**Listening To What Nonprofits Really Need: The “What” And “How” Of Building Understanding**

Speaker: Mena Boyadzhiev, Director, Assessment and Advisory Services, The Center for Effective Philanthropy

All right. Welcome back, everyone from your lunch breakfast snack jog, depending how quick you are, whatever you had the chance to do to get your energy flowing and our break nap before coming back into these two back to back sessions we have now which are picking up as I mentioned on so many of the themes and great questions and commentary that came up earlier in the day today. For our first session, I'll be able to turn the virtual and literal microphone over to my colleague on the line in just a moment. And this is such a great way to start to pick up on some of the questions that came up earlier about turning some of that guidance into practical ideas and recommendations for how to really more truly and deeply ask the right questions to understand what the need is, and direct philanthropy resources, partnership, all in service of the true underlying need. So with that, I'm going to turn it over to my colleague from CBP.

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Well, thank you so much, it is truly a pleasure to be here. And I'll go ahead and get started. I want to start by saying well, first of all, I hope everyone can hear me and see me. But I do want to start by saying how wonderful it is to have the opportunity to be a part of the summit among such an incredible group of leaders and speakers. And I'm very, very thankful for taproot for putting this summit together. And so first, I'd like to briefly introduce myself. My name is Mina boy g of I use she her pronouns, and I'm a white woman with brown hair. I work as a director for the Center for effective philanthropy or SI P. And in our time today, I'll share some of what we've learned at CEP in our work with nonprofit organizations for more than a decade, about the importance of listening closely and carefully for the organizations that you seek to support in order to better understand their areas of greatest need. We'll discuss some research that CP has done on the topic, as well as a framework for listening closely to organizations that you seek to help. And as we go forward, please put any questions or reactions that you might have any ideas in the chat. And then at the end, we'll hold some time for your questions.

So let me start by telling you a little bit about the Center for effective philanthropy. We are a nonprofit organization, and you can see our mission here. It's to provide data and create insight to help funders improve their effectiveness. We do this work because we believe effective donors who work together in a collaborative and thoughtful way can meaningfully contribute to creating a better and more just world. And though most of our offerings are geared toward philanthropic funders, they focus on principles that can apply to anyone working with nonprofit organizations, whether you're a funder or a volunteer, providing pro bono support to an organization that you care about. The elements that help foundations, strengthen relationships with their grantee partners include things like being responsive, approachable, clear and consistent in your communications. And that's important for anyone partnering with a nonprofit organization in which the relationship includes a power differential. And why is there a power dynamic in these relationships? Well, whether you're providing funding through a grant or a pro bono services, nonprofits are receiving something that they need, that they're not paying for and that you are providing. This creates an imbalance in that relationship. And that imbalance is important to have in mind in your work together.

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We believe that when you work with nonprofits, listening is key to understanding how you're doing and how you can improve. And one of the best ways to do this is to ask for feedback. So the thing that we see EP are probably best known for, especially for those of you who are in the philanthropic sector is our grantee survey. It's the most widely used grantee survey in the philanthropic field. And it helps funders get feedback from their grantees and is designed to control the power dynamic in their relationship. And it's really important to learn from grantees perspectives, but difficult to truly get feedback that's candid from those you support. It can get be hard and uncomfortable for anyone receiving funding to share with a person giving them that funding, what might not be working so well. So to account for this, we ensure that our surveys are entirely confidential and they are administered through a third party. And also the experience of getting funding or getting any support is inherently positive. So we control for that positivity. By benchmarking each funders ratings against more than three 100 others in our comparative data set that lets us contextualize any feedback that a funder receives. And now I want to highlight some of the questions that we asked in our grantees survey that specifically relate to the types of capacity building support that nonprofits receive. So we always ask about non monetary support in our grantee surveys. And coming up next year, we've added the two questions that you see here. We update our survey questions periodically, to ensure that they get at what funders want to know, and what our profits want their funders to know. And so we develop both of these questions based on the suggestions and feedback of nonprofit organizations who participated in a series of focus groups with us. So on the left, you can first see quite factually a question about the types of support that nonprofits receive. Some of these options include field building systems, program assistance, dei support, and so on. And on the right, we ask some more perceptual questions about how nonprofits feel about that support, if it met an important need for the organization or program if it's strengthen their work, if it was a good use of their time. And if they think their funder would be open to feedback about the support.

