The NCFP Guide to...

Understanding Operating Models

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NATIONAL CENTER FOR
FAMILY PHILANTHROPY

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Introduction

> **Effective family philanthropy is grounded in purpose—the "why" a family gives together. But to create meaningful, lasting impact, a family must determine what type of operational structure will best align with its purpose—the "how" of its philanthropy.**

Today's family donors have an array of models they can use to help them meet their goals. Ensuring that the form their operational models takes matches the function is vital to effectiveness. This guide helps funders who give as a family consider the role they'd like to play and the approach they'd like to take in their philanthropy and identify the operational model that will help them achieve their purpose.

A philanthropy's operating model aligns its strategy, governance, and resources to achieve its mission and deliver impact. Broadly speaking, there are a set of capacities necessary to effectively use philanthropic capital, which include:

- **Issue area expertise:** An understanding of the fields in which a donor seeks to make an impact
- **Capacity to deploy resources:** The ability to source and vet grantees and investees, structure and make grants and investments, be in ongoing relationship with grantees and partners, and more
- **Operational infrastructure:** The systems and processes that enable a philanthropy to deploy grants and philanthropic investments, manage accounting, and oversee compliance

The choices a donor makes about how to prioritize, formalize, and resource these capabilities inform the philanthropy's operating model. For many years, the default operating model for family philanthropies has been to institutionalize operations in a private foundation with the core capabilities resourced in-house. Our *Trends 2025* research affirms this is still the most dominant structure for family philanthropy, but the data also show us that more and more donors are beginning to operate in new ways. For example, the number of family foundations operating without any staff members rose from 15 percent to 20 percent between 2020 and 2025, and only 8 percent anticipate increasing their staff size in the next four years, compared to 27 percent in 2020. Family foundations are also shifting how they resource operations: In the past five years fewer philanthropies have added programmatic staff members (9 percent in 2025 compared with 27 percent in 2020) and administrative/operating staff members (9 percent in 2025 compared with 24 percent in 2020) and more have engaged consultants (23 percent in 2025 compared with 12 percent in 2020.)

The conversations we are having with donors and those who support them also reveal that more donors are exploring operations beyond the traditional model and seek to build operating models that are fit for a variety of purposes—such as models that prioritize expediency, foster collective action, or use philanthropy alongside advocacy and impact investing to create impact at scale. Their operating models can reflect these priorities by, for example, using vehicles that complement the traditional foundation, tapping into partners for issue area expertise, or efficiently deploying capital at scale through collaborative funds. (NCFP's *Operations and Management* primer provides ways to align your administration with your purpose).

To learn more about the expansion of operational models donors are using today, we interviewed more than 35 family philanthropy executive directors, board members, and thought leaders, reviewed available research, and drew on conversations throughout the NCFP network to identify a framework for how to shape the operating models of family philanthropies. The framework's scaffold is comprised of three considerations: role of the funder, degree of formalization of the philanthropy, and whether a philanthropy's core staffing prioritizes specialists or generalists. The choices a donor makes about each factor have implications for the operating model's degree of flexibility and the time and capacity it requires to successfully execute its mission.

This report is a resource for families who are determining or revising their operating model(s). No one choice is by default better than another. But by naming the array of models and examining your goals, you can adjust or create a structure for your philanthropy that best aligns with your purpose and helps you effectively create lasting and meaningful change.

What's Behind the Expansion of Operational Models

Variances in philanthropic approaches and operating models are not entirely new in family philanthropy. A few factors have contributed to a more intensive exploration of how donors operate as philanthropic families.

A drive to center community/grantees. NCFP's *Trends 2025* report shows donors say that the needs of grantees (43 percent) and the community (42 percent) influence their grantmaking more than ever before. In addition, more than 80 percent of the family foundations who responded to the survey have taken action to make their grantmaking more equitable, such as streamlining the application and reporting processes and increasing multiyear and/or general operating grants. Embracing this mindset means that many donors have also had to embrace a variety of operating models.

Greater expediency and shifting time horizons. The pace and scale at which a donor wishes to move capital directly informs the choice of operating model a donor might employ. More donors are choosing to limit—or would like the option to limit—the lifespans of their giving vehicles, choosing to deploy as much capital as possible in a defined timeframe. *Trends 2025* showed a 44 percent increase of those who decided to limit their lifespan between 2020 and 2025, with about 3 in 10 having made that decision.

Increased comfort with new structures. In years past, families approached their philanthropy in established ways. "Thirty years ago, conversations about philanthropy typically began with a person's wealth advisor and were centered on estate planning, the future, and legacy," says Andrew Schulz, a leading attorney to family philanthropies at Adler & Colvin. "Now the conversations more often start with impact and effectiveness, and we're customizing the structure to the impacts they want to achieve." This increased comfort is largely due to the fact that funders can now see examples of a variety of models with established track records.

Donors have more options for doing the work well. At the most basic level, donors are choosing from a variety of operating models because there are more options available to them, including: donor collaboratives, learning networks, consultants and advisors, and shared services, such as family offices and donor-advised funds.

