

# On Trust & Transparency

Perspectives from  
Luminate's portfolio

Human-centered research on the grantee experience

June 2019

Simply Secure

Luminate  
Building stronger societies

## About this Report

In June 2018, Luminate commissioned Simply Secure to conduct human-centered research focused on understanding grantees' experiences of the funding process. This is the public report from that research - a collaboration between Luminate, formerly the Governance & Citizen Engagement (GCE) Initiative at Omidyar Network, and Simply Secure. The interviews and survey were conducted over the course of July - September 2018.

Visit an online version of this report at: [ontrustandtransparency.report](https://ontrustandtransparency.report)

## Who is Luminate?

Established in 2018, Luminate is a global philanthropic organization with the goal of empowering people and institutions to work together to build just and fair societies. Luminate does this by funding and supporting non-profit and for-profit organizations and advocating for policies and actions that will help people participate in and shape the issues affecting their lives, and make those in power more transparent, responsive, and accountable. Read more about [Luminate](#).

### Contact

[hello@luminategroup.com](mailto:hello@luminategroup.com)

## Who is Simply Secure?

Simply Secure is a US 501(c)3 non-profit building a community of practitioners that puts people at the center of privacy, security, and transparency. We have core team members in New York City, Swarthmore, Berlin, and Toronto. Our small but nimble team collaborates with a global network of professionals to engage domain-specific talent for each project. Read more about [Simply Secure](#).

### Contact

[contact@simplysecure.org](mailto:contact@simplysecure.org)

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# Foreword

## FROM GOVERNANCE & CITIZEN ENGAGEMENT INITIATIVE TO LUMINATE

Established in 2018 by Pierre and Pam Omidyar, Luminate is a global philanthropic organisation with the goal of empowering people and institutions to work together to build just and fair societies. We do this by funding and supporting non-profit and for-profit organisations and advocating for policies and actions that will help people participate in and shape the issues affecting their lives, and make those in power more transparent, responsive, and accountable. We prioritise delivering impact in four interconnected areas that underpin strong societies: Civic Empowerment, Data & Digital Rights, Financial Transparency, and Independent Media.

For more than 10 years we were the Governance & Citizen Engagement (GCE) initiative at Omidyar Network, the philanthropic investment firm set up by Pierre Omidyar, the founder of eBay. Over that time, we grew as a global team and supported more than 200 organisations in 18 countries with more than US \$300 million of grants and investments.

The decision to establish Luminate was driven by two critical factors: first, the need to respond robustly to the complex and connected issues we were seeing emerge in the current political and social environment; and second, the changing needs of our investees as they work to achieve greater impact, often in the face of fast-moving and sometimes unpredictable challenges.

## EVALUATING OUR PRACTICES USING A HUMAN-CENTRED LENS

The journey to becoming Luminate required that we reflect deeply on our first ten years. A critical part of that process was to listen to the experiences of our primary stakeholders – our investees. As part of Omidyar Network, we had as a team engaged in previous efforts to collect feedback from our portfolio, including via the Center for Effective Philanthropy Grantee Perceptions Survey (in 2014) and the Partner Voice Survey (in 2017) – a bespoke survey of Omidyar Network’s portfolio, to dig deeper on opportunities for improvement.

Building on the insights from those efforts, we commissioned Simply Secure, a non-profit organisation specialising in human-centred design with a focus on privacy,

security and transparency, to undertake a feedback gathering process between July-September 2018, using a human-centred research approach. Human-centred research is grounded in empathy and takes the approach that understanding the experiences, needs and values of people, in this case our investees, is essential to developing practices and processes that serve them best.<sup>1</sup> The purpose was to gain a deeper understanding of our investees' experiences and perspectives and to generate actionable insights to improve our work and practices that would better centre our investment practices around their needs.

We are excited to share the outcomes of that research in this report. Whilst many of the issues will be well known in the philanthropic community, we see value in publicly sharing this report to: 1) acknowledge the insights that have emerged from our portfolio; 2) establish a baseline against which we can evaluate ourselves in the future; and 3) contribute to the ongoing discussion of funders' responsibilities and the importance of understanding and addressing the needs of those we fund.

## PARALLEL, COMPLEMENTARY EFFORTS

The research process and drafting of this report coincided with ongoing efforts by our team to improve investing processes and practices and re-establish the values

and principles that we will operate by. As such, several changes have already been made that go some way in addressing the recommendations in the report. These include:

### Transparency around our strategy and investment processes

- We launched a new [website](#) in October 2018, that articulates Luminate's mission and values, our policies, and our history as an organisation. The website also includes an [overview of our investment process](#) and investing FAQs.
- We published our [2018-2022 Strategic Plan](#) for the first time in January 2019.
- We are launching our investment database in early June 2019, which will contain the details of our current investments and grants.

### Diversity, equity and inclusion

- We published a [blog](#) in December 2018 which articulates our commitment to diversity, equity and inclusion (DEI), and introduces some of our work on the topic since our launch. This includes publishing our policy document outlining our DEI priorities on our website, revamping our diligence process to account for inclusive workplace issues, and clarifying our legal documentation to ensure it includes specific language which commits our investees to upholding values and principles related to inclusive workplaces that mirror our own commitments.

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<sup>1</sup> To learn more, see *Methodology*, pp.9 - 11

### Investment management

- **Portfolio support:** We are working to prioritise portfolio management and help our organisations to build capacity and resilience (e.g., executive coaching, fundraising support, digital security trainings, or diversity, equity and inclusion reviews). As such, we developed a portfolio support function in January 2019 and are building this out.
- **Learning & Impact:** We hired a Director of Learning & Impact, who began in May 2019, and will be working to improve our approach to monitoring, learning, and impact evaluation.

### IMPLEMENTING THE RECOMMENDATIONS

As mentioned above, we have already taken efforts to become more investee-centred, and we were pleased that the importance of such initiatives was emphasised in Simply Secure's research and subsequent recommendations. We will continue working to better understand and consider how we can integrate the other insights and recommendations from this research into our practices and future

decision-making, and will keep you updated as to how we get along. We will also explore possible opportunities to utilise human-centred design methods in our work more broadly.

There are inherent challenges in any funding relationship, and we won't always get things right the first time. But we commit to listening and communicating more, continuing to reflect and improve on our practices, and we ask you, as our investees and peers, to hold us accountable for this.

We hope that in doing so, we can work in partnership to build stronger societies.

**Stephen King**  
**CEO, Luminate**  
*June 2019*

# Overview

In June 2018, Luminate commissioned Simply Secure to conduct **human-centered design (HCD) research** focused on uncovering grantees' experiences of the funding process. The research focused on three main questions:

- What pain points offer opportunities for improving grantees' experience?
- What actionable recommendations are priorities for GCE to address?
- What steps can be taken to build continuous HCD research into GCE's processes?

Simply Secure built confidentiality and anonymity into the research process, so as to solicit authentic, critical feedback. The report highlights feedback from **20 interviews + 53 survey responses**, including anonymized quotes and comments.

HCD methods are applicable in any part of a product or service development process, from initial needfinding through prototyping and feedback. The project was early-stage, formative work **focused on surfacing the needs of grantees**. This work could potentially be continued in the future to further develop the recommendations. Additional HCD methods can ensure the

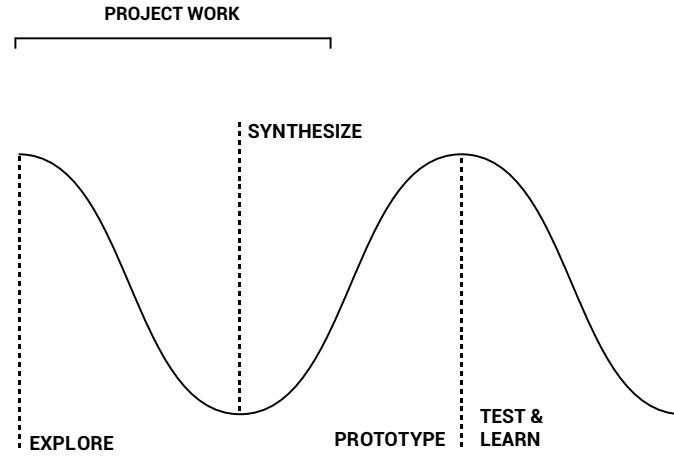
research participants' needs stay central in the later design and implementation process.

The findings in this report have been informed by feedback from Luminate's grantees and do not include responses from for-profit organizations in the portfolio. Please see Methodology (pp. 10-11) for more information.

As this report is based on interviews and data collected from grantees between July and September 2018, it is a reflection of grantees' perspectives on the experience they had while funded by Omidyar Network's GCE initiative and the recommendations have been developed according to experiences with Omidyar Network's processes and dynamics (rather than Luminate's). These learnings can therefore be seen as a useful baseline for Luminate to evaluate itself against going forward.

