

GEO Member Story



How the Peery Foundation helps create strong, self-reliant nonprofits by approaching its work with humility and engaging in grantee centric philanthropy.

Including grantees in decision-making, program-building, and strategy is critical to effective social impact. While the things grantmakers “do” are important, an authentic focus on grantees requires a new mindset. “Grantee centric philanthropy is philanthropy with humility,” says Jessamyn Shams-Lau, executive director of the Peery Foundation. It encourages the foundation to respect grantees’ limited time and resources through all steps in the grantmaking process from due diligence, grantmaking, and reporting to how the foundation ends funding. In practicing a grantee centric approach to grantmaking, the Peery Foundation maintains clear and continuous communication with grantees and looks to grantees to define what success looks like for them. Almost all of the foundation’s decisions on how it operates, spends its time, conducts its diligence, and engages with grantees is done while asking “Does this enable or inhibit our grantees’ success?”

Grantee centric philanthropy will look different for every foundation, depending on what types of nonprofits they fund, what constraints they operate within, and what feedback they hear from grantees. However, the Peery Foundation has outlined five core practices that can apply to any grantmaker looking to be grantee centric. Here are some highlights:

Build internal culture.

A focus on nonprofits should be built into the culture and expectations of a grantee centric foundation’s staff. As a team, it is important to develop practices that respect nonprofits’ time, seek nonprofit insights on their work and articulate to nonprofits in advance what to expect. Building internal culture can be done in a number of ways, including hiring staff with nonprofit and fund-raising experience — staff who innately understand the impact of the foundation’s actions and decisions as well as those who will constantly strive to build empathy amongst their peers. “It’s part of our culture to have an ongoing conversation about how we can prioritize grantee time. Will this request require grantees to go out of their way? Is what we gain from this question worth what it will take to answer? Our internal team is constantly asking each other these questions.” says Shams-Lau.

Do the homework.

By not using proposals in its decision making process, The Peery Foundation puts the onus on itself to “do the homework” and actively reach out to nonprofits. The foundation has never asked nonprofits to submit proposals because “we feel we wouldn’t get the most accurate information that way. We want to hear how a grantee talks about themselves independently and how they think about their outcomes internally. There’s understandably a habit of fundraisers making sure that they’re hitting on all of the points that are on your website or your criteria when they put together a proposal. We want to understand what their own priorities and metrics are.” says Shams-Lau.

Proactively sourcing grantees in this way requires staff to get away from their desks and build real relationships with people. The Peery Foundation has coffee with current and high-potential grantees, attends events in the field and builds relationships with other funders who can make recommendations. “We’re open to conversations with prospecting nonprofits. We listen with as much respect as we can. We actively put ourselves in situations and conversations so we’re not just

waiting for organizations to come to us. We're going out there and looking in places that we know would have the right kinds of grantees for us." says Shams-Lau. "The tricky part is balancing openness with candor when we know we won't be a good fit for a nonprofit. We don't want to waste their or our time."

Another part of doing the homework is appropriate due diligence. Shams-Lau says, "the more time we take away from the organization because of due diligence, the more time they are distracted from producing the outcomes we want to support them in achieving. We ask our grantees for materials they've prepared primarily for internal use. We've found that that tells us a lot more than anything they'd prepared for us. When that's not possible then we ask for due diligence materials they already created for another funder. We actively assess that our due diligence process is appropriate for each grant size as well. For instance, the process varies highly from our \$25,000 grant to our \$250,000 grant." Jocelyn Rheem, program associate, adds "We are cognizant of the amount of time it takes to go through due diligence for one funder, let alone multiple funders. We try to take the weight of the diligence process on ourselves because we are trying to have the lightest footprint possible while getting the information we need."

Stay accountable.

Let your grantees know you want to be accountable to them. Seek their input and act on what you hear. The Peery Foundation stays accountable by soliciting continuous feedback from its grantees through its [Funder Feedback Tool](#). This tool allows the foundation to gather anonymous ideas and critiques on a rolling basis, which are then delivered quarterly to the foundation. Getting direct feedback from grantees lets the foundation know if it is maintaining the level of performance and respect its grantees expect and provides specific suggestions of how it can improve grantee centric practices. Shams-Lau offers that "being grantee centric is not something foundations can just do overnight. It takes time to shift culture and a consistent set of habits amongst your team. Keep adding and shifting as you hear from your grantees what works best for them. It's definitely more of a journey than a destination."

Though none of the practices that The Peery Foundation outlined are easy, there is a clear throughline from them to the ability of grantees to achieve real results. That's why staff are committed to continually working to improve the foundation's practices. In closing, Shams-Lau shared that "philanthropy can and should do better. I think we fail nonprofits in many ways and because nobody holds us accountable on those failings, they perpetuate. We have a responsibility to hold ourselves to a higher standard and in order to do that philanthropy needs to discover its humility. Let's try and be better together."

To learn more about grantee centric philanthropy, visit: <http://www.peeryfoundation.org/grantee-centric/>

GEO resources related to this member story:

