

# PARTICIPATORY GRANTMAKING: HAS ITS TIME COME?

Cynthia Gibson



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# Foreword



The Ford Foundation has long supported efforts that activate the voice and leadership of communities experiencing economic, social, political, or cultural exclusion. As our current President Darren Walker said in a commencement address at Johns Hopkins University, “there is no better defender of the vulnerable than civil society: committed, compassionate, engaged citizens organizing themselves — and mobilizing others — to work on behalf of others.” Such self-organizing and mobilization are central to disrupting inequality, which lies at the heart of our work.

As a grantmaking institution with national and global presence, we have long supported groups that seek to improve the practice of philanthropy itself, so that funders are more equitable and inclusive in their practices, leading to greater effectiveness of their giving. Our current strategy in this area is based on the belief that if philanthropic decision-makers do not have sufficient connection or access to the lived experience of the people we seek to benefit, the quality of our decision-making will suffer and our impact and legitimacy will be lessened. Therefore, our grantmaking seeks to enable foundations to practice deeper inclusion, both on their boards and staffs, and in how they engage outside stakeholders.

As we explore how foundations can practice deeper inclusion in how they engage outside stakeholders, we are pleased to support this paper by Cynthia Gibson, Ph.D., on participatory grantmaking approaches by U.S. foundations. Cynthia is a long-time student and practitioner of participatory approaches, having been involved with seminal efforts by the Case Foundation and other philanthropic organizations, as well as those in the deliberative governance and civic engagement fields. She is also working with the Foundation Center to develop a GrantCraft guide on the how-to of participatory grantmaking. We hope that this paper will complement that guide, by providing historical context and theoretical grounding for participatory grantmak-

ing. Both the guide and this paper have been informed and enriched by a working group of participatory grantmakers convened by the Human Rights Funders Network and its European counterpart, Ariadne. We are grateful for their insight. William Woodwell provided a deft editorial touch in the latter stages.

While this paper has been in the works for some time, it seems especially timely in the current moment. As Cynthia notes in the Introduction, we are seeing “heightened demand for greater accountability and transparency” as people become “more distrustful of established institutions,” including foundations themselves. Across sectors, elite-driven, top-down decision-making is increasingly viewed with suspicion if not hostility. Foundations are vulnerable to such suspicion and may court hostility, if they are not willing to examine their own decision-making practices, and who is involved in them.

Beyond this short-term reason for considering participatory approaches, there are longer-term benefits that bear attention: better knowledge, closer connection, deeper insight, greater accountability, increased accessibility. The paper delves into these and other reasons, and frames a key question for philanthropy to consider: Has the time come for a broad swath of foundations, including national foundations like Ford, to take on participatory approaches? If self-organizing and mobilization by committed, compassionate, engaged citizens are key to civil society defending the vulnerable, then perhaps they should be central to the practice of philanthropy as well.

We view this as a question worth a deep dive in the field and offer this paper as a contribution to that end. We look forward, along with others considering these issues, to the evolving discussion.

**Chris Cardona**

*Program Officer, Philanthropy, Ford Foundation*

# Introduction



The Ford Foundation commissioned this paper to explore participatory approaches, especially participatory grantmaking, and their potential use by foundations. The paper synthesizes several existing participatory frameworks, identifies common components, and applies these to philanthropy as a “starter” framework that can, hopefully, be used as a springboard for ongoing discussion and development among grantmakers and non-grantmakers.

## Why Participation?

During the past decade, all sectors of society have faced heightened demand for greater accountability and transparency. People have become more distrustful of established institutions, they are demanding more information about issues and decisions affecting them and their families and communities, and they want more voice in decision-making processes.<sup>1</sup> Technological innovation also has created new possibilities — and new pressures — for organizations and institutions to become more democratic by involving the public in their work.

Philanthropy is not immune from these trends. While for decades, philanthropy was seen as endowed foundations set up by the rich, recent years have seen a surge in crowdfunding, giving circles, donor-advised funds, and a panoply of digital giving platforms that allow anyone to be a philanthropist. Alongside these, traditions of

giving from within communities that existed long before philanthropy became professionalized have become more prominent.

Philanthropy and other fields also are being reshaped by the attitudes and capacities of a new generation of young people who have grown up with the Internet and embrace its culture of transparency and bottom-up action. Additionally, there is a growing awareness that many public challenges are exceedingly complex and won’t respond to one-shot solutions from experts or institutions working on their own.

These and other trends reflect a backlash against the “establishment” occurring in politics, higher education, the media, and other fields in which elite interests are perceived to have drowned out the concerns of ordinary people. Americans of all stripes and political persuasions have come to believe they have little say in guiding public decisions and improving the health and well-being of their communities.

## What’s Happening?

Public engagement and participatory practices are hardly new. For decades, these approaches have been core to the work of community organizing, deliberative democracy and community development, among other fields. The difference today is that a broader range of organizations and sectors — from public management and environmental conservation to journalism and higher education — are taking a page from the participatory playbook and inviting the public to be more actively involved in their work.

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<sup>1</sup> Leighninger, M. (2006). *The next form of democracy: How expert rule is giving way to shared governance -- and why politics will never be the same*. Vanderbilt U. Press. Gibson, C. (2007). *Citizens at the center: A new approach to civic engagement*. Case Foundation.

The move toward more public participation, however, is mostly an ad hoc phenomenon, with individual organizations and institutions embracing and testing new practices on their own. There is no common language to describe this work, and it has proven difficult to sustain. As a result, participatory approaches rarely are able to become established parts of the DNA of organizations, institutions or fields.

This paper assesses the embrace of participatory approaches to date by philanthropy and other fields. In assessing philanthropy's record, the paper finds examples of individual foundations and networks of funders that are experimenting with participatory approaches. It also, however, finds that there is a great deal of talk about participation in the field but comparatively little commitment to integrating these practices into foundations' strategies and activities, and especially their cultures, over the long term.

Looking outside of philanthropy, the paper describes how the fields of community organizing, community development and deliberative democracy are responsible for the bulk of theory and research on the "why, what and how" of participation. Deeper understanding and awareness of this context and history can help mitigate the potential for philanthropy to reinvent the wheel as it explores its own participatory path. It can also inform the creation of a participatory philanthropic framework that draws on what has already been learned about participation more broadly.

The paper surveys a number of frameworks that have been developed for incorporating participation into decision-making processes, both inside and outside philanthropy.

## What's Next?

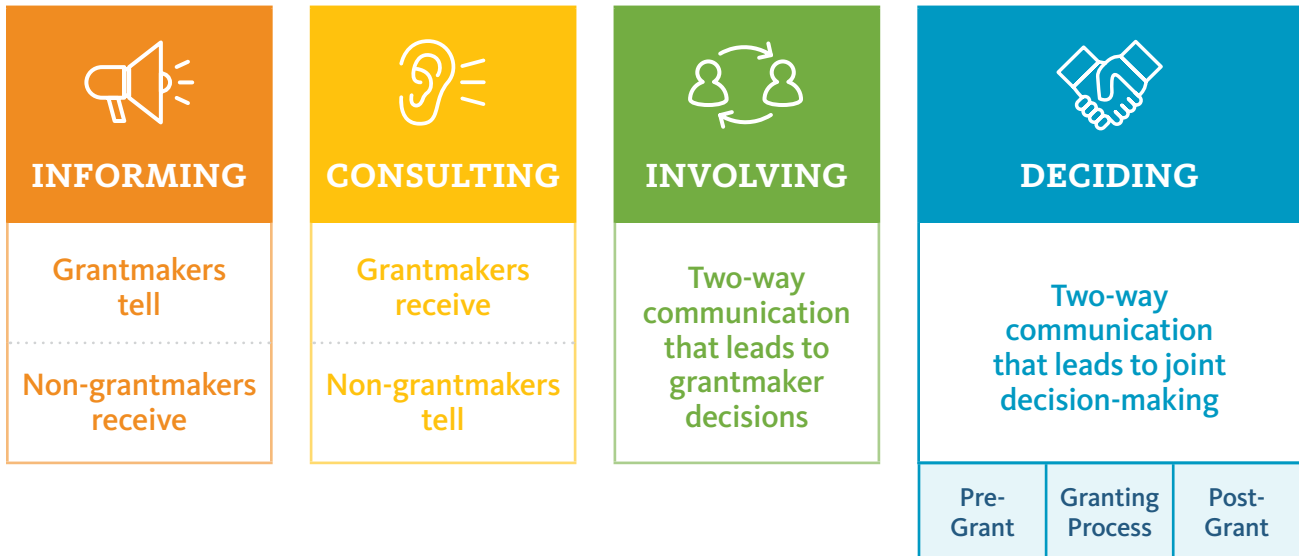
More clarity about the what, why, and how of participatory grantmaking will help create a baseline for action and experimentation that can be tweaked by the field of philanthropy over time. As awareness of the concept grows, so will understanding and, ultimately, acceptance of participatory grantmaking as an essential component of philanthropic practice.

This paper is an effort to begin to develop more clarity on the topic. Auspiciously, this work doesn't have to start from scratch. Numerous participatory frameworks have already been developed for other fields such as public health, psychology, education, deliberative democracy, community organizing and community development.

The key question is: Can these existing frameworks—or at least key components of them—be applied to institutional philanthropy? The paper tries to answer this question by proposing a starter framework for participatory grantmaking that can, hopefully, be used as a springboard for ongoing discussion across the field.

The paper also includes suggestions and ideas for action for those interested in advancing participatory approaches to philanthropy. It closes with a call for institutional philanthropy to consider embracing the power of inclusion, openness and participation to achieve better results for communities and all of society.

## Participatory Grantmaking: Draft Overall Framework



See pages 31–38 for detailed explanation.

# PART ONE: Participation Comes to Philanthropy



Participatory approaches are changing the role of foundations from arbiters of what gets done to facilitators of a process in which they work with other organizations and non-grantmakers to designate priorities and act. This can include everything from inviting non-grantmakers to help set priorities and develop strategies to having them sit on foundations' boards or advisory committees. All of these are important components of a participatory approach to philanthropy, and all can be used at different points in an institution's process.

Participatory *grantmaking* is yet another way some foundations are choosing to incorporate participation in their efforts. In some instances, foundations are involving non-grantmakers in funding decisions (as well as in setting the criteria by which those decisions are made) through blended structures that include both donors and non-grantmakers. Others are pushing the envelope further by using completely peer-led grantmaking panels in which no donors are participants. Even as more and more foundations express an interest in participation, however, adoption of these approaches is still the exception in philanthropy.

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NUMEROUS PARTICIPATORY FRAMEWORKS HAVE ALREADY BEEN DEVELOPED FOR OTHER FIELDS SUCH AS PUBLIC HEALTH, PSYCHOLOGY, EDUCATION, DELIBERATIVE DEMOCRACY, COMMUNITY ORGANIZING AND COMMUNITY DEVELOPMENT. CAN THESE EXISTING FRAMEWORKS—OR AT LEAST KEY COMPONENTS OF THEM—NOW BE APPLIED TO INSTITUTIONAL PHILANTHROPY?

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## What's Driving the Call for More Participation in Philanthropy?

Interest in participatory approaches to philanthropy has risen in recent years, even if foundations still are not exactly clear on the details and the benefits. The following are a few of the factors driving this trend:

### “PEOPLE POWER” IS ON THE RISE.

Today, new technologies are giving people access to systems and institutions that were once controlled by experts and other gatekeepers. In the social sector, people are using everything from email and text messaging to YouTube and Snapchat to connect, communicate, and engage in collective action and collaboration in ways that were previously unimaginable. In addition, many of the constituencies connecting and engaging in these new ways are from previously marginalized communities. For African-Americans, LGBTQ youth, women in traditionally male-dominated industries such as tech, and other populations, technology has created new opportunities to push collectively for fundamental changes in the rules and structures of institutions and governments.

These changes are also transforming philanthropy as crowdfunding and other online giving platforms make it easy for “anyone to be a philanthropist.” In addition, communities and advocates increasingly are calling on traditional philanthropic institutions

to become more transparent and accessible. In response, some foundations are experimenting with encouraging grantseeker participation in identifying priorities, creating guidelines and making funding decisions.

### FOUNDATIONS AND MAJOR DONORS ARE UNDER FIRE FOR HEWING TO TRADITIONAL, CLOSED-DOOR PRACTICES.

According to [Phil Buchanan](#) from the Center for Effective Philanthropy, donors have sometimes acted too much like oligarchs, which is why there is a push to democratize philanthropy. Historian [Benjamin Soskis](#) agrees, stating that the "brief, balmy" season in which foundations received little scrutiny was an historical aberration.

There is also renewed attention to whether foundations are inherently incompatible with democracy. In *No Such Thing as a Free Gift*, [Linsey McGoey](#) challenges the motivations and efficacy of major foundations by documenting their power and clout over public institutions. Rob Reich of Stanford University [has argued that philanthropic foundations are "plutocratic by nature."](#) Journalist [Joanne Barkin](#) agrees: "Big philanthropy...aims to solve the world's problems [by] foundation trustees deciding what is a problem and how to fix it. They may act with good intentions, but they define 'good.'"

These and other critiques [reflect the public's waning trust in institutions](#), as well as a backlash against the "establishment" that has buffeted the media, education, and national politics. Against this backdrop, foundations often find themselves struggling to justify the top-down, expert-driven approach that traditionally has characterized their work.

### ORGANIZATIONS ARE CHANGING.

The speed and multiple venues through which change now occurs have prompted organizations to adapt structurally, especially in business,

but the effects are slowly finding their way into the nonprofit sector. Specifically, there is a pronounced shift from hierarchical systems and rigid department and job assignments to streamlined systems that allow for collaboration, openness, and horizontal decision-making.

Some organizations are forgoing physical structures altogether and morphing into virtual entities or networks that can be more cost efficient and nimble. This appears to be an irreversible trend as organizations figure out how to be successful in a world where technology, demographics and other forces are combining to create an imperative for deep, structural change. It is a world in which organizations, including foundations, that continue to operate in traditional, tightly controlled, top-down environments risk losing relevance, not to mention employees, partners, and customers.

