Sharing Power?

The Landscape of Participatory Practices & Grantmaking Among Large U.S. Foundations

W EVANS SCHOOL
OF PUBLIC POLICY & GOVERNANCE
UNIVERSITY *of* WASHINGTON

Sharing Power?: The Landscape of Participatory Practices & Grantmaking Among Large U.S. Foundations

AUTHORS
Kelly Husted
PhD Candidate
Evans School of Public Policy & Governance, University of Washington

Emily Finchum-Mason
PhD Candidate
Evans School of Public Policy & Governance, University of Washington

David Suárez, PhD
Associate Professor
Colleen Willoughby Fellow in Philanthropy & Civil Society
Evans School of Public Policy & Governance, University of Washington

CONTACT
UW Philanthropy Project

ABOUT THE EVANS SCHOOL
The Evans School of Public Policy & Governance educates leaders, generates knowledge, and hosts communities to co-create solutions to pressing societal problems.

**EVANS SCHOOL
OF PUBLIC POLICY & GOVERNANCE**
UNIVERSITY *of* WASHINGTON

TABLE OF CONTENTS

EXECUTIVE SUMMARY

Philanthropic foundations in the United States hold significant power in both defining societal challenges and the manner in which those challenges are addressed. There have been increasing calls for foundations to shift their power to affected communities and to democratize decision-making through greater participation. Whether and how large foundations engage stakeholders in their governance and grantmaking, however, remains an open question. This report explores the landscape of participatory practices and grantmaking among the largest foundations in the United States (by total assets), guided by four key research questions.

Research Questions

- What is the scope of direct engagement in participatory practices and grantmaking among large philanthropic foundations in the United States?

- What is the scope of indirect engagement (through funding) in participatory practices and grantmaking among large philanthropic foundations in the United States?

- What are the benefits and barriers foundations face in adopting and implementing participatory practices and grantmaking?

- How do foundations define and measure the outcomes associated with participatory practices and grantmaking?

Our research explores three primary dimensions of stakeholder participation: (1) who participates, (2) the processes in which stakeholders participate, and (3) the degree of influence that stakeholders have in governance and grantmaking. We focus on four external stakeholder groups in terms of who participates: grantees, non-grantee nonprofits/community-based organizations, community members directly affected by the foundation's funding, and members of the public more broadly. We assess the extent to which these external stakeholders are engaged in the setting of organizational priorities, grantmaking processes, funding decisions, and post-grant evaluation. Building on the work of Gibson (2017), we examine three levels of power-sharing—consulting, involving, and deciding—between foundations and their external stakeholders as a part of these processes.

We answer our research questions using a survey of foundation executives and high-level staff from 148 of the largest private and community foundations in the United States (by total assets), conducted between May 2020 and January 2021. Our findings indicate that:

- **Many foundations engaged external stakeholders directly, but conferring decision-making authority to these stakeholders was rare.** Approximately 83% of foundations reported some form of direct stakeholder participation. Most of this participation, however, occurred at the level of consultation and involvement; that is, many foundations solicited feedback from stakeholders or involved stakeholders in processes designed to influence some aspect of foundation governance or grantmaking. But, foundations conferred decision-making authority upon stakeholders far less commonly than consulting with or involving stakeholders. Around 10% of foundations reported allowing grantees or community members most affected by the foundation's funding to decide how grant funds should be allocated.

- **Just over a third of foundations funded their grantees' participatory approaches.** Of the foundations that reported giving to organizations that make grants, 35.8% indicated that they specifically funded their grantees' efforts to engage stakeholders. Similar to the trends in direct engagement, most foundations funded stakeholder consultation and involvement, rather than stakeholder decision-making. Approximately 10% of foundations funded their grantees to confer decision-making authority upon affected community members.

- **Foundations that used participatory approaches have several motivations for doing so, but lack of implementation capacity is a perceived barrier for many foundations.** Approximately 88% of foundations that engaged external stakeholders reported that they were motivated by the belief that participation leads to more effective grantmaking, and 78% indicated that participation promotes innovative solutions to the problems that the foundation seeks to address. The least commonly reported motivations for stakeholder participation were shifting power to affected communities, building leadership capacity among participants, and diversifying decision-making about resource allocation. With respect to perceived barriers to stakeholder participation, the lack of internal capacity—such as time and personnel—to implement these approaches was a challenge reported by about half of foundations.

- **Measuring the outcomes of stakeholder participation is not common.** Of the foundations that indicated using one or more participatory approaches, less than a third reported evaluating the outcomes of these approaches. For foundations that did not

evaluate outcomes of stakeholder participation, 62% indicated that they were not interested in doing so. Foundations that did evaluate the outcomes of stakeholder participation reported using metrics such as the amount of unrestricted grant funding to BIPOC-led organizations or the quality of the relationship between the foundation and its grantees, but some of the results that foundations want to see are not easy to quantify in a traditional evaluative framework. As one respondent stated, "[It's] hard to measure a deep sense of trust."

Overall, our findings highlight the vast landscape of stakeholder participation practices that large philanthropic foundations currently use, but we also find that the relatively few foundations are sharing decision-making power with their stakeholders. These results raise a number of questions regarding what drives foundations to adopt stakeholder participation approaches to governance and grantmaking, what these approaches actually look like "on the ground," and how foundations can incorporate greater degrees of stakeholder participation into existing practices and procedures. Future stages of this research will seek to answer these questions, contributing to a community knowledge base on participatory approaches to philanthropy.

INTRODUCTION

Philanthropic foundations in the United States wield a great deal of power—and nearly $1 trillion in assets—to define not only the nature of societal challenges, but also the manner in which those problems will be solved.[i] In doing so, private foundations in particular are not held accountable in the same way that we might expect of other nonprofits or public organizations, as they do not have a broad range of citizens or elected officials to which they are obligated to respond. Critics of large philanthropy note the concerning nature of this lack of accountability since private foundations are not only seeded with money from the wealthy, but those who establish them also receive generous tax subsidies from the federal government to do so.[ii] Critics further argue that the lack of accountability and transparency in foundation decision-making undermines democracy and reinforces the power of the wealthy.[iii] Others highlight that this is particularly problematic given that foundations' assets are often generated through the exploitation of communities of color and rarely used to address systemic inequities.[iv]

Recently, though, there has been a renewed push to democratize decision-making and increase participation among a broad range of institutions—from government to nonprofits to philanthropy.[v] Several models of shared decision-making regarding philanthropic governance and grantmaking have emerged over the years. Giving circles, for example, serve as a platform for individual contributors to collectively determine where to allocate shared charitable resources.[vi] Further, some public foundations use methods such as participatory grantmaking that involve greater degrees of participation from external stakeholders to steer matters of organizational priorities and grantmaking. Boston's Haymarket People's Fund, as an example, was one of the organizations that pioneered participatory grantmaking at the community level, which has led to significant funding for social change and social movement organizations.[vii] Another public foundation—the Disability Rights Fund—has modeled their organizational practice around participatory grantmaking and the idea of "nothing about us without us," where decisions regarding the organization's strategic direction and grant allocations are made by individuals with disabilities.

Large philanthropic foundations—and private ones in particular—have been slow in their uptake of participatory approaches, but there is some evidence that more of these foundations are incorporating such approaches.[viii] As far as institutional philanthropy is concerned, participatory approaches to governance and grantmaking may hold promise in terms of democratizing existing practices and increasing equity by improving accountability pathways between elite foundations and the communities they aim to benefit. Calls for increased power sharing in philanthropic foundation operations have become increasingly urgent in light of the

COVID-19 pandemic's disproportionate impact on communities of color and the protests following the murder of George Floyd, which have focused global attention on systemic racial inequities.[ix] At this moment, increased participation could play an important role in shifting power to marginalized communities.

A dearth of empirical research nonetheless exists regarding the participatory repertoires of large foundations and the extent to which participatory approaches have been adopted, leaving a significant gap in knowledge about these powerful institutions. We address this gap by conducting a survey of large private and community foundations in the United States to answer four overarching research questions.

Research Question 1: What is the scope of direct engagement in participatory practices and grantmaking among large philanthropic foundations in the United States? To address this question, we assess not only the extent to which large private and community foundations are adopting participatory practices but also important dimensions of this participation: Who participates? In what processes do stakeholders participate? To what degree do participants influence decision making?

Research Question 2: What is the scope of indirect engagement (through funding) in participatory practices and grantmaking among large philanthropic foundations in the United States? We assess the extent to which large private and community foundations fund their grantees' participatory practices and grantmaking along the same three dimensions as the first research question: Who participates? In what processes do stakeholders participate? To what degree do participants influence decision making?

Research Question 3: What are the benefits and barriers foundations face in adopting and implementing participatory practices and grantmaking? Participatory practices and grantmaking hold promise for democratizing philanthropy, improving outcomes, and promoting equity. Yet, involving a broad array of people in grantmaking decisions may lead to challenges in the implementation of such practices. We examine how benefits and challenges are realized across foundations that engage in this work.

Research Question 4: How do foundations define and measure the outcomes associated with participatory practices and grantmaking? We examine the extent to which foundations who engage in participation measure the outcomes of this work and in what ways, with particular focus on how foundations measure racial and gender equity outcomes in relation to these processes.

PARTICIPATION IN FOUNDATION GOVERNANCE & GRANTMAKING

Stakeholder participation has been practiced and theorized across several fields from public administration to political science to international development. Across these fields there is an understanding among practitioners and researchers that the people affected by a government's or organization's actions should have a voice in those decisions. Seminal work by Arnstein[x] posits a ladder of participation from manipulation to citizen control. Building on this work, Fung's[xi] "democracy cube" highlights the varying degrees of power-sharing between a governing entity and the governed, but also brings in dimensions regarding participant identities and modes of communication and decision-making. The International Association for Public Participation (IAP2)[xii] puts forth a spectrum of participation characterizing the degree of power-sharing between organizations and the communities that they serve, while public administration researchers Emerson and Nabatchi[xiii] offer a comprehensive framework for understanding how citizens inform and contribute to complex systems of governance. The sum of these frameworks and related research points to the importance of the identities of the participants, the activities in which they participate, and the extent to which a government or organization distributes power among stakeholders.

What participation looks like in practice varies widely across contexts, and the landscape of potential participatory approaches in institutional philanthropy is somewhat unique and underexplored. Gibson[xiv] highlights a growing recognition within the field of institutional philanthropy of the need to share power and democratize decision making. Notable examples of public foundations—like Haymarket People's Fund and Disability Rights Fund—have long prioritized participatory practices in both governance and grantmaking.[xv] Recent evidence shows that some private and community foundations are starting to implement participatory practices to influence organizational priorities and grantmaking, such as using community advisory boards to influence grantmaking decisions.[xvi]

Our conceptual framework of participation and participatory grantmaking among foundations builds on the extensive prior work of researchers and practitioners. Synthesizing the participation and philanthropy literatures, we conceptualize stakeholder participation in philanthropic foundation governance and grantmaking along three major dimensions:

- **Who participates?** One of the key questions about participation in any sectoral context reflects who actually comes to the table to contribute ideas and make decisions.

- **Who participates?** One of the key questions about participation in any sectoral context reflects who actually comes to the table to contribute ideas and make decisions. Participants could include internal stakeholders, such as foundation staff, or external stakeholders such as nonprofit leaders, community leaders, or individual beneficiaries. The unique constellation of participants will likely determine whose concerns are given voice. Therefore, it is critical to understand how foundations enact participation by virtue of those they call upon to participate. Participant identity is also a critical consideration in differentiating participation as a democratizing tool versus participation as a means of increasing equity, as the former does not necessarily involve those individuals most affected by the societal challenges that the foundation aims to ameliorate.

- **In what processes do stakeholders participate?** Existing evidence shows the potential for stakeholder involvement in the process of both foundation governance and grantmaking. One of the major sources of variation is the point at which stakeholders are called to participate: in guiding foundation priorities, in the design or review of requests for proposal (RFP), or in the process of making grant decisions and conducting evaluations.