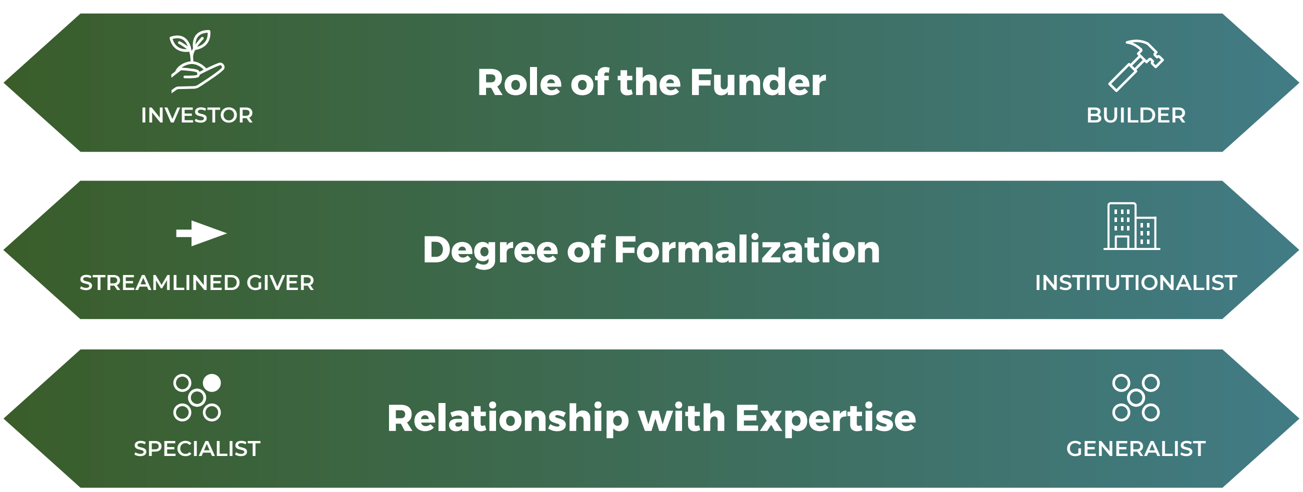
Operating model considerations

> **There is a range of ways that families can approach their philanthropy and enable effectiveness. Each has decisions with practical implications for one's operating model. These approaches aren't binary; they exist on a spectrum. More than one approach can, and often does, show up in a single institution.**

For example, Wildcard Giving's theory of effectiveness is anchored in its deeply held belief that communities know best what they need. Its small team has members who work in close partnership with local grantees for its place-based, anti-poverty work. Wildcard's national social justice and civic engagement work is funded through a donor-advised fund, which can make grants quickly, and is primarily supported through intermediaries that hold deep expertise in the fields in which they work.

The sections that follow outline a set of choices that donors must navigate that help them inform their operating model. These include: the role of the funder, the degree to which their philanthropy is institutionalized, and whether their work is driven by specialists or generalists. Some funders may use different approaches for different issue areas or vehicles. Note funders may change their choices over time.

FIGURE ONE: Operational Model Considerations



Role of the funder: investor vs. builder

> A fundamental choice is how a donor believes they can add greatest value in the fields in which they are working—in other words, what a donor wishes their role to be in affecting change. At the highest level, we have **investors**, or those who are primarily resourcing the fields in which they are working with dollars and other assets (such as their voice and influence), and **builders**, or those who play a hands-on, operating role beyond funding to proactively fill a gap or catalyze something new.

Investors

Investors are the type of philanthropists we often think of when we envision the typical family foundation: funders who primarily make grants to nonprofits in their focus issue areas and/or communities to sustain, scale, or innovate on their work. Investors can be early-, mid-, or late-stage in their philanthropic journeys. They can financially resource grantees using a streamlined approach, often characterized by general support grants, or use a higher-touch approach, shaping programmatic grants with prescribed performance outcomes.

The Surdna Foundation is an investor with an annual grant budget of more than $50 million and has done $230 million in impact investments since 2017. In addition, the foundation's charitable contributions are often accompanied by "beyond the grant" support for their grantees. "Our default approach is to make pretty big general support grants; it's about two-thirds of our grants. If we do project-specific funding, it's typically at the grantee's request because it's advantageous for them to have funding dedicated to a project," says Don Chen, Surdna's president. "Much of what we do is in the spirit of trust-based approaches. We think organizations and their fields will be much more effective if they have fewer constraints, deeper relationships, and a longer time horizon. Our team also helps grantees beyond money by doing things like opening doors to other funders or hosting convenings. [Going beyond the grant] is a specific part of our identity."

There's an established playbook for funders who show up as investors. Investors typically work in fields that have capacity to absorb dollars in a way that is aligned with their theory of change. They often operate in issues and/or geographies with mature ecosystems of grantees, other funders, experts, and other resourcing. They may also look to support early-stage ideas and solutions within that ecosystem.