### NEW GENERATIONS ARE DRIVING NEW ATTITUDES AND APPROACHES TO PHILANTHROPY AND SOCIAL CHANGE.

Social change work is being reshaped by the attitudes and capacities of young people who have grown up with the Internet and embrace its efficiency, transparency, bottom-up action, and co-creation ethos. Young people are also challenging conventional notions of hierarchical leadership, preferring collaboration and horizontal arrangements in which "everyone's a leader."

[Young people are bringing a similar mindset to philanthropy](#), as evidenced by their preference for giving circles, crowdfunding, and other giving vehicles that place consensus building and group processing at the center of decision making. In contrast to previous generations, new generations do not necessarily feel they have to do their grantmaking "in secret" or at arm's length. Rather, they tend to prefer a more hands-on, transparent approach to supporting the causes they care about.



## AN INCREASINGLY DIVERSE POPULATION HIGHLIGHTS THE NEED TO DRAW IN MORE VOICES.

Demographic changes, including one of the largest immigration waves in U.S. history, are pushing traditional institutions to reexamine how they work. [By 2043, for example, the U.S. population is on track to be less than 50% non-Hispanic white.](#) As a result, public officials, educators, and businesses increasingly recognize the need to embrace and affirm the power of diversity. Organizations and institutions are paying closer attention to research demonstrating how diversity in all its forms can and does lead to more thoughtful and effective solutions to difficult problems. Corporations today see diversity as a vital strategic resource for competitive advantage.

This embrace of diversity also extends to the non-profit sector, [which recent research shows to be lagging when it comes to the number of people of color in leadership positions.](#) This void has been especially [pronounced in foundations](#), which are being urged to take decisive steps toward ensuring more diversity, equity and inclusion in their ranks. They are also facing pressure to engage diverse communities in their work overall so that their priorities and strategies reflect a broader set of interests.

## PUBLIC PROBLEMS ARE TOO COMPLEX FOR EXPERTS OR INSTITUTIONS TO SOLVE ALONE.

Many of the challenges Americans are facing are “wicked problems”<sup>2</sup> that are too complex for just one solution from one group of experts or institutions. Recognizing the limits of their problem-solving capacity, public officials, nonprofit leaders, school administrators, and other decision

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2 Horst Rittel & Melvin Weber, “Dilemmas in a General Theory of Planning,” *Policy Sciences* (4), 155-169, 1973.

makers are asking for more help from the public. Also fueling this trend is citizen anger in the face of unpopular government decisions on budgets, redistricting, land use, education and other issues.<sup>3</sup>

Officials are finding that involving the public in these decisions (a good example of which is [participatory budgeting](#)) not only helps to allay potential backlash; it also gives people the chance to partner with government in meaningful ways that can kindle their desire to participate in other civic and political processes. Sustaining these kinds of participatory efforts so they aren’t just one-offs, however, continues to be a challenge. More often than not, the systems and infrastructure do not exist to support “regular opportunities, activities, and arenas for people to connect with each other, solve problems, make decisions, and celebrate community.”<sup>4</sup>

At the same time, there is increasing awareness that simply involving the grassroots in community change work will be insufficient. As [Xavier Briggs notes](#), achieving sustained impact requires mobilizing both the grassroots and “grasstops” (influentials, issue experts, those with formal authority, etc.) and offering opportunities for everyone to get involved in problem solving and action. Some foundations, especially community- and place-based institutions, are facilitating this kind of bifurcated outreach by seeding and supporting bottom-up problem-solving efforts and helping to connect them with top-down expertise and resources. Foundations are also providing convening space and resources for these efforts.

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3 Leighninger, M. (2012). “Mapping deliberative democracy: Pictures from a (r)evolution,” in T. Nabachi, J. Gastil, G.M. Weiksner, & M. Leighninger (eds.), *Democracy in motion: Evaluating the practice and impact of deliberative civic engagement* (pp. 9-42). Oxford U. Press.

4 Leighninger, M. & Nabachi, T. (2015). *Public participation for 21st century democracy*. Wiley.

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FOR GOVERNMENT, PHILANTHROPY, BUSINESS, THE MEDIA AND OTHER SECTORS, INVOLVING THE PUBLIC IN IMPORTANT DECISION-MAKING PROCESSES IS AN IDEA WHOSE TIME HAS COME. PARTICIPATORY PROCESSES ARE THE NEXT, LOGICAL ALTERNATIVE TO TOP-DOWN, EXPERT-DRIVEN DECISION-MAKING AND PROBLEM-SOLVING APPROACHES THAT ARE THE HALLMARK OF TRADITIONAL INSTITUTIONS.

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## How Has Philanthropy Evolved in Its Understanding (and Use) of Participation?

Participation may be a relatively new focus for philanthropy, but the concept is not. Long before becoming a professionalized field, philanthropy took the form of mutual aid, collective giving, tithing, and other forms of community-minded generosity. Communities of color have particularly [rich traditions of giving on which to draw](#), often forged out of necessity when the larger society actively sought to discourage their collective action.

Participatory processes evolved as organized philanthropy grew in its scale, ambitions and reach. [Matthew Hart of the Lafayette Practice traces](#) the growth of participatory funding to the Funding Exchange, a group of funders that adopted the model in the 1970s because of its alignment with their social justice mission.

A closer look at the history of organized philanthropy suggests the roots may go even deeper. More than a century ago, the nation's first community foundation in Cleveland was created not only to pool donor resources but also to use those resources in ways that would directly benefit the community. That dual mission was reflected in the foundation's governance: banks managed the funds, and a local citizen board distributed them.

Programs were also shaped by community-wide surveys that the foundation used to surface important community needs.

During subsequent decades, community foundations moved away from a participatory ethic to becoming largely "charity banks" focused primarily on increasing and allocating donors' financial assets. In the 1960s, however, there was renewed interest in using philanthropic resources to encourage community action. In 1961, Paul Ylvisacker of the Ford Foundation and colleagues established a new arm of the Cleveland Foundation to focus solely on community engagement. They called on foundations to "move out of their do-nothing grantmaking" toward social change philanthropy that involved communities more directly in foundations' work. This led to a convening of business and African-American community leaders who collectively designed a funding system aimed at alleviating segregation and improving public education.<sup>5</sup>

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5 DeCourcy Hero, P. (2008). "Convene, connect, endow: Emerging Roles of community foundations in the 21st century." In *Local mission—global vision* (P.D. Hero & P Walkenhorst, eds). New York: Foundation Center; Hammack, D.C. (1989). "Community foundations: The delicate question of purpose." In *The agile servant*, R. Magat (ed.). New York: The Foundation Center.

# WHAT IS PARTICIPATORY PHILANTHROPY AND IS IT DIFFERENT FROM PARTICIPATORY GRANTMAKING?

The term [participatory philanthropy](#) covers a wide range of institutional and individual activities such as incorporating grantee feedback into grant guidelines and strategy development, inviting non-grantmakers to sit on foundation boards, crowdfunding, and giving circles.

[Participatory grantmaking](#) narrows the focus to how grant decisions are made and by/for whom. Some see participatory grantmaking as one of many types of participatory philanthropy. Others think it is distinctive because it moves decision-making about money—which many see as the epitome of power—to the people most affected by the issues donors are trying to address. This is a monumental shift from how philanthropy traditionally has allocated funds—a disruption that may explain why participatory grantmaking is still relatively rare, particularly when compared to other forms of participatory philanthropy.

## ...AND WHAT ABOUT COMMUNITY PHILANTHROPY?

Yet another grantmaking strategy that reflects bottom-up solutions is [community philanthropy](#). This is when communities mobilize capital of various kinds (financial, civic, social, human, political, and intellectual) toward the goal of improving residents' lives over the long term. As [Barry Knight notes](#), community philanthropy elevates the more intuitive and centuries-old notion that “local people helping each other, by sharing resources for the common good, is a naturally occurring asset found in all communities, and encouraged by all major religions and institutions.” [Key components](#) are: building and deploying local assets (financial and otherwise); developing capacity for long-term leadership, infrastructure, relationships, and knowledge; and strengthening community trust and social capital through “homegrown governance and transparent funding decisions.”

Social change philanthropy continued during the 1970s with the growth in philanthropic institutions and networks using more inclusive approaches that aligned with their interest in advancing economic equality, racial equity, civil and human rights, and other priorities.<sup>6</sup> Among these grantmakers were the 21st Century Fund, the Bread and Roses Fund, the [Haymarket People's Fund](#), the [Ms. Foundation for Women](#), the [National Committee for Responsive Philanthropy](#), the [Tides Foundation](#), the [Funding Exchange](#) and the National Network of Grantmakers.

In the early 1990s, the [Charles Stewart Mott Foundation's Community Foundations and Neighborhood Small Grants Program](#) gave rise to [Grassroots Grantmakers](#), a network of place-based funders in the United States and Canada that involves non-grantmakers in their activities, including grantmaking. In 1999, the [Annie E. Casey Foundation's Making Connections](#) anti-poverty initiative emphasized resident voice in strategy development and included a resident-led grantmaking component. Between 1996 and 2006, the William and Flora Hewlett Foundation invested more than [\\$20 million in the Neighborhood Improvement Initiative \(NII\)](#), which used a resident-driven planning and implementation process in partnership with local community foundations to strengthen communities' capacity for long-term social change.

[One of the first attempts by a national foundation to undertake a national participatory grantmaking initiative](#) was in 2007, when the Case Foundation created and launched [Make it Your Own \(MIYO\)](#), a grants program aimed at supporting and lifting up examples of "citizen-centered civic engagement." The foundation invited the public to participate in every step of the grantmaking process—including setting grant guidelines, serving as proposal

reviewers, and voting on which proposals should receive grants. Proposals for the program were submitted by thousands of people across the country seeking to improve their communities.

Also in 2007, the Knight Foundation added a public participation component to its then-nascent [News Challenge](#), which invited the public to submit innovative ideas for gathering, sharing and using local news and information. Funding ideas were proposed and commented on by the community before the foundation made its ultimate decisions.

More recently, the [Wikimedia Foundation](#) has been integrating community input throughout the lifecycle of proposals and awards by using the same kind of public platform employed for its Wikipedia articles. The [NoVo Foundation](#) recently announced a [seven-year, \\$90 million commitment](#) to support the girls of color movement—a strategy that grew directly out of a year-long listening tour with girls of color, movement leaders, and organizers. NoVo Foundation also participates in a participatory grantmaking funder collaborative, undertakes participatory research, and supports the [New York Women's Foundation's participatory grantmaking efforts](#).

In other activities, nearly 50 community foundations that are part of the national [CFLeads](#) network are putting community engagement at the center of their operations by involving residents as active and equal partners in important decision-making processes. Also, the [Fund for Shared Insight](#) is supporting more transparency by foundations about their operations, open and two-way dialogue between foundations and nonprofits, and tools that nonprofits can use to gather beneficiary feedback to improve their services.

There has also been an upsurge in international participatory grantmaking initiatives, such as the [Red Umbrella Fund](#), the [Disability Rights Fund](#), [Edge Fund \(UK\)](#), and [FRIDA/Young Feminist Fund](#).

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<sup>6</sup> An timeline of key events in the history of social justice philanthropy can be found at [http://www.safsf.org/document-sold/2011Forum\\_BolderGiving\\_Overview.pdf](http://www.safsf.org/document-sold/2011Forum_BolderGiving_Overview.pdf).

Each of these initiatives is led by representatives of the groups that the grants support.

*(More information on these and other examples of participatory processes in philanthropy can be found in the Appendix, page X.)*

Evidence of the growing popularity of new, outward-facing approaches to philanthropy around the world surfaced at the Human Rights Funders Network's 2014 (New York) and 2016 (San Francisco) conferences, where [panels on "participatory grantmaking"](#) drew standing-room-only crowds.<sup>7</sup>

[In "Who Decides," Matthew Hart of the Lafayette Practice documents and describes participatory grantmaking](#) as "an important evolution in the form and practice of philanthropy." The 2014 report compared the operations of eight international participatory grantmakers. Hart found that regardless of their specific missions, all of the funds share a belief that people affected by their organizations' work should be involved in grantmaking decisions. The grantmakers also agreed that participatory grantmaking can help lead to better results and, especially, "the kind of social change the funds want to see" by strengthening capacity and solidarity among participants. [As Hart writes:](#)

*Participatory grantmaking funds (PGFs) can serve as a powerful intermediary between grassroots organizing and traditional donors, functioning as learning hubs for institutional donors and participants. They often offer significant technical assistance and support in addition to grants. In doing so, they help build the capacities of their grantees and their communities of concern.*

[Katy Love from the Wikimedia Foundation](#) notes that these kinds of participatory approaches will only continue to grow as "more and more funders question how to increase their transparency and accountability to the people affected by their grants and recognize the added value of leveraging the knowledge and insights of the community."

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<sup>7</sup> The Human Rights Funders Network recently changed its name from the International Human Rights Funders Group.