Figure 1

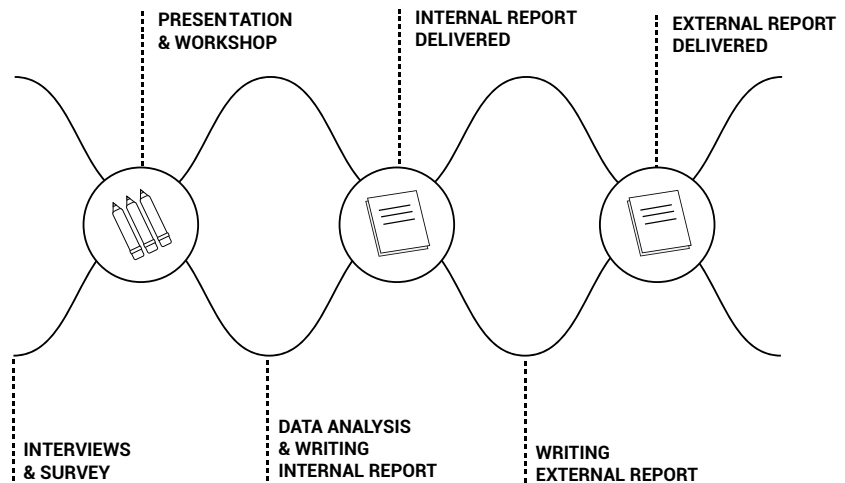
## Human-Centered Design



HCD methods are applicable in any part of a product or service development process, from initial needfinding through prototyping and feedback. The project was early-stage, formative work focused on surfacing the needs of investees. This work could potentially be continued in the future to further develop the recommendations.

Figure 2

## Workflow Overview



The report highlights feedback from 20 interviews + 53 survey responses, including anonymized quotes and comments.



# Methodology

Simply Secure's approach is **values-based** and leverages **human-centered design practices** throughout our work. Three values that particularly informed the approach on this research are:

## 1. CONFIDENTIALITY

Forming a rapport strong enough to get potentially critical information about an influential funder from a tech-savvy audience required developing a robust set of confidentiality practices.

- Participant data was stored only on encrypted devices.
- Temporary, purpose-specific email accounts and calendar items were used, and have been deleted upon finalizing the research.
- Aliases were used for participants in all unencrypted electronic communication (Slack, Google Apps, scheduling). The only link between the alias and the participants' names was on an encrypted drive and in handwritten notes.
- Before the interviews, each participant received a data handling statement via email.

- During the interviews, we only took handwritten notes to decrease the digital footprint.
- We selected and used an open-source platform called LimeSurvey because of its strong privacy-preserving policies.
- The entire project (data collection, storage, and processing) is GDPR-compliant.

We believe these policies, which can be found in the Resources section on the [report website](#), can be a model for the participants' communities, as well as others seeking to do HCD work in sensitive situations.

## 2. OPENNESS

Our practice is to share openly as much as possible from our work, e.g., data, insights, and techniques — while also respecting participant and collaborator privacy and security. This allows us to reflect how much we value participant input. For this work, the insights from this research are shared as a public report. The techniques and methods used for privacy-preserving user research are shared in the Resources section on the [report website](#).

### 3. EMPATHY

Human-centered design (HCD) is grounded in empathy. In an HCD process, we take the approach that understanding people's experiences, needs, and values sets the foundation for improving the world they live in.

HCD research methods often take the form of semi-structured interactions, e.g., interviews, design workshops and exercises, and participatory methods. These techniques surface participants' priorities and values by giving them control over the focus of the research. Each interaction is a unique response to each participant, tailored to their individual concerns. HCD methods aren't entirely open-ended; a common overall structure allows researchers to draw out parallel themes and insights.

#### WHY HUMAN-CENTERED RESEARCH?

Human-centered research is about people, and about the impact that a program, a process, or a technology has on those people's lives. Human-centered research generates actionable insights to improve an organization's offerings. In contrast to a top-down process which emphasizes the priorities of a funder, human-centered research as applied to philanthropy offers the opportunity to understand not just how a given grant impacts an organization, but how the relationship between funder and grantee shapes the health of the nonprofit sector as a whole.

Simply Secure's approach to human-centered research is grounded in respect for participants

and dynamic adaptation to the ongoing insights that emerge from the research process. A mix of qualitative and quantitative methods was employed: the core of this work was a series of semi-structured, in-depth, participant-led interviews. The interview guide contained open-ended questions and clear topics to cover, but remained flexible enough for the participant to direct time and attention to their—rather than Simply Secure's—priorities. New questions that took shape during the interviews were then used to shape a survey. The survey contained more targeted questions, and was distributed to a larger group, in order to understand how these emerging questions and opportunity areas resonated with a broader audience.

Overall, this human-centered approach to research allowed us to have critical conversations around important relationships with the participants and adapt as needed to the issues participants raised. A human-centered lens is ideal for this type of research as it allows for better understanding of the participants' context and environment, as well as the specific process or practice that is the focus of the research.

#### LIMITATIONS

Although this project uses best practices for human-centered user research, there are some limitations to the approach.

- The **response rate** for both the interview requests and the survey were high overall, but the response rate from for-profit organizations was low. Although the sentiments from the participants were

consistent across both for-profit and non-profit organizations, the research team decided that it would be better to remove the for-profit responses from the data, so as not to inappropriately over-generalize the insights. The research team has connected with the for-profit participants to let them know.

- Drawing conclusions from **small-scale samples** has risks. These risks can be mitigated, e.g., through a mixed-methods approach using additional methods such as surveys and data analysis to triangulate findings.
- **Researcher bias** in interpreting and prioritizing the results is another risk. To mitigate the risks of bias, two researchers participated in every interview, and the interviews were complemented with a survey.
- This phase of research did not include GCE **alumni**. If further work is pursued to focus on the end of the grantee-funder relationship, then alumni input would be critical to better understand and shape future guidelines.
- **Self-selection bias** may have impacted who we heard from in the interviews and the survey. Organizations who felt their relationship was particularly strong or particularly terrible with GCE might not have chosen to participate, feeling that their feedback was not needed (in the case of a strong relationship) or wouldn't be heard (in the case of a bad relationship).

To mitigate this, organizations were invited to participate multiple times, by both Simply Secure and GCE, and the outreach communications covered concerns around confidentiality and privacy.

## NOTES

- Luminate funds both non-profits and for-profits and refers to both collectively as investees. Due to removing for-profits from the participant population, we have used the language of “grantee” in this report.
- Due to the confidentiality practices in place, it was not possible to connect quotes back to organizations, so although for-profit organizations are not represented in the participation rates and overview of the survey participation below, quotes from for-profits may be included alongside the quotes from grantees.
- Simply Secure conducted research prior to the Luminate launch in October 2018, so the respondents shared their perceptions of the Governance & Citizen Engagement (GCE) initiative at Omidyar Network, as it was at that time. In this report, we have reframed current efforts around Luminate, and otherwise referenced “GCE” or “Omidyar,” matching participants’ language about past experiences.
- Participants often used the terms “GCE,” “Omidyar,” and “ON” interchangeably.

## INTERVIEW PARTICIPATION OVERVIEW

The interviews consisted of open-ended questions about the organization's relationship with GCE. Interviews were 45-90 minutes long, depending on the respondent's availability.

- We conducted 20 interviews: 17 with current grantees, and three with other people of interest, e.g., sector experts or unfunded organizations. All interviews were conducted by two people from Simply Secure. Six were in person, and 14 were remote. The majority of interviews involved one participant from the organization.
- We used stratified random sampling to select participants from the list of existing grantees. We invited participation proportionally from the following groups in order to ensure representation:
  - Location
  - Non-profit / for-profit
  - No board member from GCE / board observer from GCE / full board member from GCE.
  - Impact area
  - Funding amount
  - Initial funding year
- We reached out to 35 people, of whom 20 responded (a 57% response rate). Of the 20 who responded, 2 were for-profit organizations, which have been removed from the data counts.

## SURVEY PARTICIPATION OVERVIEW

The survey was designed to interrogate some of the emergent insights from the qualitative study. It focused on the following topics:

1. Requested needs in portfolio support<sup>2</sup>
2. Perceptions of GCE as a funder
3. Communication and transparency
4. Ease of reporting
5. The experience of non-profit grantees vs. for-profit investees

We sent a survey to 122 organizations that were part of GCE's portfolio at the time of the research.

- 53 out of 122 organizations responded (~43% response rate).
- We asked each organization to only respond once.
- 14 of the 53 responses came from the 17 organizations we interviewed.
- For-profits had an extremely low response rate on the survey. *Due to this, the survey findings cannot be used to validate the difference in experience between for-profits and non-profits.*

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<sup>2</sup> Specifically earmarked support, above and beyond grant funding, to build organizational capacity and resilience. Examples include executive coaching, fundraising support, digital security trainings, or diversity, equity and inclusion (DEI) reviews.

Figure 3

## Geographical focus of interviewees\*

Note: “Geographical focus” refers to the region that grantees are working in. Participants with a “global” focus have work that cuts across multiple regions, or work that takes a global view, more broadly.

