits and drawbacks of a limited-life foundation's philanthropy practice. The strengths, including a sharpened strategic focus and sense of urgency, and the challenges, such as ensuring impact and dealing with grantee dependency, are also relevant when closing a program.
- Drawing on reflections from the Director General of the MAVA Foundation and learnings from foundations that have recently closed, this article also discusses how to prepare for the end date of a limited-life foundation. MAVA, a Swiss-based grantmaking foundation for 25 years, has a planned end date of 2022.
- The article features key lessons for foundations considering closure, and will examine why some grantmakers should consider a limited-life model instead of operating in perpetuity.

I care deeply about! What scope for achieving conservation impact! What a privilege to be able to work with a great team and board! I couldn't believe my luck.

Though I pretty much accepted the offer on the spot, there was a snag. MAVA's founder, Dr. Luc Hoffmann,² sat me down to make sure I realized that the foundation would continue only until 2022. Would I still be interested in the job given

¹ See <https://mava-foundation.org/programmes/>

² See <https://mava-foundation.org/about-us/our-founder/>

this limitation? The end date seemed ridiculously far away, lifetime away. Of course, I would take the job anyway. Who wouldn't?

Ten years later, 2022 no longer seems so far away. And while this end date was planned from the start by Luc Hoffmann and was no secret, we didn't begin to proactively communicate our intention until 2015, when we began planning for our eventual closure. The feedback we received from other limited-life foundations has been that we got a good start with a longer-than-typical amount of time to plan for the closing.

Why did we not actively communicate earlier about our closing? For a long time, the end seemed too remote to require immediate attention amid the daily firefighting. We had yet to begin thinking carefully about the implications of closing, and so were unaware of just how big of a project it would be. After confirming the original intention to sunset, the MAVA board was keen to have us start planning and communicating more explicitly about the future. The timing felt right to plan more thoughtfully for the end, and the upcoming renewal of our strategy offered a turning point for ensuring our closure was fully baked into the new strategy.

Our earliest communication efforts were confusing and ineffective, along the lines of: "We aren't sure exactly what will happen in 2022, but we need to start planning now as if we're closing to be prepared for a possible end of your funding." Clearly, from the start we could have benefited from a more professional communications approach. The uncertainty in the messaging left our partners with the impression that business as usual was still a possibility; needless to say, our announcement was not taken seriously. We learned from that and tightened the message: "We are closing in 2022. All funding to our partners will end. We will work with you to prepare for the end of our funding to your organization." Our partners began to hear us.

Though we are still occasionally met with disbelief, today the message is by and large received and understood. We have frequent,

We have frequent, consistent communications about our closing with an emphasis on the need to prepare for the end of MAVA funding. Our aim is to plan our transition so that we can exit as elegantly as possible, with partners fully informed and prepared for our departure.

consistent communications about our closing with an emphasis on the need to prepare for the end of MAVA funding. Our aim is to plan our transition so that we can exit as elegantly as possible, with partners fully informed and prepared for our departure.

Lessons:

- Plan early. Think through all implications and manage for them as soon as you know about your closing, no matter how far off it may seem.
- Communicate simply, clearly, frequently, and consistently to reinforce your message.
- For family foundations, manage for the potential expectation that the family will continue to fund the same partners after the foundation is closed.

The Role of the Family

One of the first questions people ask is why we are closing. The answer is both complex and simple: Our founder planned it that way. To understand this, let's look back to MAVA's founding. Luc Hoffmann decided to create a vehicle through which to manage his philanthropic interests. A passionate conservationist, he passed

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on his enthusiasm to other members of his family, many of whom are still involved in MAVA's governance. But Luc Hoffmann believed that a family foundation should be powered by the passion of family members, and that they should not be there simply to carry on the tradition of the founder.

