



July 20th, 2021 | No.6

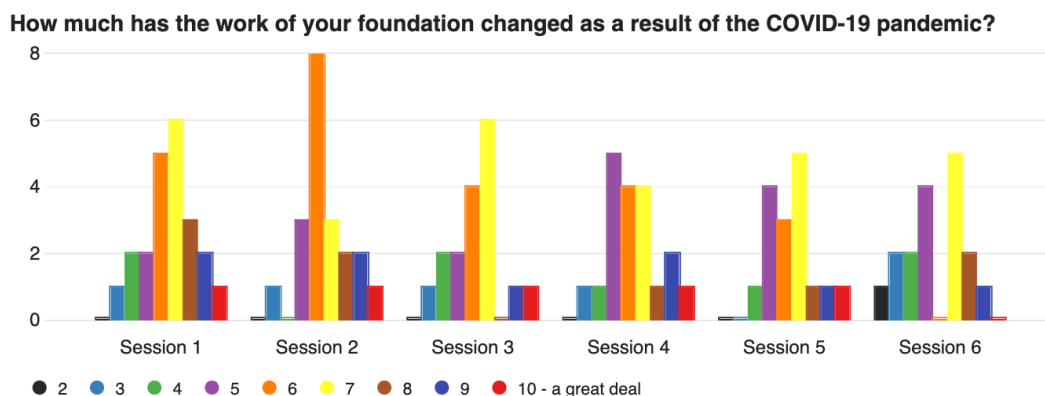
FOUNDATIONS DURING COVID-19 PANEL

REFLECTIONS ON SESSION 6 [LATE APRIL, 2021]

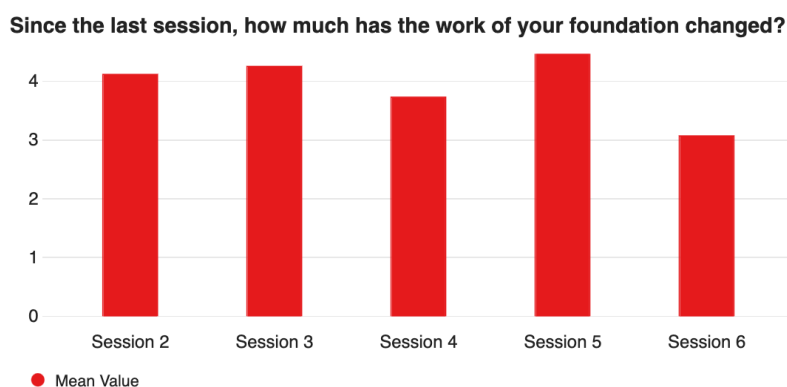
The 6th and final session of our Delphi Panel discussions, held in late April 2021, marked more than one year of working under the restrictions and demands of the COVID-19 pandemic. The monthly participation of foundation leaders (from private, community, corporate, public and DAF sponsor foundations) in this online study of their work in response to COVID-19, has been greatly appreciated. In this final session, we wrapped up with questions that had been repeated throughout the course of the study, reassessed challenges, and assessing perceptions of the future of the sector.

The Changing Landscape of Foundations' Work during COVID-19

How much has the work of your foundation changed as a result of the COVID-19 pandemic? This question was asked in each of the six sessions of this study to assess if perceptions of change were consistent or varied over time as organizations adapted to the pandemic. The responses were uniform, averaging 6-7 (on a scale of 10, with 0 being 'not at all' and 10 being 'a great deal'), although with a slightly lower median of 5 (and greater variation in responses) in this last session - indicating interesting outliers to investigate more closely.



The degree of perceived change over the course of the pandemic has varied, with relatively little perceived change since the last session, in February. Two-thirds of panelists rated their change from late February to late April as 3 or less (on a scale of 10). Overall, the panelists saw some notable changes (6-7), yet much less between sessions.



We explored how change manifested in different aspects of the foundations' work, focusing on grantmaking and community engagement. Virtually all of the foundations made changes to their granting during the pandemic, 71% indicated that they funded different organizations or causes than a year ago.

Early in the pandemic response, many of you provided emergency COVID-19 funding. Looking beyond these emergency grants, are you funding different organizations and/or causes today, compared to a year ago?

