Exploring Microcultures
and Why They Matter

LEADING **CHANGE** IN PHILANTHROPY

geo GRANTMAKERS FOR EFFECTIVE ORGANIZATIONS

Microcultures matter because they are the building blocks of organizational culture. For better or worse, microcultures significantly shape the underlying character of our organizations.

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Foreword

This is a publication about microcultures in philanthropy — small groups of people in our organizations with their own assumptions, values and working behaviors. Maybe it's a program team that forges uniquely close bonds with nonprofits. Or perhaps it's a group of longtime senior staff who operate like a closed-off clique, making decisions largely on their own without consulting others.

GEO is looking into this topic as part of a multiyear exploration of organizational culture through our Leading Change in Philanthropy initiative. We believe microcultures are important for two reasons:

- First, microcultures can have a profound effect — for better or worse — on the larger culture of our organizations and on our ability to create the conditions for smarter grantmaking.

- Second, microcultures are where most of our organizations' staff and board members live and work, day to day, inside our organizations. For individuals who may think they have minimal influence on the larger culture of the organization, the microculture is a place where they can help drive positive change that will contribute to better nonprofit results.

GEO began its work on culture with *The Source Codes of Foundation Culture*, a publication that explored how the cultures of our organizations often are shaped by philanthropy's roots in fields such as banking, business and higher education. We then published *Shaping Culture Through Key Moments*, which identified opportunities for grantmakers to positively and productively shape organizational culture. That publication also identified several key attributes of a successful culture that supports better nonprofit results.

As we continued our learning journey on culture, GEO members urged us to take a deeper look at the internal dynamics of grantmaking organizations — and, more specifically, at microcultures. Their existence, their unique dynamics and their influence on our organizations are the focus of this publication.

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A Learning Journey Begins

To begin to understand the ecology of microcultures in grantmaking organizations, we conducted a literature scan as well as exploratory interviews with more than 20 current or former executives and staff, from a sample of grantmaking organizations ranging in size from five employees to more than 100.

Based on this work, we are convinced that microcultures matter. They are the first level of connection that staff and board members have with our organizations, they drive how work gets done each day, and they can make or break our larger efforts to create strong and cohesive organizational cultures that contribute to better results for nonprofits.

While GEO is not yet comfortable offering clear best practices when it comes to microcultures, we are recommending that grantmakers develop a stronger, more fine-tuned understanding of the microcultures in our organizations. As always, GEO's key focus is on nonprofit success, so we are primarily interested in how microcultures influence the effectiveness of our organizations and the nonprofits we support.

One caution is that this is an exploratory piece. We have not conducted as many interviews as we normally might for a publication such as this for two reasons. First, the field's understanding of microcultures is still nascent; this issue is simply not yet on the radar for many grantmakers. In addition, microcultures can be a sensitive subject as they may expose uncomfortable truths about the inner workings of our staffs and boards. Some of our interviewees chose to speak anonymously; other grantmakers elected not to speak with us at all.

That said, this publication is rooted in the same processes GEO routinely undertakes to explore issues in philanthropy: reviewing the state of knowledge in the field, talking with grantmakers and lifting up common themes. Based on this work, we can speak to our conclusions about what microcultures are, why they matter and how they can show up in our work.

Now, we are eager to hear from others across the field so we can learn from your perspectives and hear your stories about microcultures. We view this publication as a starting point toward a better understanding of this topic and we are hoping that others will join us on the journey. We look forward to hearing from you!
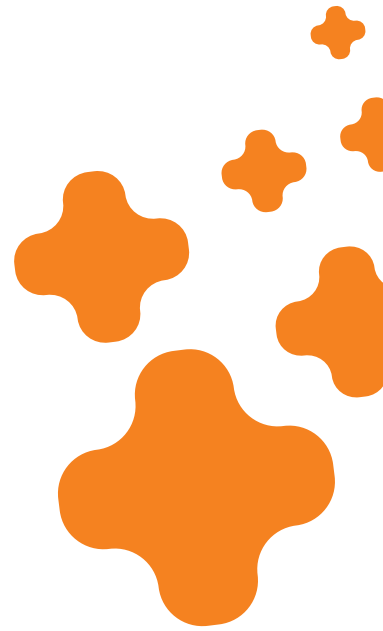
What Are Microcultures – and Why Do They Matter?

EXPLORATION: **The Kellogg Foundation**

A small suite of offices sits on the second floor of the W.K. Kellogg Foundation headquarters in Battle Creek, Michigan. It is home to the nine-member team that manages the grantmaker's racial equity and community engagement programming.

The team's offices open up on a communal area with windows overlooking the foundation's green space alongside the creek that gives the town its name. The team furnished the space with couches and tables where you will often find team members and colleagues from across the foundation working and talking or just sitting quietly and reading or doing their work. There are pictures on the window of members of the team and their colleagues from across the building, and a tabletop plant (named Roscoe) that the team takes care of together.

"We really try to think of ourselves as a family," Nadia Brigham, a program officer, said of her team and its work to cocreate the space (pictured above) known as "the living room." She recalled one afternoon when a team member decided she wanted to take a break and listen to some gospel music. Before long, she was joined in the living room by several colleagues, and they were singing together. On another day, salsa was the music of choice.

"It's kind of funny," Brigham said of the living room space. "People from all over the building now come in and use this space." But do not view the living room as a break room, Brigham said. "Real work is happening there. It's just much more relaxed. ... It's a place where we try to live the sense of family, humanity and community we want to see in the world."

GEO's work has shown that a productive organizational culture is critical for effective philanthropy. But most of the discussion about culture in philanthropy — and business, too — is focused on the big-picture, *macro* level as organizations work to shape enterprisewide cultures that reflect their core values and support achievement of their goals.

The W.K. Kellogg Foundation story, however, is a reminder that culture also exists at a *micro* level. Every day in our organizations, staff and board members are interacting and working together in smaller groups that adhere to their own unique behaviors, assumptions and core values. Such microcultures may or may not reflect the larger culture of our organizations. But the key is they exist, and they can have important effects both on the broader organizational culture and on our ability to adopt smarter grantmaking practices that will lead to better nonprofit results.

For the leaders and staffs of grantmaking organizations, understanding the microcultures at work in our organizations provides a "next-level-down" opportunity to look at aspects of organizational culture and to take a deeper dive into how culture influences philanthropic effectiveness. Looking through this lens also allows staff and board members to reflect on the microcultures we each are a part of, and the degree to which those microcultures support us to be more effective in our work.

Working within our microcultures, we can influence and, where needed, change group assumptions, values and behaviors in ways that contribute to better results for the nonprofits that our organizations support. That does not always mean creating alignment between our microcultures and the larger organization and its leadership. Where necessary, it can also mean working within and across microcultures to advance behaviors and practices that counter or subvert negative aspects of the larger organizational culture.

Seen in this way, microcultures can be "positive deviants" that push our organizations to adopt smarter grantmaking practices over time.

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Mi·cro·cul·tures *n. pl.*

Small groups of people in our organizations who together operate according to their own unique assumptions, values and behaviors. Such microcultures may or may not be aligned with the broader culture of our organizations.

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What Are Microcultures?

Every organization has microcultures. It is a simple fact of human life that we have an emotional need to belong to groups. We seek connections with others with whom we share certain experiences, characteristics, interests, affinities and identities. Often, in fact, people will identify with a microculture more than they do with the culture of an organization as a whole.[1] Research shows that what happens at the microculture level — for example, within specific departments or work groups — has a more powerful effect on job satisfaction and one's commitment and loyalty to an organization than an organization's top leadership or its broader culture.[2]

Microcultures come in many sh apes and sizes, but GEO's literature review and interviews for this publication surfaced two main types of microcultures in organizations:

- *Formal microcultures* — microcultures based on how people are positioned within the structure of the organization (e.g., roles, titles, departments, office locations)

- *Informal microcultures* — microcultures based on shared backgrounds, race/ethnicity, age and interests (e.g., yoga, sports, kids, pets, politics)

Microcultures can form in a variety of ways. Whether formal or informal, they often occur naturally in our organizations as people build connections without any intervention or support by the organization. Conversely, some microcultures happen by design as staff and board members come together at the behest of the organization to form cross-functional teams, committees, work groups and task forces.

