



## GRANTEES REPORT BACK: HELPFUL REPORTING AND EVALUATION PROCESSES

By Ellie Buteau, PhD and Timothy Chu

Nonprofits are facing increasing expectations from their funders to demonstrate progress and effectiveness.<sup>1</sup> Most foundations strive to understand their own impact in large part through the successes of their grants and grantees, and many within the philanthropic community are pushing to obtain evidence of effectiveness from the nonprofit organizations they support.<sup>2</sup>

At the same time, a number of foundations are also working to simplify reporting and evaluation processes. Project Streamline, for example, is an effort aimed at “reducing the burden on nonprofits” and freeing up “more time and money for mission-based activities.”<sup>3</sup> Recommendations to trim processes include funders “right-sizing” reporting and evaluation requirements, enabling web reporting, creating standardized reporting processes, and making other operational improvements.<sup>4</sup>

There can be tension between these dual emphases — on better understanding effectiveness and on streamlining processes — and at the center of this tension is how best to structure reporting and evaluation processes. Some funders push for a more rigorous and often time-intensive process, while others seek to trim it down to free grantees’ time, resources, and energy for their core work.

But how are grantees experiencing foundation-required reporting and evaluation processes? How helpful do they find them? What actually matters most to grantees? To shed light on these questions, the Center for Effective Philanthropy (CEP) collected survey responses from more than 24,000

grantees about their views of 130 foundations.<sup>5</sup> We learned that:

- On average, grantees do not find current reporting and evaluation processes to be very helpful in strengthening their organizations and programs.
- Strong relationships between grantees and their funders are central to helpful reporting and evaluation processes.
- Grantees who report discussing their report or evaluation with their funder perceive the reporting or evaluation process to be more helpful — yet nearly half of grantees say no discussion occurred.

### GRANTEE VIEWS OF REPORTING AND EVALUATION

In CEP’s survey, grantees are asked detailed questions about the reporting or evaluation process they undergo as part of the grant they received from a particular funder. Almost all grantees — 93 percent — report they have participated or will participate in reporting or evaluation processes. The typical grantee spends 20 hours on monitoring, reporting, and evaluation, and participates in three reporting or evaluation activities, such as providing outcome data, submitting written reports or forms, or having phone conversations with foundation staff.<sup>6</sup>

Despite the effort put into these activities, grantees do not find reporting and evaluation processes to be particularly valuable. We ask grantees how helpful they perceive the reporting or evaluation processes to be in strengthening their organization

or the program funded by the grant.<sup>7</sup> Grantees, on average, rate this question a 4.6 out of 7.0 — the least positively rated measure in our grantee survey.

Given these ratings, we sought to understand what foundations can do to make their reporting or evaluation processes more valuable to their grantees.<sup>8</sup>

### RELATIONSHIPS MATTER

In CEP’s research, we have found that strong funder-grantee relationships — the quality of interactions and clarity and consistency of communications — are highly related to the extent to which grantees positively experience the foundation’s impact on their organization.<sup>9</sup> (See Sidebar on page 3.) The same holds true for the helpfulness of reporting or evaluation processes. The strength of grantees’ relationships with their funders is the most important predictor of grantee perceptions of the helpfulness of reporting or evaluation processes.

As one grantee explains, “It is important that the foundation continue monitoring projects and emphasizing coaching, evaluation, and communication. From my point of view, the foundation differentiates itself from others through the quality of the relationships established with grantees. The good relationships

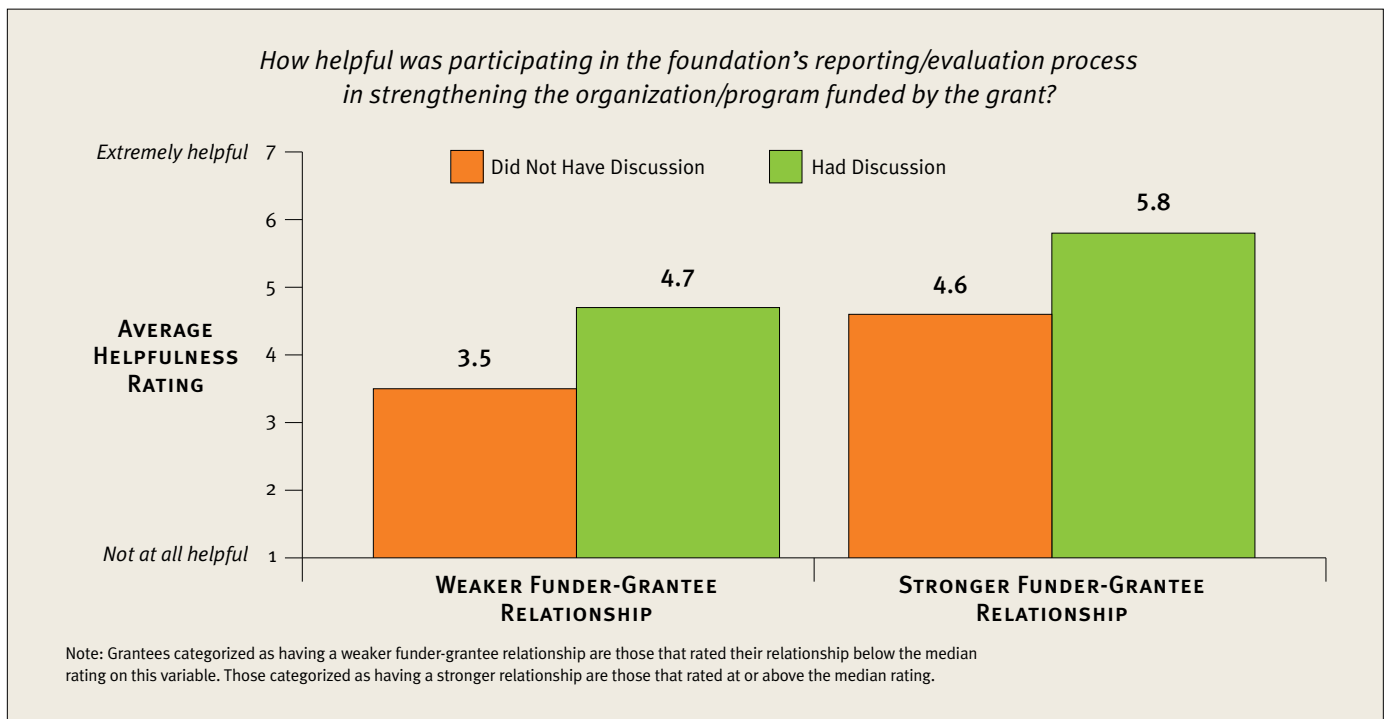
have been fundamental in establishing mutual confidence and appreciation of learning in the field.”

### DISCUSSING THE REPORT OR EVALUATION

While having a strong relationship is critical to the reporting or evaluation process, it is not the only component of a helpful process. Discussing the report or evaluation with their funder or evaluator is the second strongest predictor of grantees’ perceptions of the helpfulness of the reporting or evaluation process.<sup>10</sup> Put simply, grantees who discuss their report or evaluation with their funder find the process to be more helpful in strengthening their organizations and work.

Even grantees with the strongest relationships report evaluation processes as more helpful when a discussion of the report or evaluation has occurred. (See Figure.) Yet, only 51 percent of grantees who participate in a reporting or evaluation process indicate having had such a discussion.

Project Streamline found that funders use most of the information they collect from grantees during reporting or evaluation processes to “monitor compliance.”<sup>11</sup> That research also found that grantees



## WORKING WITH GRANTEES: STRENGTHENING RELATIONSHIPS

Funders and grantees form their relationships long before the reporting and evaluation processes take place. But what does it take to form strong relationships with grantees? Through our analysis of tens of thousands of grantee surveys, we have learned there are five items that together measure the strength of a funder-grantee relationship from the grantee perspective: fairness of treatment by foundation, comfort approaching the foundation if a problem arises, responsiveness of foundation staff, clarity of communication of a foundation's goals and strategy, and consistency of information provided by different communications.

We identified four keys to higher grantee ratings of the strength of these relationships:

- **Understanding:** Understanding of funded organizations' goals and strategies
- **Selection:** Helpfulness of selection process and mitigation of pressure to modify priorities
- **Expertise:** Understanding of fields and communities
- **Contact:** Initiation of contact with appropriate frequency

Our report, *Working with Grantees: The Keys to Success and Five Program Officers Who Exemplify Them*, explores these findings in further detail and profiles five program officers whose grantees rate them comparatively highly on the strength of their relationships.

