

June 3, 2020 | No.1

FOUNDATIONS AT WORK DURING COVID-19 PANEL:

FEEDBACK ON ROUNDS 1 & 2. SESSION 1

What is this study about?

The pandemic has opened up an opportunity to do more discovery instead of focusing only on recovery. We need to learn from this experience and bring the learning into the future, removing old constraints and finding solutions to many complex issues and problems.

The goal of the study is to:

- Understand the challenges and achievements of foundations in response to COVID-19
- Foster learning, with rapid response feedback, for optimal resource allocation and leadership by foundations

The Delphi Method:

The Delphi method is a technique to elicit expert opinion through consensus-building, without the drawbacks of unstructured in-person formats (Rowe and Wright 1999). Participants are selected for their expertise to participate in a 'questionnaire' that is modified and repeated over multiple rounds.

Our study includes:

- National panel of 21 foundation leaders (including private, community, corporate, public and DAF sponsor foundations)
- Anonymous participation; online
- Monthly sessions involving two rounds in one day, with feedback on each; Third and final round a week later
- Importance of feedback: responses from each round shape subsequent rounds; moves the discussion toward convergence or better understanding of differences

Foundations have experienced change

Not surprisingly, COVID-19 has had a major impact on the work of foundations: on a 10 point scale (10 being 'a great deal of change'), 28% rated this change as an 8-10 and 49% rated it 6 or 7. In Round 2, 20 percent felt the change experienced was greater than average and 50 percent about average relative to other panel members.

Much of this change has been in the volume and pace of work, as well as how foundations manage the work. For most, the level, speed and flexibility of grantmaking has changed, **but the focus has not**. Most panelists said that they committed to supporting existing grantees and continue to fund in the same priority causes as before, primarily because these grantees have been directly impacted by the pandemic. Almost all have increased their grantmaking, often with emergency funds and many support more organizations in the existing priority areas. Only two indicated their foundations have shifted funding priorities or started supporting entirely new projects, and one that they were beginning to examine how to support systems change. One panelist noted they recognized the role that "umbrella" organizations (such as United Ways) play and have greatly expanded their giving to umbrellas. When new partnerships have not been explored, the main reason is limited resources: existing commitments are being honoured.

The responsiveness also applies to Donor Advised Funds: although many donors had already made commitments to charities when they established the funds, they have responded by increasing grants to charities helping those impacted by the pandemic (e.g. foodbanks, hospital foundations and shelters).

The nature of grantmaking has changed in order to respond to the crisis: approvals are faster, grants more flexible and with fewer restrictions and evaluation criteria relaxed.

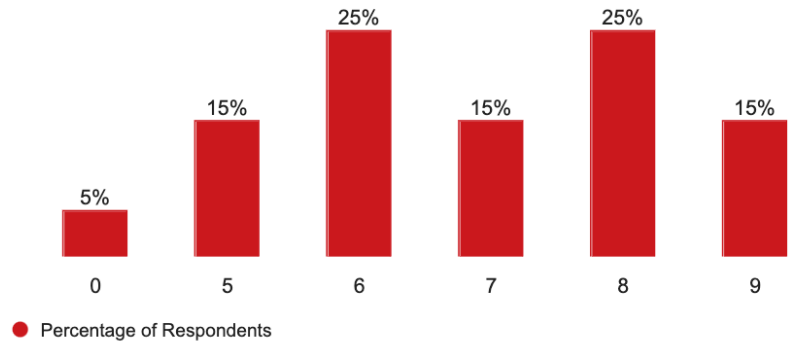
How foundations manage the work internally has changed, notably with greater use of technology and improvements to digital infrastructure as people work remotely. 85% said how the work is managed has changed (in several cases with board members being more directly involved). In spite of being much busier, 'the team has been wonderful.' It has been frustrating, however, that in-person meetings with donors and colleagues and events are cancelled and technology is often imperfect.

In terms of external relationships, the biggest change is in greater **collaboration**, particularly with other foundations. As several noted, however, such collaborations can be challenging, particularly in finding the right partners. These responses were reinforced in Round 2: change might be underestimated because it is still early days in dealing with COVID-19 and foundations have not changed their missions. Over the next five years, however, panelists expect the organizations their foundations fund will change quite significantly: is this a routine change in grantees, or a change in strategy?

Change on the horizon?