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[1] Peter Lok and John Crawford, "The Relationship Between Commitment and Organizational Culture, Subculture, Leadership Style and Job Satisfaction," *Leadership and Organization Development Journal* 20, no. 7 (1999): 365–373.

[2] Peter Lok, Jo Rhodes, and Bob Westwood, "The Mediating Role of Organizational Subcultures in Health Care Organizations," *Journal of Health Organization and Management* 25, no. 5 (2011): 506–524.

"We're a small foundation … we don't have microcultures."

You might be surprised! Microcultures are a fact of life in any human group of more than two people as alliances form based on shared experiences and other bonds. GEO interviewed people from a variety of large and small foundations, and everyone was able to identify a number of microcultures in their organizations at both the board and staff levels. Although larger organizations will likely face more challenges and complexity as they explore the role and influence of microcultures, smaller organizations should be conscious of these dynamics, too.

Why Do Microcultures Matter?

Microcultures matter because they are the building blocks of organizational culture. For better or worse, microcultures significantly shape the underlying character of our organizations. They reveal how the staff and board are (or are not) living up to and advancing the values and behaviors we espouse. Microcultures have an important influence on how people do their work, including their relationships with each other and with nonprofits and local communities.

How microcultures form, how they evolve and sustain themselves, and how they influence the organization as a whole are key considerations for grantmakers who are committed to creating strong cultures that support nonprofit success.[3] As we explore below, microcultures can be helpful or harmful to our broader efforts to nurture organizational cultures that are aligned with our mission and goals. (On pages 40-41, we explore how microcultures can affirm and advance some of the values that contribute to effective grantmaking.)

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[3] Daniel R. Denison, *Corporate Culture and Organizational Effectiveness* (New York: Wiley and Sons, 1990).

Microcultures can provide circles of trust and create a sense of place for employees within the larger organization.
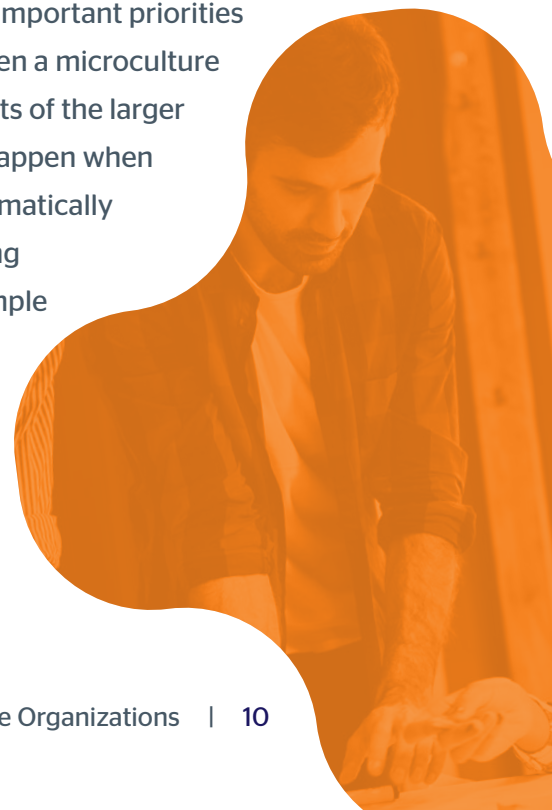
When microcultures are helpful ...

Microcultures can be beneficial for our organizations when they advance and promote values and behaviors that make people more effective in furthering the mission and vision of our organizations. At the W.K. Kellogg Foundation, for example, it is a good bet that the independent efforts of the racial equity and community engagement program staff to build a culture of community and collegiality have improved their overall effectiveness as a team, while also showcasing positive behaviors and values that other departments can emulate.

Microcultures also can play many beneficial roles in promoting job satisfaction among employees, and in strengthening connections, communication and skill building across staffs and boards. Consider the microcultures that form among people in similar job roles who share strategies for improving their day-to-day effectiveness or ideas for how best to support nonprofits.

In addition, microcultures can provide circles of trust and create a sense of place for employees within the larger organization. Within some of the organizations GEO spoke with, microcultures are where a significant amount of mentoring and professional development take place.

Last but not least, microcultures can play a beneficial role as change agents, driving innovation and cultural progress by providing a place where people can discuss and advance important priorities for our organizations — for example, when a microculture forms in counterpoint to negative aspects of the larger culture of the organization. This could happen when a staff team advances practices that dramatically streamline an organization's grantmaking practices and procedures. Another example is when people of color, women or young employees raise questions about unequal pay, a lack of diversity in the leadership ranks or a lack of professional development opportunities.

When microcultures are harmful …

Conversely, microcultures can be counterproductive to the extent that they create or reinforce divisions and undermine the positive aspects of our organizational cultures. For example, different departments or programs may form insular microcultures that prioritize competition for resources with other departments or programs.

Similarly, microcultures based on job roles can spur a heightened sense of rivalry or resentment among staff members in different positions in the organizational hierarchy. For example, several of GEO's interviewees for this publication commented on the harmful effects of microcultures that can sow discord between staff in "program" and "nonprogram" roles.

"Program staff can sometimes create a culture that has an elite feel, while other staff can feel like they are second-class citizens. When staff are only interacting with others in their little microculture, it makes these issues even worse," one interviewee said.

Microcultures can be harmful, as well, when different groups of staff interact with grantees in very different ways. Imagine a scenario in which staff members in one department or program act imperiously and treat grantees poorly, imposing onerous requirements or not responding promptly to emails and phone calls.

The Center for Effective Philanthropy's *Luck of the Draw* explores a related concept. The report looks at individual program officers, examines the traits of good program officers and discusses what happens when grantees have a poor experience with their program officer. The report finds that "the program officers to whom grantees are assigned strongly influence their perceptions of and feeling about the foundation."[4] Microcultures can have a similar effect; the work of one department or program team can erode trust with nonprofits and harm the reputation of the organization as a partner and collaborator.

4 Kevin Bolduc, Phil Buchanan and Ellie Buteau, "*The Luck of the Draw*," Stanford Social Innovation Review Vol. 5 No. 2 (2007): 40.

These are just a few examples of how microcultures have the potential to decrease collaboration, hinder a shared sense of purpose, and stifle innovation and overall productivity in our organizations.

However, it is important to remember that microcultures that may make us *uncomfortable* are not necessarily *harmful* to the organization. As noted earlier, microcultures can operate as positive deviants in our organizations by challenging our assumptions and lifting up new practices and behaviors that will strengthen our effectiveness. The key is to distinguish between those instances when microcultures represent a positive challenge to the status quo and those times when they limit our ability to help nonprofits achieve meaningful results.

What Can We Do About Microcultures?

Given that microcultures can be either helpful or harmful, we should not see their existence as a threat. Rather, GEO's work underscores the importance of understanding microcultures and how they play out in our organizations.

The pages that follow provide examples and perspectives from grantmakers on the different ways in which microcultures show up and how they affect the effectiveness of grantmakers and nonprofits. GEO also offers a series of discussion questions to help foster a better understanding of microcultures in your organization.

Program Team Helps Shape Organizational Change at Pennsylvania Humanities Council

Microcultures can play a key role in organizational change by lifting up practices that will contribute to better results for our organizations and nonprofits. Consider the case of the Pennsylvania Humanities Council, which embarked on a strategic planning process in 2015 that resulted in a shift from one-off, transactional grantmaking to deeper, longer-term partnerships with nonprofits and communities across the state.

Through interviews and focus groups with grantees and partners, the program team learned that the council was viewed around the state as an "elusive presence" and that its grants, while valued, were not having discernible impact on its mission to "put the humanities in action to create positive change."

"Though the process and shift was led by our executive director and board, the program team was fully supportive of the need for changes in how we do our work," said Jen Danifo, senior program officer. What's more, when the time came to put the changes in place, this team of three people developed and honed its own values, processes and behaviors that helped to influence the broader organization.