"suspect that many of their reports do not receive much attention. They wonder why they are required to provide such detailed and lengthy reports just to prove that they complied with the grant terms."

A similar sentiment was communicated by grantees that responded to our survey. One grantee reflected that its foundation funder should have "provided opportunities for discussions about what was achieved and learned in this grant-funded effort. It was disappointing to spend a significant amount of time to prepare a final report and to receive no feedback or have any opportunities for 'learning conversations.'"

Our data do not suggest that grantees object to spending time submitting reports and participating

in evaluations. Rather, they want the opportunity to discuss that work with their funders or the evaluators with whom they worked.

Foundations, of course, face constraints on their ability to have those discussions. We found that foundations are more likely to discuss reports or evaluations with grantees when their staff are managing fewer active grants. Foundations also seem to be making the choice to spend their limited time with some grantees over others. The 51 percent of grantees reporting that they discussed their report or evaluation with their foundation contact tend to have spent more time on the reporting or evaluation process, to be recipients of larger grants, and to be in more frequent contact with their funder.<sup>12</sup>

### CONCLUSION

Whether a funder is working to gather evidence of effectiveness or is focusing on streamlining processes, there are important implications in our grantee survey results.

- For reporting and evaluation processes to be helpful to grantees, they need to be grounded in a strong relationship. Our past research suggests some specific steps funders can take to strengthen those relationships.<sup>13</sup>
- Grantees want the opportunity to reflect on the work they were funded to do by discussing their reports and evaluations with their funders. These discussions require time and planning on the part of funders, but they have the potential to benefit both funders and grantees greatly.

For funders and their grantees, the reporting and evaluation processes represent rare opportunities for meaningful learning on both sides. Candid discussions about what is working, and what is not, can help both parties refine and improve their work — and their odds of achieving their goals.

While the findings presented here suggest much room for improvement, there are program officers in our dataset whose grantees give them high marks when it comes to reporting and evaluation. We interviewed two of them to better understand their approaches.



**Ken Thompson, Program Officer  
The Bill & Melinda Gates  
Foundation  
Seattle, Washington  
Number of active grantees:  
ranges from 50-110**

**CEP:** *Do most of your grantees go through a reporting process or an evaluation process?*

**KT:** I would say the majority goes through more of a reporting process. About 10 percent have evaluation as a component of their grant.

**CEP:** *What does that reporting process consist of?*

**KT:** For the past nine years, I've worked predominantly in the Pacific Northwest program in youth development, and we've almost always made three-year grants. The reporting requirements are two annual reports that are tied to release of payments and one final report summarizing the three-year project. Sometimes there are no reporting requirements for grants that are more modest, shorter-term, and planning-oriented.

**CEP:** *At what point in the grant process does the other 10 percent participate in evaluations?*

**KT:** Evaluations take place according to the needs of the project. For some projects, we don't know the evaluation results until after the term of the grant. In other cases, the evaluation is more process-oriented so you have results every year. I tend to check in with that 10 percent around the annual report due date and, for those that have more complex and specific evaluation components as a part of their projects, we touch base at both the annual report time and then again at the completion of the evaluation itself, whenever that might occur.

**CEP:** *What are your goals for the reporting process?*

**KT:** There are really two things I'm looking for in the annual reporting process. One is comparing the grantee's progress against the goals they stated in their proposal to us. We have developed an easy-to-use, fill-in chart that we work on closely with grantees during the proposal development process. It gives us information that lets us easily compare what they said they would do to what they actually did. It's typically filled in with numbers—for example, how many youth did you plan to serve in year one and how many youth did you actually serve?

The second goal I have for the reporting process is to understand how effective their programs are, not just in terms of outputs, but outcomes. If they're in a position to

track more meaningful results, they might also present us with data about outcomes from their own internal evaluations. Frequently, I work with grantees who haven't tried to put all of their data together in one place around the few most important outcomes they're trying to achieve, so it becomes a learning process as much as a method of looking at progress versus originally anticipated goals.

**CEP:** *In your experience, what makes the reporting process most helpful for you and for your grantees?*

**KT:** I have one answer for both me and my grantees: the single most helpful thing you can do to make the reporting process the most useful for everybody is to be clear up front about what the project intends to accomplish.

The other thing that is particularly helpful for grantees is to identify a set of reasonable goals to measure. It's not helpful, for example, to ask an organization in its second year of operation and still working out the kinks in its program design to do some incredibly complex and specific psychometric measurement.

