

HIGHER IMPACT: IMPROVING FOUNDATION PERFORMANCE

Insights from a Gathering of Foundation CEOs, Trustees, and Senior Executives



THE CENTER FOR
EFFECTIVE PHILANTHROPY

a nonprofit organization

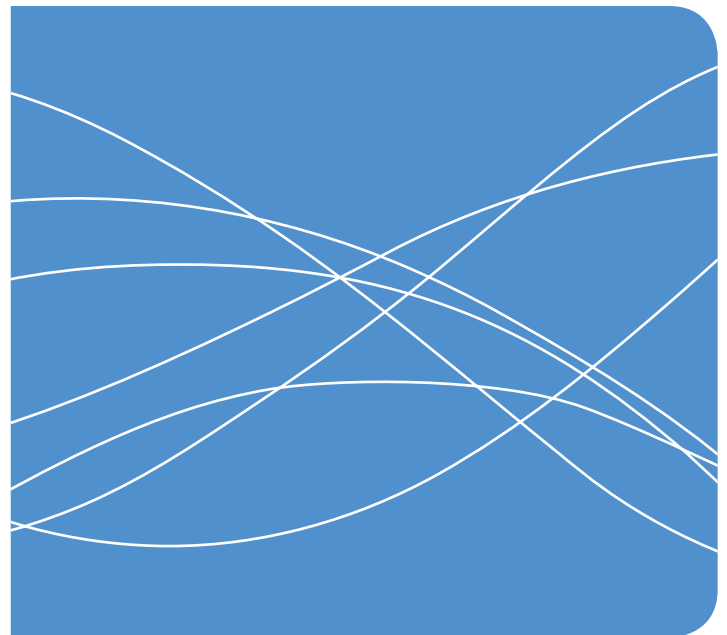


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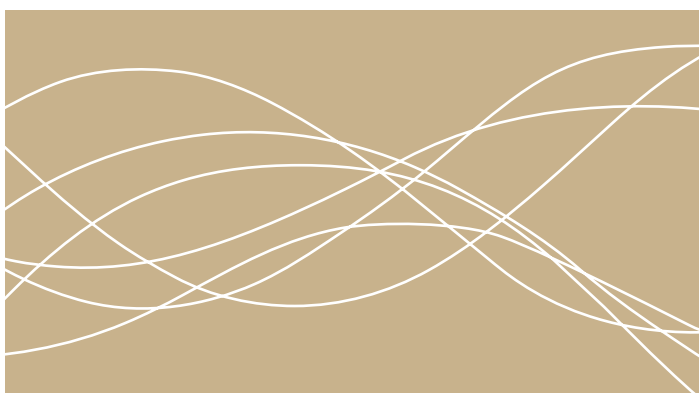
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June 2005

Dear Colleagues,

More than 200 foundation trustees, CEOs, and senior executives met in San Francisco on March 17 and 18 to consider the challenges of achieving higher impact through their work. The gathering, which included the leadership of many foundations among the largest in the country, was set against a sobering backdrop. That backdrop included both increased legislative scrutiny of the nonprofit sector – including foundations – and diminished government resources to address pressing social issues.

What emerged from the two days was powerful evidence that there is a set of foundation leaders who are responding to these conditions by setting a higher bar of performance expectations for themselves. They are developing sound strategies, devising ambitious performance measures, using new data-based tools to learn and improve, employing creative means of using their assets to make an impact, and communicating openly about their goals. Yet these leaders do not feel that this is enough. They share a sense of urgency and responsibility – a desire to do yet more, to push harder for improved foundation performance.

We hope this report conveys both the spirit and the specific content of this event. We are grateful for the attendance, participation, and commitment of so many. We are also grateful to our co-sponsors Northern California Grantmakers (NCG) and Southern California Grantmakers (SCG), and to the six foundations that sponsored the seminar: The James Irvine Foundation, The California Endowment, The California Wellness Foundation, Charles and Helen Schwab Foundation, Evelyn and Walter Haas, Jr. Fund, and Stuart Foundation. Thanks also to the many others whose funding has supported the development of the Center for Effective Philanthropy (CEP) (see page 20), and to the more than 100 foundations that have used our assessment tools to learn and improve.

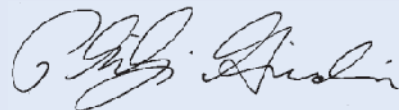
Our goal at CEP is to develop comparative data to enable higher-performing foundations. But our success depends on our ability to engage with – and learn from – those whose responsibility it is to make decisions about how to create the greatest possible impact with the resources with which they have been entrusted. We benefited enormously in San Francisco from the responses we received to our presentations of new CEP research, such as our overview of our preliminary analysis of data gathered through our landmark study on foundation governance. A major report on our findings from our governance study is due out later this year; in the meantime, you will find a précis of CEP's Sarah Di Troia's presentation among the articles on the following pages.

As always, we hope that this publication is useful to you as you do your work. And we look forward to hearing from you with your reactions.

Yours sincerely,



Phil Buchanan
Executive Director



Phil Giudice
Chair
Board of Directors

MANAGING FOUNDATION EFFECTIVENESS: THE CASE FOR ASSESSMENT



“This new language of assessment can allow foundations to do more good and to speak much more powerfully about what they are doing.”

PHIL BUCHANAN, THE CENTER FOR EFFECTIVE PHILANTHROPY

In his kickoff address to the seminar, Center for Effective Philanthropy (CEP) Executive Director Phil Buchanan noted that the attention being paid to foundations these days is focused on “not exactly uplifting stuff.” All too often, the only news being reported is about stagnation in grantmaking budgets, abuse and calls for regulation, and efforts to reduce administrative spending in response to pressure from lawmakers.

“But today,” Buchanan went on to say, “I want to tell a different story about foundations...about the creation of a new language of performance assessment for foundations...[that] is providing a platform for learning and improvement.” Buchanan argued that this new language of assessment can “allow foundations to do more good and to speak much more powerfully about what they are doing.”

CHALLENGING THE “MYTH OF ASSESSMENT”

The critical question, Buchanan suggested, is how can we tell how well a foundation is performing? Some compare foundation work to business investing. “This perspective goes something like this,” explained Buchanan. “Foundations provide money to organizations and look for results in return. This is an investment, just like a business investment. It should be measurable, just as a business investment is.”

“But unlike in business, there is no universal measure of return for foundations,” Buchanan continued.

“Some foundations fund efforts to promote literacy, and others fund efforts to promote peace and security. The impact of these efforts cannot possibly be measured in equivalent units.”

For these reasons, others believe that measuring overall foundation impact is impossible and futile. “You’ve all heard these arguments,” Buchanan said. “People say, ‘This is all just navel gazing: a waste of time and money.’”

Buchanan acknowledged the problems inherent in attempting to define a solid chain of causality from grants to end results. An individual grant from a foundation often makes up only a small part of a grantee’s or a project’s total budget. While specific grants, grantees, and programs can be productively assessed, it is difficult to aggregate results to a measure of foundation-wide effectiveness, especially for large foundations that make hundreds of grants in several program areas. Moreover, it is hard to obtain timely data because measurable changes – even if they can be linked to an individual foundation’s efforts – may only become visible after many years, or even decades.