The program team includes Danifo, along with Director of Programs and Special Projects Mimi Iijima and Program Assistant Celeste Vargo. Iijima had been with the council for more than 15 years at the time of the strategic shift, and Danifo and Vargo had been there for 10 and six years, respectively. This gave the program team unique influence and freedom on a staff of nine people where everyone else (with the exception of the executive director) had been with the organization for three years or less.

As they set out down the path to reshaping the council's programs, Iijima, Danifo and Vargo found themselves revisiting their core behaviors and values as a team. "The three of us had a lot of conversations during this period about what it means to do transformative grantmaking, how that would change the way we work together, and how to start to roll out some of what we were learning to the rest of the staff," Danifo said.

Among the values the group lifted up to guide its work were transparency, trust and learning. "We really wanted this to be a process where we kept checking in with each other about what each of us was learning on this journey and what it meant to us personally to do transformative work," Vargo said.

Celeste Vargo
Program Assistant
Pennsylvania Humanities Council

Jen Danifo
Senior Program Officer
Pennsylvania Humanities Council

Mimi Iijima
Director of Programs and Special Projects
Pennsylvania Humanities Council

As part of its transformation, the Pennsylvania Humanities Council began providing more multiyear grants and adopted the Orton Family Foundation's community engagement model, Community Heart & Soul®, as a framework for its statewide civic engagement grants. It also launched Teen Reading Lounge, a program that stands in stark contrast to the council's old approach of providing libraries in the state with grants for supplies and books. Now, the grantmaker forges deeper partnerships with libraries and provides training and capacity building so they can develop programs to "bring books to life" for teens, particularly in underserved communities.

These changes were the result of the work of the entire board and staff of the Pennsylvania Humanities Council. But it is doubtful the transformation would have happened to the extent it did without a three-person staff team focusing intently on how they could work smarter and help drive change as a microculture.

One recurring concern among the program team throughout this process was that it might be perceived as an insular group that was driving the organization's work without much if any outside input. "The danger is you become a silo, and so we kept trying to bring others in and explain what we were working on and why," Vargo said.

This work of outreach and engagement continues today as the program team strives to build partnerships with new staff members hired recently to manage the council's communications and development. Iijima, Danifo and Vargo said they make it a point to involve other staff in workshops and grantee meetings so people can get a better sense of the how the team works with nonprofits. "We want others to see and understand the sense of mutual respect and partnership that are part of our work with grantees," Danifo said.

Understanding the Microcultures in Our Organizations

Why does any human group come together? In most situations, it is around something group members share. Residents join their citizens' association because they are concerned about the quality of their neighborhood or city. People sign up to volunteer at a homeless shelter because they feel an obligation to help others in distress. A group of weekend-warrior athletes gathers at the local basketball court or soccer field because they love to play the game.

In communities across the country, new groups are forming and growing every day based on shared experiences, values, beliefs, passions and perspectives. Alexis de Tocqueville, writing in 1840, remarked on an important distinction between the United States and the aristocracies of Europe at the time. "Americans of all ages, all conditions, and all dispositions constantly form associations," he wrote.[5]

What has been true in society also is happening inside our organizations. Subgroups are forming, changing, growing and disbanding all the time. These are the microcultures that make up our organizations, and they can come in a variety of types and sizes.

The two primary categories of microcultures that GEO has identified are *formal* microcultures and *informal* microcultures. GEO also has noted a distinction between microcultures that we intentionally create and those that form naturally in our organizations (see sidebar, page 37). The rest of this section explores each of these categories and provides examples and perspectives.

Formal Microcultures

Like microcultures in other organizations, those in philanthropy often are shaped by the formal structures of our organizations. As GEO explored in *The Source Codes of Foundation Culture*, philanthropy has adopted many of the hierarchical and often siloed structures that historically defined the worlds of banking, business and higher education. These structures, in turn, influence the development of formal microcultures that separate people according to roles, responsibilities, titles and departments.

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[5] Alexis De Tocqueville, *Democracy in America*, trans. Henry Reeve
   (Cambridge: Sever and Francis, 1863), 129.

In GEO's interviews for this publication, grantmakers talked about the following formal microcultures in their organizations.

The board of directors. Two important factors that often shape the microculture of the boards of grantmaking organizations are privilege and family dynamics. Directors often are chosen for philanthropic boards because of their wealth or professional success. "Our board is lovely and well intentioned, but it couldn't lack diversity any more than it does," commented one of GEO's interviewees. As a result, boards can live, work and socialize in an entirely different world than staffs and nonprofits. Many philanthropic organizations have set out to address this disconnect by instituting term limits and casting a wider net for directors who bring new and diverse perspectives and backgrounds to the board.

In addition to an entire board operating as a microculture, distinct microcultures exist *within* most boards. For example, in those organizations where a founder's heirs and descendants constitute all or much of the board, the board microculture can be influenced, for better or worse, by historic interfamily rivalries and relationships.

Whether because of family ties, friendships, professional connections, politics or other bonds, it is inevitable that some board members will forge particularly strong alliances with others. To the extent that these small groups on the board work together to advance better governance and smarter grantmaking strategies, they are playing a positive role. But when connections and alliances among individual board members stand in the way of a board's ability to advance the mission of the organization, then these intraboard microcultures could be a problem — putting the board at loggerheads, stalling important decisions, and potentially creating trauma and turmoil for the executive director, the staff and the rest of the board.

Several of GEO's interviewees said their organizations have taken steps to build a more productive and connected microculture on the board as a way to foster deeper engagement among the board, staff and nonprofits. For example, the Surdna Foundation makes a special effort

to "risk as much contact as possible" to promote direct communication between the staff and board. All staff are on a first-name basis with board members and speak to them frequently. A committee of the board has been created for each of the foundation's priority areas to encourage deeper content learning and a sense of being a team, rather than leaving that task up to the CEO. The entire staff also attends board meetings. The relatively recent addition of carefully chosen nonfamily members to the board is also credited with positively influencing board dynamics.

The Peery Foundation, a relatively new family philanthropy in Palo Alto, California, has tried to intentionally break down barriers between family members on the board and staff at the foundation. The board uses its shared family values in selecting compatible staff, which helps build a particularly cohesive culture among both the board and the staff. To further the family's engagement and connection to the work, a family member has served as managing director during the grantmaker's start-up phase and until recently has maintained an active presence in the office. Younger members of the family are encouraged to intern in the office to gain a better understanding of the foundation's work and to build their interest in philanthropy.

The David and Lucile Packard Foundation's board retreats combine fun with business to strengthen the ties between board members and to enhance the board microculture in ways that cannot be easily accomplished within the confines of formal board meetings. The foundation also has experimented with appropriate ways to lessen the distance between the board and staff. Portions of some board meetings are set aside for informal "coffees" that bring together two program officers with each board member for an unscripted conversation about their work. An annual picnic and a holiday party also bring the staff, their families and the board together twice a year in informal social gatherings.

Departments. Many grantmaking organizations divide their staff into various departments, such as program, finance or communications. Even in small foundations, these lines create microcultures as departments adopt unique workstyles and behaviors and as staff members interact extensively with those in their own departments. Members of the same department also tend to be physically located next to each other within the office to facilitate interaction. One unanticipated side effect of designing offices in this way is that it can create distance and separation between departments and contribute to the "siloing" of our organizations.

No matter the physical design of our offices, departments often exhibit unique values, behaviors and assumptions based on their function in the organization. GEO's work uncovered several characteristics, both real and perceived, of department-specific microcultures and their impact within our organizations. Whether the following descriptions are true or not for our organizations, it is important to keep in mind how the functions of different departments can contribute to the development of department-specific behaviors, values and assumptions:

- *Grants management* microcultures may focus on maintaining standards of quality and efficiency. This can put the department in the position of being a process engineer and rule enforcer — not a function that is universally appreciated.

- *Finance and accounting* microcultures often prioritize accountability, legal compliance, risk management and budgetary discipline. This can cause finance staff to be seen as roadblocks by those who may want to expand the grantmaker's appetite for risk. In addition, some staff may view the finance department as moving slowly or bureaucratically and impinging on the organization's ability to respond quickly to developing issues and needs.

- *Communications* microcultures often place a high value on responsiveness and immediacy to keep on top of breaking events and to effectively represent the grantmaker's "brand." They may face pressure to communicate stated organizational values on issues such as equity, when other staff members may not universally believe the organization is living up to those values on a day-to-day basis.