Operating as an investor leads with trust, allowing the experts to drive the solutions. This aligns with many families' wishes to de-center the funder. This approach also offers maximum flexibility and optionality. It works well for both early and long-tenured funders because it is highly adaptable and scalable. Funders can enable this approach using a private foundation, donor-advised fund, and/or novel structures. In fact, funders don't need a big team to take on this approach; instead, they can rely on outside partners for expertise and/or use streamlined funding approaches. They can also invest more heavily in in-house capacity to play a more hands-on role.

Investors' operations are adaptable to the time family members have available to allocate to their philanthropy, both on a day-to-day basis and throughout the lifespan of their giving. In addition, the investor approach allows family members to learn from established projects and organizations and institutions that are doing good work, often promoting greater engagement and enthusiasm.

The main drawback of this approach is that it often requires "shovel-ready" funding opportunities. There can be limits to how effective this approach is when a funder is working in fields or geographies without comprehensive partner ecosystems.

Builders

Funders who show up as builders take a different approach: they elect to be active co-creators in the fields in which they are working to build something that didn't previously exist. They see a fundamental gap that needs to be filled to advance a theory of change—not just supporting, scaling, or modifying existing approaches—and believe that they should play a hands-on role in helping to fill that gap.

In some cases, they build in-house "institutes" or think-and-do tanks to advance nascent fields. In others, they are playing active roles incubating operating initiatives that will ultimately live independently. One person who operates in this way noted, "Our approach is to swarm a sticky problem within our theory of change for a fixed timeframe and unlock that specific problem by bringing capacity and resources, financial and otherwise, to accelerate progress." Beyond deploying capital, this funder's staff members can be conveners, project managers, fundraisers, and relationship managers.

It can be a deeply meaningful experience for funders to make a tangible contribution to their areas of interest that may not exist if not for their intervention. Operating in this way is entrepreneurial. It can fill gaps in nimble ways and use the funder's bird's eye view to promote new ideas and innovations to existing problems. When done well, it can incentivize new partnerships and collaboration. One funder who is working to advance an emergent field of medicine noted, "We have multiple levers that we can pull to advance our objectives. In addition to grantmaking, it includes direct investments in companies whose work is aligned. It also includes bringing together our partners with leaders and advocates who could be unlikely allies. We're building a new field, so as a convener, we're creating space for people to join a broader community and support its evolution and acceleration."

There are a few important considerations for anyone exploring working in this way. It's often resource-intensive, requiring dedicated capacity with skillsets and expertise specific to running initiatives either through in-house staff members, consultants, or other close partnerships. For example, an early team may include a subject-matter expert to lead programming, an operational lead to build infrastructure, and a development lead to cultivate partnerships and additional funding.

Because this approach involves many people with specialized knowledge or skillsets—and often more capital investments in things such as space or equipment—it's more difficult to scale and is less flexible than operating as an investor. A private foundation can incubate new projects, but those projects typically need to be spun out to another entity or as an independent organization for long-term sustainability (i.e., attracting other funders). All of which means that this approach typically requires a high degree of commitment and hands-on time. It works well for funders who are comfortable making long-term commitments to an iterative process. It is important for builders to consider what this means for future generations. Builders' work is often born of passion and interest, and not every family member has the desire to carry this passion forward. It's vital for builders to assess the buy-in across the family and generations and then plan accordingly.

Finally, and importantly, funders need to carefully assess whether their intended intervention is ahead of the field or out of step with it—ensuring that they have invited the voices of those most affected by their work at critical inflection points. Funders must also monitor if what they have built continues to serve the community it seeks to benefit. Builders don't have built-in ways to assess the viability of solutions as others do, such as those who have to fundraise to advance their work, so they must find other ways to test the viability of their solutions.

Degree of formalization: streamlined givers vs. institutionalists

> **There are a second set of choices related to one's propensity for infrastructure and the degree to which they wish to formalize their philanthropy. Here, we nod to definitions from Kelin Gersick's *Generations of Giving* to describe the camps.**

On one hand, we have streamlined givers, or those for whom "The [act of giving grants] itself was the focus of their attention. The organizational setting was only a mechanical necessity. They didn't worry about governance, bylaws, or policies—they wanted to distribute charitable dollars." On the other, we have institutionalists, "who bring more of an organization-building perspective. They liked the idea of the foundation as an institution. They wanted it to have an identity beyond themselves, so they paid more attention to structure, rules, and formal authority.[1]"

The degree of formalization typically has a relationship with the stage of one's philanthropy. We see many families that get started as streamlined givers, essentially writing checks to organizations with whom they have relationships and/or making grants to support their early learning. Operating in this way, in its simplest form, requires little more than a funding mechanism. Over time, families often see the value in professionalizing and codifying their philanthropy with a more institutional approach.

Streamlined Givers

Streamlined givers optimize for a high degree of efficiency in their operating models. Simply put, they seek the straightest path to distributing charitable dollars to organizations in their areas of interest.