There are many methods of transitioning family foundation leadership to subsequent generations. At MAVA, the choice was to free up funding in a way that enabled family members to pursue their own philanthropic passions. One of Luc Hoffmann's daughters has a keen interest in literature and supports aspiring writers with her own foundation; another daughter runs an innovative foundation focused on the arts and design. Luc Hoffmann's son is passionate about the natural world, but his vision for how to conserve it differs from that of his father. The interests of the Hoffmann family are deep and varied; they include conservation, but extend beyond it. The sunseting of MAVA relocates its philanthropy to the many other existing Hoffmann family foundations. A different structure gives more space for each member to fund in line with the areas that excite them most.

Another key element to understand is how MAVA itself is funded. Unlike many foundations that are capitalized and operate with earnings from an endowment, MAVA's funding comes from a beneficial interest in a certain number of shares of stock in Roche, the family company. These shares were owned by Luc Hoffmann and now by his heirs, and when dividends are declared the income is transferred directly to MAVA. This revenue flow was designed to continue until 2022, an arrangement that makes the sunset process easier than managing down an endowment. And it is in line with the early planning by our visionary founder.

Lessons:

- From the foundation's inception, plan for how to integrate the interests of subsequent generations. There are many ways of doing this, and closing is just one of them.
- Ensure the foundation's legal structure is broad enough to incorporate a wider set of funding interests if the intent is to maintain that structure.
- Plan your funding structure to align with your longer-term intent for the foundation.

Closing: The Unexpected Benefits

As we continued to inform our stakeholders of our closure, we saw all kinds of reactions: shock, disbelief, tears, indignation, worry, interest, and, more rarely, congratulations. Rarer still is an awareness of the unexpected benefits of closing, of which there are many. Though there are elements to manage carefully in relation to our exit, such as ensuring that our partners and our staff thrive post-2022, we should recognize the benefits that go along with it. I'd like to highlight three key ones.

A Focus on Priorities

There is nothing like knowing there is an end date to sharpen discussions. Although there has always been a finite amount of funding to provide to partners, things suddenly change when the number of years remaining for that funding

become finite. Trade-offs become more apparent and the choices we make are more critical. This allows us to turn our minds to what is truly important and disregard all the rest. This was our approach throughout the life of the foundation, of course, but an end date ensures a tight focus on priorities. When you are faced with a hard stop in 2022, focus becomes more important than ever.

For our final strategy starting in 2017, for example, we decided to refocus our broader work on the entire Alpine Arc to concentrate on Switzerland alone. This entailed difficult funding decisions with some longtime partners, and in many cases we provided final, “soft landing” support to phase out the work rather than pulling out abruptly. On the other hand, we were able to concentrate our funding in higher-impact areas within the program and target it to issues of concern in our home country. We are also much more rigorous in declining to review unsolicited proposals that are not aligned with our core strategies leading up to 2022. This is not the moment to launch into new directions.

Paradoxically, this focus allows us the flexibility to address arising needs aligned with our priorities. In response to the COVID-19 crisis, we are still able to dedicate significant funding to assist our partners in meeting urgent needs and help them through this difficult time. When the pandemic broke out, we put an emphasis on ensuring that salaries be paid even when activities had to be suspended. This funding has helped minimize the pandemic’s impact on hundreds if not thousands of families, and ensures that key staff remain on board and ready to resume work once that becomes possible.

Lessons:

- Begin with the end in mind. Be clear on what you want to achieve by closure and how you will define success.

More than ever before, MAVA is focused on the sustainability of the work we have supported over the years. We assist key partners in their organizational development to ensure they are well-placed to deliver effective conservation for many years beyond our closure.

- Maintain focus rigorously and be intentional about how much you are willing to deviate beyond your defined strategy.
- Maintain sufficient funding flexibility for emergencies.

Built-In Sustainability

More than ever before, MAVA is focused on the sustainability of the work we have supported over the years. We assist key partners in their organizational development to ensure they are well-placed to deliver effective conservation for many years beyond our closure. We are developing conservation leaders, via our Leaders for Nature Academy,³ to ensure we have a cadre of young professionals to lead the movement in years to come. And we work hand in hand with our partners to implement sustainable finance mechanisms, finding solutions to generate income beyond philanthropy.