"Given this is still early days of the pandemic, I feel like many Foundations have been responding in a way that aligns with their purpose and supporting existing partners as well as increasing disbursements. The biggest changes would have come from increased budgets and relaxed restrictions. PFC's guiding principles were helpful in assessing our response and in discussions with our Board and I would expect others to have felt same. With this in mind, I expect greater change will come later as Foundations re-assess priorities and purpose through recovery." (May 28, 2020)

To what extent do you expect that the COVID-19 pandemic will change the organizations that you fund over the next five years? (scale of 0-10)



"Nous évoluons dans une perspective de temps long. La résilience fait partie de notre ADN. Nous étions raisonnablement bien préparés grâce à un exercice de vision stratégique récent." (28 mai, 2020)



Challenging times

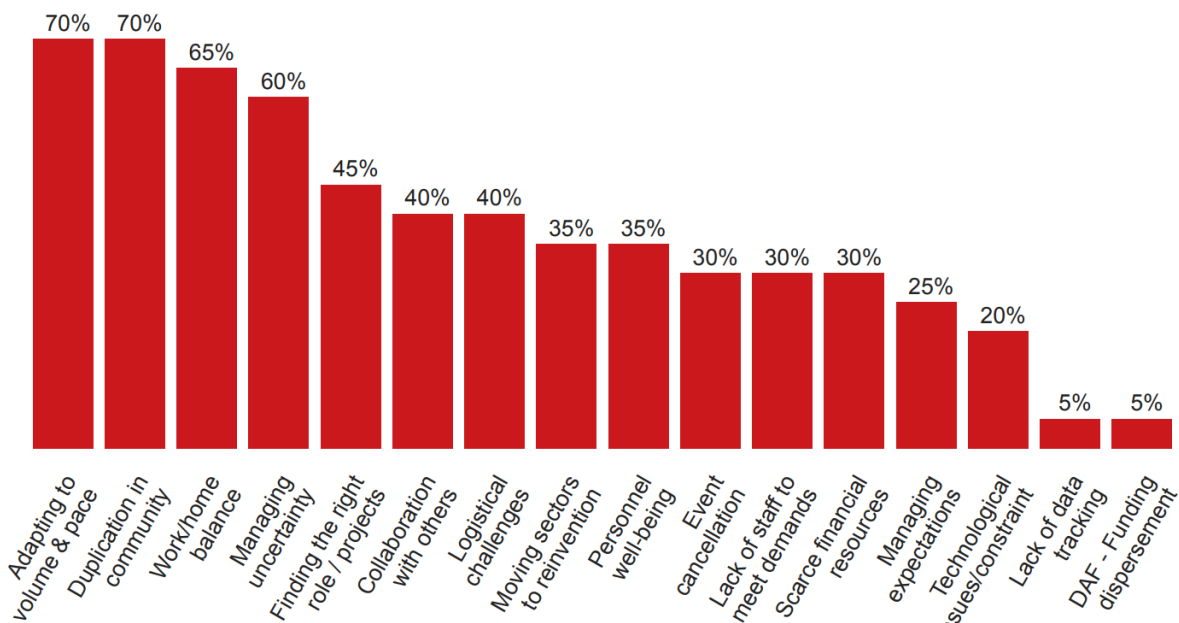
In Round 1, we asked panelists to describe the main challenges of their work during COVID-19, and in Round 2 to consider which of these applied.

The most widely endorsed challenges are:

- Determining the right role for philanthropy and identifying the 'right' projects to support; this includes a frustration over duplication of services and organizations in the community or that other funders or government had already stepped in, and a general lack of coordination.
- Adapting to the pace and volume of work, and managing the uncertainty
- Managing work-life balance and supporting the mental health of employees: we are 'zoomed-out'

Note that data tracking does not appear as a significant challenge: perhaps this is because data systems are in place, or because there is limited attention to data collection and tracking.

Which aspects of your work have been the most challenging to manage over the past several months?