17 Responses



This change was primarily a product of the pandemic – to be more responsive to needs and to adjust as we moved from emergency response to recovery and rebuilding. The other key driver was a deeper commitment to diversity, equity and inclusion (DEI). About a third of respondents noted that their foundations had become more strategic in learning about community needs, better at understanding the effects of COVID-19 on vulnerable communities, and recognizing how little funding goes to organizations that are led by and serving racialized communities. In addition, some foundations communicated their granting programs more widely which resulted in different kinds of organizations approaching them. One foundation noted the change was a natural evolution in the field and their own granting practices, a change that had started before COVID-19. Finally, DAF holders switched from funding their pet causes to supporting pandemic responses.

We asked how foundations have made decisions to fund new causes. For most, this is done through increased outreach or engaging experts or consultants who know the causes or communities, as aligned with funding priorities and theories of change. For community foundations, one panelist noted the value of *Vital Signs* for identifying community issues.

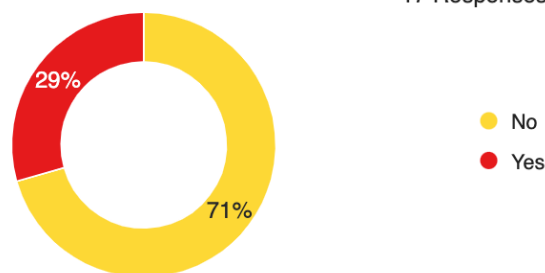
Much of it is based on the relationships and trust; we research whether folks are respected within communities, look at prior work, and evaluate new initiatives based on all available information and trust. We do not believe in endless 'studying' as that leads to inertia.

Funding New Organizations: Information Sources	% of respondents
Seek advice from:	
• Leading organization on issue	17
• Peers/other foundations	15
• Issue area experts	15
• Umbrella group for the sector	8
Hold consultations with stakeholders in community	12
Hold open call for funding	8
Hire a consultant to develop recommendations	4
Invite previously unsuccessful applicants to apply	4

About 30% of foundations changed where they fund, which is substantial given that the six community foundations in the panel have a geographic mandate. For both the community and private foundations the main change was to be more targeted on vulnerable communities within their cities or locales. Only one foundation noted that they had become more national in scope over the past year.

Since the beginning of the pandemic has your foundation changed where it funds, either on a wider or more targeted geographic area?

17 Responses



All of the panelists expect their foundations to retain the changes made to what and where they fund. Almost 80% of foundations also changed how they fund, notably making funding less restricted and the application process easier. This was driven by the recognition of deeper understanding of the needs of grantees, particularly the need to support operational costs.

Needs of organizations for core funding (keep the lights on) drove the change to fund core operations. The Foundation previously did not fund core operations. Evaluation and consideration of the degree to which this change will continue is underway. Not sure that change is not likely to be long term - but may extend a little while yet till agencies have returned to a solid footing.

The collaboration of community foundations with United Ways and Red Cross, under the federal Emergency Community Support Fund, facilitated closer contact and deeper joint reviews of support and of grantees which may continue, as noted by one of the community foundation panelists.

Challenges facing the sector

The challenges of the past year have been many and hard. In every session, we asked which aspects of work have been challenging to manage since the previous. At the end of April, two challenges stood out the most: the difficulty overall of grantees in their work and the process of recovery/rebuilding; and fatigue, burnout and mental health challenges for staff.

Aspect of Work Most Challenging Since February	# of respondents
Meeting the needs/knowing the difficult of grantees/helping them move to recovery	6
Fatigue, mental health issues, burnout of staff	6
Board governance / scarcity mentality of not granting more	2
Other	3