## IT'S ABOUT CULTURE CHANGE: WHAT PARTICIPATION LOOKS LIKE IN PHILANTHROPY

Recognizing the power of walking the talk, a growing number of grantmakers are exploring how to embed participation in their institutions' values, practices, communication patterns and behaviors. Here are a few of the activities that these grantmakers are integrating into their work:

- *Inviting input and active participation from non-grantmakers about program strategies, priorities, and/or grantmaking on a regular basis.*
- Adding new functions or departments that strengthen foundations' capacity to engage non-grantmakers more effectively, e.g., communications, public outreach, research, etc.
- *Instituting hiring policies that ask about and value potential employees' commitment to non-grantmaker participation in the funding process.*
- Stipulating that advisory or board committees include non-grantmakers.
- *Engaging the board in discussions about the benefits and drawbacks of non-grantmaker participation and making decisions about which approaches are most appropriate for the foundation and why.*
- Integrating a public participation component in all of the institutions' activities.
- *Redesigning the role of program staff to serve as partners with non-grantmakers in various parts of the grantmaking process.*
- Designating a specific number of board or committee seats for non-grantmakers.
- *Initiating field-wide discussions that explore how/whether non-grantmakers' participation in grantmaking processes can lead to more effective decisions about resource allocation and/or grantee outcomes.*
- Being explicit about transparency as an institutional value and practice by: consistently making information and data about funded projects publicly available; providing open access to grant-funded solutions that grantees are producing; making evaluation results available to the public (including negative results); and posting updates on grant programs and asking for public comment.
- *Making adherence to the above practices part of staff members' performance reviews and compensation/promotion decisions.*



## What are Some Participatory Models and Frameworks That Are Being Tried in Philanthropy?

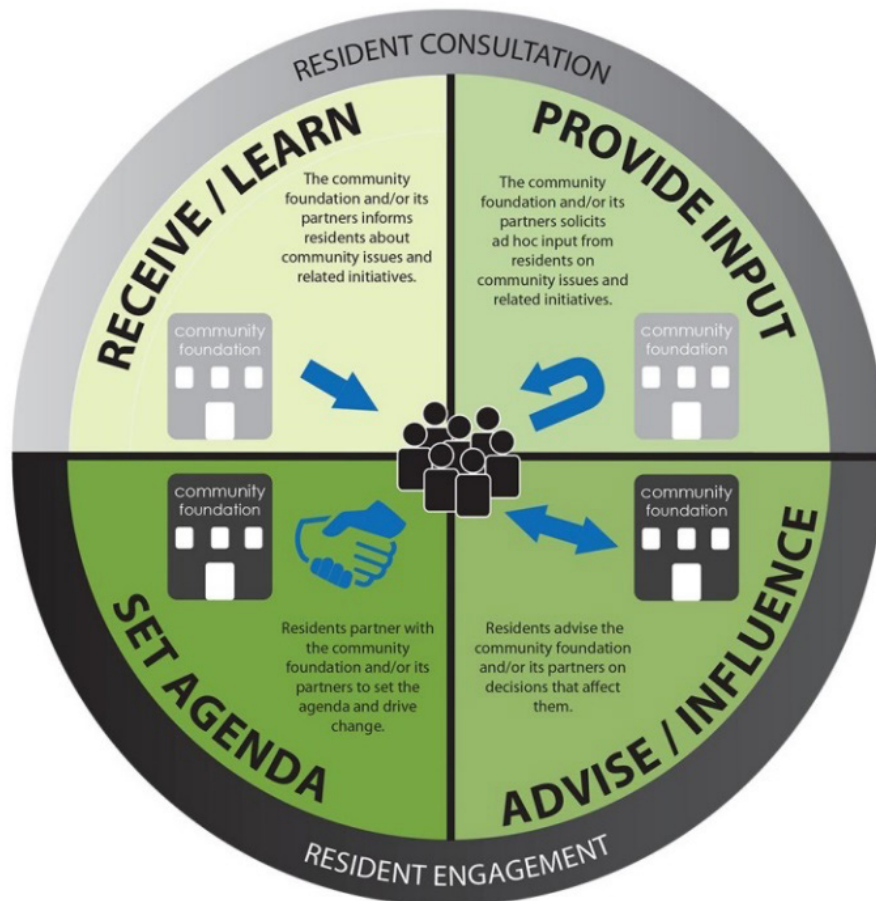
Some grantmakers have formed networks that allow them to develop more codified models and frameworks for participatory approaches that may have potential for field-wide application. Examples include:

### CFLeads/Cultivating Community Engagement Panel

One of the few codified frameworks for participatory approaches to philanthropy was

created by [CFLeads](#), a national network of [community foundations](#) that are integrating community, and more recently resident, engagement into their work and missions. This work began in 2007-2008, when CFLeads, the [Council on Foundations](#) and the [Aspen Institute's Community Strategies Group](#) convened the National Task Force on Community Leadership, which called for community foundations to explore deeper partnerships with communities to address critical issues.

CFLeads Resident Engagement Spectrum



As part of this broader effort, CFLeads launched the [Cultivating Community Engagement Project](#) (CCE) to document and promote community foundations' community engagement practices. A panel comprising 34 philanthropic leaders, researchers, government officials, community organizers, deliberative democracy practitioners, and others with deep experience in community engagement deliberated over the course of nearly a year.

The group reached consensus on what became the panel's key finding: [that resident engagement is the next step in community leadership for community foundations](#). In addition to issuing a formal report encouraging community foundations to directly engage residents as partners in change efforts, the panel produced a set of resources that offered practical guidance for community foundations on how to make resident engagement part of their work [and how to gauge the impact of that engagement](#). [CFLeads has distilled these efforts into a framework](#) (see previous page) that helps community foundations communicate and understand resident engagement more effectively. Presented in summary form in the graphic above, this framework will change as new knowledge surfaces.

### **EDGE Funders Alliance**

[EDGE Funders Alliance](#) "increases resources for communities and movements creating systemic change alternatives for a transition to a society that supports justice, equity, and the well-being of the planet." Members include donors, foundation officers, and advisors with a commitment to global social change who share knowledge, tools and approaches.

At its conference in Barcelona In April 2017, the group issued its "[Barcelona Commitment](#)," which underscored the "need for deep changes within philanthropic culture and practice, including

around power and accountability." Recognizing the inherent contradictions and hard work involved in transforming philanthropic institutions and reorganizing power within this sector, the group cited participatory grantmaking and ethical investing as important strategies for meeting that goal. It also said philanthropy "needs to go further" and reorganize itself to "better support — through consultation and dialogue, in our grantmaking and investment approaches — an array of initiatives and community efforts that advance a just transition to regenerative economies around the world."

### **Grassroots Grantmakers**

[Grassroots Grantmakers](#) (GG) is a network of place-based funders in the U.S. and Canada that operates from a "we begin with residents" perspective. These grantmakers support active citizenship and civic capacity building in their communities through a highly relational style of grantmaking and a learning orientation. Funders in the network strengthen resident-controlled associations and help people with shared interests work collectively to improve their blocks, neighborhoods, or communities and be a stronger voice for change and community vitality.

Grassroots Grantmakers' members which they see as an effective way to get residents engaged and invested in their own communities. A number of the network's members are engaged in "resident-led grantmaking" through which they are turning grant decisions over to the residents who live and work in the community that the grants are intended to benefit.

To help its members interested in this practice, the Grassroots Grantmakers website has myriad tools and resources, including a [special section on resident-led grantmaking](#); monographs such as "[A Genuine Democratization and Engagement Strategy](#)," which provides an overview of the Skillman

and Cleveland Foundations' resident-led grant-making experiences; a [grid that shows variations in how members use resident-led committees](#); and [sample guidelines and applications](#) from various resident-led grantmaking programs.

### **Human Rights Funders Network** *(formerly the International Human Rights Funding Group)*

[The Human Rights Funders Network](#) is a global network of donors and grantmakers committed to advancing human rights around the world through effective philanthropy. and focuses on sharing and increasing the effectiveness of models in which the people most affected by a particular issue make decisions about where funding goes. Ultimately, the group “seeks to democratize philanthropy by encouraging donors to become more inclusive in their funding practices.” HRFN and its European counterpart Ariadne host a working group on participatory philanthropy.

### **Neighborhood Funders Group**

[Neighborhood Funders Group](#) (NFG) is a national network of grantmaking institutions aimed at strengthening philanthropy's capacity to advance social justice and community change. NFG organizes social justice philanthropy; develops leaders within its national base of members; and encourages the philanthropic field to support policies and practices that advance economic, racial, and social justice. NFG's Working Group on Place Based Community Change is focused explicitly on place-based grantmaking that emphasizes community/resident engagement, collaboration, co-learning, and helping grantmakers shift to becoming “changemakers.”

### **FundAction**

[FundAction](#) was established in early 2017 to support social movements in Europe through participatory grantmaking. The fund emerged from conversations among funders and representatives of civil society organizations. At the 2016 annual retreat for European members of the Edge Funders Alliance network (see above), four foundations ([Guerrilla Foundation](#), [Open Society Foundation Initiative in Europe](#), [European Cultural Foundation](#) and [Charles Leopold Mayer Foundation](#)) decided to pool some funding to experiment with participatory grant-making. These funders then invited activists from more than 30 social justice organizations to a series of workshops that led to the creation of FundAction.

Since early 2017, a small group of activists and funder representatives continued to design an approach to participatory decision-making that will provide three types of grants. “Rethink” grants will support European activists to share and learn from each other; “Renew” grants will support pilot systemic change initiatives; and “Resist” grants will offer small rapid-response funding for urgent actions. Grant proposals will be shared with other applicants and European peers, who will review proposals and allocate available funding. In this way, FundAction hopes to build solidarity, strengthen collaboration, and shift power to those closer to the issues.



## YOUTHGIVING.ORG: IS PARTICIPATION ON THE RISE WITH A NEW GENERATION?

There's a new giving movement that's changing the face of institutional philanthropy, and it's being led by young people. Today, there are more than 750 programs worldwide that empower young people—most of whom aren't independently wealthy—to give grant dollars to the causes they care about. It is a network that's growing in influence and impact.

According to [YouthGiving.org](https://www.youthgiving.org), young people who are interested in philanthropy are reaching out to all corners of their communities to help guide decisions about funding priorities, criteria, proposal submissions and grant allocations. They're engaging with community residents as partners, rather than beneficiaries, in conducting community needs assessments and evaluations. And they're cutting through the red tape of boardroom and office politics by using more collaborative processes that encourage open discussion (and disagreement) and consensus-driven decision making.

Young people's interest in participatory philanthropy isn't an accident. It's the natural outgrowth of growing up in a technology-driven world that gives ordinary people the chance to connect, collaborate, co-create and crowdsource solutions to problems in spaces that are more transparent, and virtual. In this world, philanthropy isn't just the purview of a small group of people with resources or power; it's an opportunity for everyone to make a difference.

The [Michigan Youth Advisory Committees](#) are just one of many initiatives that are proving this isn't a pipe dream. The seeds of this network began in 1988 as the [Michigan Community Foundations' Youth Project](#), a W.K. Kellogg Foundation-supported effort to permanently integrate youth into the infrastructure of the state's 33 community foundations, which made youth-related grants but didn't involve young people in that process. Kellogg provided community foundations with challenge grants to establish youth advisory committees (YACs) that would eventually be integrated into each foundation's infrastructure.

The strategy worked. Now, there are 86 permanent youth endowments housed in community foundations across Michigan. Each is managed by a YAC with approximately 20 young people between the ages of 13 and 17 as members responsible for allocating between \$5,000 and \$100,000 annually in their communities. Like any other grantmaking group, the YAC members conduct site visits, review proposals, and conduct community needs assessments. And they've traveled far and wide to speak at conferences, present their experiences, and hold trainings for new and emerging youth philanthropy initiatives. Thirty-two (32) U.S. states now report having one or more community foundation-hosted youth grantmaking programs, and similar community-based youth grantmaking initiatives are being developed in 28 other countries around the world.

## What Are the Barriers to Broader Adoption of Participatory Grantmaking by Philanthropy?

Participatory approaches continue to be more the exception than the rule in philanthropy because of the challenges they pose. Grantmaking decisions are fraught with power imbalances, institutional priorities, legal regulations, and potential conflicts of interest. Also, not everyone is convinced that foundations should cede control over funding decisions because they are still fiscally and legally responsible for their practices. Furthermore, foundation trustees and staff often bring expertise and experience to the table in ways that justify their role as philanthropic decision makers.

To many observers, especially non-funders, a significant swath of philanthropic institutions, particularly larger foundations, don't necessarily welcome public involvement in their activities, nor do they have much incentive to do so. In short, observers note a great deal of talk about participation but comparatively little commitment to integrating these practices into foundations' strategies and activities, and especially their cultures, over the long term.

[As Brad Rourke and Chris Gates of the Kettering Foundation point out](#), “While the media, politics, government, nonprofits, and businesses all have strived to meet the new demands of these hyper-connected times, one part of society has until recently remained nearly immune from such pressure. That is organized philanthropy,” which continues to make decisions “behind closed doors.”

An additional challenge is getting foundations to see participatory philanthropy, including participatory grantmaking, as something more than an “interesting” thing to do or the “next new shiny thing.” A significant number of participatory grantmakers feel strongly that this is an approach

that needs to be embedded deeply in both foundations' internal cultures and external activities. As one participatory grantmaker notes, “If participation is selectively integrated in some parts of a foundation's decision-making process but ignored in the rest of its work, including planning, administration, and operations, it won't be perceived by the community as truly walking the talk. That's especially true for social justice funders who are committed to shifting power. What better way to do that than in their own institutions?”

Others, however, are uncertain about whether and to what extent larger and more established philanthropic institutions would be able to transform themselves to that degree—a mammoth cultural shift that would take a considerable amount of time and patience. As Xavier Briggs notes:<sup>8</sup>

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“EVEN IF INSTITUTIONS EMBED THESE VALUES MORE DEEPLY IN THEIR CULTURES, THERE'S NO GUARANTEE THEY WILL STAY THAT WAY. TIMES CHANGE, PRIORITIES CAN SHIFT, AND THE TURF WARS AND INFIGHTING THAT PLAGUE EVEN THE BEST ORGANIZATIONS CAN SURFACE AT A MOMENT'S NOTICE TO THWART CHANGE.”

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Moreover, grantmaking is just one part of philanthropy. Institutional grantmakers often do more than give grants; they provide other resources such as technical assistance, convening power, networks, and research. And, as foundations move into impact investing, as well as complex financing

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<sup>8</sup> Ford Foundation meeting, October 24, 2016.

structures in collaboration with the private and public sectors, where does participation fit into decisions about allocating these kinds of resources? And should it?

In addition, foundations are making decisions all the time about what strategies to pursue to achieve their desired outcomes. Decisions about which strategy for which outcomes, however, are increasingly fraught with tension. Traditionally, foundations provided grants to nonprofits to implement strategies that the nonprofits designed. Increasingly, however, foundations have been designing their own strategies, which some practitioners say has turned nonprofits into “contractors” charged with implementing investor-driven plans.

Foundations say it is important to have their own strategies so they can evaluate themselves and their progress. Many grantees, however, say that their strategies need to be considered as equally, if not more, important. Is there a sweet spot between what funders think are effective strategies for achieving impact and what their grantees think? Should there be? If so, can the field develop more formal processes or tools for foundations and grantees to work in partnership toward co-created strategies?

