MEMO

TO: Lindsay Louie, Fay Twersky
FROM: June Wang, CHANGE/D Consulting
DATE: February 1, 2019
SUBJECT: Excellent Work with Grantees – External Scan

INTRODUCTION

Background and Purpose

The purpose of this external scan is to better understand how other foundations foster “excellent work with grantees” – what guidelines foundations provide staff and what specific practices they use. This scan will inform an internal project at the William and Flora Hewlett Foundation, which hopes to develop behavioral guidelines and supporting resources for staff who interact with grantees. The Hewlett Foundation is focused on specific behaviors rather than high-level values or structural approaches to philanthropy.

Lindsay and Fay sent an inquiry email to about 50 peer foundations plus the GEO listserv asking them to share any documented guidance they have for staff around “grantee interactions.” Eighteen responded with links or files – some with field research or resources that they use, and some with their own internal documents. Another dozen offered to speak on the phone to describe their processes, as they did not have anything written down. Many also replied to say that while they do not have any formal guidance at this time, they are glad that Hewlett is undertaking this project and are eager to see what the foundation develops. Lastly, I reviewed research and articles from philanthropic infrastructure organizations such as the Center for Effective Philanthropy, Grantmakers for Effective Organizations, National Committee for Responsive Philanthropy, Foundation Center’s GrantCraft, PEAK Philanthropy, Exponent Philanthropy, and Stanford Social Innovation Review searching broadly for articles related to “grantee relationships.”

Availability: No foundations offered comprehensive documented behavioral guidance for staff.

No foundations I heard from had comprehensive guidelines for how program staff should interact with grantees. Many foundations offered statements on their values (e.g., humility, honesty, focus on impact, etc.) or their approach to philanthropy (e.g., we provide long-term, flexible funding; we serve as thought partners to our grantees), but they were broad and did not outline specific individual behaviors. A number also talked through their proposal and reporting processes, but these had more to do with the foundation’s grant expectations than individual staff behavior. A few foundations had orientation and training programs where they provide general tips for interactions with grantees or role play potentially challenging scenarios – but there is usually no specific standard to adhere to. Only a couple foundations offered examples of specific behavioral expectations – such as Packard’s Grantee Experience Standards (which are written down and externally shared) or one regional funder’s internal guidelines (which are not written down); both were fairly limited in scope, dealing with areas such as responsiveness or frequency of contact with grantees. Two exceptions were: one national funder, which has fairly structured guidelines for grantee interaction (currently being documented), but it is based on their specific “high-engagement” approach to philanthropy; and Colorado Health’s Community Engagement IMPACT practice Model – a fairly thorough guide that talks about individual behavior as well as general
principles. It is focused on community engagement more broadly, however, which includes but is not limited to grantees.

Philanthropic infrastructure organizations have a lot to say about funder-grantee interactions. The accompanying list of collected resources reviews the many articles and reports that cover this topic. Much of what is written, however, provides general guidance at the organizational level, encouraging funders to change practices around unrestricted funding or streamlining proposal and reporting processes. There is quite a bit written around individual practices, but they tend to be fairly general, such as encouraging staff to listen well or be aware of power dynamics but without providing specific accompanying behaviors.

Why do documented behavioral guidelines for individual staff generally not exist? While this memo does not seek to answer that question, a few ideas follow. Philanthropic infrastructure organizations are not likely to propose specific guidelines given the variability of funder approaches to philanthropy and differences in foundation culture. Within any particular foundation, size and variability may also come into play. Large foundations may have a tough time setting standards due to variances across programs (i.e., an international program may require different grantee interactions than a local, responsive grantmaking program), while smaller foundations may rely on their existing culture and a mentoring model to transmit behavioral expectations. Another conjecture is that foundations are still relatively new, with the program staff role being fairly broad, leaving much to individual discretion.

Memo Overview
Understanding that there were not any documents that exactly fit what the Foundation was looking for, what follows is a summary of articles and reports on this topic and the materials and conversations with peer foundations. The memo starts first by discussing what’s written about the “why” of strong grantee-funder relationships. It then frames the suggested practices – those focused on individual behaviors and those focused on organizational structures and consider how the two relate. It then considers the question of how program staff see their role in relation to grantees and lists a number of recommendations and interesting practices around topics such as communications, site visits, reporting processes, and so forth. Lastly, the memo discusses how foundations implement these practices, and whether they are actually followed. Finally, we pose a few questions for the Hewlett Foundation to consider as it embarks on its project to define “excellent work with grantees.”

FINDINGS

Why do grantee relationships matter? Many assume or tie it to impact. Unicorns Unite, written by Vu Le, Jane Leu, and Jessamyn Shams-Lau makes the argument that many funder–grantee relationships are dysfunctional, marred by disrespectful behaviors, mistrust, unfairness, lack of listening, dishonesty, power imbalance, and double standards. While some who write about this topic implicitly assume the benefits of strong grantee-funder relationships, in Exploring Openness, the Colorado Association of Funders posits that strong relationships lead to greater impact: “strong partnerships built on trust allow foundations and nonprofits to listen to each other and accomplish their missions and objectives in a more purposeful way.” “The people doing the work on the ground in our sector know best,” says Christine Márquez-Hudson, President and CEO of The Denver Foundation. “We, as foundations, will only accomplish our goals if we are working in partnership with these experts.”
Michaelle Smith of Hilltop Community Resources, a nonprofit, says “Open partnerships with foundations will strengthen the nonprofits, which in turn increases the benefit to the community.”

