

The magazine of Philanthropy New Zealand

Celebrating Giving



and Learning



Cluster Funding

Unleashing
Philanthropy's
Potential

An Experience
in Grantmaking

Creating a learning culture that improves the impact of giving was the theme canvassed by Fiona Ellis and participants in our recent Regional Funders Forums held around New Zealand. We also had the great fortune to be able to spend time exploring social lending ideas with Laura Benedict.

The warm welcome and huge interest we received all over New Zealand is testimony to the commitments being made to be responsible with investments, in all the various ways they are made in the community. It also illustrates a desire to overcome the many barriers that get in the way of learning from what we do. The greatest of these is of course time and managing the 'in' tray. Fiona explores these barriers and suggests solutions, in her article on page 10.

The Regional Funders Forums are made possible through a significant investment from the Office for the Community and Voluntary Sector. This year our seven regional hosts have been especially important in not only providing hospitality but also in galvanising local participation.

Philanthropy New Zealand board member and BayTrust Chair Paula Thompson was so inspired by Fiona Ellis's wisdom she turned to poetry to sum up the day.

*Fiona - Like the **spanners** in your **too' box** you have;*

Wrenched

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Naku noa na
Robyn Scott
Chief Executive
Philanthropy New Zealand ■

Now more than ever, grantmakers are challenged to step up and





The Incubator Programme

Networking, collaborating, multi-year funding, ongoing evaluation, seeking the opportunity to fund a recognised need using an innovative approach...

The list goes on when describing TSB Community Trust's involvement with Whakatipuranga Rima Rau – Towards 500 project.

In a nutshell, Whakatipuranga Rima Rau (WRR) wants to create 500 employment opportunities for Māori within the Taranaki health and disability sector over the next 10 years.

WRR uses 'Health as a Career' as the major platform to guide, support, mentor, fund and facilitate Māori through education and training and onto employment in the local health and disability sector.

Maria Ramsay, TSB Community Trust (TSBCT) Manager, says the lack of skilled, qualified and experienced Maori health personnel in Taranaki has hit critical levels.

"Though we do not know the exact ethnic make-up, a 'best guess' is that Māori contribute around 6% to the workforce currently. What we also know is that people's health outcomes improve when they are treated in a culturally appropriate manner."

The benefits of WRR run deeper than providing funding to get Māori into jobs. It has the potential to flow into so many other aspects of the Taranaki community. It incorporates a strong 'Whānau Ora' platform that aims to harness the strengths and capacity of individuals and the wider whānau to

- a) improve educational achievement, which could lead to
- b) an improvement in employment and income opportunities, which whānau aspire to, whilst
- c) building a competent and skilled Maori health and disability workforce.

Maria says the project hopes to see wider positive impacts such as the ability of whānau to get a good education, earn good incomes, buy healthy food and participate positively in all aspects of society.

"All of this backed up by the self-esteem that comes from having a good, stable job. We would also expect to see a reduction in the use of alcohol and drugs, in anti-social behaviour and in crime around our streets and in our homes."

Maria heard early discussions about WRR while attending local funding meetings, "this shows the real value in networking. I go along to a number of local meetings, such as the Joint Action Group funding meetings and the Mayoral Taskforce on Youth, and we talk about the work we are doing.

"WRR came up a number of times. It is a great fit with what the Trust wanted to achieve – filling skill shortage areas in our region and providing a programme that bridges the gap for youth from secondary school into meaningful employment or training."



WRR is a significant commitment – three years initially and 150 jobs requiring collaboration among funders. TSBCT is funding alongside the Taranaki DHB (TDHB) and Work and Income. More recently, Te Puni Kōkiri has come on board and is looking at how it can provide both funding and other support.

"We investigated the work and potential of the project and actively sought to support it by funding a critical aspect. Although it went through our normal application process we worked with the project group to secure the funding."

The years 2010-2013









Cr pfeuepcev

In early April, five New Zealanders attended the biennial conference of GEO in Pittsburgh, where they were exposed to a number of the world's leading philanthropic thinkers. About 550 people attended the conference – mostly from the US. There were more than 40 sessions, designed to help philanthropists and grantmakers learn new strategies and share experiences that have an immediate application in today's world.

Here are the impressions of our five conference attendees,



Without innovation, philanthropy's efforts will no longer match the emerging realities of the world.