Another factor that has made it difficult for some foundations to embrace participatory grantmaking is that it assumes the involvement of non-grantmakers in funding decisions will result in more effective philanthropic investments. While this may seem logical, the hypothesis has yet to be backed up by a solid body of evidence some funders want to see. Getting this kind of data, however, is challenging because it involves measuring not only participatory outcomes but also a process that is often messy, difficult to operationalize, and time consuming—all factors that, ironically, have made funders less interested in supporting this kind of research. And, above all, who determines whether or how an investment has been “effective”?

Finally, there is the issue of how to define participation. Some argue that foundations have been taking steps toward more participation by emphasizing transparency, accountability, and feedback. Others say that while these are important steps, they are not necessarily “participation.” As Diana Samarasan, founding executive director of the Disability Rights Fund, a participatory grantmaking collaborative, notes:

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“PROVIDING THE PUBLIC WITH GRANT LISTS OR INVESTMENT DATA IS NOT THE SAME AS ENSURING COMMUNITIES PARTICIPATE IN FUNDING DECISIONS.”

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Understanding this distinction is increasingly important as foundations become more involved in collaborating with government and other public sector organizations that are required to be accountable to the public they serve. The more private foundations occupy this space, [Rourke and Gates write](#), the more publicly accountable they will need to be—and this will require foundations to find new ways to “engage the public in their decision-making and priority-setting processes.”

For some grantmakers, inviting grantee feedback is a huge step forward in opening up a process that has traditionally been shrouded in secrecy. It is also a good way to start the participatory process in more traditional institutions, which may not be ready—structurally or attitudinally—to dive into participatory grantmaking. Others, however, believe that if non-grantmakers are asked for feedback but are left out of decision-making processes that may (or may not) incorporate that feedback, their participation could be seen as little more than window dressing.

# PARTICIPATORY PHILANTHROPY: THEORIES OF CHANGE

There are several theories of change undergirding participatory philanthropy, including participatory grantmaking. The most common are:

## **It democratizes philanthropy.**

“Everyone can be a philanthropist” by participating in giving circles, crowdfunding, online donations/voting, etc. This leads to increased philanthropy overall.

CAVEAT: Participation may skew toward “mob rule” if there are no filters or gatekeepers.

## **It leads to better decisions/outcomes.**

Participation of non-grantmakers with a stake in foundation decisions leads to better philanthropic decisions, investments and/or outcomes.

CAVEAT: It can be difficult to discern how to balance experts (“consultative” function) and people most affected by decisions (“empowering” function). And who decides who gets to be at the table?

## **It promotes social justice/equity.**

Participation of traditionally disenfranchised constituencies in philanthropic activities can help increase participants’ agency and control over decisions affecting their lives.

CAVEAT: Engagement of disenfranchised communities may lead to an overemphasis on process rather than outcomes. Also, the absence of broader perspectives, including experts, may constrain information gathering needed for decisions.

## **It promotes community engagement.**

Participation of non-grantmakers in decisions on important issues strengthens communities overall because individuals and groups that are directly affected by those decisions are connected, informed and engaged.

CAVEAT: To the extent that lots of people and interests are involved, it may be difficult to determine accountability for decision making and outcomes.

## How Can Philanthropy Move to Consensus About the Practice — and Benefits — of Participatory Grantmaking?

Despite the benefits of participatory approaches, they may not be right for all foundations all the time. They can be complex, time-consuming, expensive, and challenging. And because foundations are still fiscally and legally responsible for their operations, they would be remiss in ceding all control over the decisions they make.

And is “more always better?” Some argue that participation in philanthropy is a multifaceted concept that can and should be applied and integrated into foundations’ efforts in varying degrees. They say a key question for future inquiry and dialogue about participatory philanthropy, including participatory grantmaking, is under which conditions participation is useful and better than another approach.

And where do “experts” or traditional power-holders fit into the process? As noted previously, there is growing awareness that today’s thorny problems won’t be solved by experts or power brokers working insularly. But solutions won’t come from mob rule either.

What’s needed, some believe, is a more balanced approach to decision-making and problem solving. As [Barry Knight notes](#): “What often determines success is what happens at the point at which top down meets bottom up....where outside intervention meets inside culture. Many planners of social programs fail to see the significance of this point even though it’s been known for 40 years.” Others point out that non-grantmakers may sometimes do a better job than foundations in harnessing “[distributed wisdom for solving tough, systemic problems](#)” so it’s just good sense to involve them in important allocation decisions.

[One of the main findings of an evaluation of the Case Foundation’s participatory grants initiative](#) was that the best decisions and ideas emerge when both experts and “real people” are involved in exploring them. Recognizing that grant decisions voted on by the public can quickly become nothing more than popularity contests, the foundation brought in a small group of advisors with experience in community building to help cull the list of finalists selected by non-grantmakers from 100 to 20. Those 20 proposals were then put forward to the public, who selected four grantees to receive larger grants. According to Diana Scarce, Gabriel Kasper, and Heather McLeod Grant [in the Stanford Social Innovation Review](#): “This mid-level culling allowed the foundation to balance the creativity and emergent decision making of the group with the professional advice of experts in order to choose ultimate winners aligned with the foundation’s goals.”

As the Case Foundation example illustrates, the challenge for philanthropy—and for participatory work overall—is considering two, sometimes competing objectives at once:

- **“Fairness”** (*participation involves those who will be affected by the outcomes of the process*); and
- **“Wisdom”** (*participation involves those who can inform the process to achieve better outcomes*).

Often, these objectives are not in conflict, because a fairer and more inclusive process will most likely lead to better decisions. But in other cases, it can be a difficult balance as foundations and others seek to create processes that draw on the expertise of those affected as well as that of individuals and groups who are deeply knowledgeable of the issues and possible solutions.

## WHY DOES PARTICIPATION MATTER?

There are multiple reasons why participation might matter to grantmakers. Deciding which are most important is a key task. The following are among the core benefits that proponents regularly point to:

- *It empowers communities where foundations work by putting money and power into residents' hands.*
- It allows for more flexibility and, in turn, more innovation and creativity.
- *It brings the experiences and knowledge of those most affected by a problem to bear in determining the best opportunities for funding solutions.*
- It leads to richer and more informed strategic analysis and decision-making processes.
- *It builds the leadership capacity of community participants.*
- It encourages collaboration—and larger movement building—by forging relationships among diverse groups of individuals and institutions.
- *It promotes deeper transparency by revealing the inherent power dynamics that come with making decisions about money and how those decisions are made.*
- It allows philanthropy to walk the talk of social change by affirming that a foundation's funding process is as important as what gets supported.
- *It helps grantmakers build trust and credibility among constituencies and communities with which they work.*
- It diversifies who makes decisions about resource allocation.

Another obstacle in the way of wider adoption of these practices is that the field lacks a sharp, consensus definition of what the term “participatory grantmaking” means. While there are tools and studies emerging from other fields that have incorporated participation in their work, there have been relatively few efforts to codify this practice for philanthropy. Among the few attempts that do exist, most are targeted to specific types of institutions (e.g., community foundations) or individuals (e.g., crowdsourcing and giving circles) rather than the larger field.

In addition to a shared understanding of what participatory grantmaking looks like, there needs to be more clarity across philanthropy about the value of this approach, what makes it different from others, and how it might complement them. Participatory grantmaking rests on the assumption that involving “real people” in foundations’ decisions about grants and grantmaking criteria will result in more optimal outcomes and/or more effective philanthropic investments. In philanthropy as in other fields, this hypothesis continues to be largely untested, largely because it involves measuring a process, as well as outcomes.

Another, related hypothesis is that involving people “on the ground”—especially people of color, people living in poverty, and people who are part of other historically disenfranchised constituencies—is an empowering act that strengthens participants’ sense of agency, as well as their communities. For funders seeking social change, participatory practice can offer “a social justice framework that values lived experience and helps funders bring their own values to life.”<sup>9</sup>

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9 Evans, L. (2015). “Participatory philanthropy : An overview by Lani Evans for the Winston Churchill Fellowship,” Philanthropy New Zealand. Retrieved on 10/12/16 at <http://philanthropy.org.nz/participatory-philanthropy-a-report-by-lani-evans>

Many participatory grantmakers believe the benefits of this approach are self-evident. Others argue that if participatory grantmaking is to take hold more broadly across philanthropy, it will be important to have stronger evidence that this approach leads to better decision making. As Mutisya Leonard from UHAI: EASHRI, a participatory grantmaking fund in East Africa, says, “More data and evidence on the positive impact of these approaches would have the additional benefit of helping participatory grantmakers appreciate and better communicate their value and contribution beyond the actual grants they give.”

To date, foundations wanting to pursue participatory grantmaking have had to rely on anecdotal examples of this work, which vary widely across institutions. On the one hand, anecdotal evidence of participation in action can fuel more knowledge about the nuts and bolts of this approach. On the other hand, isolated anecdotes will not be enough.

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## INSTITUTIONAL PHILANTHROPY NEEDS A COMMON UNDERSTANDING OF PARTICIPATORY GRANTMAKING’S TERMS, PRACTICES, BENEFIT AND/OR OUTCOMES.

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Without it, this kind of participation will likely be seen as more a one-off or tactic, rather than a way of operating that is reflected in the values, practices, communications patterns, and behaviors of both funders and grantees.

To contribute toward this common understanding, the next section of this paper examines participatory frameworks outside of philanthropy. Elements of these frameworks have been incorporated into the "starter framework" for philanthropy, which is described in Part III.



# PART TWO:

## Lessons About Participation from Outside Philanthropy



Today, [participatory practices are steadily gaining traction across a wide and diverse landscape](#), both in the U.S. and internationally. Groups such as the National League of Cities, National School Boards Association, National School Public Relations Association, National Civic League, League of Women Voters, American Planning Association, IBM Center for the Business of Government, International City/County Management Association and NeighborWorks America [are exploring and/or using participatory approaches to public problems](#).

Each of these groups provides training and seminars for its members on how to engage citizens in more deliberative and meaningful ways; upholds successful examples of participatory approaches to problem solving through awards programs and other forms of recognition; and offers technical assistance to members who are trying to initiate new projects.<sup>10</sup>

Participatory approaches also are being embraced to varying degrees by entire fields. For example, many [international development practitioners embraced participation](#) in reaction to the highly centralized and top-down development strategies of the 1970s and 1980s. These strategies were perceived by activists and nongovernmental organization (NGOs) as deeply disconnected from

the needs of the poor, the marginalized, and the excluded. Underlying this shift was the belief that giving the poor a greater say in decisions that affect their lives by involving them in at least some aspects of project design and implementation would result in a closer connection between development aid and its intended beneficiaries.

In another example of field-wide practice, public health organizations have a long history of involving communities in developing solutions to problems or issues affecting them based on the belief that “collective intelligence” leads to better results. The news industry, too, is being transformed by civic or public journalism that gives people the chance to report on what’s happening in their communities and elsewhere. In higher education, research and learning are becoming more participatory through service learning, action research, and deliberative dialogues involving the communities in which colleges and universities are located.

Even the private sector is using public engagement more intentionally. Rather than testing a product or idea repeatedly until it is perfect and then marketing it, companies are pushing out newly developed products to customers and asking for feedback to improve those products.

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<sup>10</sup> Leighninger, M. (2012).



## What Can Philanthropy Learn from Fields Engaged in Deep Work on Participation?

These examples show that participatory strategies and tactics are becoming more prevalent, but few fields or institutions have made participation a core component of their DNA. Three exceptions are the fields of community organizing, community development, and deliberative democracy. As explored below, these fields focus exclusively on participatory practice and, consequently, are responsible for the bulk of theory and research on the topic.

**COMMUNITY ORGANIZING** mobilizes ordinary people—especially disenfranchised populations—to advocate for their interests in the decision-making processes that affect them. Organizing work is based on the belief that community participation leads to more informed, meaningful and long-term social change. Organizing’s locus is the community or grassroots level, but there is also a far-reaching national infrastructure providing technical assistance, training, facilitation, and funding to strengthen this work. National organizations involved in this work include the [Industrial Areas Foundation](#), [PICO](#), [Center for Community Change](#), [Gamaliel](#), [National People’s Action](#), and the [Direct Action and Research Training Center](#).

**DELIBERATIVE DEMOCRACY (OR GOVERNANCE)** focuses on the process of reaching out and engaging local communities in public decision making based on a belief that democracy and governance work best when all people—especially those directly affected by issues—are informed and actively involved in considering ways to address those issues. Deliberative work is focused both on the decision-making process (the quality of the interaction, mutual willingness to consider diverse points of view), as well as

the group’s resultant decision (the potential for achieving results, usually in public policy matters). The focus of the work is on finding the best approaches to making public decisions.

Many deliberative democracy practitioners try to be as neutral and as open-ended as possible, inviting people who represent a wide range of views and providing them with balanced materials and information to guide their discussions. Organizations in this network include [National Coalition for Dialogue and Deliberation](#), [Public Agenda](#), [Everyday Democracy](#), [Deliberative Democracy Consortium](#), and [International Association for Public Participation](#).

**COMMUNITY DEVELOPMENT** encourages people in a specific neighborhood or community to take collective action and generate solutions to self-identified priorities, with the goal of building stronger and more resilient communities. In the community development realm, communities and groups engage in an ongoing process to identify needs and assets and shape solutions within the context of larger social institutions. Community development endeavors can support economic development, public services, community centers, housing rehabilitation, microenterprise, and other identified needs.

The most institutionalized forms of community development are Community Development Corporations (CDCs), which are supported by federal funding that is allocated to state and municipal governments for CDCs and other nonprofit organizations. National organizations such as [NeighborWorks America](#), the [Local Initiatives Support Corporation](#) (LISC) and [Enterprise Community Partners](#) have built extensive networks of affiliated

local nonprofit organizations to which they provide financing for community development efforts in urban and rural communities.

While there are differences among these three fields, they share some core principles:

- Decision-making and problem-solving processes need to involve the people most affected by an issue or problem because they have important, firsthand knowledge and experience.
- Authentic participation involves two-way or multi-directional communication, rather than didactic approaches that inform or “educate” people with no venue for their feedback, input or active engagement.
- Collaborative problem-solving that involves the equitable participation of diverse people, voices, ideas, and information can lead to better outcomes and decisions.
- Community organizations and government should work *with*—rather than *for*—the public.
- Experts and professionals should not drive problem solving or decision making but are partners with the public in those processes.
- Transparency—about decision-making processes, who is involved, what decisions are made, and how they will be implemented—is essential to authentic participation.