“It is not surprising that many foundations have grown frustrated with their own evaluation efforts,” said Buchanan. However, he urged foundation executives not to give up on assessment. Instead, he proposed abandoning what he called the “myth” that a single, precise, foundation-wide measure of impact relative to resources

expended is achievable for most foundations. Once that hurdle is passed, he said, “then we can roll up our sleeves and figure out what we can productively assess.”

A single data set will never be able to definitively answer the question: How effective are we? “The best alternative,” Buchanan suggested, “is a series of indicators that, taken together, are suggestive of an answer to the larger question.”

“What we need is a common language of assessment that is particular to foundations,” Buchanan continued.

Buchanan used the framework laid out in CEP’s *Indicators of Effectiveness* (August 2002) as a productive starting point for developing this new language of assessment. He went on to offer three reasons for adopting such a language.

A FORCEFUL RESPONSE TO SCRUTINY

“First,” he argued, “foundations need to respond more forcefully to the current media and legislative scrutiny they face.” Buchanan urged foundations to move beyond defensive responses to criticism by presenting “a positive, improvement- and data-based case that foundations are rising to a challenge they have set for themselves.”

He noted that foundations can already tell a story about the substantive steps they are taking to improve their performance. For example:

- Eighty foundations, almost all among the largest 300 in the country, have commissioned Grantee Perception Reports® (GPRs) from CEP, and nine have made the results public. The results from a GPR provide a practical basis for understanding how well a foundation is doing in the eyes of its most important partners.
- Fifty-three foundations have joined CEP’s governance project “because of their desire to optimize their boards’ functioning,” said Buchanan.
- Forty-two of these foundations have voluntarily made changes in their governance practices, such as adding whistleblower and conflict-of-interest policies, increasing the independence of their audit committees, and strengthening CEO reviews.
- Membership in Grantmakers for Effective Organizations (GEO) is growing, and a significant majority of GEO members report taking steps to assess their foundation-wide effectiveness.

GUARDING AGAINST ADMINISTRATIVE EXPENSE BECOMING “THE UNIVERSAL MEASURE OF PERFORMANCE”

Second, Buchanan noted that, in the absence of other indicators, administrative expenses may become the default universal measure of performance. “Many board members are frustrated by the staff’s inability to provide data on foundation performance,” said Buchanan. “So they seize on the tangible and simply insist on the lowest possible administrative cost ratio.”

While acknowledging that it is certainly important to monitor administrative expenses with an eye to keeping a handle on them, Buchanan argued that a narrow and single-minded focus on administrative expense alone puts at risk other functions and characteristics that CEP’s research has shown grantees value in foundations. (See *Listening to Grantees: What Nonprofits Value in their Foundation Funders*, April 2004.) “And doing well in these [other] areas does not come for free,” said Buchanan. Consequently, shortsighted efforts to slash administrative costs can actually undermine a foundation’s performance.

A BASIS FOR IMPROVEMENT

Most importantly, a language of assessment fuels “learning as a basis for improvement,” Buchanan maintained. “This is what it’s all about,” he said, asserting that foundations that have participated in the GPR and other new assessment processes with CEP have received vital insights – both positive and negative – about their performance. “And they are acting on what they learn,” said Buchanan. “Changes that foundations make [in response to the results of GPRs] do, in turn, affect grantees and the people and issues they seek to address.” (See “From Assessment to Action: Acting on Grantee Perception Report® Results,” page 8.)

REAL AND MEASURABLE IMPROVEMENTS

Buchanan concluded by saying he saw reasons for optimism about further progress in developing and adopting a relevant and useful language of assessment. “We are inspired in our work by how seriously the data and insights foundations have received are being taken, how hard foundations are working to change, and how much is being improved,” he said. “We believe this change is yielding real, positive social impact on issues from racial equality to diversity to education to environmental preservation.”

The full text of Buchanan’s remarks is available on CEP’s web site at http://www.effectivephilanthropy.org/seminars/seminars_past.html.

MAXIMIZING THE BOARD'S POTENTIAL:

FINDINGS FROM A SURVEY OF BOARD MEMBERS ON FOUNDATION GOVERNANCE



“When you maximize the potential of the foundation board, it brings you closer to maximizing the potential of the foundation as a whole.”

SARAH DI TROIA, THE CENTER FOR EFFECTIVE PHILANTHROPY

Trustees' perceptions of the effectiveness of the foundation boards on which they serve are shaped powerfully by a few key factors, Center for Effective Philanthropy (CEP) Associate Director Sarah Di Troia reported. This was one of the major findings CEP drew from its survey of 600 trustees of 53 foundations and detailed data on those boards' structures and practices. The 53 foundation boards were participants in Phase II of CEP's Foundation Governance Project, in which trustees were asked for their own perceptions of what makes for effective foundation board practices. This project is co-sponsored by Grantmakers for Effective Organizations (GEO) and BoardSource, and supported by eight foundation funders (see page 20).

The boards surveyed encompassed a wide range of structural differences, including foundation type, overall size, average length of tenure of board members, and whether trustees are compensated. Regardless of these structural differences, however, CEP found that board

member perceptions of board effectiveness are related to the same key concepts: how well the board utilizes the individual capabilities of its members; how involved trustees are in setting strategic direction and monitoring impact; how active the board is in internal debates on core issues; and how well the board relates to the CEO.

CAPABILITIES MIX AND UTILIZATION

CEP asked trustees about their level of satisfaction with the balance of skills and experience on their boards, the clarity of individual roles, and the extent to which their boards used their individual capabilities. High satisfaction in each of these three areas is strongly linked to positive perceptions of the board's effectiveness.

However, the survey also revealed that some trustees are less than satisfied with their boards' capabilities mix and the utilization of their individual capabilities. In a comment that typified responses from those less satisfied, one trustee said that “the board needs more diversity, both in background and expertise.” Another said that “we take full advantage of our investment and finance expertise but not enough in a formal way our expertise in education and the arts.” For boards seeking ways to improve, communicating roles more clearly and using individual trustee skills better should top any list of areas to address.

STRATEGY DEVELOPMENT AND IMPACT ASSESSMENT

Another key predictor of perceptions of board effectiveness was the board's level of involvement in setting strategy and assessing impact. This was revealed in trustees' ratings of the board's ability to shape long-term strategy, its understanding of the foundation's strategy, and the quality of information it received about progress toward strategic goals. Basic elements such as the presence of a formal strategic plan and quantitative goals contribute to more positive perceptions on these dimensions.

In open-ended comments, many respondent trustees lamented time spent on operational matters and argued for more involvement in strategy development and impact assessment. “We need,” said one, “a clearer vision of the outcomes our board seeks to accomplish.” As another trustee put it, “To develop...a shared sense of mission for the next five to twenty years, more should be done than just prepare for two or three board meetings each year.”

IMPORTANT DISCUSSIONS

CEP’s analysis also revealed a strong link between perceptions of board effectiveness and the ability to discuss important – and often difficult – topics. Describing a board whose trustees rated themselves comparatively positively on overall effectiveness, one trustee said, “This board has no shrinking violets and engages in open, detailed, and heated discussions on a regular basis. This discussion is respectful, engaged, passionate, and helpful.” In contrast, one board with a weak effectiveness rating was described by one trustee as “polite, generally collegial [with] members avoid[ing] controversy.”