- **To what degree do participants influence decision-making?** This dimension draws on the pervasive theme across literatures regarding the extent to which organizations share power with stakeholders. Building on the work of Gibson[xvii] and the IAP2[xviii] spectrum of participation, we define the degree of participant influence according to three levels: consulting, involving, and deciding. Consulting (e.g., surveys, focus groups) includes efforts by the foundation to solicit stakeholder input, without the assumption that this input will necessarily be incorporated into the foundation's processes. Involving (e.g., advisory committees) implies both the solicitation of feedback from stakeholders and the incorporation of that feedback to influence the foundation's processes. Deciding indicates that the foundation has placed decisions on governance or grantmaking in stakeholders' hands.

Figure 1. Stakeholder participation in institutional philanthropy framework
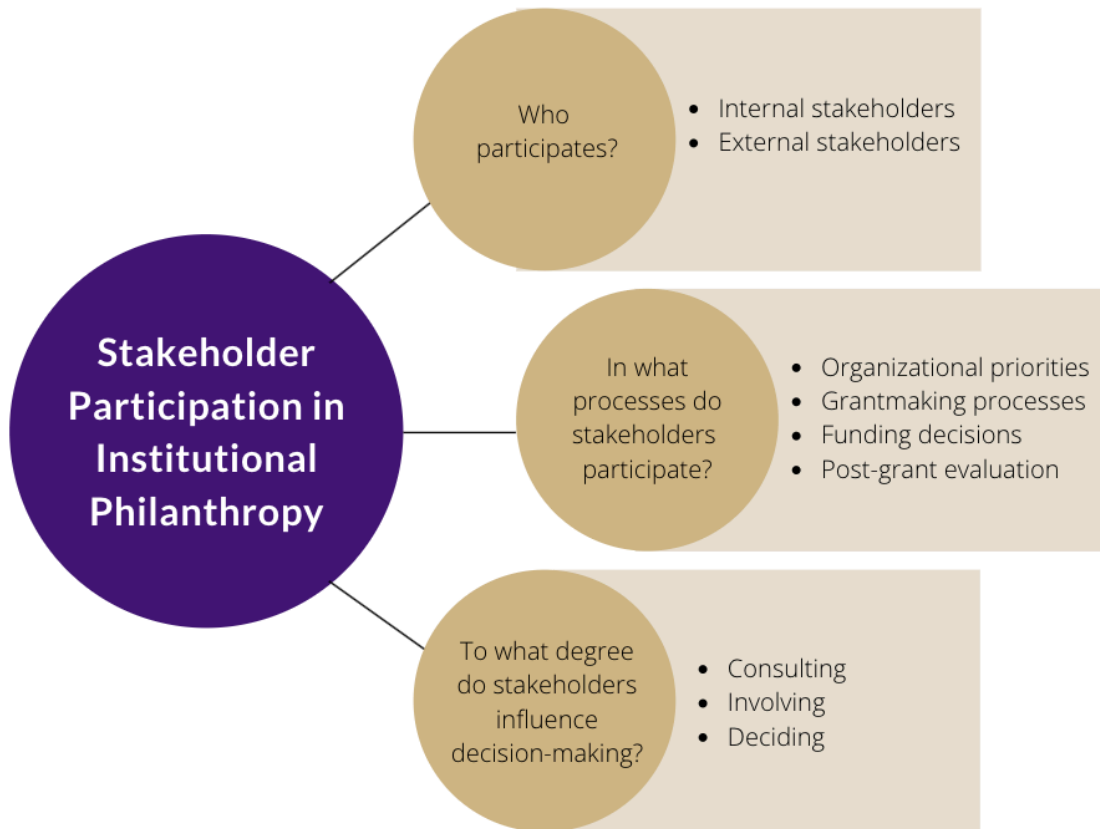
This framework focuses primarily on the people, processes, and influence of stakeholders in relation to institutional philanthropy. These are certainly not the only important dimensions to understanding participation and participatory grantmaking within the sector. Understanding why foundations engage in participatory practices and the desired goals and outcomes of such practices is also critical. Furthermore, the extent and quality of these interactions matter greatly, as does the extent to which these practices and ideas become a matter of organizational ethos. However, we view these three dimensions as key building blocks of participation within institutional philanthropy and necessary to understanding the extent to which foundations are engaging stakeholders.

An important challenge to note is that the line between participation and participatory grantmaking is blurred, as differing definitions of participatory grantmaking currently exist within the field. These varying ideas about what constitutes participatory grantmaking make it particularly difficult to measure. With this in mind, we aim to capture the full realm of participatory practices that foundations utilize to engage external stakeholders in their governance and grantmaking.

METHODOLOGY

Data for this descriptive study come from a nationwide survey of large philanthropic foundations. We sampled the 500 largest private and community foundations in the United States (by total assets), as determined from the Foundation Directory Online (FDO) database, a national repository of foundation and grant information that is administered by Candid. The FDO data was obtained in 2018 and, as a result, some organizations have since sunsetted, merged with others, transitioned to an alternative organizational designation, or had operations subsumed by a related foundation, leaving an effective sample size of 489 foundations.

To inform the development of the survey, we conducted interviews with foundation and nonprofit practitioners from January to March 2020, and we piloted the survey in late March 2020 with practitioners (see Appendix A for information on the survey instrument). The survey link was first emailed to foundations in late May of 2020—targeting the chief executive officer or other high-level executives in our survey distribution when possible. At survey closing in January 2021, 148 foundations had completed the survey, yielding a response rate of 30.3%. We apply inverse probability of response weighting to all results in our findings section to address nonresponse bias (see Appendix B for a full description of this weighting schema). Applying this weighting system provided more representative estimates, but it did not substantially change the findings from the unweighted analysis.

The survey asked a series of questions about whether the foundation had engaged in a range of participatory practices within the last two years. We chose this time frame in order to clearly bound the questions and reduce ambiguity. In line with our conceptual framework, we asked large foundations about their engagement of different external stakeholder groups along two dimensions: (a) organizational and grantmaking processes (i.e., organizational priorities, grantmaking processes, funding decisions, post-grant evaluation) and (b) stakeholder influence on decision making (i.e., consulting, involving, deciding). External stakeholders considered in these questions include the foundation's grantees, non-grantee nonprofits or community-based organizations (CBOs), community members directly affected by the foundation's funding, and members of the public.[xix]

We further asked foundations about whether they funded grantees to engage stakeholders, realizing that this may be an important pathway that private and community foundations may take to support participation. Here, too, we asked about whether the foundation funded grantees to engage stakeholders along the dimensions of (a) organizational priorities and

grantmaking and (b) stakeholder influence on decision making. The external stakeholder groups considered were peer nonprofits/CBOs, affected community members, and members of the public.

We acknowledge the challenging timing of conducting this study, as this survey was initiated during the early months of the COVID-19 pandemic in the U.S. Furthermore, we launched the survey just a few days before the murder of George Floyd and the subsequent global protests for racial justice. We expect that these events impacted the capacity of foundation staff to complete a survey, as well as the survey responses themselves.

Table 1 below provides an overview of foundation respondent characteristics. These data were obtained through the survey and the FDO database. The mean total assets of respondents is approximately $1,034,000,000, with median total assets of $452,382,124, which approximates that of our overall sample ($472,942,717). Community foundations are slightly overrepresented; where our sample features 23% (N = 34), roughly 15% of the largest foundations are community foundations. Finally, this sample underrepresents foundations located in the Northeastern region and slightly overrepresents foundations from each other region, relative to the overall sample.

Table 1. Summary of respondent characteristics

	N	Percent of Respondents
Foundation Type		
Private foundation	114	77.0%
Community foundation	34	23.0%
Geographic region		
West (Mountain & Pacific)	40	27.0%
Southwest	15	10.1%
Midwest	42	28.4%
Southeast	14	9.5%
Northeast	37	25.0%
Staff size (FTEs)		
No staff	4	2.7%
1-5	14	9.5%
6-10	22	14.9%
11-20	30	20.3%
21-30	20	13.5%
31-40	17	11.5%
41 or more	41	27.7%
Primary giving area		
Education	66	44.6%
Health	14	9.5%
Human Services	26	17.6%
Environment	4	2.7%
Total assets (in 2018 USD)		
Mean	1,033,895,422	
Standard deviation	1,875,941,031	
Median	452,382,124	
Minimum	243,819,481	
Maximum	13,584,110,000	

Source: Survey data and Foundation Directory Online data

FINDINGS

We first present the aggregated findings across all types of participation, both the foundation's direct engagement of stakeholders and stakeholder engagement through its funding of grantees. We then analyze direct engagement of external stakeholders by degree of influence, stakeholder group, and organizational and grantmaking process before turning to analyzing foundations' indirect participation through their funding of grantees' stakeholder engagement efforts. We also present findings in regard to the perceived benefits and challenges of stakeholder participation, as well as how foundations are measuring outcomes in relation to their stakeholder participation efforts. It is important to note that quantitative results are weighted to address nonresponse bias.

Aggregating across all types of participation, we find that the vast majority of large foundations (82.7%) engaged stakeholders directly through participatory practices employed by the foundation itself, and 35.8% of foundations funded grantees to engage in some form of stakeholder participation (see Table 2). Overall, 84.3% of foundations engaged external stakeholders either directly or indirectly, and 34.1% of foundations engaged external stakeholders both directly and indirectly.

Table 2. Overall foundation engagement in stakeholder participation

|	Percent (N = 148)
Foundation directly engages external stakeholders in some form of participation	82.7%
Foundation funds grantees to engage stakeholders in some form of participation (indirect)	35.8%[xx]
Foundation directly engages external stakeholders in any form of participation OR funds grantees' participation efforts	84.3%
Foundation directly engages external stakeholders in some form of participation AND funds grantees' participation efforts	34.1%

Direct Stakeholder Participation

Next, we analyze direct participation—as conducted through the foundation itself—by degree of stakeholder influence, stakeholder group, and point in the organizational and grantmaking processes (for aggregated data, see Appendix C). The effective sample size is 148 foundations for the following results.[xxi]