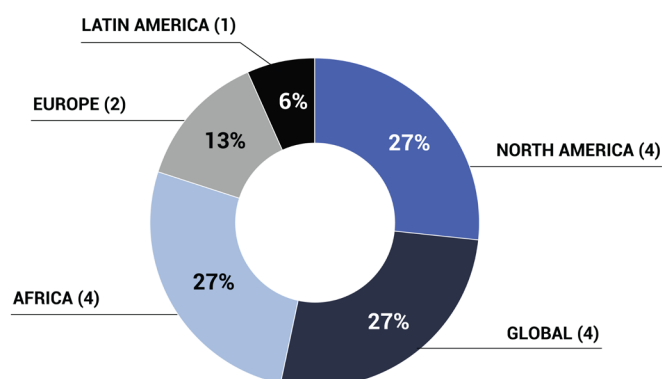
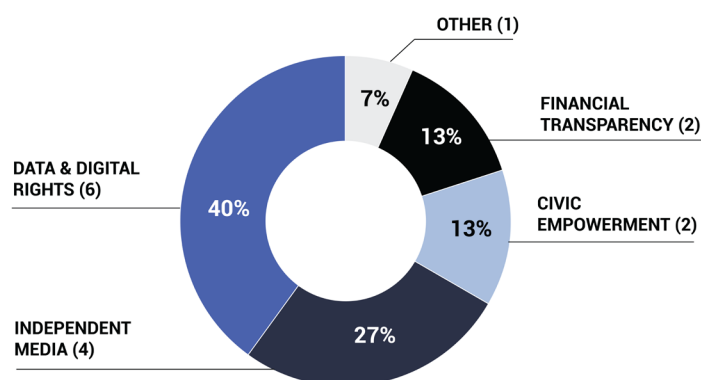


Figure 4

## Impact area of interviewees\*

Note: Former names for impact areas (Civic Tech, Data Governance, Fiscal Governance, Independent Media) were used during the research.



\* Charts do not reflect interviews with three additional people of interest

Figure 5

Luminate participation on boards of interviewees\*

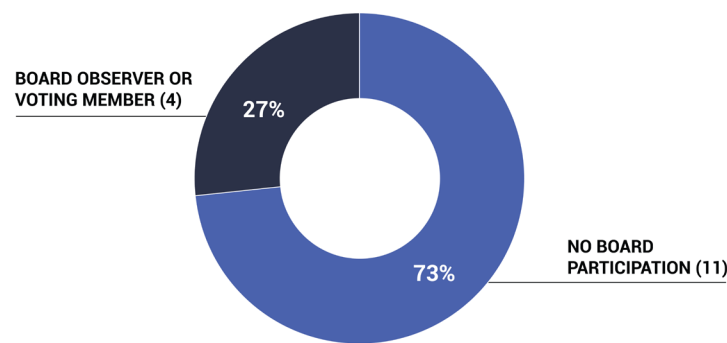


Figure 6

Interviewees initial funding date\*

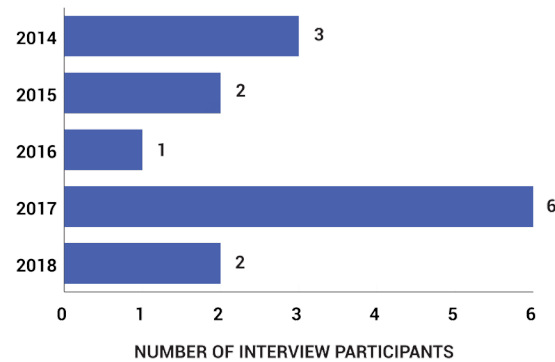
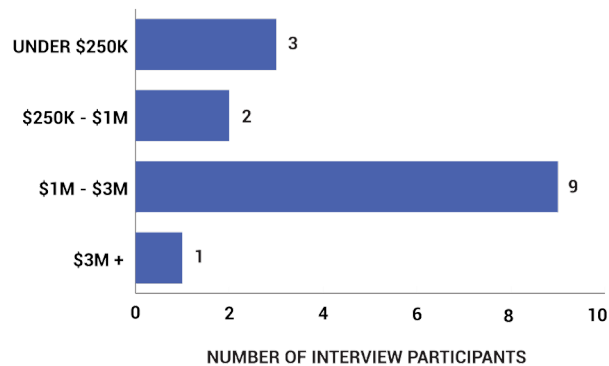


Figure 7

Funding level of interviewees\*



\* Charts do not reflect interviews with three additional people of interest

Figure 8

# Geographical focus of survey respondents

Notes: “Not applicable” and “Prefer not to say” responses are excluded from survey charts.

“Geographical focus” refers to the region that grantees are working in. Participants with a “global” focus have work that cuts across multiple regions, or work that takes a global view, more broadly.

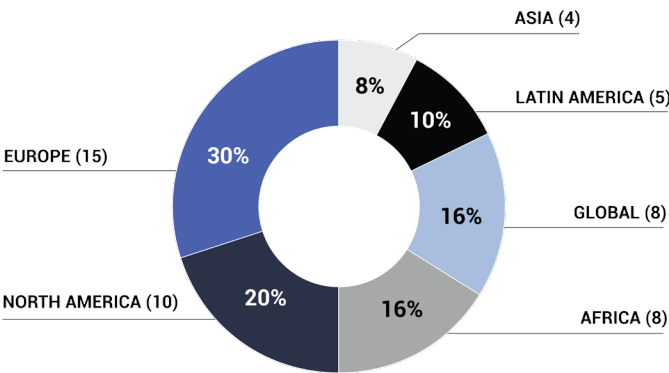
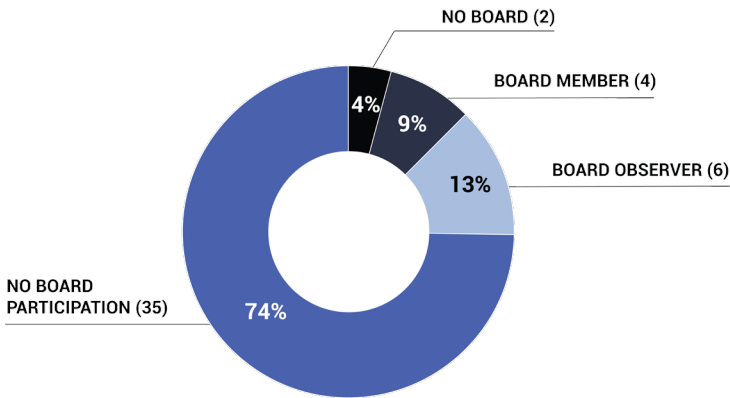


Figure 9

# Luminate participation on the boards of survey respondents



# Themes

In synthesizing the conversations and survey feedback into insights and recommendations, four thematic areas emerged: Funding Approach & Process, Trust & Power, Funder Identity & Culture, and Assessing Impact. Each insight has been associated with one or more of the themes to provide an organizing framework for these interdependent concepts.

## 1. FUNDING APPROACH & PROCESS

How do funder practices and processes affect grantees? How sensitive is the funding process to the needs and constraints of grantees? Which aspects are particularly challenging?

## 2. TRUST & POWER

What role does trust play in the funder-grantee relationship? How can it affect the impact that both seek to have? How can funders better manage the inherent power dynamics in funder-grantee relationships?

## 3. FUNDER IDENTITY & CULTURE

How does a funder's approach and history affect how they are perceived, how they relate with grantees, and how impact is achieved? How do identity, culture, diversity, equity and inclusion come into play in the funder-grantee relationship?

## 4. ASSESSING IMPACT

How can funders work better with grantees to meaningfully assess impact? How do funders' varying styles and funding approaches affect successful impact evaluation?

## HOW TO READ THIS REPORT

This report has been organized by Insights. Each section contains:

- > An overview of insights that emerged from interviews and survey feedback
- > Anonymized quotes from participants
- > Relevant thematic areas
- > A list of related recommendations.

A summary of all recommendations can be found on pp. 52 - 57.



# Insights

**1**

Grantees value deep and trusting relationships with funders, grounded in subject area expertise.

**2**

When funders wear multiple hats — as individual advocates as well as representatives of a funding organization — it can be unclear which role the funder is playing at any given time.

**3**

A funder's reputation impacts the funder-grantee relationship.

**4**

Power dynamics, if not acknowledged, can affect the strength and quality of funder-grantee relationships.

**5**

A lack of transparency around how diversity, equity and inclusion (DEI) is valued and integrated into a funder's work can lead to questions about a funder's commitment to DEI.

**6**

Multi-year flexible funding is extremely valued.

**7**

Grantees crave structure and clarity with regards to 1) the funding process and what to expect from the relationship once funded, and 2) shifting strategic priorities.

**8**

Grantees are interested in, and looking for portfolio support, and would like more clarity, autonomy, and choice in how they access and receive that support.

**9**

Reporting and metrics are not always perceived as useful and valuable to grantees.

# 1

“We had first-date chemistry. We just instantly understood each other.”

“I can feel our IL wants us to succeed.”

## INSIGHT

**Grantees value deep and trusting relationships with funders, grounded in subject area expertise.**

A strong relationship between the funder and grantee builds trust, enabling the grantee to take more initiative and negotiate for their needs. Partnering with an investment lead (IL) or program officer with subject area expertise is especially critical for grantees to feel like their work is understood.

“Our IL remembers things we told them a year ago.”

“Our IL is constructive, smart, wise, and diligent.”

“There was a big values overlap.”

“For the first time, we were talking to people who actually get it.”

## Insights

The investment lead (IL) was seen by participants as the face of GCE for grantees.<sup>3</sup> A positive experience with an IL reflects very well on the organization as a whole. ILs with deep subject area knowledge are particularly valued.

The ILs’ extensive knowledge about the space made the grantees feel understood and heard, and contributed to an overall feeling of alignment with GCE as a team. One participant expressed this as really valuing the “professional, constructive, and encouraging thinking partner that our contact (IL) embodies.”