While this memo did not look into the data that tied strong relationships to impact, in one interesting report published by Rockefeller Philanthropic Advisors (RPA) in partnership with Skoll, Ford, and others – RPA started out first by identifying successful organizations that had scaled solutions and “shifted systems” (i.e., organizations that have had “impact”) – and in turn asked them what funder behaviors helped them get there. While the answers are not surprising (the list is very close to the litany of funder “do’s” that the philanthropic sector often talks about: provide multi-year general operating support, provide assistance beyond the grant, streamline grantmaking processes, etc.) – it was one of the few reports that sought to trace strong funder-grantee relationships and specific funder behaviors to impact. While funder behavior was certainly not the sole cause of impact – these funders likely adopted these same approaches with organizations who did not have impact – organizations who did have impact noted these common funder behaviors and approaches as being useful.

Suggested practices are a mix of organizational structures and individual behaviors. If we do take for granted that strong relationships lead to greater impact, organizations such as CEP, GEO, NCRP, Exponent Philanthropy, The Whitman Institute, and many others each have their own lists of good principles and practices that lead to strong relationships (see Appendix A). Looking across these lists, the promoted practices typically fall under two broad buckets: “individual” and “organizational” though the research usually does not distinguish between the two.

While the two are not mutually exclusive, individual practices are those that any staff member can do regardless of what foundation they are part of. This includes things like how often they initiate contact with grantees or how well they listen or share mistakes. While foundations can certainly create guidelines to support or deter program staff, it is largely at the discretion of individual behavior and style. The organizational bucket is about the foundation’s approach to philanthropy – its values, policies, and structures. Organizational practices include things like how much multi-year or long-term GOS support a foundation provides, how onerous or streamlined their proposal or reporting processes are, whether they gather anonymous feedback from grantees, the geographic distance of grantee organizations from the foundation, or the portfolio size of each program staff member. Most of these are highly influenced by the foundation’s approach to philanthropy, how it allocates its resources, and its internal culture and systems. While they are not often at the discretion of individual staff members, they do provide the context for individual interaction with grantees.

Since the Hewlett Foundation’s project is focused on individual program staff guidance rather than broad organizational efforts, this memo for the most part, does not go over the many suggested practices that infrastructure organizations recommend to strengthen grantee relationships such as: (always first and foremost) providing multi-year GOS funding, getting input on strategy from grantees, soliciting anonymous feedback, hiring staff with nonprofit experience, ensuring that reporting, proposal, and evaluation processes are useful and not burdensome, soliciting advice from a grantee advisory committees, involving communities or grantees in funding decision-making, having board members that represent grantee or recipient communities, or getting input from the communities the foundation seeks to benefit. While these are not covered in more detail in this memo, the Foundation may still want to consider these organizational practices.
How foundation staff see their role sets the tone for individual behavior. In the same way that organizational structures and approaches provide the context for how staff interact with grantees, how individual program staff see their roles also colors their interactions. In the GrantCraft guide, **Personal Strategy: Mobilizing Yourself for Effective Grantmaking**, the writers distinguish between jobs and roles: a job being a set of required discrete tasks and a role being the broadly defined expectations that come with a job. Roles come with “a large zone of discretion in which you have to decide how to execute your work … It’s what you’re expected to do but aren’t explicitly told to do to advance the work of the foundation.”

While part of the foundation’s goal with this project is to perhaps reduce this zone of discretion and provide more explicit guidelines, there will always be plenty of discretion. And how individuals interact with grantees, in part, depends on how they see their role in relation to grantees.

In the “**The Program Officer of the 21st Century**,” staff of The Kate B. Reynolds Charitable Trust talk about the changing role of the program officer (see Figure 1).

Others, too, talk about how the program staff role should not simply be transactional or focused on accountability but more on collaboration, learning, and support. “Rather than testing whether the grantee is accomplishing exactly what was promised in the proposal, Babcock program officers ask larger, deeper, and less judgmental questions that invite self-reflection and what-if thinking,” says Easterling in “**How Grantmaking Can Create Adaptive Organizations**.”

Similarly, NCRP encourages the term “grantee partner” to challenge the defining role of nonprofits as solely recipients versus collaborators and partners. In his SSIR article “**Winter is Here**,” Vu Le uses TV series “Game of Thrones” imagery to argue that we need to de-emphasize the stark distinction between funders and grantees altogether: “We must take down the Wall that divides grantees and funders, and fundamentally change the way we see each other … winter is here, and our communities face the ice zombies of injustice, poverty, racism, gentrification, and environmental degradation. The only way we can face them is if we break down the walls between funders and grantees, and see each other as partners on the same side, addressing the same issues.”

Others go even further to break down the traditional funder – grantee divide. Open Road Alliance has a “**customer service credo**,” with their tagline being “We’re here to help” – in some ways turning the power dynamic on its head and putting foundations in a service role. And still others have gone even
further by removing the traditional program staff role completely and adopting participatory grantmaking approaches as in the case of one foundation, where a cohort of grantees drive strategy and a foundation staff member simply plays a facilitator and support role.

