

Mary Reynolds Babcock Foundation

What “Effectiveness” Means for Foundations

Views of 13 Nonprofit Executive Directors*

Definition of effectiveness: How well the organization uses its skills and resources to practice its values and work toward its vision of social transformation.

1. An effective foundation clearly articulates the values it tries to enact and the vision it strives toward.

- Articulates why it made particular choices about values and mission.
- Articulates what sort of world it hopes to help create.
- Understands issues affecting communities; meets the priorities of communities.
- Focus, focus, focus. Resists passing enthusiasms; goes the long haul.
- Is curious. Has a clear plan for its own learning.
- Practices humility and openness to learning from grantees and peers.
- Looks for wisdom; knows and appreciates the difference between wisdom and information. Seeks, values and cultivates wisdom.

2. An effective foundation uses its skills and resources to carry out its values and vision.

- Is conscious of the power the foundation wields and skillful at using that power responsibly.
- Builds relationships with grantees that help mitigate the power imbalance between giving and receiving funds; cultivates partnerships with grantees; knows grantees intimately.
 - Uses grants as only one tool to support nonprofits; uses technical assistance, organizational development, reciprocal learning and network building, and small, quick emergency grants as parts of the big picture.
 - Builds respectful, flexible relationships which allow room for failure and learning but in which all is not excused or forgiven over and over.

- Builds ongoing relationships with grantees, not just around proposals; has ongoing conversation and evaluation where changes in course or fine-tuning of goals are not a surprise.
 - Is accessible; gives a timely response to phone calls and email; callers feel that their approach is welcome, not a nuisance.
 - Provides counsel during proposal preparation.
 - Does not approach nonprofits from a superior position; treats them as equals and respects what they know about their communities.
 - Staff and board get out and see what its like in the trenches.
 - Enables the exploration and trying of new ideas, with support long enough to give an idea a chance.
 - Brings grantees new information and helps them look at alternatives.
 - Helps grantees build and share knowledge.
- Understands how to match resources to the issue at hand, making long-term grants when needed, mixing core and project support when needed.
 - Favors results over novelty.
 - Makes grants commensurate in size to expected outcomes and the effort it takes to get those outcomes.
 - Makes general support grants to nonprofits with missions and broad goals that are harmonious with the foundation's mission and goals.
 - Makes organizational development grants (including technology) for longer periods of time.
 - Funds social change, not just direct services.
- Reflects internally the values it wants to see in communities; has integrity.
 - Has a board that reflects the communities and issues that the foundation wishes to work on, and that is passionate about people and communities; is committed to justice and social change.
 - Has staff that “gets” the foundation's values and vision and that has direct nonprofit experience.
 - Keeps its staff, board, and mission plowing the same field. Is consistent between what it communicates, and how it spends its money, time, and energy.
 - Has interested, well-trained program officers who are able to understand and deliver messages of nonprofits to the foundation board; staff is responsive to nonprofits.
 - Provides accurate, timely, clear, accessible information about guidelines, application procedures, deadlines, and decision-making processes.
 - Uses streamlined and user-friendly processes for application, monitoring and evaluation; allows nonprofits to spend the bulk of their time on their work, not on writing, tracking, reporting and justifying.
- Models good management, and helps nonprofits achieve it too.
 - Stresses collaboration, and means it.

- Treats grantees as partners.
- Forms partnerships among foundations to work on critical issues and maximize resources.
- Is willing to be involved in public policy.
 - Is active on issues affecting the larger nonprofit sector.

3. *An effective foundation practices and expects accountability.*

- Is clear about expectations of success, at least clear about areas where it has clarity about outcomes and about areas where it still has outstanding questions.
- Communicates clearly its priorities and funding programs; is honest about what it wants and does not want to support.
- Expects results, but does not hold nonprofits to onerous standards.
- Finds out what grantees are doing with the money and measures the work against both grantees' and the foundation's vision and values.
- Has relationships with its funded partners, so that it knows what is going on –both successes and problems.
- Expects written reports that are concise, useful evaluation tools that supplement the relationship with the funded partner but are not the sole aspect of the relationship.
- Is interested in both qualitative and quantitative evidence of change.
- Explores with funded partners the challenge of evaluating the impact of work directed toward intangible, transformative changes.
- Does not create a reporting burden that detracts from the funded partner's work.
- Gives grantees feedback based on evidence, ideally through discussions and site visits.
- Matches its expectations about impact to the size and duration of its grants; if it wants big impact, it gives bigger grants, makes multi-year grants, and sticks with groups for a long time; does not encourage proposal writers to over-promise what their organizations can actually deliver.

- Communicates honestly with applicants about *specific* reasons proposals are not funded.
- Has courage to say yes and no, to tell the truth.

Respondents:

Angela Cowser, Tying Nashville Together, Nashville, TN

David Dodson, MDC Inc, Chapel Hill, NC

Jean Irvin, Juvenile Justice Council, Winston-Salem, NC

Bonnie Johnson, Nonprofit Resources, Little Rock, AR

John Justice, Rural Advancement Foundation International, Pittsboro, NC

Jane Kendall, NC Center for Nonprofits, Raleigh, NC

Dave Parker, Mountain Partners, Elkins, WV

Ivan Kohar Parra, El Centro Hispano, Durham, NC

Hans Newhauser, GA Environmental Policy Institute, Atlanta, GA

Bev Raimondo, Prichard Committee for Academic Excellence, Lexington, KY

Beatrice Clark Shelby, Boys Girls Adults Community Development Center, Marvell,
AR

Joe Szakos, Virginia Organizing Project, Charlottesville, VA

Craig White, Center for Participatory Change, Asheville, NC