



MORE THAN MONEY:
MAKING A DIFFERENCE WITH ASSISTANCE
BEYOND THE GRANT

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This paper is based on CEP's independent data analyses, and CEP is solely responsible for its content. This report does not necessarily reflect the individual views of the funders, advisors, or others listed above.

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INTRODUCTION

Talk of promoting “organizational effectiveness” is prevalent within the halls of large foundations today. Although foundations have long looked for ways to improve the performance of the nonprofits they fund, they have intensified their focus on these activities over the past decade – devoting more resources to them than ever before.

Evidence of increased interest can be found in the creation and growth of Grantmakers for Effective Organizations (GEO), “a coalition of grantmakers committed to building strong and effective nonprofit organizations.”¹ Today, GEO has members representing 350 grantmaking organizations, and more than 600 foundation staff attended its last conference. Believing that their organizations’ effectiveness depends on the effectiveness of those they fund, many foundation leaders have embraced the idea of adding value “beyond the money.”

This trend is also apparent in analyses of foundation spending. A report published by the Foundation Center in 2007 about “non-grantmaking charitable activities” reveals that a majority of surveyed foundations reported increased levels of such activities over a recent

five-year period. “Foundations conduct non-grantmaking charitable programs for a wide range of reasons, mostly related to promoting organizational and field-wide effectiveness. Chief among these is building capacity among grantees.”²

Gwen Walden of the California Endowment takes this view even further in an essay published by the National Committee for Responsive Philanthropy. She refers to providing assistance beyond the grant as an approach that has potential to go beyond grantmaking to “changemaking.” Walden writes, “Many foundations are making the transition from grantmaking to changemaking by internally leveraging all of the resources present in the foundation to achieve the change agenda. These additional resources – such as convening, training, advocacy, strategic communications, and nontraditional investment strategies – are increasingly joining with traditional grantmaking to ‘power up’ a foundation’s giving.”³

Yet strikingly little is known about the assistance beyond the grant that foundation program staff and the consultants they retain provide – or about the impact of these efforts. A number of consultants and academicians have offered

1 Grantmakers for Effective Organizations. “About Us,” 2008, <http://www.geofunders.org/aboutgeo.aspx>.

2 Foundation Center, *More than Grantmaking: A First Look at Foundations’ Direct Charitable Activities*, November 2007: 4. About 3,000 foundations were surveyed; response rate was 32 percent. Direct Charitable Activities (DCAs) is a broader concept that includes activities beyond those examined in this report.

3 Walden, Gwen I. “When a Grant Is Not a Grant: Fostering Deep Philanthropic Engagement,” *State of Philanthropy* 2006, National Committee for Responsive Philanthropy: 30.

conceptual frameworks, theoretical models, definitions, terminology, and approaches that might be useful to foundation leaders. But there is little knowledge about what works and what doesn't that is based on, or even informed by, the perspectives of grantees receiving such assistance. What is missing is data about what is happening today and what actually works when it comes to providing assistance beyond the grant.⁴

To help fill that void, this research examines the following questions:

- What are the attitudes and behaviors of foundation CEOs and program staff regarding the provision of assistance beyond the grant?
- What types of assistance are grantees receiving?
- How do grantees view this assistance – and under what conditions do they report that their organizations or programs have been strengthened?
- How can foundations most effectively approach assistance beyond the grant?

⁴ For examples of approaches to strategies for measuring outcomes of capacity building activities, see Light, Paul C. and Elizabeth T. Hubbard, "The Capacity Building Challenge, Part I: A Research Perspective," *Practice Matters: The Improving Philanthropy Project*. Foundation Center, April 2004.

WHAT IS ASSISTANCE BEYOND THE GRANT?

A variety of terms are used to describe how funders can strengthen nonprofit organizations. They include "capacity building," "technical assistance," and "organizational effectiveness." In this study, we analyze the provision of assistance beyond the grant by foundation staff and consultants. We focus on assistance provided in accompaniment to a grant, not grants that are awarded for specific "capacity-building" efforts.¹ Through our work surveying foundations' grantees over the past six years, we have developed a list of 14 types of assistance that foundations frequently provide to their grantees:

- 1) General management advice
- 2) Strategic planning advice
- 3) Financial planning/accounting
- 4) Development of performance measures
- 5) Encouraged/facilitated collaborations
- 6) Insight and advice on field
- 7) Introductions to leaders in the field
- 8) Research or best practices
- 9) Seminars/forums/convenings
- 10) Board development/governance assistance
- 11) Information technology assistance
- 12) Communications/marketing/publicity assistance
- 13) Use of foundation facilities
- 14) Staff/management training

These activities are the focus of the analyses described in this report. We do not examine foundation efforts to achieve their programmatic goals through work aimed at other groups, such as communication efforts designed to influence the public at large.

¹ For more on capacity building grants, see Backer, Thomas E. *Strengthening Nonprofits: Capacity Building and Philanthropy*. Encino, CA: Human Interaction Research Institute, 2000; Blumenthal, Barbara. *Investing in Capacity Building: A Guide to High-Impact Approaches*. New York, NY: Foundation Center, 2003; Connolly, Paul and Carol A. Lukas. *Strengthening Nonprofit Performance: A Funder's Guide to Capacity Building*. St. Paul, MN: Amherst H. Wilder Foundation, 2002.

To answer these questions, we draw on several sources of information:

- Surveys of grantee organizations: 21,446 grantees responded to 52 questions about their experiences with one of 148 foundations. The median asset size of these foundations was \$236 million. The response rate was 67 percent.⁵

Strikingly little is known about the assistance beyond the grant that foundation program staff and the consultants they retain currently provide – or about the impact of these efforts.

- Surveys of program staff and CEOs from foundations with \$100 million or more in assets: 103 program officers and 98 CEOs responded, with response rates of 52 percent and 49 percent, respectively.⁶
- Interviews of key staff members and grantees of three foundations that provide assistance to higher than typical proportions of their grantees in ways that our findings show are most effective.⁷

We hope this report sheds new light on the important issue of how foundations provide assistance beyond the grant to nonprofit organizations. We believe our findings raise fundamental questions about whether the majority of large foundations are achieving their objectives in the provision of this assistance.

⁵ These surveys were conducted between February 2004 and April 2007.

⁶ These surveys were conducted between November 2007 and January 2008.

⁷ These interviews were conducted between August and October 2008.

KEY FINDINGS

Our data collection and analyses reveal four key findings:

- Foundation staff believe that assistance beyond the grant is important for creating impact – and, in particular, for grantees’ achievement of their goals – but they know little about the actual results of the assistance they provide.
- The majority of grantees of a typical large foundation receive no assistance beyond the grant, and the 44 percent that do receive assistance generally receive just two or three types.
- Providing just two or three types of assistance to grantees appears to be ineffective; it is only in the minority of cases when grantees receive either a comprehensive set of assistance activities or a set of mainly field-focused types of assistance that they have a substantially more positive experience with their foundation funders than grantees receiving no assistance.
- Providing assistance beyond the grant in ways that make a meaningful difference to grantees calls for a significant investment on the part of the foundation: Program staff at foundations that provide assistance in these ways to more of their grantees tend to manage fewer active grants and give larger grants.

DISCUSSION OF KEY FINDINGS

→ Assistance beyond the grant is seen as key to creating impact, but little is known about actual results.

Foundation CEOs and program staff believe that assistance beyond the grant is important for creating impact. They say assistance matters for the achievement of the foundations' goals as well as for the achievement of their grantees' goals.

More than 80 percent of CEOs and 60 percent of program staff we surveyed indicate that the provision of assistance beyond the grant is important for the achievement of their programmatic goals.⁸ In the words of one program officer, "It can often mean the difference between making a grant and making an impact."

Even greater numbers of respondents to our survey – more than 80 percent of CEOs and program staff – view assistance beyond the grant as important for improving grantees' abilities to achieve their own goals. One CEO says, "The check may get the community to the table, but technical assistance sustains and supports their ability to finish at the table and get to their goals."

Despite the high proportion of CEOs and program staff who believe that assistance beyond the grant is important for the achievement of their goals – and their grantees' goals – few program staff know

Despite the high proportion of CEOs and program staff who believe that assistance beyond the grant is important for the achievement of their goals – and their grantees' goals – few program staff know whether the assistance they provide is helping to achieve the intended results.

whether the assistance they provide is helping to achieve the intended results. Only about a third say they "always" follow up with grantees to understand the effects of the assistance they provided; the rest report following up only "sometimes."⁹

Of those who say they "always" follow up, their efforts do not yield much information about the actual effects of their assistance. Nearly 90 percent do not look for changes in grantees' work or organizations related to the assistance they provide.

Although foundation staff may frequently lack an understanding of how the assistance they provide affects their grantees, they can judge its effect on how they perceive their relationships with their grantees. In this area, they are overwhelmingly positive about the results. Three-fourths of CEOs and more than 90 percent of program staff think

⁸ "Important" is defined as a rating of 5, 6, or 7 on a scale where 1 indicates "Not at all important" and 7 indicates "Extremely important."

⁹ Four percent of program staff and two percent of CEOs say that they "never" follow up.

that the assistance beyond the grant that they provide affects their relationship with grantees in a positive way.

CEOs and program staff overwhelmingly reference benefits to their relationships with grantees such as enhanced trust, honesty, confidence, and collaboration. “It has deepened our connection to our grantee organizations,” says one program officer, resulting in “increased trust and willingness to share the realities of nonprofit

day-to-day challenges.” Another program officer describes how the provision of assistance beyond the grant, “builds trust between us, helps me understand the people I work with, makes us emotionally closer.”