While it’s clear that foundation program staff most certainly have multiple roles, better articulating or understanding these roles may be a first helpful step in outlining what behaviors should follow.

**Suggested practices for specific areas of grantee interactions**

Assuming that program staff want to play a supportive and collaborative role in their relationships with grantees, what does this actually look like in practice? Foundations and field articles provide ideas and suggestions in the following areas:

- Setting expectations
- Contact – frequency and responsiveness
- Site visits
- Proposal processes and measuring progress
- Reporting and meeting milestones
- Declines and exits
- General “good behavior” and skills
- Diversity, Equity, and Inclusion
- Beyond the grant support

Please note that asking about full or true costs did not come up – as often the literature or foundations focused on providing GOS. When specifically asked of one national foundation, they noted having a standard overhead percentage and thus program officers do not typically discuss it.

**Setting Expectations**

In his SSIR article, “Grantees as Customers,” Dave Peery of the Peery Foundation writes that “It starts with simply having the conversation at the outset about what kind of funding relationship you intend to have.” Setting expectations came up frequently as an expectation. CEP’s “Working Well with Grantees” advises program staff to “talk with grantees about your level of availability. Set expectations early in the relationship so grantees know what to expect.” Exponent Philanthropy’s Great Funder Nonprofit Relationships Toolkit suggests “developing a communications calendar together with grantees so both parties know when you will be talking to one another.” And “Exploring Openness” gets even more tactical by noting that grantees want to know what’s the best method for making contact: “several nonprofits expressed anxiety around the process of figuring out whether they should call or email with questions.” Packard’s Grantmaker Orientation and Learning (GOAL) program also encourages program staff to set expectations for communication frequency and style, such as setting up quarterly calls or letting grantees know whether they routinely plan to do site visits.

**Contact – Frequency and Responsiveness**

In “Working Well with Grantees,” CEP states that “It is important that contact with grantees happens more than once a year … Grantees who report yearly or less frequent contact with their program officers rate their relationships less positively.” While frequency may very well fall under the “zone of discretion” (and is likely highly dependent on portfolio size and the nature of the grant), some foundations do have guidelines for frequency of contact. Echidna Giving “aims to interact with every
grantee at least twice a year, ideally once in person,” while Peery also aims for twice yearly check-ins. A couple foundations prescribe even more frequent contact. Einhorn Family Charitable Trust (EFCT) has a standard of quarterly check-ins for their GOS grants and engages more frequently for designated time periods as requested by grantee partners (e.g., weekly to support strategy development); another national foundation has monthly or bi-weekly check-ins. Both of these foundations are considered “highly engaged” funders whose staff have less than 10 to 20 grantee partners each. Many other foundations said that they did not prescribe frequency of contact and left it to the discretion of program staff.

Program staff responsiveness and initiation also comes up in regards to grantee relationships. Very few foundations I spoke to mentioned having guidelines, though CEP states that “63% of CEP program officer respondents report that they typically respond to grantees either the same day they are contacted or by the following day” in their report “Benchmarking Program Officers.” One regional funder does have a standard of responding within 24 hours and they mentioned most staff do follow it and agree with the spirit of it. Packard’s Grantee Experience Standards (which were being updated) state that grantees will receive a response within three days from foundation staff, but Chris DeCardy notes that while the Grantee Experience Standards are important for giving grantees a specific measure by which they can hold the Foundation accountable, they are seen as an entry point for the more meaningful, qualitative feedback the Foundation desires. As such, if grantee relationships seem fine on the whole, not much weight is put on whether or not the specific standards are being met. In another example, Open Road Alliance does not set a specific standard in their “Customer Service Credo” but simply states: “We answer our email, we answer the phone, and we respond to all inquiries.”

In “Working Well with Grantees,” CEP research also suggests that who initiates contact is important: “Program officers who initiate contact with grantees as frequently as grantees initiate contact with them, or reach out to grantees more than grantees reach out to them, tend to have stronger relationships.” In “Five Tips for Building Strong Relationships with Grantees” Caroline Altman Smith of The Kresge Foundation says, “Try to reach out more frequently to offer encouragement and support, introduce resources, or just check in so that the communication burden doesn’t always fall on the grantees. These communications don’t have to be long and involved; even a few thoughtful lines make it clear that you’re following the grantee’s work, celebrating their successes along with them, and are available to help as needed.”

**Site Visits**
Seeing “grantees in action” is a common task for foundation staff in building relationships and better understanding grantee work. The “Exploring Openness” report notes that “many nonprofit grantseekers say site visits are worth the preparation and effort because it’s the best way for funders to grasp the full picture. ‘It makes a big difference when the funder comes to see our space and our work, and asks us what we need.’” Most advice given for site visits seem to be common sense. The NCG Grantmaker 101 workshop “Essential Skills & Strategies for New Grantmakers” suggests clearly communicating the goals and purpose of the site visit (again, expectation-setting) while the another foundation has a four-page guide on site visits that they give staff, which includes a list of “self-defeating interviewing techniques” — see sidebar. Echidna Giving has a helpful two pager on site visits that they share with grantees. It asks a series of questions that would be helpful for the funder to know ahead of time and also clarifies what they would like to see and *not* see, saying, “Nothing impresses us more than honesty and transparency.” The NCG workshop curriculum also notes that since few organizations turn down a funder request for a meeting, funders should be sensitive when asking for the site visit. In their GOAL program, Packard advises staff not to place too much work on the grantees to organize the visit, and Echidna Giving explicitly asks to pay for any costs associated with the site visit. In “Grantees Report Back,” Amy Berman of the Hartford Foundation says that they will often invite the grantee leadership team to dinner so that the entire team understands how much they are valued and so that the foundation can learn from the entire team.