Organizations who had a close relationship with their ILs were uniformly positive about their IL’s capabilities and the amount of personal attention they received. “They’ve truly felt as much like thought partners and co-conspirators in our work as they do funders,” wrote one organization in the survey.

GCE’s openness to collaboration and negotiation was regarded as extremely positive for those who had taken the initiative to take advantage of it. Grantees who were confident enough to push back — usually with regard to metrics or reporting — felt respected and heard, and often got what they asked for. Having pushed back didn’t seem to hurt their reputation or relationship with GCE — if anything, it seemed to lead to greater mutual respect.

### THEMES

- > Trust & Power
- > Funding Approach & Process

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<sup>3</sup> Investment Lead (IL) is a similar role to a Program Officer at a foundation.

# Recommendations

Cultivating relationships takes time and intentionality. To building deep, trusting relationships grounded in subject area expertise, we recommend the following:

- Support professional development of investment leads to develop expertise in the field in which they are managing grants.
- Clarify roles and responsibilities of key people involved in relationship management with the grantee. This is particularly important for creating a deep and trusting relationship and provides clarity over who the grantee should direct questions to.
- Be clear about expectations and responsibilities of grantees once in the portfolio e.g., with regards to reporting, evaluation, and expected duration of support.
- Give sufficient time to develop an impact measurement framework that a grantee is comfortable with, e.g., consider allocating time at the beginning of a grant term to dedicate to working on co-designing indicators that are outcome-driven and aligned with the grantee organization's strategy.
- Look for opportunities to model transparency and honesty in communications with grantees. Greater transparency from funders around their own challenges and failures will help grantees by reinforcing that their experiences are normal, expected, and worthy of support, and will facilitate a more productive and beneficial funding relationship for both parties.

# 2

“You can’t participate in civil society if you are a funder. You never get more than 50% of what is going on.”

“Social change is political.”

## INSIGHT

**When funders wear multiple hats — as individual advocates as well as representatives of a funding organization — it can be unclear which role the funder is playing at any given time.**

The power dynamic of the funder-grantee relationship is always present, even when the individuals from organizations are interacting in other contexts. If funders are also going to be active in the spaces where their grantees work, then they need to clearly communicate which role they are in, so as not to unintentionally overstep or blur the funder-grantee relationship.

“What is the end game here? Building effective organizations, or political change through supporting organizations?”

“This is [Luminate’s] moment. If they’re willing to step up, they could have huge potential in this sector.”

## Insights

The confusion was exacerbated by the fact that GCE saw itself as an “operational funder” (and still does as Luminate). This can be broadly defined as a funding organization that engages in direct advocacy as well as also supporting the policy and advocacy goals of organizations in the field.

Challenges arose when members of GCE’s staff were seen to be wearing multiple hats – as individual advocates as well as representatives of a funding organization. When individual staff express support for something, people hearing it are not always able to determine if the statement of support means 1) this is interesting work that someone should be doing that aligns with GCE’s priorities, 2) this is a priority for a direct operational play by GCE, or 3) this is critical to the social-political moment in general.

Some participants voiced concerns about funders also acting as advocates, as funders naturally have a position of power in the space and have access to knowledge not available to other advocates. Others pointed out that GCE’s success depended on its staff taking the time to develop very clear opinions and stances on particular issues, which naturally leads to a more “activist” position.

### THEMES

- > Funder Identity & Culture
- > Funding Approach & Process

## Recommendations

When funders participate in spaces as advocates, they can run the risk of overstepping or blurring the funder-grantee relationship. To reduce this ambiguity:

- Be explicit about which role you are playing at a given time (as both a funder and advocate in the field), understand where the boundaries of that role lie, and be aware of the conflict that may crop up when switching roles. This is relevant both in private (e.g., in a conversation with a prospective grantee) and in public (e.g., when writing a white paper).

# 3

“Their stamp of approval means a lot.”

“Their funding shows that we’re one of the good guys.”

## INSIGHT

### A funder's reputation impacts the funder-grantee relationship.

In addition to providing an organization needed resources, a funding relationship establishes a public connection between the grantee and the funder, which can provide meaningful validation or, in some cases, bring up reputational challenges for grantees.



“The Omidyar name is highly respected and has protected us during difficult times.”

“Our human-rights work has good overlap, but in terms of general values? They are too Libertarian.”

## Insights

In regions where Omidyar Network (ON) is established, receiving funding can mark an organization as stable, competent, professional, and committed to measurable impact. In regions where ON is less established, the funding can label an organization as either a rising star or as one of the top players in the field. The ON stamp of approval has the potential to make organizations much more attractive to other funders. Participants were aware that other funding decisions appear to be and can be influenced by receiving ON funding. As this research was conducted prior to the launch of Luminate’s brand, it is important to note that the brand and reputation that is spoken of is tied strongly to the name “Omidyar” (ON).

In contrast, many participants expressed concerns that the optics of their organization publically accepting support from a “Silicon Valley” funder could be a liability, particularly in contexts hostile to capitalism or corporate donors (e.g., social projects that are critical of free-market liberalism, or media projects critical of big tech). These concerns have been heightened due to global tensions around philanthropy, influence and power.

### THEMES

- > Funder Identity & Culture
- > Trust & Power

# Recommendations

A funder's brand brings both positive and negative optics for grantees. To reduce ambiguity around funder identity and strategic priorities:

- Clearly communicate your identity, where the cultural roots of your funding approach lie, and how those inform your strategies and practices.
- A section on “how we work” or “impact model” detailing the funding approach should be added to communications about mission and values.
- Be transparent about your strategic priorities, and keep grantees informed as to how they may be changing.

# 4

“What they think is a friendly request can come across as a mandate.”

“There’s some tone-deafness on questions of power.”

## INSIGHT

**Power dynamics, if not acknowledged, can affect the strength and quality of funder-grantee relationships.**

There are inherent power dynamics at play in funding relationships, with funders holding a lot of power and influence over grantees. Funders that acknowledge and, as far as possible, work to address these dynamics, create stronger and more successful relationships with their grantees.

“It’s a very Silicon Valley VC-style culture. Macho.”

“I can’t think of anybody doing a better job [at addressing power imbalances]. It’s a problem with the whole space.”

## Insights

As with all funding relationships, GCE held the power in the funder-grantee relationship. But being aware and conscious of the effects of that power dynamic is an area where GCE could have done better, according to grantees: “in theory the money is open, but [GCE is] the least aware of the power and influence they have over their partners,” said one participant. The problems we heard stemming from this lack of awareness about power dynamics mainly fell into two categories.

First, participants mentioned to us that, when people who represented GCE made a request, they did not always feel able to respond with anything other than “yes,” fearing that seeming uncooperative might have a negative effect on their funding. This held true even when the request was presented as friendly or optional, or as personal rather than coming from GCE. Even people who feel confident about pushing back on topics directly related to their funding, like metrics, weren’t always willing to take the risk of pushing back on requests that seemed to be more personal or casual.

Second, we also heard from participants who felt that GCE had sometimes overstepped by contacting their networks. Speaking to people related to a particular organization is often a standard part of a funder’s due diligence process. When participants became aware of this due diligence after the fact, they often expressed feeling embarrassed and ashamed that their networks were contacted without their knowledge. These situations caused participants to worry that GCE had harmed their social capital by potentially presenting their organization in an unflattering or what they considered inaccurate light.

“[Contacting other people in my network on an issue like this without involving me] was outrageous overstepping.”

We heard from grantees that they often do not feel comfortable being honest about their areas of weakness in conversation with their ILs. When grantees conceal their weaknesses, it is sometimes motivated by the power differential at play. But it can also be motivated by respect and admiration. An individual who wants to be seen as successful and a strong asset to an organization they admire (e.g., Luminate) is not as likely to speak openly about problems.

### THEMES

- › Trust & Power
- › Funder Identity & Culture

## Recommendations

To begin addressing funder-grantee power dynamics, and to create stronger and more successful relationships with grantees, funders should:

- Honestly and frankly acknowledge the power you hold in relation to your grantees, as a prerequisite for building trust in relationships.
- Offer genuine space for organizations to challenge and engage in dialogue around requests, processes, funding requirements, and even strategy.
- Explore opportunities for training and professional development to help staff build awareness of power dynamics and skills for how to communicate and navigate them more effectively.
- Consider finding ways to diversify your network and the organizations you fund, by, for example, intentionally

engaging with organizations beyond the types of entities and approaches that you are most familiar and comfortable with, and questioning your frame of reference for what is ‘a fit.’

- Build in more opportunities for iterative feedback and learning with grantees.
- Look for opportunities to model transparency and honesty in communications with grantees. Greater transparency from funders around their own challenges and failures will help grantees by reinforcing that their experiences are normal, expected, and worthy of support, and will facilitate a more productive and beneficial funding relationship for both parties.
- Develop processes that are used consistently with all organizations, providing a clear and collaborative route for creating tailored outputs – for everyone, not just for organizations who proactively initiate this process.

# 5

“They’re not attuned to equity issues, and sometimes come off as dismissive.”