Figure 2. Consulting: Foundations that *solicited feedback from external stakeholders* (e.g., surveys, focus groups)
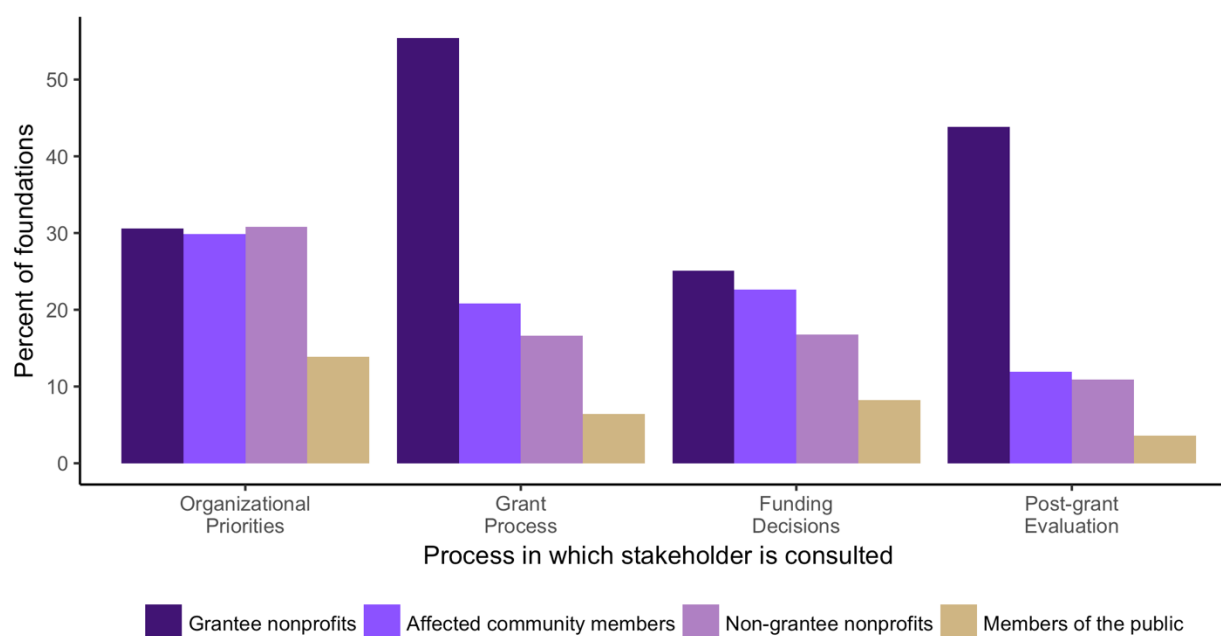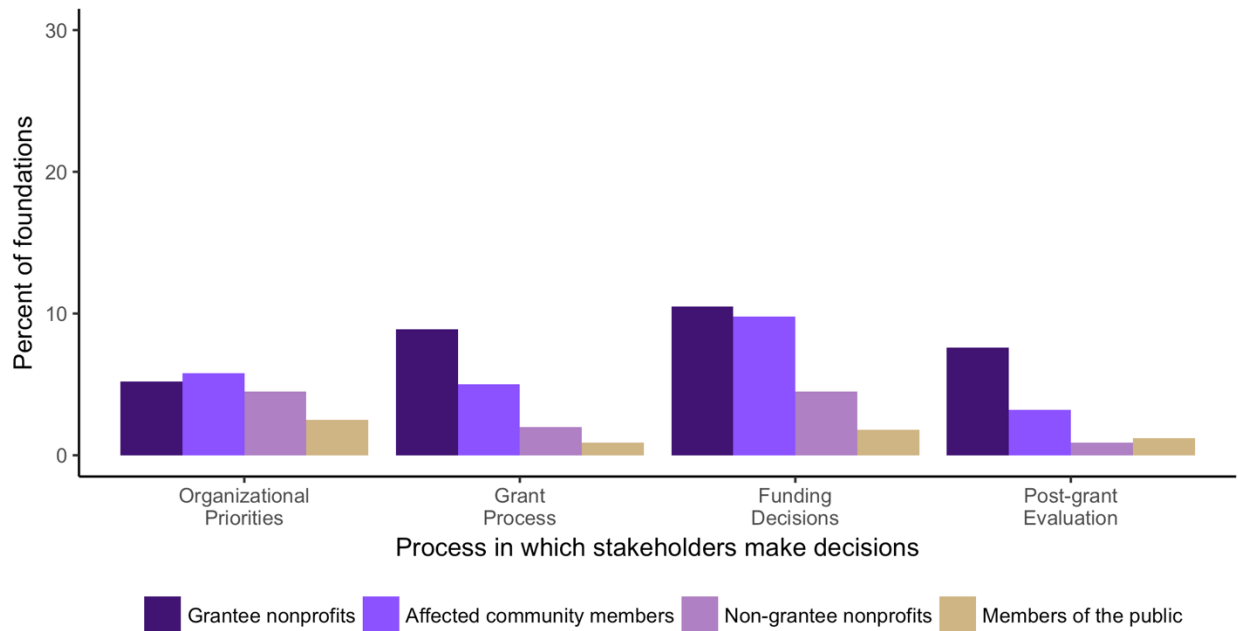

We first measure whether large foundations consulted different stakeholders groups at varying points in their organizational and grantmaking processes. Consulting refers to the solicitation of feedback through activities such as surveys and focus groups. As Figure 2 indicates, about 30% of foundations reported soliciting feedback on organizational priorities from grantee nonprofits, affected community members, or non-grantee nonprofits. Just over half of large foundations (55.4%) consulted grantees regarding the foundation's grantmaking processes, but far fewer foundations consulted affected community members, non-grantee nonprofits, or members of the public. A quarter or fewer foundations consulted grantee nonprofits, affected community members, or non-grantee nonprofits with respect to grant funding decisions, and less than 10% consulted members of the public.[xxii] A substantial proportion of foundations reported soliciting grantee feedback on post-grant evaluation (43.8%), but much less so from other stakeholder groups.

Figure 3. Involving: Foundations that *incorporated feedback from external stakeholders to influence* governance and grantmaking. (e.g., advisory committees)
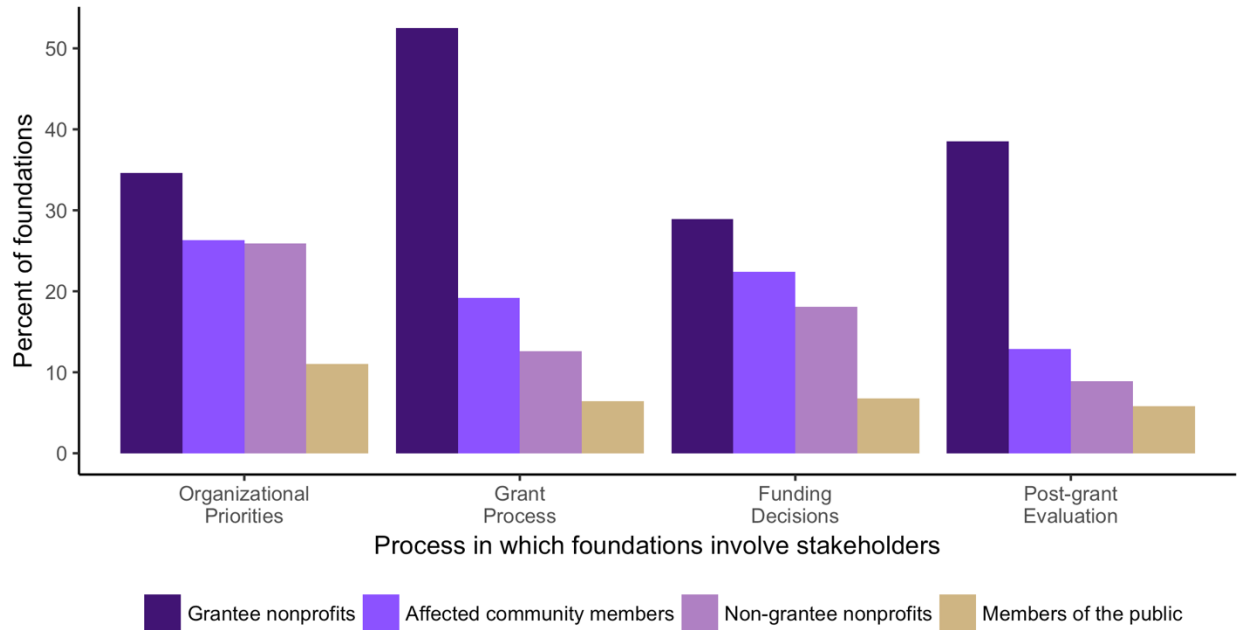
Second, we measure whether large foundations involved different stakeholders groups at multiple points in their organizational and grantmaking processes. Involving refers to the incorporation of stakeholder feedback—through activities such as advisory committees—to influence the organization's priorities and grantmaking. We see similar trends overall for involving as we do for consulting, but the rates tend to be slightly lower. As Figure 3 shows, approximately one-third of foundations involved grantee nonprofits in setting their organizational priorities, and about a quarter involved affected community members or non-grantee nonprofits in setting their organizational priorities. A majority of foundations (52.5%) involved grantees in the foundation's grantmaking processes; far fewer involved affected community members, non-grantee nonprofits, and members of the public in those processes. Furthermore, about a quarter of foundations involved grantees in their grant funding decisions, but fewer foundations involved other stakeholder groups. Not surprisingly, there is a significant percentage of foundations that incorporated grantee feedback to influence post-grant evaluation (38.5%) while other groups were involved far less with respect to evaluation.

Figure 4. Deciding: Foundations that *conferred decision-making authority upon external stakeholders* regarding governance and grantmaking


Third, we assess whether large foundations conferred decision-making authority to different stakeholder groups at various points in their organizational and grantmaking processes. Rates of conferring decision-making authority to external stakeholders are low across the board (see Figure 4). Fewer than 10% of foundations conferred to decision-making power over organizational priorities to grantee nonprofits, affected community members, non-grantee nonprofits, or members of the public. Similarly, fewer than 10% of foundations reported conferring decision making authority to any external stakeholder group in their grantmaking processes. In regard to grant funding decisions, 10.5% of foundations conferred decision-making authority to grantee nonprofits with respect to their grant funding decisions, and 9.9% conferred decision making authority to community members directly affected by the foundation's funding. Fewer than 10% of foundations reported conferring decision making power to any external stakeholder groups in relation to post-grant evaluation.

Direct stakeholder participation: selection and facilitation

Overall, 133 foundations (out of 148 respondents) indicated directly engaging external stakeholders in some aspect of governance or grantmaking. To better understand the nature of these participatory practices, foundation respondents were asked to indicate who selected stakeholders to participate, the stakeholder attributes that foundations looked for, and the structures in place to facilitate stakeholder participation. For each question explored below, foundation respondents selected all answer choices that applied to them, therefore the percentages will sum to greater than one hundred.
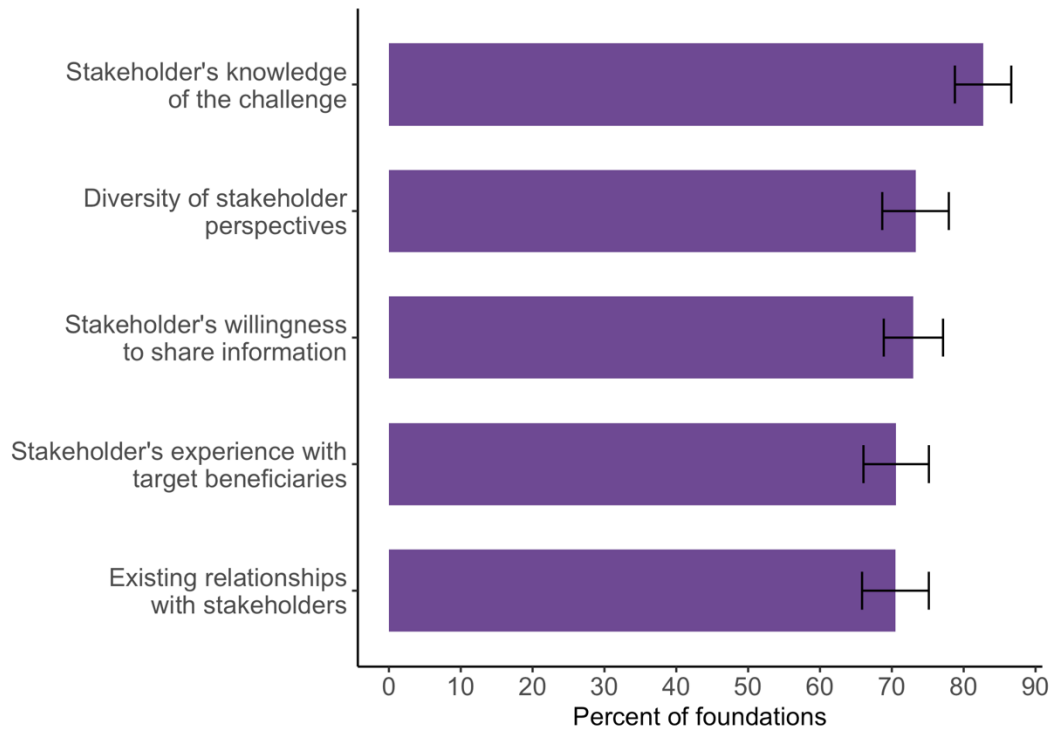
Figure 5. Who selected stakeholders to participate in foundation governance and grantmaking
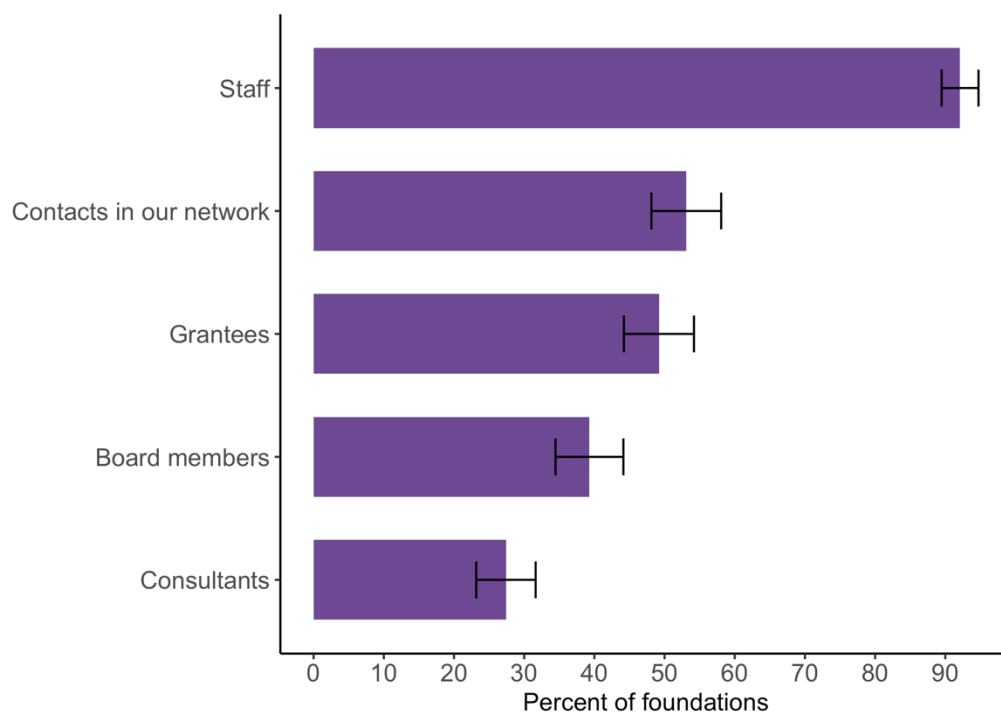
Note: Respondents could select more than one answer choice.
Error bars represent +/- the standard error of the estimated proportion.