Proposal Processes and Measuring Progress

Because this memo is focused more on individual behaviors rather than organizational structures and systems, it does not review the general recommendations of asking funders to not ask for more information than they need, accept proposals drafted for other funders, or for funders to gather information first before asking it from grantees. A few tidbits are worth noting, however, in terms of individual program staff behavior.

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<tr>
<th>AM I LIKE THIS ON A SITE VISIT?</th>
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<td>The following are self-defeating interviewing techniques:</td>
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<td>1. BIG TALKER: Do you love the sound of your own voice, feel you have great wisdom to impart? You give your own views, prejudices, opinions and experiences and the interviewee provides little new information, parrots you, or may be reluctant to offer his/her own opinions.</td>
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<td>2. AGILE ANTICIPATOR: Are you omniscient and do you know the answers before they are given? You may end the interview with a mixture of erroneous ideas, misconceptions, and half-truths.</td>
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<td>3. LISTLESS LISTENER: Is the interview a matter of form? Do you appear bored? Do you really know the answers prior to the interview? Does your mind wander? Do you think about lunch or what your next question will be?</td>
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<td>4. PROSECUTING ATTORNEY: Do you proceed as if cross-examining a hostile witness? You put the interviewee on guard and hardly allow for open expression of opinions, ideas or differences.</td>
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<td>5. GOODWILL AMBASSADOR: Do you have an aversion to asking difficult or sensitive questions? Do you skirt around unpleasant issues? Do you dislike offending people? Are you trying to make a friend?</td>
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<td>6. CAPTIOUS CATEGORIZER: Do you have second sight, and are you able to judge intuitively people’s motives? Do you tend to classify others according to your own prejudices? You may be a victim of your own biases.</td>
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<td>7. FAULTY QUESTION FRAMER: Do you ask leading questions, thereby telegraphing the answers you wish to receive? Do you ask general questions that return general answers? Are your questions vague or incoherent? Do you interrupt with new questions too soon?</td>
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<td>8. TRIPLE HEADER QUESTIONER: Do you ask questions with several parts, such as the interviewee’s experience with boards, programs and fundraising all at once? This makes it difficult for the person to answer and for you to keep track of the answer.</td>
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<td>9. TACTLESS TACTICIAN: Do you ask personal questions, such as those concerning salary needs, in front of other staff members? Do you phrase questions in a crude or tasteless manner?</td>
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Excerpted from one foundation’s internal guide on site visits
In CEP’s “Grantees Report Back,” Ken Thompson, formerly of the Gates Foundation, says that he spends most of his time in the proposal process working with applicants to clarify the goals of the project and how they will track progress. This mutual development of milestones is also something that another national funder does with all their grantees. Slightly differently, Amy Berman of Hartford Foundation says that grantees determine their milestones but foundation staff will offer refinements, as grantees are sometimes too ambitious in their goals.

During Peery’s proposal process, Avani Patel notes that they try to be very focused on getting only the information they need to make a grant recommendation decision at that time. She notes that “individuals can be curious about all sorts of things,” but there can be other times dedicated to understanding the grantee as a whole. She also noted that they call grantees on the day their grant is awarded so they can tell them the good news live rather than through email.

One interesting suggested practice is to share grant recommendation write-ups with grantees. Kevin Bolduc of CEP writes, “If we want to improve funder-grantee relationships — not to mention capacity building and shared learning — what better to share than these summaries about why a grant should be funded and what the risks are in doing so? Even when grant recommendations contain worries about a particular risk — organizational capacity challenges or major external risks, for example — a direct, if difficult, conversation between a grantee and her program officer, prompted by an open note, could yield new ideas, clarifications, or opportunities for assistance.” As noted in Essential Skills and Strategies, one community foundation does just that – but even for declined grantees. They provide written “rationale statements” when approving or declining proposals. “It gives an account of how and why the foundation arrived at this decision. For declines, they also see the rationale statement as a form of capacity-building. For approved grantees, it helps clarify the foundation’s expectations and reinforces important goals.”

**Reporting and Meeting Milestones**

In the grantmaking cycle, the grantee report is often a built-in moment of grantee interaction for program staff, even if it’s simply the email submission of a written report. First, and not to be taken for granted, is the acknowledgement of the report. One regional foundation has a clear guideline for staff to respond to grantees within a few weeks of receiving the report while Packard’s Grantee Experience Standards state that staff will respond within 60 days and provide substantive comment. While one program at Packard tracks this 60-day-response timeframe closely due to the responsive nature of their grantmaking, Chris DeCardy notes that other programs are less focused on this – being more concerned with the broader relationship as a whole. Some foundations use the grant report as a time to check-in with grantees. EFCT follows up on each GOS grant report with an hour phone call from the program officer, and for some project grants has an update phone call in lieu of a written report. Another national funder has quarterly check-ins for 1-2 hours in which they review the annual milestones. And Ken Thompson, formerly of Gates, says he follows up via phone with about two-thirds of his grantees, usually to learn more or to check-in with those he has not seen recently.