## INSIGHT

**A lack of transparency around how diversity, equity and inclusion (DEI) is valued and integrated into a funder’s work can lead to questions about a funder’s commitment to DEI.**

Funders need to be transparent about how diversity, equity and inclusion (DEI) are valued and integrated internally in order to authentically engage grantees on these issues. Not doing so can lead organizations to question the funder’s commitment to DEI, and the extent to which DEI informs organizational culture and plays into both funding and internal processes.

“I’m just not sure they’re the right group to help with [our sensitive DEI issue].”

## Insights

Interviewees mentioned in multiple contexts that GCE did not appear to them to be committed to diversity, equity, and inclusion (DEI). Organizations questioned whether and how DEI played into the funding process and GCE’s internal practices.

Participants would welcome a more direct and transparent approach to the values of DEI at Luminate. Participants sometimes ascribed frustration with systemic discrimination problems happening in Silicon Valley onto GCE as well, due to their perception that GCE’s approach was aligned with more negative aspects of Silicon Valley’s culture. Some participants even spoke about not bringing up DEI-related issues with GCE, saying that they didn’t think GCE would be able to help or even understand. For these participants, their perception of GCE was of an organization that was heteronormative, white, and male.

Several participants also found it noteworthy that there was no diversity data on the Omidyar Network / GCE website. They also remarked on the fact that the team did not ask for any diversity data during the investment process.

Participants were generally aware that GCE used DEI considerations in their assessment of an organization, but it seems that not all ILs involved grantees in the collection or reporting of that information about the organization.

### THEMES

- > Trust & Power
- > Funder Identity & Culture



# Recommendations

Transparency is key to fostering an equitable playing field amongst grantees. Transparency ensures that information about funding processes and support are made clear to all, rather than offered through informal channels only to grantees in a position to initiate a discussion or inquiry. To increase transparency, and strengthen diversity, equity, and inclusion (DEI):

- Be explicit about the role DEI plays in your organization and how you are integrating DEI-related efforts and considerations into your funding approach, strategies and external relationships.
- Consider finding ways to diversify your network and the organizations you fund, by, for example, intentionally engaging with organizations beyond the types of entities and approaches that you are most familiar and comfortable with, and questioning your frame of reference for what is 'a fit.'
- Be transparent about your strategic priorities, and keep grantees informed as to how they may be changing.
- Develop processes that are used consistently with all organizations, providing a clear and collaborative route for creating tailored outputs – for everyone, not just for organizations who proactively initiate this process.
- Clarify the steps, inputs and outputs of the funding process, and the process for accessing alternative types of support. Pay particular attention to communicating what is required from the grantee early on in the process.

- Clarify roles and responsibilities of key people involved in relationship management with the grantee. This is particularly important for creating a deep and trusting relationship and provides clarity over who the grantee should direct questions to.
- Clarify what alternative types of portfolio support are available to grantees, why they are being offered, and particularly how this support is intended to help achieve the organization's goals.<sup>4</sup>
- Clearly communicate your identity, where the cultural roots of your funding approach lie, and how those inform your strategies and practices.

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<sup>4</sup> Portfolio support can include consulting around DEI.

# 6

“They care about sustainability – explore and strengthen your funding structure, don’t be as dependent on grants.”

## INSIGHT

### Multi-year flexible funding is extremely valued.

Core funding, i.e., non-earmarked, general operating support, can be difficult to secure from foundations, but the flexibility it gives to organizations working in complex and changing circumstances is essential to their success.

“They gave us the flexibility to succeed.”

“They take a deep interest in organizational health.”

“They don’t pay attention to the program, but to the organization.”

## Insights

Grantees receiving core funding expressed that they felt it represented GCE committing to investing in their organizations, helping them expand beyond their current spheres of influence, building and strengthening organizational capacity, and becoming lasting, sustainable contributors to the field.

We heard many examples of organizations scrambling to meet the additional requirements of other funders for detailed project-based proposals while trying to “keep the lights on” in their day-to-day operations.

However, participants who received core funding reflected on the value of such holistic support in helping strengthen organizational health. This stood out in the non-profit sector as a highly valuable contribution that is much appreciated.

### THEMES

- › Funding Approach & Process

## Recommendations

Flexible, core funding is needed to enable organizations to develop internal structures that will allow them to evolve in sustainable ways. Some key recommendations here are:

- Provide core funding and encourage flexibility in the grant structures to allow the grantee to develop sustainable organizational practices and resiliency.
- Explore sustainable funding models in collaboration with your grantees, so that the grantee is not dependent on core funding for ongoing operations.

# 7

“It’s a culture of exceptions.”

“I don’t really understand how decisions are made.”

## INSIGHT

**Grantees crave structure and clarity with regards to 1) the funding process and what to expect from the relationship once funded, and 2) shifting strategic priorities.**

Structured funding processes, clear communication about strategic priorities, and how to secure funding are critical. Without this, potential grantees have inconsistent experiences and misunderstandings can arise.

“For us it’s impossible to make a five-year plan. All of these figures are totally made up.”

“I can’t really comment because our situation is special.”

“Things can be ad-hoc and unprofessional.”

## Insights

When we asked grantees about their experiences with GCE, almost all of them mentioned that theirs was an exceptional or unique case, and not likely to be generalizable feedback. This seems to stem from a lack of structure in the IL/grantee relationship overall. Funding relationships fall somewhere on the spectrum between “hands-on” – meaning customized, high-touch interactions – and “hands-off” – meaning more standardized, low-touch interactions. Both extremes have advantages and disadvantages. Overall, this “culture of exceptions” was associated with a lack of transparency, high unpredictability, and even favoritism.

In more hands-on relationships, organizations felt they had received bespoke engagement from GCE, often describing their ILs as mentors and partners. This makes them feel unique and valued, and allows organizations to ask for help when they need it.

However, some participants told us that a hands-on approach isn’t always better. The downside of a personalized, high-touch experience is that grantees struggled to explain how GCE made decisions. When asked about the main factors in GCE’s funding decision, many interviewees said they could not generalize because “[their] case was an outlier.”

On the other hand, a hands-off relationship doesn’t necessarily mean that all organizations receive the same treatment. While some organizations praised the efficiency of a standardized funding process and stated that they have more trust in a standardized process, many

“Now everyone is interested in [X], but that’s not what we do.”

“There’s an inherent competition among grantees that funders pretend doesn’t exist. It’s hard not to look over your shoulder at the new people getting funding.”

organizations with a “low-touch” relationship with GCE felt that their needs were not being met. They were more likely to see other grantees as competitors for GCE’s attention.

### STRUCTURE & CLARITY: THE FUNDING PROCESS

Many participants said they were uncertain about what to expect before and during the process. For example, some interviewees expressed bewilderment about the role of the investment committee. This confusion translated into insecurity about whether they can trust their ILs with information they feel might not be appropriate to share with the investment committee.<sup>5</sup> They wondered about how much information they should share with their IL, especially information that might make their organization look bad, and how much of that would then be shared with the investment committee, who they would likely not have met for the first time until the end of a long process.

Some participants mentioned frustration with burdensome processes that lasted over a year and involved multiple people from GCE. Over two-thirds of interviewees bemoaned a process that was long, difficult, and opaque – one even called it “unprofessional.”

They reported being asked to submit documents on short notice, and having to repeat information, sending the same or very similar information to multiple people at GCE. Some participants mentioned that they found certain periods during the investment process particularly stressful, such as when they weren’t sure if they would receive a final decision from GCE or just a request for more documentation.

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<sup>5</sup> The investment committee is the approval committee for grants and investments.

**STRUCTURE & CLARITY: SHIFT IN PRIORITIES**

Grantees repeatedly mentioned that the value of their relationship with GCE was more than financial. While part of the GCE portfolio or network (as grantees referred to it), they were able to take advantage of the GCE/ON stamp of approval, enjoy publicity and attention through their connection with GCE/ON, and reap the benefits of a personal relationship with their IL (often a powerful player in their field).

Since the personal relationship with the IL is a signature component of being part of the network, being transitioned out of the portfolio can feel like a personal betrayal. Some participants, that have received longer-term support from GCE, felt that new projects were competitors not just for money but also for attention. Concerns were raised based on what they knew of other organization's experiences, and fears over the stability of their own funding.

This feeling of personal betrayal also goes beyond the relationship with the IL. Many grantees working in the space deeply identify with the issues they are working on. Some participants noted that when GCE pivoted to a different investment strategy, focusing on new and emerging issues, people working in the "old" issue areas felt rejected. It is not only a financial, but also an emotional matter to lose the support of GCE, and one that can be seen to reflect inherent power imbalances in the funder-grantee relationship.

**THEMES**

- > Funding Approach & Process
- > Trust & Power
- > Funder Identity & Culture



# Recommendations

Bringing structure and clarity to the funding processes increases consistency across the grantee experience and limits potential misunderstanding. The following are some recommended steps to increasing structure and clarity:

- Be transparent about your strategic priorities, and keep grantees informed as to how they may be changing.
- Clarify the steps, inputs and outputs of the funding process, and the process for accessing alternative types of support. Pay particular attention to communicating what is required from the grantee early on in the process.
- Clarify roles and responsibilities of key people involved in relationship management with the grantee. This is particularly important for creating a deep and trusting relationship and provides clarity over who the grantee should direct questions to.
- Clarify what alternative types of portfolio support is available to grantees, why it is being offered, and particularly how this support is intended to help achieve the organization's goals.
- Be clear about expectations and responsibilities of grantees once in the portfolio e.g., with regards to reporting, evaluation, and expected duration of support.
- Look for opportunities to model transparency and honesty in communications with grantees. Greater

transparency from funders around their own challenges and failures will help grantees by reinforcing that their experiences are normal, expected, and worthy of support, and will facilitate a more productive and beneficial funding relationship for both parties.