Figure 5 shows that foundation staff were most often responsible for selecting external stakeholders for participatory processes. More than half (53.1%) of foundations used contacts in their foundation network to select external stakeholders to participate. Additionally, 49.2% of foundations relied on grantees to select stakeholders for participation, and 39.3% of foundations relied on board members to do so. Consultants were less commonly used to select stakeholders.
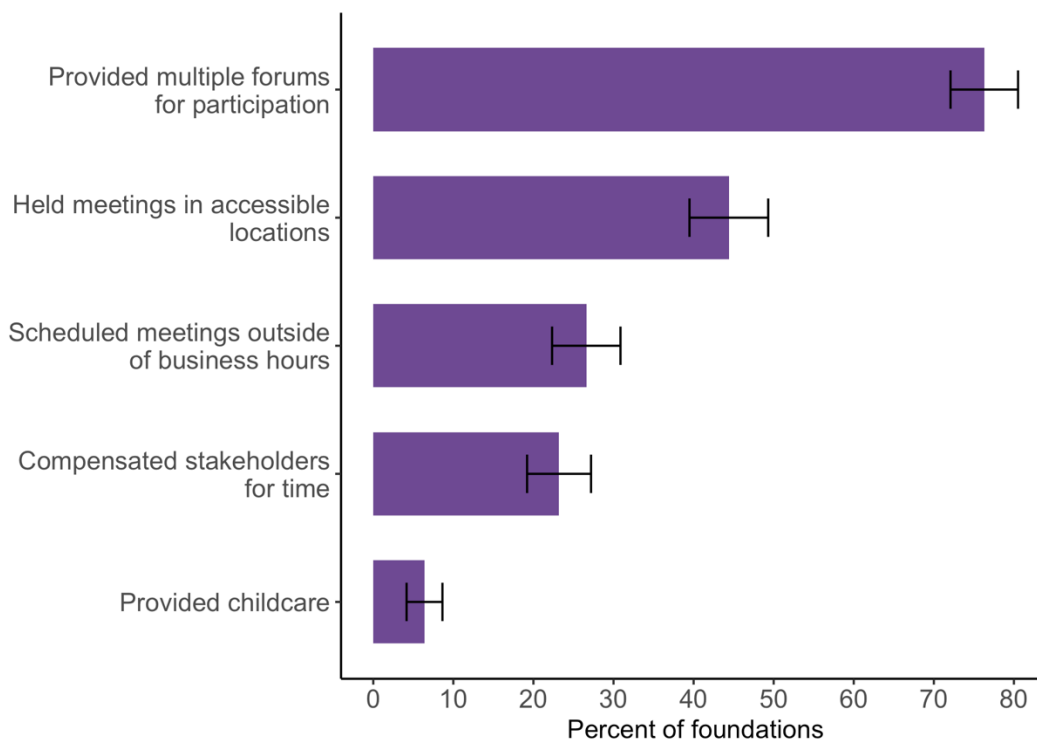
Figure 6. Attributes foundations reported as important for participant selection

Note: Respondents could select more than one answer choice.
Error bars represent +/- the standard error of the estimated proportion.

Approximately 82% of foundations indicated that a stakeholder's knowledge of the challenge the foundation aimed to address was a key attribute when identifying stakeholders to engage in aspects of foundation governance and grantmaking. More than two thirds of foundations indicated that diversity of perspectives (73.3%) and stakeholder's willingness to share information (73.0%) were important attributes. Stakeholder's experience with working with target beneficiaries (70.6%) and existing relationships with stakeholders (70.5%) were also important stakeholder characteristics.

Figure 7. How foundations reported facilitating stakeholder participation

Note: Respondents could select more than one answer choice.
Error bars represent +/- the standard error of the estimated proportion.

More than three quarters of foundations that directly engaged external stakeholders provided multiple forums for participation (76.3%), including in-person and online meetings, and 44.4% of foundations held meetings in accessible locations (see Figure 7). About a quarter of foundations scheduled meetings outside of business hours and compensated stakeholders for their time, while only 6.4% of foundations provided childcare to facilitate participation.

Indirect Stakeholder Participation

Foundations can also implement stakeholder participation indirectly through funding their grantees' stakeholder engagement practices.[xxiii] To capture the prevalence of these tactics, our survey asked respondents whose foundations provide funds for regranting purposes (N = 97) to report the extent to which the foundation intentionally funded its grantees' stakeholder engagement work.[xxiv] Overall, rates of funding grantees to engage external stakeholders in the grantee's governance and grantmaking are lower than through direct engagement, but we see a similar trend as with direct participation, where reported funding for grantees' stakeholder engagement processes decreases as level of power-sharing increases.

Figure 8. Consulting: Foundations that funded grantees to *solicit feedback from external stakeholders* (e.g., surveys, focus groups)
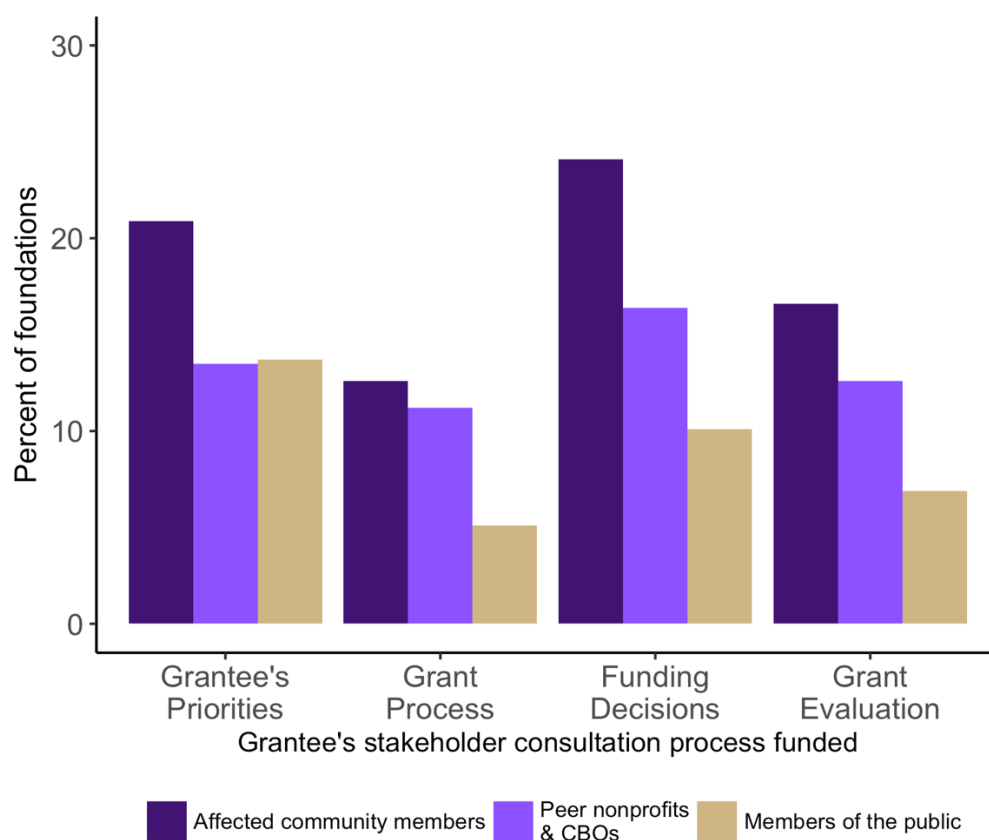
As Figure 8 indicates, large foundations most commonly funded grantees (who regrant the foundation's dollars) to consult stakeholders in processes of determining organizational priorities and who the grantee funds. Nearly a quarter of foundations (24.1%) funded grantees to consult affected community members with regard to the grantee's funding decisions. Across

the board, foundations funded grantees to consult community members affected by their funding more often than to consult peer nonprofits/CBOs or members of the public.

Figure 9. Involving: Foundations that funded grantees to *incorporate feedback from external stakeholders to influence* organizational governance and grantmaking
(e.g., advisory committees)
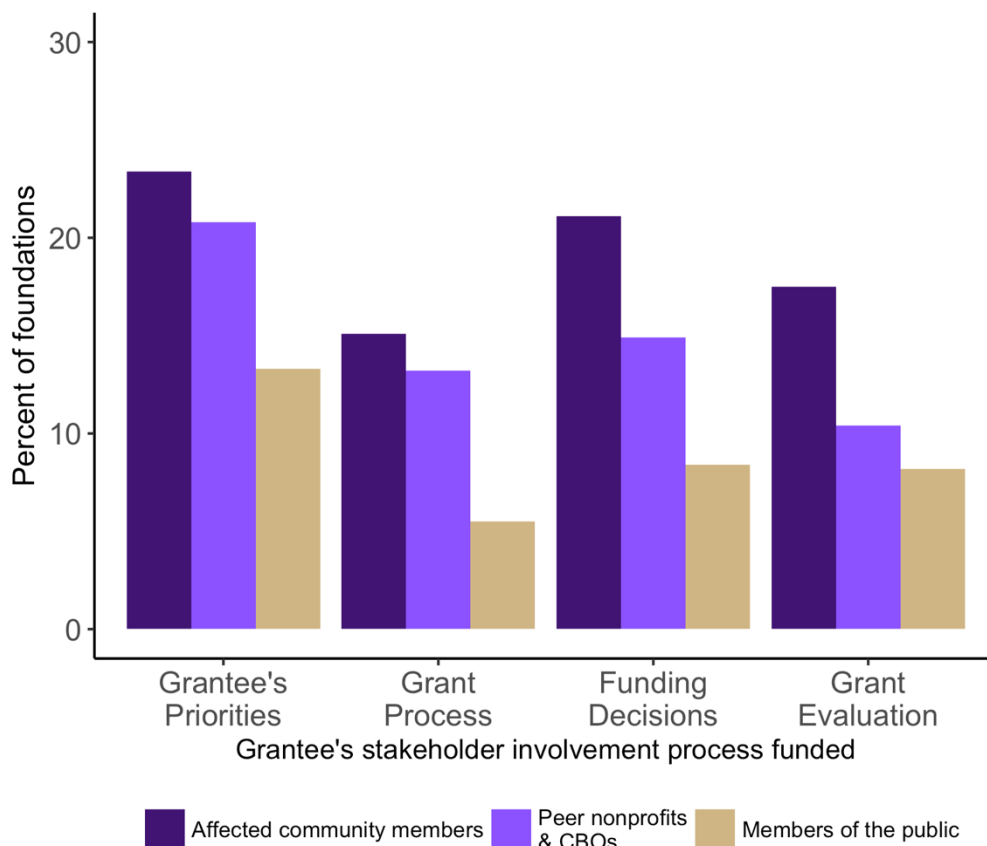
Large foundations most commonly funded grantees to involve stakeholders in processes of determining organizational priorities and grant funding decisions. Across all processes, foundations funded grantees to involve affected community members more so than other stakeholder groups. The results in Figure 9 also show that foundations funded their grantees' involvement of peer nonprofits/CBOs, community members, and members of the public to influence organizational priorities and grantmaking processes slightly more often than they reported funding analogous consultation efforts. However, the rates of funding grantees to involve stakeholders in determining who gets funded and post-grant evaluation processes are slightly less than consultation in those processes.