During the proposal process, before a decision is made on their grant, is when I spend the most time working with applicants to achieve clarity around goals—what the project is, what it's trying to do, and how we will mutually agree to track progress.

**CEP:** *Do you always discuss with grantees the reports they submit to you?*

**KT:** They always get at least a "Thank you. I got your report. Everything looks great." I follow up on the phone in approximately two-thirds of cases. Frequently, there's an opportunity for me to improve my practice as a program officer by calling them back to learn a little more deeply how things are going in the project.

**CEP:** *Why don't you have those conversations with the other third?*

**KT:** Typically, it's because the projects are going as expected. The other reason is that I have a growing group of grantees that I check in with more frequently than just annually—quarterly, if not monthly. This way we're talking less as funder-fundee and more as partners. In those cases, their annual reports are a summary of what we've already talked about.

**CEP:** *What do you hope that grantees gain from these conversations about the reports they submit?*

**KT:** It's a great time for us to either reconfirm our initial goals or come up with new goals as necessary. The Gates Foundation's Pacific Northwest Initiative has a lot of flexibility to adopt new goals if the initial ones were not quite right.

**CEP:** Does the kind of relationship that you have with a grantee make a difference to how helpful the reporting process is for you and for them?

**KT:** It certainly does, and this is why I err on the side of taking quite a bit of time during the proposal development process. You can set up a much more productive, ongoing relationship during that process by establishing the tone for the future relationship, coming to a mutual understanding about each of your organization's goals, and honing in on points of overlapping interest.

It's important to have trusting relationships with grantees, so that they know that these annual check-ins and the reporting process are not meant to be punitive or even adjudicatory in the strictest sense of that word — that they really are an opportunity for all of us to learn together. I've received pretty rich feedback over the years that has helped me understand some mistakes I was making during the initial proposal solicitation process, or when people tended to overstate what they could measure or accomplish in a grant period. So the reporting process has also shaped how I do my initial proposal solicitation.

**CEP:** What advice would you give to a new program officer about going through these processes with their grantees?

**KT:** Again, I think that how you set up your relationship from the beginning is very important. Communicate as clearly as possible, at the time they're developing the proposal, about what it will be like to report back to the foundation. And try to be consistent in what you are asking for. If things need to change, take the time to work with folks to see if those changes fit everyone's needs. I don't think there's anything more frustrating to a grantee than to begin a multi-year relationship focused on one thing, just to have the funder switch its interests and requirements mid-stream.



**Amy Berman,**  
**Senior Program Officer**  
**The John A. Hartford Foundation**  
**New York, New York**  
**Number of active grantees:**  
**ranges from 15-25**

**CEP:** Do most of your grantees go through a reporting process or an evaluation process?

**AB:** All Hartford grantees submit a report on an annual basis and, following that, they participate in an evaluation process. The report helps inform the evaluation. It also helps us apply the knowledge of that effort to other efforts.

The grantees I work with dedicate their lives to their efforts, and we try to honor what they're doing and to help them in any way that we can. So I try to partner with them in every sense — to learn how to best support them and share how they do what they do with others. The reporting and evaluation process is the best way to do that.

**CEP:** At what point do grantees submit their report, and when do they participate in the evaluation?

**AB:** At the beginning, when we are first establishing a grant, the grantees develop a timeline, and the submission of the report is based on that annual timeframe. Since we tend to give multi-year grants — up to five years, although most are in the three-year range — we go through the report and the evaluation process annually. But we are somewhat flexible about the terms of the reporting period if we need to be, if a grantee reaches a critical milestone, for example, with information we need to capture. I also speak to my grantees regularly, so I'm very aware of what's going on even before I receive the report. We also bring in external evaluators who review the report.

**CEP:** For what proportion of grantees do you bring in external evaluators?

**AB:** We bring in external evaluators for all of our grantees in the first year of a grant, in the last year of a grant, and if the grant is more than a million dollars in a given year. It's also helpful to some to have an external evaluation midway through the grant, even if the grant isn't over a million dollars in that particular year. We have a lot of flexibility to bring in external consultants if and when it is helpful to the grantee.

**CEP:** Do grantees establish their timeline and goals for the grant in partnership with you or is it something they do on their own and then submit to you?