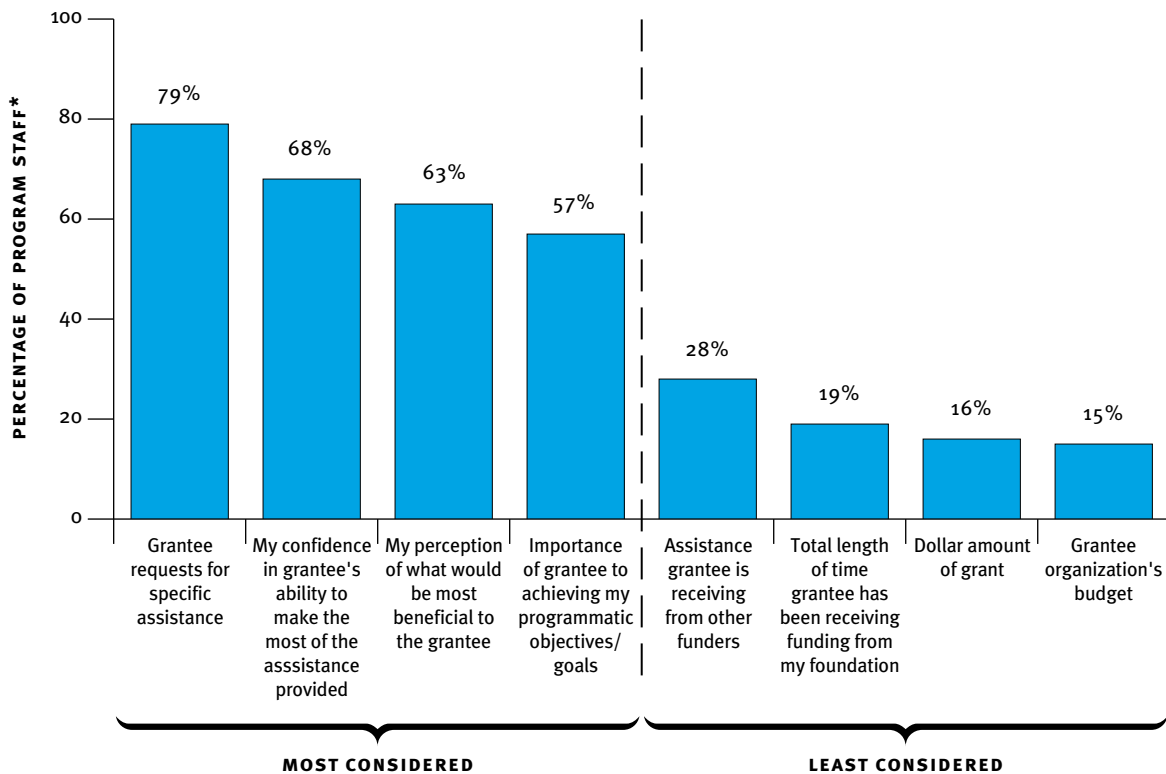
Although foundation staff describe the effects that providing assistance beyond the grant have on foundation–grantee relationships in overwhelmingly positive terms, some do raise caveats. About 15 percent of CEOs think that

DECIDING WHAT TO PROVIDE

Program staff rarely conduct formal needs assessments to determine what type of assistance to provide to grantees — just three percent of respondents report always doing so.

Figure 1 below illustrates the most and least significant factors that program staff consider when deciding what assistance beyond the grant to provide.

FIGURE 1: FACTORS IN PROGRAM STAFF DECISION MAKING



*Percentage of program staff rating a factor as 5, 6, or 7 on a scale where 1 indicates “Not a significant consideration” and 7 indicates “Significant consideration.”

providing assistance affects their relationship with grantees in both a positive and a negative way. These CEOs expressed some concern about the provision of assistance being perceived as overbearing, as well as its potential to make grantees dependent upon the foundation. Still, the overwhelming sentiment among both CEOs and program staff is that the provision of assistance beyond the grant is crucial for impact and helps to create a stronger, more open, and trusting relationship between the funder and the funded.

➔ **The majority of grantees of a typical large foundation receive no assistance beyond the grant, and the 44 percent that do generally receive just two or three types.**

The grantee experience with foundations' provision of assistance beyond the grant is more limited than might be expected given the attention the topic receives and the importance foundation CEOs and program staff place on it.

- Fifty-six percent of grantees report receiving no assistance from the funder about which they were surveyed.
- The provision of assistance beyond the grant varies widely among the 148 foundations in our data set: There are some grantees receiving no assistance beyond the grant at every foundation, and the proportion receiving no assistance ranges from 9 percent to 97 percent.

Our survey asked grantees to report whether or not the foundation had provided each of the 14 types of assistance listed in Figure 2 during the course of the grant. When examining the combinations of what grantees received, we uncovered five patterns of assistance: Comprehensive Assistance; Field-Focused Assistance; and three additional categories that we refer to as Little Assistance throughout the report. (See Figures 3 and 4.)

Comprehensive Assistance. Grantees receiving a comprehensive pattern of assistance report receiving eight to nine types of assistance, on average,

FIGURE 2: TYPES OF ASSISTANCE BEYOND THE GRANT RECEIVED BY GRANTEEES

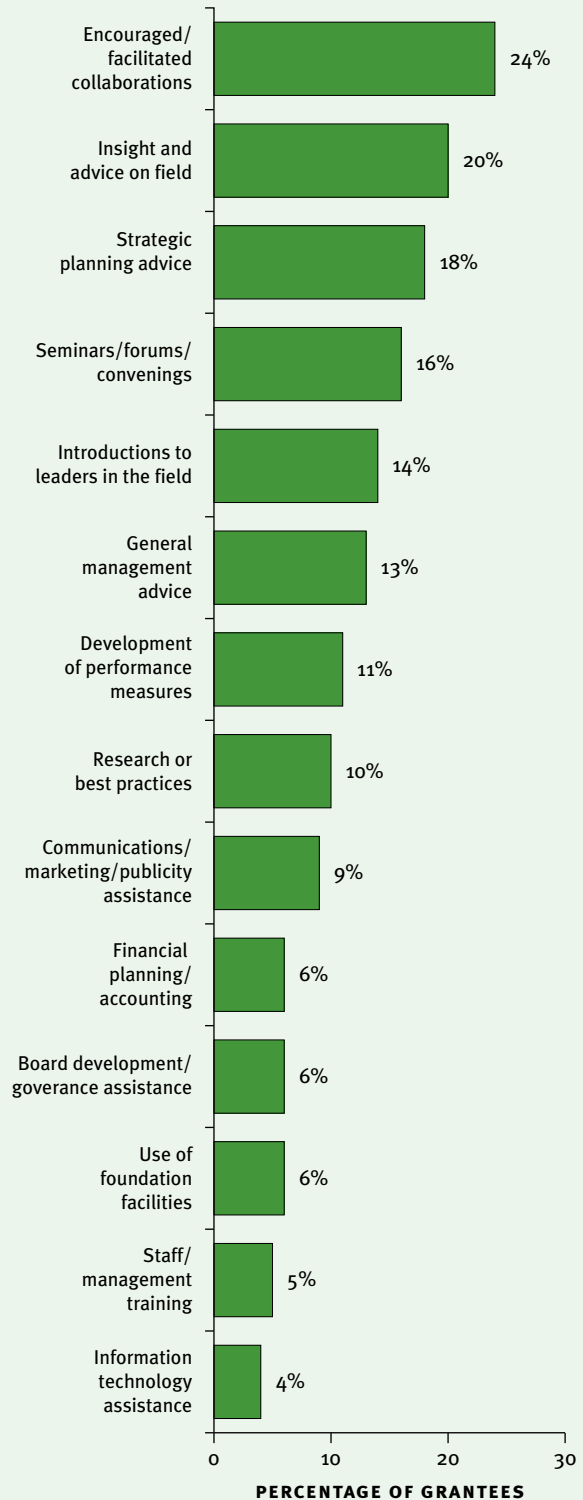
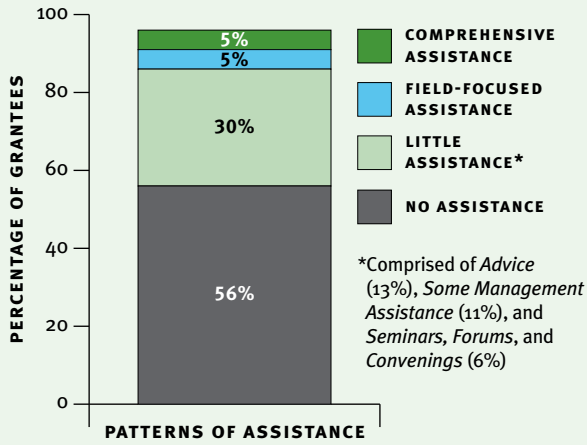
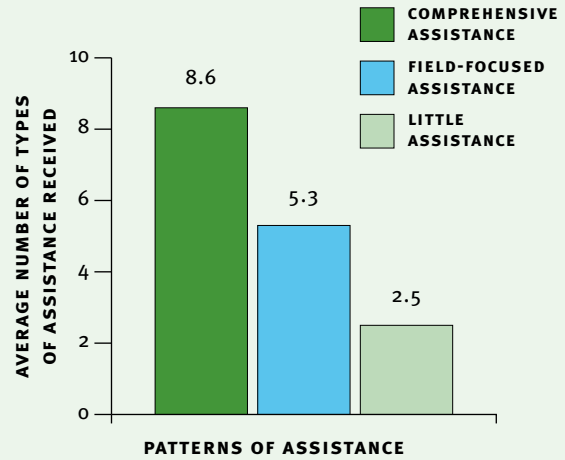


FIGURE 3: PERCENTAGE OF GRANTEES IN EACH PATTERN OF ASSISTANCE



Four percent of grantees receiving assistance do not fall into a pattern of assistance and are not included.

