

PRINCIPLES FOR

# Effective Education Grantmaking

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ROADMAP FOR RESULTS IN  
EDUCATION PHILANTHROPY

MAY 2005

## grantmakers<sup>for</sup>education

Grantmakers for Education's mission is to strengthen philanthropy's capacity to improve educational outcomes for all students. We achieve this mission by:

1. Sharing successful strategies, effective practices and lessons that exemplify responsive and responsible grantmaking in education.
2. Creating venues for funders to build and share knowledge, debate strategies, develop leadership, collaborate and advocate for change.
3. Gathering and interpreting data to illustrate trends, highlight innovative or proven educational approaches and support informed grantmaking.

Grantmakers for Education developed *Principles for Effective Education Grantmaking* with extensive input from its network of members and direction from its board of directors. As a starting point for this project, we used "Raising the Value of Philanthropy" (January 1999), prepared by Denis Prager for Grantmakers in Health. In addition, we acknowledge the contributions of Robert Martin of Community Planning & Research, who helped refine and improve the final draft of the principles.

## PRINCIPLES FOR

# Effective Education Grantmaking

Grantmakers for Education's *Principles for Effective Education Grantmaking* seeks to promote the wisdom, craft and knowledge education funders need to achieve maximum results.

Education is a cornerstone of the American Dream. Our country and our communities are made stronger by education systems with talented instructors and leaders, excellent instructional materials and the promise that every student will have the opportunity and support to achieve their full potential. For everyone—but especially for poor or immigrant families—skills and knowledge are tickets to self-sufficiency, personal fulfillment and civic participation. Strong educational outcomes lead to strong democratic, economic and social systems.

Philanthropy is uniquely positioned to help improve education institutions, programs and systems. Grantmakers bring—in addition to their working capital—a unique ability to take risks, create knowledge and act objectively for the greater good. These assets can be powerful tools for change and improvement in education, but only if they are deployed wisely.

Effective education grantmaking changes the lives of students. It does so by impacting educational outcomes, influencing policies and practices, engaging and empowering stakeholders

and leveraging other public and private resources. Effective grantmaking is not accidental; it is deliberate, well-conceived and well-executed. Grantmakers succeed by gathering knowledge, identifying needs, being clear about the results they seek to achieve, taking appropriate risks and carefully directing their resources to maximize impact and influence. *Principles for Effective Education Grantmaking* serves as a roadmap to foster excellence in these practices by education funders.

## PRINCIPLES FOR EFFECTIVENESS ADVANCE THE FIELD

To guide our programs and activities for funders and donors—and to ensure our efforts are truly helping grantmakers improve and succeed—Grantmakers for Education has prepared the *Principles for Effective Education Grantmaking*. These principles inform the design and content of our work and help us evaluate our effectiveness as an organization.

In addition, we hope the principles inform the larger field of education philanthropy. We do not intend this document as a checklist of activities, or to suggest that grantmaking is a

simple, mechanical process. Instead, we hope the principles challenge grantmakers to reflect on *why* and *how* they pursue their work.

“Education philanthropy” encompasses a wide variety of philosophies and strategies. Grantmakers can work to change the lives of individuals, what happens in schools and classrooms or the policies of entire education systems. While all eight *Principles for Effective Education Grantmaking* are important and interrelated, individually they may have more or less relevance depending on the scope and style of a funder’s work. We believe all foundations and donors should embrace and integrate these principles as best they can with their unique resources and capabilities.

Grantmakers cannot control every factor that contributes to the success of their grants, especially in a system as complex and political as education. Nonetheless, we believe the *Principles for Effective Education Grantmaking*—if carefully considered and conscientiously applied to more grantmaking—offer a framework for strengthening the field. We ask program staff, CEOs,

trustees and donors to use the principles both to reflect on their own efforts and to generate conversations about their work and their results.