And you might be wondering, how could it be that an organization receives support that doesn't necessarily meet their needs, or strengthen their work? And actually, one thing that we heard in these focus groups and in fact, over the years in our grantee surveys is this is unfortunately, sometimes the case, as I'll share in a bit. Funders aren't always as aware of grantees needs as they think they are. And grantees might actually hesitate to ask for what they need the most. The power dynamic between grantees and funders can lead to this mismatch. And we can work more effectively to listen to nonprofits when they discuss their needs and their challenges. So I mentioned some data that CDP has collected about funders providing support to nonprofits and how they do so I'll share some of the takeaways from that research, which come from this report. You see here strengthening grantees. It's based on data analysis from surveys of two groups, CEOs of foundations that make more than $5 million dollars annually in grants, and CEOs have a sample of national grant seeking organizations. And again, though this research is focused on the relationship between funders and nonprofits. The challenges and the takeaways can also be applied in the context of providing pro bono support to organizations. So I'll start by sharing the three main takeaways from this report. The first, what you see here is that foundations are not as in touch with nonprofits needs as they think they might be. And now one thing is clear, this is not a failing and funders attentions. Almost all foundation leaders told us that they cared about grantees organizational health, and feel responsible for strengthening the organizations they fund. But many nonprofits told us they didn't feel the majority of their funders seem to really prioritize their organizational strength and sustainability.

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So when it comes to awareness of nonprofits capacity needs, we see that nearly all foundation leaders 87% say that they believe they understand the organizational needs of the nonprofits they fund. But when we asked nonprofit leaders on the other hand, more than half say that few or even none of their foundation funders even asked about their needs beyond funding, the types of challenges they may have with technology or staffing, for instance. And this sets us up for miscommunications. And that brings us to our second finding. Both nonprofits and foundations have a role to play in closing the gap between the support nonprofits need and the support foundations provide. This is the heart of the miscommunication. And we know it will take action from both sides, funders and nonprofits to solve. Both groups have an opportunity to close this gap.

We asked funders how they decide what sort of supports to provide grantees. And you can see here how they responded. Most often, they make this decision based on whether they believe grantees are ready to provide to receive the support, which does sound a bit paternalistic, I worry, but that's actually not the biggest takeaway here. nearly the same proportion 78% of funder CEOs say that they make decisions about what to provide by relying heavily on what grantees are asking for. Now, that seems quite responsive, it seems very fair. But it also encouraged us as encourages us to ask how do nonprofits decide what types of support to ask their funders for? Now, here's our third finding. And it's probably no surprise to many folks in this room. Nonprofits really need help with fundraising, with staffing and with communications, among others. But what do nonprofits tell us they actually need? Got it, not totally sure what happened looks like I got kicked off of zoom. so terribly sorry, but I think we may as well just pick up where we left off. So we were talking about is how nonprofits decide what to ask their foundation funders for. And what they asked for, as you can see on this screen is what they think their funder would be willing to fund. They asked for this type of support more than any support that would necessarily improve their organization's future sustainability, or came out of the results of a need assessment. And so in just a moment, also, you may just be curious, what forms of support do nonprofits actually want in order to strengthen their organizations. And so we had CP have put together a chart based on nonprofits feedback, various types of support that they need, and that they asked for, from their funders. And before you start digging in, because I know that there is a lot going on on this chart, let me just take a moment to describe how we set it up. On the vertical axis, we have plotted various different types of capacity building support, based on the extent to which nonprofits say they need that kind of support. So higher up means nonprofits identified something as a greater need. And then when we look from left to right, on the horizontal axis, we see the responses from foundation leaders about how commonly they're asked to provide each type of support. So what's the story here? What do nonprofits tell us they actually need?

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Primarily, that's assistance with their fundraising, we see this in the upper right corner. And foundation CEOs also see that their nonprofits are requesting it. So this is not a miscommunication. But in the upper left, the highlighted area here, we see other forms of support that nonprofits say they need but funders tell us aren't often being asked about. Primarily, this includes things like staffing and communication support, along with it, leadership support, performance, measurement, and more. All areas of significant need, that that foundation CEOs say their grantees don't ask for as much. So we see that there's a real opportunity to have a deeper impact on nonprofits by providing forms of support that they may need, but hesitate to ask for nonprofits tell us that stronger relationships with funders help them be more honest about their needs. And funders need to be transparent about their work to set the tone for those relationships. So how can we work on that, especially if you're a funder or a pro bono volunteer or anyone in a relationship with an unbalanced power dynamic? How can you work to improve that, and we believe that is through listening equitably? And effectively. This means being willing to listen differently. When you're in a relationship with a power dynamic. Whether you're a nonprofit, or a funder, or nonprofit and a volunteer, it's important to recognize that power. And that might mean letting go of some assumptions or some practices that you may use in other settings with other groups that don't include that power dynamic. It might mean letting go of what you think an organization needs, and how your skills align and being willing just to listen to them. It also means listening carefully, as we adjust discussed in our research, a pretty large portion of nonprofits decide what type of support to ask for not always based on what they need, but based on what they thought someone else might be willing to give them. That's troubling. And it tells us that it may not be enough to simply ask directly what someone needs. But to find other ways of listening carefully. Ask for feedback.