Again, although we did some of this work throughout the lifetime of the foundation, our impending closure has meant an increased focus on sustainability. We are dedicating \$50 million, about 12% of our final six-year strategy budget, for work on sustainability. All this adds up to better opportunities for our partners to shine in the long term.

³ See <https://mava-foundation.org/what-we-do/mava-leaders-for-nature/>

Our ambitions are high — quite the opposite of fading off quietly into the sunset. Together with our partners, we are aiming to achieve important advances in conservation.

Lessons:

- Especially when you are closing, focus on activities that secure the future of the work: building coalitions that will continue to work together, enacting new legislation or protections, or building self-financing mechanisms.
- Funding organizational and leadership capacity building is an investment in the long-term future of the work you care about. This kind of support is rare and of high impact.

The Sense of Urgency

Our ambitions are high — quite the opposite of fading off quietly into the sunset. Together with our partners, we are aiming to achieve important advances in conservation. This means we must work together with renewed urgency to achieve milestones and objectives. Slow starts and delivery issues are difficult to accommodate within our fixed time frame. A delay in hiring key staff means lowering ambitions, not extending the contract period. This creates a much-needed sense of urgency.

The COVID-19 crisis has added another level to that urgency. The crisis has meant a deviation from plans and entails additional delays. What compels us now is often the simple survival of partners and their need to find a way to keep working toward their missions in the face of complex obstacles and unprecedented uncertainty.

However, as the saying goes, necessity is the mother of invention. And the creative solutions and approaches that arise from that necessity are sometimes even more effective than pre-crisis practices. Over the medium term, we will have to evaluate what this means for the ability to achieve the outcomes together.

Lessons:

- In addition to rigorous planning, practice adaptive management as needed — particularly in response to a crisis. Planning should not become a straitjacket.
- Encourage creative solutions. A crisis can serve to force out-of-the-box approaches in order to maintain momentum.

Managing MAVA's Final Chapter: Challenges

The foundation is now at the halfway point on its final strategy, covering 2017 through 2022. As we enter our last chapter, there are some inherent challenges that any foundation in such a situation would face. From persistent high levels of partner dependency to delays in program implementation, MAVA staff have been confronted with some tricky situations. This has led to some changes in the way we operate.

Partner Dependency

Because of the way we have historically funded partners, a significant number are highly dependent on MAVA funding. Throughout his tenure Luc Hoffmann felt strongly that the foundation should fund what is important, regardless of the existence or level of co-funding. It was not unusual for MAVA to fund 100% of a sizable project, or, in rare cases, to fund 100% of an organization when we wanted to support its entire program. In frequent soft discussions we recommended that these partners actively seek alternative funding, but in truth there was little incentive to do so since we continued to fund them. The upside to this approach was the ability to move quickly and achieve impact that may not have been possible without our willingness

to take the plunge. The downside, of course, has been an unhealthy level of dependence.

As time went by, we were more rigorous in ensuring co-funding was in place, and in recent years this has become a veritable obsession. We will no longer agree to be the only funders of a large program, and we work hand in hand with our partners to rally other grantmakers to the table. We are helping our partners by engaging actively to attract new donors and offering tailored grants to boost fundraising. We have commissioned an online course on fundraising with Acumen Academy to be offered free to our partners and other interested organizations. As of our last analysis, at the end of 2018, 47% of our direct partners relied on MAVA for at least 30% of their total funding. While unacceptably high, the findings are an improvement from our previous analysis, which showed even higher levels of dependence.

Although dependence does not always signify a problem, in all cases we are assessing the situation and, where needed, aiming to reduce it. In general, our goal is to have no partner with more than 30% of dependence on MAVA funding by 2022, and ideally much less than that. This means we have been proactively engaging with a number of partners to agree on what a transition plan should look like. We have new protocols on co-funding and degressive dependency levels. We want to ensure that MAVA's sunseting does not threaten the survival of our partners.