A couple foundations have disposed of a written report altogether. Peery Foundation has a phone call with grantees and simply takes notes on the progress and challenges of the grantee, and one program officer at Ford is experimenting with this approach as well. The Fund for Shared Insight did this as well with a subset of grantees. Paul Beaudet notes that Wilburforce does not require formal reporting or proposals for renewals. They ask a very limited number of questions, at the Program Officer’s

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1 They do ask for financials and sometimes other “off the shelf” materials.
discretion, and instead, focus on an hour conversation with grantees before a grant is put forward for renewal to the board. (Note that Wilburforce is also an engaged funder that purposefully “reduced the relationship load” of program staff and focuses on capacity-building. While staff do a write-up for the board, it is based on their close knowledge of grantees.)

Reporting is an area where the program staff roles of accountability and learning can be in tension. Some try to focus the reporting process on reflection and learning. Henry Berman of Exponent Philanthropy states that a useful reporting question to ask is, “What would you tell someone else running the same type of program?” He notes that in casting the recipient as a mentor for someone else, you better glean lessons. Similarly, EFCT notes in their reporting template that it is intended to surface newfound opportunities or obstacles to problem solve together, and that bottom line: if it feels like an exercise only for the benefit of reporting to EFCT – and is not inherently useful for grantees—call them and they will talk through how to make this a more valuable tool for the grantee organization.\(^2\) In contrast, one national funder is fairly clear that the purpose of their quarterly check-ins is to review the milestones agreed upon with the grantee and to hold the grantee accountable for progress. One of their program officers notes that their role, however, is to balance accountability with support.

While this memo did not focus on the content of reporting templates, the foundations that shared them generally do ask grantees to report on goals and milestones in addition to more reflective questions about lessons. RPA’s report, “Scaling Solutions for Shifting Systems,” however, emphasizes the importance of “instituting ... practices to enable grantees to pursue pivots in strategy based on their own learning and experiences.” They argue, essentially, that funders should not be so focused on meeting milestones that grantees forego important shifts they ought to make.

**Declines & Exits**
Saying “no” to grantees is never easy and while many articles acknowledge the discomfort that comes with being a funder, only a few provide practical guidance. One is GrantCraft’s *Saying Yes, Saying No*, a fairly comprehensive and useful guide. The guide notes that “just hearing that there were a lot of requests and not enough money doesn’t help nonprofits learn what they can do better the next time.” Instead, it states that nonprofits want program staff to “be straight with us” and they provide some basic ground rules for program staff such as being prompt, being polite, and offering clear, helpful explanations. The guide also reviews the different rationales for saying ‘no’ and provides advice on how to communicate ‘no’s’ based on each rationale. The Packard Foundation also covers this briefly in their GOAL program, offering advice such as using standard form language for general inquiries (e.g., direct grantseekers to strategies on the website), recommending one or two foundations to explore, or handing off requests internally to other program staff. Echidna Giving notes that they provide notice as soon as possible when exiting a long-term relationship, “ideally with 18 months’ funding runway.”

**General “good behavior” & skills**
Beyond grant cycle interactions and setting expectations around communications, a whole host of articles and reports talk about general “good behavior” and skills that program staff should employ in their interactions with grantees. These include:

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\(^2\) EFCT notes that about four grantees have taken the foundation up on this, offering instead to share existing reports or board materials, which for the most part has worked for the foundation.
Listening well. In an older GOAL training document from 2009, Packard talks about four different types of listening and encourages program staff to exercised “engaged listening” – see sidebar. Colorado Health Foundation’s IMPACT Practice Model states that staff should follow the 80/20 rule and reserve speaking for only 20% of the time. Exponent Philanthropy also offers a number of tips for listening well.

Building trust. In “Power Moves,” NCRP cautions program staff to give it time, “Remember that in the beginning of building trust, a grantee or community leader may not be ready to speak directly and honestly about challenges with you or with the grant-funded activities. Don’t take it personally; rather, look for ways to earn that person’s trust until they are ready to be forthcoming.” Henry Berman also advises funders to “see each interaction as getting one step closer to a more relaxed conversation.” The Grantee Funder Toolkit encourages funders to “work to build genuine relationships, assume the best intention in others, follow through on request in a timely manner, and care about the other person’s personal and professional well-being” as aspects of trust-building.

Asking good questions. Many encourage funders to ask learning-oriented, open-ended questions. Exponent Philanthropy has a list of powerful questions in their Funder Toolkit such as “In a few years from now, what would like to say about your situation?” or “What support do you need to accomplish...?” while The Giving Practice also encourages asking Open and Honest questions, those you cannot anticipate the answer to. In “Walking a Different Kind of Grantmaker Walk”, Elizabeth Cushing of the nonprofit Playworks says the two best questions she was ever asked by a funder were “What keeps you up at night?” and “How can I help?”

Being honest. Exponent Philanthropy encourages funders to engage in “radical candor… challenging someone directly while also showing that you care for them personally.” Yet another article with tips for funder-grantee relationships says, “Don’t avoid difficult conversations; instead, encourage early intervention” and references Spencer Johnson (physician and author of “Who Moved My Cheese?”): “Integrity is telling myself the truth. And honesty is telling the truth to other people.” One program officer speaks of a similar approach, noting that their foundation sets expectations with grantees early on saying, “We expect candor from you, and we will be candid” and that they “don’t like surprises.”