Ask grantees to talk about their challenges, or what they've seen be successful with other funders or volunteers or in other organizations to help them open up and listening should also be comprehensive. That means to go beyond asking what nonprofits needs, and also learn on your own about an organization about the sector in which they work and challenges from other organizations in the field, and trying to deepen your understanding about the people and the communities that a nonprofit seeks to serve. In our analysis at CDP grantees feedback, we found that building this contextual understanding is one of the most robust drivers of a strong Relationship with nonprofits. And then last but certainly not least, listen only when you're willing to act on what you hear. We want to avoid the practice of extractive listening, which is when a power dynamic makes listening not as effective or helpful as it could be, and to listen in a more equitable way. So when you officer listen or ask a question, ask yourself, if you are truly open to acting on what you hear, will this create benefit for nonprofits. And so taken together, this might mean that you realize through careful and comprehensive listening, that you and your team maybe might not be a good fit for an organization or that someone else can provide the support they need. Or alternatively, listening effectively can help you be more aware of the skills that you can use in a partnership with an organization to address their challenges and make an even greater impact on a field issue or community that you care deeply about.

So now let's bring it all back, I want to leave you with the following takeaways. First, there is a real and meaningful power dynamic that exists whenever you're partnering with a nonprofit to provide them with support, whether it's funding or pro bono technical assistance. And that means that sometimes there may be a gap between what they may ask for and what else they may need to strengthen their work. And it also, we also learned that it takes careful, close listening, to be able to really understand how you can meet the needs of a nonprofits you support, so that together, you're able to make even more of an impact on the causes and communities you care about. And if you'd like to learn more about this topic and follow our work, I invite you to visit the Center for effective philanthropies website, we have many free publicly available resources that you can access, along with a fantastic blog, where you can read more about ways to partner effectively from nonprofits with many amazing nonprofit and philanthropic leaders. And if you have any questions for me, you can find me on LinkedIn or over email. And I want to now thank you so much for your time and your attention today. And I'll turn it over to the taprootfolks. Thank you, Mina. We're just checking to see if there any questions in the room. We don't have any questions in the room Mina. Oh, just kidding. We have one. Thank you.

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You mentioned that fundraising is a skill set that is needed, but not often discussed openly. I think as a company that is looking for feedback from nonprofit organizations, one of the things that we struggle with, is that what skills are needed for fundraising? Because it's it's sort of, you know, it's not a function that most companies or corporations will have necessarily, but what skill sets are needed, because I struggle with that. And we are posed with that. And we never want to, you know, say that we can take on this project when I don't really know what is needed. And so if you can just I don't know if you would have the answer to that. But the type of skill sets needed in that space would be really helpful.

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Yeah, that's a fabulous question. Thank you so much for sharing now go back to that grid. So we do see fundraising is the number one most skill that nonprofits say that they need. And I'll note too, that this is a this was a study that focused on foundation funders. So foundations, unlike corporations are very uniquely positioned to use their funding base, and very importantly, their networks and expertise in the sector to help nonprofits with fundraising. So this may be an area where if you feel you don't have the skills to provide fundraising support, other forms of the support it performance measurement, governance, legal, etc. Maybe better fits. Or there also may be opportunities to dig a little bit deeper with grantees and ask them what about fundraising is a challenge is identifying other sources of revenue? Is it grant writing? Is it preparing the budgets or the financial statements that are required by a funder and their application and trying to see if there is a more nitty gritty answer there, but I think as you alluded to, it very much depends on an organization by organization basis.

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We have a question from the virtual attendees from Downey, how can we encourage and empower nonprofit leaders to ask for what they want rather than what they think funders want?

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Any that is, that is the key ticket. I think there are a lot of different ways to do that what we found at CDP is the most effective is to ensure that you have a relationship built on candor built on openness, and that you are listening really closely to what nonprofits are saying. So that could even mean being really direct saying, you know, do you have you done a needs assessment? You know, what do you need for your organization sustainability? What is your biggest challenge that you face right now? Are you trying to hire for his skill set that you can't find? And then even also being honest with them and saying, listen, like, we may not be the right fit, we may not have exactly this skill, but we can try to support you to find someone who does or help you make the connection to find someone who does. But ultimately, being willing to listen, having a clear line of communication and being transparent yourself can encourage that sort of

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openness. Thank you, Mina. And unless there are any other questions in the room, we can end this session. Great, thank you, everybody.

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Thank you all so much.