While any well-managed nongovernmental organization would agree that a high level of dependence on a single funding source is risky, I have yet to come across a partner that declined grant support on this basis. There is always optimism that additional funding can be found when it is really needed. Unfortunately, often this optimism is misplaced. When we surveyed our partners in 2018, they showed a high degree of confidence in their ability to sustain the work we are funding after MAVA closes: 85% rated themselves as confident or very confident of finding replacements for MAVA funding. But when this finding is juxtaposed with our survey of former grantees, such optimism seems less warranted.

The COVID-19 crisis has complicated this issue for us. In many cases where MAVA agreed on a transition plan that involved greater funding from other sources and reduced dependence on us, the pandemic is making those plans even more difficult to implement.

Among former partners no longer receiving MAVA grant support, 85% reported an impact on the work once our funding was phased out and 75% said their work was reduced, or in rare cases halted, when our funding ended. In response to these eye-opening survey results, we have intensified our support for partners' fundraising efforts.

The COVID-19 crisis has complicated this issue for us. In many cases where MAVA agreed on a transition plan that involved greater funding from other sources and reduced dependence on us, the pandemic is making those plans even more difficult to implement. Our partners are finding that current funding is secure but that decisions on future funding will be delayed. New funders often wish to wait before committing support, and many grantmakers have shifted their priorities to addressing the global crisis. Other sources, such as income from international volunteers to monitor nesting sites of sea turtles or support educational activities with schools, have often served as a core part of operating budgets but have completely dried up as a result of COVID-19.

Requests for urgent support can increase dependency, but the support will help the partner to stay alive through these difficult times. In these cases, we are faced with an immediate

Adaptive management leads us in reviewing our initial expectations, assessing what has been done over the last three years, and in being realistic and rational concerning what can be accomplished by our end date, even if this means making some difficult decisions.

decision: stick with policies aimed at reducing dependency in an effort to ensure the long-term survival of a partner, or agree to urgent additional funding to ensure the short-term survival of a partner. In our case, the latter argument has won out. MAVA is supporting urgent needs in the short term to improve the chances of a long-term future.

Nevertheless, and despite communicating as clearly as we know how, there is a minority of partners that continue to believe that funding from the Hoffmann family will continue for them after 2022 or that a new structure will replace MAVA. Some believe that funding is stopping for other partners, but not for them. One person asked me explicitly, “So, when MAVA ends, how do we access the Hoffmann family money?” The family has advised all partners to prepare for a scenario in which funding from MAVA and the Hoffmann family will cease. Our concern is that those who fail to do so will miss an opportunity to build a sustainable future for their work still to be done. We continue to actively urge all our partners to plan for the end of MAVA funding to avoid an existential crisis in 2022.

Lessons:

- Adopt co-funding policies to avoid dependency among your partners.

- Maintain sufficient flexibility to support partners in moving quickly when their action can make a difference.
- Despite your best efforts at transparent communications, some partners will hear what they want to hear. Additional messaging from the board or family members may be required.
- Emphasize the need for partners to strengthen their organizations and diversify their funding sources.

Delays in Program Implementation

One of our biggest challenges has been delays in implementing our programs. This has sometimes been due to problems hiring key staff, difficulties in coordinating among partners, or simply a lack of urgency. Now, COVID-19 has created a host of new issues. But as we get closer to 2022, our ability to tolerate delays is diminishing. Together with our partners, we are intent on achieving the greatest impact possible. Adaptive management leads us in reviewing our initial expectations, assessing what has been done over the last three years, and in being realistic and rational concerning what can be accomplished by our end date, even if this means making some difficult decisions.

For example, one program in West Africa experienced significant delays in getting off the ground. In some, but not all, cases, these delays were due to factors outside our partners’ control. But the delays were so significant that the program’s original ambitions were called into question. Following the midterm evaluation, MAVA decided to cut back on several strategies that had not been working and focus on maintaining core activities. While the level of ambition was reduced overall, the changes increased the program’s chances of success. This was a hard decision to make. The dropped activities were considered important by partners and staff alike, but we had to take a realistic view of what could be accomplished. The foundation’s team members are often deeply invested in action plans created with MAVA’s partners and both can have

a hard time deviating from those plans and giving up on ambitious achievements.