The strategies used to operationalize the above principles are also similar across the three fields: recruiting people through networks and relationships; giving people opportunities to share their stories and decide what they want to achieve; and encouraging people in all kinds of action efforts, from volunteerism to advocacy.

But there are also some important differences among the three fields. As Matt Leighninger of Public Agenda writes in [Creating Spaces for Change](#), a summary of a W.K. Kellogg Foundation-sponsored meeting of community organizers and deliberative democracy practitioners, one of the primary tensions lies between people who describe participatory work primarily in terms of justice or equity and those who frame it in terms of democracy and public deliberation.

As noted above, advocates of deliberative democracy tend to describe efforts to engage citizens in broad, open-ended, value-neutral terms (e.g., helping the community “make progress” on an issue, or “charting a course” for the future). In this scenario, public deliberations welcome a broad range of people and viewpoints across the political spectrum.

Those who identify more with community organizing approaches believe the goals of equity or social justice should be stated explicitly. Adherents of these approaches may prefer titles and descriptions that privilege particular segments

## WAYS PARTICIPATION CAN ADD VALUE:

- **Legitimacy** – Participation lends credibility to and conveys authenticity about the process.
- **Outcomes** – Participation leads to better/wiser outcomes, decisions or actions.
- **Agency** – Participants gain a sense of agency and control over the processes and decisions affecting them.

## WAYS PARTICIPATION CAN BE USED:

- **Agenda setting**
- **Co-creation of strategy and/or implementation**
- **Collaboration**
- **Evaluation**



of the population (e.g., “hearing the voices of the underrepresented”). At the heart of community organizing is the belief that power struggles are the main drivers for action on community issues and priorities.

These differences also show up in the community development field. While CDCs grew out of the community organizing movement, community development differs from organizing in that it tends to focus on collaborations between individuals and established institutions such as financial institutions, nonprofits, and government agencies.” In short, “one works within the system and the other tries to change it.”<sup>12</sup>

In recent years, these divisions have been dissolving. At the W.K. Kellogg Foundation meeting mentioned above, community organizers and deliberative practitioners generally agreed that what were once rifts have narrowed considerably. Community organizers said they use deliberative dialogue to collect community voice on issues so they can lay the groundwork for deeper strategic or community planning sessions. Deliberative practitioners, for their part, said they are committed to going beyond “just talking” to help people take action and achieve tangible outcomes.

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11 Hess, D. (1999). “Community ORGANIZING, Building and Development: Their Relationship to Comprehensive Community Initiatives” (Paper presented on COMM-ORG: The On-Line Conference on Community Organizing and Development). Retrieved on July 7, 2016 at <https://comm-org.wisc.edu/papers99/hesscontents.htm>.

12 Stoecker, R. (2001). “Community organizing and community development: Apples and oranges? Chicken and egg?” Retrieved on July 7, 2016 at <http://comm-org.wisc.edu/drafts/orgdevppr2c.htm>.

The community development and deliberative democracy fields are also moving closer to each other in the belief that the participatory process can be as important as any outcomes that result from it. Specifically, participation is not just a means to an end; it is an end itself in that it can strengthen relationships, build trust among diverse people and groups, and strengthen participants’ sense of agency and control about other issues affecting them.

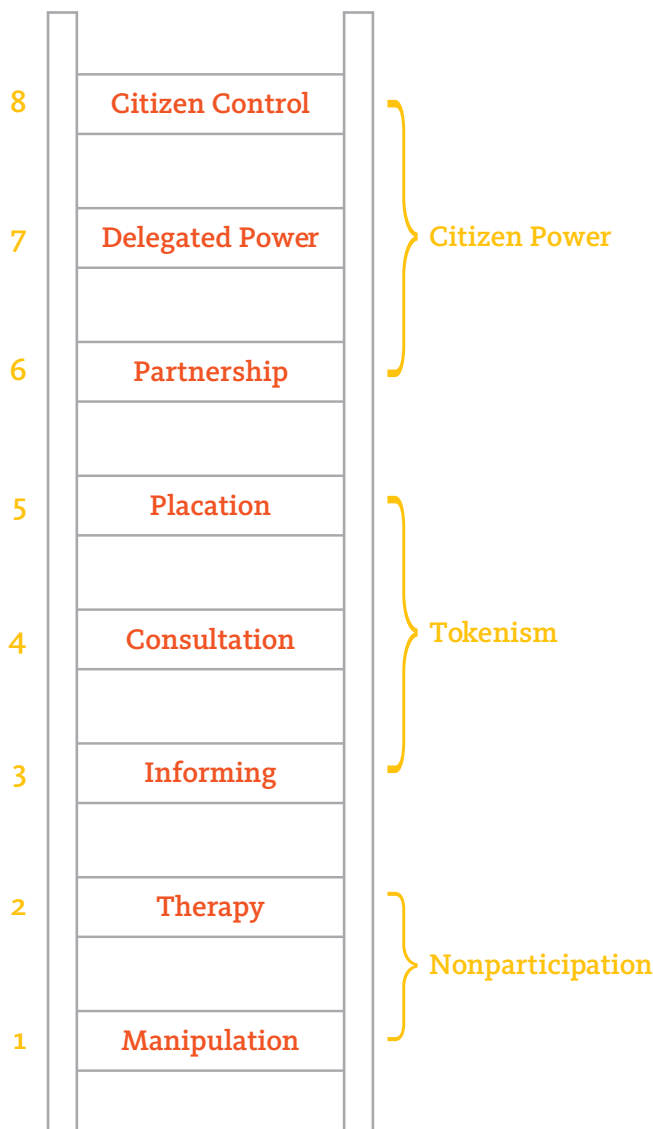
[The rise of “asset-based community development” \(ABCD\)](#) and other approaches that focus on communities’ strengths, rather than their deficits, is also helping to chip away at the differences described above. By seeking and valuing the participation of people from all parts of the community (deliberative democracy and community development), but, especially, disenfranchised constituencies (community organizing), this approach to community development emphasizes the importance of involving all stakeholders in meaningful social change efforts.

## What Are Some Participatory Models and Frameworks Developed Outside Philanthropy?

There are scores of frameworks for encouraging public participation in decision making that can be (and have been) used by a variety of fields. Below are two frameworks that have become standards, as well as one that is less well-known but that captures the core components of participatory practice across many fields.

### Arnstein Ladder of Participation

While working at the U.S. Department of Housing and Urban Development in the 1960s, Sherry Arnstein developed an influential model for understanding citizen involvement in planning and policy-making processes. Her “ladder of citizen participation” created several categories of involvement ranging from a high to low participation.



**Citizen Control.** Participants (“the public”) handle the entire job of planning, policy making and managing a program or initiative with no intermediaries.

**Delegated power.** Participants have a clear majority of seats on committees with delegated powers to make decisions and assure accountability.

**Partnership.** Planning and decision-making responsibilities are shared through joint committees of participants and public officials/experts.

**Placation.** Participants can advise but public officials and other power holders have the right to judge the legitimacy or feasibility of the input.

**Consultation.** Public officials and other decision makers use surveys, community meetings and public inquiries to elicit and gauge participants’ opinions.

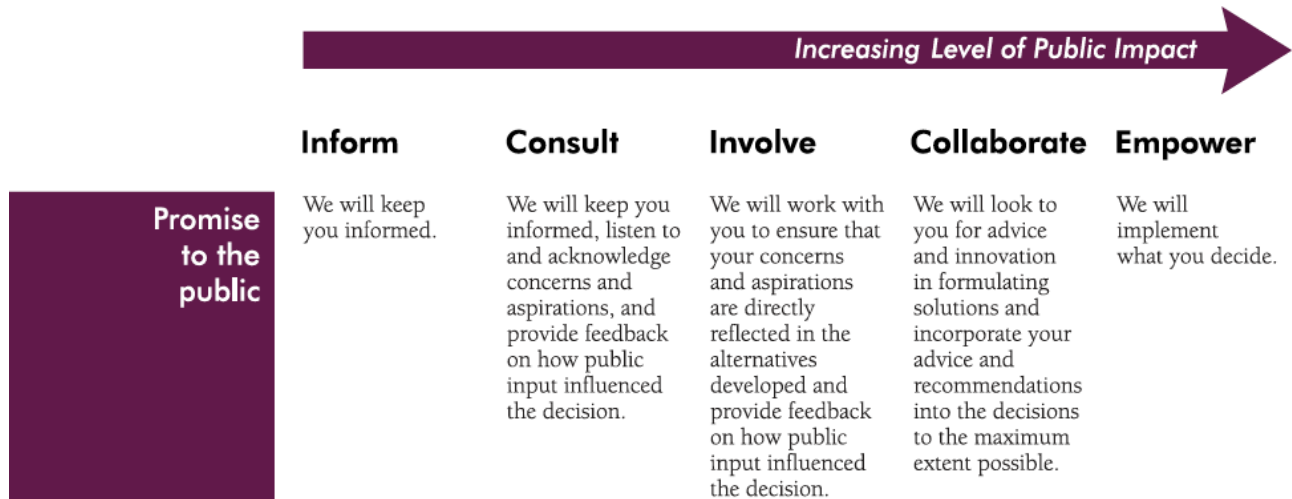
**Informing.** Public officials and other power holders create a one-way information flow with no feedback channels for participant reactions or input.

**Manipulation and Therapy (Nonparticipatory).** Public officials and other power holders seek to “cure” or “educate” participants, using public relations strategies to build public support.

## IAP2 Public Engagement Spectrum

The International Association for Public Participation (IAP2) developed the Spectrum of Public Participation to define the varying roles of the public in participatory processes. The spectrum is

non-judgmental and based on IAP2’s belief that participatory approaches depend on factors such as goals, timeframes and available resources. Over time, the spectrum has been used to shape public participation plans around the world.



## Della Rucker/Wise Economy

In work with [Wise Economy](#), Della Rucker [offers a framework](#) for participation that boils it down to four key components that consistently emerge in participatory research and practice, no matter what the field or discipline. The framework Rucker developed reflects how participatory options can range along a spectrum from generally less to more active engagement. Like the IAP2 framework, Rucker’s makes it clear that no one form of participation is more valuable or “right.” Rather, all four participation types have appropriate uses depending on the circumstances.

### The four types are:

**Telling** – Information is shared in a one-way direction—from informants to the public. The public are not active participants in decisions, nor can they ask questions or challenge the presenters. If participants are asked for feedback, there is no expectation that their comments will be used to influence decisions.

**Asking** - Information is still one-way but reversed, with participants providing ideas, recommendations or insight

through surveys, brainstorming activities, dialogues, etc. The goal is to give participants the chance to make their voices heard on issues they care about. There is no guarantee, however, that their ideas will be incorporated into the resulting plan or product.

**Discussing** – There is a two-way exchange of information and ideas between the public and decision makers. The goal of this process, which is usually conducted in smaller groups, is to forge more understanding of the variety of perspectives of different people in the community. These discussions often require more time than the approaches above and are limited to a smaller set of participants. Also, while discussions can surface a wider variety of insights and ideas, they do not necessarily result in a strong sense of direction, priorities or concrete action steps.

**Deciding** – This is a collaborative decision-making process involving the public and officials about priority setting, strategies, and resource allocation. The key difference between discussing and deciding is that the latter leads to [“a clear, well-informed and defensible guide to next steps, allocation of resources and other decisions that were directed and generated by the public.”](#) If participation is not fully inclusive or representative, the results can be skewed toward special interests, and decisions may not reflect what the larger community actually needs.

# PART THREE: A “Starter” Framework for Participatory Grantmaking



The frameworks described in the previous sections have been critical in informing our understanding of participation, both in philanthropy and beyond. They also include a number of common elements that may be useful in shaping a new participatory grantmaking framework that could be a springboard for ongoing discussion and development among grantmakers and non-grantmakers.

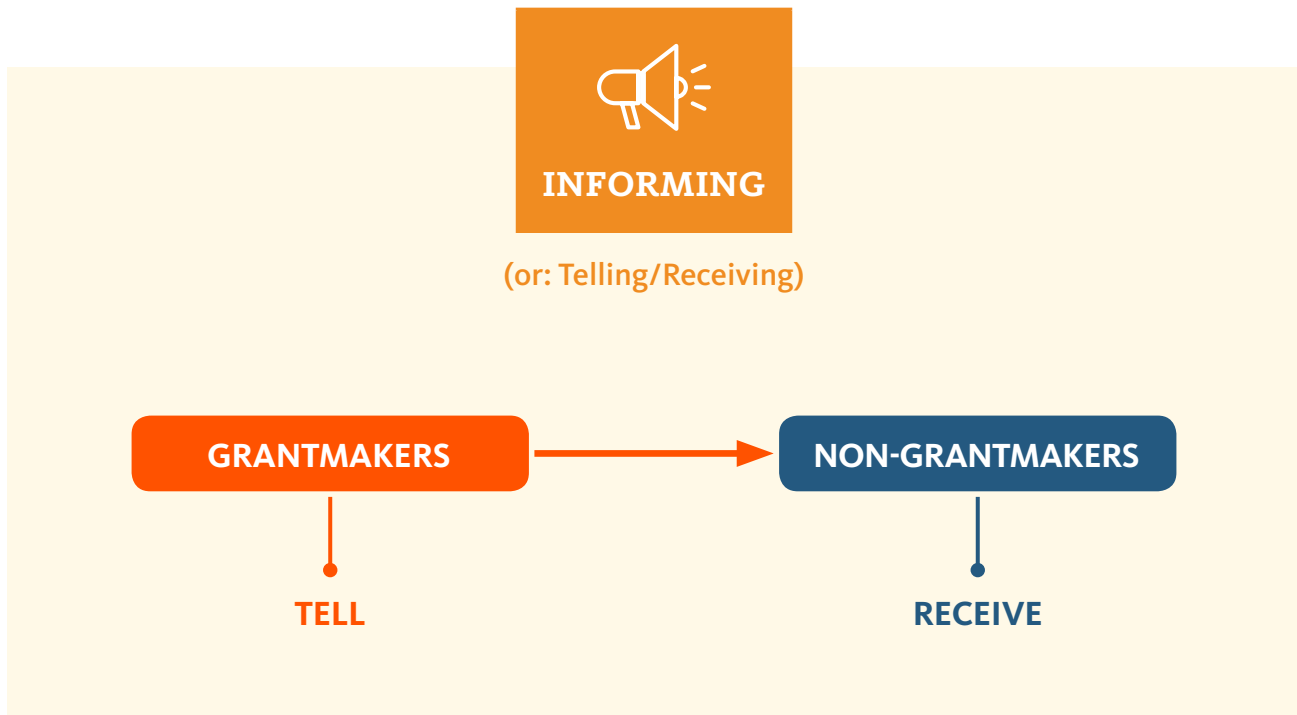
The following pages offer more details about this “starter” framework for participatory grantmaking. But first, here are a few important assumptions about this framework:

- It is a baseline. Grantmakers and non-grantmakers are encouraged to make modifications as they discuss and test it in the field.
- It is not a hierarchy or continuum that assumes one level or tactic to be superior to another; each one is valuable and can be applied in different ways, depending on the circumstances.
- It can be applied across different kinds of philanthropic institutions and networks.
- It acknowledges that funding institutions may be at different points in their capacity or ability to incorporate participatory approaches, and that these efforts can be overlapping and fluid.