Figure 10. Deciding: Foundations that funded grantees *to confer decision-making authority* regarding organizational governance and grantmaking upon external stakeholders
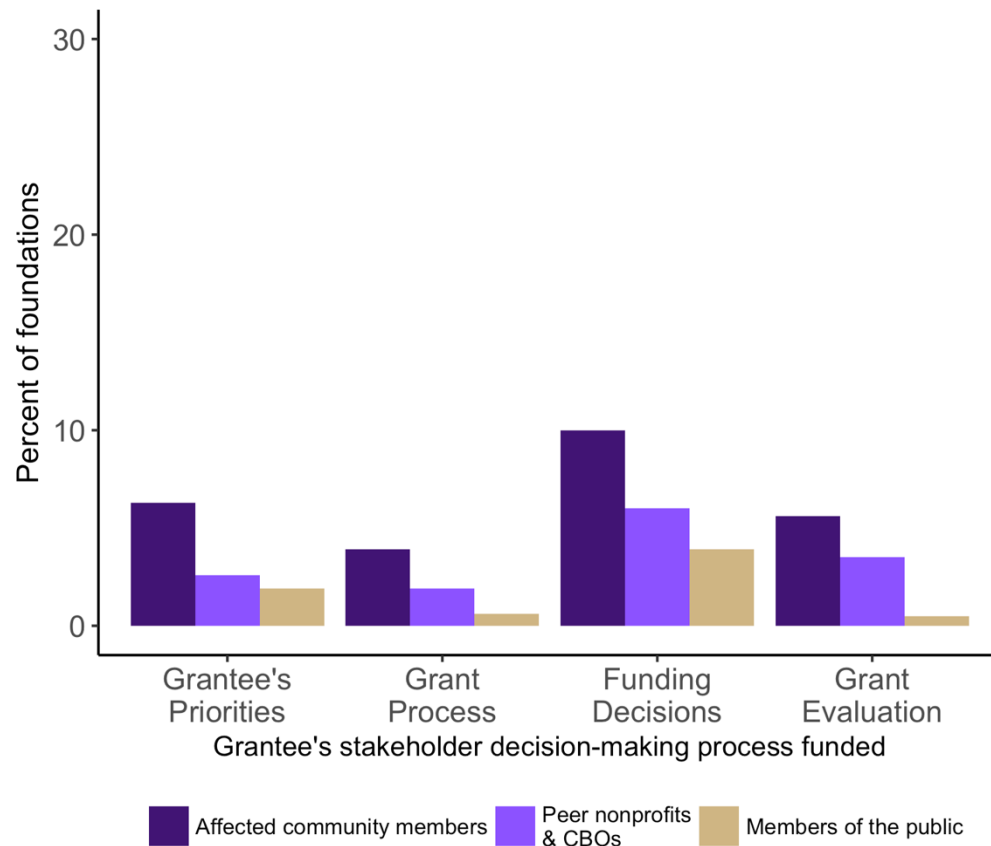
As Figure 10 indicates, large foundations funded grantees to confer decision-making power to external stakeholders over funding decisions at higher rates than other stages of their governance and grantmaking processes. For example, 10% of foundations funded grantees to confer decision-making power upon affected community members with regard to who the grantee funds. Overall, rates of funding grantees to confer decision-making authority upon external stakeholders are markedly lower than rates of funding stakeholder consultation and involvement; this follows the same trend observed in direct stakeholder engagement by foundations.

Benefits & Challenges of Stakeholder Participation

For foundations that engaged stakeholders either directly or indirectly, our survey sought to understand what motivated these organizations to utilize these practices, the factors that facilitated the engagement efforts, and the key challenges that stakeholder participation introduced. The following section is subdivided into two sections—direct and indirect stakeholder participation.

Motivations and challenges associated with direct participation

Overall, most foundations indicated a multitude of different factors that motivated their direct stakeholder participation practices, as seen in Figure 11.
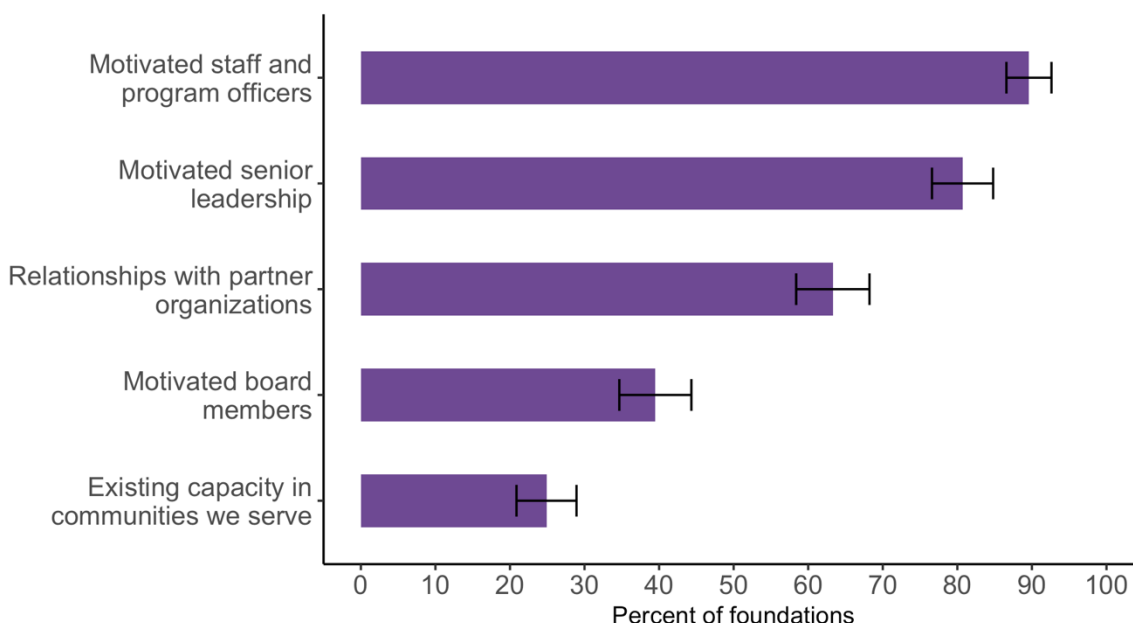
Figure 11. Motivations for foundations to engage external stakeholders
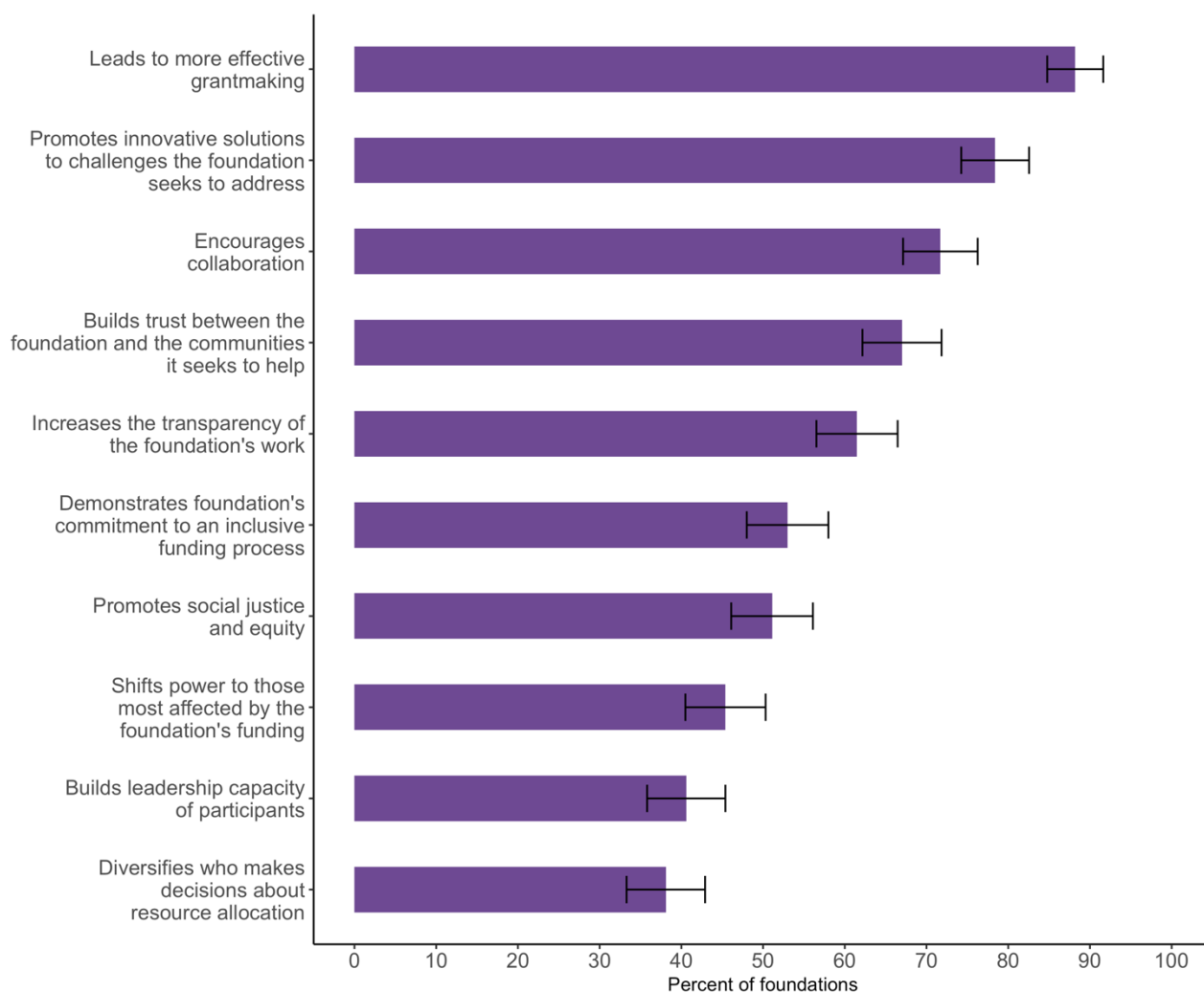
Note: Respondents could select more than one answer choice. Error bars represent +/- the standard error of the estimated proportion.