We spoke with the executive director of a streamlined giver who was deploying, on average, $30 million annually with a staff of one. "Our trustees decided early on that they wanted to have a hyper lean, flexible model. They did not want a lot of staff members,

[1] *Generations of Giving;* "Chapter 3: Choices and Challenges for the Controlling Trustee Foundation," p. 83.

largely because they are true believers in being fast followers of good ideas. There are a lot of good ideas out there that they could enthusiastically support." Part of what enables this funder to operate with only one staff member is that it uses a sophisticated, outsourced back-office operation, and it partners with like-minded donor networks. "Those partners share the values of our principals... They allow us to scale quickly and boldly write seven-figure checks where they are needed, not getting caught up in a lot of navel gazing about whether we have all the right answers."

The prime benefit to this approach that it is nimble and responsive. Funders can make decisions quickly, without a lot of process. One funder noted, "We can get dollars out the door and where they are needed in hours or days, not weeks or months." This approach requires limited capacity by design. The donors we consulted who use this approach typically had one to two full-time employees, supplemented by consultants and outsourced service providers.

In addition, a streamlined giving approach can provide principals with close proximity to their work, which can be personally meaningful. Plus, this approach is effective for a donor early in their learning journey and someone for whom philanthropy is a secondary priority, perhaps to running a company or raising a family.

If and when donors are ready to make greater investments in formalizing their philanthropy, they have a body of experience to build upon. What's more, a streamlined approach provides families with many options for the future direction of their charitable giving because they haven't "boxed themselves in" with long-term commitments that come with specialized hires or public pronouncements of their strategies.

At the same time, there's limited durability to this approach because it is dependent upon direct and ongoing engagement by the funder. It is not typically designed for continuity or to be a channel for multigenerational engagement. Because this approach does not require a large staff, several people who operate in this way noted that it can feel isolating and that they missed the thought-partnership and collaboration that comes with having colleagues. Others noted that the lean capacity model, by design, didn't support going deep with grantees, leaving some to feel that they weren't having the greatest impact that they could. Related, ability to go "beyond the grant" is limited due to capacity constraints. Funders using this approach typically can't use assets other than dollars to support their grantees.

Institutionalists

At its core, choosing an institutional approach means adding systems, processes, structures, and resources that allow the work to perpetuate beyond a living donor's capacity. It doesn't necessarily mean opting for a large staff or bureaucratic decision-making, nor does it inherently mean that the foundation is operating in perpetuity. Institutionalists believe that efficacy is enabled by a structured, methodical approach that supports consistency in their grantmaking and gives an identity to their philanthropy.

The David and Lucile Packard Foundation was founded in 1964 and made more than $300 million in grants in 2023. "In 2022, we refreshed our strategy, creating a new shared vision and mission with three highly connected goals," said Nancy Lindborg, president and CEO. The foundation structured its staff of about 150 to align with its goals. "We have vice presidents responsible for each goal and directors reporting to them who lead initiatives that ladder up to those goals. The directors manage program officers and associates who implement that work. We have a shared grants management team that provides the data that allow us to understand [the breadth of] what we're doing and the impact we're having." Lindborg says the large staff, streamlined as it is, is important for the foundation's partnership approach. "Working in close partnership with grantees and other partners, and funding smaller, grassroots organizations, including those overseas, is capacity intensive. It requires constant learning and support for our partners, especially in these challenging times," she says.

Adopting an institutional model can also allow smaller-scale funders to punch above their weight by using creative approaches to grantmaking and assets in addition to dollars, such as a foundation's brand and voice, to support its mission. For example, the Pritzker Traubert Foundation in Chicago has a staff of eight. Its signature program, The Chicago Prize, has sparked innovation in economic and community development efforts led by community members themselves.

This approach professionalizes and adds capacity to family philanthropies, allowing them to go deeper in their areas of interest than is typically possible with a streamlined giver's approach. It gives family members more options for engagement by providing structured channels to dial engagement up or down based on interest and capacity. For example, some family members may choose to be engaged at a high-level a few times a year through board meetings, while others have more hands-on roles as committee chairs, or by lending their voice and influence to the work.

Institutions are built over time and built to last. For families who wish to have their philanthropy continue beyond the founding generation, institutionalization codifies a foundation's practices and knowledge, which can support generational transition. They're recommended for families who are ready to make meaningful time commitments. While families can delegate much of the work of building and managing the institution, they are still involved in critical operational decisions, increasing the scope of their governance responsibilities.

The institution also can cultivate a family's nonfinancial assets—such as the brand, influence, and voice—all of which it can deploy to support the fields in which it operates, representing the family while extending the family's reach through the institution's professional staff.

There are tradeoffs to this approach. Institutionalizing a philanthropy requires investing in specialized roles and expertise and is resource intensive relative to the more limited purview of the streamlined givers' approach. In addition to the financial costs, it requires time to oversee and manage an institutional team, including establishing and implementing systems, structure, and processes. The same steadfastness that allows institutions to be powerful forces for continuity makes it difficult for them to operate nimbly. Change in institutional philanthropy requires careful planning and management.