- The importance of the non-profit voice. Some of the most powerful presentations were from non-profit leaders. Some foundations have specified that their staff need to have worked in the non-profit sector to ensure they have the skills to be funders (e.g. Rockefeller).
- What is the changing role of funders in relation to non-profits and who should be driving the change or strategic direction? Should the investment be in the people and organisation to create their own direction and outcomes, or should the investment be in setting direction for areas of identified need? Who has the knowledge on need and on effective practice and can funders and non-profits come together more on this?
- Collaboration between organisations, funders and non-profits was a constant theme. There was a strong presence of consultants working in this as a specialty area and in many cases presenting on behalf of funders, such as on 'knowledge products'.

Learning

ASB Community Trust's Policy and Research Manager Chloe Harwood's main focus was trying to find some answers or ideas on how we can measure our success. How do we know that what we are funding is making a difference?

Evaluation has a longer history in America, and like many aspects of philanthropy in America, models and ideas have been adopted from business practice. I was interested to see how this plays out in the complex space that philanthropy holds.

Foundations attending the conference were open in sharing their stories on what they are learning through their grantmaking. Many have opted to target their funding at specific areas or places. Instead of funding across a range of areas, they have utilised research to help them identify the markers of success that they can then build on through their funding. There was much discussion around whether evaluation is about proving or improving, using the question: "Is it realistic to measure a single funder's contribution?". For grantmakers working in complex spaces it may not be possible to prove. Instead, it may be more realistic to ensure that projects are supported by either evidence (where possible) or local knowledge and experience. Looked at it this way, evaluation becomes more about continuous learning and reflection.

Mark Krammer, who has been a leading thinker on strategic philanthropy, led a session on social measurement where he shared some insights from a recent report he has released called *Breakthroughs in*

*Social Impact Measurement*¹. This research is based on the assumption that it is difficult for a single funder to prove long-term outcomes when they may be one of many players working collectively to address a particular issue. In response to this assumption, the research looked into the web-based technologies that can measure social impact across hundreds of organisations. This is where a number of organisations who are working in a particular field use the web-based shared measurement platforms: to collect similar data allowing broader analysis to be undertaken.

"Recognizing that no single initiative can solve major social problems, these breakthroughs offer ways to increase the efficiency, knowledge, and effectiveness of the entire system of interrelated organizations that affect complex social issues. Rather than measure whether a single grant has achieved impact, Adaptive Learning Systems provide a collaborative process for all participating organizations to learn, support each other's efforts, and improve over time." – Mark Krammer

Many of the sessions at the conference provided a space for foundations to share what they are learning, and the tools that they are using, to help them assess their impact. It was commonplace to see and hear organisations discussing their logic models or theories of change. Both these models appear to be the starting point for many organisations in helping them to identify what they are aiming to achieve through their funding, and providing some indicators that may help them measure their success. It was reassuring to see that alongside these models there remained a strong emphasis on investing in local knowledge and expertise.

Chloe's colleague, Grants Manager Karyn McLeod, picks up on the vital role of staff and how this permeated through the five conference themes, particularly leadership and stakeholder engagement.

Working with applicants and assessing applications can be a challenging and complex role. With a number of dynamics involved, and without a lot of formal training (i.e. the need to be somewhat organic), it is crucial that as staff we are encouraged to reflect on our work and create areas where we can share those reflections and learn from each other.

Marilyn Darling's session, which concentrated on how organisations can encourage a learning dialogue within the work place, was a stand-out for me. Particularly as the discussion recognised that reflecting and learning from the work we've done must be relevant. If it does not relate to our organisation, and to what staff "have on their own plate", then it will be perceived as less valuable.

There is such a vast range of experience amongst philanthropic staff in New Zealand and I think staff have a great opportunity to bring more questions to the table about our own work internally, as well as sharing information across our organisations. The size of our organisations and how we operate doesn't necessarily matter either. For example, at the West Coast Community Trust conference in 2008 staff initiated the Funding Advisors Network (FAN). At that time that group of people had

article continued from the previous page

well over 150 years experience in their roles – and this was Community Trust staff only. Imagine the level of information sharing, including how we are learning in our roles, if we could create a forum that included people working in other foundations and trusts – wow! So the question for me is: how can organisations encourage and allow space for staff to reflect openly on what we do as individuals, making it ok for staff to come together with questions, therefore advancing a learning agenda?

Between the needs of our applicants and assessment demands, versus the work demands from our organisations’ bigger vision – and in some cases governance – a lot of staff are often working within a “tension” of balancing their work. Marilyn’s session made the case that prioritising what needs to be paid attention to is key.

Taking into account the broad range of work we are all involved in within our individual organisations alone, we shouldn’t expect that we can “learn” about the whole all at once. So what are the parts that staff can be deliberate about that are very individual to each organisation?