- When expecting to transition a grantee out of your portfolio, specify a “ramp down” time period, during which grantees have time to adjust to the changes in their finances and plan for the months and years ahead.
- Consider providing strategic and financial planning support, particularly focused on the post-funding phase.
- Consider inviting organizations to do an exit interview or survey at the end of a grant or the funding relationship to collect meaningful feedback on their experience.

## 8

“They say we can always reach out, but don’t offer concrete opportunities or office hours.”

“I appreciate the signal boosting to share our story with a wider audience.”

## INSIGHT

**Grantees are interested in and looking for portfolio support, and would like more clarity, autonomy, and choice in how they access and receive that support.**

Grantees have many organizational health needs that can be met by connecting them with the right resources, such as other organizations, consultants, services, mentors or vendors. However, it is important that the process for accessing this support and the context in which it is provided is clear, to avoid it being seen as punitive.

“We felt like [GCE employee] did not represent our interests, they represented [GCE’s] interests.”

“More than anything, we need [GCE] to help us find and hire talent.”

## Insights

Participants expressed interest in the following portfolio support <sup>6</sup> areas:

- Recruiting and hiring: Growth and scaling were important concerns for many of the respondents, and in some cases “growth” was understood to mean hiring people to help meet metrics. Grantees see a need for active recruiting and hiring support.
- Financial management: Both survey respondents and interview participants strongly agreed that GCE had expertise in financial management.
- Fundraising: 88% of survey respondents indicated that fundraising support was extremely desirable.
- Networking, outreach and community development: Interview participants appreciated the sense of belonging that came from attending GCE gatherings and viewed access to other grantees as valuable. They also appreciated when GCE helped to expand their reach, e.g., on social media by “signal boosting” or promoting their work.
- Evaluation and audits: Organizations that have undergone an evaluation or audit generally reported positive experiences.

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<sup>6</sup> Portfolio support refers to specifically earmarked support, above and beyond grant funding, to build organizational capacity and resilience. Examples include executive coaching, fundraising support, digital security trainings, or diversity, equity and inclusion (DEI) reviews.

“We accepted [GCE employee] on our board because we like and trust them.”

“No. We don’t want them on a board. I’m not sure it makes sense to have the org. giving the money supervising how it’s spent. Isn’t that a conflict of interest?”

Knowing that this kind of additional support existed wasn’t enough for organizations to feel that GCE was meeting their specific needs, because there was no framework for taking advantage of the offers.

Some participants expressed concerns about accepting alternative portfolio support from GCE, due to the power difference inherent in the funding relationship and the implications of admitting weakness to a funder. Their concerns ranged from not being able to pick or change who the service provider is to wondering if the service provider would “spy” on them and report weaknesses to GCE.

These concerns were tied to participants not having clarity about why support was being offered and to what end – was it because GCE was keen to help proactively build organizational capacity, or was it because they were performing badly and GCE was intervening? This concern may indicate a lack of underlying trust; some participants indicated that they could not be sure that GCE had their best interests in mind, and therefore were hesitant to share challenges or accept support.

In the past, GCE ILs have provided portfolio support by taking seats on select grantees’ boards. This is a unique practice in the non-profit funding sector, and was generally met with skepticism. Over one-third of survey respondents believed that the practice of GCE holding board seats was not at all helpful for their organization. Their reasons included fear of sharing internal problems with a funder present, power or knowledge asymmetry, negative perceptions by third parties of having a funder on the board, and concerns that representing GCE’s interests would take priority over acting in the grantee’s best interest. There was a qualitative difference in the sentiments of those observing the practice of GCE taking board seats and those

experiencing it. Survey respondents who had a member of GCE staff on their board, viewed this participation more positively than those respondents who didn't.

There was a positive correlation between GCE's participation on an organization's board and that organization's perception of the ease of communication with GCE. Leaders of organizations with a board member or observer felt much more comfortable asking for help, implying a closer relationship and more open channels of communication.

What most organizations appreciated from board members was strategic advice, operational support, and connections to the ecosystem.

## THEMES

- > Funding Approach & Process
- > Trust & Power

# Recommendations

The following are recommended steps for increasing the quality of, and clarity around, portfolio support offered to grantees:

- Clarify what alternative types of portfolio support is available to grantees, why it is being offered, and particularly how this support is intended to help achieve the organization's goals.
- Give grantees more autonomy and choice when taking advantage of additional portfolio support e.g., by giving them ownership over who to work with and under what terms. Have clear guidelines around privacy and NDAs with the vendors.
- Look for opportunities to model transparency and honesty in communications with grantees. Greater transparency from funders around their own challenges and failures will help grantees by reinforcing that their experiences are normal, expected, and worthy of support, and will facilitate a more productive and beneficial funding relationship for both parties.
- Explore alternative and more flexible models for portfolio support, as opposed to taking board seats as a funder, e.g., create opportunities for grantees to support each other through board participation with careful consideration for possible conflicts of interest and power dynamics, or for leaders of grantee organizations to pursue professional development.
- Consider providing strategic and financial planning support, particularly focused on the post-funding phase.

## 9

“I’m not sure anyone reads our reports. They say they’ll let us know if they have questions, but we never get feedback.”

## INSIGHT

**Reporting and metrics are not always perceived as useful and valuable to grantees.**

Co-designing metrics and reporting formats to be specific to the needs of the grantee can lead to more meaningful and valuable impact measurement for both funders and grantees.



“We appreciate the freedom to write the narrative report we think is most helpful.”

“[GCE] taught us to think about impact.”

“We made an ethical decision to not meet our metric.”

# Insights

## REPORTING PROCESSES

In the best case, quarterly and annual reports serve as much more than just an update or checkup. Reporting can be an integral part of creating a common understanding of the organization’s goals and core mission. Some participants stated that creating reports helped them hone their organizational focus.

But in other cases, reporting was seen as busy work that takes time away from what organizations saw as their “real work.” These participants viewed the report as a deliverable external to their organizational goals. This group also expressed doubts about the utility of their reports to GCE, since they rarely heard feedback after submitting reports.

Among the people who were the most satisfied with reports, many of them had negotiated a reporting format that worked for them. For example, some organizations sent one standardized report to all of their funders, so they didn’t have to spend time preparing multiple reports. Others worked with GCE to develop a specific format that best fit both their needs and GCE’s. We noticed that the organizations who took the initiative to make reporting work well for them were more likely to see the real outcome as not the report itself, but as a benefit to their organization’s health. On average, organizations reported that narrative reports are more cumbersome to produce than financial reports, but almost all respondents felt narrative reports were a clearer reflection of the organization.

“The reporting burden has been by far the most negative aspect of the relationship with the GCE team... at the moment, the reporting requirements are onerous and do not support meaningful organizational monitoring, evaluation and learning.”

## METRICS & BENCHMARKS

When we explored the topic of reporting with interviewees, the conversation often turned to the metrics that are, for organizations, tightly linked with reporting.

Most organizations had experience with impact measurement of some kind, though sometimes at a less rigorous level than GCE's standards. As with reporting formats, participants who pushed back on initial metrics, and as a result collaborated to create metrics they found more meaningful and useful, were the most satisfied and positive about their metrics. The chance to create impact metrics together with GCE was described as a helpful learning experience. In particular, some participants noted the value of being exposed to learning measurement techniques associated with the commercial sector.

The negative comments about metrics came from participants who felt that metrics were handed to them without opportunities for discussion and revision, and thus were neither reasonable nor applicable to their strategy and impact model. One participant noted that they were “burdened with measurable but unfair metrics and expectations.” Another commented that meeting metrics would only be possible if they behaved unethically. These organizations generally saw metrics as a way to quantitatively describe outputs, rather than a way to monitor outcomes.

## THEMES

- > Funding Approach & Process
- > Assessing Impact

# Recommendations

Reporting and metrics are important practices, but there is room for improvement in how they are implemented. Some recommendations include:

- Invite grantees to propose metrics or impact measurement frameworks that best reflect their strategy, impact model, and desired outcomes.
- Give sufficient time to develop an impact measurement framework that a grantee is comfortable with, e.g., consider allocating time at the beginning of a grant term to dedicate to working on co-designing indicators that are outcome-driven and aligned with the grantee organization's strategy.
- Where possible, align metrics with organizations' existing frameworks for monitoring, evaluation, and learning (MEL), and where organizations lack a coherent MEL framework, consider offering support in building out MEL within the organization (as part of the grant or in the form of portfolio support).
- Where possible, identify an opportunity to sync impact measurement across co-funders to alleviate the burden on grantees.
- Be explicit about the purpose of grant reporting and where possible offer guidance and options around formats.
- Proactively talk with grantees about how reporting can better fit into their existing workflow and improve their organizational health.
- Create processes for gathering and incorporating organizational feedback on metrics over the course of the funding period and offer flexibility with how metrics are structured and used.
- Provide timely feedback on reports provided by grantees.