FIGURE 4: AMOUNT RECEIVED BY PATTERNS OF ASSISTANCE



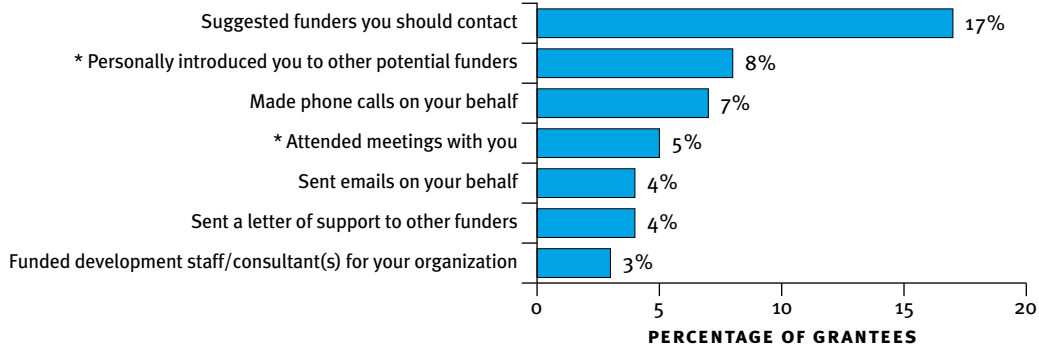
WHEN FOUNDATIONS HELP GRANTEES RAISE MONEY FROM OTHER SOURCES

Foundation program staff we surveyed say the most frequent request they receive from grantees for assistance beyond the grant is help raising money from other sources. The typical foundation provides just 22 percent of its grantees with assistance securing funding from other sources.

Grantees that receive this assistance get, on average, two types. The most frequent is suggesting other funders to grantees, but grantees receiving these suggestions do not

rate the impact of the assistance received much differently than grantees that do not receive such suggestions. Perhaps this is because most foundation grantees are already well aware of other potential funders. The typical foundation goes beyond simply suggesting other funders for only 12 percent of its grantees. However, when foundations do more, either by introducing grantees to other funders or attending meetings with other funders, it makes a difference. Grantees rate the impact of this assistance securing funding higher than grantees not receiving these activities.

FIGURE 5: WAYS FOUNDATION ASSISTED IN OBTAINING ADDITIONAL FUNDING FROM OTHER SOURCES



*These activities correlate with higher grantee ratings of the impact of assistance securing funding.

across the spectrum of assistance types offered. Five percent of grantees fall into this pattern.

Field-Focused Assistance. Grantees receiving a field-focused pattern of assistance report receiving, on average, five types of assistance, four of which tend to be focused on increasing the grantee's knowledge about – and supporting relationships to others in – the grantee's field. Five percent of grantees fall into this pattern.

Little Assistance. The 30 percent of grantees falling into the remaining three patterns receive less assistance – on average two to three types – during the course of a grant. Thirteen percent of these grantees report receiving mainly advice; eleven percent report receiving some management assistance; and six percent report receiving mainly seminars, forums, or convenings.

→ **Providing just two or three types of assistance to grantees appears to be ineffective; it is only in the minority of cases when grantees receive either a comprehensive set of assistance activities or a set of mainly field-focused types of assistance that they have a substantially more positive experience with their foundation funders than grantees receiving no assistance.**

When only a few types of assistance beyond the grant are provided, they appear to do little for grantees. Simply receiving one, two, or three types of assistance from a foundation – the experience

of the majority of grantees who receive any assistance at all – makes little positive difference to grantees' experiences with their foundation funders.¹⁰ Although grantees receiving all patterns of assistance rate the helpfulness positively – and foundation staff see benefits to their relationships with grantees – there is no evidence that provision of assistance in this way creates substantial positive impact on grantees.¹¹

It is only in the minority of cases when grantees receive either comprehensive or field-focused assistance that their experiences are substantially more positive than those of grantees receiving no assistance at all.

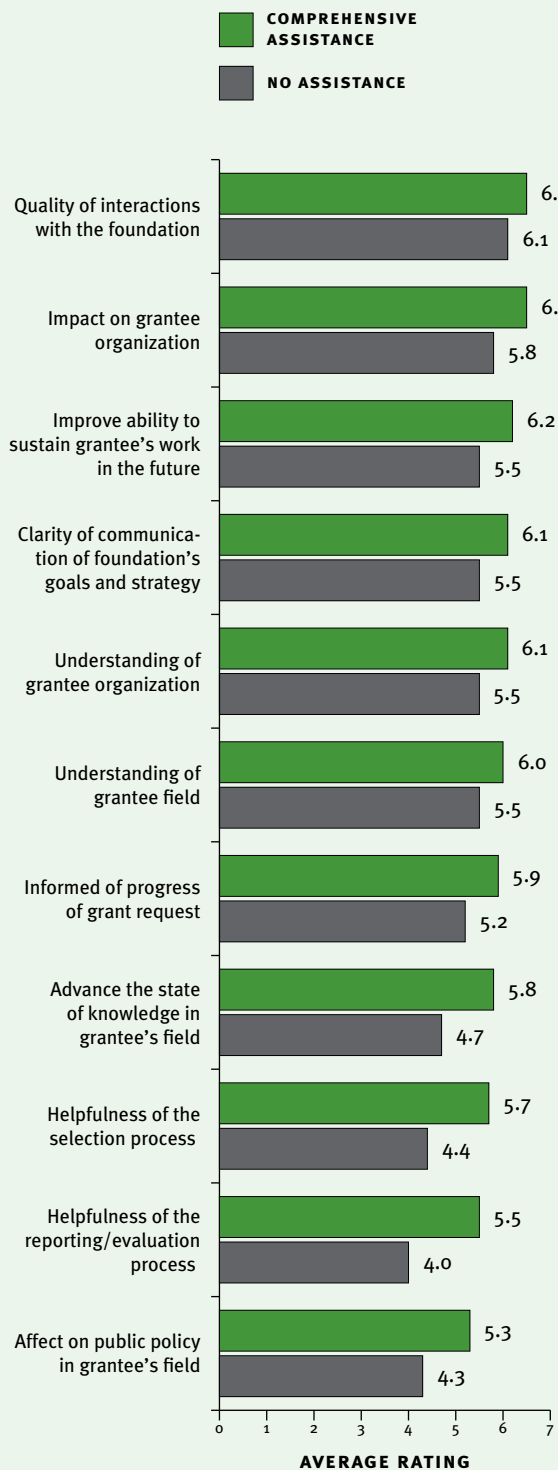
COMPREHENSIVE ASSISTANCE

Grantees receiving comprehensive assistance rate their funders – and their experiences – more positively on a wide range of dimensions than those receiving no assistance. The comprehensiveness of the assistance is marked by the breadth of activities that grantees receive from a funder, including assistance focused on the management of the grantee organization, activities focused on the grantee's field, and more technical forms of assistance. Grantees receiving comprehensive assistance beyond the grant report that their funder provided their organization with an average of eight to nine types of assistance; no grantee receiving comprehensive assistance received fewer than six types.

10 Although we do see some statistically significant differences between those that receive little assistance and none at all, the differences are consistently of small effect sizes. The one exception relates to ratings of the helpfulness of the selection and evaluation processes: grantees in the advice and some management assistance groups rate these processes higher than those that receive no assistance.

11 Grantees were asked to rate the helpfulness of each type of assistance they received, but there was little variation across the average helpfulness ratings among different types of assistance beyond the grant. Ratings on helpfulness of specific activities were weakly correlated with ratings for the foundation's impact on their organization and the sustainability of the grantee organization.

FIGURE 6: RATINGS FROM GRANTEES RECEIVING COMPREHENSIVE ASSISTANCE VS. NO ASSISTANCE



Grantees receiving comprehensive assistance beyond the grant are having a different – and more positive – experience than grantees receiving no assistance.

The proportion of grantees receiving comprehensive assistance from foundations ranges from zero (for 18 percent of the 148 foundations) to 30 percent (for one foundation). Half of foundations are providing comprehensive assistance to three percent or less of their grantees.

Grantees receiving comprehensive assistance report that their foundation funders had a substantially greater impact on their organization than grantee organizations that received no assistance.¹² They also perceive the foundation to have done more to improve their organizations' abilities to sustain the work funded by the grant in the future.¹³ As one grantee receiving comprehensive assistance says, "The Foundation's support financially as well as technically had a great impact on the organization. This has helped carry forward the mission and commitment of the organization and also established a solid ground for the future."

These grantees report that their foundation funder was clearer in communicating its goals and strategies and engaged in higher-quality interactions. They also indicate that their funders have a greater understanding of their organization and of the field in which they work, and have done a better job advancing the state of knowledge and affecting public policy in grantees' fields. (See Figure 6 for the differences in ratings

12 This finding holds when controlling for grant size and grant length.

13 There is no statistical relationship between grantee organizations' budget size and whether they received no assistance beyond the grant or comprehensive assistance beyond the grant.

between those who receive comprehensive assistance and those who receive no assistance.)

One grantee comments, “The Foundation’s impact has been enormously helpful and beneficial to our organization and, as a result, to the field that we work with. While the monetary assistance is extremely helpful, the nonmonetary assistance has been equally useful and needed. It has allowed us to think broader and in very creative ways.”

In short, grantees receiving comprehensive assistance beyond the grant are having a different – and more positive – experience than grantees receiving no assistance.



See page 20 for a case study on the Hartford Foundation for Public Giving’s approach to providing comprehensive assistance.

FIELD-FOCUSED ASSISTANCE

Grantees receiving field-focused assistance also rate their funders – and their experiences – more positively than those receiving no assistance, but not on as many dimensions as those that receive comprehensive assistance. These grantees report their foundation funder provided an average of five types of assistance to their organization, with four of those, on average, being field-focused.

Those receiving field-focused assistance rate their foundation funder higher on improving their organization’s ability to sustain the work funded by the grant.