This session also talked about finding ways for staff to talk about those grants that didn’t work so well, whether that be due to the process, their

assessments, or the relationship dynamic with the applicants. It is often the “failures” that actually hold a number of key learnings, and I think staff should be encouraged to analyse these openly to ensure lessons are learnt.

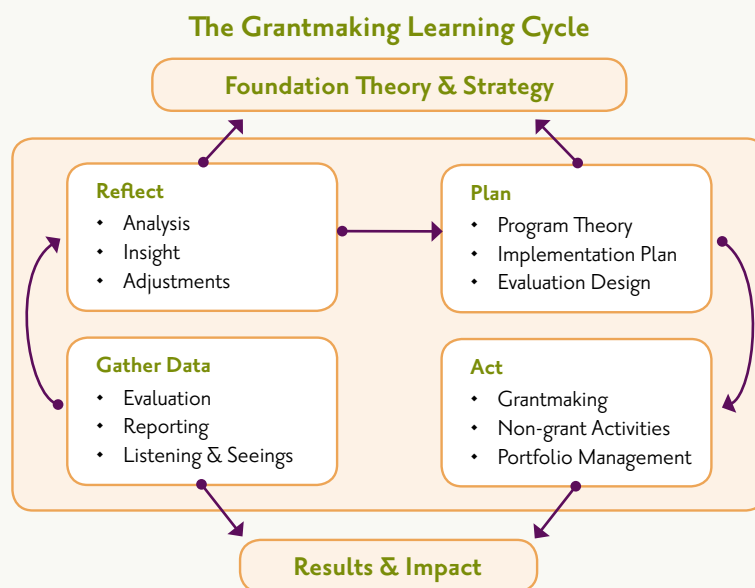
The advantage of working in this sector is that our working platforms (our communities) are constantly changing, so as staff we need to ensure that we can keep moving and learning from each other as well. I hope it is fair to say that many staff are in these roles because of the grantees and the work they are doing in our communities – a point I am very keen to ensure we keep in the front of our minds as my feeling is that this focus has changed in some parts of the USA, and they have become overly business-like in their approach.

Fundamentally, the more effective we are as staff, the more effective trustees can be with their decision-making process and, ultimately, the more effective grants will be. We must always come back to the mantra: how will our work benefit those we are being asked to help?

Marilyn Darling’s research document “A Compass in the Woods”² is a key document I think a lot of staff (and trustees) may find valuable.

THE GRANTMAKING LEARNING CYCLE All foundations engage in these activities in some form or another:

- **Plan** – defining intended outcomes and articulating what actions and resources they think it will take to achieve those outcomes, and why;
- **Act** – various combinations of grantmaking and complementary non-grant activities, such as grantee meetings, capacity-building, technical assistance or advocacy;
- **Gather Data** – gathering and examining evidence related to actual results compared to intended results, successful practices and innovations; and
- **Reflect** – making meaning of evidence concerning strategy and program effectiveness and adjusting plans based on that meaning.



A grantmaking cycle that is infused with learning has certain characteristics that go beyond conventional practice. The following sections describe what that looks like, what we heard, implications and examples of the good practices of foundations we interviewed.

Excerpt from A Compass in the Woods: Learning Through Grantmaking to Improve Impact © 2010 Signet Research & Consulting, LLC

Leadership

Vodafone Trustee and Philanthropy New Zealand Board

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Spending by foundations in 2010 was anticipated at:

- No change (50%)
- Decrease (26%)
- Increase (17%)
- Don't know (7%)

Against this background it was suggested that we can expect philanthropy to become more strategic, more robust in its strategic planning processes, and more focused and disciplined in executing those adopted strategies.