During a global pandemic, a decision to cease funding — even when due to poor performance — can be fraught. The loss of grant support can compound the threat to an organization’s survival in uncertain times, and MAVA is working with those partners to minimize the negative impacts. Depending on how long the crisis continues and how long we must wait for normal activity to safely resume, we may also need to rethink our fundamental approach.

Lessons:

- Stay sufficiently flexible to react to unexpected situations that may delay implementation.
- Be prepared to temper ambitions and focus on high-impact strategies.

Dynamic Fund-Allocation Management

Our intention is to ensure that all funds at our disposal have been spent effectively before the end of 2022. It is our aim to maximize the impact of our funding and be able to celebrate major achievements with our partners by our end date. This requires an ongoing estimate of available funding, and the potential allocation and use of those funds.

We have planned for the allocation of all available funding and earmarked funds for specific purposes — some of which are still ideas that need shaping. We will work to implement the plans efficiently and as early in the cycle as possible. To do so, we have a deadline for the allocation of funds for ideas in the works and after that deadline, unallocated funds will be reassigned to other purposes. But these estimates of available funding involve a sometimes difficult assessment with each partner of the possibilities for underspending and the realistic opportunities for catching up. Some activities will simply be delayed. But others projects may never be carried out, which adds uncertainty to the “supply side” of final funding management.

While it doesn’t clearly fall into either the benefits or challenges column, managing staff is an issue worth mentioning for a foundation that is sunsetting, and one on which I receive frequent questions.

Meanwhile, the “demand side” — the possible uses of remaining available funds — is growing rapidly. This is due to many one-off requests (e.g., help to purchase a building), funding requests for new global projects (e.g., extraordinary opportunities or emergencies outside of program strategies), potential donor collaboratives, and ways of leveraging funding for our partners, as well as a COVID-19 fund for urgent needs. All of these demands must be managed in light of the uncertainties in available funding. Priority will be given to initiatives that ensure the sustainability of the work MAVA has been supporting or of our partners. For example, we would choose to invest in a donor collaborative that will fund areas of interest to us beyond our closure over a new global initiative.

Lessons:

- Ensure frequent, adaptive tracking of the ongoing availability of funds.
- Accept that you may have to choose to defund projects that once held potential for impact.
- Give priority to funding initiatives that will sustain your foundation’s areas of interest.

Managing the Team

While it doesn’t clearly fall into either the benefits or challenges column, managing staff is an issue worth mentioning for a foundation that is sunsetting, and one on which I receive frequent questions. At MAVA, we are trying to balance

Based on our learnings from other limited-life foundations, we established the principle of early, frequent, and transparent communication with staff. We have already outlined the severance package each staff member can expect and communicated other commitments, including one year's notice before the end of employment, no surprise departures, and fairness and respect in our dealings with all staff.

two contradictory objectives: to ensure that we have sufficient staffing as long as needed, and to ensure that staff all have thriving careers post-MAVA.

Full Throttle Until the End

We are not slowing down in the lead-up to 2022. Rather, we are running full steam in order to achieve maximum impact with our grantmaking, defined as achieving our chosen outcomes and ensuring the sustainability of the work, by the time we close. We have built an ambitious program that we hope will lead to great impact. But it will require the presence of qualified staff to help orchestrate those achievements and to lead the final evaluation of results, draw out lessons and share them with the relevant conservation or philanthropic communities, and communicate what was achieved.

At the same time, it will be natural for staff members to keep their eyes open for other opportunities, given that they know the end

will come. Our team is genuinely motivated by the programs we have built. But the closer we get to 2022, the more likely it is that staff will be looking at next steps. And we want to help every single staff member launch into the next phase of their career. The well-being of staff has been and continues to be a major preoccupation of the MAVA board.

We are not yet in what I consider to be the “danger zone”: the two years or so prior to closure when it is more likely for staff to consider other opportunities. The possibility of losing key staff too soon is what keeps me up at night, and we are building backup plans (e.g., building a roster of consultants who know us well and could step in to help) to deal with this possibility.