- Grantmaker staff whose jobs focus on *evaluation and learning* may favor rigor, analysis and candor. They can sometimes bump up against executives, board members and other staff who prefer less transparency, particularly when the grantmaker's work is not delivering its intended results. Additional tensions may arise if people outside the department believe the impact of the work of our organizations and nonprofits cannot be definitively measured in a given time frame, if at all.

- Members of *program* microcultures sometimes may perceive themselves and their work as the heart and soul of the organization, given their frontline interaction with nonprofits and the community and their role in approving and administering grants. Others, however, may see the program staff as an isolated group that works according to its own rules. Among the possible grumbles from outside about the program microculture: They get to spend more time out of the office, their work may be less "measurable" than other staff, and they get more face time with (and credit from) the board and chief executive.

Staffs of our organizations — particularly those with larger, compartmentalized staffs — will likely exhibit some of these tendencies. The larger the organization — and the more specialized and variegated its programs — the greater the probability that staff may identify more strongly with their own departmental microculture than they do with the organization as a whole. The management challenge, then, is to help ensure that all of these microcultures are interacting in such a way that they advance, and not detract from, the broader mission of the organization.

"It's a balancing act," said one of GEO's interviewees. "You don't want to stifle microcultures because they can lift up important priorities and values for the bigger organization, but you also don't want them always clashing and pulling you in different directions."

Tom Kelly, vice president for knowledge, evaluation and learning with the Hawai'i Community Foundation, said he sees the tensions created by different departmental microcultures at play in the work of his organization. With a staff of 70 people and $50 million in annual

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>
> *– GEO Interviewee*

grantmaking, the foundation has multiple work units addressing grantmaking, community initiatives, donor development and donor relations, scholarships, finance and administration, and legal. "We are one foundation with shared goals, but each team is staffed and organized around very different functions with different but complementary expectations. We demand accuracy and procedure consistency from our finance and legal teams but need flexibility and responsive client service from staff working with donors and nonprofits."

One place tensions arise among and across departments, Kelly said, is regarding issues of performance accountability. He said the donor relations staff, for example, is expected to meet set quarterly and annual targets and metrics related to how many donors and prospects are engaged. But for staff members working on long-range programmatic work and initiatives, like reducing school dropouts, it is more difficult to define appropriate interim results with quantitative targets.

"There can be a feeling that program staff don't have rigorous performance metrics in the same way others do even if there are specific long-term results we are aiming for and performance milestones we expect to see," Kelly said. This includes a difference in risk and tolerance for failure. "We want and even expect grantmaking staff to take risks to tackle difficult community issues but have a completely different expectation of risk for the finance team — and that is appropriate." The challenge here is helping everyone understand his or her own role and contribution with appropriate expectations for performance and constantly communicating that to all staff.

To facilitate those conversations, the Hawai'i Community Foundation involved all staff in defining expectations for its culture and how they expect it to show up in their work together. They also discussed more specific behaviors that support the culture and were explicit that such behaviors would look different based on role and context. The goal was to help staff understand that they can all share and promote a common culture but that it may "show up" differently across the organization.

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> *Vice President of Knowledge,*
> *Evaluation and Learning*
> *Hawai'i Community Foundation*

Departmental microcultures can also be where internal power dynamics and politics play out in our organizations. While grantmaking organizations typically seek to foster a collegial and cooperative culture, beneath the surface there is frequently significant competition for resources and recognition. If the right managers and coordinating structures are in place, departmental microcultures can capitalize on a diversity of talents and perspectives to promote peak performance. If not, there are likely to be daily instances of unproductive friction.

"Where microcultures get dangerous is where they isolate people from each other and where people limit their exposure to other communities and the bigger scope of the foundation's work," said Denise St. Omer, vice president for grantmaking and inclusion initiatives with the Greater Kansas City Community Foundation.

St. Omer said the finance and operations staff at the Greater Kansas City Community Foundation works on the third floor of the grantmaker's building, while the majority of the senior team and donor relations staff is located on the main floor, where the entrance is. "We process more transactions than any other community foundation in the country, so there is crucial work happening in the finance department every day. But there can be a feeling on the third floor that you are out of sight and out of mind."

One model for bridging the divides among departmental microcultures comes from PEAK Grantmaking (formerly Grants Managers Network). Its "Successful Structures" framework provides suggestions and guidelines for connecting organizational strategy, organizational structure and grants management, with an emphasis on building connections across departments and teams. According to "Successful Structures: Rethinking the Role of Grants Management, "Organizations with successful structures develop internal systems and routine practices that allow staff to understand and value the priorities and contributions of every department — and to collaborate most effectively."[6]

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[6] PEAK Grantmaking, "Successful Structures: Rethinking the Role of Grants Management," 2016, 3. Available at https://www.peakgrantmaking.org/successfulstructures.

It is important to remember that the task for organizations and staff at all levels is not always to try and create peace and harmony among all departments. Creative tension can be a positive force in ensuring that our organizations are adopting grantmaking practices and behaviors that help nonprofits get better results. A department that lifts up a "better way" that may be contrary to current practice is likely performing an important service for our organizations and the nonprofits we support. As noted earlier, microcultures can provide an important avenue for staff members who are not in leadership roles to influence positive culture change.

Job roles. Foundations typically describe themselves as having relatively "flat" management structures. Still, most grantmaking organizations are characterized by a hierarchical structure with similarly defined tiers of roles and responsibilities. The different layers of the organization are sometimes reinforced by regular standing meetings of groups of staff members with parallel roles. Among the larger organizations represented in our interviews, there is often an executive group (CEO, vice presidents and department heads); a management group (second-tier managers and operations); and one or more program groups (vice president of programs, program officers and associates). While the work of such groups typically reflects aspects of the overall culture of the organization, the groups also tend to develop and sustain their own microcultures.

Even in the absence of meetings to bring role peers together, microcultures tend to develop among groups in similar job roles. At The David and Lucile Packard Foundation, for example, the executive assistants from across the organization have developed a largely invisible but very productive microculture. This web of relationships helps ensure that information is shared quickly among staff in different programs and departments, minimizing potential bureaucratic roadblocks and facilitating the adoption of common practices and approaches throughout the organization.

Creative tension can be a positive force in ensuring that our organizations are adopting grantmaking practices and behaviors that help nonprofits get better results.

> Microcultures provide opportunities for staff at all levels to find solidarity and belonging and to explore and advocate for positive changes in policies and practices that could lead to smarter grantmaking.

Whether among senior staff or program assistants, microcultures that form based on job roles can have a profound influence on the overall culture of our organizations. These microcultures provide opportunities for staff at all levels to find solidarity and belonging and to explore and advocate for positive changes in policies and practices that could lead to smarter grantmaking. Grantmakers should therefore welcome and nurture these microcultures for the positive roles they can play, while also looking for ways to build bridges across staff groups at different levels.

The William Caspar Graustein Memorial Fund is trying to mitigate the effects of a hierarchical structure and the "upstairs/downstairs" divisions that come with it. With a staff of 12, the fund recently adopted a new mission to achieve equity in education by working with those affected and inspiring all to end racism and poverty. As part of the shift, it hired a director of organizational culture to try to ensure that the staff and board can develop and hone the knowledge, skills and behaviors to work successfully on these issues. "We are trying to build a multicultural, antiracist culture that reflects the mission we want to achieve," said Janée Woods, who was selected for the job.

This means building a culture where all staff are valued and engaged meaningfully in the whole of the grantmaker's work. As part of that effort, the organization is bringing staff together for shared learning opportunities. There is a "Tuesday Gathering" in the office kitchen, where one person volunteers to give a talk about a subject of his or her choosing (often related to current affairs or real-life events in the person's life that relate to the organization's work) followed by shared discussion. The staff also engages in group learning activities, which they have named Justice Literacy, such as gathering to watch a movie or discuss an article or a book that is relevant to the organization's work. In addition, the entire staff has been part of an ongoing and evolving process of working with the director of organizational culture and consultants to

flesh out the organization's core values and behaviors with respect to the new mission.