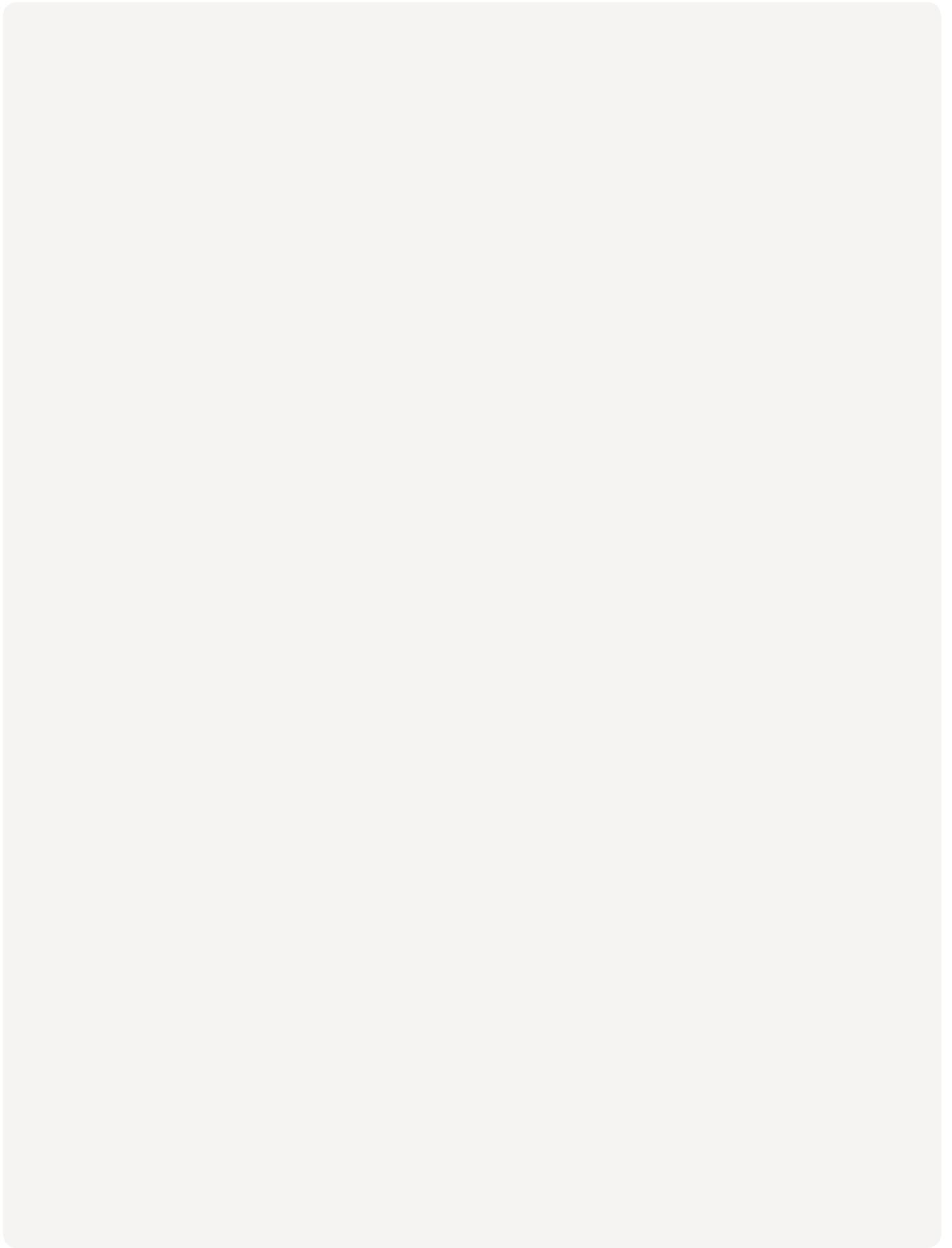
Taking this operating environment on board, Geeta Pradham from the Boston Foundation suggested that foundations should focus on strategies that have maximum impact.

Foundation and non-profit mergers have been suggested by many as a means of managing our way through this crisis. Geeta noted mergers in general will not reduce costs (like we have seen in the business community), primarily due to costs in the non-profit sector being low already. Mergers, however, do assist in ensuring longevity and can help with programme innovation, growth, strategy and enhanced governance.

In any conference environment it is the plenary sessions that hold the conference together and set its theme. Dev Patnaik's opening plenary, "*Standing in Their Shoes: How Widespread Empathy Leads to Better Decisions*", set the scene. Dev suggested that by increasing the empathy and understanding between grantmakers and grantees, programme quality is strengthened and the outcomes are improved. When grantmaking staff see the world through other people's eyes, they forge deeper community connections.

As grantmakers it is easy for us to forget that we are generally a part of the community that we fund. Dev has a business background and I especially enjoyed the story about his work with Harley Davidson and the fact that a great deal of that company's success is derived from the empathy that the company employees have with their customers. He noted that the company car park was full of Harley Davidson motorcycles, and all staff related to motorcycling and the "Brand".

The lunchtime plenary session, "



Philanthropy News is the official quarterly publication of Philanthropy New Zealand, Tōpūtanga Tuku Aroha o Aotearoa. Editorial and advertising enquiries should be addressed to Robyn Scott, Chief Executive.
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Philanthropy New Zealand gratefully acknowledges outstanding support from...



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