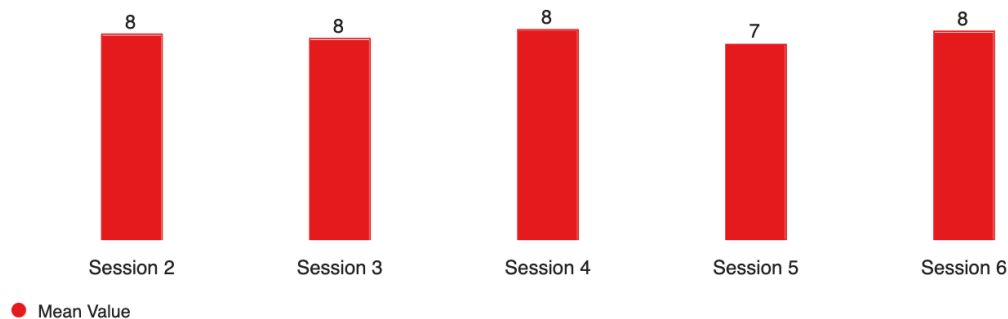
Écouter les réalités des différents gestionnaires d'organismes et d'entendre leur détresse - constater leur épuisement et malgré tout continue. Ne veulent pas fermer ou peur mettre des limites.

People! The burn-out factor is real. Trying to get people to do less, be more forgiving of one another, recognize the signs of burn out before its too late. . . . More mental health benefits too...but the pandemic is really putting a strain on everyone.

Adapting to a new normal

Foundations have remained consistent in rating their adaptiveness at about 8 out of 10 throughout the pandemic. Session 6 saw a continuation of this trend.

Overall, how adaptive would you say your foundation has been in responding to the COVID-19 pandemic?



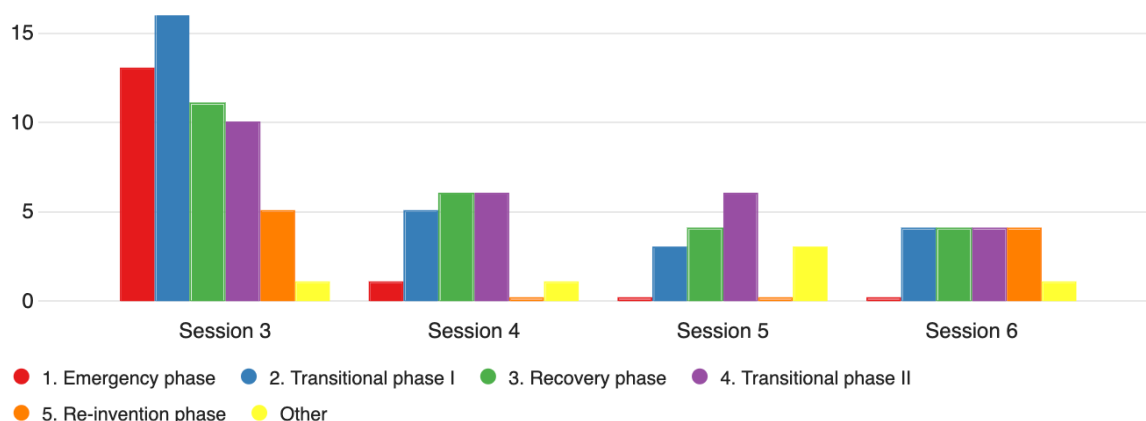
Over the course of the project, we began to conceive of adaptation as various phases. Panelists helped to define five pandemic response phases, as well as associated key priorities and actions. The five phases are:

- **Emergency Phase:** addressing the acute crisis, creating emergency funds, faster giving, faster pace of work, adopting new modes of work, etc.;
- **Pre-recovery Transition Phase:** preparing for recovery and change through knowledge gathering, conversations, evaluating work to-date, assessing needs, etc.;
- **Recovery Phase:** supporting medium to longer term community needs, rebuilding organizations and social infrastructure, new grantmaking, new priorities, etc.;
- **Pre-reinvention Transition Phase:** preparing for reinvention, conversations, evaluating work to-date, assessing needs, etc.; and
- **Reinvention Phase:** supporting systems change, fundamentally new approaches, reorienting the work of the foundation, preparing for future crises, etc..

These phases are not mutually exclusive: participants told us that they would often return to previous phases as the pandemic changed and that different parts of the organization might be in different phases at a given time.

But to get a general sense of how foundations are progressing in their pandemic response, we asked foundations to identify the phase that best captures where they were in at the time of each session. The chart below shows the responses for sessions 3-6.