Of course, many of these activities are easier to implement in smaller organizations, and the Graustein Memorial Fund still has formal staff structures in place, including an executive team, program team and operations team. But its work reflects a commitment to bridging microcultures, making hierarchy less of a barrier to staff cohesion, and engaging everyone, regardless of position, as valuable participants in shaping the future of the organization and its work. "We want to change the community perception of who we are as a foundation so we are seen as partners in achieving racial justice and equity in education, and that's making us think about how people on the outside see and interact with our culture," Woods said.

Office locations. Microcultures also can be a simple product of where we work. The Charles and Lynn Schusterman Family Foundation, for example, has 58 staff members spread across five offices in Tulsa, Oklahoma; Washington, D.C.; Atlanta, Georgia; San Francisco, California; and Jerusalem, Israel. The foundation's vice president, Lisa Eisen, said that each office has developed its own character that is distinct yet compatible with the culture of the whole organization.

In the D.C. office, for example, 17 staff members work in a space dominated by large windows, glass walls and bright colors that project a forward-looking, youthful vibe in alignment with the grantmaker's emphasis on engaging young people in Jewish life, leadership development, service and education. Eisen said the foundation's headquarters in Tulsa, the town that was home to the energy company founded by the late Charles Schusterman and run by his daughter Stacy, has a more traditional and corporate look and feel. Meanwhile, the San Francisco office, which guides the grantmaker's investments in education reform efforts, "feels more like walking into a tech start-up," Eisen said, with predominantly open, communal spaces.

Eisen said that the offices of the foundation have developed these different cultures not only because of their unique settings but also

> "We want to change the community perception of who we are as a foundation so we are seen as partners in achieving racial justice and equity in education, and that's making us think about how people on the outside see and interact with our culture."
>
> *Janée Woods*
> *Director of Organizational Culture*
> *William Caspar Graustein*
> *Memorial Fund*

> " You need to give people flexibility to develop practices and a working environment that will best allow them to meet the needs and expectations of the people and communities they serve."

Lisa Eisen
Vice President
The Charles and Lynn Schusterman Family Foundation

because it "serves the work they do." In essence, each office has developed a culture that is "comfortable and familiar" to the nonprofits and partners with whom it works. "You need to give people flexibility to develop practices and a working environment that will best allow them to meet the needs and expectations of the people and communities they serve," she said.

At the same time, Eisen said the foundation has worked hard to create strong connections across the offices and to help staff understand the different functions that different teams perform, along with the cultures that different offices have adopted to support those functions. In addition, the foundation makes extensive use of videoconferencing to bring teams from different offices together regularly, and senior staff from all offices meet twice a year in person.

Another foundation with different cultures across multiple offices is the Hawai'i Community Foundation. The grantmaker has a large headquarters office in Honolulu and several smaller offices spread across the Hawaiian Islands. The smaller offices are staffed with just two or three people who take on the entire range of foundation roles, including engagement with nonprofits, communications and donor development, with the support of headquarters.

"Staff in those offices are working under the expectation that they are key to the foundation maintaining relationships across the state, which does have different local cultures on each of our islands. Their work is about building relationships on the ground, so there is an understanding that they will work a little differently than the rest of us in Honolulu," said Kelly. "The power relationship between the foundation and nonprofits is that much more of a factor when you get off of Oahu, and so staff need to do what they can to try and mitigate that," he said.

From the board of directors to staff at different office locations, formal microcultures are part of every grantmaking organization. Understanding how the microcultures present themselves at our organizations and considering how they might support or inhibit smarter grantmaking practices can help us figure out what actions we should take.

Gates Foundation Assessment Offers Insights Into Microcultures

Steven Rice
Chief Human Resources Officer
Bill & Melinda Gates Foundation

With 1,400 employees, the Bill & Melinda Gates Foundation recently has focused increased attention on how to nurture an organizational culture that delivers on the grantmaker's goal to reduce inequity. As part of this work, the foundation has used network analysis tools developed by Babson College professor Rob Cross to map relationships and workflow across the organization. According to the grantmaker's chief human resources officer, Steven Rice, this work has provided important insights into microcultures.

"We know what the organizational chart looks like and who has responsibility for this or that issue, but mapping work and relationships in this way lets you see what is really happening on a day-to-day basis. You see where microcultures are serving the organization well, and you also see where there are siloes and roadblocks that may contribute to suboptimal performance," Rice said.

One question raised by the Gates Foundation's research was whether its regional offices have enough agency and power to be effective. Rice said that over the years, the Seattle office had developed a culture of control in relation to the regions, which were struggling through the bureaucracy.

"Honestly, we were surprised by what the research showed about how much decision-making was centralized in Seattle and how that was slowing things down for the regions, so that's an area where we are spending a lot of time and attention," Rice said. Now, Gates is moving to a culture where decision-making can be done at the lower levels of the organization, he added.

Informal Microcultures

In addition to formal structures, informal microcultures often emerge in our organizations based on people's shared backgrounds, interests and other commonalities. Staff members often forge strong connections with each other based on race or ethnicity, sexual orientation, age, or shared passions, from yoga and sports to food, pets, and political activism.

Informal microcultures can enhance the overall cultural cohesion of our organizations. Conversely, they can be perceived as subtle forms of exclusion that reinforce status hierarchies. In GEO's interviews for this publication, grantmakers talked about the following informal microcultures in their organizations:

Race and ethnicity. Many of the grantmakers GEO interviewed said they often see issues of diversity, equity and inclusion play out through the lens of the microcultures in their organizations. A couple of GEO's interviewees referred to the "high school cafeteria" scene where students divide themselves according to race or ethnicity as an apt metaphor for some of the informal segregation that happens among and across their staffs. In some cases, interviewees described this as a normal and even healthy process of people finding common bonds with others. One grantmaker, for example, talked about a small group of employees of Puerto Rican descent sharing recipes and bringing dishes to the office for the whole staff to sample. But in many cases, both white staff members and staff members of color expressed concern that microcultures and how and why they form often reveal how far philanthropy still has to go on the road to true diversity, equity and inclusion.

In the words of an interviewee who has had the experience of working in more than one foundation, "Foundations are typically white organizations, not only in their style of leadership but in the way they do business. They embody a low-risk, linear, structured, logic-model focus on short-term outcomes. Internally, staff are expected to be
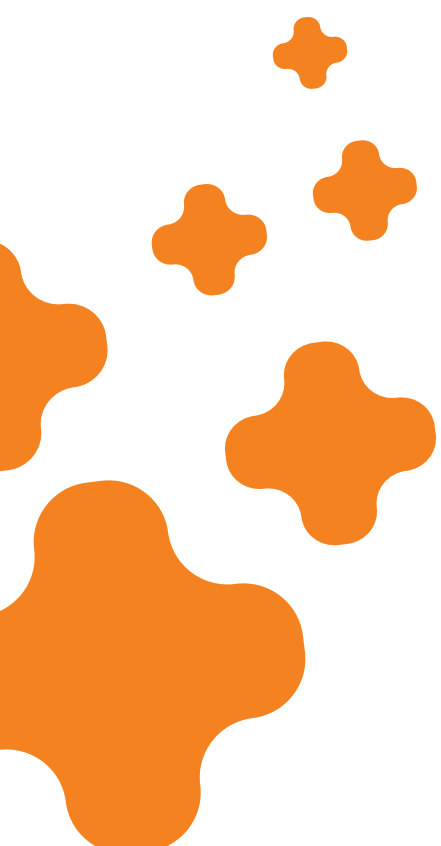
assertive — if not aggressive — thoughtful, analytic, serious, confident, and not prone to self-doubt. There's not much room for joint reflection or for conversations about alternative points of view or different potential approaches to this work."

For some of the people of color we spoke with, the dominant foundation culture is not only uncomfortable but something they struggle with daily. Consequently, microcultures are an important way in which people of color can connect with each other to provide critical ongoing mutual support. Through such microcultures, staff members find peers who can help them understand and navigate the unspoken dimensions of the larger culture.

One interviewee said, "These microcultures [of people of color] develop because you are a person of color navigating your way through a predominantly white institution, and things may be said or done in a way that are not malicious but that you need to have someone you can process it with."