We also invite feedback and reaction. As we put these principles to practice and our knowledge develops about what uniquely helps education grantmakers be effective, we plan to periodically reassess these principles and revise this document. We encourage education funders to share their experiences in applying these principles and improving their practices.

In the end, we hope these principles affirm a set of positive attitudes about the future—that philanthropy, done wisely, can contribute solutions to the problems that prevent too many students from learning and achieving.

MAY 2005

PRINCIPLES FOR

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# 1

## Discipline and Focus

In education, where public dollars dwarf private investments, a funder has greater impact when grantmaking is carefully planned and targeted.

- Choose a discrete, manageable area of work.
- Define the need you are trying to address. Decide if you are trying to improve an individual's opportunities, a school's performance or the way the system works for all schools.
- Consider where you can add maximum value and how you can leverage both your assets and capabilities to address a problem.
- Control the natural tendency to branch out into many areas.
- Balance focus with a willingness to respond to unforeseen developments.

### QUESTIONS TO CONSIDER

- What is the education problem we hope to address? Which parts of the problem do we expect to change? Can we tackle this problem on its own, or do we need to address related issues in order to have an impact?
- What assets do we offer and how can we play a unique role as a catalyst for change to address this problem?
- Given the resources we are prepared to devote (funds, technical assistance, leadership, others), can we realistically impact the education problem we have identified?
- How does this area of work in education relate to any other grantmaking we are doing?

# 2

## Knowledge

Information, ideas and advice from diverse sources, as well as openness to criticism and feedback, can help a funder make wise choices.

- *Understand the problems in education:* needs; social, political and economic landscapes; federal, state and local education policies and priorities; barriers to progress; limitations of working for change from outside or inside the system; and links between education problems and other areas such as youth development and community development.
- *Understand the field of education philanthropy:* where and how other funders are working on similar issues; what is being learned from this other work; and the assets and expertise other funders, networks and organizations offer.
- *Understand the opportunities:* histories, politics and cultures of communities in which you operate, as well as their readiness for change; exceptional leadership in the field; practices and strategies for addressing specific education problems that are research-based and experience-proven; new knowledge that is needed by the field; and principal points of leverage.
- *Understand how organizations change:* ways large, complex organizations and systems such as schools and universities change (or resist change); the incentives and disincentives that influence them; and the roles of culture, leadership and politics.
- Avoid parochialism and isolation by reaching out to both theorists and practitioners for ideas and help.

### QUESTIONS TO CONSIDER

- Which education solutions should we promote in our philanthropy? Why?
- Given our unique capabilities and resources, what are our best points of leverage for making a difference on the problem we've identified? Why do we have confidence in these leverage points?
- Do we need to be mindful of any economic, cultural, social or political influences at play? Will public policy need to be changed to ultimately solve the problem we want to tackle?
- What is the history of the issue we hope to address? Is this a new problem, a long-standing problem or a new form of a persistent problem?
- Who else has been tackling this problem? Who are the experts versed in this issue? Community and service providers? Other funders? What have they learned? What strategies have worked and not worked? Why? How certain are we that any new efforts we plan to support will do no harm?
- Who has the power to address the problem's root causes? What motivates them?
- What are our most basic assumptions about our work, and how can we verify them?

# 3

## Resources Linked to Results

A logic-driven “theory of change” helps a grantmaker think clearly about how specific actions will lead to desired outcomes, thus linking resources with results.

- Make assumptions about how your efforts will create change explicit: which actions are likely to achieve the change you desire? Why? How?
- Determine the types and levels of resources (financial, technical, etc.) that will be needed to produce the proposed actions. Consider the agendas and capacities of prospective grantees and other stakeholders.
- Specify the measurable outcomes you intend to result from the proposed actions. Describe how these outcomes will lead logically to the ultimate impact you seek to achieve.
- Identify which elements in your plan are fact-based or measurable and which rely on informed assumptions.