Mutual Vulnerability. Unicorns Unite imagines a world in which both funders and nonprofits can be empathetic toward each other. In “How Grantmaking Can Create Adaptive Organizations,” Easterling encourages program officers to bring their own questions and uncertainties to the table while Exponent Philanthropy encourages funders to share their own mistakes, thus showing respect for failure. Avani
Patel of Peery Foundation notes that when she interacts with grantees, she always focuses “on the people first, and the organization second,” noting that even when she went on sabbatical she had multiple interactions with grantees all because of personal relationships – not because of ‘foundation business’.

**Diversity, Equity, and Inclusion.** While not many foundations addressed this directly, Packard’s GOAL program encourages staff to consider practical and culture variables such as time differences, language/translation needs, and communication methods (such as using WhatsApp). One program recounted a time, for example, in which they hosted an all-day training but failed to schedule time for mid-day prayers. They also suggest setting Ramadan or other religious holidays on staff calendars so they are mindful of grantee schedules. Another foundation has an “Equity Matters” section as part of their orientation curriculum for new foundation staff. While it does not detail specific practices, it includes their general approach (e.g., recognizing privilege, the primacy of lived experience, etc.) and has lists of recommended reading.

**Beyond the grant support**
One of the key aspects of funder-grantee relationships is the ability of funders to support grantees “beyond the grant.” Exponent Philanthropy encourages funders to ask nonprofits about what they truly need, but this does not always happen. In “A Failure to Communicate,” Maya Winkelstein of Open Road Alliance reports in their research that “over 60 percent of funders don’t ask grantees what could go wrong or discuss the possibility of disruptive events at any point during the grantmaking process,” saying that instead, foundations need to explicitly ask, since grantees are not likely to be comfortable sharing challenges or where they need support. Similarly, in “Strengthening Grantees,” CEP states that 58% of nonprofit CEOs said none or few of their foundation funders ask about their organization’s overall needs beyond funding.

In that same report, nonprofits say they most want support around fundraising, staffing, and communications. “Working well with Grantees,” however, notes that grantees who receive support in only one or two forms derive “minimal benefit.” Instead, “it is most helpful when grantees receive a comprehensive set of assistance efforts that span an organization’s needs.” CEP measures “comprehensive assistance” as providing 8 or 9 forms of assistance – see list at right.

“Scaling Solutions towards Shifting Systems” cautions that “not all non-monetary support is helpful. It can at times be a distraction or a hindrance, even if it was intended to have the opposite effect. As one interviewee described, “Funders push advice and opportunities rather than pull advice and opportunities.”” Many articles emphasized the necessity of having built up enough trust so that grantees will share what they really need and also be willing to turn foundations down if it is assistance they do not need.

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**CEP’s List of Beyond the Grant Assistance**

- Encouragement/facilitation for collaborations
- Insight and advice on the field
- Seminars/forums/convenings
- Strategic planning advice
- Introduction to leaders in the field
- General management advice
- Development of performance measures
- Research or best practices
- Communications/marketing/publicity assistance
- Financial planning/accounting assistance
- Board development/governance assistance
- Use of foundation facilities
- Staff/management training
- Information technology assistance
Foundations use a variety of methods to instill good practice – “hiring right,” providing learning opportunities, and sometimes accountability.

While many of these ideas and practices sound well and good, how do foundations encourage their practice in reality? How do foundations implement these ideas?

**Culture and Hiring**

Going back to the idea that organizational context sets the tone for individual behavior, CEP remarks in “The Ripple Effect of Foundation Culture” that a foundation’s internal culture affects how its staff relate to grantees. “Staff engagement and culture matter. We see connections between staff responses about their own empowerment—including the extent to which they have a cooperative culture that’s respectful of differences across staff—and grantees’ perceptions that the foundation communicates with clarity and consistency. The foundation’s culture of learning and improvement matters. The more strongly staff agree that the foundation learns from past performance when designing new programs, the more strongly grantees tend to rate the quality of their relationships with the foundation and its staff.” Understanding that internal culture and external relationships influence each other is a start, and in “The Source Codes of Foundation Culture,” GEO notes how a foundation’s origins in universities or banking institutions permeate foundation language and culture. Chris DeCardy of Packard also noted the importance of culture in influencing behavior, saying “culture is not a technical checklist.”

A couple foundation executives noted the importance of “hiring right.” Paul Beaudet of Wilburforce said that no amount of coaching can help someone who is not oriented toward building strong relationships. He notes that they look for people who manifest strong relationship skills from the start. Once staff are in place, however, foundations describe using mostly “learning” methods for encouraging strong grantee interactions. Only a few mentioned “accountability” methods.

**Learning**

On the learning side, orientation and training programs are a common way for larger foundations to influence program staff behavior. A number of foundations such as Packard have developed their own orientation and training programs which often have “grantee interactions” as a topic in the curricula. They may use role play or case studies to bring these practices to life and oftentimes they are led by existing program staff who can serve as peer leaders. There are also existing curricula for grantmakers through Grand Valley State University’s Grantmaking School and the Council of Foundations / Northern California Grantmakers’ “Essential Skills and Strategies.”