Relationship with expertise: specialists vs. generalists

> **The third consideration is how one thinks about where and how they will tap into the expertise necessary to inform strategy and decision-making about grants and other investments of capital.**

Those who are specialists prioritize the durability of having this capacity in-house, investing in staff members who bring issue-area expertise, lived experience, and/or deep relationships in the areas of focus. Others feel that there are inherent limitations to this approach and choose to rely primarily on external sources for this knowledge and instead prioritize staff members who understand how to deploy capital as skilled generalists. These families are often optimizing for a high degree of optionality in their philanthropy.

Specialists

Families who prioritize specialists invest in in-house capacity that brings field expertise, lived experience, and/or deep relationships in their focus areas. They believe that having in-house specialists is central to being able to effectively deploy capital. Often, these leaders are contributing thought leadership and other efforts to build the fields in which they are working.

The Raikes Foundation was founded in 2002 by Jeff and Tricia Raikes and focuses on education, youth homelessness, and strengthening democracy. It has a staff of approximately 20 people and granted about $20.8 million in 2024. "All of us come from the fields in which we're operating. We're grounded in sets of relationships that allow us to tap into the expertise in our fields in a way that's not extractive. It requires hiring people who know the landscape and who the experts are," said Stephanie Gillis, director of its Impact-Driven Philanthropy Initiative. Raikes is a leading funder of youth homelessness prevention efforts and between 2016 and 2022, youth homelessness in Washington State decreased by 40 percent. "[Our ability to contribute to that level of impact] was largely due to the blend of expertise on that team. We have a team member with lived experience with the systems we seek to shift who also has worked directly with young people as an organizer, another who has spent years as a legal advocate for youth, and another who has cross sector experience with considerable time working within government. Blending experiences like that—lived, private sector, public sector—is a big part of the recipe that led to the success in that effort."

This model gives families close access to expertise on a day-to-day basis. They can ask staff questions and can consult them during decision-making. Specialists can use their expertise and relationships to assess differing perspectives or opinions about their areas of focus. They are not dependent upon third parties to get a pulse on what's happening. Specialists can also add gravitas to a family's philanthropy. Having a respected field leader leading a portfolio or strategy can signal to the peers and partners that the family takes the work seriously.

There are tradeoffs, however. Everyone, including specialists, brings biases. It can be harder to mitigate these biases when a funder has positioned their specialist as an authority in the field. By merit of having specialists on staff, families can accelerate their learning. However, in some scenarios this learning results in different perspectives about a field than are held by the specialist. This divergence can lead to tension.

It also may require expanded capacity: Specialists bring expertise in their areas of focus but may not possess the skillset of a grantmaker. Families who hire specialists often supplement them with program officers, program associates, communications specialists, and other roles to fill these gaps.

Finally, it reduces optionality. It's harder to change direction or wind down an area once it is staffed with people whose expertise is not readily transferrable to different areas. Typically, a specialist approach is best when funders are ready to make at least a five-year commitment to their focus areas. Because specialists bring deep relationships in their areas of expertise, there is also a set of considerations related to reputation management.

Generalists

Families who use the generalist model prioritize having staff members with adaptable skillsets that the philanthropy can deploy across issue areas. They rely primarily on external sources for subject-matter expertise to inform their strategies. These external sources often include consultants, donor collaboratives, and/or donor learning networks.

The flexibility of this approach is its top selling point. It's relatively easy to expand into a new area, increase giving, or wind work down. Plus, it can be a lower lift to manage than other models as staff members can work across multiple issue areas and be reassigned based on internal needs. It also allows families to deploy significant amounts of capital with relatively low internal capacity. We spoke with multiple families granting between $20 to $50 million annually with teams of one or two generalists.

One executive director of a leanly staffed foundation that grants mid-eight-figures annually across five program areas says, “We chose not to have full-time subject matter experts in any of our areas on staff. Our trustees are still early in their learning, and not ready to make those types of commitments. As a result, we have a small team of generalists who know how to get things done. And then we pull in subject-matter experts as consultants when needed.”

Broadly speaking, these donors are comfortable with contribution to impact, versus direct attribution. Those who choose to use donor collaboratives or other intermediaries to tap into expertise are typically comfortable with a lower degree of control over their funding and the outcomes. Take for example the Pérez family, whose Jorge M. Pérez Family Foundation is housed as a charitable fund at the Miami Foundation. “It was really important to be able to leverage the Miami Foundation as a partner, because it is embedded in the community,” says Belissa Alvarez, the family foundation’s executive director. “In creating this unique partnership, Mr. Pérez is able to tap into the community foundation’s expertise and infrastructure to make the best investments possible in the community.”