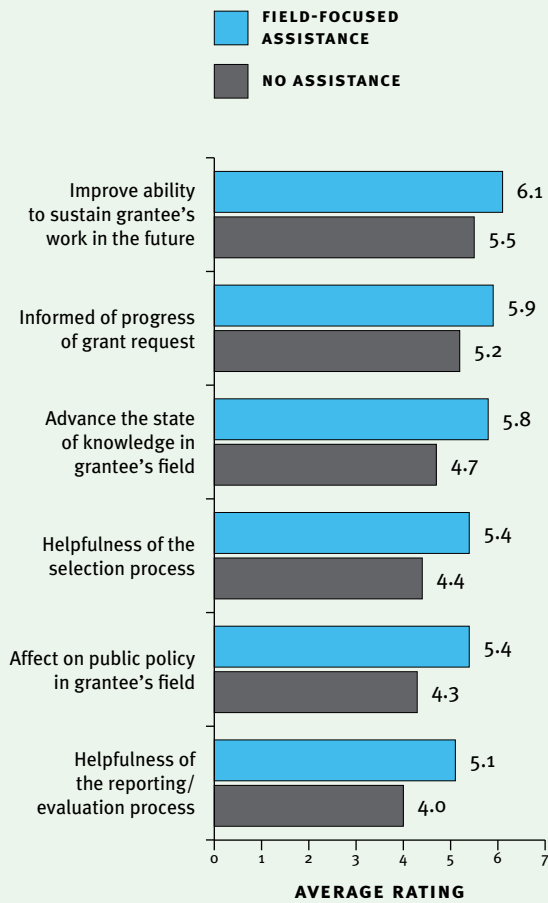
Field-focused types of assistance include the encouragement or facilitation of collaborations, the provision of insight and advice on the grantee’s field, introductions to leaders in the field, the provision of research or best practices, and the provision of seminars, forums, or convenings by the foundation or a third party paid for by the foundation.

What is received by grantees in the field-focused pattern of assistance differs from what is received by grantees in the comprehensive pattern: Grantees receiving field-focused assistance are receiving a narrower range related to increasing the grantee’s knowledge and relationships in the grantee’s field of focus. These grantees are receiving, on average, three fewer types of assistance than grantees in the comprehensive pattern.

The proportion of grantees receiving field-focused assistance from foundations ranges from zero (for 24 percent of the 148 foundations) to 29 percent (for one foundation); half of foundations are providing a field-focused pattern of assistance to less than three percent of their grantees.

Those receiving field-focused assistance rate their foundation funder higher on improving their organization’s ability to sustain the work funded by the grant. “The [Foundation] strengthened our ... likelihood of future sustainability beyond the grant period,” writes one grantee. Grantees in this group also rate their foundation funder higher on advancing the state of knowledge in the fields in which the grantee works and affecting public policy. “Without the Foundation, our leadership classes would not exist,” writes another. “We would still be a community disconnected from each other, a community without a shared vision for our future and children. ... People creating change need support because it can be

FIGURE 7: RATINGS FROM GRANTEE RECEIVING FIELD-FOCUSED ASSISTANCE VS. NO ASSISTANCE



exhausting and exhilarating at the same time.” (See Figure 7 for the differences in ratings between those that receive field-focused assistance and those that receive no assistance.)

Grantees receiving a field-focused pattern of assistance do not have different experiences on as many dimensions as grantees receiving comprehensive assistance. But they do have a different experience on a number of important dimensions.

See Page 23 for a case study on The Wallace Foundation’s approach to providing field-focused assistance.



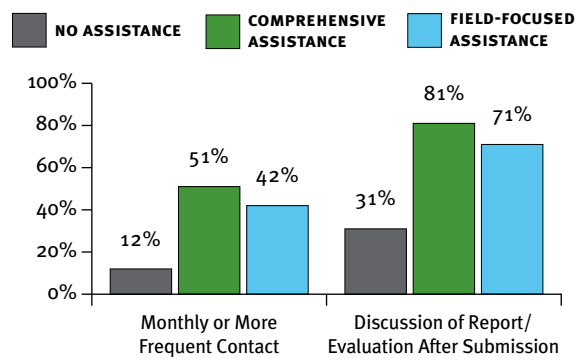
➔ **Providing assistance beyond the grant in ways that make a meaningful difference to grantees calls for a significant investment on the part of the foundation: Program staff at foundations that provide assistance in these ways to more of their grantees tend to manage fewer active grants and give larger grants.**

Providing comprehensive or field-focused assistance beyond the grant calls for an intentional investment on the part of a foundation. Program staff at foundations that provide comprehensive

A DIFFERENT KIND OF RELATIONSHIP

Grantees that receive comprehensive or field-focused assistance have a different relationship with their funders, characterized by more frequent contact and discussions of reports/evaluations of the funded work. (See Figure 8.) As one grantee receiving comprehensive assistance remarks, “The Foundation is always there for us. Whatever need arises, they have been wonderful in lending their support and assistance and in helping us to network throughout the community.” Another describes their foundation funder as providing a “High level of involvement and support” and as being “very proactive in helping solve problems.”

FIGURE 8: A DIFFERENT KIND OF RELATIONSHIP



and field-focused patterns of assistance to more of their grantees tend to be working with fewer active grants and awarding larger grants. (See Figures 9 and 10.)

At The Wallace Foundation, for example, which provides 19 percent of its grantees with comprehensive assistance and 29 percent with field-focused assistance, the average number of active grants managed by the nine professional program staff members is 12. This compares to a median of 43 active grants at other foundations in our dataset.¹⁴ This difference is not unusual for foundations that provide more of their grantees with these patterns of assistance.¹⁵ (See Figure 9.)

When asked to list the three most frequent challenges encountered when providing assistance beyond the grant, 25 percent of program staff cite time as their primary challenge. Program staff note that the provision of assistance beyond the grant “takes a lot of time” and that the time necessary to provide assistance must be “balanced against other priorities.” One way foundations that provide more assistance beyond the grant appear to respond to this time pressure is by making fewer, larger grants, thereby reducing the number of active grants per program officer. (See Figure 10.)

Foundations also must invest in developing the capacity of their staff to provide assistance. Program staff discussed the importance of “recognizing and acknowledging my limitations as a generalist” and the challenge of “meeting needs of multiple grantees.” As one put it, grantees need “more than I can do.” Just half of program staff providing assistance report having received training to strengthen their ability to do so.

14 The average number of active grants managed is 58.

15 Information on active grants per program staff member is only available for 94 of the 148 foundations in our dataset.

FIGURE 9: ACTIVE GRANTS PER PROGRAM STAFF MEMBER

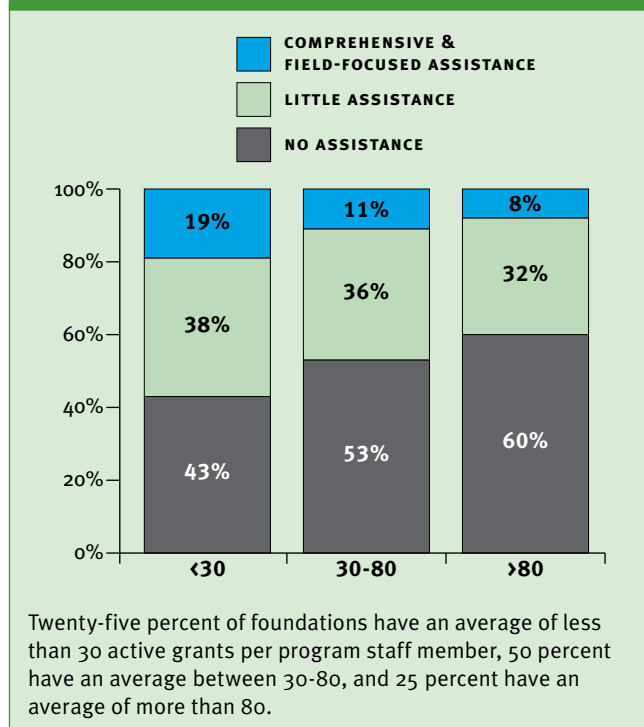
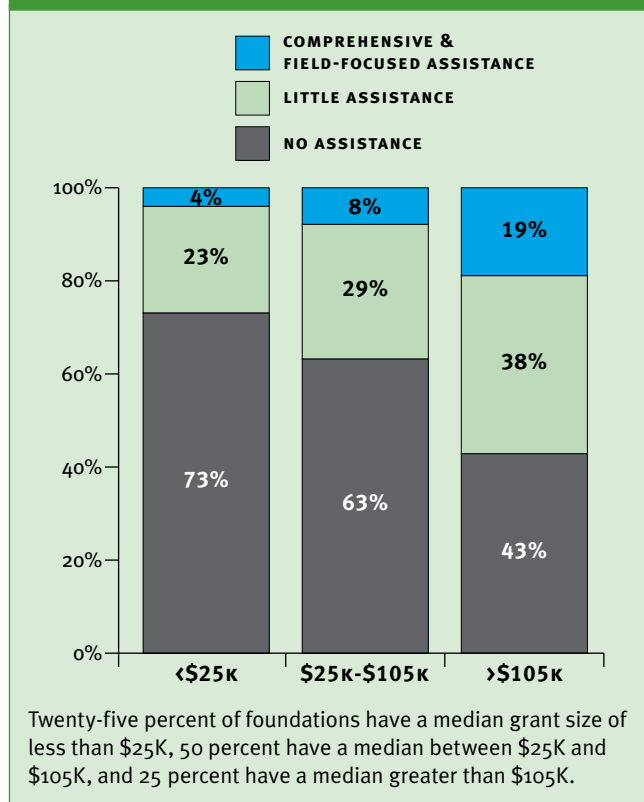


FIGURE 10: MEDIAN GRANT SIZE



NEWER FOUNDATIONS ARE MORE HIGHLY ENGAGED

Much has been made of the emerging breed of more active donors who have entered the philanthropic scene over the past decade. In their new book, *Philanthrocapitalism*, Matthew Bishop and Michael Green describe these “hyperagents” as activist donors determined to get results and eager to break the mold of the passive, “charitable” donor.¹ Given the interest in this “new philanthropy,” our question was: Do newly formed foundations actually take a more engaged approach with their grantees?