Mentoring and shadowing is also a common method for encouraging desired practices. While this can be especially useful around “softer” skills, it also seems more common in smaller foundations with limited staff turnover where putting together formal orientations or documenting specific practices may not be needed. Wilburforce and one regional foundation mentioned highlighting bright spots – when
they see program staff who are doing well in their grantee interactions, they ask program staff to share their practices so others can learn.

Some suggest reflective and conversational exercises to encourage discussions of roles and to help program staff be more self-aware. The Giving Practice’s “Reflective Practice Guide” provides exercises and advice for helping program staff discover their role, be present, engage their “right brain”, and learn from others. Deal Breaker / Deal Maker is a card “game” developed by Stacy Van Gorp of McElroy Trust that allows program staff to see how they react and respond to four different grantseeker personas. Discussion questions ask program staff which personas are more frustrating versus exciting and whether it is about substance or style. The goal is to help program staff be more self-aware, and one of their authors says “the tools have been an effective on-ramp to moving into discussions about DEI, power-sharing and trust.” The Grantcraft guide, Personal Strategy, also provides a framework for helping individuals see their strengths and weaknesses in relation to the roles they need to play as a funder. The guide includes five reflective strategies for individuals to think about as they handle difficult situations so they can act more like “naturals.” They include analyzing your frustrating incidents, creating dialog about your role, reverse-engineering your role models, mobilizing yourself and now your self-image, and plotting your partner (i.e., figuring out where your grantee sits in their own self-awareness or role-awareness).

Accountability
No foundations or articles specifically mentioned individual accountability mechanisms (i.e., performance reviews) to influence staff behavior. A number of foundations referenced the GPR as a useful measure for tracking organizational performance on grantee interactions. Wilburforce noted that it was their GPR scores that originally prompted them to re-structure and re-think their grantee relationships and a number of foundations cited the GPR grantee relationship scores as a useful accountability tool for their organization. Packard’s GPR survey does includes custom questions that ask grantees specifically about the Grantee Experience Standards. But while individual POs and program directors see their scores (as at Hewlett) the GPR is considered a tool for professional development and not accountability. When asked why it was not used as an accountability tool, Chris DeCardy noted that it was considered just one input (and the Grantee Experience Standards were also just one set of measures) among others to consider.

In a conversation with one national funder, they did note the importance of program directors being aligned on how they manage program staff. For example, if the foundation wants to ensure that program officers have a follow-up and monitoring plans for each grantee, then they need to work with program directors to ensure that program directors are asking program officers about these monitoring plans as part of their regular conversations.

“Having worked at Hewlett decades ago in the Education Department when Ray Bacchetti was the Program Officer and Roger Hynes was the President (and then David Pierpont Gardner), much of my training was by direct mentoring. My second and longer-term mentor was Cole Wilbur at the Packard Foundation, who hired me to run his office in 1995. It is ancient history, I know – but those mentoring relationships with amazing grantmakers and human beings is what I aspire to. I use what they taught me about clear and honest relationships with grantees, kind and direct communication, transparency and clarity about what to expect – to work with / train our grant committee members and staff.” – Mary Gunn, Monterey Peninsula Foundation
Lastly, developing competency models is another way to articulate and implement program staff practices, whether for learning or accountability. A competency model outlines the knowledge, skills, abilities, and “other characteristics” associated with a job (see the Grants Managers Professional Competency model as an example). In “How Grantmaking Can Create Adaptive Organizations,” Easterling notes that “Kate B. Reynolds has four competencies (the ability to diagnose the situation, to manage self, to intervene skillfully, and to energize others) that are spelled out in a “practice profile” that the National Implementation Research Network (NIRN) developed in collaboration with the trust’s program officers. NIRN provided the program officers with coaching, training, and experiential learning to build their skills and to develop competent practices.” Grand Valley State University is also developing a program officer competency model in conjunction with a GEO working group. So far it includes areas such as communications, building relationships and trust, power analysis, and DEI. A version will be shared publicly in early summer 2019.

WHAT NEXT? Questions to Consider
Given the upcoming work that the Foundation is undertaking, we wrap up with a few questions to consider:

- Given the vast territory that “grantee interactions” can cover from individual skills in listening to proposal and reporting practices, what areas seem most salient to dig further into? What areas feel irrelevant?

- In what areas does the Foundation want to continue to provide “the zone of discretion” to individual program staff, and in what areas would more specific guidance be useful? In what areas might you never provide specific guidance?

- What individual practices seem mis-aligned with the broader organizational approach, if any? Or vice versa?

- If you were to list 3 individual behaviors that you think would “make or break” grantee relationships, what might they be?
APPENDIX

1. Philanthropic Instructure Organizations' Definitions/Measures of Good Funder-Grantee Relationships
2. Foundation Guidelines
3. Recommended Readings
4. List of Interviewed Foundations
Philanthropic Infrastructure Organizations' Definitions/Measures of Good Funder-Grantee Relationships

**CEP's measure of funder-grantee relationships:**

**INTERACTIONS**
- Fairness of treatment by foundation
- Comfort approaching foundation if a problem arises
- Responsiveness of foundation staff

**COMMUNICATIONS**
- Clarity of communication of foundation's goals and strategy
- Consistency of information provided by different communications

**GEO's measures of strong relationships in their 2017 Field survey:**

- Sought advice and feedback from grantees, nonprofits, and representatives of recipient communities;
- Had staff with experience working in a nonprofit; and
- Had board members that represented grantees, other nonprofits, or recipient communities.