Foundations' most commonly cited reasons for engaging stakeholders directly in processes of governance and grantmaking reflect the desire to make the foundation's grantmaking more effective (88.2%) and innovative (78.4%). Motivations cited less often include diversifying the decision-making processes (38.1%), building stakeholder capacity (40.6%), and shifting power from foundation leadership and staff to those most affected by the foundation's funding (45.4%).
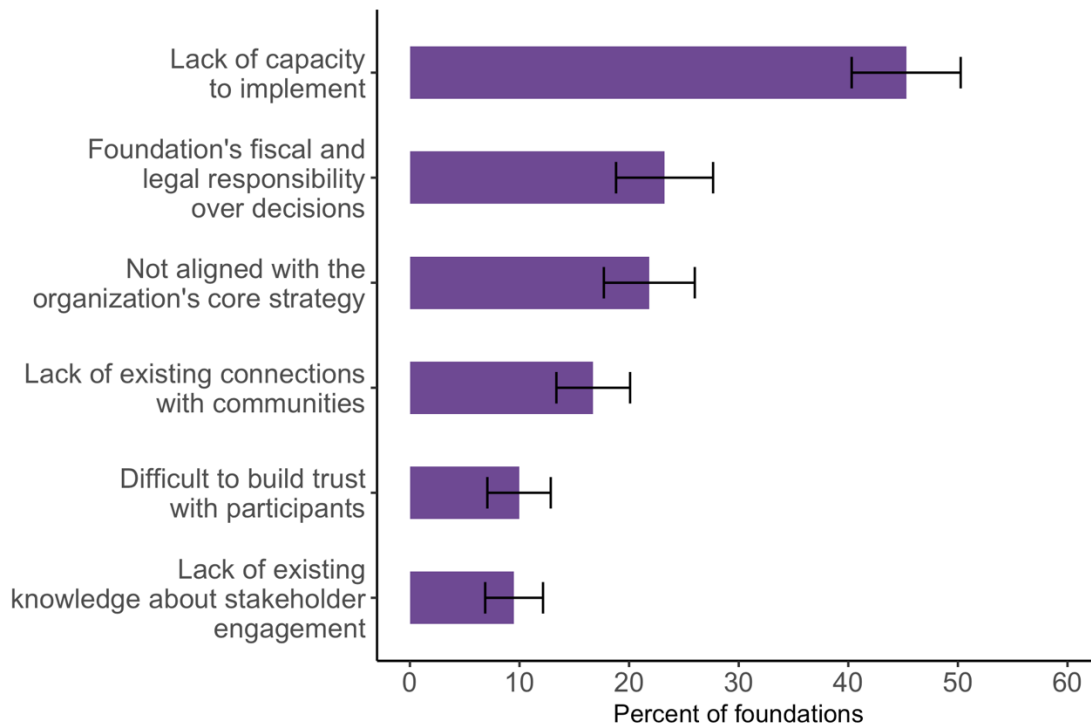
Figure 12. Factors that facilitate foundation efforts to engage stakeholders

Note: Respondents could select more than one answer choice.
Error bars represent +/- the standard error of the estimated proportion.

Beyond the motivations behind direct stakeholder participation are the factors that facilitate the adoption of these practices (see Figure 12). We find that for most foundations having motivated staff (89.6%) or motivated senior leadership (80.7%) are primary facilitators of implementing stakeholder engagement efforts. We also find that relationships with partner organizations facilitated stakeholder participation practices for many foundations (63.3%). Fewer foundations indicated that existing community capacity (25.1%) or motivated board members (39.5%) helped facilitate their stakeholder participation efforts.

Figure 13. Perceived challenges to engaging external stakeholders

Note: Respondents could select more than one answer choice.
Error bars represent +/- the standard error of the estimated proportion.

Lack of capacity, including time and personnel, was the most commonly reported challenge that foundations said they faced in engaging external stakeholders (as shown in Figure 13). Foundations also cited a lack of alignment with the organization's strategy (21.8%) and the foundation's fiscal and legal responsibility over decisions (23.2%) as challenges. Less commonly reported were lack of existing knowledge about stakeholder engagement (9.5%) and difficulty building trust with participants (10%).

Asked what other challenges foundations faced in engaging stakeholders, several foundation respondents expressed that their boards do not necessarily want to relinquish control. The following quotations illustrate this challenge that foundation leaders and staff face:

"Board / trustee buy-in to the value of the process [is a challenge]. They are not super inclined to view this as a power-sharing approach, simply a data-gathering approach for them to be better informed but still hold the power."

"[There is] resistance from the board to relinquish complete control over certain funding decisions and, in some cases, a lack of understanding of the importance of outside voices in our process."

"[There is] discomfort from the board in giving up control."

Foundations also indicated that they face challenges associated with engaging stakeholders in a meaningful way given existing power imbalances. As one foundation leader noted:

"Addressing the power imbalance of funder/grantee in getting real feedback [is a challenge]"

Another foundation leader stated:

"Ensuring that we will be able to use the information meaningfully [is a challenge]. As a family foundation, there is a delicate balancing act between what the family needs/wants and gathering data from the community."

Asked how the foundation's stakeholder participation efforts were likely to change in the next two years, 68.2% indicated that they would be increasing their stakeholder engagement at least somewhat, 27.3% indicated that they would maintain the current level of engagement, and just 0.8% indicated that they would decrease stakeholder engagement at least somewhat.

Motivations and challenges associated with indirect stakeholder participation

Of the foundations that fund their grantees' stakeholder participation efforts, we see the following distribution of their motivations for doing so in Figure 14. Promoting innovative solutions was a motivating factor for funding grantee stakeholder engagement for 86.9% of foundations, and increasing the effectiveness of their grantmaking was a motivator for 75.5% of foundations. Promoting social justice and equity (58.9%) and shifting power to affected communities (58.2%) were also stated as motivators for funding grantee stakeholder engagement.
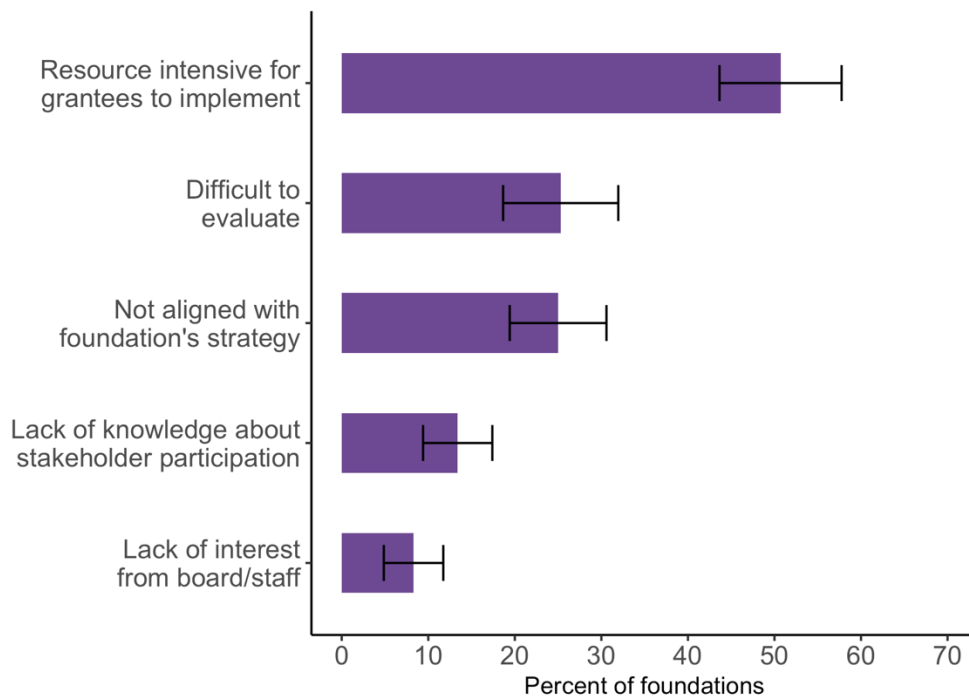
Figure 14. Foundations' motivations for indirect stakeholder participation (through grantee funding)
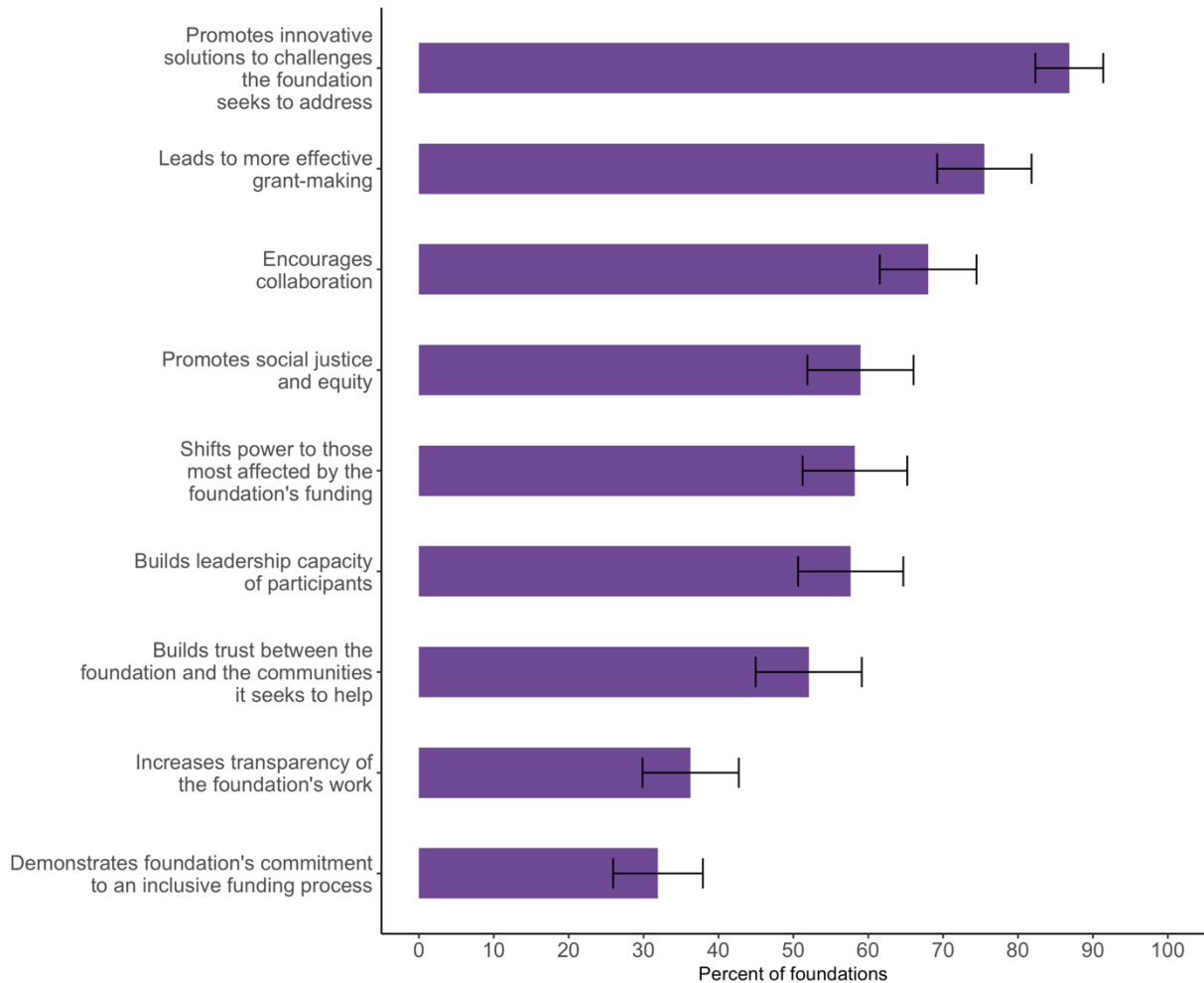
Note: Respondents could select more than one answer choice.
Error bars represent +/- the standard error of the estimated proportion.

More than half (50.7%) of foundations that indirectly engaged stakeholders reported perceiving the resource intensity of these processes as a barrier (see Figure 15 below). Additionally, 25% of foundations indicated that participatory practices were not aligned with the foundation's strategy, and 25.3% indicated that the difficulty of evaluating participatory efforts acted as a barrier. In the qualitative responses, foundations reported that the separation between their grantees and the communities in which they work can also present a challenge. One foundation respondent told us: ***"There is variation in the capacity of grantees to engage stakeholders broadly, especially with some of our policy-advocacy and research organizations that lack authentic connection to racially/economically/linguistically diverse communities."***

Figure 15. Perceived challenges to indirect stakeholder participation

Respondents could select more than one answer choice.
Error bars represent +/- the standard error of the estimated proportion.

Asked how the foundation's funding of stakeholder participation is likely to change in the next two years, 44.8% of foundations that fund stakeholder engagement in their grantees' work indicated that they plan to increase at least somewhat their funding for grantees to engage external stakeholders. Another 44.9% indicated that they are likely to maintain their current level of giving for stakeholder engagement in the next two years. No foundations reported planning to decrease funding in this area.

Evaluating Stakeholder Participation

We asked large foundations that engaged in any form of stakeholder participation whether and how they evaluated the outcomes of that participation. As shown in Table 3, we find that 30% of foundations evaluated the results of stakeholder engagement. Of the 70% of foundations that did not measure outcomes of this work, 38.4% stated they were interested in doing so but had not done so as of yet. Most of these foundations (61.6%) did not evaluate the outcomes of stakeholder participation and were not interested in doing so.