Please select from the below options which phase your organization is currently in:

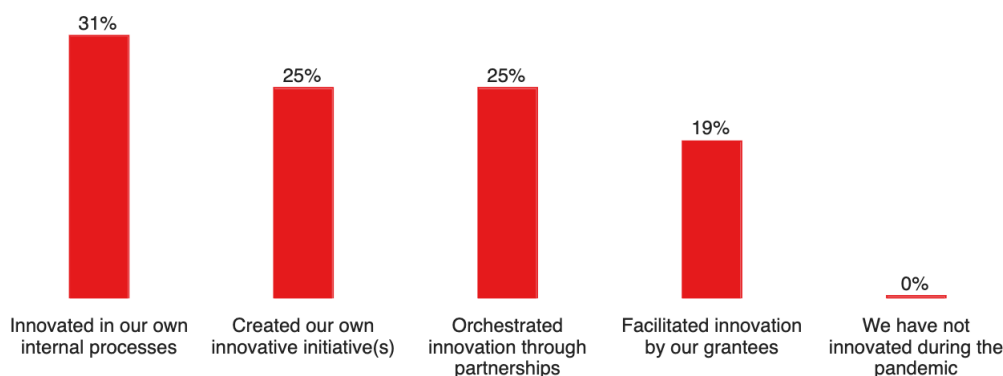


By session 6 in late April, participants had all exited the emergency phase and were evenly split between transition 1 (n=4), recovery (n=4), transition 2 (n=4), and re-invention (n=4) phases.

Adaptation often involves innovating. We asked how foundations have innovated during the pandemic. About a third of foundations reported innovating in their internal processes (31%); a quarter had created their own innovative initiatives (25%) and orchestrated innovation through partnerships (25%).

How has your organization innovated during this pandemic? Please select all that apply:

12 Responses

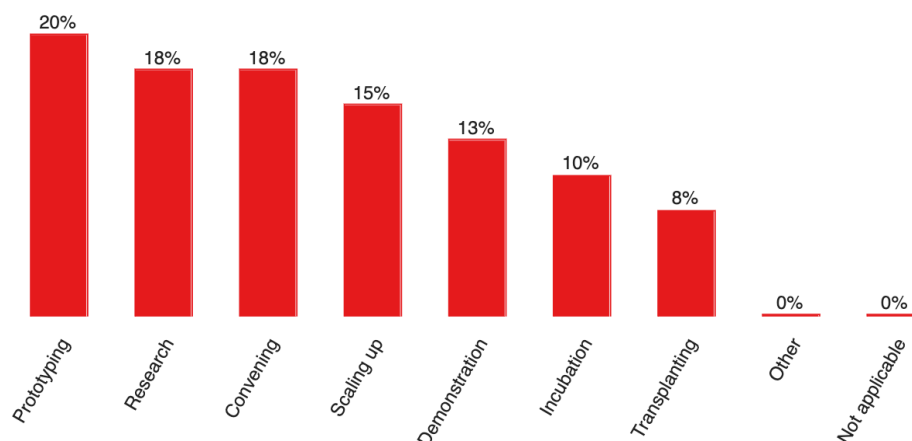


Surprisingly, relatively few foundations reported facilitating innovation by grantees, at just 19%. This is perhaps due to the focus on creating new funds and initiatives between foundations, which may reflect a need specific to the pandemic. Perhaps crises prompt more funder-funder and internal innovation, relative to business-as-usual situations where the balance of foundations' innovation might focus more on grantees. This is suggested by the kinds of initiatives mentioned in the text responses, but it could be usefully explored in a future research project.

We asked foundations to identify the nature of their most important pandemic innovation. There was quite a variety of responses, but some of the most common initiatives included prototyping (20%), research (18%), and convening (15%).

Thinking about your most important innovation, has it involved any of the following? Select all that apply:

12 Responses



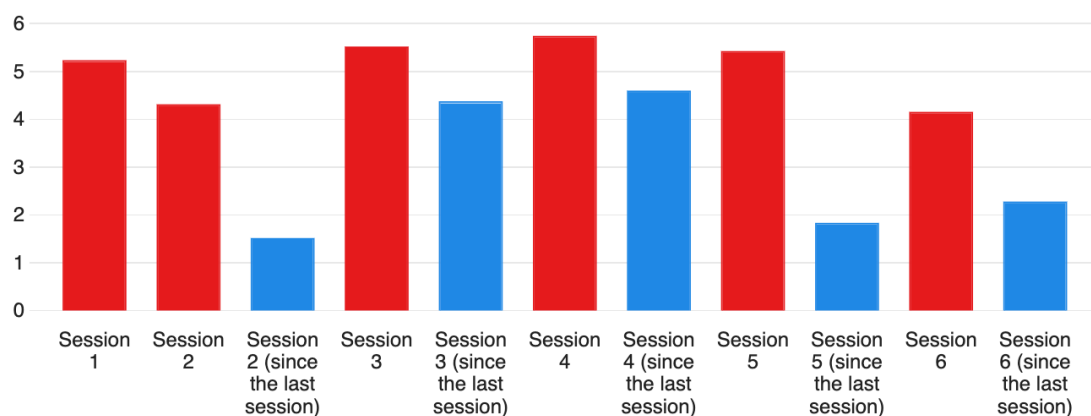
Donor Advised Funds (DAFs)

Donor-advised fund (DAF) sponsors reported that the activities of their donors had changed less over the pandemic in session 6, relative to previous sessions, with an average reported change of 4 out of 10.

The slightly lower overall change rating could reflect the observed stability of DAF donors between February and April. 50% of DAF holders reported no change in session 6.

How much have the activities of these donors changed as a result of the COVID-19 pandemic?

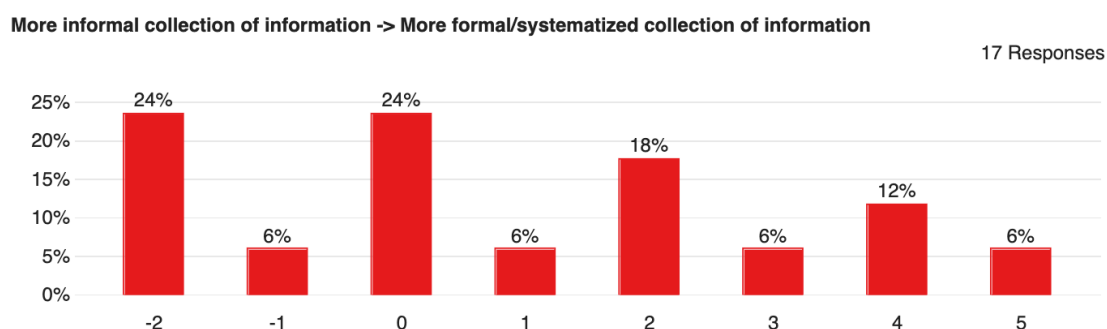
(Mean values by session)



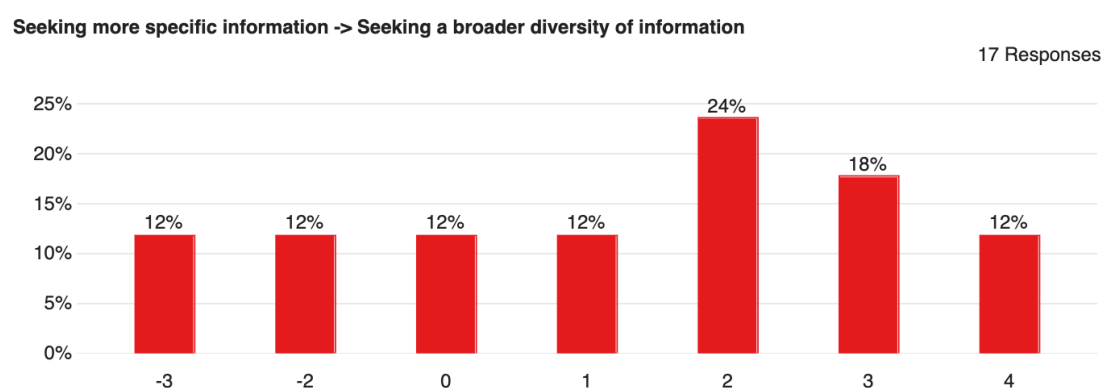
Information

Throughout the pandemic, participants changed how they collected and used information. Data collection became more formal and drew on a greater diversity of sources. At the same time, participants reported an increase in their capacity to use information systematically.