While changing board style and culture can be complex, making sure the right materials and information are available to guide discussions is a good start. The survey showed a strong correlation between having material that focuses on important topics and having important discussions.

RELATIONSHIP WITH CEO

“Our fourth-best predictor of trustee perceptions of effectiveness was the board’s relationship with the CEO,”

said Di Troia. “What is interesting,” she added, “is that the feeling is mutual: There is a strong correlation between a CEO’s rating of his or her relationship with the board and the board’s average rating of its relationship with the CEO.” Sustaining a healthy CEO-board relationship – through formal evaluations and other means – is clearly vital to the effectiveness and impact of the foundation’s work.

At the same time, CEOs and boards do not always see eye to eye on the question of the board’s effectiveness. Boards that rate themselves highly may not get the same rating from their CEO. “It is important for CEOs to initiate the conversation,” said Di Troia. Each participant in CEP’s Foundation Governance Project received a detailed Comparative Board Report (CBR) which compared structure, practices, and perceptions across foundations. This self-assessment tool, which CEP will offer more widely in the fall of 2005, provided those foundations with a way to begin the discussion.

MAXIMIZING BOARD POTENTIAL

“When you maximize the potential of the foundation board, it brings you closer to maximizing the potential of the foundation as a whole,” Di Troia argued. “The best boards challenge the foundation to best fulfill the promise of the foundation’s mission.”

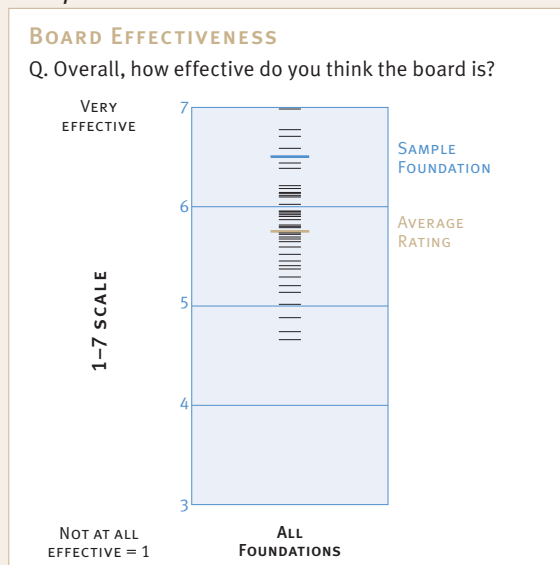
CEP will publish later this year a full report on Phase II of the Foundation Governance Project, including results of the survey discussed here and analyses of structure and practices at the 53 foundation boards.

THE COMPARATIVE BOARD REPORT

The Comparative Board Report (CBR) is a self-assessment tool for foundations that provides data on board structure and board member perceptions. The CBR provides a basis for boards to assess their performance on a range of dimensions, from board dynamics to the capabilities and expertise possessed by board members. The CBR is based on confidential surveys of foundation trustees, and also draws on findings from CEP’s Foundation Governance Project, which are discussed in CEP’s report, *Foundation Governance: The CEO Viewpoint*, and a forthcoming CEP report on governance from the trustee viewpoint. The CBR was piloted in early 2005, as part of the Foundation Governance Project, with 53 foundations, including private, community, and family foundations.

For more information about obtaining a Comparative Board Report, please contact Sarah Di Troia at (617) 492-0800 ext. 212 or sarahd@effectivephilanthropy.org.

Sample Chart:



APPROACHES TO ASSESSING OVERALL PERFORMANCE

Measuring foundation performance is notoriously difficult, but three foundation leaders shared their ambitious and creative approaches to foundation-wide assessment. Kristen Burns, President of REDF, Bill McAlpin, Executive Vice President and COO of the Rockefeller Brothers Fund (RBF), and Kathy Merchant, President and CEO of The Greater Cincinnati Foundation (GCF), discussed their experiences in developing assessment approaches appropriate to their missions and organizational needs.

A COMMUNITY FOUNDATION: MATCHING ASSESSMENT TO MISSION

The Greater Cincinnati Foundation is a large community foundation serving eight counties in three states. When Kathy Merchant arrived at the foundation eight years ago, it had no written strategic plan and no metrics for any of its activities. Merchant first worked with the board to create a strategic plan, then turned her attention to developing assessment tools.

The quarterly report Merchant developed for the board includes a performance overview explicitly organized around the foundation's mission, core values, and beliefs. Merchant's take on what matters is clearly laid

out both in the highlights and in the organization of the material in four categories: financial results, customer (donor) solutions, internal competencies, and "learn and grow." Each of these areas is further organized around a key question and objectives, making the document a springboard for important discussions at the board level about what is and isn't working.

Merchant supports GCF's assessment efforts with information-gathering in several areas. For example, the foundation surveys not only current donors, but also the potential donor pool of high-net-worth individuals and the estate professionals – lawyers, accountants, trust officers, and financial advisors – who work with them. GCF's customer focus reflects the needs and concerns of a foundation that is intensely responsive to and dependent upon the community it serves.

A FOCUSED FUNDER: FEEDBACK AND REFLECTION

REDF's mission is to move people out of poverty. It provides high-engagement funding and non-monetary assistance to a portfolio of nonprofits that employ individuals with histories of homelessness, incarceration, disabilities, substance abuse, and other barriers to



"This is not about scoring and judging, but about learning and improving."

BILL MCALPIN, ROCKEFELLER BROTHERS FUND

“Be sure all of your stakeholders are ready to face the truth about effectiveness.”

KRISTEN BURNS, REDF

employment. With its clearly defined mission and grantee group, REDF has, in some ways, a simpler performance assessment challenge than a large, more diversified community foundation such as GCF. Through its “Real Indicators of Success in Employment” (RISE) system, REDF interviews employees in the enterprises it supports every six months, tracking their income, housing status, and other factors.

“True assessment demands a willingness to acknowledge and learn from mistakes,” said Kristen Burns. To measure its own effectiveness, REDF relies upon approaches such as annual two-way interviews with grantees, 360-degree staff performance reviews, and built-in time each week and month for staff reflection. The two-way interviews are very useful, says Burns, “because we have long-term relationships, so we get very candid responses.”

For example, in 2000, REDF combined financial and social measures of grantee performance to create a rating for “social return on investment” (SROI). After grantees made it clear they didn’t find this rating useful, REDF returned to reporting separate financial and social data. Reflection and feedback also led to a decision to revise and update the RISE system. “In some cases we overbuilt,” said Burns. “You need to think about what data you really need to know.”

For Burns, the key to assessments lies in what action they prompt you to take next, and the key to acting is preparing people for the assessment process. “You have to be sure all of your stakeholders are ready to face the truth about effectiveness,” she advised.

A LARGE, PRIVATE FOUNDATION: ASSESSMENT AS A TOOL FOR LEARNING

As Burns’s comments imply, program staff, grantees, and even board members may feel threatened by assessment. Describing the assessment efforts of the Rockefeller Brothers Fund, Bill McAlpin explained how a 65-year-old foundation with a deeply rooted culture dealt with this anxiety. For example, RBF has a history

of embracing risk and supporting grantees early in their development, even though it isn’t always clear how things will turn out. As RBF began work on assessment, program officers spoke up for this long-standing tradition. “Don’t move us away from that, they said,” according to McAlpin. “Don’t tell us objectives and propel us toward them and take us away from these opportunities.”