### QUESTIONS TO CONSIDER

- What is the ultimate “big picture” impact we hope to accomplish? What is the “starting point”—where we are today?
- What are the specific, measurable outcomes we seek to achieve? What actions are realistically able to produce these outcomes? How?
- Do we know these outcomes will create the desired impact, or is this an assumption?
- How does our philanthropy help enable the right actions to achieve the right outcomes? What strategies will we engage in and what activities will we pursue?
- Are we most effective supporting these actions through reactive or proactive grantmaking? Short-term or long-term grantmaking? Funding direct services versus activities that influence how services are provided, such as research, advocacy and capacity building?
- How will we know whether we’ve achieved the intended outcomes?

# 4

## Effective Grantees

A grantmaker is effective only when its grantees are effective. Especially in education, schools and systems lack capacity and grantees (both inside and outside the system) may require deeper support.

- Perform due diligence in selecting grantees; look for strong leadership and consider their administrative and fiscal health and not just their program work.
- Ensure a good fit exists between your focus and resources and those of each partner—and that the work to be accomplished is a priority for all participants.
- Set realistic and clear expectations about contributions and outcomes for all grantees and other partners.
- Tailor grants and procedures to support grantees' work. Link the funded work to the broader goals of grantees.
- If appropriate, develop a clear plan for how grantees will sustain efforts after the grant period.
- Balance working with existing partners and established organizations with a willingness to support new leaders and ideas.

### QUESTIONS TO CONSIDER

- What sort of grantees will best advance the work we hope to accomplish and create new possibilities for success? Established organizations and leaders? New or young leaders and start-up organizations?
- Do our grantees have the capacity and leadership necessary to implement the project effectively? Do they use resources effectively?
- What can we realistically expect of our grantees? Would an investment in infrastructure improve the likelihood of long-term success for our project? Would operating and/or multi-year support be most helpful in this circumstance?
- Do all partners have a clear understanding of and support for the project's intended outcomes? Are we all clear about expected contributions?
- Does the project require a one-time effort or will it need to continue past the grant period to achieve maximum impact? Who will sustain this work, and how? Are we assuming public funding or other private investment will take over after our grant and, if so, how will we ensure this transition actually happens?

# 5

## Engaged Partners

A funder succeeds by actively engaging its partners—the individuals, institutions and communities connected with an issue—to ensure “ownership” of education problems and their solutions.

- Provide the means for stakeholders to help define the problem, identify viable solutions and participate in the design of the intervention.
- Help build a broad constituency in support of solving the problem.
- Engage and respect a diverse range of community stakeholders.
- Resist the temptation to think that grantmakers have the answers.

### QUESTIONS TO CONSIDER

- Is there broad awareness of the problem we want to try and solve and of the possible solutions? How can we engage more people in helping us identify and work on viable solutions?
- How have we actively sought the advice of stakeholders engaged in solving this problem? Whose perspective is missing?
- Have community partners helped us define the problem? Propose solutions? Plan the intervention?
- Is there broad consensus on an effective course of action? Disagreement? Passion? Apathy? Why? How could we develop greater buy-in and support? If there isn't consensus, how will we move forward?
- Is our project promoting honest communication and feedback?
- Do individuals or community members have the means to make progress on the problem themselves? Or do they need to change government policies and priorities?

# 6

## Leverage, Influence and Collaboration

The depth and range of problems in education make it difficult to achieve meaningful change in isolation or by funding programs without changing public policies or opinions. A grantmaker is more effective when working with others to mobilize and deploy as many resources as possible in order to advance solutions.

- Use all your assets—not just financial resources—to attract other partners and to increase the likelihood of success. Employ your organization’s knowledge, ability to convene stakeholders, reputation, visibility and communications capacity.
- Consider whether local, state or federal public policies and priorities can be a tool—or, conversely, whether they must be changed—to solve the problem on which you are working.
- Value collaboration and coordination with other funders. Work in tandem or as partners whenever possible to tackle a specific need, problem or geographic area.