# Recommendations

This table provides an overview of the recommendations within the report.

## 1

Be **transparent** about your **strategic priorities**, and keep grantees informed as to how they may be changing.

## 2

Develop processes that are **transparent and used consistently** with all potential grantees, so that everyone has the **same opportunities to engage on the design** of their grant and related outcomes (e.g., metrics, reporting, grant structure).

## 3

Clarify the steps, inputs and outputs of the **funding process**, and the process for accessing alternative types of support. Pay particular attention to communicating what is required from the grantee early on in the process.

## 4

Clarify roles and responsibilities of key people involved in **relationship management** with the grantee. This is particularly important for creating a deep and trusting relationship and provides clarity over who the grantee should direct questions to.

## 5

Clarify what alternative types of **portfolio support** are available to grantees, why they are being offered, and particularly how this support is intended to help achieve the organization's goals.

## 6

Explore **alternative and more flexible models for portfolio support**, as opposed to taking board seats as a funder, e.g., create opportunities for grantees to support each other through board participation with careful consideration for possible conflicts of interest and power dynamics, or for leaders of grantee organizations to pursue professional development.

## 7

Give grantees more autonomy and choice when taking advantage of additional **portfolio support** e.g., by giving them ownership over who to work with and under what terms. Have clear guidelines around privacy and NDAs with the vendors.

## 10

Be explicit about **which role you are playing at a given time (as both a funder and advocate in the field)**, understand where the boundaries of that role lie, and be aware of the conflict that may crop up when switching roles. This is relevant both in private (e.g., in a conversation with a prospective grantee) and in public (e.g., when writing a white paper).

## 8

Be clear about **expectations and responsibilities of grantees** once in the portfolio e.g., with regards to reporting, evaluation, and expected duration of support.

## 11

Be respectful towards **organizations' existing networks** and relationships when conducting diligence, by being explicit about the times and contexts in which your processes cause you to engage within their networks.

## 9

Support **professional development of investment leads** to develop expertise in the field in which they are managing grants.

## 12

Give sufficient time to develop an **impact measurement framework** that a grantee is comfortable with, e.g., consider allocating time at the beginning of a grant term to dedicate to working on co-designing indicators that are outcome-driven and aligned with the grantee organization's strategy.

## 13

Be explicit about the **purpose of grant reporting** and where possible offer guidance and options around formats.

## 14

Proactively talk with grantees about how **reporting can better fit into their existing workflow** and improve their organizational health.

## 15

Provide **timely feedback on reports** provided by grantees.

## 16

Invite grantees to **propose metrics or impact measurement frameworks** that best reflect their strategy, impact model, and desired outcomes.

## 17

Where possible, **align metrics with organizations' existing frameworks for monitoring, evaluation, and learning (MEL)**, and where organizations lack a coherent MEL framework, consider offering support in building out MEL within the organization (as part of the grant or in the form of portfolio support).

## 18

Where possible, identify an opportunity to **sync impact measurement** and reporting across co-funders to alleviate the burden on grantees.

## 19

Create processes for **gathering and incorporating organizational feedback on metrics** over the course of the funding period and offer flexibility with how metrics are structured and used.

## 22

Consider inviting organizations to do an **exit interview or survey at the end of a grant** or the funding relationship to collect meaningful feedback on their experience.

## 20

When **expecting to transition a grantee out of your portfolio**, specify a “ramp down” time period, during which grantees have time to adjust to the changes in their finances and plan for the months and years ahead.

## 23

Look for opportunities to **model transparency and honesty** in communications with grantees. Greater transparency from funders around their own challenges and failures will help grantees by reinforcing that their experiences are normal, expected, and worthy of support, and will facilitate a more productive and beneficial funding relationship for both parties.

## 21

Consider providing **strategic and financial planning support**, particularly focused on the post-funding phase.

## 24

Build in more opportunities for **iterative feedback and learning with grantees**.

## 25

Be **explicit about the role DEI plays in your organization** and how you are integrating DEI-related efforts and considerations into your funding approach, strategies and external relationships.

## 26

Clearly communicate **your identity, where the cultural roots of your funding approach lie**, and how those inform your strategies and practices.

## 27

Find ways to **publicly communicate about your funding approach and impact model**.

A section on “how we work” or “impact model” detailing the funding approach should be added to communications about mission and values.

## 28

**Honestly and frankly acknowledge the power you hold in relation to your grantees**, as a prerequisite for building trust in relationships.

## 29

Offer genuine space for **organizations to challenge and engage in dialogue** around requests, processes, funding requirements, and even strategy.

## 30

Explore opportunities for training and professional development to help staff **build awareness of power dynamics and skills** for how to communicate and navigate them more effectively.



## 31

Consider finding ways to **diversify your network** and the organizations you fund, by, for example, intentionally engaging with organizations beyond the types of entities and approaches that you are most familiar and comfortable with, and questioning your frame of reference for what is ‘a fit.’

## 34

Take steps to **invest in the organizational health** of your grantees, beyond individual projects.

## 32

**Provide core funding where possible, and build flexibility** in the grant structures to allow the grantee to develop sustainable organizational practices and resiliency.

## 33

Where appropriate, explore **alternative funding models** in collaboration with your grantees, to help alleviate dependency on philanthropic funding, and build operational sustainability.

# Learn more

Our goal in communicating these findings is to share what was learned in this work, establish a baseline for Luminate to evaluate against going forward, and contribute to the ongoing discussion of funders' responsibilities and the importance of centering the needs of grantees.

## RESOURCES

The website for this report, [ontrustandtransparency.report](https://ontrustandtransparency.report), contains resources that can be used to support further research efforts in the space, e.g., guidelines and overviews of the project's approach and research practices. We have also curated a list of additional resources related to trust and transparency in philanthropy.

The survey and interview tools are included in the report Appendix. If you are interested in learning more about human-centered design, Simply Secure has resources on their [website](#).

# Interview Guide

Appendix A

# Overview

## First encounter

- What was your first contact with GCE?
- What did you already know about GCE before you were in touch?

## Applying for funding

- How did your application for funding work?
- How long did it take?
- What materials did you provide?

## Reporting

- How did you develop your metrics?
- How does reporting fit into your workflow?

## Non-financial support

- What non-financial support have you received from GCE?
- What have you asked for?
- What haven't you asked for?
- What effect does GCE board participation have for you?

## Ongoing relationship

- How is your relationship with your investment lead?
- What are your impressions of GCE overall?
- What advice do you have for other organizations about GCE?

# Introduction

- I'm from Simply Secure, a US-based non-profit that helps advance design for security and privacy. The Governance & Citizen Engagement team of the Omidyar Network asked us to have some conversations with grantees and investees, because they'd like to improve the experience of working together.
- The Omidyar Network hired us, but we are not part of the Omidyar Network in any way. They won't find out that we talked. And anything you say here is strictly confidential. We are preparing a report at the end (which all grantees/investees will receive) but all findings will be anonymized and aggregated.
- Have you read over the Participants Bill of Rights? Do you have any questions for us? You can ask questions at any time. You can also stop this conversation at any time.
- It's OK to say "I'd rather not talk about this."
- This is a conversation, not a traditional interview. We have some questions for you, but feel free to take the conversation in a direction you feel is important.

# Background

- What's your role within [your organization]? How long have you been there?
- What kind of relationship do you have with the Omidyar Network? This is a conversation, not a traditional interview. We have some questions for you, but feel free to take the conversation in a direction you feel is important.

# Your story with Omidyar Network

## PRE-FUNDING

- Think back to before you got funded by Omidyar Network. What were your impressions of Omidyar Network before you were in contact?
- What other funding approaches and avenues were you considering?
- Walk me through your contact with Omidyar Network.
  - › Who approached whom?
  - › Who were you in touch with?
    - What happened next?
    - What were you asked to provide?
  - › Did you give a presentation to the Omidyar Network management?
  - › How long did the process take?
  - › I'm going to show you the first of several really rough design ideas. I'm curious about your impressions of them.

## DECISION-MAKING

- How do you think Omidyar Network made their decision about your funding?
- How did you hear about their decision? From whom? How did you feel?

## DURING FUNDING

- We'd like to talk a bit about the reporting process.
  - › Have you done reports like this before?
    - (if yes) In what ways are the reports you've done for Omidyar Network's similar/different?
    - (if no) What was the process like of learning to do them? How does the Omidyar reporting process compare to other reporting processes you've done?
    - What do you think of iLevel?
  - › In what ways is reporting helpful for you, in what ways not?
  - › What happens after you submit your reports? Is there anything you wish happened afterwards?
- Is somebody from Omidyar Network on your board? (skip if not)
  - › What is their role on your board (voting member, observer, etc)?
  - › What difference does it make that they are on your board?
  - › If they weren't on your board, what would be different?
- Non-financial support ("human capital"):
  - › What has Omidyar Network helped you with other than funding?
  - › Are there ways in which you wish Omidyar Network would support you more?
  - › Now that you're funded, who do you interact with? What have they done for/with you?
- Post-funding (if applicable):
  - › If you hadn't gotten funding from Omidyar Network, what would be different for you now?

- # Your evaluation of Omidyar Network

- What's something you've asked Omidyar Network for, or about?
  - Who did you ask? For what?
- Did you respond to the survey they sent out a while ago?
  - (if yes) What do you wish they'd do in response? What do you think they'll do?