**AB:** Most grantees determine what they think they're going to be able to accomplish and what they believe are the metrics. We may do very small refinements in a supportive way because, if anything, some of the grantees may think that they can accomplish more than they should when perhaps they should go deeper and take a little longer.

**CEP:** What are your goals for the reporting and evaluation process?

**AB:** We look for reports to speak to the metrics that grantees establish at the beginning of the grant. For example, a grant that disseminates a model of care may have a metric around the number of institutions that they're working with. But in a much broader sense, we're trying to find out what we can about the dissemination



process, what they do particularly well, what they need, and what we can share with other grantees. Some of the things we look for are: What are the issues with the business case? How receptive is the field? What needs do they have around such things as innovative e-learning, incorporating Web 2.0, and social marketing? Are they trying to reach out to other funders in order to build sustainability?

**CEP:** *What do you think makes a reporting or an evaluation process more or less helpful to your grantees?*

**AB:** As part of the evaluation, we will typically visit them on site to view the work that they're doing and speak with members of their team. In advance of our on-site evaluations, we send an outline of what we think it should look like and the kinds of people that they might want to include. We offer this structure, which they can modify, so they get a tailor-made visit. I know that it can be stressful for a grantee during a site visit, but it also can be very, very helpful to them. It helps give them a better sense of the big picture of what they're doing that can be difficult to see on a day-to-day basis, and it can also make the grantee's institution more aware of what they're doing, which can result in much greater institutional support for the grantee's efforts.

**CEP:** *What makes a reporting and evaluation process more or less helpful to you as a program officer?*

**AB:** Honestly, openness. They have to trust I understand that the kind of work they do is messy. They need to understand I know that while they're going to try to accomplish a certain set of goals, changes in everything from the economy, to policy, to staffing, to their environment, to leadership are all going to occur over the course of a grant, and that it's the leadership of the team that's going to make or break their success. And they have to understand that I can help them. So the more open and honest we can be, the better chance the foundation has of being as supportive as possible.

I also think it is very helpful when we go to the site and take the team out for dinner. We will often ask them to invite other leaders from their institution, which can help us learn a great deal about the environment in which they work. Often, the team leader is the only one who hears the positive feedback, but it's really important for the entire team to understand how much we value what they're doing and to make sure that we're gleaning as much as we can from the entire group.

**CEP:** *Do you discuss reports or evaluations with grantees after they submit them?*

**AB:** Yes. We discuss them with them formally and we have ongoing, informal discussions. I meet with my grantees many, many times over the year — not just during the evaluation — and we email and call each other. If I learn of a meeting or something that I think will be helpful to them, I ask them if they are interested in going. We build an ongoing rapport so there shouldn't be any surprises at the evaluation, a more formal time when the whole team is together and we get to go through all of the information.

**CEP:** *What do you, as a program officer, gain from these conversations?*

**AB:** In addition to everything I said before, I gain a tremendous renewed respect for the challenging work that these people are doing to create change. I feel it's an honor to work with them every day.

**CEP:** *And what do you hope that your grantees gain from the discussions of their reports or evaluations?*

**AB:** I hope that they learn some new approaches. I certainly share what other grantees are doing and give them ideas that perhaps they hadn't thought about. The people that I work with around models of care are largely trained as academics, to answer research questions and develop new and innovative ways to produce better health outcomes and improve cost. But they don't necessarily know how to disseminate their findings in the health care sector. So I hope to offer them some ideas, either about what other people are doing successfully, external sources that they can go to, or, perhaps, foster new relationships for them. That can be very helpful to their processes.

**CEP:** *Does the kind of relationship that you have with a grantee matter for how helpful the reporting and evaluation processes are for you both?*

**AB:** I think that the relationship is absolutely key for both of us. I really see myself as a partner with the grantee and with the process. I am out there as much as they are, advocating on behalf of their grant, constantly making connections, and they know that. We choose people for their leadership capacity. We look for people who not only have the acumen but also the ability to develop good relationships in general, because otherwise it is unlikely that they will be successful in their efforts. I hope to provide them with a relationship in which they can trust me, we can be open and honest, and we are able to think things through when there are issues — because there will be issues. All grants hit bumps in the road.

**CEP:** *What advice about the reporting and evaluation processes would you give a program officer just beginning a job at a foundation?*

**AB:** I would remind them that it's about more than the metrics. We are looking to meet the goals of the grant, but it goes beyond that. I ask my grantees all the time if there's anything else I could be doing or doing differently or if there are ways that I could be more helpful. A program officer needs to learn from their grantees about how to be a better program officer, how to provide better information to their grantees.