Table 3. Evaluation of the results of stakeholder participation (N = 141 responses)[xxv]

	N	Percent
Foundation <u>does</u> evaluate the results of stakeholder engagement	44	30.0%
Foundation <u>does not</u> evaluate the results of stakeholder engagement	97	70.0%
Foundation <u>is interested</u> in evaluating the results of stakeholder engagement	42	38.4%
Foundation <u>is not interested</u> in evaluating the results of stakeholder engagement	53	61.6%

Figure 16 below describes the distribution of reasons why foundations did not evaluate the outcomes of stakeholder participation. Lack of capacity (48.2%) and lack of alignment with foundation strategy (41.38%) were the most common reasons for a lack of interest in evaluating stakeholder engagement outcomes. Some foundations expanded on their responses, many indicating that their foundation either did not have a general formal evaluation infrastructure or that evaluating stakeholder engagement was *"not relevant to decision making."* Another foundation leader described the informality of how they think about stakeholder engagement: *"We don't really overly engage with 'stakeholders.' It is very informal and, at the end of the day, we do what we need to do. We log anything we learn and if it comes up, and we think about it, we note it."*
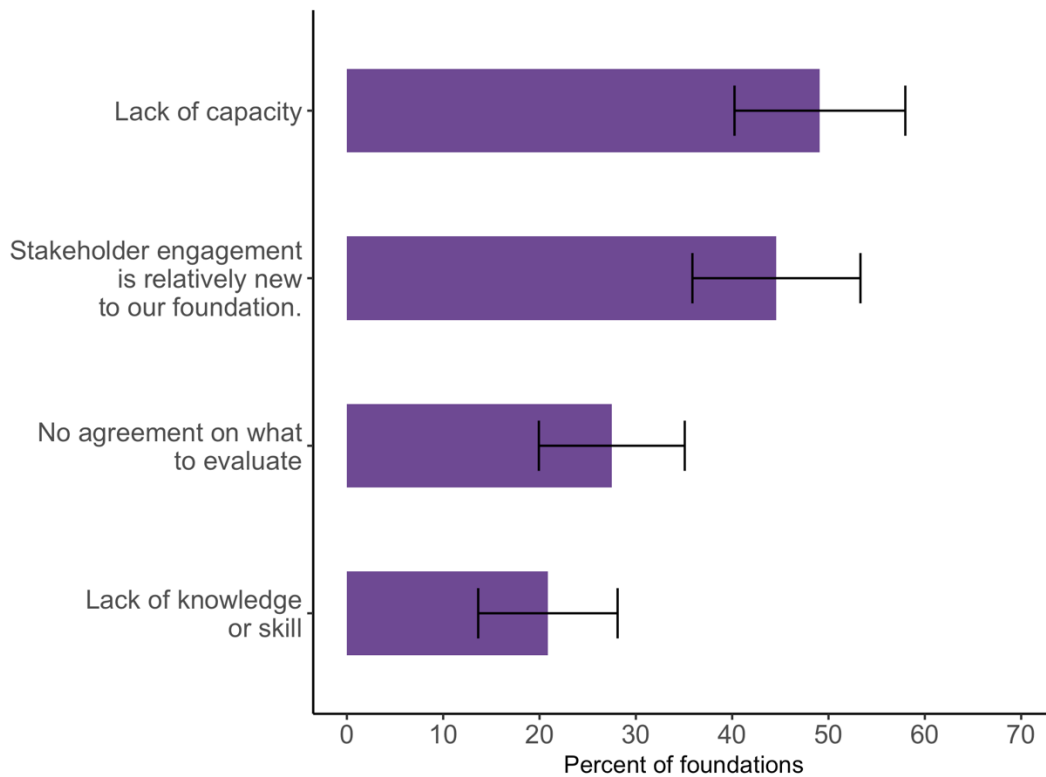
Figure 16. Reported reasons why foundations *do not evaluate the results of stakeholder participation and are not interested in doing so* (n = 53)
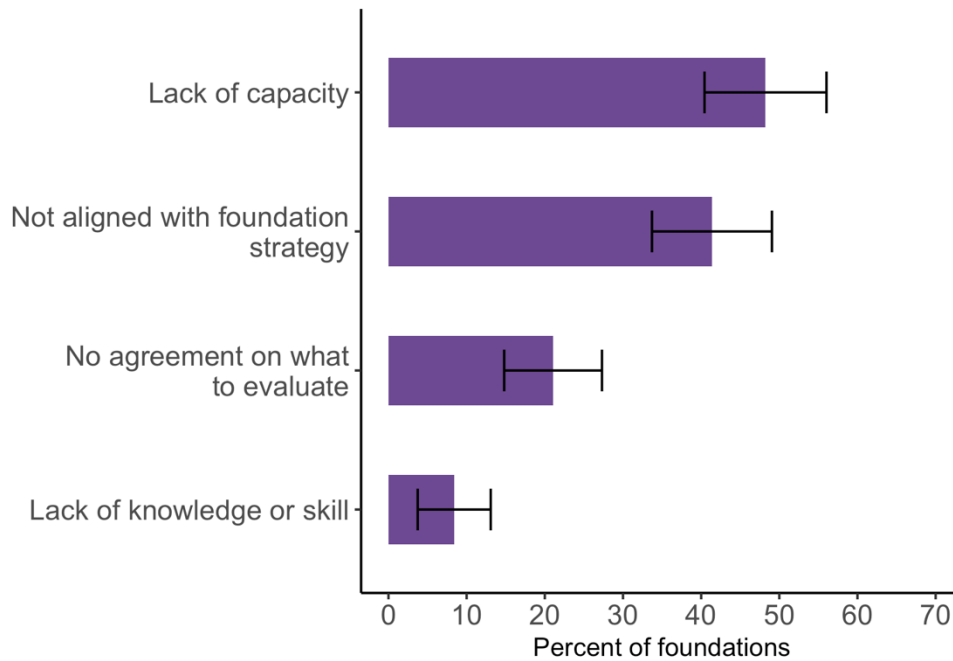
Note: Respondents could select more than one answer choice.
Error bars represent +/- the standard error of the estimated proportion.

Figure 17 below illustrates the distribution of reported reasons why large foundations interested in evaluating stakeholder engagement had not done so. Nearly half of foundations that did not evaluate the results of stakeholder participation, but are interested in doing so, cited lack of capacity as the limiting factor. Additionally, 44.6% of these foundations indicated that they did not evaluate stakeholder participation because these efforts were relatively new to the foundation. Foundations offered a variety of qualitative perspectives on why they did not evaluate the results of stakeholder engagement. Some indicated that the cost/benefit ratio associated with evaluation was not worthwhile for their foundation. One foundation leader indicated a mismatch between the logic of stakeholder engagement and that of evaluation, stating: ***"It's an organic process that does not lend itself to evaluation***." In a similar vein, another foundation leader reported: ***"The benefit of their insight and diversity is self-evident. We haven't felt the need to evaluate."***

Figure 17. Reported reasons why foundations *interested in evaluating the results of stakeholder participation do not currently do so* (n = 42)

Note: Respondents could select more than one answer choice.
Error bars represent +/- the standard error of the estimated proportion.

How foundations evaluate stakeholder participation

For foundations that did evaluate the results of stakeholder participation (n = 44), we find that 81.7% of these foundations measured the extent to which stakeholder participation increased the effectiveness or impact of their work, 35.4% measured the equity consequences of stakeholder engagement, and 34.8% measured the efficiency of stakeholder engagement processes. Only two foundation respondents indicated that they did not measure any of these three dimensions.

For foundations that reported evaluating the equity consequences of their stakeholder engagement processes (n = 19), 100% evaluated racial and ethnic dimensions of equity, 96.7% evaluated the socioeconomic dimensions of equity, and 75.6% evaluated the gender dimension of equity. More than half (57.9%) evaluated equity along the lines of gender, race/ethnicity, sexual orientation, socioeconomic status/class, and ability/disability.

In terms of what foundations measured with respect to equity, some respondents reported taking a quantitative approach, looking at the number of BIPOC[xxvi] leaders and community members that participate in stakeholder engagement activities, that serve on the board of directors or in foundation leadership, and the number of "grassroots BIPOC leaders participating in decision-making committees of the foundation." Another foundation stated that they focused on a broad array of measures:

> *"[We measure] who are the beneficiaries served; how participants of color are engaged with programming design, implementation and efficacy; ways in which communities of color are impacted by the project (outcomes/impacts); systems, structures and policies that have been changed and improve lives of communities of color, children, families and communities."*

We asked foundations that evaluated stakeholder participation how they evaluated this work. A total of 19 foundations provided qualitative responses to this open-ended question. Table 4 below summarizes the themes that emerged in the responses and provides illustrative quotations.

Table 4. How foundations evaluated stakeholder participation efforts

Metrics and constructs of interest	*"The dollar amount and percentage of unrestricted grant dollars flowing to BIPOC led organizations. Strength of local networks to advance racial equity and racial healing. [We are] currently developing new metrics to evaluate flow of dollars for racial justice/systems focused work."* *"Enhanced relationships over the long-term, increased quality of life for recipients of grants over the short and long-term."* *"We are working to measure collective power building."*
Tools of measurement and sources of information	*"[We use] written reports, observation, as well as informal and formal conversations."* *"We collect data from stakeholders around relationships with program officers, foundation's impact of grantee organizations, foundation understanding of local community and grant processes/efficiency/transparency."* *"We lean heavily on the CEP[xxvii] feedback and work diligently to listen closely and respond in our processes."* *"[We use] surveys and informal communications."*
Challenges of measurement	*"We know [evaluation] is helpful to have, but sometimes it's splitting hairs. Is there a body of evidence to suggest that this is effective? How many neighbors have we reached out to? The bigger question is: do they trust us? [It's] hard to measure because it's not transactional, hard to measure a deep sense of trust."*

Qualitative responses indicated a desire to track a broad array of quantifiable metrics such as descriptive representation and dollars flowing to particular types of organizations, such as BIPOC-led nonprofits. But there was also a desire on the part of several foundations to evaluate and track more qualitative indicators such as the quality of relationships built and the shift in power to marginalized communities. Survey data and both formal and informal conversations were commonly cited tools for collecting such data. Those foundation respondents that noted challenges in evaluating participation discussed the importance of building trust with communities and how that concept does not necessarily align well with being evaluated.

CONCLUSION

Our findings indicate that a majority (83%) of large philanthropic foundations in the United States have directly engaged their stakeholders—grantee nonprofits, non-grantee nonprofits and community-based organizations, community members directly affected by the foundation's funding, or members of the public—to some degree in their governance or grantmaking. Stakeholder participation among large foundations drops off precipitously as we move from consulting and involving stakeholders to allocating authority to stakeholders to make decisions regarding foundation governance and grantmaking. Evidence suggests that foundations largely retain control over much of the decision-making, including decisions about which organizations are ultimately awarded grant funds. About 10% of foundations reported allowing grantees or community members most affected by the foundation's funding to decide how to allocate grant funds.

In aggregate, large foundations directly engaged community members affected by the foundation's funding (51.5%) more frequently than they engaged members of the public (19.0%) (see Appendix C). Broken out by process and level of influence on decision-making, we find that foundations tended to consult and involve affected community members to influence governance and grantmaking more often than they did members of the public, but when it came to conferring decision-making authority, foundations reported doing this roughly equally for community members and members of the public. This evidence illuminates questions regarding how stakeholder participation serves to create social equity—specifically giving voice to individuals who experience the social issue that the foundation works to address—as opposed to serving a broader democratizing function.

Foundations reported a variety of factors driving their stakeholder engagement practices, most notably the belief that stakeholder participation leads to more **effective** grantmaking and generates **innovative** solutions to the societal challenges that foundations seek to address. Less commonly reported motivations were shifting power to affected communities, building leadership capacity among participants, and diversifying decision-making about resource allocation. These results were somewhat surprising in that much of the early literature on participation in foundation grantmaking emphasized that the desire to share power often drives the implementation of participatory practices in foundations.