### QUESTIONS TO CONSIDER

- Who are the other funders working on the problem we are trying to address? What resources do they offer? How might we work with them to achieve greater impact? To prevent duplication of efforts?
- Can the activities we’re supporting be successful in the long-run without changes to education policies? How can we advocate for changes in public policy? What should be our role vs. the role of our grantees?
- Do public policies or funding decisions—for example, new legal mandates for educators or a government-funded pilot program—offer leverage for achieving desired outcomes? Are they an obstacle?
- Are the solutions we’re proposing in education supported by public opinion—or do they run counter to it? Does the political will exist to make and sustain large-scale changes in education? Should our foundation’s efforts seek to influence public will and opinion? If so, how will it do so?
- Are we mobilizing all of our organization’s assets—including its reputation/leadership in the community and the knowledge of its donors or staff—to support desired outcomes? Which assets can be deployed strategically or creatively in order to produce cascading or “snowballing” impacts?

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# 7

## Persistence

The most important problems in education are often the most complex and intractable, and will take time to solve.

- Commit to work for sufficient time to gauge results and make a lasting difference.
- Determine explicitly whether and when an exit strategy is appropriate.

### QUESTIONS TO CONSIDER

- How long do we need to work before we should expect to see results? Before we have created sustainable change?
- Are we willing and able to commit the resources required to “go the distance?”
- If for any reason we decide to withdraw resources, how will we preserve the investment we’ve made—for ourselves and for our partners?
- What information, knowledge or results would cause us to change our grantmaking strategy?



## Innovation and Constant Learning

Even while acting on the best available information—as in Principle #2—a grantmaker can create new knowledge about ways to promote educational success. Tracking outcomes, understanding costs and identifying what works—and what doesn't—are essential to helping grantmakers and their partners achieve results.

- Be clear about what you want to learn from your grantmaking.
- Consider supporting new, promising, perhaps unproven ideas in order to move the field forward. Innovate and take risks that have the potential to advance solutions.
- Draw on your logic model or strategy—from Principle #3—to establish measurable goals and identify milestones. At each milestone and at the project's conclusion, assess your success, adjust assumptions and revise strategies and implementation efforts to improve future outcomes.
- Use rigorous, appropriate methods to gather and analyze information. Understand research options—from needs assessment to cost-benefit analysis, from process to outcomes evaluation—and which are best to help you (and grantees) achieve desired learnings.
- Whenever possible, publicly release significant information about the results of your grantmaking and what has been learned—both successes and failures. Understand and communicate the uses and limitations of research and evaluation data.
- Stay engaged with grantees while grants are being implemented to learn from and leverage their work.
- Remain adaptable to new ideas and open to unexpected learning.
- Admit when you are wrong or grants do not turn out as expected.

### QUESTIONS TO CONSIDER

- How can we maintain a rigorous focus while remaining adaptable and open to new ideas?
- Do we have measurable outcomes that derive from our rationale for change (from Principle #3)?
- Do our grantees have clear, measurable outcomes for their work, and do these align with our intended outcomes? How are we keeping communication channels open with our partners?
- Have we committed an appropriate level of resources to evaluation based on what we want to know or learn?
- Do we understand how to use applied research in order to address the questions we hope to answer? Do our partners? Do we need outside expertise or support for our evaluation?
- Does our organizational culture support admitting mistakes? How do we learn from failure? How do we support our grantees in admitting and learning from unexpected outcomes?
- How can we work with other foundations to answer some of the most pressing questions facing our grantees?
- Do we publish and disseminate our learnings?

# Resources

Grantmakers for Education suggests the following resources and readings as additional tools to help funders improve the effectiveness of their work in education and to put our principles into practice.