On the other hand, it can be harder to go deep with grantee partners with a more limited understanding of the context in which they are operating. It requires trusted partners for the expertise that undergirds strategy, as well as sometimes for sourcing grantees and understanding developments in a field. There can be limits to impact assessment, in particular, understanding why something is or is not working.

Common operational archetypes

How do these factors come together in operating models? Below, we have illustrated four common archetypes.

The agile funder

The agile funder focuses on resource deployment (investor) through streamlined grantmaking (streamlined giver), with a high degree of flexibility and adaptability (generalist). These are often funders who are just getting started in their philanthropy or those for whom philanthropy is a priority that is secondary to running companies, raising families, or other endeavors. Their internal capacity is limited and often is comprised of one to two generalists who oversee the grantmaking. The organization typically outsources its operations and expertise, and its public profile is limited. Agile funders make choices that support their ability to deploy capital to the causes and communities they care about, while minimizing added administration, governance, or other institutional complexity.

A Bay Area Funder

A Bay Area funder with a focus on supporting democracy has been deploying approximately $30 million annually. The principals aim to give and invest resources efficiently and where they are needed most so they designed the foundation to be hyper lean and flexible—a reflection of their tolerance for risk, priority for funding good ideas quickly, and belief in trust-based practices. The foundation is managed by an executive director and remains leanly staffed by making large, multiyear grants, including a portfolio of seven-figure grantees, by participating in donor collaboratives and leaning on external expertise when needed, such as sophisticated financial institutions that manage the foundation's impact investments.

The versatile strategist

The versatile strategist leans on flexible generalists (generalist) to primarily make grants (investor) within a formalized framework (institutionalist) to achieve scalable, lasting results. They see the value in having specialized roles (often an executive director, program officers, and grants managers) to support their philanthropy but want to keep their teams small to maintain close proximity to their work. Versatile strategists often outsource operational support. Families who choose this archetype are confident that their engagement in philanthropy for the foreseeable future will warrant an investment beyond an ultra-lean model but still wish to retain a high degree of flexibility with their day-to-day work. For some, this archetype is a bridge or interim stage. In this model, it's not unusual for families to hire an expert or two to lead focused portfolios in areas where they are ready to make long-term commitments.

Wildcard Giving

Wildcard Giving, the constellation of philanthropic vehicles for Brian and Tegan Acton, share a common set of values and staffing. Prior to founding Wildcard in 2014, Tegan worked for nonprofits and this experience deeply informed how the Actons chose to approach their philanthropy. They believe that communities know what they need best, the dollars the Actons steward belong to the public trust, and their role as a funder is to trust those closest to the issues at hand and treat them with dignity and respect. There are three entities under the Wildcard umbrella: Sunlight Giving, which is a private foundation focusing on supporting families in living in poverty in the greater Silicon Valley; Acton Family Giving, which is a donor-advised fund that supports initiatives and organizations that the Actons have a personal connection to; and Solidarity Giving, a donor-advised fund that supports and defends America's civic values.

This diversified structure allows for different approaches to funding and gives each a "home" to minimize confusion externally. For example, the Sunlight Giving team takes a more traditional approach to grantmaking. It is deeply involved in the communities in which it works and is hands-on as a local funder. "That's our highest staffed program as we wanted our staff members to have proximity with our communities," says Emma Pompetti, the managing director of Wildcard Giving. On the other hand, Solidarity Giving primarily funds large national organizations and donor collaboratives and streamlined grantmaking, which a donor-advised fund can expedite better than a foundation.

Wildcard prioritizes values alignment in its choice of partners and sees them as an extension of their team. They focus the efforts of their in-house team on what they are uniquely positioned to do, which is representing their donors and their values, and outsource tasks such as grants management to a local third-party foundation administrator. This also allows Wildcard to carefully manage the workload of its small staff and allows them to be nimble.

The structured steward

The structured steward is the model that one typically associates with private foundations. This type of funder prioritizes depth and rigor in its funding (investors) through a professionalized (institutionalist), expertise-driven (specialist) approach. The donors who choose this model are comfortable committing to their areas of focus and see benefit in a well-resourced model that gives the foundation the capacity to engage in grantee support and field-building activities "beyond the grant." These institutions are typically organized by program areas, each of which are led by issue experts who bring deep credibility, and under whom sit different levels of program officers and administrative support. These funders may also begin to build out complementary capacity that cuts across issue areas, such as learning and evaluation, communications, and legal support. Operational infrastructure is typically in house. While this archetype doesn't inherently necessitate a large staff, it is one that lends itself well to scaling.

The Raikes Foundation

The Raikes Foundation focuses on creating systems-level change, emphasizing collaboration. It actively engages in field-building activities, including convening stakeholders and influencing policy. "We prioritize collaboration from the get-go. Our work is to get the right people in the room," says Stephanie Gillis, director of its Impact-Driven Philanthropy Initiative.