To increase the organization’s comfort level with assessment, RBF framed it in terms of reflection, learning, and improvement. The board formed an ad hoc committee on assessment that included both assessment supporters and skeptics to ensure a robust series of conversations. Program officers were also included because, McAlpin said, “they would be most affected by the outcome.” The committee recommended an annual review of RBF operations, new ways of reporting on grantmaking, and surveys of staff, the board, and grantees. For the staff, seeing that the board would participate in assessment (through the Center for Effective Philanthropy’s Comparative Board Report) was “an important symbolic step,” said McAlpin.

At the program level, RBF has instituted changes at both ends of the grantmaking process. The format for presenting new grants requires more detailed descriptions of objectives. Ongoing reporting takes the form of program update memos that capture learning, set work plans, and set out accountability for objectives. Asked about developing indicators of effectiveness, McAlpin said, “Our first step is to get program officers to think about impact. As they do that, they may begin to develop indicators.” The key, he added, is recognizing that “program update memos will only be useful if they are brutally honest. This is not about scoring and judging, but about learning and improving.”



KATHY MERCHANT, THE GREATER CINCINNATI FOUNDATION

FROM ASSESSMENT TO ACTION:

ACTING ON GRANTEE PERCEPTION REPORT® RESULTS

Moving from an understanding of Grantee Perception Report® (GPR) results to action can be difficult. “When I first read the GPR, I just sighed,” confessed Sylvia Yee, Vice President of Programs at the Evelyn and Walter Haas, Jr. Fund. Although much of the GPR showed that Haas, Jr. was seen comparatively well by its grantees – more positively than is typical – “the extent of variation of ratings within our foundation just hit me.”

Over the past two and a half years, 80 foundations have commissioned GPRs from the Center for Effective Philanthropy (CEP), receiving comprehensive and comparative data on grantee perceptions of foundation performance along a variety of key dimensions. Often, foundations seek, as the Haas, Jr. Fund did, to under-

“When you turn the lens onto yourself, the feeling becomes ‘evaluation as judgment.’ But if we’re truly interested in being learning organizations ourselves, this is important.”

PAUL BEAUDET, WILBURFORCE FOUNDATION

stand the perceptions at both the foundation level and the program level, segmenting results to see differences in perceptions by program area, or even by program officer.

At a panel moderated by Barbara Kibbe, Vice President for Program Effectiveness at the Skoll Foundation and CEP board member, seminar participants heard Yee and Paul Beudet, Associate Director of Wilburforce Foundation,

describe both the experience of receiving a GPR and how their foundations are making changes as a result.

AN EYE-OPENING EXPERIENCE

Beudet said receiving GPR results was an eye-opening experience: “As much as we say that data is about ‘improving, not proving,’ when you turn the lens onto yourself, the feeling becomes ‘evaluation as judgment.’ But if we’re truly interested in being learning organizations ourselves, this is important.” Beudet also noted that “grantee data needs to be complemented by other data sources,” and described Wilburforce’s other efforts to understand its performance, including cluster evaluations.

In previous years, however, Wilburforce staff had displayed some skepticism about how actionable grantee feedback could be. “We had previously surveyed grantees in 1998 and 2001,” Beudet noted. “We believed it was important, but really had not made many changes as a result of earlier surveys of grantees – so why would this be any different?” Nonetheless, the foundation decided to commission the GPR because it believed that comparative data – which the GPR provides – as well as the impartiality of a third-party perspective would yield new insights.

Although Wilburforce’s GPR results revealed several areas in which the foundation was comparatively strong, the staff’s initial reaction was to focus on all the areas in which it was rated less positively. However, as Beudet put it, “just because you don’t do well in a particular category doesn’t mean it should be important to you.” Instead, to be productive, improvement efforts need to address the areas that are core to the foundation’s mission, and so Wilburforce looked back to its strategic plan to interpret its results.

Wilburforce staff realized that the foundation tended to give more small, one-year grants than other foundations, despite the fact that it tended to have longer-term relationships with grantees. Grantee comments suggested

that foundation and grantee time would be freed up for more productive activities if the foundation were willing to consider more multi-year funding or changes to its granting procedures. On the basis of this data, the foundation stepped up its multi-year funding significantly and created a faster and less onerous process for grants that fell below a certain monetary threshold.

The experience at the Haas, Jr. Fund was similarly eye-opening, although for different reasons. In contrast to Wilburforce's experience, at the Haas, Jr. Fund there had been no disagreement on the value of obtaining grantee feedback. "It was a question of when, not if," Sylvia Yee recalled.

As with Wilburforce, Haas, Jr.'s GPR results contained some surprises, but Haas, Jr.'s staff felt that the few areas in which it received low ratings were the right areas to focus on. For example, the GPR revealed that the foundation's selection process was more intense and required more administrative time of grantees than is typical in other foundations. Staff had always prided themselves on the rigor of Haas, Jr.'s grant process and on the quick turnaround that its detailed process enabled. However, after seeing the GPR results, staff realized that while some grantees did indeed appreciate Haas, Jr.'s grant process, many others viewed it as burdensome.

"We needed to be more respectful of applicants' time," Yee said, and so "we needed to reconsider what was necessary to ask grantees, and how we brought value to the selection process."

PROGRAM-LEVEL DATA

Both Wilburforce and the Haas, Jr. Fund added another level in their explorations of their GPR results, seeking to understand differences by program area or program officer. Wilburforce had added a customized question to the survey, asking grantees to specify their primary and secondary contacts at the foundation. CEP used this question to break out the GPR results by program officer.

It was here, Beaudet said, where "evaluation really felt like judgment." He cautioned the audience that the GPR needed to be set in context – particularly at the individual program officer level – but stressed that the GPR can be an "incredible learning tool." Individual program officers at the foundation are now guided by the feedback they have received and are responding in ways that are appropriate based on their individual GPR results.

At the Haas, Jr. Fund, grantees in several programs reported that they did not understand the foundation's

goals. Discussions of the comparatively low ratings reinforced the need to improve communication. "Formal communications had not been a priority in the past," Yee said, "but they are now."

OVERCOMING BARRIERS TO ACTION

At both the Haas, Jr. Fund and Wilburforce, resistance to less positive results initially proved a barrier to action. Several keys to overcoming that resistance emerged:

- **Leadership.** At both foundations, the senior staff and board helped set priorities that were grounded in the foundations' respective strategies, and used this as the basis for defining questions needing further investigation.
- **Sequencing.** Both foundations set short-term and longer-term goals, recognizing the importance of mobilizing in pursuit of some "easy wins" early in order to generate momentum and confidence in the ability to change.
- **Time.** Receiving the detailed and comparative feedback contained in the GPR can be overwhelming, and Yee observed that it took some time for staff to digest the results before they could begin to move toward action.



SYLVIA YEE, EVELYN AND WALTER HAAS, JR. FUND
PAUL BEAUDET, WILBURFORCE FOUNDATION

A willingness to embrace change in order to improve the effectiveness of their work with grantees ultimately prevailed at both foundations. "We wanted to take our pulse during a time of transition, and we found the results provocative," Yee said. "We needed to take some time with the report, but I have been impressed by the level of conversation about change that has taken place at the foundation."