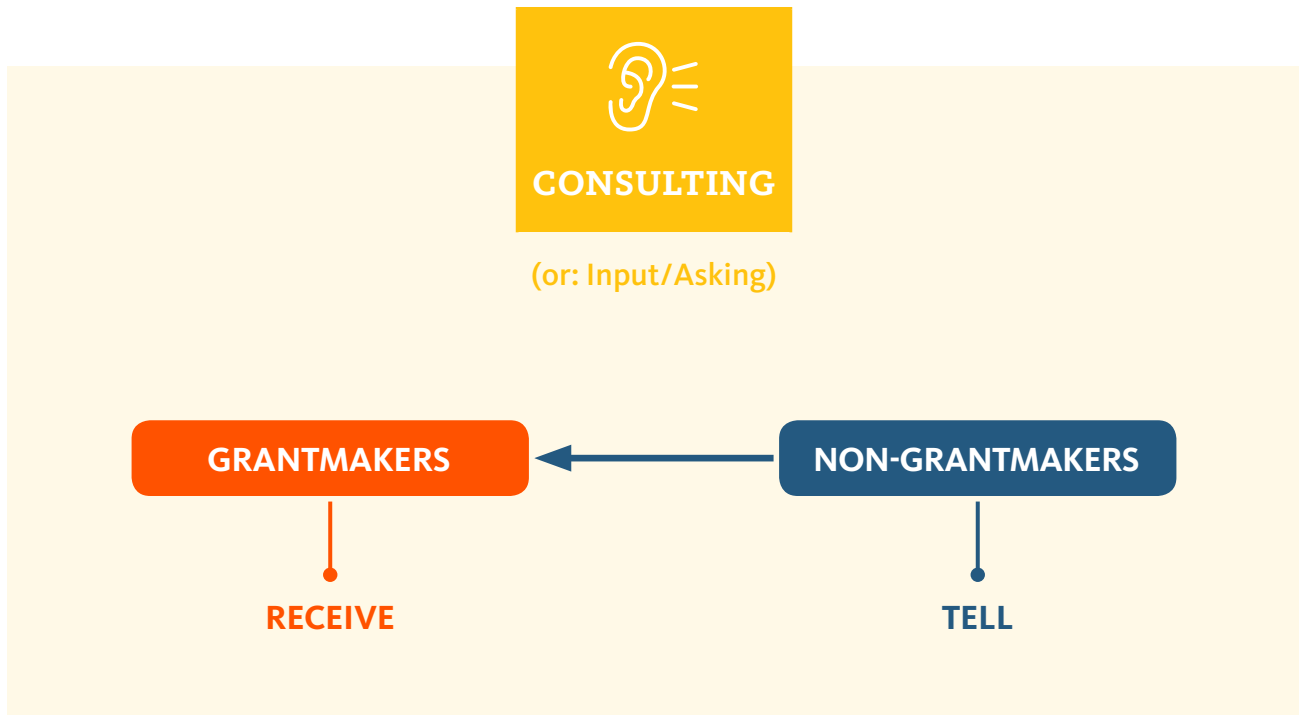
## Participatory Grantmaking: Draft Overall Framework



## Participatory Grantmaking Framework: Individual Components



- One-way communication through which non-grantmakers receive information distributed or conveyed by grantmakers; largely designed as a public relations or public education initiative.
- Does not provide the opportunity for non-grantmakers to ask questions or challenge the communicator/presenter.
- Assumption is that while non-grantmakers must have every opportunity to make sure they know what's being communicated, they are not necessary or active participants in decisions.
- If a response is asked for (e.g., a generic comment form to complete at end of presentation), there is no expectation or structure for those comments to be used to influence decisions, nor is this feedback the purpose of this effort.
- *Examples: Foundation/intermediary websites that include information about grants and guidelines; conference presentations/panels featuring foundation personnel discussing topics; and foundation-designed public relations or education campaigns about their work or an issue.*



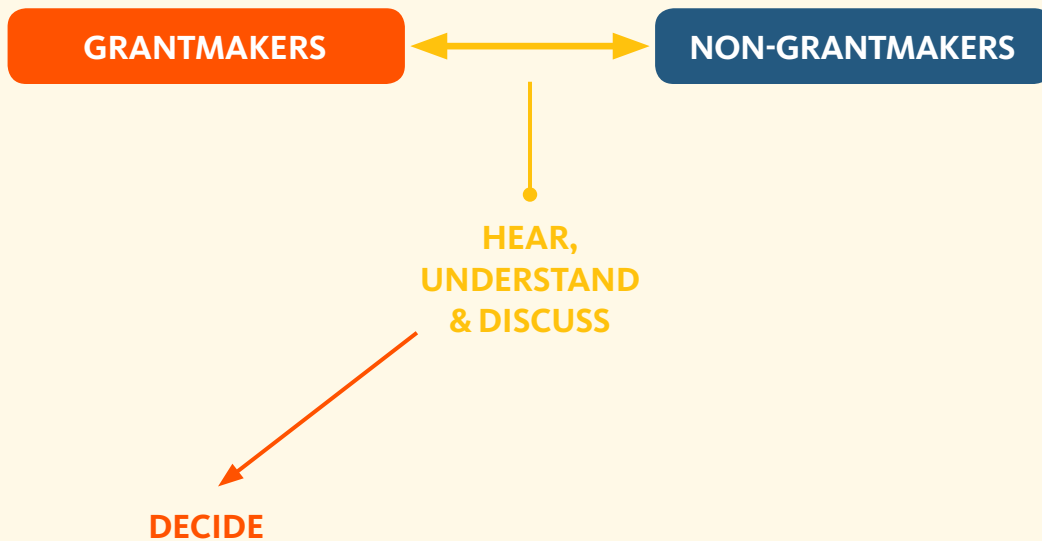
- Still largely one-way communication but reverses the flow by eliciting non-grantmakers' ideas, recommendations, or insights.
- Non-grantmakers have the chance to weigh in and make their voices heard on issues they care about.
- No guarantee that non-grantmakers' input will be incorporated into the resulting plan or process, which can lead to cynicism and/or a lack of willingness to participate in future efforts.
- Non-grantmakers' ideas or suggestions may be unfeasible.
- *Examples: Surveys, brainstorming activities, blog responses, community meetings, and focus groups.*





## INVOLVING

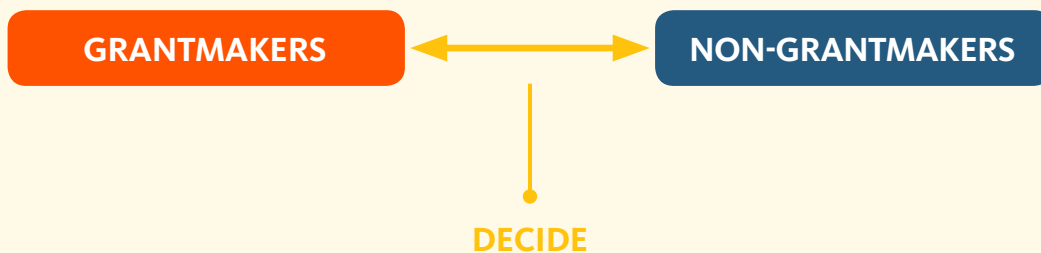
(or: Discussing/Influencing)



- Two-way communication that allows both parties to hear, understand, and discuss a variety of perspectives that different people may hold about an issue or process.
- Discussion is more nuanced, substantive, and comprehensive.
- Usually limited to a smaller number of participants to allow for more in-depth discussion.
- Doesn't necessarily result in a strong sense of direction or priorities.
- *Examples:* Small group discussions/dialogues involving both grantmakers/non-grantmakers; “wiki” application review procedures; and non-grantmakers serving on foundations’ working groups.

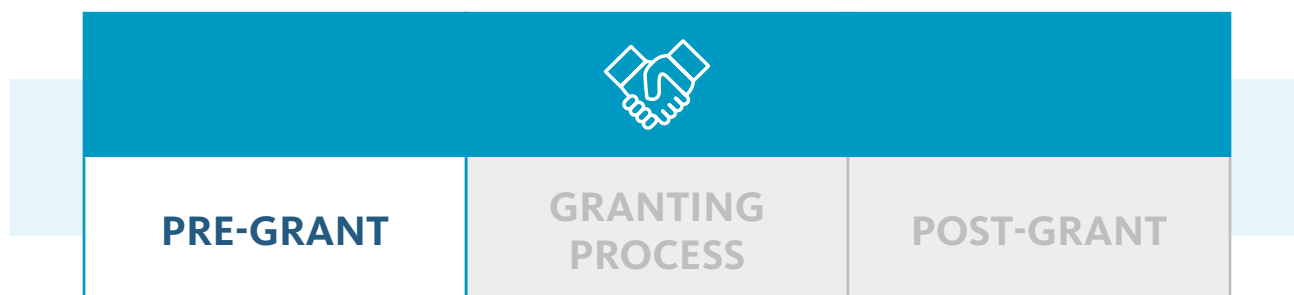


(or: Partnering/Collaborating)



- Can happen in the pre-grant, granting, and/or post-grantmaking stages. *(See the following pages for more detail on each of these stages.)*
- Leads to clear, well-informed decisions on next steps and allocation of resources and other priorities generated, at least in part, by non-grantmakers.
- Has to be inclusive or representative; otherwise, results can be skewed to special interests, or decisions do not reflect what the larger population wants or needs.
- Needs sophisticated process planning and facilitation to stave off groupthink and maintain fairly distributed involvement.
- *Examples: Non-grantmakers partner with grantmakers in collaborative decision-making about guidelines, priorities, goals, proposal review process and/or resource allocation.*

## Participatory Grantmaking Framework: Opportunities for Participation in the Decision-making Process\*



Recognizing that the quality of a grant program’s design can determine the quality of applicants and the success of projects that are ultimately funded, grantmakers and non-grantmakers can work together during the pre-grant phase in a number of ways. *These include:* identifying problems; developing the application process, decision-making criteria, and guidelines; gathering data and conducting research; and determining the roles grantmakers and non-grantmakers will play in the actual decision-making process.

### + PROS

- Non-grantmakers are given more responsibility, power and influence at the beginning of the grantmaking process, positioning them as equal partners in determining foundations’ larger goals and outcomes.
- Non-grantmakers play a role in putting together a slate of potential grantees, rather than simply reviewing a slate that was pre-determined solely by grantmakers.
- Process can generate new ideas and better information from more diverse sources before a single application has been sent in.
- Grantmakers have the chance to learn more about what’s occurring on the ground.
- Process offers a way to harness the knowledge, experience, and diversity of a broader group of people to make sure grantmakers are asking/answering the right questions and solving the right problems.
- The publicity and outreach that go into participatory grant design can generate enthusiasm about the grant (or its overarching goals) and attract more applicants.

### - CONS

- Involving non-grantmakers in problem definition, generating solutions, and creating strategies all take time, which can be an issue for institutions with fixed grant allocation calendars and deadlines.
- Foundation staff who have been hired specifically for their expertise in a particular program area—as well as foundations with extensive experience and expertise vis-à-vis a particular issue or priority—may be unwilling to engage in this kind of process.
- If non-grantmakers’ suggestions, ideas and recommendations are not taken seriously and integrated (in some part or whole) into the resulting strategy, guidelines or decision-making criteria, people may become disillusioned and unwilling to participate in future participatory activities the foundation may pursue.
- Institutional constraints and internal policies may not allow sufficient leeway for external parties to shape the parameters of the grant program.

\* This template was derived from a project of the Governance Lab and Foundation Center/GrantCraft that explored participatory approaches to government grantmaking. More information at: <https://medium.com/open-grantmaking-innovations>.



Grantmakers and non-grantmakers can work together in a number of ways during the grantmaking process. *These include:* reviewing and/or making changes to the grantmaking review process/system; deciding which applicants will receive funding; designing and participating in peer review of participatory judging processes; and determining how non-grant resources will be given to applicants/recipients.

#### + PROS

- Non-grantmakers have the opportunity to make decisions about which organizations will receive funding—arguably, grantmakers' most powerful and influential function—which equalizes a process that has historically been rife with power imbalances.
- Including people from more diverse backgrounds at the selection stage can help make the award process more informed and legitimate, broaden sources of knowledge and expertise, and build relationships with the people/organizations grantmakers support.
- By including non-grantmakers and grantmakers as equal partners in all facets of the decision-making process, grantmakers alone do not have to shoulder the burden of responsibility if there is criticism about decisions.
- The transparency provided by a more open judging process can help build public confidence in the grantmaking body and assuage concerns about corruption, cronyism, or bias.

#### - CONS

- Process can increase turnaround time for proposal review and grant decisions.
- Non-grantmakers can feel intimidated or reluctant to be honest with grantmakers.
- Non-grantmakers may want to apply for funding from the foundation for which they are serving as peer reviewers or decision makers, setting up potential conflicts of interest.
- Non-grantmakers may bring inappropriate assumptions or unfeasible expectations to grant proposal deliberations.
- Participatory judging results could be skewed in cases where a popular organization with a high level of name recognition is competing against smaller entities.