Lessons:

- Build backup plans for dealing with staff who may depart earlier than the end of their contract.
- The opportunity to have a hand in bringing about big impact is a strong motivator for retaining staff.
- Deft management is required to balance the need to retain staff and the need to support their future careers.

Managing Anxiety

As we began communicating more proactively, there was some disquiet among staff.

Interestingly, the first question we all get from others when they hear of our closure is often, “And what will happen to you?” I believe everyone on our team is confident that they will be treated fairly, but the absence of transition details can create anxiety, particularly among older staff with families to support.

Based on our learnings from other limited-life foundations, we established the principle of early, frequent, and transparent communication with staff. We have already outlined the severance package each staff member can expect and communicated other commitments, including one year's notice before the end of employment, no

surprise departures, and fairness and respect in our dealings with all staff. And as we were able to share severance information, we noticed an immediate shift in mood among the team. Staff indicated they were pleased with the generosity and thoughtfulness of the package, and have largely shifted to a view of this impending closure as an incredible opportunity to rethink their futures and design new paths.

Lessons:

- Practice compassionate leadership. Accept and address the feelings of team members. Everyone will have their own reactions and emotions, which should be met with sensitivity and empathy.
- Emphasize the importance of each person's successes as well as the goals of the organization.
- Communicate transparently and frequently with staff about the implications of closure for their lives and careers.
- Share details on what support staff can expect as early as possible.

Why Close?

“But WHY are you closing?” is a question we hear frequently, of course. But the question might better be, “Why aren’t more foundations closing?”

Below are a number of reasons for fellow foundations to consider a spend-down pathway.

The Evolving Needs of Society

A recent report by the National Center for Family Philanthropy (NCFP) concluded that “most family foundations have a clear understanding of their founder’s intent and adhere very closely to that intent” (2019, p. 5). And while at face value this looks to be a positive thing, what happens when the founder’s intent is no longer the most relevant or the most impactful way to pursue grantmaking? What if other issues or approaches should have higher priority?

“But WHY are you closing?” is a question we hear frequently, of course. But the question might better be, “Why aren’t more foundations closing?”

In Just Giving: Why Philanthropy Is Failing Democracy and How It Can Do Better, Rob Reich (2019), quoting John Stuart Mill and Anne-Robert Turgot, argues: “To permit foundations to exist in perpetuity amounts to making ‘the dead judges of the exigencies of the living’” (p. 57); “Societies evolve, needs change, and for there to be the prospect of social progress, the present should never be tethered to the design and purpose of founders long dead” (p. 62).

A foundation may be able to establish itself in a way that allows the flexibility to adapt its purpose; but in many legal contexts, particularly in Europe, regulators prefer to adhere quite strictly to the founder’s original intent. This was the case for MAVA. The foundation’s request to broaden our mission to encompass the interests of new generations of family members was rejected on the basis of respect for the founder’s original wishes. Without that flexibility, our best option was to close the foundation and allow family members to pursue their own philanthropic interests via other philanthropic vehicles.

To be clear, had we been able to broaden our mission, we might still have chosen to close down and allow our founder’s heirs maximum freedom to practice philanthropy in their own ways. Being unable to broaden the mission ensured our path to closure.

New Generations

As time goes by, new generations often become engaged in a family foundation. At MAVA, the son, two daughters, and a grandson of the founder are board members and other grandchildren are also involved.

While some foundations have thrived while moving away from much, or even any, involvement with their founders, I fear that this kind of institutionalization distances those grantmakers from one of the primary roles that a family foundation can play: supporting risky, experimental, and innovative work.

The recent report from NCFP (2019) cites several issues involving foundation dynamics with new generations. Some of those issues were quite relevant to MAVA:

- Older and younger generations are interested in different issues.
- Generations have different opinions about how to achieve results and impact with grantmaking.
- The younger generation has often moved away from the primary location of the foundation's place-based focus.
- There are conflicting political, social, and religious views among generations.
- Generations have different opinions on how transparent the foundation should be about its grantmaking decisions.