The Raikes Foundation has adopted a structured approach. In addition to programmatic staff who bring deep subject-matter expertise and/or lived experience, it has invested in cross-functional communications and grants management capacity to enhance the foundation's ability to achieve the impact it seeks. It has embraced a creative staffing model, balancing internal hires with external partnerships to effectively meet capacity needs. "We add capacity but may not hire it. It's about agile staffing to fulfill necessary functions," says Gillis. This also allows the foundation to stay lean relative to the scope of their work.

The catalytic architect

The catalytic architect creates transformative initiatives (builder) using specialized knowledge (specialist) and an organized, institutionalized approach (institutionalist). It is relatively uncommon to see a funder use this as a stand-alone model and is more typically used to complement a traditional grantmaking approach. Some donors come to this model over time, after seeing gaps in their fields that cannot be filled by traditional grantmaking. Others who are working to build nascent fields or who are doing place-based work in geographies without robust grantee ecosystems adopt it by necessity. Donors typically incubate new initiatives in-house, with subject-matter experts designing and testing the concept. These experts are in turn supported by cross-functional generalists and/or operational capacity, such as project managers and lawyers to advise on the long-term legal structure and incorporate new entities. Because private, non-operating foundations are not designed to run operational programs in the long-term, catalytic architects inherently encounter an inflection point about the long-term structure of and home for their work. Once they have demonstrated viability, some donors choose to spin out their concepts into independent initiatives primed for diversified support, while others choose to retain more oversight and control through designated governance rights, sole or majority funding, and/or shared management structures.

Chicago Beyond

Chicago Beyond's Leader in Residence model brings community leaders with exceptional potential to effect systemic change in-house and provides them with the resources, bandwidth, and freedom to pursue transformative ideas in their "zone of genius."

“When we launched Chicago Beyond, we sought to break from traditional philanthropy, yet our early practices still echoed its norms,” said Liz Dozier, founder and CEO of Chicago Beyond. “Deepening our work with grantees showed the path to systems’ change: shifting from funding polished, ‘investable’ programs to resourcing overlooked leaders closest to the issues; people with lived expertise, bold ideas, and transformative vision, yet lacking conventional markers. Silicon Valley bets transformative dollars on great people with audacious ideas; philanthropy must, too.” The new model hires people who have deep relationships and knowledge and allows the philanthropy to support them in ways that don’t limit them to the traditional program officer role, including technical support that help them bring their projects to life. “When we talk about ‘big bets’ in philanthropy, we typically associate that with big dollars. This program requires us to provide a single field leader with salary, benefits, and consulting support. So, it’s a smart bet. A bet that can yield big change. If we truly believe that leaders most proximate to the issues are most proximate to solutions, grantmaking in this manner makes all the sense in the world.”

Conclusion

> **The operating model a donor chooses for their philanthropy is the result of deliberate choices, prioritization of options, and weighing of tradeoffs. An operating model can and often does evolve over time, although the ease of doing so decreases as investments are made to structure, institutionalize, and specialize their philanthropy.**

We encourage families to reflect on the goals for their philanthropy and which operational model will best enable them. We also encourage families to think creatively and expansively about how to resource their work. There is an abundance of options for families to use that can allow them to access needed expertise while focusing on the parts of the work most important to them. Whether you are just getting started or thinking about the next chapter of your philanthropy, you can use this guide to reflect upon the options and to activate a model that will help you meet your philanthropy mission as a family.

Appendix A: What Operational Model is Right for You?

This tool will help families and their advisors identify which consideration best aligns with their theory of effectiveness. For each question, mark where on the spectrum you fall.

Role of Funder

1. How do you view your role in the ecosystem you support?

As an active, hands-on partner who collaborates to shape and grow the field	As a funder who provides needed resources and allows experts to take the lead

2. How do you feel most effective as a funder?

By catalyzing new solutions or initiatives where there are unmet needs	By providing resources to those who possess expertise and proximity to the issue

3. What role do you see your grantmaking playing?

Grants are one of several tools that I use to make an impact	Making grants to those doing the work

4. How would you describe your ideal involvement in initiatives you fund?

Being deeply involved in specific problem areas, committing significant resources and time	Flexibly funding established players and scaling up or down as needed

5. How do you respond to gaps in the current landscape of your issue area?

I step in and develop new initiatives or partnerships to address these gaps	I look for and fund organizations that already have a presence in this area and can play this role

Results

If you find yourself toward the **left side of the spectrum**, you most likely align with a **Builder's** approach, catalyzing new solutions in your areas of interest. If you find yourself toward the **right side of the spectrum**, you most likely align with an **Investor's** approach, providing needed resources and allowing experts in the field to take the lead.