Following the awarding of grants, non-grantmakers can work with grantmakers to: review grantees’ evaluations, reports, and/or activities and help make data about grants and work products open and available to the public.

**+ PROS**

- Both non-grantmakers and grantmakers have the opportunity to learn from grantees’ experiences and insights.
- Non-grantmakers can serve as ready-made communicators of what’s being learned to their peers in the field.
- Other grantmakers get the chance to learn about what has already been funded and with what impact, helping to guide future investment decisions.
- Future applicants can study past grant decisions to improve their understanding of a funder’s priorities and patterns of investment.

**- CONS**

- Grantees may be uncomfortable with non-grantmakers reviewing their evaluations and reports and may perceive this as a breach of confidentiality.
- Non-grantmakers may see their participation in this part of the grantmaking process as “after the fact” and not as substantive as those associated with pre-grant and grantmaking phases.
- Open data systems require significant resource investment and back-end infrastructure.

# THINKING ABOUT OUTCOMES AND IMPACT

Participatory grantmaking will require a shift in thinking about impact and measurement, because public engagement can lead to its own outcomes above and beyond the results of a specific grant or program. But how do we measure the impact of participatory approaches to philanthropy? The following are a few initial metrics to consider:

**Participation level.** Measures of participation include the number and diversity of participants and the depth of their participation (e.g., number of hours spent per person in the activity, quantity of interactions among individual participants and other organizations/institutions, etc.).

**Quality of the engagement experience.** Measures include the level of participant satisfaction and the quality of deliberation within the process (e.g., people felt heard and understood, people changed their views because of the experience, etc.).

**Actions taken.** Measures include both the extent to which participants engaged in an action-oriented activity (e.g., peer review, grant decisions, technical assistance to grantees, etc.) and whether and to what extent they saw these activities as successful (which could also be assessed from the grantee perspective).

**Participant outcomes.** Measures include the extent to which: grantmakers/non-grantmakers are able to see each other's perspectives more clearly; grantmakers see better outcomes with investments that involve non-grantmakers; communication between grantmakers and non-grantmakers is more open and equitable; grantmakers' trust and willingness to be honest/critical with grantmakers increases, etc.

**Community outcomes.** Measures include positive changes in the communities and among constituencies who received funding through a participatory process.

**Field outcomes.** Measures include: evidence that supports the hypothesis that participatory grantmaking leads to better investment decisions; and increases in the number of funders integrating these approaches into their practice.

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Sources: CF Leads (July 2013). *Engaging residents: A new call to action for community foundations*; and Nabatchi, T., Gastil, J., Weiksner, M. & Leighninger, M. (Eds.) (2012). *Democracy in motion: Evaluating the practice and impact of deliberative civic engagement*. Oxford U. Press.

## What Can Foundations Do to Advance This Approach?

What can foundations do to advance this approach across philanthropy more broadly? The following are a few suggestions:

Convene diverse groups of practitioners, scholars and others representing the community organizing and deliberative democracy fields to discuss, test and refine the kinds of models described in this paper. Share these perspectives—and invite more conversation and potential action around them—through blog posts, articles, conference presentations, and other platforms that reach a broader swath of philanthropy (as well as other fields with an interest in this issue).

Create a pilot with one or more foundation programs. Philanthropic institutions—especially those that are large and/or have more entrenched bureaucratic systems in place—can start by selecting one or two program areas or issues and pilot a participatory grantmaking approach as a starting point. To help design this process, foundations could convene a group of philanthropic practitioners, nonprofit representatives (grantees and non-grantees), people with experience in these approaches in other fields, and others who could serve as the program’s advisors.

Continue to explore answers to key research questions that consistently surface in discussions about participatory philanthropy such as:

### WHY SHOULD WE CARE ABOUT PARTICIPATION?

- What responsibility do philanthropic institutions, especially foundations, have to a public from which they derive significant tax benefit? Do they owe the public a voice in the decisions they make?

- What value does participation add? How should value be measured?
- What are the long-term costs of doing/not doing participatory grantmaking?
- What are the benefits and challenges of participatory philanthropy, including grantmaking?

### HOW DO WE DEFINE PARTICIPATION?

- This paper has proposed a “starter framework” for participatory grantmaking. In what ways should it be built on to encompass a fuller range of real-life situations?
- What is the “constituency” for large national foundations that have national organizations as grantees, rather than community-based groups, residents and/or people being directly affected by the issues those foundations are addressing?
- What are the circumstances under which it is not only acceptable but legitimate for private foundations not to cede control to non-grantmakers?
- Is foundation transparency, accountability, and feedback the same as participation?
- Institutional grantmakers often do more than give grants; they also provide other resources such as technical assistance, convening, networks, and research that also require hard decisions about beneficiaries. How does participation come into play with respect to the latter activities—or does it?
- As foundations move into impact investing, as well as complex financing structures in collaboration with the private and public sectors, where does participation fit into decisions about allocating these kinds of resources?

## WHAT DOES SUCCESS LOOK LIKE?

- How do we know if participatory grantmaking has been successful?
- Is there a sweet spot between what funders think are effective strategies for achieving impact and what grantees think those are? Should there be? If so, what would this look like? And is it possible to develop more formal processes or tools for foundations to work in partnership toward co-created strategies?
- What would a cultural ethos of participation in foundations look like? What would it take?
- What are the circumstances under which it is not only acceptable but legitimate for private foundations to not cede control to non-grant-makers? And if these are so nuanced (e.g., depends on the situation, etc.), is a framework or spectrum even useful?



# Conclusion

There is little question that participatory philanthropy is gaining new interest and new adherents across the field. This is happening because the world is changing in ways that require new ways of thinking and operating and a new commitment to transparency, inclusiveness, and collaboration. At the center of this shift is a recognition that innovative approaches to resolving increasingly thorny issues are not going to come solely from the top but in partnership with people who can bring their lived experience to bear in making important decisions about their lives, communities, and futures.

Given these trends, philanthropic institutions have an opportunity (and some would argue, an obligation) to take a closer look at what it would mean for their organizations to bring more participation to their work. While philanthropy has yet to embrace a more systematic approach to participation, there are pockets of change beginning to emerge. As described in this paper, some philanthropic institutions are inviting non-grantmakers to help set priorities and develop strategies. Others are bringing non-grantmakers on to their boards or advisory committees. These and other strategies are important components of a participatory approach to philanthropy, and can be used at different points in an institution's process.

Participatory grantmaking is less common, but there is clear evidence that it is capturing the attention and interest of an increasing number of philanthropic institutions. As noted in the paper, some foundations are involving non-grantmakers in funding decisions through blended structures that include both donors and non-grantmakers.

Others are using completely peer-led grantmaking panels in which no donors are participants.

For the most part, though, foundations have yet to rally around the notion of ceding money-related decisions to non-grantmakers. Advocates of participatory grantmaking believe the field's overall reluctance on this issue stems from a desire to hold onto power. Others argue that there are legitimate reasons for not jumping into this practice feet first. These include legal and fiscal considerations; deeply entrenched bureaucracies that do not naturally lend themselves to participatory processes; and concerns about conflicts of interest, cost, and donor intent.

While participatory grantmakers understand these challenges, they also believe the challenges can be overcome by starting with small steps like integrating a participatory approach into a few program areas or strategy design. Proponents of these approaches caution, however, that without a clear sense of why foundations are undertaking them, they can quickly dissolve into a one-off or a "nice thing to do," rather than an ethos embedded in the values, practices, policies, and behaviors of both funders and grantees.

The culture change needed to make these practices part of the ethos of grantmaking organizations isn't for the faint of heart; it can take years, if not decades, to root in a meaningful way. Moving this kind of change — within organizations and across the field — requires boatloads of sweat equity, research, testing, and intellectually and operationally rigorous field-building.

It also requires leadership, the kind that walks the talk of inclusion and participation. Is this kind of leadership possible in philanthropy, a field long shrouded in secrecy and characterized by top-down decision making? Because most foundations have little incentive to change, it is going to take more than reports or anecdotes hailing the virtues of participatory grantmaking to move the needle. Rather, accelerating a field-wide embrace of participatory practice will require more methodical and thoughtful experimentation and evaluation of these approaches to determine whether they can lead to better outcomes and long-term impact—not only for funders but for the individuals and communities engaged in work on the ground.

Progress also will require that grantmakers struggle with hard questions about their values, purpose, and missions. Long-lasting change within foundations will only occur when the field fully embraces participation's transformative potential and when—or if—people are willing to [cede control and power](#). At the heart of the participatory approaches explored in this paper is the notion of trust. For participatory practices to take hold in philanthropy, foundations have to trust the community of non-grantmakers. Foundations also have to value the lived experience and wisdom that non-grantmakers bring to the table in important decisions about how resources—including money and more—are distributed.

Yes, there is growing interest and experimentation in participatory grantmaking. But this work has not necessarily been a spur for institutional philanthropy overall. Should it be?

Experienced participatory grantmakers say “yes.” As [Dennis van Wanrooij of the Red Umbrella Fund notes](#):

*Funders need to let go, and we can't only let go where it feels convenient. Participation is not just about making grant decisions. It's about re-thinking your role as a funder on a daily basis, and seeking community participation in all layers of our work. I don't see myself as a funder but as a colleague, a fellow community member of our grantees. In order to get to true participation, funders have to partner with, support with, and learn with them.*

Will more institutional funders take up the baton? A “yes” answer is possible, but only if the field develops more evidence that these approaches are not only useful tools but essential components of effective philanthropy. Auspiciously, the grantmakers described in this paper—those who understand the transformative power of inclusion, openness and collaborative decisionmaking—are ready to participate in making that happen.

# APPENDIX:

## Participatory Grantmaking Examples\*

The following is a selection of some participatory grantmaking efforts that offer important insights about how this practice works, its value, and/or its potential for broader application.

### U.S. (National)

#### American Express/JPMorgan Chase

In 2007, [American Express](#) launched the “[Members Project](#),” one of the first corporate-sponsored online initiatives designed to encourage civic participation, including a funding component. Registrants could submit project ideas for “making a broad positive impact” in one of American Express’s philanthropic giving areas and rate or post comments about already-submitted project ideas. This generated thousands of proposals, which American Express winnowed down to 50 with the help of a “special advisory panel of thought leaders” who reviewed and rated the top-rated projects.

American Express then called on card members to register and vote for their favorite projects among the 50 on the list. For every member that registered, the company contributed \$1 toward the winning idea and committed at least \$1 million in grant funds. Every three months, five charities were chosen to each receive \$200,000 in funding from American Express.

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\* Examples are grouped based on the grantmaking institutions’ location.

In 2010, JP Morgan Chase launched its own initiative, the “Chase Community Giving” competition with the goal of putting “[power to choose charities into the hands of Americans](#).” The competition took place on Facebook, where users would choose 100 charities to receive \$5 million from the company. To create the list, JP Morgan Chase took a database of 500,000 nonprofit organizations and uploaded the information to Facebook. It then used crowdsourcing to choose which charities should be recognized. The top 100 charities got \$25,000 and advanced to the second round, where another vote determined which organization would win \$1 million. The five runners-up in the second round received \$100,000 each. An additional \$1 million was given to a single charity chosen from the original group by a Chase board of directors set up to oversee the competition.

#### Case Foundation

<http://casefoundation.org/resource/citizen-centered-solutions>

In 2007, the Case Foundation created and launched “[Make it Your Own](#)” (MIYO), a grants program aimed at supporting and lifting up examples of “citizen-centered civic engagement.” The initiative was an outgrowth of a [foundation-commissioned study](#), which stated that true civic renewal would require civic spaces and cultures that encourage people representing all parts of the community—not just the experts or those already engaged—to get involved in solving public problems collectively.

In addition to supporting local civic engagement projects that reflected this ethos, the foundation decided to walk the talk itself by inviting non-grantmakers to participate in every step of the grantmaking process—including setting grant guidelines, serving as proposal reviewers, and voting on proposals submitted by thousands of people across the country. Non-grantmakers, in fact, selected the top 100 finalists with no input from the foundation based on criteria they had developed in partnership with foundation staff members. The foundation also collected data about every step, which [was analyzed by a set of outside evaluators](#) to determine to what extent this program had been able to help strengthen and support citizen-centered approaches to civic engagement. Checking back two years after the grants were awarded, the foundation found that nearly 80 percent of the 5,000 people who applied to the program took some kind of action in their communities. The attention this initiative received in the mainstream and field media also generated interest among other national foundations that met with MIYO organizers to help develop their own participatory approaches to grantmaking.

### GrantCraft and Governance Lab

<https://medium.com/open-grantmaking-innovations>  
[www.grantcraft.org](http://www.grantcraft.org)

In January 2016, [Governance Lab and the Foundation Center's GrantCraft launched a new project on "open and effective grantmaking"](#) that's asking people to ["gather and curate information about effective grantmaking innovations, analyze their potential uses, and encourage their adoption where appropriate."](#) Input can be provided through examples, insights, questions, or potential uses of open and effective grantmaking innovations.

While the project is focused on the government grantmaking process, the information it's seeking

to compile has the potential to serve as building blocks for a participatory philanthropy framework more broadly. The project, in fact, has already constructed a loose taxonomy that views participatory philanthropic decision-making through the lens of all stages of the grantmaking process, including participants' roles. Specifically, it offers 10 recommendations for "innovating the grantmaking process drawn from examples of how government agencies, foundations and philanthropists are changing how they give out money" at the pre-granting, granting, and post-granting stages.

### John & James L. Knight Foundation

<http://www.knightfoundation.org/challenges/knight-news-challenge>

<http://www.knightfoundation.org/challenges/knight-cities-challenge>

<http://www.knightfoundation.org/challenges/knight-arts-challenge>

Launched in 2006 to "unleash creativity and innovative ideas for gathering, sharing and using local news and information from people outside the foundation's doors," the Knight Foundation's News Challenge program used an open-source application process through which funding ideas were proposed and commented on by the public before the foundation made its decisions.

Over the years, the challenge has attracted thousands of applicants and, according to a 2011 report, helped to ["change the way \[the foundation\] operated"](#) because it "lowered the barriers to entry" for people who would otherwise have little or no access to traditional grantmaking programs. Knight also used what it was learning from the competition to annually tweak it. Initial competitions, for instance, lacked a public comment component—a process that would allow people outside of philanthropy to weigh in on good ideas and proposals—that was later added.