Grantmakers for Education. (2003-2005). *Notebook*. Each newsletter issue contains four essays on effective education grantmaking. [www.edfunders.org/knowledge](http://www.edfunders.org/knowledge)

Grantmakers for Education. (2003). *Maximizing Impact: Essays on Improving the Effectiveness of Education Philanthropy*. [www.edfunders.org/knowledge](http://www.edfunders.org/knowledge)

Ostrower, Francie. (2004). *Attitudes and Practices Concerning Effective Philanthropy*. Urban Institute. <http://www.pnnonline.org/article.php?sid=5176&mode=thread&order=0&thold=0>

## PRINCIPLE NO. 1:

### Discipline and Focus

Porter, Michael E. and Mark R. Kramer. (November/December 1999). "Philanthropy's New Agenda: Creating Value." *Harvard Business Review*. Order online at: <http://www.harvardbusinessonline.com>

Ylvisaker, Paul N. (1989). *Small can be Effective*. Council on Foundations.

## PRINCIPLE NO. 2:

### Knowledge

Barton, Paul. (2003). *Parsing the Achievement Gap*. Educational Testing Service. [www.ets.org/research/pic/parsing.pdf](http://www.ets.org/research/pic/parsing.pdf)

Education Trust. (2004). *Education Watch: Key Facts and Figures for Achievement, Attainment and Opportunity from Elementary School through College*. [www2.edtrust.org/edtrust/summaries2004/USA.pdf](http://www2.edtrust.org/edtrust/summaries2004/USA.pdf)

Katherine Fulton and Andrew Blau. (2005). *Looking out for the Future: An Orientation for 21st Century Philanthropists*. Monitor Company Group. [www.futureofphilanthropy.org](http://www.futureofphilanthropy.org)

Grantcraft. (2003). *Scanning the Landscape: Finding Out What's Going On In Your Field*. [www.grantcraft.org/catalog/guides/index.html](http://www.grantcraft.org/catalog/guides/index.html)

Grantmakers for Education. (2002). *Closing the Gap: Report on 2002 Conference*. [www.edfunders.org/knowledge](http://www.edfunders.org/knowledge)

"SchoolMatters" website. [www.schoolmatters.com](http://www.schoolmatters.com)

## PRINCIPLE NO. 3:

### Resources Linked to Results

Friedman, Mark. (2000). *Results Based Grant Making: An Approach to Decision Making for Foundations and Other Funders*. Fiscal Policy Studies Institute. [www.resultsaccountability.com/PDF%20files/Results%20Based%20Grantmaking.pdf](http://www.resultsaccountability.com/PDF%20files/Results%20Based%20Grantmaking.pdf)

Frumkin, Peter. (2005). *Strategic Giving and Public School Reform: Three Challenges*. Prepared for American Enterprise Institute conference, "With the Best of Intentions: Lessons Learned in K-12 Education Philanthropy." [www.aei.org/events/type.upcoming,eventID.959,filter.all/event\\_detail.asp](http://www.aei.org/events/type.upcoming,eventID.959,filter.all/event_detail.asp)

W.K. Kellogg Foundation. (rev. 2004). *Logic Model Development Guide*. [www.wkcf.org/Pubs/Tools/Evaluation/Pub3669.pdf](http://www.wkcf.org/Pubs/Tools/Evaluation/Pub3669.pdf)

Kramer, Mark. (May/June 2001). "Strategic Confusion." *Foundation News & Commentary*. [www.foundationstrategy.com/perspectives/kramer.asp](http://www.foundationstrategy.com/perspectives/kramer.asp)

PRINCIPLE NO. 4:

## Effective Grantees

The Center for Effective Philanthropy. (2004). *Listening to Grantees: What Nonprofits Value in their Foundation Funders*. [www.effectivephilanthropy.org/publications/publications\\_overview.html](http://www.effectivephilanthropy.org/publications/publications_overview.html)

Grantcraft. (2003). *Working with Start-Ups: Grant Makers and New Organizations*. [www.grantcraft.org/catalog/guides/index.html](http://www.grantcraft.org/catalog/guides/index.html)

Hooker, Michael. "Moral Values and Private Philanthropy." *Social Philosophy & Policy*. Vol. 4 Issue 2. [www.grantcraft.org/catalog/moretools/index.html](http://www.grantcraft.org/catalog/moretools/index.html)