"From the time we started speaking to potential grantees to the time we made grants, their highest priority needs had changed - either they received other funding (philanthropic or government) or the needs had changed bit of body text"

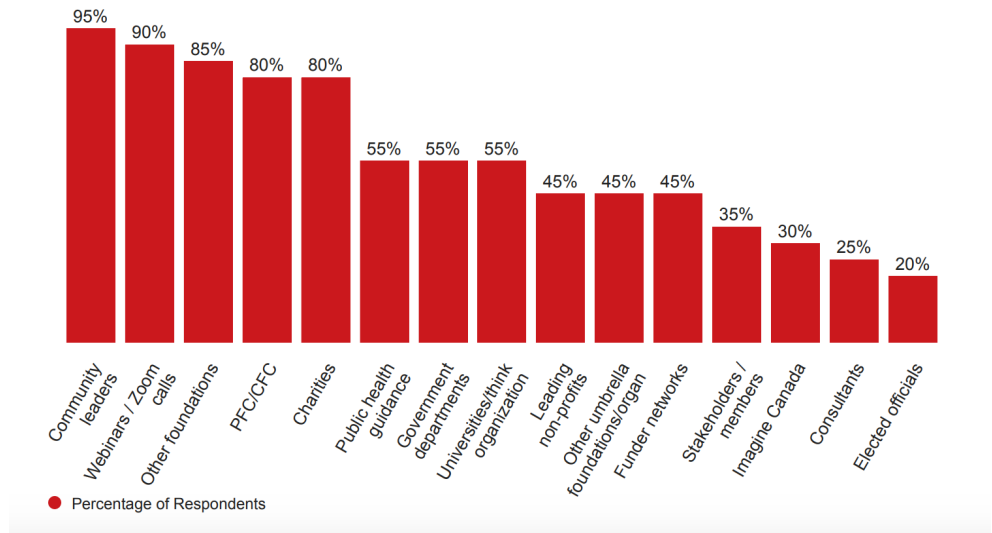
"There is a tremendous amount of overlap in service delivery to vulnerable populations during Covid-19 which means that funds are being duplicated and data tracking is difficult to nail down as we can't determine if clients are unique or not. From the onset, I tried desperately to create collaborations between the existing groups in order to streamline and build capacity but I continued to be met with rejection"

Learning and sharing

Given the scale of the COVID crisis, we expected that philanthropic leaders will be seeking out information and guidance to assist in their work. The main sources of expertise and guidance are:

- Community leaders & other charities
- Webinars and zoom calls
- Other foundations
- PFC/CFC

It is interesting that elected officials and consultants do not seem to be important sources of advice.



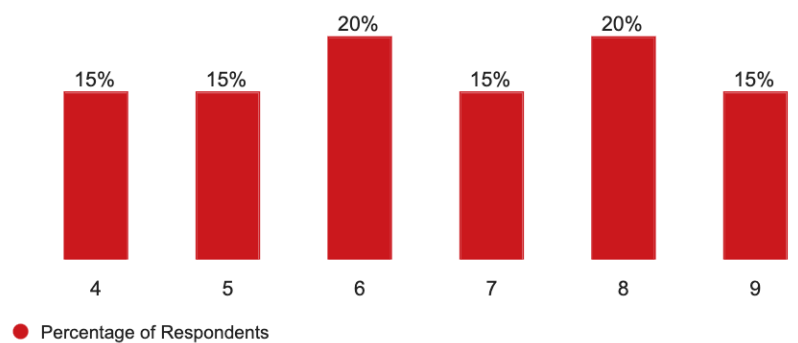
Achievements

While panelists noted that they expect their greatest achievements in responding to the pandemic are still to come, the most cited achievement to date is agility– being responsive and adaptable. New partnerships with other foundations, business and governments are beginning and more are anticipated. For corporate foundations, an achievement has been the supportiveness of the company and its employees who are ‘spending time in communities doing acts of caring.’

Looking forward

We then asked panel members to look forward to the future – to how the work of foundations, fundees and the charitable sector as a whole would change over the next five years. About a third said the work of foundations would change a great deal over the next five years (score of 8 or 9 out of 10), while a third assessed expected the change to be more moderate (4 or 5).