The answer is yes. The 35 foundations in our data set that were formed in the past ten years provide a higher proportion of their grantees with assistance beyond the grant and are providing more grantees with assistance in the ways that this research shows are effective. (See Figure 11.) Of the ten foundations with the highest proportion of grantees in the comprehensive assistance group, seven were established within the past ten years.

FIGURE 11: FOUNDATION AGE AND ENGAGEMENT

AGE OF FOUNDATION	> 10 YEARS	≤ 10 YEARS
Median percentage of grantees to which assistance was provided	38%	56%
Median percentage of foundations' grantees receiving comprehensive or field-focused assistance	5%	15%

Another category of funders that tend to provide more assistance beyond the grant are “health conversion foundations,” formed as a result of the acquisition of a nonprofit health insurer or provider by a for-profit company. Many of these foundations have been established in the past ten years, but even when we control for age, these foundations are also more likely to provide their grantees with assistance beyond the grant.

¹ Bishop, Matthew and Michael Green *Philanthrocapitalism: How the Rich Can Save the World*. Bloomsbury Press (2008): 19.

When asked what advice they would give to other program staff based on what they have learned from providing assistance beyond the grant, program staff describe the importance of gaining a good understanding of grantees’ needs before providing assistance beyond the grant – and the need for there to be a match between a program staff member’s knowledge and abilities and a grantee’s needs. As one program staff member says, “You must ‘skill up’ in order to be a useful resource to your grantees. This approach also takes a lot of extra time as one must keep abreast of new developments, evolving policy, etc., in each of the fields in order to help advise grantees strategically.” Another says, “Learn all you can about how nonprofits are governed and managed as well as the field in which they work. Both are critical facets of helping them succeed.”

Foundations often turn to third parties to provide the assistance, but, here, too, there are challenges. Some program staff note that it is “difficult to find excellent consultant experts” and that “linking grantees to correct providers” is a challenge.

The investment required goes even further. Foundation staff are more likely to believe that the results achieved by assistance beyond the grant are worth the time and effort and are more likely to follow up to understand its impact when the provision of the assistance has been integrated into their foundations’ strategies. The exemplar foundations we examined in depth were able to explain clearly how the provision of assistance fits into their programmatic strategies.

See page 26 for a case study on the Winter Park Health Foundation’s strategic approach to assistance beyond the grant.



IMPLICATIONS

Our findings raise fundamental questions about how foundations provide assistance beyond the grant to the nonprofits they fund. In the majority of cases in which grantees report receiving assistance of some kind from their foundation funders, we do not see meaningful

differences in their experiences from grantees receiving no assistance. While this finding is sobering, foundations can take heart in the knowledge that when they do invest significant effort in assistance beyond the grant, the grantee experience is different – and better. Grantees in

PUTTING WHAT WE LEARNED IN CONTEXT: HOW OUR FINDINGS RELATE TO CEP'S OTHER RESEARCH

Our findings on assistance beyond the grant add to our understanding of what we already know about how foundations and grantees interact. In our 2004 report, *Listening to Grantees: What Nonprofits Value in Their Foundation Funders*, we identified three dimensions that contributed to grantees' satisfaction with their foundation funders — as well as to their perceptions of foundations' impact on fields, communities, and grantee organizations:

- 1) Quality of interactions with foundation staff
- 2) Clarity of communication of a foundation's goals and strategies
- 3) Expertise and external orientation of the foundation

In our 2006 report, *In Search of Impact: Practices and Perceptions in Foundations' Provision of Program and Operating Grants to Nonprofits*, we identified specific circumstances under which grant type appeared to contribute to higher ratings by grantees of foundation impact on their organizations. We reported that, for grantees, type of support can matter – but only when grants were significantly larger and longer-term than is typically the case.

Our findings here are similar. Just as operating support is rarely provided in ways that truly translate into impact on grantee organizations, so too is assistance beyond the grant infrequently provided in ways that appear to make a substantial difference. In both cases, if foundations are seeking to have an impact on their grantee organizations, they need to focus their resources and make significant investments to a greater degree than many do today.

Why foundations do not do so, of course, is an open question, and the answer may have something to do with the fact that many foundation CEOs and program officers do not act strategically. We found in our 2007 report, *Beyond the Rhetoric: Foundation Strategy*, that though CEOs and program officers overwhelmingly see strategy as necessary for maximizing impact, many do not make decisions in ways that are consistent with a basic definition of strategy.

Our cumulative findings raise many questions. Foundations should ask themselves: What are we trying to achieve? How do we believe that goal will best be achieved? What kind of relationship do we aspire to have with our grantees? And, what does this suggest about how we structure our grants and what kinds of assistance we provide?

the comprehensive and field-focused assistance patterns see their work as more sustainable, and those in the comprehensive assistance group rate the foundations' impact on their organizations substantially higher than those receiving no assistance.

The implications for foundation CEOs and program officers are several:

- 1. Consider the provision of assistance beyond the grant in terms of your programmatic goals and strategies.** If you are going to provide assistance beyond the grant, be intentional about what you provide and to which grantees you provide it. Consider how, if at all, the provision of assistance beyond the grant contributes to the achievement of your programmatic goals. If the provision of assistance beyond the grant cannot be integrated into the foundation's programmatic strategy, it may not be worth doing.
- 2. If you are going to provide assistance beyond the grant, use your foundation's limited resources wisely by concentrating efforts rather than providing a few types of assistance to many grantees.** While there may be individual examples of foundations providing assistance in other ways that prove effective, our field-wide analysis suggests that foundations generally miss the mark when providing assistance beyond the grant unless they provide it using a comprehensive or field-focused approach. Foundations should consider selecting particular grantees to receive more assistance beyond the grant rather than providing small amounts of assistance across many grantees. The choice of which grantees to offer comprehensive or field-focused assistance

The choice of which grantees to offer comprehensive or field-focused assistance should be directly tied to the foundation's goals and strategies.

should be directly tied to the foundation's goals and strategies as well as to its efforts to better understand grantee needs. Foundations also need to make the necessary investment to give staff the time and skills to provide assistance in these ways.

Foundations that are not in the position to provide assistance in these ways to grantees may wish to consider not providing assistance beyond the grant at all. They should instead redirect any monetary and time savings into other priorities tied to the foundation's strategy.

- 3. Assess the impact of your assistance beyond the grant.** Assessing is the only way to know whether the foundation is achieving what it set out to achieve by providing assistance beyond the grant. Our findings suggest that many foundation CEOs and program staff have not taken steps to learn about the results of their efforts beyond their own sense that their relationships with grantees are strengthened.

How foundations assess the impact of the assistance they provide should be directly tied to their goals. Foundations should follow up to make sure that the assistance provided has not only been implemented, but was useful in contributing to the achievement of the grantees' goals – and the foundation's goals.

CONCLUSION

Despite the significant attention and energy – not to mention financial resources – foundations devote to providing assistance beyond the grant, much of it appears to be ineffective. Our data and analyses demonstrate that, today, when foundations provide assistance beyond the grant, they are often doing so in ways that do not translate into a noticeable impact on the grantee organizations or programs that they fund.

The good news is that grantees receiving a set of comprehensive or field-focused activities are having a different and more positive experience. They are reporting better experiences across a range of dimensions, and they articulate powerfully how foundations can make a difference with more than money:

The Foundation's willingness to become a financial investor in our program had great significance, but their investment in nonmonetary assistance had as much impact, allowing us to assure the investment we were making was done in a way that would have the greatest impact on the people we serve. The nonmonetary assistance made sure the process and structure was properly in place in order to carry out the project, as well as ensuring the evaluation mechanism would be there to help monitor and make critical decisions on necessary next steps.

The potential is there. But realizing it calls for a realistic assessment of what is required.

Foundation leaders and program staff must make tough choices about whether they are in the position to provide this kind of help to grantees, and who among their grantees is best positioned to receive it.

Assistance beyond the grant cannot be provided casually – sprinkled by program staff across the nonprofits they fund – if it is to create impact. Making a demonstrable difference appears to require going in depth with grantees and addressing a range of needs rather than just one or two. Foundation leaders and program staff must make tough choices about whether they are in the position to provide this kind of help to grantees, and who among their grantees is best positioned to receive it. Our case studies of three foundations that have done this successfully provide some hints as to what is required. (See page 20.)

We hope that their example, and this report, will lead other foundations to take an honest look at their current efforts to provide assistance beyond the grant and reflect on how they might better achieve the impact they seek.

LIMITATIONS OF THIS RESEARCH

As with any research project, we faced limitations when analyzing and interpreting our data for this report.

Sample

The foundations whose grantees we surveyed and the foundations whose CEOs and program staff we surveyed are overlapping — but not identical — populations. We did not restrict our survey to foundation CEOs and program staff from the same foundations for which we had grantee survey data because the grantee survey data was collected between one and four years ago. Because of turnover in foundation CEOs and program staff, as well as changes to program areas, programmatic goals, and grantees funded, we would not have been able to compare and contrast the foundation and grantee sides of the story directly with this data.

Method

Our survey of grantee organizations captures their perceptions of the impact their funders have on their organizations. It does not measure “actual” impact (Is the grantee organization more effective as a result of the assistance, for example?). However, because the goal of assistance beyond the grant is to help grantee organizations, we believe grantees’ perceptions are highly relevant and useful.