These findings raise many important questions about the differences between foundations that adopt stakeholder engagement practices and those that do not. Consistent with conversations that we have had with philanthropic practitioners throughout our survey development process

participatory processes seems to be largely driven by motivated program staff and senior leadership. More questions remain as to whether and how certain attributes of key staff and leaders contribute to a foundation's propensity to adopt participatory practices.

Apart from implementing stakeholder engagement practices directly, foundations can also fund their grantees' stakeholder participation efforts. Our findings point to two key trends. The first is that funding stakeholder engagement through regranting is an emerging strategy. Overall, approximately 35% of foundations funded regranting organizations to specifically engage stakeholders in their governance or grantmaking. Similar to the observed trend in direct stakeholder engagement, the percentage of foundations that reported funding the various stakeholder participation efforts of their grantees was roughly constant at the levels of consulting and involving, but the percentage of foundations that funded grantees to confer decision-making authority upon external stakeholders was significantly lower.

The second trend is that the foundations that funded stakeholder engagement through grantees were also foundations that engaged stakeholders directly. Funding participation, in theory, might help foundations mitigate lack of internal capacity or a lack of existing stakeholder relationships. Our evidence suggests, however, that funding participation is not so much a substitute for doing the work directly, but a complement to it. This finding suggests that the internal infrastructure, external relationships, and degree of comfort for direct stakeholder engagement can also support the funding of grantees for stakeholder engagement. More work remains to be done in terms of understanding the nature of this infrastructure and these relationships, and how they work to support stakeholder participation.

Our results also indicate that measuring the outcomes of stakeholder participation is not widespread. Of the foundations that indicated using one or more participatory approaches, less than one-third reported evaluating the outcomes of these approaches. Our findings show that lack of capacity within foundations is a commonly reported challenge to implementing this type of evaluation. However, a question remains: Do the results of stakeholder participation really need to be measured? Our qualitative evidence points to the perception among some foundation leaders and staff that stakeholder engagement is a necessary approach to governance and grantmaking. One foundation leader's perspective that "the benefit of [stakeholder] insight and diversity is self-evident" is emblematic of an increasingly common view that power-sharing through stakeholder engagement is a matter of procedural justice, rather than an outcome that requires measurement.

Our findings highlight the many ways that foundations are engaging external stakeholders, but we also find that few foundations are sharing decision-making power with these stakeholders.

Our findings highlight the many ways that foundations are engaging external stakeholders, but we also find that few foundations are sharing decision-making power with these stakeholders. These results raise a number of questions regarding what drives foundations to engage stakeholders, what these approaches look like in practice, and how foundations can incorporate greater degrees of stakeholder participation into their governance and grantmaking. Future stages of this research will seek to address these questions and contribute to the growing base of knowledge on participatory approaches within institutional philanthropy.

ENDNOTES

[i] Prewitt, 2006; Fleishman, 2007; Anheier and Hammack, 2010

[ii] Callahan, 2017; Reich, 2016; 2018

[iii] Giridharadas, 2018; Barkan, 2013; Callahan, 2017; Reich, 2016; 2018; Roelofs, 2003

[iv] Villanueva, 2018; Kohl-Arenas, 2015; Francis, 2019; Bley & Le, 2016

[v] Emerson & Nabatchi, 2015; Nabatchi & Leighninger, 2015

[vi] Eikenberry, 2006; Bearman et al., 2017; Gugerty & Husted, 2019

[vii] Ostrander, 1997

[viii] Gibson, 2017

[ix] Cardona, 2020; Daniels & Buhles, 2020; Pitkin, 2020

[x] Arnstein, 1969

[xi] Fung, 2006

[xii] IAP2, 2018

[xiii] Emerson & Nabatchi, 2015

[xiv] Gibson, 2017

[xv] Ostrander, 1997; Gibson, 2017

[xvi] Gibson, 2017; McGinnis-Johnson, 2016

[xvii] Gibson, 2017

[xviii] IAP2, 2018

[xix] There are other important external stakeholders such as government organizations and corporations. However, we are particularly concerned in this study with foundations' attempts to shift power, thus we focus on these particular external stakeholder groups as they have tended to be in positions of less power relative to foundations.

[xx] This percentage increases to 48% when only considering foundations that indicate they make grants to organizations that will regrant their funding.

[xxi] For questions dealing with grantmaking the analytic sample size is 145, as three foundations indicated that they do not make grants. We included all private foundations, including operating foundations, in our sample. While operating foundations do not typically make grants, they are still potentially able to directly engage stakeholders about their organizational priorities.

[xxii] This is likely, in part, due to concerns around conflicts of interest.

[xxiii] Cardona, 2016

[xxiv] We focus on foundations that permit the regranting of their funds in order to allow for the possibility that the foundation funds participatory grantmaking through their grantees rather than engage in it directly.

[xxv] 4.7% of foundations that engage in some form of participation did not answer this question.

[xxvi] Black, Indigenous, and People of Color

[xxvii] Center for Excellence in Philanthropy

[xxviii] Buteau, Glickman, & Leiwant, 2021

REFERENCES

Anheier, H. & Hammack, D. eds. (2010). American Foundations: Roles and Contributions. Washington, D.C.: The Brookings Institution.

Arnstein, S. R. (1969). A Ladder Of Citizen Participation. Journal of the American Institute of Planners, 35(4), 216–224. https://doi.org/10.1080/01944366908977225

Barkan, J. (2013). Plutocrats at Work : How Big Philanthropy Undermines Democracy. Social Research: An International Quarterly, 80(2), 635–653.

Bearman, J., Carboni, J., Eikenberry, A., & Franklin, J. (2017). The Landscape of Giving Circles/Collective Giving Groups in the U.S. Collective Giving Research Group. Retrieved from: https://www.givingtuesday.org/sites/default/files/2017-11/Giving-Circles-Research-Full-Report-
WEB.pdf

Bley, D. & Le., V. (2019). Equitable Big Bets for Marginalized Communities. Stanford Social Innovation Review. Retrieved from:
https://ssir.org/articles/entry/equitable_big_bets_for_marginalized_communities

Buteau, E., Glickman, J., & Leiwant, M. (2017). Relationships Matter: Program Officers, Grantees, and the Keys to Success. Center for Effective Philanthropy. Retrieved from: http://cep.org/wp-content/uploads/2017/08/Relationships-Matter.pdf

Callahan, D. (2017). The Givers: Wealth, Power, and Philanthropy in a New Gilded Age. Knopf.

Cardona, C. (2016). Who's Getting Paid to Advance Grantee Inclusion? Stanford Social Innovation Review. Retrieved from:
https://ssir.org/articles/entry/whos_getting_paid_to_advance_grantee_inclusion

Cardona, C. (2020). Participatory Grantmaking Matters Now More Than Ever. Ford Foundation. Retrieved from: https://www.fordfoundation.org/work/learning/learning-reflections/participatory-grantmaking-matters-now-more-than-ever/

Daniels, D. & Buhles, K. (2020). Truly Shifting Philanthropy's Power Dynamics Requires New Structure for Giving. Inside Philanthropy. Retrieved from:
https://www.insidephilanthropy.com/home/2020/11/6/truly-shifting-philanthropys-power-dynamics-requires-new-structures-for-giving

Eikenberry, A. M. (2006). Giving Circles: Growing Grassroots Philanthropy. Nonprofit and Voluntary Sector Quarterly, 35(3), 517–532. https://doi.org/10.1177/0899764006287482

Emerson, K., & Nabatchi, T. (2015). Collaborative governance regimes: Public management and change. Georgetown University Press.

Fleishman, Joel. 2007. The Foundation: A Great American Secret. New York: Public Affairs.

Francis, M. M. (2019). The Price of Civil Rights: Black Lives, White Funding, and Movement Capture. Law & Society Review, 53(1), 275–309. https://doi.org/10.1111/lasr.12384

Fung, A. (2006). Varieties of Participation in Complex Governance. Public Administration Review, 66(s1), 66–75. https://doi.org/10.1111/j.1540-6210.2006.00667.x

Gibson, C. (2017). Participatory Grantmaking: Has its Time Come? Retrieved from: https://www.fordfoundation.org/media/3599/participatory_grantmaking-lmv7.pdf

Giridharadas, A. (2019). Winners take all: The elite charade of changing the world. Vintage.

Gugerty, M.K. & Husted, K. (2019). Collective Grantmaking in the Philanos Network: A Research Report.

International Association for Public Participation. (2018). IAP2 Spectrum of Public Participation. Retrieved from: https://cdn.ymaws.com/www.iap2.org/resource/resmgr/pillars/Spectrum_8.5x11_Print.pdf

Kohl-Arenas, E. (2015). The Self-Help Myth: How Philanthropy Fails to Alleviate Poverty. University of California Press.

McGinnis Johnson, J. (2016). Necessary but Not Sufficient: The Impact of Community Input on Grantee Selection. Administration & Society, 48(1), 73–103. https://doi.org/10.1177/0095399713509241

Nabatchi, T. & Leighninger, M. (2015). Public Participation for 21st Century Democracy. Hoboken, NJ: Jossey-Bass.

Ostrander, S. (1997). Money for change. Temple University Press.

Pitkin, B. (2020). Moving the Rooms of Power: Participatory Philanthropy is Gaining Traction. Inside Philanthropy. Retrieved from: https://www.insidephilanthropy.com/home/2020/11/6/truly-shifting-philanthropys-power-dynamics-requires-new-structures-for-giving

Prewitt, K. (2006). Foundations. In W. W. Powell & R. Steinberg (Eds.), The Nonprofit Sector (pp. 355–377). Yale University Press; JSTOR. https://www.jstor.org/stable/j.ctt5vktdq.20

Reich, R. (2016). Repugnant to the Whole Idea of Democracy? On the Role of Foundations in Democratic Societies. PS: Political Science & Politics, 49(03), 466–472. https://doi.org/10.1017/S1049096516000718

Reich, R. (2018). Just giving: Why philanthropy is failing democracy and how it can do better. Princeton University Press.

Roelofs, J. (2003). Foundations and Public Policy: The Mask of Pluralism. State University of New York.

Villanueva, E. (2018). Decolonizing wealth: Indigenous wisdom to heal divides and restore balance. Berrett-Koehler.

APPENDIX A: Survey Instrument

The survey asked a series of questions about whether foundations had engaged in a range of participatory practices within the last two years. We further asked foundations whether they funded grantees to engage stakeholders. Additional questions addressed the perceived benefits and challenges of stakeholder participation, as well as how foundations evaluated the outcomes of stakeholder participation.

The full survey instrument can be viewed at the UW Philanthropy Project page of the Evans School's website: https://evans.uw.edu/faculty-research/research-projects-and-initiatives/uw-philanthropy-project/

APPENDIX B: Survey Nonresponse Weighting

This research uses a propensity score weighting technique to account for nonresponse bias. Using logistic regression, we modeled the likelihood of survey response as a function of various measures of professionalization, geographic location, and subject matter focus (specifically, a human service orientation). These covariates were chosen by method of stepwise deletion based on model fit (measured by Akaike's and Bayesian Information Criteria) from a broader array of foundation covariates. This data was obtained from archival research of foundation websites as well as data aggregated from Foundation Database Online. Foundation responses were then weighted by the inverse of the probability of response. We find that the weighted results presented here do not deviate significantly from the unweighted results or impact the substantive interpretation of any of the results presented in this work.

APPENDIX C: Aggregate direct participation

Table 5. Aggregate direct participation by framework dimensions

Stakeholder Participation in Institutional Philanthropy Framework Dimension		Percent of Foundations
Who participates?	Grantee nonprofits	80.6%
	Non-grantee nonprofits and community-based organizations	47.8%
	Community members directly affected by the foundation's funding	51.5%
	Members of the public	19.0%
In what processes do stakeholders participate?	Determining organizational priorities	53.7%
	The grantmaking process	66.6%
	Grant funding decisions	48.2%
	Post-grant evaluation processes	52.7%
To what degree do stakeholders influence decision-making?	Foundations solicited feedback from stakeholders	80.8%
	Foundations incorporated feedback from stakeholders to influence	74.7%
	Foundations conferred decision-making authority upon stakeholders	34.0%