Issues such as these might be the impetus for allowing younger generations to pursue philanthropy in their own ways instead of those designed by their ancestors, and for the closure or revamping of the current foundation's mission.

Institutionalization Versus Dynamism

Our founder once said to me that he never intended to create an institution with MAVA. While some foundations have thrived while moving away from much, or even any, involvement with their founders, I fear that this kind of institutionalization distances those grantmakers from one of the primary roles that a family foundation can play: supporting risky, experimental, and innovative work.

Like other family foundations, MAVA has the most flexibility and ability to take on risk. Many other types of funders must operate within constraints that family foundations don't have. At MAVA, the family's deep involvement has led to our most innovative grants. In my view, boards led by members from outside the family who are left to look after the interests of an uninvolved founder or their descendants may tend to be more conservative in their choices. I prefer the idea of dynamic, flexible, and adaptive philanthropy, driven by a family's passion for the mission of its foundation.

Conclusion

Without a doubt, MAVA's departure will leave a gap, particularly in regions or on issues where we have a long and deep history of funding. Despite the significant resources and energy we are putting into sustainability — for the work and for the partners — we must recognize that there will still be an impact from our departure. Nevertheless, I feel that the benefits of closing are significant and interesting. Other funders should consider whether a limited-life approach might work well for them as well — whether applied to an entire foundation or instead to select programs while maintaining the foundation as a going concern.

Meanwhile, we are quickly approaching the end that originally seemed ridiculously far away. We are aiming for maximum impact and a strong legacy that will make the family proud of this 28-year adventure at MAVA.

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Executive Summaries

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Tools

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A Canary in the Payout-Rate Coal Mine

John C. Alexander, Jr., Ph.D., Clemson University

Volatility in capital markets — or in social conditions — may cause a deluge of ad hoc payout discussions. This article constructs a metric using equity and bond market yields as a quantitative leading indicator of when a payout-rate discussion may be warranted. While this methodology might be more of a resource to university-affiliated or public foundations, which have complete discretion over the level of the payout rate, private foundations might find understanding the sustainable payout of a portfolio useful in determining the potential erosion of the corpus caused by an unsustainable payout rate.

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Reflective Practice

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Is More Always Better? A Reflection on the Dynamic Nature of Nationally and Regionally Focused Funder Collaboratives

Jo Carcedo, M.P.Aff., Episcopal Health Foundation; Merry Davis, B.A., Blue Cross and Blue Shield of North Carolina Foundation; Megan Folkerth, M.P.H., Interact for Health; Lori Grubstein, M.P.H., M.S.W., M.P.A., Robert Wood Johnson Foundation; and Chris Kabel, M.P.H., Kresge Foundation

Funding alliances are increasingly important in the quest for social change in the face of large-scale challenges like climate change, political polarization, and inequity, which require contributions from across sectors to create meaningful impact. This article, based on a reflective survey and conversation with its funders, describes The BUILD Health Challenge®. Its structure allows regional philanthropies the opportunity to inform the national agenda and contribute insights as to what works locally. Emerging evidence on benefits include shifts in confidence to take risks and new approaches to grantmaking.

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Turning Changemaking Inward: How One Health Philanthropy Transformed Its Grantmaking Approach to Drive Deeper Impact

Christina Ellis, B.S., Medical College of Wisconsin; Laura Pinsoneault, Ph.D., Evaluation Plus; Sarah Deering, B.S., Jesse Ehrenfeld, M.D., Erin Fabian, J.D., and Cheryl Maurana, Ph.D., Medical College of Wisconsin

In 2014, the Medical College of Wisconsin's Advancing a Healthier Wisconsin Endowment made a significant shift in focus to supporting adaptive rather than programmatic solutions to address critical health issues. The endowment's new approach emphasized engagement with key stakeholders, recognizing the importance of contribution over attribution and requiring a long-term perspective on outcomes. This article discusses how the endowment experimented with a new model of creating change, ultimately translating new knowledge from national thought leaders and aligning it with its own experiences to guide the endowment's work.