FOUNDATION STRATEGY: ALIGNING ACTIVITIES AND DESIRED OUTCOMES

As foundations strive for greater effectiveness, they have seized upon strategy – setting one, following it, measuring activities against it – as a key to success. As Paul Brest, President of the William and Flora Hewlett Foundation, told plenary participants, “Strategy is no guarantee of impact. But without it you are almost guaranteed to have no impact.”

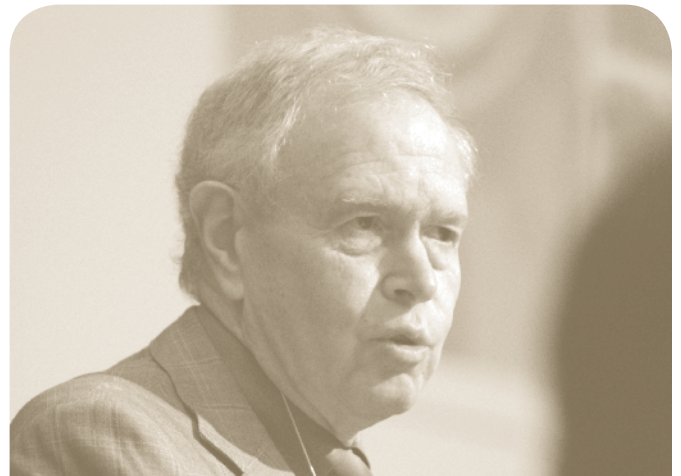
However, foundations face conceptual and practical obstacles when they tackle strategy. In business, readily quantifiable financial measures such as increased shareholder value can be used to validate strategies. On the foundation playing field, there are no such goalposts. The mission of most foundations is to promote some form of social change – a very difficult area in which to measure performance. When, for example, foundations contribute \$600 million to youth programs, compared to the government’s \$80 billion, how does a single foundation, putting a few million into this area, know that it is making a difference?

Confronting these realities is tough, and three seasoned consultants to foundations offered their insights. “People aren’t asking daily to see your results,” said Jeff Bradach, co-founder and Managing Partner of the Bridgespan Group. “So setting strategy is an act of self-discipline. And acts of strategy are still acts of leadership in this field.” The perennial doubt about how to set realistic, achievable goals for social change also hinders effective strategy work.

TOWARD SPECIFIC GOALS, NOT TOPICS

Mark Kramer, Managing Director of the Foundation Strategy Group and co-founder and former board member of the Center for Effective Philanthropy, urged seminar participants to move beyond these concerns and forge ahead with developing strategy and goals. Defining a goal as “a specific change you are trying to achieve,” Kramer emphasized the central importance of data in helping foundations zero in on the “issues or places where you can do more than any other foundation.”

In Maine, for example, a small foundation was charged with improving education in the state – a rather broad mission. Research revealed that while Maine students have test scores above the national average and graduate from high school in above-average numbers, they go on to college in below-average numbers. Kramer said that the foundation saw in these numbers a ripe opportunity to make a big difference with a small investment. Funding was targeted toward specific, often mundane tactics chosen by each school, such as ensuring that students took PSATs and SATs on time, or having college counselors call seniors the August after graduation to check on whether they were still on track to go to college. The foundation set itself the goal of bringing high



“Strategy is no guarantee of impact. But without it you are almost guaranteed to have no impact.”

PAUL BREST, THE WILLIAM AND FLORA HEWLETT FOUNDATION



“Strategy comes from knowledge, which is much broader than data, and it comes from relationships.”

KATHERINE FULTON, GLOBAL BUSINESS NETWORK

school matriculation in the state up to the national average in five years. In fact, in their initial trial at 30 high schools (¼ of the high schools in Maine), they met their five-year goal the first year, and passed it in the second.

Strategic thinking is an antidote to the tendency in the foundation world to focus on a topic rather than a plan of action. “People say, ‘We want to do the environment, or climate change, or children,’ rather than focusing on a theory of change,” said Bradach. “It’s very hard work, trying to have an impact that way.”

Foundations face a challenge, however, in scaling up a focused, fact-based approach to a strategy that is meaningful across several program areas and hundreds of grants. Many foundations are using causal models (also referred to as logic models or theories of change) to build structure and specificity into the strategy process. Advocates of this approach say it is helpful because it encourages systematic thinking about what resources are to be used, where and how they can be applied, and what effects they can realistically have in the short and long terms.

RISKS OF BECOMING TOO LINEAR

While a data-driven, inputs-to-outcomes approach can help foundations develop strategies that support accountability and effectiveness, one speaker cautioned against becoming too linear. “Strategy comes from knowledge, which is much broader than data, and it comes from relationships,” said Katherine Fulton, co-head of practice at Global Business Network. She cited the example of Boston’s After-School for All Partnership, launched when an individual donor brought together organizations such as the United Way, the Boston Foundation’s Community Fund, and the Robert Wood Johnson Foundation to develop alternatives for the increasing number of children who are alone and without supervision after school. This open-ended quest for solutions, which evolved out of a dialogue between people and organizations with resources, interest, and relevant

expertise, grew in five years into an established program backed by 14 funders that is now being adopted by the City of Boston as a key part of its after-school program.

For some goals, concrete measures of progress may be slow to emerge. Brest cited the Hewlett Foundation’s focus on climate change and its work with the government of China to reduce auto emissions. “We have made progress there in terms of our theory of change,” Brest said. “There are many steps from where we are to reducing the threat of climate change, but we can’t stop now just because there are no changes in outcomes yet.”

In these instances, short-term and intermediate indicators are vital to assessing the success of the strategy and deciding when to change course, if necessary. “The more feedback there is, the more likely you are to stay with a focus or goal,” said Kramer. “And the longer you stay with something, the more effective you will be. Fifty years are more effective than two.” Feedback can be organized into leading and trailing indicators. Jeff Bradach commented that in work with schools, changes have to be attained among the population of adults who work with children before the children can benefit. Leading indicators in this instance measure adult outcomes such as skills acquired through new training.

Done right, the strategy process should challenge settled assumptions and reveal previously obscured pathways to change, panelists suggested. During the question and answer session, Edward Skloot, Executive Director of the Surdna Foundation, raised the issue of the gap that often exists between the values and perspectives of foundation staff and boards and those of the groups they seek to serve. “Here in polyglot California,” said Skloot, “with so many new immigrant communities, the values we think are ‘right’ may not be taken seriously by others. They may have different perspectives on marriage, child-raising, day care, abortion, and many other matters. Philanthropy needs to understand these value differences when it builds its strategies for change.”

BEYOND GRANTMAKING: MAXIMIZING FOUNDATION ASSETS IN PURSUIT OF IMPACT



*“Keep it simple. Keep it practical.
Keep it tied to impact.”*

PAT KOZU, THE F.B. HERON FOUNDATION

Foundations traditionally have concentrated on grantmaking as the key lever for fulfilling their missions. But increasingly, foundations are looking beyond grantmaking to take a broader view of the resources available to create social change. While alternative vehicles involve some new risks, senior executives at three foundations offered powerful stories of impact achieved through deploying assets beyond traditional grant funding.