GEO's exploratory interviews suggest that if grantmakers are serious about taking on issues of diversity, equity and inclusion, an important place to start is by looking at microcultures and considering what they reveal about the current culture and climate in our organizations for people of color. In addition, we should consider how these microcultures might be enlisted and supported to *strengthen* the broader culture. At the Greater Kansas City Community Foundation, which has been working to diversify its staff ranks in recent years, the microcultures that form among people of color have played important roles in orienting new employees and making them feel comfortable and welcome.

"When a lot of people join our staff, they have little to no experience working in a foundation, and so acclimating yourself to that larger culture can be hard," St. Omer said. "We want to make sure these

> "We want to make sure these microcultures aren't isolating and separating people and walling off opportunities, but at the same time we see them as a positive because they allow people to feel valued and to bring their authentic selves to work."

Denise St. Omer
Vice President for Grantmaking and Inclusion Initiatives
Greater Kansas City Community Foundation

> Microcultures based on race, national origin, ethnicity and sexual orientation can become change agents for advancing understanding, discussion and action.

microcultures aren't isolating and separating people and walling off opportunities, but at the same time we see them as a positive because they allow people to feel valued and to bring their authentic selves to work."

Many of GEO's interviewees also suggested that microcultures based on race, national origin, ethnicity and sexual orientation can become change agents for advancing understanding, discussion and action around issues of diversity, equity and inclusion. Microcultures can also play a role in highlighting the diversity of the communities in which we work. The W.K. Kellogg Foundation, for example, opens most of its convenings with a Native elder welcoming the assembled group. According to Program Officer Arelis Diaz, "The idea originated out of respect for our Native American communities and foundation staff wanting to acknowledge our Native communities' land. The staff saw that as a way to honor and respect the history and traditions of the communities and asking them to bless our time while we are on their original land and where we were doing so much of our work, and it stuck."

Age and tenure. Many of the grantmakers GEO spoke with said age and tenure in an organization can be important drivers of microcultures. Several of our interviewees noted (somewhat ruefully) that longtime staff tend to hang out together and often do not reach out proactively to incorporate new employees into their groups.

One staff member at a relatively small foundation talked about a group of longtime employees who have gone through many life events together, including weddings, raising kids, bar mitzvahs and more. "You share your life with these people and friendships form over time, and it's only natural that you develop a really strong connection," she said.

These kinds of deep connections are important and can contribute in a positive way to effective grantmaking to the extent that people form strong staff teams based on mutual respect and affection. However, divisions based on age or tenure also can reinforce power relationships in the organization (based on the assumption that older, longtime employees often are more senior employees). The more isolated and exclusive these microcultures are, the more hazardous they may be to the overall culture.

"There is sometimes a culture of longevity in foundations where a group of people who have been there a long time are perceived as having more freedom, control and proximity to decision-making power. It happens in all organizations, but it does create a bubble, and that has an adverse effect on the sense that we're all in this together," said Kelly. He noted the importance of knowledge sharing and learning to accelerate and expand access for all staff to key knowledge — in terms of both content knowledge and organizational history.

> "
> You share your life with these people and friendships form over time, and it's only natural that you develop a really strong connection."
>
> *– GEO Interviewee*

Many grantmakers GEO interviewed also mentioned microcultures forming among their younger, millennial-generation staff members. For example, Eisen said millennial employees have been an important driver in creating an overall culture at the foundation that embraces professional development, team building, technology — and a little bit more fun.

"This is a group that wants a different kind of work culture in which they are able to grow professionally, to engage with their passions and to weave their values into the work they are doing," Eisen said. As a result, Schusterman's D.C. office, for example, has launched an array of activities that engages its younger staff, including service projects, "lunch-and-learn" events every month, an office book club and holiday dinners.

Eisen said her role as manager of the D.C. office is to ensure that the "calibration" is right between microcultures and the broader culture the organization wants to create. "You want people focused on producing excellent work, and you also want a culture where they feel they are supported. So it is really about striking the right balance," she said.

Similarly, Brigham said the W.K. Kellogg Foundation has experienced "a wave of millennials" joining the staff in recent years. The effects of this influx are wide-ranging. "How people dress has slightly changed. [Millennials] also bring to the workplace this notion of not wanting to be put in boxes, including not wanting to be in their offices all day. We now have workspace in hallways and in other areas where people congregate. These are changes that are coming from the bottom, but they are encouraged and supported from the top."

Shared interests and other commonalities. Hobbies, physical activities (e.g., running and yoga), faith and spirituality, and pets can stimulate the formation of unplanned social networks from across departments in our organizations. At the Packard Foundation, there is an informal network of Peace Corps vets, while at the Surdna Foundation there is a microculture of Brooklynites, bonded by their home neighborhood. At the William Caspar Graustein Memorial Fund, a group of staff members go for a walk together on days when the weather allows. Carpools and other shared commuting arrangements also develop their own microcultures within many organizations, connecting individuals from across the organization who might otherwise not interact.

Some interviewees mentioned politics or movement work as a bonding agent for microcultures. One interviewee noted the tension that staff from activist or community-organizing backgrounds — people who are adept at analyzing and understanding power relationships — feel when they find their own power circumscribed by the larger organizational culture at every turn. They may see the most important work of philanthropy as "social justice," but that may not be a core cultural principle of the place where they work.

In other examples, interviewees from two different grantmaking organizations mentioned microcultures among introverts and extroverts. One said the challenge in managing groups that form according to different personality types is making sure that one group does not dominate meetings and that everyone has a chance to talk. "You can have a very vocal group who feed off each other and who can really command the conversation," she said. She said her response as a leader is to make sure everyone has a chance to chime in so the group is considering a wider range of opinions and perspectives on the work.

Last but not least, food is a particularly salient factor in the formation of microcultures. Rituals around food frequently were cited by GEO's interviewees as venues for the expression of a variety of informal microcultures within their organizations. Who goes to lunch with whom (and who brings their lunch) can play an important role in the inner life of the organization.

> "We now have workspace in hallways and in other areas where people congregate. These are changes that are coming from the bottom, but they are encouraged and supported from the top."
>
> *Nadia Brigham*
> *Program Officer*
> *W.K. Kellogg Foundation*

When executives have a habit of going out to lunch together, for example, it is assumed that their conversations are going to be more than just social. Meanwhile, those who frequent the office kitchen at lunchtime can develop their own microculture. Kitchen conversations often provide an illuminating look at the positive and negative aspects of the larger organizational culture. The bonds that form over lunch often spill over into the rest of the workday as staff members who eat together find friendship and common cause with others across the organization.

While they may be less visible than formal microcultures, every interviewee we spoke with was able to identify multiple informal microcultures. Informal microcultures can look very different from place to place, but they exist universally. Grantmakers should not overlook the impact that these groups can have on their organizations.

As mentioned earlier, both formal and informal microcultures matter, and examining how they form, evolve and influence the organization is critical for grantmakers who are looking to shape their culture. Strong cultures create the conditions for implementing the smarter grantmaking practices that support nonprofit success, and taking a closer look at microcultures is one step on this journey.

> Informal microcultures can look very different from place to place, but they exist universally.

Natural vs. Designed Microcultures

Scott Ballina
Senior Program Manager
for Diversity and Inclusion
Bill & Melinda Gates Foundation

As noted earlier in this publication, most of the microcultures in our organizations occur organically as people connect with peers in the course of their everyday work. However, GEO's interviews also surfaced examples of "designed microcultures" — instances where grantmaking organizations intentionally designed opportunities for microcultures to form, such as cross-functional teams, mixed-role committees, learning groups and other culture-building events.

Organizations also sometimes create microcultures (whether intentionally or not) by virtue of how they design their office space and who sits near whom. In *Shaping Culture Through Key Moments*, for example, GEO shared the story of how the Kalamazoo Community Foundation deliberately designed its office space to mix staff members in "neighborhoods" with people from different functional areas.

Sometimes, grantmakers also will lend "official" support and assistance to microcultures that coalesce informally among the staff. At the Bill & Melinda Gates Foundation, for example, the grantmaker's human resources team actively partners with staff groups that have formed based on shared aspects of human identity, including gender, race and sexual orientation.