Degree of Formality

1. How do you approach the structure of your philanthropic work?

Focus on simplicity and prefer minimal infrastructure to distribute resources efficiently	Prioritize building systems and structures that ensure long-term effectiveness and identity

2. What is your ideal staffing model?

A small, lean team supported by external consultants or outsourced services for flexibility	A dedicated, specialized staff that can provide strategic guidance and operational capacity

3. How do you view decision-making processes?

I value streamlined, quick decision-making that enables responsiveness to emerging opportunities	I prefer deliberate, structured processes that support consistent and strategic outcomes

4. What is your vision for the longevity of your philanthropic efforts?

My focus is on current impact, with flexibility to adapt or change directions as needed	I aim to create a lasting legacy with a formalized approach that could outlive my active involvement

5. How do you engage with your grantee partners?

I focus on making grants quickly and responsively, even if it means less depth in relationships	I aim for deeper engagement with grantees, supported by the resources and capacity of an institutional model

Results

If you find yourself toward the **left side of the spectrum**, you most likely align with a **Streamlined Giver** approach, focusing on flexibility, simplicity, and efficient resource deployment without heavy infrastructure. If you find yourself toward the **right side of the spectrum**, you most likely align with an **Institutionalist** approach, prioritizing structure, capacity, and governance to enable long-term, professionalized philanthropy.

Relationship with Expertise

1. What kind of team do you think is most effective?

Specialists who are deeply knowledgeable about specific issue areas and can guide strategy and decision-making	Generalists with versatile skills who can work across multiple areas and adapt to changing priorities

2. How important is long-term commitment to focus areas partners?

Very. Long-term investment in specific areas is essential for impact, even if it limits flexibility	Less. I prefer to maintain flexibility and the ability to pivot between focus areas as needed

3. How do you approach relationships with grantee partners?

I go deep with grantees, leveraging in-house expertise to understand and contribute to their work	I can be a good partner to grantees even if I don't know the ins and outs of their field

4. How do you prefer to access expertise for your focus areas?

An in-house team with subject matter expertise, relationships, and lived experience in the areas of focus	External consultants, collaboratives, networks and other partners

Results

If you find yourself toward the **left side of the spectrum**, you most likely align with a **Specialist** approach, prioritizing deep expertise. If you find yourself toward the **right side of the spectrum**, you most likely align with a **Generalist** approach, employing a nimble team with a broadly applicable skillset that can work on multiple issues.

Appendix B: Reflection Questions

General reflection questions

- Does your philanthropy's current or planned operating model align with your results?
- Are there elements of more than one archetype that feel relevant to your aspirations?
- Are the limitations of the approach outweighed by the benefits?

Reflection questions by archetype

Agile funder

Focuses on resource deployment (investor) through streamlined grantmaking (streamlined giver), with a high degree of flexibility and adaptability (generalist).

- Are all areas of your philanthropy well-served by this lean, flexible approach?
- Do you see yourself operating in this way for the long-term, or is this an interim approach while you focus on other priorities? What might trigger a change?

Versatile strategist

Leans on flexible generalists (generalist) to primarily make grants (investor) within a formalized framework (institutionalist) to achieve scalable, lasting results.

- How will you balance a desire for flexibility with the need for a more structured framework?
- What elements of a flexible approach are important to you? Where do you see the value in having greater structure?
- Does this model suit your goals long-term or is it a bridge to another archetype?

Structured steward

Prioritizes depth and rigor in its funding (investors) through a professionalized (institutionalist), expertise-driven (specialist) approach.

- What benefits do you wish to achieve through a more structured approach to your philanthropy? In other words, what does it enable you to do that is not otherwise possible?
- Are you comfortable with the management required to oversee an institution?
- Does your approach afford you the ability to engage in learning and experimentation outside defined focus areas?

Catalytic architect

Creates transformative initiatives (builder) using specialized knowledge (specialist) and an organized, institutionalized approach (institutionalist).

- Are you prepared to commit time and resources to incubating and testing new concepts?
- How will you know whether an experiment is viable and the right time to spin out successful initiatives? Have you identified offramps?
- What degree of control or involvement in work you catalyze do you wish to have long-term? (How) does your operating model enable that?

About NCFP

The National Center for Family Philanthropy is a network of philanthropic families committed to a world that is vibrant, equitable, and resilient. We share proven practices, work through common challenges, and learn together to strengthen our ability to effect meaningful change. As a trusted partner to philanthropic families, we understand the complexities and opportunities of giving together, and we equip families to effectively navigate the changing world. We support family philanthropy decision-makers by offering signature programs and events, peer-based learning opportunities, tools and resources, community, and personalized support. Learn more at www.ncfp.org.

About the Author

Elizabeth Ramirez, founder and principal of Winding River Advisors, is an advisor to philanthropic families and individuals who are refining their strategies, scaling their programs, or reimagining how they achieve lasting impact. She partners with clients to navigate key decision points, from how to begin, to how to structure, govern, and grow philanthropic efforts that align with their purpose and values. Elizabeth brings nearly 20 years of experience working within some of the country's most respected and ambitious philanthropies. Her work often spans family ecosystems that include wealth generators, inheritors, and senior executives operating in lean or nontraditional structures. Elizabeth specializes in working with ultra-high-net-worth families and individuals and brings expertise in the opportunities and complexities unique to these circumstances. Learn more at www.windingriveradv.com.

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