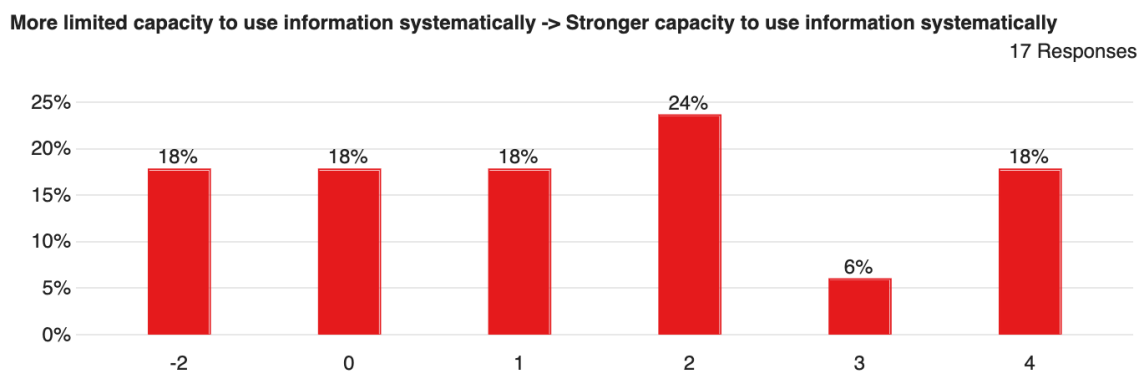
Participants' information collection has become more formal throughout the pandemic, though this is a weak trend. The chart below shows how participants rated their organization in terms of whether information collection had become more formalized (5) or more informal (-5). The mean response, 0.82, indicates a slight trend towards more formal data collection.



Participants sought a greater diversity of information during the pandemic. The chart below shows how participants rated their organization in terms of whether information had become more specific (-5) or more diverse (5). The mean response, 1.00, indicates a trend towards a greater diversity of information.



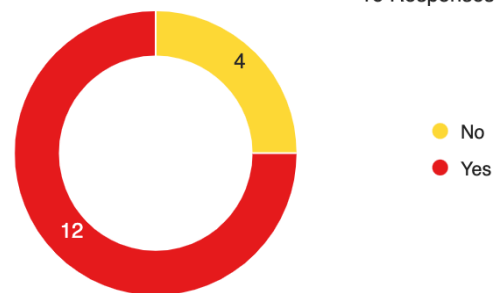
Over the course of the pandemic, participants increased their capacity to use information systematically. The chart below shows how participants rated their organization in terms of whether their capacity to use information systematically had become more limited (-5) or stronger (5). The mean response, 1.18, indicates a trend towards an increased capacity for data analysis.



Throughout the pandemic, three quarters of participants (n=12) said they have changed how they evaluate their grants and programs. For some foundations, evaluation has become more flexible, while for others the change has focused on consistency, impact, automation, or formalization.

Has your foundation changed how you undertake or require evaluation of your grants/programs?

16 Responses



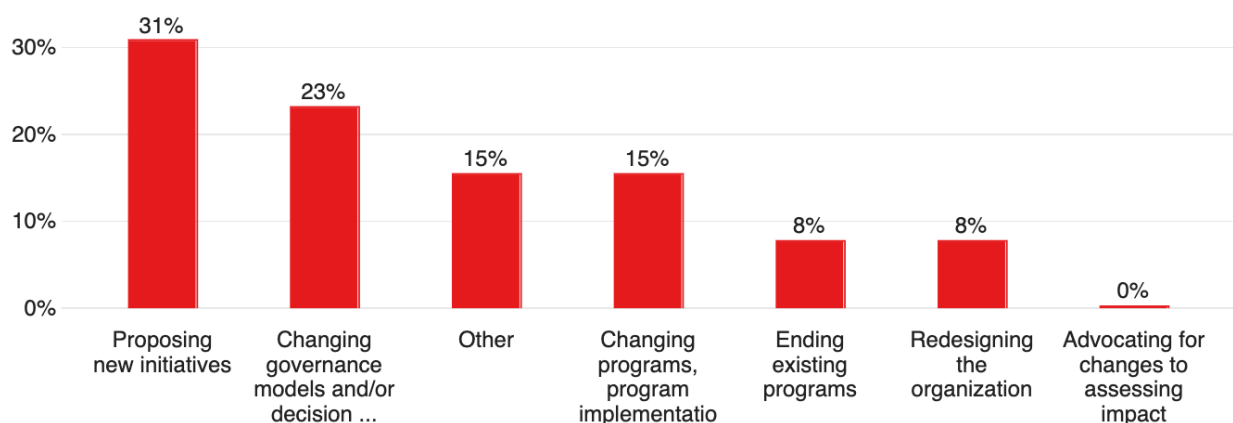
Relatedly, some participants reported that they are using new indicators, reflecting in some cases a change of strategy or a desire for more robust data. A small portion said that they were giving grantees more flexibility to identify their own indicators, and others reported no change.