The foundation currently supports five "employee resource groups" for staff members, including groups in the following categories: women, Latinos, African Americans, Asian Americans and LGBT people. Each of these groups emerged informally but eventually grew and took on formal sponsorship by the foundation. They now receive foundation support for activities, and they regularly schedule to use meeting rooms and other space.

Scott Ballina, the Gates Foundation's senior program manager for diversity and inclusion, said these groups have been an important source of "solidarity, support and connection" for the foundation's staff. He said the groups also have flagged important issues for the foundation and connected it to outside resources that have helped shape Gates's work on diversity and inclusion.

Now, Ballina says, the foundation is working to create more connection among and across the groups. "We want to work with them so they can help drive our work across the organization on diversity, equity and inclusion," he said. "These groups are a real source of cultural intelligence and they can help us by demonstrating for others how to tackle bias and model positive behaviors for everyone."

Barrier or Boon?
Connecting Microcultures to Smarter Grantmaking
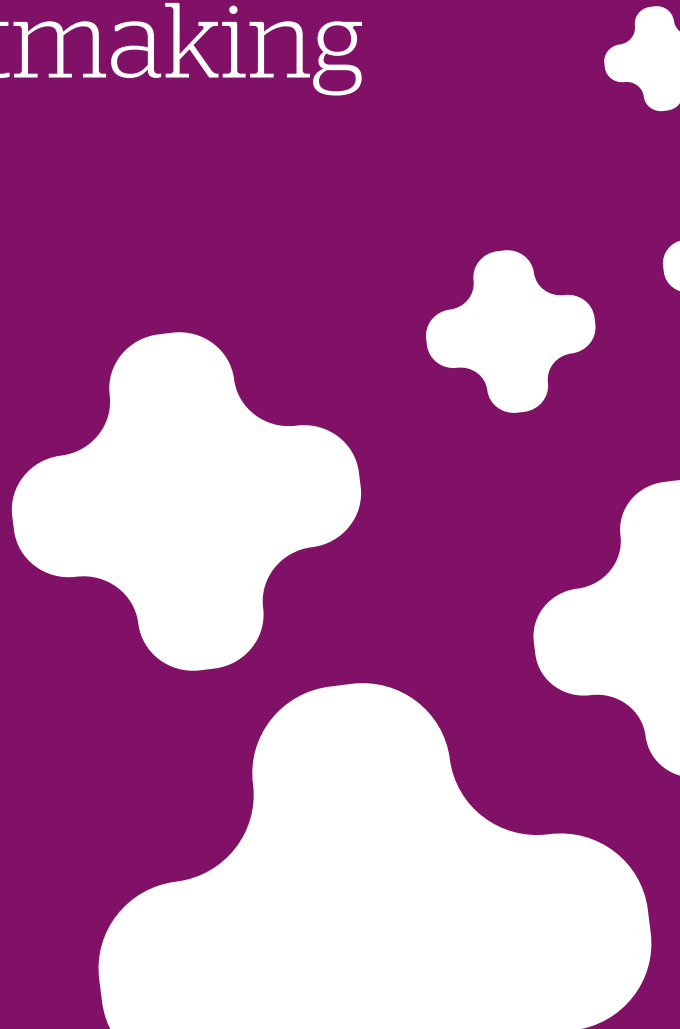
In *Shaping Culture Through Key Moments*, GEO identified some core attributes of organizational culture that contribute to smarter grantmaking and better results for nonprofits. Our work to date suggests that grantmakers with cultures that reflect these attributes will be more successful in adopting the practices that are most critical to supporting nonprofit success. They therefore provide a useful barometer for assessing both the larger culture of our organizations and microcultures. The attributes are:

- collaboration and partnership,
- diversity, equity and inclusion,
- respect and humility,
- responsiveness,
- transparency and trust, and
- curiosity and learning.

Based on GEO's interviews for this publication, we have looked across these principles at how microcultures might be a barrier or a boon when it comes to the work of building an organizational culture that supports smarter grantmaking. Please see the table on the following pages.

Barrier or Boon? Assessing the Core Attributes of Organizational Culture

Attribute	Collaboration and partnership	Diversity, equity and inclusion	Respect and humility
Goal	An organizational culture that encourages and supports boards, staff, nonprofits and other partners to work together toward shared goals.	An organizational culture that advances and embraces diversity, equity and inclusion and that supports staff and board to build cross-cultural competence.	An organizational culture that values the expertise and the perspectives of nonprofits and communities and that works to bridge the power divide between philanthropy and nonprofits.
Microcultures may be a barrier when...	• They create division and nurture rivalries and resentments among and across staff members in different departments and different roles in our organizations. • They create unnecessary separation between the board and the staff or between the board and nonprofits. • They reinforce a collective preference among their members for going it alone as opposed to collaborating with others.	• They bring people together based on race/ethnicity/ gender/sexual orientation/ gender identity/disability but have limited agency or influence in the larger organization. • They reinforce the traditional power dynamics in philanthropy in their makeup, assumptions and behaviors.	• Their members have limited or no connection to nonprofits and the communities and populations the grantmaker serves. • Their members have limited experience in the nonprofit sector and/or a shared belief in and preference for grantmaker-directed work. • They promote rivalry and disunity among and across the staff, contributing to an overall culture that fails to model respect and humility.
Microcultures may be a boon when...	• They enable and support staff to share ideas and strategies for working in partnership with nonprofits and adopting smarter grantmaking practices. • They facilitate a broader view of the organization's overall work among staff. • They nurture stronger board engagement with staff, nonprofits, partners, and the issues and communities at the heart of the organization's work.	• They are actively engaged in the broader culture of the organization and provide opportunities for mentoring and professional development for diverse staff. • They have influence and voice in ensuring the organization is more responsive and inclusive in its external work with nonprofits and communities. • They bring diverse staff together to work toward shared goals while developing cultural competence skills. • Their members embrace diversity, equity and inclusion and work on issues of cultural competence.	• They model respect and humility through listening and deep engagement with colleagues, nonprofits and communities. • They advance and promote learning and improved practice around respect and humility (e.g., stronger listening skills) among staff.

Responsiveness	Transparency and trust	Curiosity and learning
An organizational culture that prioritizes accessibility and responsiveness to nonprofits and communities, including courteous and prompt processing of communications and transactions.	An organizational culture that prioritizes open communication and trust building among and across the board, staff, nonprofits and partners.	An organizational culture that prioritizes learning for improvement as staff and board regularly assess their performance, embrace failure and explore how to do better.
• They inhibit communication across departments, potentially slowing grants processing and response times. • They develop their own individual responsiveness standards and practices, meaning nonprofits are being treated differently across the organization. • They slow response times to colleagues and nonprofits because of overwork, excessive deliberation or other factors.	• Board members do their work behind a veil of secrecy, communicating and interacting minimally with staff and nonprofits. • Board members or senior leaders make decisions behind closed doors and rarely engage or communicate with the full staff. • They isolate staff from one another and promote a broader culture of rivalry and resentments.	• They foster a shared belief that "we are the experts" and "we have all the answers." • Their members are so busy they rarely set aside time for self-assessment, reflection and learning. • They discourage discussion of and learning from failures, preferring only to focus on the organization's successes.
• They model and advocate for successful approaches to improving responsiveness and accessibility. • Their members are outward-facing, accessible and responsive in their relationships with colleagues and nonprofits.	• They prioritize open dialogue and communication with staff and work to build trust with staff and nonprofits. • Their members engage openly with the rest of the staff and transparently communicate what and why key decisions are made. • Their members model transparency and trust in their relationships with other staff, nonprofits and partners.	• They create opportunities for shared learning among staff at various levels of the organization. • They model effective approaches to self-assessment and learning for improvement — such as shared reflection, analysis of failure, review of dashboards, and engagement of nonprofit and community input.

Questions
for Grantmakers

In this publication, GEO has set out to explore the "what" and the "why" of microcultures. Our work suggests that philanthropy is still wrestling with the "how" — which means working at all levels in our organizations to ensure that microcultures contribute to smarter grantmaking and better nonprofit results.

As with so many other issues facing philanthropy, awareness is the first step to action when it comes to microcultures. Therefore, we are offering some reflective questions that can help you identify and understand the existing microcultures in your organization and the ways in which they may or may not be a positive factor in your work to help nonprofits succeed.