PRINCIPLE NO. 5:

## Engaged Partners

Friedman, Will and Aviva Gutnick with Jackie Danzberger. (1999). *Public Engagement in Education*. Public Agenda. Order online at: [www.publicagenda.org](http://www.publicagenda.org)

Public Education Network. (2003). *Communities at Work: Strategic Interventions for Community Change*. [www.publiceducation.org/pdf/Publications/Public\\_Engagement/CAW\\_report.pdf](http://www.publiceducation.org/pdf/Publications/Public_Engagement/CAW_report.pdf)

PRINCIPLE NO. 6:

## Leverage, Influence and Collaboration

Council on Foundation. (2003). *Collaboration: A Selected Bibliography*. [www.cof.org/files/Documents/Conferences/AC2003/AC%202003%20Handouts/BIB-1.pdf](http://www.cof.org/files/Documents/Conferences/AC2003/AC%202003%20Handouts/BIB-1.pdf)

Edmonds, Patricia. (2004). "Talking the Walk: Strategic Communications in Philanthropy." *Talking the Walk: A Report from Foundation for Child Development*,

October 2004. [www.fcd-us.org/uploaddocs/fcd04annualreport.pdf](http://www.fcd-us.org/uploaddocs/fcd04annualreport.pdf)

Ferris, James M. (2003). *Foundations & Public Policymaking: Leveraging Philanthropic Dollars, Knowledge and Networks*. Center on Philanthropy and Public Policy. [www.usc.edu/schools/sppd/philanthropy/pdf/FPP\\_report.pdf](http://www.usc.edu/schools/sppd/philanthropy/pdf/FPP_report.pdf)

Grantmakers for Education. (2003). *Maximizing Impact: Report on 2003 Conference*. [www.edfunders.org/knowledge](http://www.edfunders.org/knowledge)

Heifetz, Ronald A., John V. Kania, & Mark R. Kramer. (Winter 2004). "Leading Boldly." *Stanford Social Innovation Review*. [www.ssireview.com/pdf/2004WI\\_feature\\_heifetz.pdf](http://www.ssireview.com/pdf/2004WI_feature_heifetz.pdf)

Peterson, Julie. (2002). *The Collaborative Fund Model: Effective Strategies for Grantmaking*. Ms. Foundation for Women. [www.ms.foundation.org/user-assets/PDF/Program/collab\\_fund\\_model.pdf](http://www.ms.foundation.org/user-assets/PDF/Program/collab_fund_model.pdf)

PRINCIPLE NO. 8:

## Innovation and Constant Learning

Kramer, Mark, "Foundations Don't Understand What It Means to Take Risks," *Chronicle of Philanthropy*, September 7, 2000. [www.effectivephilanthropy.com/publications/articles/00\\_09\\_07\\_take\\_risks.htm](http://www.effectivephilanthropy.com/publications/articles/00_09_07_take_risks.htm)

Mott, Andrew. (2003). *Evaluation: The Good News for Funders*. Neighborhood Funders Group. [www.nfg.org/publications/evaluation.pdf](http://www.nfg.org/publications/evaluation.pdf)

Orosz, Joel, Cynthia Phillips, and Lisa Wyatt Knowlton. (February 2003). *Agile Philanthropy: Understanding Foundation Effectiveness*. Grand Valley State University: Johnson Center for Philanthropy and Nonprofit Leadership. [www.npgoodpractice.org/PDF/Article42.pdf](http://www.npgoodpractice.org/PDF/Article42.pdf)

Grantmakers for Education is philanthropy's knowledge source for achieving results in education. By connecting effective education strategies with effective grantmaking strategies, we help foundations and donors leverage their investments to improve achievement and opportunities for all students. Founded in 1995, we are a national association of over 200 philanthropies that offers professional development, information and networking to grantmakers.

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