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Women's Grantmaking for Economic Security: The Work of One Coalition

Elizabeth May Gillespie, Ph.D., University of Memphis

The author focuses on a poorly understood aspect of philanthropy — how foundations are fostering economic security for women. Prosperity Together is a coalition of 30 of women's grantmaking funds dedicated to advancing women's economic security. Drawing on data from a landscape scan of the coalition's members and interviews with leaders from member funds, the author seeks to contribute to the development of a framework for advancing women's economic security that draws on the extent to which the work women's funds are doing aligns with research recommendations.

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Coherent Assistance in Education Improvement: How Foundations Can Help

Ann Jaquith, Ph.D., and Rosa Chavez, M.S., doctoral candidate, Stanford University Graduate School of Education

Philanthropic organizations are experimenting with ways to support capacity building in order to scale innovations and leverage funding for greater social impact. Increasingly, philanthropies are also attending to their own organizational needs for learning in order to inform strategy, shape future work, and measure effectiveness. This article shares the lessons of the Aligned Partners Project, a three-year study of a foundation-funded interorganizational collaboration to align the work of three technical assistance organizations to meet the needs of one school district. It identifies challenges to providing coherent assistance and grantmaking practices that could address them.

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Lessons From the Assessment for Learning Project: Strategies for Building an Authentic Learning Community

Heather Lewis-Charp, M.A., and Daniela Berman, M.A./M.P.P., Social Policy Research Associates; Sarah Lench, M.P.A., Center for Innovation in Education; and Tony Siddall, M.B.A., Next Generation Learning Challenges

This article explores findings from an evaluation of the Assessment for Learning Project, a grantee engagement strategy led by the Center for Innovation in Education focused on creating a learning community founded in continuous reflection and safety for risk-taking. The project's model and approach are grounded in the core design elements of a field-facing learning agenda, grantmaking that leads with learning, and collective leadership. This article highlights practices such as a Request for Learning, a requirement that grantees provide formative feedback to each other, and public demonstrations of learning.

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The Experiences of a Foundation With a Limited Life: Benefits and Challenges

Lynda Mansson, M.B.A., MAVA Foundation

This article discusses the benefits and drawbacks of a limited-life foundation. The strengths, including a sharpened strategic focus and sense of urgency, and the challenges, such as ensuring impact and dealing with grantee dependency, are also relevant when closing a program. Reflecting on her experiences, the director general of the MAVA Foundation discusses lessons on preparing for the end date of a limited-life foundation. MAVA, a Swiss-based grantmaking foundation for 25 years, has a planned end date of 2022.

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Call for Papers

FOR VOLUME 13, ISSUE 3

Abstracts of up to 250 words are being solicited for Vol. 13, Issue 3 of *The Foundation Review*. This issue will be an open (unthemed) issue. Papers on any topic relevant to organized philanthropy are invited.

Submit abstracts to submissions@foundationreview.org by August 31, 2020. If a full paper is invited, it will be due March 31, 2021 for consideration for publication in September 2021.

Abstracts are solicited in four categories:

- **Results.** Papers in this category generally report on findings from evaluations of foundation-funded work. Papers should include a description of the theory of change (logic model, program theory), a description of the grantmaking strategy, the evaluation methodology, the results, and discussion. The discussion should focus on what has been learned both about the programmatic content and about grantmaking and other foundation roles (convening, etc.).
- **Tools.** Papers in this category should describe tools useful for foundation staff or boards. By “tool” we mean a systematic, replicable method intended for a specific purpose. For example, a protocol to assess community readiness and standardized facilitation methods would be considered tools. The actual tool should be included in the article where practical. The paper should describe the rationale for the tool, how it was developed, and available evidence of its usefulness.
- **Sector.** Papers in this category address issues that confront the philanthropic sector as whole, such as diversity, accountability, etc. These are typically empirically based; literature reviews are also considered.
- **Reflective Practice.** The reflective practice articles rely on the knowledge and experience of the authors, rather than on formal evaluation methods or designs. In these cases, it is because of their perspective about broader issues, rather than specific initiatives, that the article is valuable.

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