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THE ORGANIZATIONAL EFFECTIVENESS PROGRAM

the David &
Lucile Packard
FOUNDATION

Background and Philosophy



The David & Lucile Packard Foundation established its capacity building grantmaking program in 1983. Over the course of the past 35+ years, we have learned the critical importance of investing in the strength of all the actors – networks, leaders, and organizations – that make up the fields and movements that the Packard Foundation supports. By investing in the strength of our partners, we aim to amplify and accelerate Packard Foundation strategies to improve the lives of children, families, and communities, advance reproductive health, and protect and restore our planet.

Our work is a direct manifestation of the David & Lucile Packard Foundation's values of respect for all people and belief in individual leadership. We trust that those leading work in the field know their organizations, fields, and movements best, so we ask our grantee partners about their priorities for organizational and leadership development and fund what rises to the top for them. We listen deeply, respecting our partners' expertise in their work and perspectives on the opportunities, needs, and solutions to strengthen their impact. We then work with leaders and organizations to set priorities, design projects, and identify people with expertise who can help them achieve their organizational and leadership development goals within the available resources.

The OE team brings our expertise in capacity building to our collaboration with the Foundation's program staff members. We work in partnership to integrate the development of leaders, organizations, and networks into program strategies. In geographies where the Foundation has a significant focus, OE works with local, embedded staff members to understand and address the priorities of those working locally. Whenever possible, we rely on local knowledge to drive our grantmaking and emphasize funding local organizations in our priority geographies.

As partners to both internal Foundation staff members and the Foundation's grantees, our team adds significant value beyond the grant dollars. Our staff of ~7FTEs provides \$8M in OE grants annually, distributed across the Foundation's programs. The Foundation's programs partner fully on cohort projects, matching our investments with grant funding of their own.

In addition to our work with grantee partners of the Packard Foundation, we also collaborate with other funders to expand and improve capacity building funding. We also provide funding for projects that inform how the nonprofit sector can become more effective, such as investments in research and field-building on equity and inclusion and our participation in the Fund for Shared Insight, which focuses on listening to the people that we and our grantees seek to serve so that they are better off in ways they define for themselves.

How We Invest

Organizational and leadership development support that advances both grantee and Foundation outcomes must be flexible and adaptable. OE makes grants that invest in the strength of organizations and funds the creation and facilitation of cohort projects that build field leaders and advance collaboration. By investing in this way in leaders, organizations, and networks, we help to create more powerful and impactful fields and movements.

GRANTS THAT INVEST IN THE STRENGTH OF INDIVIDUAL ORGANIZATIONS.

Since our program's founding, we have provided short-term grants responsive to grantees' priority operational and management needs, such as strategic and business planning, financial management, board and executive leadership, and evaluation and learning. Grant support enables our partners to bring in external expertise and dedicate staff time to strengthen their organizations. This support positively influences fields and movements by helping organizations strengthen the systems and processes that undergird their program work.

The organization-level support we provide takes several forms. Grants may support a single, discrete project

over a short period of time or deeper planning and implementation of capacity development projects over multiple years. Some support is provided through intermediaries. Through the Resilience Initiative, for example, we provide funding for U.S.-based organizations for projects that advance the wellness and resilience of their employees and organizations. In addition to the targeted grants that participants in the initiative receive, they also benefit from coaching and facilitated peer learning opportunities.

Longer-term OE support allows organizations to develop and execute on a comprehensive capacity building plan that includes several interrelated projects. By taking a longer-term view of their organizational development plans, organizations can create internal change that allows them to better capitalize on new opportunities and respond to challenges – ultimately increasing their impact.

What unites our organization-level grantmaking is its responsiveness and focus on enhancing the internal capacity of grantee partner organizations. This support is always in high demand; far more grantees wish to receive this support than we can serve, and grantees consistently tell us that this targeted funding is scarce and valuable.

SHORT-TERM ORGANIZATIONAL SUPPORT: THE IPAS DEVELOPMENT FOUNDATION

The Ipas Development Foundation (a Foundation grantee in India) received OE support for a talent management project that boosted staff morale and improved Ipas's ability to attract new and stronger talent. Ipas had gone through an exciting period of rapid expansion and growth. Many of their previous individual contributors were now serving as team managers for the first time.

With OE support, Ipas engaged a consultant to plan a talent development strategy. Through conversations with employees, they developed tailored professional development approaches for each manager including job training, coaching, group workshops, and continued mentoring. Coaches helped participants find areas for improvement and provided simple frameworks and tools that participants could use in their day-to-day interactions.

The program helped its leaders analyze their key strengths and discover areas for improvement, while understanding how they could utilize these strengths to navigate difficult

situations, and to understand how this impacts the work of others. Developing their supervisory skills improved the work efficiencies of these managers – now they have stronger relationships with their supervisees, the ability to delegate work more effectively with clear accountability, authority and timelines. At the organizational level, there is also increased decentralization of management to the field.

Given the program's positive impacts, Ipas has developed a strategy for cultivating and developing talent within the organization for the long term and has extended similar training to other supervisors. The program's success also supported Ipas's accreditation by the Great Place to Work Institute as one of India's best NGOs to work. The HR director reports, "I (happily) sense the morale boost this accreditation has brought to our team members and the impact it has on our ability to attract new and better talent. This reaffirms my belief in the importance of investing in skill development of employees for the success of the work of the whole organization."