**Exponent Philanthropy / Great Funder-Nonprofit Relationships, “hallmarks of strong relationships:”**

- **Mutual trust**—Trust is the cornerstone of any great relationship—in philanthropy or elsewhere. Trust increases over time as you get to know the other person and develop a clear sense of who they are and what motivates them.
- **Humility**—In a relationship, having humility and empathy for your partner opens the door for open and honest feedback.
- **Communication**—Communication is essential in building healthy, long-lasting, and open relationships.
- **Shared expertise**—Both funders and nonprofits can benefit from by taking a step back and listening to one another’s insights.
- **Tolerance for discomfort**—The power dynamic between funders and nonprofits can be burdensome for both. Each side must be willing to do the work necessary to build a strong, healthy relationship.
Foundation Guidelines

The David and Lucile Packard’s Grantee Experience Standards*
*Currently under the process of review & revision

Grantee Experience Standards

Our staff wants all grantees to have a positive experience working with the Packard Foundation.

We promise grantees the following:

› You will be provided with realistic expectations about the proposal process and timing.
› You will receive a response to your email or phone inquiry within three days (or a notification that the Foundation staff member you are contacting is out of the office).
› When you speak to a program officer, you will receive clear communication about the subprogram strategy and where the work of your organization fits into that strategy.
› You will receive a response to your final report within 60 days in which we acknowledge and comment briefly on the substance of your work.
Colorado Health Community Engagement IMPACT Model

**INTELLIGENCE** is exhibited through ongoing use of emotional intelligence concepts for effective leadership (understand and acknowledge your own feelings, empathize with those of other people and regulate yourself so that you don’t act impulsively), along with critical-thinking skills both between and during each stage of the approach.

**MANAGE** ongoing cross-functional engagement and grantmaking practices for effective partnering and action in service to the program officer role and mission of the Foundation.

**PROSPECT** and explore regions across Colorado focused on active listening, open communication, gathering information, analyzing data, forming and managing relationships and discovering/characterizing the situation.

**ACT** by prompting and facilitating communities to think and act differently, conducting power analyses and brokering connections.

**CULTIVATE** and learn together with a community to develop new, effective and comprehensive projects and strategies through facilitating networks, strategic analysis and problem solving and catalyzing action.

**TRUST** advances as power dynamics are reduced and balanced through consistent advising, communications, achieving a shared sense of purpose and authentic relationships and partnerships.

### Key Functions

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<tr>
<th>Intelligence</th>
<th>Manage</th>
<th>Prospect</th>
<th>Act</th>
<th>Cultivate</th>
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<td>Emotional Intelligence</td>
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<td>Active Listening</td>
<td>Brokering Connections</td>
<td>Catalyzing Action</td>
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<td>Grantmaking</td>
<td>Communicating</td>
<td>Relationship Management</td>
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<td>Privilege and Influence</td>
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<td>Balancing Power</td>
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Recommended Readings
A short list of recommended readings is below.

- [Great Funder-Nonprofit Relationships: A Toolkit for Funders](#), Exponent Philanthropy
- [Colorado Health: Community Engagement Impact Practice Model](#)
- [Packard PO Training on Communicating with Grantees 2009](#)
  An older Packard training on communications that’s done with an interactive case study.
- [Personal Strategy: Mobilizing Yourself for Effective Grantmaking](#); Grantcraft Guide
- [Saying Yes, Saying No](#); Grantcraft Guide
- [Open Road Alliance Customer Service Credo](#)
- [Reporting Through Conversation: Building Trust and Relationships; John Esterle, The Whitman Institute](#)
- [Building Trust with Grantees is Essential](#); Graciela Selaimen, Ford Foundation, Brazil
- [Walking a Different Kind of Grantmaker Walk](#); Elizabeth Cushing, Playworks
- [Unicorns Unite](#); Vu Le, Rainier Valley Corps; Jane Leu, Smarter Good; Jessamyn Shams-Lau, Peery Foundation
List of Interviewed Foundations

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<tr>
<th>Organization</th>
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<tr>
<td>1. Moore Foundation</td>
<td>Adam Jones</td>
<td>Science Program Officer</td>
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<td>2. Einhorn Family Charitable Trust</td>
<td>Lucie Addison</td>
<td>Director of Organizational Learning and Impact</td>
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<td>3. Wilburforce Foundation</td>
<td>Paul Beaudet</td>
<td>Executive Director</td>
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<td>4. Peery Foundation</td>
<td>Avani Patel</td>
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<td>5. Exponent Philanthropy</td>
<td>Henry Berman</td>
<td>Chief Executive Officer</td>
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<tr>
<td>6. Grand Valley State University</td>
<td>Michael Pratt</td>
<td>Project Manager</td>
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<td>7. Packard Foundation</td>
<td>Olivia Deich</td>
<td>Learning Officer</td>
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<td></td>
<td>Meredith Pearlman</td>
<td>Evaluation &amp; Learning Director</td>
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<tr>
<td></td>
<td>Chris DeCardy</td>
<td>Vice President &amp; Director of Programs</td>
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