Pat Koza, Vice President of Finance and Administration at the F.B. Heron Foundation, and Carol Larson, President and CEO of the David and Lucile Packard Foundation, primarily discussed their foundations' use of mission-related and program-related investments (PRIs). Mark Smith, President and CEO of the California HealthCare Foundation, described his foundation's joint ventures to develop software to streamline the health insurance eligibility process. As moderator and Center for Effective Philanthropy (CEP) Executive Director Phil Buchanan noted, “All three foundations' approaches share common characteristics: a data-based scan of the environment; the identification of needs that other institutions and the government proved unable either to see or to address; a tailored approach to meeting those needs creatively; and a focus on results.”

DEPLOYING MULTIPLE INVESTMENT VEHICLES

The F.B. Heron Foundation, a \$270 million foundation founded in 1992, is dedicated to supporting organizations with track records of building wealth in low-income communities. “The foundation is committed to mak-

ing mission-related investments from its endowment in order to increase the impact of the foundation's work,” said Pat Koza. To this end, Heron currently has 24 percent of its endowment working towards its mission through market-rate investments, such as equity, bonds, and deposits; PRIs (typically low-interest senior or subordinated loans); and grants, 80 percent of which are designated for general operating use.

“With a philanthropic toolkit to work with, program officers can recommend what makes the most sense for each customer,” Koza remarked. “This might mean a combination of grants, PRIs, and market-rate investments.” For example, Heron works with the Community Reinvestment Fund, Inc., in Minneapolis, Minnesota, to support that organization's efforts to bring capital to community development leaders by creating a viable secondary market in community development loans. Over the past 15 years, the Community Reinvestment Fund has purchased and securitized over \$300 million in economic development and affordable housing loans. Heron has provided a \$500,000 five-year loan and a \$1.5 million short-term subordinated bridge loan at below market rates. The foundation has also provided grant support to strengthen the Community Reinvestment Fund's reserves.

The David and Lucile Packard Foundation also utilizes PRIs to advance its mission. Over the last 40 years, the \$5.2 billion family foundation has awarded \$3 billion in grants. But, despite that impressive number, Carol Larson told seminar participants that “we have realized we have so much to give beyond the grant dollar.”

"PRIs have proved to be a valuable tool at the staff level because they allow the use of foundation assets in an appropriate way," remarked Larson. PRIs played an important role in Packard's Conserving California Landscapes Initiative (CCLI), which began in 1998 as a five-year, \$175 million program to help conserve at least 250,000 acres in three California regions and to develop supportive policies and organizations. Packard preserves land by providing funds for outright purchase or through easements in which a landowner agrees to permanently restrict land use. The foundation works with a number of organizations to procure land, and "when the deal was right but funding wasn't there, we made a loan," reported Larson. PRIs helped to preserve more than 95,000 acres, and CCLI will come close to preserving 500,000 acres by the end of 2006.

PRIs allow these foundations to provide appropriate support through the use of assets that were otherwise unavailable to the organizations they serve. By doing so, Kozy and Larson argued, they have also leveraged their impact by helping these organizations attract additional funders, build equity, and develop credit histories.

RISKS AND BENEFITS OF PRIs

While PRIs can be an important tool, leaders must also consider their foundation's overall financial strength. Foundations must assess how much risk can be assumed and maintain a disciplined approach to risk and return benchmarks. Such analysis requires training for development and program staff. It can also mean that

"We have realized we have so much to give beyond the grant dollar."

CAROL LARSON, THE DAVID AND LUCILE PACKARD FOUNDATION

third-party analysts and legal advisors will be needed. As Larson explained, "We are proud of our use of assets and our creativity, but if our administrative spending at the foundation overall goes beyond 10 percent, we take a hard look at it to make sure it's appropriate."

Developing alternative mission-related investments can help a smaller foundation to achieve impact, even if it means increasing the budget for staff training and refined benchmarking tools. "Size is relative," said Kozy. "A small PRI may be the catalyst that helps an

organization come into its own, thus leveraging the investment." When developing investment strategies that are tied to mission, Kozy suggests, "Keep it simple. Keep it practical. Keep it tied to impact."

"A NICHE FOR IMPACT"

PRIs are just one way foundations can utilize assets beyond traditional grantmaking. The vision and leadership of a foundation can also be used to identify and solve problems that other players in society are unable – or unwilling – to address.

"Our strategy was, and continues to be, trying to find a niche where we can impact this large health care economy," said Mark Smith of the California HealthCare Foundation, a \$720 million foundation funded in 1996. The foundation works to improve the way health care is delivered and financed statewide and helps consumers make informed health care and coverage decisions. "Our research showed that there was a great need in the systems which enroll low-income people in public health insurance programs," said Smith.

To this end, California HealthCare put its resources to work to streamline the public insurance eligibility and application process. Research showed that one million California residents were eligible for insurance but remained unenrolled, largely due to the complicated and time-consuming application process. By working with for-profit software companies and commissioning a new web-based system for enrollment, California HealthCare developed Health-e-App, turning what was once a five-week process into one that now takes five minutes.

The site has been successful in California, and the process has been implemented in other states. This intervention, Smith suggested, offers a template for leveraging specific non-financial human assets – technology and health care experts – to fulfill the foundation's mission.

While the California HealthCare Foundation has made great strides, working with for-profit organizations can be challenging. "It is difficult territory," reflected Smith. "The foundation encounters real and perceived risks by stepping outside the bounds of grantmaking to traditional nonprofits." However, by maximizing the staff's capabilities and working with companies, advocates, and government, California HealthCare has achieved real change.

"We won't change everything in the world," concluded Smith, "but this is an area where we have the capital and expertise to provide a business solution."

EARNING PUBLIC TRUST

In the wake of heightened media and congressional scrutiny, foundation leaders are struggling to understand how to demonstrate their commitment to effectiveness and earn the public trust. An investigative reporter who uncovered foundation abuses, a leader of the nonprofit sector's response to congressional scrutiny, and a foundation executive experienced in coping with media attention offered their perspectives on this challenge.

Michael Rezendes, a *Boston Globe* reporter, described findings from his investigation of foundation abuses. "We got a couple of tips about foundations in the Boston area that weren't being run honestly," said Rezendes. "We looked a little more deeply, and found an area with very little accountability or enforcement. We found that the office of the attorney general in Massachusetts – and in states across the nation – was ill-equipped to monitor foundations."

Rezendes summarized the reporting of an in-depth *Globe* series of investigative reports on foundations. In Boston, for example, Paul Cabot, head of a charitable family trust, bought luxury homes in Boston, Miami, and Maine and paid himself roughly \$1 million a year while the trust paid out about half that amount in grants.



"If the portrait in the papers is what the public sees, then we're in trouble."

DIANA AVIV, INDEPENDENT SECTOR

The directors and trustees of an Oklahoma foundation spent twice what they gave out in grants on salaries and perks such as a lavish house beside a golf course. Other foundations paid high retirement benefits to part-time trustees, or paid attorneys on a full-time basis even though they were working for several other foundations.

Alongside these rare but spectacular examples, the investigation revealed a sector with, in Rezendes's view, "systemic" problems. "When you find an institution with no accountability or oversight, you will find corruption or abuses of one sort or another," said Rezendes. The remedy, from his perspective, is to increase accountability within foundations, to strengthen states' ability to oversee foundations and enforce laws, and to make sure that the response to abuse is clear, swift, and fair.