- What would you say to another organization that Omidyar Network is really good at?
- What advice would you give to somebody else who is starting a relationship with Omidyar Network?
- Have you worked with other funding organizations? (if yes) What's different about Omidyar Network?

- After having worked with them, how would you describe Omidyar Network's values?



# Feedback on this interview and protocol

- Did you feel comfortable talking about these topics to us?
- What did you think of our data handling statement?
  - › Did it change what you were able to talk to us about?
- We're approaching other organizations and talking to them as well. What advice do you have for us?

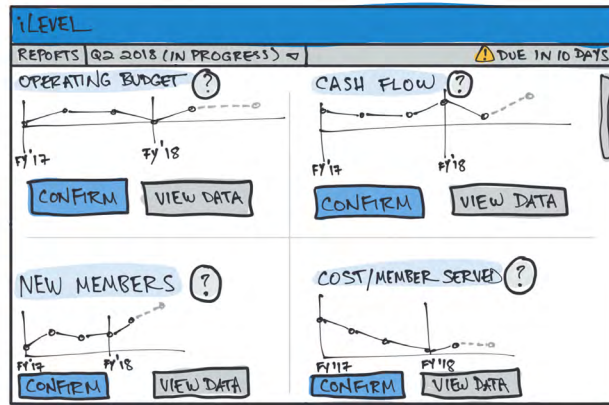
## Design prompts

These design prompts were shown to some interview participants in order to generate discussion about a particular topic. The design prompts are not meant to display finished or even proposed tools or products, and their look is intentionally casual and unfinished. They were shown or not shown based on whether they made sense given the conversation so far.

For each one of these design prompts, participants were read a one-line statement describing the sketch, then asked the following questions:

- What do you think this does?
- What would you hope that this does?
- Would that have improved your experience?
  - › If not for you, who do you think this would most improve the experience for?
- What problems would this solve?
- Does it raise any concerns or issues for you?

## Design prompt 1



“This helps you make financial reports by guessing at and visualizing your financial history – you’d still have to make corrections and be sure it’s accurate.”

## Design prompt 2



“This is a closed community of other organizations funded by GCE.”

## Design prompt 3

ON Omidyar NETWORK

OUR WORK PEOPLE APPLY

We want to learn about organizations we might not know about. If your organization might be a fit, we'll be in touch. (Sorry, we can't write back to everyone.)

ORGANIZATION \_\_\_\_\_

WEBSITE \_\_\_\_\_

Which of our investment areas best describes you?

GOVERNANCE AND CITIZEN ENGAGEMENT

What changes are you hoping to catalyze?

SUBMIT

WHO WE FUND

- NON-PROFITS and FOR-PROFITS poised for impact
- Organizations that fit into our larger STRATEGY
- Changes and new directions — not general overhead
- Learn more [here](#).

“This is a form on the Omidyar Network website where anybody could express interest in applying for funding.”

## Design prompt 4

FEEDBACK

What would you like to tell us?  
(Your submission cannot be traced to your IP address)

SUBMIT

“This is a form for you to submit feedback to GCE. It appears on their website.”

# Survey Guide

Appendix B

# Survey questions

1. How much overlap is there between GCE’s values and your organization’s values?

☐ none at all

☐ little overlap

☐ some overlap

☐ good match

☐ perfect match
2. How well do the metrics that you have agreed upon with the GCE team match your priorities?

☐ none at all

☐ little overlap

☐ some overlap

☐ good match

☐ perfect match
3. Compared to other funders you have interacted with, what is your impression of GCE’s...

> professionalism

> knowledge about your sector

> transparency about decision-making process

> internal turnover

> advocacy on key issues

> efficiency

Please choose the appropriate response for each item:

Less			More	
1	2	3	4	5
The Same				

4. How would you describe your organization’s relationship with the GCE team?

Challenging				Easy			
1	2	3	4	5	6	7	
Neutral							

5. How do you think your funding relationship will be affected by the spin-out of the GCE team from the Omidyar Network?

Short answer response

6. What do you think determined why you initially received funding from GCE? Please rank the following from most to least important:

- ☐ A pre-existing personal relationship with somebody at GCE
- ☐ Your organization’s alignment with GCE’s investment strategy
- ☐ Your organization’s social impact
- ☐ The strength of your organization’s application materials
- ☐ Your strength as an organization
- ☐ Your organization’s existing reputation
- ☐ Your location or region

7. What do you think determines who is funded by GCE? Please rank the following from most to least important:

- ☐ A pre-existing personal relationship with somebody at GCE
- ☐ Your organization’s alignment with GCE’s investment strategy
- ☐ Your organization’s social impact
- ☐ The strength of your organization’s application materials
- ☐ Your strength as an organization
- ☐ Your organization’s existing reputation
- ☐ Your location or region

8. Think back to the first time you got funding from GCE: how much time passed between your first discussion about funding and your funds arriving?

- ☐ Several weeks
- ☐ Several months
- ☐ 6 months to 1 year
- ☐ 1-2 years
- ☐ 2-3 years
- ☐ 3 years or more

9. How transparent was the funding decision process?

I had no idea what was happening			I always knew what was happening	
1	2	3	4	5
Some parts were transparent				

10. How do you submit your quarterly financial reports?

- ☐ Using iLevel
- ☐ Via documentation sent to investment lead
- ☐ Prefer not to say

11. Quarterly financial reports ...

Are a major addition to my workflow			Overlap with what we do anyway	
1	2	3	4	5
Require some extra time, some opaque				

Do not reflect our organization			Are an accurate snapshot of our organization	
1	2	3	4	5
Are a somewhat accurate snapshot of our organization				

11. Narrative reports (semi-annual, annual or both) ...

Are a major addition to my workflow			Overlap with what we do anyway	
1	2	3	4	5
Require some extra time, some opaque				

Do not reflect our organization			Are an accurate snapshot of our organization	
1	2	3	4	5
Are a somewhat accurate snapshot of our organization				



**12.** How many different investment leads at GCE are you currently in contact with?

Short answer response

**13.** How often are you in contact with somebody from the GCE team?

- ☐ More than once a month
- ☐ Every couple months
- ☐ Several times a year
- ☐ Less than once a year

**14.** Are you satisfied with the amount of contact with the GCE team?

I would like less contact			I would like more contact	
1	2	3	4	5
The amount is just right				

**15.** Does the GCE team/Omidyar Network participate on your board?

- ☐ We don't have a board
- ☐ No, there is nobody from the Omidyar Network/GCE on our board
- ☐ Yes, there is somebody from the Omidyar Network/GCE in an observational role
- ☐ Yes, there is somebody from the Omidyar Network/GCE in a voting role
- ☐ Not applicable
- ☐ Prefer not to say

16. How helpful would the following non-financial support be for your organization?

- > Introductions to other grantees/ investees
- > HR/recruiting support
- > Assessments or evaluations
- > Fundraising (venture support)
- > Advice and support in the form of board seats
- > Visibility on social media
- > Advice/coaching on strategy
- > Advice/coaching on operations
- > Invitations to events or conferences

Not helpful			Very helpful	
1	2	3	4	5
Somewhat helpful				

17. How comfortable do you feel asking for non-financial support from the GCE team?

Not comfortable			Very comfortable	
1	2	3	4	5
Somewhat comfortable				

**18.** What might keep you from asking for non-financial support from GCE? (Check all that apply)

- ☐ Not wanting to appear vulnerable to funders
- ☐ Not sure how to ask
- ☐ Concerns about the quality of the support
- ☐ Concerns about the timeliness of the support
- ☐ Concerns that the support has an agenda that might not match yours
- ☐ Concerns that the support might not remain confidential
- ☐ Negative past experiences with asking for support from GCE
- ☐ Negative past experiences with asking for support from other funders
- ☐ Other: \_\_\_\_\_

**19.** What best describes your organization?\*

- ☐ For-profit
- ☐ Non-profit
- ☐ Prefer not to say
- ☐ Other

**20.** How many people are employed at least 20 hours/week at your organization?\*

- ☐ 1-5
- ☐ 6-10
- ☐ 11-20
- ☐ 21-50
- ☐ 51-100
- ☐ 100 or more
- ☐ Prefer not to say

\* In this section, we ask for information about your organization. Simply Secure will not share raw data from this survey with the Omidyar Network. Nonetheless, please feel free to use the option "Prefer not to say" if you think your answers may reveal the identity of your organization.

**21.** When was your organization founded? Please choose only one of the following:\*

- ☐ Before 1980
- ☐ 1981-1990
- ☐ 1991-2000
- ☐ 2001-2005
- ☐ 2006-2010
- ☐ 2011-2015
- ☐ 2016 or later
- ☐ Prefer not to say

**22.** What region is your organization based in?\*

- ☐ Global
- ☐ Asia
- ☐ Africa
- ☐ United States
- ☐ Latin America
- ☐ Europe
- ☐ Prefer not to say

**23.** How many people are employed at least 20 hours/week at your organization?\*

- ☐ 1-20%
- ☐ 21-40%
- ☐ 41-60%
- ☐ 61-80%
- ☐ 81% or higher
- ☐ Prefer not to say

**24.** Is there anything else you'd like to share with us about your experience with GCE/the Omidyar Network?\*

Short answer response