To what extent do you expect that the COVID-19 pandemic will change the work of your foundation over the next five years? Scale of (0-10)



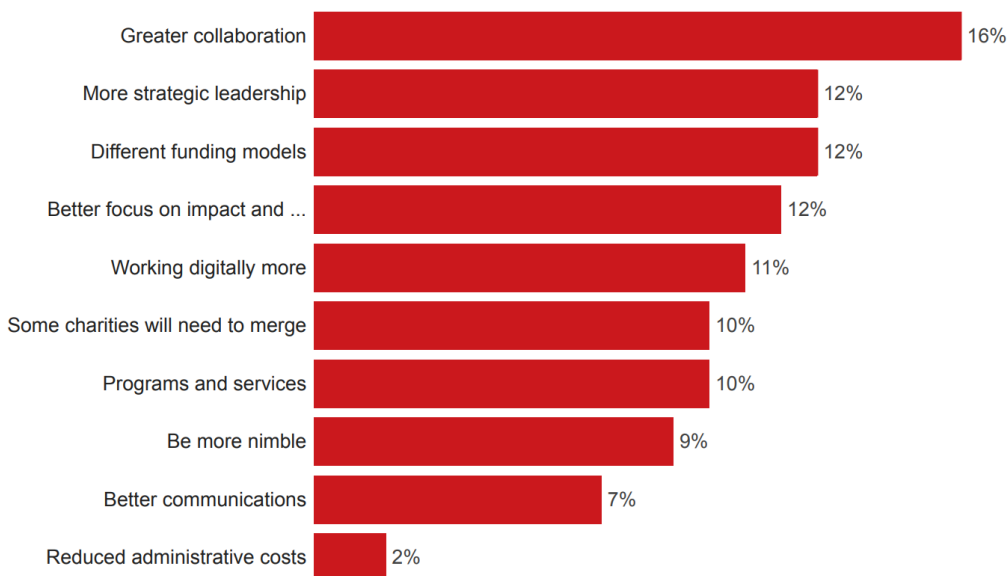
Effective change

What would you change about the work of your foundation to be more effective? The response to this question were remarkably consistent:

- More people with the right skills (both employees and directors)
 - More collaborations, including with governments, and stronger relationships with community.
- The intent appears to be to take more risks and be less reactive.

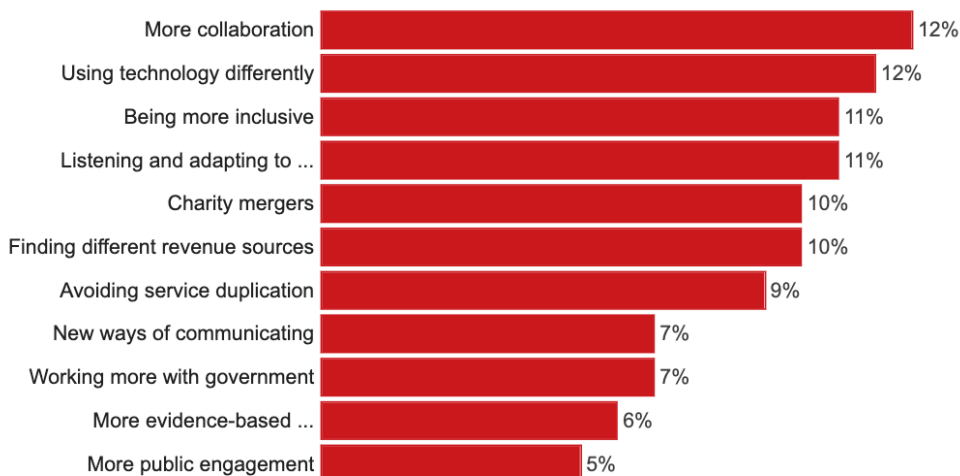
The suggestions for how fundees could respond more effectively were mixed, noting greater collaboration, different funding models, more strategic leadership and a stronger focus on impact and systems change.

What changes do fundees need to make to respond effectively to the pandemic?



These expectations are mirrored for the charitable sector as a whole: greater collaboration (including with government), avoiding service duplication (and pursuing mergers), finding new funding sources, adapting to community needs, being more inclusive and using technology differently.

What changes does the charitable sector as a whole needs to make to respond effectively to the pandemic?



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What topics should we pursue in future sessions?

- Collaboration: cross sector; among (large, medium and small) foundations
- Equity and inclusion
- How to affect systems change and be innovative, responsive to communities
- How the COVID focus might enhance (or cannibalize) other funding priorities such as climate change
- Définir le juste modèle de subsidiarité entre cause nationale et exécution provinciale, voire locale
- How to constructively support charity mergers and collaboration, and develop new funding models so that charities don't have to compete with one another for the same pot of resources
- How grantors and grantees are impacted differently; the potential for practices adopted during COVID-19 to continue

Any questions?

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In collaboration with:



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