How We Measured Assistance Beyond the Grant

In this research, assistance beyond the grant is defined by the 14 types of assistance about which we ask grantees on our grantee survey. Though we offer grantees the option

to write in other types of assistance they receive, there are no consistent additional categories that could be created from grantees’ written comments.

- When a grantee respondent checks off the box to indicate receipt of a certain type of assistance, such as strategic planning advice, for example, this is representative of the grantee’s perception of what they did or did not receive. This perception may differ from what the funder believes was actually provided.
- In addition, some of the assistance provided may happen in an unstructured way during the course of a conversation between a program officer and grantee and therefore may not be considered assistance beyond the grant by the foundation. It is also possible that a grantee is not aware that a funder is responsible for some of the assistance beyond the grant received.
- Finally, it may not always be possible for a grantee or for foundation staff to distinguish between assistance that is part of a grant and assistance provided beyond the grant.

As is true of survey research and qualitative research in general, it is not possible to draw causal conclusions from this data. We are not able to know, for example, whether assistance beyond the grant tends to be provided in a comprehensive way in relationships that are already positive between a grantee and program officer, or whether a relationship becomes stronger as the assistance is provided. Though our data suggests the latter, it is not possible to know for sure.

CASE STUDIES

HARTFORD FOUNDATION FOR PUBLIC GIVING: CREATING SUSTAINABILITY FOR NONPROFITS

About Hartford Foundation for Public Giving

- One of largest community foundations in the United States, founded in 1925
- Area served: 29-town greater Hartford, CT region
- Mission: Committed to improving the quality of life for residents throughout the region
- Number of staff members: 50
- Number of grantees: 241 discretionary plus 359 donor advised (not part of CEP's data set)
- Assets: \$800 million
- Broad-based grantmaking focuses on the following areas:
 - Arts and culture
 - Children and youth
 - Education
 - Health
 - Housing and economic development
 - Family and social services

The tagline of the Hartford Foundation for Public Giving is "Here to help. Here to Stay." "They clearly honor that," says one grantee. "They're very good about working with your organization in helping you do what you need to do to sustain the funding beyond their help."

Promoting long-term sustainability and nurturing positive relationships with grantees are among the Hartford Foundation's goals in providing assistance beyond the grant, which often begins as soon as a nonprofit knocks on the Foundation's door and may continue after the grant monies have been spent. "We hope to achieve a broader long-term capacity within organizations to accomplish their mission, a capacity that goes beyond a single grant, whether it's a capital grant or a program grant," says Christopher H. Hall, Hartford Foundation's vice president for planning and strategy. "The other goal is to ensure that we have relationships that enable folks to feel comfortable in approaching the Foundation, talking to us, and raising and sorting through issues with us. It's a way to ensure intense, continuous contact with grantees."

In its 2006 Grantee Perception Report[®] (GPR), which it posted on its Web site, the Hartford Foundation was the highest-rated community foundation on a summary measure of whether grantees received assistance and how helpful grantees found that assistance. According to Hall, providing such assistance is crucial to the Hartford Foundation's impact goals. "We

can only meet our mission to the degree to which nonprofits have the internal capacity to be successful and to meet their missions. So we think it's really important to go beyond just the grantmaking to provide even more in-depth assistance into organizations," he says.

The Hartford Foundation provides assistance beyond the grant to 60 percent of its grantees.¹ The types of assistance provided include

- Management assistance
- Field-related assistance
- Technology assistance
- Board development and governance assistance
- Staff/management training

The Hartford Foundation uses third-party providers for much of this assistance, which it provides mainly through its Nonprofit Support Program which helps area nonprofits build their capacity and increase their effectiveness.

A Customer Friendly Approach

While the Hartford Foundation awards more technical assistance/capacity building grants than is typical, the Foundation's approach to awarding all of its grants sets the stage for it to provide help beyond money.² First, the Foundation takes what Hall characterizes as a "customer friendly" approach. For example, grant applications are accepted year round – there are no application deadlines. "That's the first thing that opens the door and says, 'We're here all the time for you to call,'" he says.

Second, potential applicants don't get a grant application until they speak with a program officer. "The idea is not to create a bureaucratic hurdle, but to foster a personal relationship from

the very beginning. The conversations create an opening to begin talking about broader issues in the agency and how we can be helpful," Hall says. That kind of give and take, he adds, creates the building blocks for a trusting relationship.

"They [Hartford Foundation staff] engage you, and you engage them. You can really let your hair down a little bit and not worry that it's going to be misinterpreted or thought poorly of," says one grantee. According to another, "They are just there for us. Even if we want to ask them a question that will impact the community, we can call them. There are several people [at the Hartford Foundation] we can call for advice."

One nonprofit leader reflects on how conversations during the grant process helped him realize he needed to change the way he was operating. "They challenged my notion of capacity building and my organizational structure. They thought my organization had reached a scale where I should consider creating a new senior-level position. I admit that I was resistant. But it was time to take stock of where things were going and what the organization needed. It was an important point of letting go. It's taken some time, but over these last few years I've gotten some really strong senior talent in place."

For its more formal assistance programs, the Hartford Foundation determines what to offer based in part on what it hears from grantees. In addition to regular individual conversations, the Hartford Foundation holds roundtable discussions with grantees every few years. "We pull in all our grantees and separate them by issue area. We spend about three hours with them, trying to understand what's happening in their field, the latest developments, and the challenges they are facing. We also ask how the Foundation

¹ Data taken from HFPG's 2006 Grantee Perception Report® available at <http://www.hfpg.org/PublicationsReports/GranteePerceptionReport/tabid/269/Default.aspx>.

² Ibid.

“I don’t know if we would have gotten that multimillion-dollar investment from a national foundation if we hadn’t been on the front end of some capacity building and planning that the Hartford Foundation had supported.”

can be more helpful, which policies are working and which are not,” says Hall, adding that the discussions are “enormously helpful. It’s just another way to sit down with folks outside the grantmaking process, make ourselves accessible to them, and try to get some honest feedback about what we are and are not doing well.”

According to one grantee, the Hartford Foundation has been receptive to her suggestions. “I’ve talked a lot about board recruitment. That’s been an ongoing deal with me, as has deepening the diversity of my board. And the Hartford Foundation has had several workshops that have responded to that,” she says. “Technology is also huge. I brought the new expectations of the 990 and all of those nonprofit management issues to their attention. Within three to six months they had a workshop on it,” she says.

Soliciting Feedback

In addition to reaching out to grantees about their needs, the Hartford Foundation regularly evaluates its support activities, asking participants to fill out assessments about the usefulness of the information immediately after an activity. The Foundation also asks participants to describe the changes they think they will make in their organization based on what they learned. “We’ll then go back a year later and follow up to see if

they have indeed made those kinds of changes – or any changes – as a result of their participation in these activities,” Hall says.

The process provides a feedback loop that helps the Hartford Foundation make decisions about the information presented – and about those presenting it. “Since a good deal of our services are provided through third parties, it gives us an opportunity to understand if those individuals are being well received and are doing a good job. Sometimes we change them based on what we find out,” says Hall. One grantee observes, “They’ve been getting better at getting better talent to the trainings. And that’s what reinforces the notion that you want to go,” he says.

The Hartford Foundation also trains the consultants it hires on a range of topics, such as strategic planning, board development, and leadership development. “We have monthly sessions for nonprofit executives and we bring in really top-flight people from around the country. We’ll have them do a morning session for grantees and then do a companion session for consultants in the afternoon,” Hall says.

Grantees say that the assistance beyond the grant provided by the Hartford Foundation has a positive impact on their organizations. “Because we were able to build the training and the skills and the capacity in the greater Hartford area,” says a leader of a large nonprofit, “we have been able to transfer those resources and skills to other parts of our organization, which has strengthened them.” Another credits the Hartford Foundation’s assistance beyond the grant with positioning his organization for some crucial funding. “I don’t know if we would have gotten that multimillion-dollar investment from a national foundation if we hadn’t been on the front end of some capacity building and planning that the Hartford Foundation had supported,” he says.

THE WALLACE FOUNDATION:
STRENGTHENING EDUCATION LEADERSHIP
THROUGH FIELD-FOCUSED ASSISTANCE

About The Wallace Foundation

- A national, private foundation, founded in the late 1980s, that is among the nation's top 40 in assets
- Area served: United States
- Mission: To enable institutions to expand learning and enrichment opportunities for all people by supporting and sharing effective ideas and practices
- Number of staff members: 50
- Number of grantees: 162
- Assets: \$1.6 billion
- Focus areas:
 - Strengthen education leadership to improve student achievement
 - Improve out-of-school time learning opportunities
 - Build appreciation and demand for the arts

To the staff of The Wallace Foundation, knowledge is currency. The Foundation strives to create knowledge through its work with grantees and to leverage that knowledge in ways that will help even those it does not fund. When Wallace's program officers give their grantees assistance beyond the grant, their goal is to benefit both the specific organization and the entire field.

"Providing assistance beyond the grant is a direct application of our mission to support and share effective ideas and practices that enable institutions

to expand learning and enrichment opportunities for all people," says Edward Pauly, the Foundation's director of research and evaluation. "So our goal is not just supporting effective ideas and practices. It's also sharing them with grantees and sharing them more broadly."

With a median grant size of \$1 million and an average duration of five years, Wallace's approach allows the Foundation "to build sustained relationships with grantees who work very hard on major challenges facing their fields," Pauly says.

Approximately 20 percent of Wallace's grantees receive an average of eight to nine assistance activities that run the gamut of what can be offered (a comprehensive pattern of assistance). Nearly 30 percent receive an average of five types of assistance, four of which help grantees in their field (a field-focused pattern), which includes

- Seminars/forums/convenings
- Provision of research or best practices
- Encouraged/facilitated collaboration
- Insight and advice on grantees' fields
- Introductions to leaders in grantees' fields

A Strategic Approach to Providing Assistance

The Wallace program that offers the highest proportion of its grantees with field-focused assistance is Education, and this assistance is an integral tool for achieving its goal of strengthening education leadership nationwide. The Program's grantees include district- and state-level education organizations or "sites" and support organizations that provide sites with research and other forms of assistance.