The ability to get feedback from our grantees is incredibly important. I came from the grantee side of the table and had the benefit of having worked with some really wonderful program officers. I would also suggest to someone new on the job to find a program that links you up with another program officer in order to learn about the reporting and evaluation process, how to give the grantee value, and gain the most from the evaluation process.

*The authors thank Andrea Brock for her contributions to this piece. Special thanks to Michael Bailin, Robert Hughes, and Edward Pauly for providing their perspectives on this research.*

1. For examples of articles on reporting and evaluation capacity, see Snibbe, Alana Conner. "Drowning in Data." *Stanford Social Innovation Review* (Fall 2006); Carman, Joanne G. and Kimberly A. Fredericks. "Evaluation Capacity and Nonprofit Organizations: Is the Glass Half-Empty or Half-Full?" *American Journal of Evaluation* (2010); and Hunter, David E.K.. "A Question of Quality: How Do We Know What Works in After-School?" Edna McConnell Clark Foundation. Presented at the NYC Youth Funders Network Meeting (September 24, 2003).
2. For examples of funder evaluation processes, see Robert Wood Johnson Foundation. *Guidance on Evaluation Reports to the Robert Wood Johnson Foundation* (October 2009); W.K. Kellogg Foundation. *W.K. Kellogg Foundation Evaluation Handbook* (January 2004); and Social Innovation Fund. *Notices of Funds Availability/Notices of Funding Opportunities* (April 2010). [www.nationalservice.gov](http://www.nationalservice.gov).
3. Bearman, Jessica. *Drowning in Paperwork, Distracted from Purpose*. Project Streamline (2008): 35.
4. *Ibid*; In 2008, The Center for Effective Philanthropy provided data to inform *Drowning in Paperwork, Distracted from Purpose*. We have also partnered with Grants Managers Network to create the online Grantmaker Assessment Tool for funders to compare their grantmaking processes to those of other funders and determine the costs of their processes to their own organization and to grantseekers.
5. Between fall 2006 and spring 2010, 130 foundations opted to participate in CEP's grantee survey process; 35,475 grantees of those 130 foundations were invited to respond to the survey and 24,104 responded, resulting in a 68 percent response rate.
6. The numbers reported in this sentence are medians. Grantees were asked, "Which of the following were part of the reporting/evaluation process?" and asked to choose from a list of seven possible activities including site visit, in-person conversation with foundation staff at the foundation's offices, phone conversations with foundation staff, email correspondence, external evaluator(s) used, written report/forms relating to fulfillment of goals, and collection of outcome data.

7. Grantees were asked, "How helpful was participating in the foundation's reporting/evaluation process in strengthening the organization/program funded by the grant?" This question was asked on a 1 – 7 scale, where 1 indicates "Not at all helpful" and 7 indicates "Extremely helpful."
8. To learn more about the methodology and analyses reported on in this paper, see [www.effectivephilanthropy.org](http://www.effectivephilanthropy.org).
9. Buteau, Ellie, Phil Buchanan, and Timothy Chu. *Working with Grantees: The Keys to Success and Five Program Officers Who Exemplify Them*. The Center for Effective Philanthropy (May 2010); Bolduc, Kevin, Phil Buchanan, and Judy Huang. *Listening to Grantees: What Nonprofits Value in Their Foundation Funders*. The Center for Effective Philanthropy (April 2004).
10. Grantees were asked, "After submission of your report/evaluation, did the foundation or the evaluator discuss it with you?" and provided three options: Yes, No, and Don't Know; 7.8% of total respondents indicated "Don't know" and were excluded from analysis.
11. Bearman, Jessica. *Drowning in Paperwork, Distracted from Purpose*. Project Streamline (2008): 15; for a similar perspective see Grantmakers for Effective Organizations. *Evaluation in Philanthropy: Perspectives from the Field* (2009).
12. There is a positive statistical relationship between grant size and the time spent on monitoring, reporting, and evaluation activities, such that grantees receiving larger grants are also spending more time on these processes.
13. Buteau, Ellie, Phil Buchanan, and Timothy Chu. *Working with Grantees: The Keys to Success and Five Program Officers Who Exemplify Them*. The Center for Effective Philanthropy (May 2010).