Board

The responses suggest half of the panelists perceived that their board had done little to nothing to change the work of the organizations as a result of the pandemic. This would either suggest governance issues or that boards were already strategic and capable of addressing disruption. Further research will look into the kinds of organizations where change was made and understand the types of board that push for change.

What has the Board done to change your organization and its work, as a result of the COVID-19 pandemic? Please select all that apply.

7 Responses



Of those who noted a board working toward organizational change, more than half mentioned new initiatives or changing their governance model.

When asked about what their board could do differently in responding to the pandemic, panelists were again split between those who felt there was nothing more that could be done and others who wanted greater involvement particularly with issues of diversity and inclusion.

“Engaging more in the whole issue of intersectionality, inclusivity.”

The data suggests an overall positive dynamic between the board and the management team. Trust was a key theme discussed.

While one panelist lamented the lack of trust, others were pleased with their board and its strategic activities. 92% of panelists noted that they found their gender diversity among board members was either good or excellent. The second most achieved type of diversity is skill distribution within the board, 58% found it to be good or excellent. Panelists noted that they were doing poorly or weakly on lived experienced (83%), racial and ethno-cultural diversity (75%), and language (66%). Age diversity was also a common theme mentioned by panelists as problematic within the board. As a solution, panelists are advertising board positions more widely, working within their organizations to find suitable and diverse candidates, and others even advocated for legislation requiring it.

In terms of personnel, more staff were hired since the beginning of the pandemic (35% of foundations) than laid-off (only 5%). 30% of panelists noted no change in staffing and a surprising 10% needed to hire new staff but were unable to find qualified candidates. New staff were hired to fill various positions with many mentions of program managers and the need for communication and financial skills for the positions.

Diversity, Equity, & Inclusion (DEI)

88% of panelists noted that their foundation had increased its attention to social inequities or community vulnerabilities over the past year. They have written open letters, raised awareness on the disproportionate burden of covid on marginalized communities, and increased their staff education on EDI. Some of the concrete actions their foundations have taken include modifying the granting criteria and decision trees and the increase of designated DEI committees, collecting data on it, increase funding and focusing on these issues.

Looking Ahead / Lessons Learned

Through the past year, we asked about expectations of the future – for the charitable/nonprofit sector and for philanthropy. In this session, we asked if concerns for the future of the philanthropic and charitable sector have changed since the previous one. Several expressed concerns about the urgency of the issue facing the sector and the need for a transformed sector, with a transformed policy framework. A panelist from a small foundation emphasized the difficulty of keeping up with the pace of change.

Philanthropy needs to stop talking and start putting into action all of the changes it has been exploring. The pandemic has made the urgency of these issues clearer than ever.

We need a sector completely transformed where CRA is not governing it, where tax benefits are not dis-incentivizing social justice work. It's an outdated colonial system built on relationships of power and privilege.

What do you think are the most significant lessons from the last year for how yours and other foundations work? Foundations have expressed that the past year has taught them a lot about how they currently work and how they will need to continue to work and evolve, moving forward. The pandemic has shown many foundation leaders the significance and value of collaboration in the sector - not only to themselves, but for their communities as well. The past year has also highlighted inequalities and the need to address the root causes of why some communities are often more negatively impacted by major events like this, than others. Panelists expressed that they have learned the importance of being flexible and adaptable and that change is sometimes inevitable - something that is easier to face when you are willing to move with the current rather than against it.

Any questions?

Professor Susan Phillips
Susan.Phillips@carleton.ca

In collaboration with:



COMMUNITY
FOUNDATIONS
OF CANADA