The Program's theory of change is based on the belief that strengthening school leadership is necessary to improve student learning and close the achievement gap. The Foundation, in turn,

“Wallace is very tightly focused and strategic in how they want to fund education work. So that gives them the opportunity to tightly focus their assistance to us.”

believes it requires a cohesive leadership system – a systemwide, coordinated approach to state, district, and school-level policies and practices – to improve the effectiveness of principals and enhance the conditions within which they work.³

To advance its theory of change more effectively, the Education Program provides more extensive assistance beyond the grant to the most promising grantees. This selective application of assistance is a change from the past, when struggling grantees often received the most intensive assistance. “Once we had advanced our theory of change, we wanted those who had gone the furthest toward reaching it to serve as models that could benefit the larger field,” says Education Program Officer Ayeola Boothe-Kinlaw. “We realized that we couldn’t get there by pushing the bottom up: we decided to give more intensive support to sites that had made the most progress in order to accelerate their efforts and impact.”

An Education grantee credits the Foundation’s intentional approach for gains made in his state. “Wallace is very tightly focused and strategic on how they want to fund education work,” says the grantee. “So that gives them the opportunity to tightly focus

their assistance to us. Whereas if you have a whole potpourri of areas that you’re supporting in education, it’s much more difficult to provide strategic, tailored, specific assistance that could leverage the type of impact we’ve experienced.”

As a result of making large, long-term grants part of the Foundation’s grantmaking strategy, Education program officers have the time to develop strong relationships and engage deeply with their grantees’ work. They interact with them on a monthly and often weekly or biweekly basis. These regular conversations help program staff identify the most beneficial assistance for a particular grantee as well as increase their understanding of the environment in which the grantees operate. According to Boothe-Kinlaw, “We have to be very careful about the alignment between the advice and assistance we provide and the context in which we are providing it. It has to be valuable to them.”

One grantee says that regular telephone conversations with her program officer are an important source of information. “We go over the scope of work and work plan progress, any challenges that we’re facing, and then I use him to help me access other providers in the field, or to learn from other states and their successes and their challenges. He often points me to recent research that’s been released and is a liaison to lots of other Wallace contacts.”

Building Knowledge to Create Impact

The Education Program provides assistance by making helpful introductions, creating opportuni-

³ For more information on the cohesive leadership system, see *A Wallace Perspective: Leadership for Learning: Making the Connections Among State, District and School Policies and Practices*, September 2006, The Wallace Foundation.

ties for grantees to work collaboratively on defining and solving shared challenges, and offering them access to relevant, cutting-edge research. To that end, the Program sponsors an annual conference, helps grantees connect with others in the field, and has created learning communities.

By facilitating focused and site-relevant conversations among its grantees, the Program enables them to learn from mistakes and build on successes. “Wallace has been very good about helping us to identify people in other sites who are at a level similar to where we are with some of the work that we’re doing,” says a grantee. “And we’ve been able to get in contact with them and use ideas... . It has prevented us from having to start from scratch.”

Wallace also formed five leadership issue groups (LIGs) — multiyear work groups consisting of practitioners, policymakers, and researchers who were grantees. The groups also included other researchers who were hired as consultants to share their expertise. Each of these LIGs worked on challenges that program staff identified as common themes across sites. “These were not broad categories,” says Richard D. Laine, director of Wallace’s Education Programs, “but rather discrete leadership issues that our grantees were struggling with, trying to tackle, but not finding answers for. We concluded that we could probably help them find better answers more quickly if we worked collectively.”

Several years ago, Wallace funded a team from Vanderbilt University and the University of Pennsylvania to develop an assessment system to

measure school leaders’ performance based on factors that are tied to improving the quality of teaching and learning. “As this tool was being developed, Wallace shared the research and connected one of the key researchers with our states and districts that were dealing with this issue through the relevant LIG,” says Laine. “The researcher benefited from hearing about the issues that practitioners struggle with and the practitioners learned about the leadership traits that they should pay attention to. You had some of the best thinking going back and forth between practitioners and researchers.”

Program staff then shared the results of that thinking with other grantees. “We were interested in better understanding some of the characteristics of the principals within the schools, and we’d been struggling to find an assessment tool,” says a grantee. “Wallace linked us with the team developing the assessment instrument for principals and educational leaders. And as part of our grant, we’re looking at using that instrument within four or five school districts in the next year. Having the opportunity to connect with the team that developed the instrument was extremely valuable.”

Assessing Progress

The Education Program assesses the effectiveness of its assistance beyond the grant in a number of ways. To start with, the Foundation as a whole analyzes its effectiveness and impact on the field through annual Grantee Perception Reports[®] based on surveys of grantees conducted by CEP. As part of the survey, grantees indicate whether

they received one of more than a dozen types of assistance beyond the grant, and rate the helpfulness of each.

In addition, the Education Program requests feedback from sites on the technical assistance providers to understand how well that assistance is working. It also assesses the value of specific tools, publications, and other resources resulting from the work of the leadership issue groups. “We go through a pretty rigorous internal critical analysis of the use of the instruments, the use of the learning community as a tool itself, and the other technical assistance we provide or commission,” says Boothe-Kinlaw.

Evidence of learning is an important measure of effectiveness as well, she says. “If in fact a change has not happened, but we’ve still learned something that helps us adjust our strategy, then we consider that effective,” Boothe-Kinlaw says. “We are very careful about analyzing both positive and negative changes, and consider both of those valuable in some ways.”

One grantee provides her own assessment of Wallace’s assistance beyond the grant, “I think it’s over the top in terms of quality,” she says. “The reasons include the relationship we have with our program officer – not only his knowledge and skills, but his willingness to adapt to our context; the access to the research and innovation – best practices around the country that get translated; and the fact that they are willing to invest resources beyond the specific \$1.5 million to our state in a whole network of efforts around standards training and conditions. They are living their mission.”

WINTER PARK HEALTH FOUNDATION: A SMALL FOUNDATION STAFFS UP TO ACHIEVE BIG GOALS

About Winter Park Health Foundation

- A health conversion foundation, founded in 2000
- Area served: Central Florida communities of Winter Park, Maitland, and Eatonville
- Mission: To make a positive difference in people’s lives by creating the healthiest community in the United States
- Number of staff members: 11
- Number of grantees: 43
- Assets: \$135 million
- Focus areas:
 - Community health policy
 - Children & youth
 - Older adults

Winter Park Health Foundation (WPHF) may be small in size relative to other foundations in CEP’s data set, but it strives to create a big presence in the communities it serves. “One of the things that I tell my staff is, ‘If you look around at other foundations that are our size, you don’t see this many program people,’” says Patricia A. Maddox, president and CEO of the Winter Park Health Foundation. “We do this

purposefully and strategically. So you could look at yourself as part of the grantmaking strategy of the Foundation. Because we want you not only to perform the role of the normal program officer or program director, we also want you to be so integrated into the community we serve that you are part of the gift.”

That deep involvement in the community provides tangible benefits to WPHF’s grantees. “It’s those connections on the ground, with their help bringing the right people around the table, that enabled us to make the decisions that were in the best interests of our constituents,” says a grantee.

Another grantee describes what happened after the Foundation’s communications director reached out to her press contacts to help publicize a WPHF-funded event. “The reporter contacted me, and I gave her additional information. There was an article in the local paper about the grant and about our organization and what we were trying to do. That’s the way Winter Park goes beyond the call to assist us,” says the grantee.

Providing Comprehensive Assistance

One quarter of WPHF grantees received comprehensive assistance. These activities include

- Strategic planning advice
- Development of performance measures
- Encouraged/facilitated collaboration
- Seminars/forums/convenings
- Provision of research or best practices
- Use of foundation facilities
- Communications/marketing/publicity assistance

WPHF provides comprehensive assistance as part of its strategy to make the most of its investments. In doing so, it aims to help grantees bridge any existing gaps between their skills and the goal of the grant. “Sometimes the best of intentions are very difficult to achieve because you just don’t have all the pieces of the puzzle,” says Maddox. “So, if making the grant work successful requires additional time and expertise from us or others, or thinking about things like strategic planning, we’re always willing to have those kinds of conversations with grantees – because the whole point of us doing the work is to help our community.”

Along with less formal give and take, the Foundation has structured interactions with its grantees in the form of quarterly reports, which often yield more information than just progress on the grant. “In addition to there being a piece of paper that goes from the organization to us, in most cases there is also a conversation between our staff person and the staff person at the organization. Very often it is those conversations and the questions that they evoke that lead us to hear something else that the organization might need help with,” says Maddox.

In-house Expertise

WPHF staff members provide the bulk of the Foundation’s assistance activities themselves, with occasional help from third-party providers. That in-house expertise is a result of the Foundation’s staffing model, which Maddox says is “very much like a lot of the larger foundations, where you have program staff who are area experts in their field. It is unusual for a foundation of our size to have that level of staffing. But it is a very

“They don’t just give us money and say, ‘Okay, here’s your money, now go do it.’ They are there with us. They have a lot of expertise. And the impact is great.”

deliberate strategy to help us have the kind of connection and understanding not only of the work that we do but of the community we serve.”

That expertise makes a difference to grantees. For example, a grantee who reports that the Foundation has provided her organization with multiple forms of assistance, including strategic planning advice and the development of performance measures, says, “A Winter Park program officer sat down with us to help with our strategic planning and make sure we had an evaluative tool to assess whether the project was successful or not. Going over specific evaluation instruments and developing goals and objectives and just establishing a strategic work plan was really helpful,” she says. “The process also led us

to identify those things that might help us to be more successful.”