CONSIDERABLE TRUST AND GOODWILL

"If the portrait in the papers is what the public sees, then we're in trouble," said Independent Sector CEO Diana Aviv, introducing an overview of American perceptions of the nonprofit sector based on research commissioned by her organization. Fortunately, opinion research shows that public views of the nonprofit sector are grounded in considerable trust and good feeling. While mistrusting government, which is seen as slow and unresponsive, the public regards the nonprofit sector as nimble, quick to respond, and willing to take risks. The public response to reports of scandals in the nonprofit world is that nonprofits can be forgiven if they act quickly to correct problems. Overall, the public values the nonprofit sector for being about caring and volunteerism, and only secondarily for being effective and efficient.

But all of this goodwill can easily be lost, Aviv argued, if the news about the nonprofit sector continues to be dominated by stories of breaches of trust. Aviv said she believes that, in order to sustain the trust of the larger public and of key influencers in politics and the media, the nonprofit sector needs to learn how to work together to tell a more persuasive story about its effectiveness and accountability. "Blaming a few bad apples isn't very convincing when more keep turning up," she noted. Nor is blaming the government for weak enforcement, if foundations and charities want their calls for self-regulation to be taken seriously.

“YOU CANNOT LIVE A GOOD LIFE IN AN UNJUST SOCIETY”

Aristotle’s words framed dinner remarks by Gavin Newsom, mayor of San Francisco, on the increasingly harsh economic landscape faced by many ordinary working Americans and the challenge of fighting for social programs that keep doors of opportunity open.

“In 1954,” Newsom said, “the American middle class was vibrant and had only increased prosperity to look forward to. Fifty years later, average real income has dropped to 1929 levels.” The income disparity between rich and poor is the widest it has ever been in the nation’s history, he asserted. The ranks of those without medical insurance stand at 45 million — one in six Americans — and continue to grow. One in ten Americans lives below the poverty line, and many more are not far above it, Newsom said.

As mayor of one of the nation’s most progressive cities, Newsom must find ways to continue creating opportunity and security in San Francisco on an ever-tightening budget. The anti-tax movement, Newsom argued, coupled with unbridled growth in military spending, has led the federal

government to starve or completely abandon a wide range of programs that provide a safety net or create opportunity for those on the margins. Even federal support for community policing — a proven program and an element of homeland security — is being eliminated.

Newsom said that San Francisco has moved to fill some of the gaps left by lopsided economic progress and federal cuts with programs such as universal health care covering newborns through 25-year-olds. “Accountability is the key to doing this,” Newsom said, “and it is the theme that connects the challenge of being San Francisco’s mayor to the foundation challenge. Results matter. People support good programs if you can show that the public dollar is accomplishing something.” For example, after years of city investment in social programs in the city’s southeast sector, and with few real improvements or changes to point to, San Francisco is developing new ways to audit and assess the effectiveness of its programs there.

“The old answers are no longer viable,” said Newsom. “If you want to keep doing what you’ve been doing, you’ll get nothing. In the world’s wealthiest, most creative, most diverse democracy, that’s not enough.”

AMASSING A TRACK RECORD OF POSITIVE ACTION

As Associate Director of the Heinz Endowments, Grant Oliphant has witnessed the bizarre and bruising scrutiny that touches upon everything connected with those in the political limelight. Efforts to discredit Teresa Heinz Kerry in the 2004 presidential election included waves of stories asserting that the Heinz Endowments fund a radical far-left agenda. The attacks began with a 2003 report from a conservative advocacy organization linking the Endowments to Muslim jihadists, terrorists, and other extremists. They culminated in October 2004 when three Florida congressmen claimed the Endowments were funneling money to Fidel Castro. The allegations were repeatedly disproved but repeatedly recycled on partisan web sites, talk shows, and opinion pages.

Oliphant said that while the Heinz Endowments’ experience may sound unique, many foundations could become “collateral damage” in today’s fierce ideological conflicts. “The progressive nature of our work has earned us enemies,” he said. “We have taken risks and promoted causes that are not popular, and that is why we need to work to retain the trust of the public.” Warning seminar participants that foundations must learn to navigate in a chaotic media environment where facts don’t matter, Oliphant offered several recommendations for survival.

“First, we really, really need to get over ourselves,” he said. “We do good work, but that does not make us saints.

We are human institutions controlling vast resources pledged to serve the public good — and that makes us legitimate targets of public scrutiny.” Oliphant commented that the *Globe* investigative series has served a useful purpose by compelling foundations to become more accountable and to promote their vision of how foundations should be run.

Oliphant also encouraged foundations to actively build their case. “We do not earn public trust by simply avoiding errors,” he said. “We gain it by amassing a track record of positive action. Demonstrating impact is key to our long-term viability as social institutions free to do meaningful work.”

Oliphant acknowledged that the culture-war atmosphere might tempt foundations to avoid controversy by keeping a low profile. “Foundations call us in a panic,” he said, “and say, ‘A reporter called us — what do we do?’ You call back, of course.” If you don’t call back, Oliphant noted, someone else will tell your foundation’s story — and they probably won’t get it right.

Experience has taught Oliphant that the way to win the trust and respect of the media — and the public — is by operating transparently and being open about your goals and how you work toward them. “If we want the public to respect what we do, if we want them to know us for the good we contribute,” he said, “we have to tell them about it — on web sites, in publications, and in direct conversations with the media.”

CEP'S RESEARCH AGENDA

Fulfilling the mission of providing management and governance tools to define, assess, and improve overall foundation performance requires an ambitious research agenda. Kevin Bolduc, Associate Director at the Center for Effective Philanthropy (CEP), reviewed that agenda to highlight provocative new findings and introduce some important new directions.

NEW ANALYSES OF GRANTEE SURVEY DATA SET

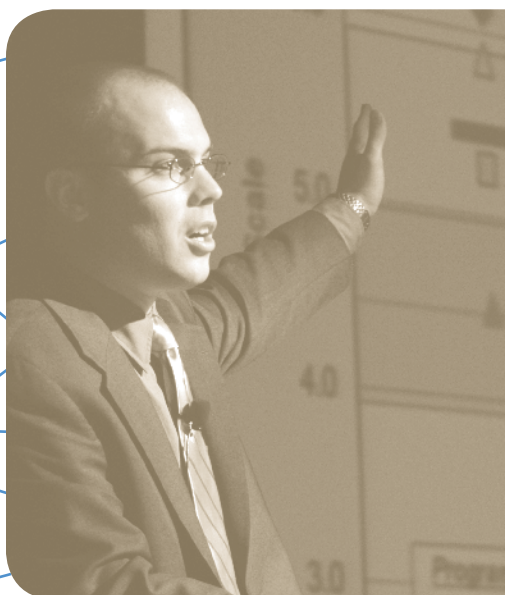
Bolduc spoke first about new insights gained from CEP's ongoing surveys of grantee perceptions of foundations. CEP has now sent surveys to more than 27,000 grantees of 141 foundations in five discrete survey rounds since 2003, receiving response rates in excess of 60 percent in recent rounds.