**GRANTS TO CREATE AND IMPLEMENT
COHORT PROJECTS THAT INVEST IN
LEADERS AND ADVANCE COLLABORATION.**

Together with our grantee partners, Foundation program staff, and external stakeholders, OE develops capacity building cohorts that support groups of leaders and organizations in a field, movement, or geography. These cohorts, which are co-funded by the Foundation's programs and sometimes by other funders, provide participants with opportunities to strengthen individual skills and organizations as well as build the

collaborative relationships that are key to achieving greater impact as a field or movement. Cohort projects range from low-intensity but high-impact shared learning series to intensive leadership development programs that bring participants together over the span of a several years for professional and personal development, shared learning, and collaboration.

Cohort projects also present an opportunity to introduce other funders to the concept of capacity building and provide them with an opportunity to co-invest.



Photo use courtesy of Surfrider Foundation

GRANT SPOTLIGHT: SURFRIDER LEADERSHIP ACADEMY, WASHINGTON STATE

In 2014, The Surfrider Foundation and The Nature Conservancy (TNC) identified a pressing need for leadership development among coastal conservation leaders in Washington State. In collaboration with Surfrider and TNC, the Foundation funded Context Partners, an intermediary organization, to facilitate a program co-design process with grantee partners, co-funders, and the coastal community. Together they designed a unique leadership program – the Surfrider Leadership Academy (SLA) to build practical and transformative leadership skills and foster a network of individuals who could work collaboratively on shared coastal priorities.

Three cohorts went through the program, including emerging and experienced leaders from various geographies along the Washington coast. Participants have included nonprofit staff, tribal leaders, local civic leads, small business owners, as well as researchers and academics.

The SLA has helped coastal defenders build their skills and cultivate roles of increasing leadership, while creating a platform for connection and collaboration. Alumni from each cohort have mentored and facilitated subsequent cohorts – fostering strong relationships. Alum Jessica Helsley stressed the value of the connections she made through the Academy. “We tend to operate in silos,” Helsley said. “And we miss out on collaborative opportunities that could get us a lot farther.” Helsley has joined forces with other alums to resuscitate a long-dormant coastal resiliency funding package and secure approval by state officials, which could bring millions of dollars of additional investment to organizations working to conserve Washington’s coast. She has also brought alums into meetings with local lawmakers who make federal oceans funding allocations. “Building this network has really done a lot to prove that we can make a real difference together,” Helsley said.

Why We Work the Way We Do

Our philosophy is driven by what it takes to strengthen the leaders, organizations, and networks that make up the fields and movements in which the Foundation works. Through our many years of learning from our grantee partners and others in the field, we know the following to be true:

- Though interest in capacity building has increased among funders, and more foundations are providing organizational development support, **this type of funding remains uncommon – and demand for it far exceeds availability of resources.** It is especially rare in the fields of conservation and reproductive health. Flexible capacity building funding is also harder to find outside of the United States.
- **Capacity building support works best when it is responsive to the needs of leaders,** organizations, and networks. People working on the ground every day to address the issues facing our world are most attuned to what they need to achieve their goals for their own leadership, their organization, and their field. When projects are instead responsive to the needs of funders or other stakeholders, they will not be effective. Because capacity building requires commitment to envisioning and implementing change, it must be owned and executed by the people who will be using the strategies, systems, and processes that come out of the project.
- Though **organization, field, and movement leaders are experts in their fields, they may not be steeped in the practices of leadership or organizational development** or have expertise in the areas that they wish to strengthen. In addition to funding, OE staff provides coaching and guidance on options for investing in the development of leaders and organizations. Our team benefits from learning from the issue expertise of grantee partners as well.
- **Deliberate, sustainable capacity-building takes time and resources to execute.** Our partners around the world tell us that they need longer, deeper and more flexible funding to build their organizational and leadership capacity. This includes not only grant funding that spans multiple years, but also resources to cover staff time and support in identifying consultants. We believe that the best capacity building investments are paired with multi-year general support.
- **Field or movement-level success requires strong networks and relationships.** No one actor – regardless of size or influence – can solve complex social and environmental problems alone. The development of relationships and networks is key to the success of many Foundation program strategies at the field level. We bring leaders and organizations together in cohorts for shared learning and aligned action, driven both by grantee demand and program strategy.

Our Commitment to Equity

The OE team is committed to addressing the power and privilege that are inherent in philanthropy and in the work of social and environmental change. Addressing equity is an urgent priority for the Foundation and for our partners. It has become a central focus of many in the philanthropic and nonprofit sector, and many of our grantees (and funder partners) show continued and expanding interest in building their equity capacity. We are heartened by philanthropy's increased interest in investing in organizations led by diverse leaders, as well as by the focus across the sector on equity when setting outcomes and making resource decisions.

When it is a priority for them, OE provides funding to our grantee partners to take on this work within their organizations. This work takes different

forms, among them: decentralizing decision-making power in international NGOs, investing in the wellness and resilience of staff members, and developing HR processes that aim to minimize bias in recruiting, hiring, management, and promotion.

We also continue to interrogate how we can be more equitable and inclusive in how we work, both in terms of our team's operations and OE resource allocation. We are also dedicated to learning about how best we can support grantee partners outside the United States to advance equity within their cultural contexts. We aim to become ever more inclusive in our listening and decision-making, and to truly partner with grantees, working against the power dynamic inherent in the grantee-funder relationship.

Contact Us

We are passionate about the work we do and love to engage with others who are either working in capacity-building or are interested in learning how to begin doing this work. We invite you to get in touch with us at oepgm@packard.org.