According to another grantee, “They have good program people at the Winter Park Health Foundation. In many instances they knew more about some of these issues than I did.”

While the Foundation provides its grantees with plenty of expertise, Maddox emphasizes that assistance beyond the grant is most effective when it “is coming from a colleague as opposed to the traditional grantmaker–grantee dynamic where the grantee feels like there is some expectation of that relationship. We try very hard to come to our grantees in a more collegial way so that we’re working with them as opposed to them trying to please us.”

“What makes this foundation ... unique ... is [their staff’s] long-term commitment, their openness and willingness to meet, their involving our constituents as well as our staff in the decision-making process,” says a grantee. “They don’t just give us money and say, ‘Okay, here’s your money, now go do it.’ They are there with us. They have a lot of expertise. And the impact is great.”

APPENDIX: METHODOLOGY

Three different sources of data were used for analyses in this research about assistance beyond the grant:

- Surveys of grantee organizations
- Surveys of CEOs and program staff
- Interviews with foundation staff and grantees

Survey data collected from grantees, CEOs, and program staff was analyzed before the interviews took place. Questions asked during the interviews were designed to elucidate findings that had emerged from the grantee, CEO, and program staff surveys. All research and analyses were developed and executed by CEP staff.

SURVEY OF GRANTEES

The grantee data discussed in this report was gathered from confidential surveys administered across seven rounds of surveying, between spring 2004 and spring 2007. In total, 32,249 grantees were invited to participate in CEP's grantee survey and 21,446 grantees of 148 foundations responded, resulting in a 67 percent response rate.

Sample

Of the 148 foundations represented in the sample, 100 foundations opted into the survey process and received Grantee Perception Reports® (an assessment tool providing comparative data on grantee

perceptions), and 48 private foundations were selected randomly to create a more representative sample of large foundations in the United States.¹⁶

Grantee contact data – for one fiscal year's worth of grantmaking – was provided by foundations that opted into the process. For those foundations whose grantees were surveyed independently, grantee contact data was collected by CEP from foundation 990PF tax filings, foundation Web sites, and foundation annual reports. Grantee contact lists were used to mail the surveys for foundations that opted in; information gathered from publicly available sources was used to mail the surveys for foundations whose grantees were surveyed independently. Contact lists most often listed executive directors, project directors, and development directors as the main grant contacts; therefore, these populations comprise the majority of respondents in the survey.

Method

Grantees responded to 52 survey items in total, many of which were rated on seven-point Likert rating scales, other items contained categorical response options, and the survey also included four open-ended items. Grantees were given the option to respond to the survey by mail or online and were given the option to respond anonymously.¹⁷ The survey questions explored dimensions of foundation performance ranging

16 There are no differences of substantial magnitude in ratings of foundations that opted into the process and foundations that were randomly selected by CEP. CEP ceased independently surveying foundations after spring 2006.

17 As we reported in *Listening to Grantees* (2004), there were no statistical differences of substantial magnitude in ratings between grantees that responded by mail versus online or between grantees that identified themselves or responded anonymously.

from responsiveness of staff to perceptions of foundation impact on the grantee organization, local community, and field. In addition, the survey sought data from grantees about the frequency of interactions, the proposal creation and reporting and evaluation processes, and a range of other issues. Grantees were asked in the survey to indicate which, if any, types of assistance beyond the grant they received from the foundation, from the list of 14 items that appears on page 3 of this report.

Quantitative Analyses

To analyze the quantitative survey data from grantees, a combination of t-tests, chi-square analyses, correlations, and analysis of variance tests were used.¹⁸ An alpha level of 0.05 was used to determine statistical significance for all statistical testing conducted for this research. Effect sizes were examined for all analyses and only medium effect sizes were considered meaningful.¹⁹

Latent class analysis was used to categorize grantees into classes (i.e., patterns) based on the activities of assistance beyond the grant that they did and did not receive from their foundation funder.²⁰ Several models were run to determine the most fitting number of classes in the data; based on statistical fit and the degree to which the resulting classes made conceptual sense, the model including five classes was deemed to be the best fitting model. Based on what each grantee did and did not receive, it was assigned a probability of being categorized into one of these five patterns. If a grantee's probability of being categorized into more than one class differed by

less than ten percent, that grantee did not receive a classification; four percent of grantees receiving assistance were not able to be categorized.²¹

Qualitative Analyses

Responses to two open-ended items in the grantee survey were coded for this research. The first was, "What improvements would you suggest in the Foundation's services or processes that would make them a better funder? (Or provide any other comments you'd like.)" The second was, "Please comment on the Foundation's impact on your organization and any nonmonetary assistance received."

For each survey item, a coding scheme was developed to capture the wide range of themes in responses. One CEP staff member coded all responses to an item, with a second staff member coding between 10 and 20 percent of the responses to ensure consistency in coding. At least an 80 percent level of inter-rater agreement was achieved in the coding of responses to each of these items. This means that two people coded responses in the same way in 80 percent of the cases.

SURVEY OF FOUNDATION CEOs AND PROGRAM STAFF

CEP developed surveys to understand foundation CEO and program staff views on assistance beyond the grant. The program staff survey consisted of 33 items, and the CEO survey consisted of 9 items. Both surveys included items with either seven-point Likert rating scales or

18 Before combining the seven rounds of data, analysis of variance testing (ANOVA) was conducted to ensure that average responses did not differ across rounds.

19 Cohen, J. "A Power Primer," *Psychological Bulletin*, 1 (112), 1992: 155–159.

20 The computer program LEM was used for this analysis: Vermunt, J.K. LEM 1.0: *A general program for the analysis of categorical data*. Tilburg: Tilburg University, 1997.

21 On average, these grantees received three types of assistance.

categorical response options, and a number of open-ended response items. All questions were developed to probe themes arising from our literature search as well as to compliment issues about which grantees had been asked in our grantee survey. Between November 2007 and January 2008, we surveyed the CEOs and one randomly selected program staff member from each of 200 foundations; 103 program officers and 98 CEOs responded, with response rates of 52 percent and 49 percent, respectively.²²

Sample

The foundations included in our survey of foundation CEOs and program staff had assets of \$100 million or more. To compile our sample, we used the Foundation Center's list of foundations with assets of \$100 million or more. We stratified our sample to represent the proportion of private, community, and health conversion foundations in this asset range. Our final sample was comprised of 162 independent foundations, 28 community foundations, and 10 health-conversion foundations.²³ To create our final sample, we went through an iterative process of randomly selecting foundations from Foundation Center's list and searching for contact information for an executive director/CEO as well as a program staff member online.

Method

Both the CEO and program staff surveys were reviewed by and piloted with a small group of program staff and CEOs in the field, and revisions were made to question order and wording before

administering to our final sample. For our final sample, CEOs and program staff were sent a paper copy of the survey with a cover page that included a link to an online version of the survey. A cover letter included information on the purpose of the survey and a statement of confidentiality. Two reminder emails were sent to all CEOs and program staff for whom email addresses were available; postcard reminders were sent to the remaining CEOs and program staff. After written reminders were sent, one round of reminder phone calls was also made to program staff.

Quantitative Analyses

To analyze the quantitative survey data from CEOs and program staff, a combination of independent samples t-tests, paired samples t-tests, chi-square analyses, analysis of variance tests, correlations, and regression analyses were used. An alpha level of 0.05 was used to determine statistical significance for all statistical testing conducted for this research. Effect sizes were examined for all analyses and only medium effect sizes were considered meaningful.

Qualitative Analyses

Thematic analysis was conducted separately on each open-ended item from the surveys. For each question, a coding scheme was developed by reading through all responses to recognize reoccurring ideas, creating categories, and then coding each respondent's ideas according to the categories. For open-ended items that appeared on both the CEO and program staff surveys, the same coding scheme was used for both samples

22 From 57 of these foundations, we received completed surveys from both the CEO and program staff member.

23 The proportion of foundations by type (i.e., independent vs. community) in our sample corresponds to the proportion of foundations of a given type in the general population of foundations with assets of \$100 million or greater.

only to the extent that it applied. Additional themes were created for CEO or program staff responses where relevant. One coder coded all responses to an item, and a second coder coded between 10 and 20 percent of the responses for a given item; a minimum of 80 percent inter-rater agreement was achieved for each open-ended item. Selected quotes were included in this report. These quotes were selected to be representative of the themes seen in the data.

INTERVIEWS TO PROFILE FOUNDATION PRACTICES

To understand the findings from the grantee, CEO, and program staff data further, and to learn about why and how foundations provide assistance in the ways that our data showed are most effective, interviews were conducted with key staff members of three foundations and some of their grantees.

Sample

Foundations were selected for these interviews on the basis of what proportion of their grantees had received either a comprehensive and/

or field-focused pattern of assistance beyond the grant. Those foundations with the highest proportions of grantees receiving one or both of these types of assistance were considered for the creation of profiles. The three foundations ultimately profiled in this report are meant to serve as examples. At each foundation profiled, at least one staff person who was closely involved in developing or executing the foundation's approach to the provision of assistance beyond the grant was interviewed. In addition, at least three grantees receiving several different forms of assistance were interviewed about their experience with the particular foundation being profiled.

Method

All interviews were conducted via phone and lasted between 30 and 60 minutes. All interviews were recorded and transcribed. An interview script was designed to include an introduction, and a standard list of questions was developed for foundation staff and for grantees. Permission was received from all foundation staff to make their names public in the profiles; all grantees were guaranteed anonymity.

We hope you found this report useful.

CEP's research aims to arm foundation leaders with the data and insight to better define, assess, and improve their effectiveness and impact. All CEP research is available for free download or hard copy purchase at www.effectivephilanthropy.org.

CEP's research is made possible through grant support from foundation funders and the generosity of individuals.

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