The grantee surveys allow individual foundations to understand how they are perceived on a range of important dimensions – from responsiveness of staff to quantity and quality of non-monetary assistance provided by the foundation. They also provide a valuable data set from which to draw conclusions of broader interest. For example, CEP's 2004 report, *Listening to Grantees: What Nonprofits Value in their Foundation Funders*, used grantee responses to identify the key dimensions that predict grantee satisfaction and perceived impact of foundations.

The latest data have led to some surprising conclusions. For example, a commonly held belief is that asset size matters – one might assume that grantees perceive larger foundations as having more impact because of their larger grantmaking budgets and their national reputations. CEP's analysis, however, now shows that foundations' structural characteristics, such as asset and staff size, actually are weak predictors of grantee satisfaction with foundations.

"What does matter?" asked Bolduc. "The quality of the foundation's 'human capital' is paramount – high-quality interactions; clearly communicated goals and strategies; and a strong external focus and demonstrated expertise in chosen fields." Foundations rated highly on these characteristics, regardless of foundation type or size, also received high ratings for effectiveness. "Our data on grantee perceptions of a diverse set of foundations – with \$50 million to \$27 billion in assets – show that, within this range, any type of foundation can attain the highest grantee rating, regardless of asset size or foundation structure," Bolduc concluded.

The grantee survey data also reveal that, within individual foundations, grantee perceptions can vary significantly from program area to program area. Sometimes, that variation is intentional. In one instance, for example, a foundation that was well-regarded by grantees for public policy impact in some areas but not



"The quality of the foundation's 'human capital' is paramount to grantees – fair, high-quality interactions; clearly communicated goals and strategies; and a strong external focus and demonstrated expertise in chosen fields."

KEVIN BOLDOC, THE CENTER FOR EFFECTIVE PHILANTHROPY

THE STAFF PERCEPTION REPORT

The Staff Perception Report (SPR) explores foundation staff members' perceptions of foundation effectiveness and job satisfaction on a comparative basis. The SPR is based on a survey specific to foundations that includes questions related to staff members' impressions of their role in philanthropy, satisfaction with their jobs, their foundation's impact, and opportunities for foundation improvement. This survey can provide useful information for foundations with 20 staff members or more. Participating foundations have the opportunity to add a small number of questions specific to each foundation's needs. In addition to providing participating foundations with the comparative data, the staff surveys will help create a broad data set CEP will use to report on practices and trends in the field.

OPERATIONAL BENCHMARKING REPORT

CEP has developed an Operational Benchmarking Report (OBR) to provide foundations with comparative information to enhance decision-making in a number of areas. For example, CEP's OBR allows foundations to understand staffing levels on a comparative basis, providing ratios of program officers to number of active grants or grants awarded relative to a relevant set of other foundations. Other operational benchmarking data cover areas such as administrative cost ratios.

For more information about obtaining a Staff Perception Report or Operational Benchmarking Report, please contact Kevin Bolduc at (617) 492-0800 ext. 202 or kevinb@effectivephilanthropy.org.

Foundations' structural characteristics, such as asset size, are very weak predictors of grantee ratings.

in others was neither surprised nor concerned. Those ratings reflected the foundation's conscious pursuit of different strategies for the different areas. This was good news – evidence that the foundation's strategic choices were understood by its grantees.

"On the flip side," continued Bolduc, "is a case in which grantees' ratings of the foundation's approachability varied substantially depending on which program officer they interacted with." Surprised by this finding, the foundation dug a little deeper, and discovered that the cause of the variation was a single program officer's interactions with grantees. The foundation was able to use the data to help that program officer learn and improve.

The complete results of CEP's new analyses of grantee perception data will be discussed in a report to be released later this year.

UNDERSTANDING THE STAFF PERSPECTIVE

In a significant new initiative, CEP has worked closely with the Evaluation and Research team at the Robert Wood Johnson Foundation (RWJF) to develop a survey instrument designed to elicit staff perceptions of job satisfaction as well as the effectiveness of their own

foundations. Foundation staff have an important perspective, but they can be understandably reticent in their feedback to foundation leadership. The new survey will provide a better way to get at the thoughts and views of staff members.

"We've undertaken the comparative staff survey because we believe that staffs' perceptions of foundation grant-making and impact can help foundations gain insights on their effectiveness," said Bolduc. Staff perceptions provide useful input to foundations' self-evaluation on a range of critical questions, including how well the different parts of the foundation are aligned in pursuit of key goals. CEP also hopes to develop a data set, similar to its grantee perception database, that can be used to investigate field-wide questions of interest, such as whether staff perceptions of foundation effectiveness vary by gender or role. CEP and RWJF recruited six large, private foundations to participate in a pilot survey.



EDWARD SKLOOT, SURDNA FOUNDATION

The presence of a coherent, well-implemented strategy may be the best indicator of all.

OPERATIONAL BENCHMARKING: UNDERSTANDING STAFF WORKLOADS

The Grantee Perception Report® (GPR) currently provides foundations with operational benchmarking data about program staff caseloads and administrative cost ratios. CEP is exploring ways to capture other useful comparative operational information.

Foundations can use this information to make and assess decisions about goals, tactics, and operations. For example, at one foundation that participated in the GPR, program staff carried 30 percent more active grants than the typical foundation. At the same time, program staff

provided non-monetary assistance less frequently than is typical. The foundation's leadership wanted to provide more of this assistance to grantees but recognized that in order to achieve this goal they would first need to find ways to reduce other demands on program staff.

TOWARD EFFECTIVE FOUNDATION AND PROGRAM STRATEGIES

Among the various indicators of foundation effectiveness, some have argued that the presence of a coherent, well-implemented strategy may be the best indicator of all. At the seminar, Bolduc announced that CEP is planning a pilot study to explore a series of questions related to strategy development, implementation, and assessment within foundations. Questions to be explored include: How is "strategy" defined by foundations? Who develops foundation program strategies, and with what input? How does location and program field influence strategy development? How do foundation-wide priorities affect program strategies?

CEP is fundraising for this initiative with the goal of formally launching the study in late 2005–early 2006.



ABOUT THE CENTER

The mission of the Center for Effective Philanthropy (CEP) is to provide management and governance tools to define, assess, and improve overall foundation performance.

This mission is based on a vision of a world in which pressing social needs are more effectively addressed. It stems from a belief that improved performance of foundations can have a profoundly positive impact on nonprofit organizations and those they serve.

Although our work is about measuring results, providing useful data, and improving performance, our ultimate goal is improving lives. We believe this can only be achieved through a powerful combination of dispassionate analysis and passionate commitment to creating a better society.

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The Center for Effective Philanthropy will be hosting its next conference in March 2007.



STAFF

Kevin Bolduc, *Associate Director*
Phil Buchanan, *Executive Director*
Ellie Buteau, Ph.D., *Senior Research Officer*
Kelly Chang, *Research Analyst*
Alyse d'Amico, *Manager of Programming
and Communications*
John Davidson, *Senior Research Analyst*
Romero Hayman, *Senior Research Analyst*

Judy Huang, *Associate Director*
Lisa R. Jackson, Ph.D., *Associate Director*
Latia King, *Executive Assistant to the Executive Director*
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675 MASSACHUSETTS AVENUE, 7TH FLOOR
CAMBRIDGE, MA 02139

*Providing comparative data to
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Phone: (617) 492-0800 • Fax: (617) 492-0888
www.effectivephilanthropy.org