Consider organizing conversations with staff and board members about these questions, which we have divided into three categories: Understanding Microcultures, Connecting Microcultures to Smarter Grantmaking and Moving to Action on Microcultures.
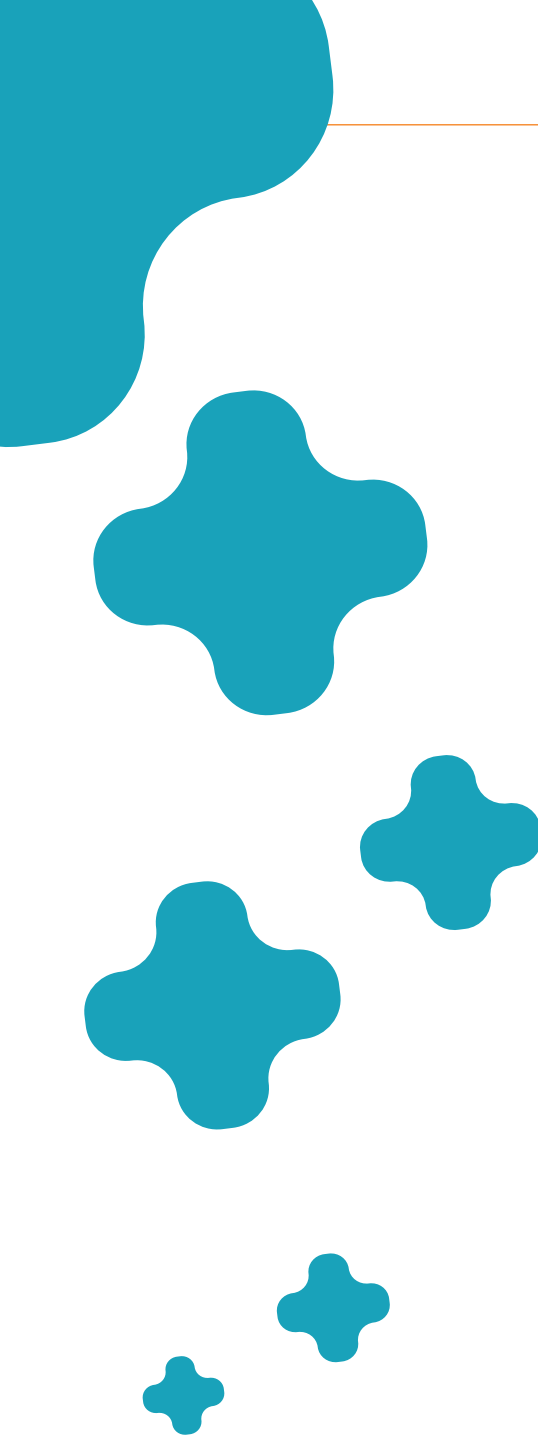
Understanding Microcultures

This set of questions will help you see and understand the microcultures in your organization and consider the role you play in the larger culture and day-to-day work.

Q *What are the formal microcultures in our organization, and how do they show up?*

- How would we define the culture of our board? Is the board culture aligned with the broader organizational culture, or is it different?

- Do different departments have unique microcultures with their own values, assumptions and behaviors?

- Are there microcultures based on people's job roles and their positions in the hierarchy of the organization? What are they, and how would we define their values, assumptions and behaviors?
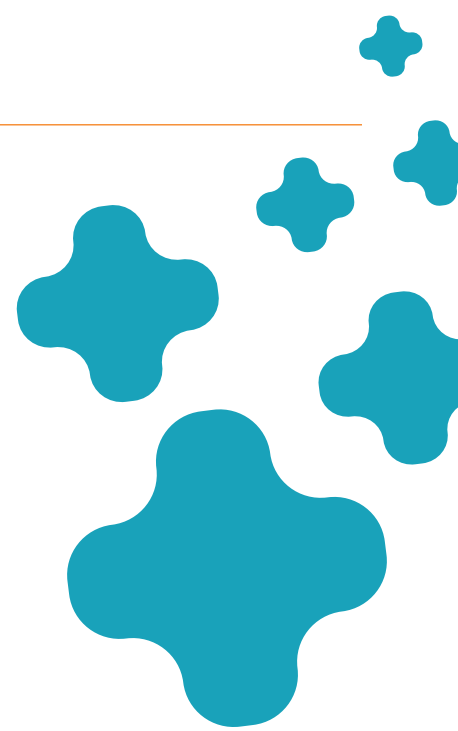
- Does our organization have multiple offices? If so, have staff in the different offices developed their own microcultures? What defines those microcultures?

- How do different microcultures in the organization interact with nonprofits and other constituencies outside the organization? To what extent do they do this in different ways?

Q *What informal microcultures exist in the organization, and how do they show up?*

- Are there microcultures based on race/ethnicity/gender/sexual orientation/gender identity? And how do the behaviors, values and assumptions of these microcultures reflect on the larger organizational culture and its approach to diversity, equity and inclusion?

- To what extent are there microcultures based on age and tenure within the organization? Are there microcultures that enable junior staff to find support and mentoring as well as opportunities to influence the larger culture?

- What are other instances of microcultures forming among people based on shared backgrounds, interests and other commonalities? How long have they existed?

- Are these microcultures changing — and if so, is that a good or a bad thing?

- How does the design of our offices support or inhibit the formation of informal microcultures?

Connecting Microcultures to Smarter Grantmaking

This set of questions will help an organization weigh how its microcultures do or do not contribute to its overall effectiveness in supporting nonprofits to succeed. For more on the connection between microcultures and smarter grantmaking, see page 39.

Q *To what extent does the existence of specific microcultures in our organization — as well as their values, assumptions and behaviors — illuminate positive or negative aspects of the larger culture of our organization?*

Q *In what ways do microcultures, or aspects of them, advance or detract from our organization's effectiveness in supporting nonprofits to succeed?*

Q *Which microcultures, or aspects of them, are helpful to our organization's broader efforts to live up to the values we espouse?*

Q *Which microcultures, or aspects of them, are proving harmful when it comes to building cohesion among board and staff, advancing our mission, and implementing smarter grantmaking practices?*

Q *How can we encourage these microcultures to influence the larger organizational culture in a positive way? What type of support might they need? In what circumstances might we decide to take a hands-off approach with these microcultures?*

Q *What can be done to help colleagues see and understand each microculture's role and place in the larger organization?*

Moving to Action on Microcultures

This set of questions will help your organization as you start to consider how to ensure that microcultures are a positive force in efforts to help nonprofits succeed. It includes questions in three categories as follows:

Work to address challenges in the broader culture that are illuminated by microcultures.

Q *Does the existence or do the behavior and values of specific microcultures indicate that our organization is falling short on important issues (e.g., cross-staff unity; board-staff relations; or diversity, equity and inclusion)?*

Q *If so, how can our organization engage members of those microcultures to explore solutions and a path forward? What are opportunities to have productive discussions with staff and leaders?*

Q *How can our organization lift up and support specific microcultures and their members as agents for positive change in the larger organization?*

Support staff and board members to create microcultures that advance the mission and contribute to organizational effectiveness.

Q *What can we do to support and cultivate key skills (e.g., management, relationship building, communications) that contribute to productive microcultures?*

Q *Are there positive and productive microcultures within our organization that could benefit from added support and recognition from the organization (e.g., space and resources for convening and events, technology/social media support)?*

Q *How can we use microcultures to enhance our organization's ability to help nonprofits succeed?*

Build bridges across microcultures.

Q *If microcultures are sowing division among staff and board members, what can we do to bring groups together and build a stronger sense of common cause?*

Q *How can we encourage staff to reach beyond the microcultures they are a part of to form stronger bonds with others across the organization?*

For an organization to be effective in pursuit of its mission, it needs to find and maintain the right balance between coherence and creative tension among its microcultures. All grantmakers can advance their understanding of how everyone on the board and staff — and all of the microcultures they are part of — can play a critical role in the success of our organizations and the nonprofits we support.

Acknowledgments

GEO would like to thank the following people for their input and feedback on this publication:

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