Since then, the foundation has created other grantmaking programs with a similar model, including: the Knight Cities Challenge, which invites people in 26 cities where the foundation focuses its grantmaking to propose ideas for making their communities more vibrant places to live and work; and the Knight Arts Challenge, which invites people to submit their “best ideas for the arts” in four cities. [A 2013 evaluation about this part of Knight’s portfolio](#) noted that since 2007, the foundation had supported or run nearly a dozen open contests, many over multiple years, choosing some 400 winners from almost 25,000 entries, and granting more than \$75 million to individuals, businesses, schools and nonprofits. The evaluation also found that through these various initiatives, the foundation was able to attract “unusual suspects” (especially individuals)—and, thus, new ideas—to their application process and learn about trends that were bubbling up in communities across the country. Moreover, the foundation used the results to change the way it handled grantmaking.

### NoVo Foundation

[www.novofoundation.org](http://www.novofoundation.org)

In March 2016, the NoVo Foundation announced a new \$90 million initiative to expand opportunities for girls and young women of color—the [largest investment by a private foundation to date](#) to address structural inequalities faced by young women of color in the U.S. Led by Peter and Jennifer Buffett, the foundation will distribute funds over the next seven years to grassroots and national initiatives supporting girls of color. To determine how this \$90 million commitment would be invested, NoVo held a series of regional learning sessions across the country—especially in regions that had “remained largely isolated from philanthropic attention”—to hear directly from girls and young women of color, as well as advocates. The sessions were designed to engage and invite ideas from lo-

cal communities on what would be needed to grow the movement in a lasting and meaningful way.

As a result of this strategy of getting feedback and solutions directly “defined and driven by girls and women of color,” in early 2017, the foundation announced it would begin by partnering with regional grantmaking and movement-building infrastructures, starting in the U.S. Southeast region. It will also provide flexible funding to community-based organizations working directly with girls, as well as national efforts that center girls in changing systems that harm them.

In addition to participatory strategy development, the foundation is also a member of a participatory grantmaking fund that supports the empowerment of girls, supports participatory research that can inform funding strategies co-created with local communities, and provides funding for other organizations engaged in participatory grantmaking.

### Wikimedia Foundation

<https://wikimediafoundation.org/wiki/Home>

With a grantmaking budget of more than \$7 million annually, the [Wikimedia Foundation integrates community input](#) throughout the lifecycle of proposals and awards by using the same kind of public wiki platform used for its Wikipedia articles. In the same way that anyone can become a Wikipedia editor, anyone who edits Wikipedia can submit a proposal to the Wikimedia Foundation. The foundation’s four grantmaking programs have differing degrees of participation, where decisions are made in cooperation with volunteers, board members, and staff and with input from the larger community. Diverse groups of community members from around the world review funding proposals and help make grant decisions.

In the fall of 2015, the foundation undertook an assessment of this process, which was conducted

in partnership with its community resources team who documented and examined the concerns, endorsements and suggestions the community provided and made changes to the model accordingly. One of those changes was a new grants program that makes funds more accessible and quickly available to a broad range of individuals, informal groups or organizations.

Wikimedia Foundation applies a typology for its participatory grantmaking processes that was adapted from [Community at Work](#). Types include: community-led consensus-driven grants decisions by a community committee using the [Gradients of Agreement](#) tool; grantmaking in which a community committee provides input, but the final decision is made by foundation staff; and grantmaking that is primarily led by staff and supported by community, especially in potentially contentious or challenging issue areas (such as diversity initiatives).

## U.S. (Community and Place-Based)

### Annie E. Casey Foundation: Making Connections in Boston and Denver

<http://www.aecf.org/work/past-work/making-connections>

In 1999, the Annie E. Casey Foundation launched its Making Connections Initiative, a long-term, multi-site effort to demonstrate that poor and low-income kids and families do better when they live in supportive communities. A key component of the initiative was giving residents a voice and meaningful role in shaping solutions to local challenges and connecting them to each other and needed resources.

Participating cities were encouraged to develop their own strategies for achieving these goals. In Denver and Boston, Garland Yates, then a senior

associate at the foundation, decided to support resident-led grant programs. Residents built capacity by deciding how to use resident-selected, short-term, small-dollar projects (\$2,000 to \$5,000) to authentically engage neighborhoods in – and build local leadership for – longer-term community change efforts. The process was described in [A New Way to Give It Away: How a Small Grants Program Has Engaged Residents and Achieved Quick Successes in Boston](#).

### Brooklyn Community Foundation

[www.brooklyncommunityfoundation.org](http://www.brooklyncommunityfoundation.org)

The Brooklyn Community Foundation’s mission is to “spark lasting social change by mobilizing people, capital, and expertise for a fair and just Brooklyn.” In 2014, the foundation moved its headquarters to Crown Heights. Soon thereafter, it launched Neighborhood Strength—a new model that brings together neighborhood residents and community leaders to discuss local challenges, identify areas for funding, and recommend support for projects through a competitive grant program. This resident-led grantmaking model—which is now part of the foundation’s core program strategy focused on youth, neighborhoods, and nonprofits—emerged from a borough-wide community engagement project, [Brooklyn Insights](#), that surveyed more than 1,000 people.

Announcing that funds will be invested in the community, the foundation sent RFPs to nonprofits, residents and community groups inviting them to apply. The foundation also recruited a diverse group of local residents and leaders to form a Crown Heights Advisory Council who met monthly and identified top neighborhood challenges and opportunities. In December 2015, the foundation [gave its first grants to 11 community-based organizations](#). Grants were made in two categories: nonprofits and unincorporated groups (\$10,000 – \$25,000) and residents (\$5,000 – \$10,000).



## Haymarket People's Fund

[www.haymarket.org](http://www.haymarket.org)

Haymarket People's Fund gives money to grassroots groups of local organizations across New England working for social change. Since 1974, Haymarket has granted over \$27 million to support nearly every social justice movement in the region. In addition to providing grants, Haymarket supports social change movements through training and capacity building.

The fund uses a volunteer grantmaking panel of 18 community organizers from across the region who, in partnership with Haymarket staff, collectively determine grant awards according to Haymarket's mission, vision, and principles. The responsibilities of this panel include: reading assigned grant proposals; interviewing groups applying for funding; conducting site visits; making funding decisions; and providing assistance to potential applicants. Panel members also help shape Haymarket's strategies, participate in organizational gatherings such as annual meetings and educational sessions, and help fundraise. Ideally, there are three members from each state in the region, representing a range of issues and urban and rural regions, according to broad goals set by the board to which the panel is accountable. The panel's membership is majority people of color who are committed to Haymarket's values of inclusion around age, gender, sexuality, ability and class. Each year, the panel nominates three of its members to sit on the Haymarket board.

## Headwaters Foundation for Justice

[www.headwatersfoundation.org](http://www.headwatersfoundation.org)

Headwaters Foundation for Justice was established in 1984 by "thoughtful donors who built the organization around a grantmaking model that places funding decisions in the hands of the

community." For over 30 years, Headwaters has relied on [this model of community-led grantmaking](#) to provide financial support and organizational assistance to grassroots organizations.

This model has evolved over time—from a single fund into a comprehensive grantmaking program that has directed more than \$10 million to organizations representing communities historically excluded from resources and power. Headwaters Foundation places leaders from these communities at the center of its grantmaking process because "experience reveals that collective impact requires collective learning and mutual investment." Community members review proposals and select organizations for site visits. They then present these findings to a community-led grantmaking committee that makes funding recommendations to the board of directors for final approval. Headwaters' program staff state that in the 30-plus years the fund has been doing community-led grantmaking it has never changed the docket its community-led committees have presented, which is a "testament to the leadership that comes with having community residents involved in all aspects of decisionmaking, including grantmaking."<sup>13</sup>

## Native Voices Rising

[www.nativevoicesrising.org](http://www.nativevoicesrising.org)

Native Voices Rising (NVR), a grantmaking collaborative led by [Common Counsel Foundation](#) and [Native Americans in Philanthropy](#), supports organizing, advocacy, and civic engagement in American Indian, Alaska Native, and Native Hawaiian communities. The organization gives funders a mechanism for investing in organizations led by Native people through a grantmaking vehicle whose decision makers are also members of Native communities. The NVR report, "[A Case](#)

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<sup>13</sup> Telephone interview with Melissa Rudnick and Allison Heist on June 15, 2017.

[for Native-led Change](#)” provides recommendations for funders interested in providing support to Native-led organizations. It includes case studies highlighting strong organizations, identifies issue areas that are the focus of attention by Native groups, and reveals the tactics Native organizations employ while seeking change.

### **New York Women’s Foundation**

[www.nywf.org](http://www.nywf.org)

Founded in 1987 by a small group of women, the New York Women’s Foundation’s mission is to “create an equitable and just future for women and families by uniting a cross-cultural alliance that ignites action and invests in bold, community-led solutions across all five boroughs of the city.” Of particular emphasis is moving women and girls living at or below the poverty level toward long-term economic security.

The foundation’s decision-making leadership is drawn from a diverse alliance comprising women of wealth, professional women, and community leaders of all backgrounds. Guidance for grantmaking comes directly from the communities to be supported, and grantmaking is principally carried out by volunteer activists. Most recently, the [foundation partnered with the YWCA of the City of New York](#) to create a youth grantmaking program that puts girls from the city in charge of awarding \$30,000 to nonprofits. To ensure a diverse group, candidates were tapped from health organizations, LGBTQ organizations, public/private schools, foster care agencies and groups in public housing communities. Fifteen teenage girls were selected as the grantmaking group, which will issue RFPs, conduct site visits, and select grantees. Each member also receives a \$1,000 stipend, at least 10 percent of which must be donated to a nonprofit.

## **International**

### **Disability Rights Fund**

[www.disabilityrightsfund.org](http://www.disabilityrightsfund.org)

The Disability Rights Fund supports advocacy by persons with disabilities to participate in important decision-making processes, including laws, policies, budgets, data collection, and development, and other programs “that currently leave them behind.” The way the fund does its grantmaking models the inclusive society it aims to achieve by involving people with disabilities [at all levels of its structure](#)—from staffing to governance. This is based on their belief that participation can be a transformative tool for social change because efforts to “actively involve persons with disabilities in decision-making processes not only result in better decisions and more efficient outcomes but also promote agency and empowerment.” In short, the [fund’s participatory grantmaking](#) puts decision-making about funding strategy and grants “in the hands of disability rights activists who have the expertise and perspective that funders typically do not have.”

### **Edge Fund**

<https://edgefund.org.uk/>

In the United Kingdom, the cooperatively-run Edge Fund uses participatory grantmaking to bring marginalized communities directly into the grantmaking process. After receiving awards, grantees then have the opportunity to become part of the co-op, helping to reach out to potential applicants and eventually participate in future funding decisions. The fund also invites other community members (beyond the grantees) to apply for membership in the co-op. As co-founder Sophie Pritchard [writes](#), a unique advantage of the Edge Fund’s collaborative approach is that “members scoring applications [that affect] their own community... [give] guidance to the rest of the members” who weigh in later.



## FRIDA, The Young Feminist Fund

[www.youngfeministfund.org](http://www.youngfeministfund.org)

FRIDA, the Young Feminist Fund, provides small grants to newly established groups of young feminists in the Global South, especially those that are reaching and organizing marginalized populations with little or no access to funding from larger donors. Based on the belief that young feminist activists are the “experts of their own reality,” FRIDA uses a participatory grantmaking process that puts decision-making in the hands of young feminists themselves as agents of change to shift traditional power relations between funder and grantee.

The fund sorts applicants into groups, translates and anonymizes the applications, which are sent back to groups of applicants to read and vote on electronically. Applicants need to vote to be eligible to receive a grant but can't vote for their own organizations. All grants are awarded as flexible funds and core support, which allows groups to define their own budgets and dedicate funds to where they are most needed. During the process, applicants gain an understanding of the challenges of grant making, as well as the range of young feminist action in their region. Applicants also benefit from networking with similar organizations. [Their relationship to the grantmaking process “is transformed.”](#) and the approach “promotes solidarity rather than dividing people over competition for resources.”

## Global Greengrants Fund

[www.greengrants.org](http://www.greengrants.org)

Since 1993, Global Greengrants Fund has believed that solutions to environmental harm and social injustice come from people whose lives are most

impacted—“local visionaries” who are “steeped in the knowledge, culture, and strengths of their communities and who are accountable to those communities.” A network of 150+ grant advisors, grouped into 15 advisory boards around the world, helps connect the fund to these local visionaries. Advisory boards comprise scientists, NGO leaders, researchers, activists, journalists, and environmentalists who work closely with environmental organizations in their regions. Advisors volunteer their time to identify the best solutions, recommend grants, and mentor grantees and emerging leaders.

Each board develops a grantmaking strategy to fit the regional context and the advisors' experiences. The advisors identify appropriate moments for strategic grants to grassroots groups. Global Greengrants Fund has supported a wide array of projects and groups over the years, from organic agriculture in India, to securing land rights for indigenous peoples in Brazil, to fighting dams in Mozambique.

## The Other Foundation

[www.theotherfoundation.org](http://www.theotherfoundation.org)

The Other Foundation, a South Africa-based LGBT rights organization, uses [small teams of distributed peer reviewers](#) who, under the guidance of foundation board members, vet applications and decide on awards. The public nominates reviewers from across six countries to assess pending funding applications and then chooses 12 peer reviewers, including academics, activists, health practitioners, and representatives from other non-profits. As part of the process of conducting their evaluations, peer reviewers have the chance to meet each other in person, agree on funding priorities, and develop a relevant theory of change.

## Red Umbrella Fund

[www.redumbrellafund.org](http://www.redumbrellafund.org)

The Red Umbrella Fund is the first global fund guided by and for sex workers to advocate for their rights. Since its creation in 2012, the Red Umbrella Fund has made grants to sex worker-led organizations and networks in 42 countries.

[Each year, the fund launches a public call for applications](#) on its website and social media pages, inviting sex worker-led organizations to send in their requests for funding. The fund does the initial screening of applications based on a set of eligibility criteria and references. The Programme Advisory Committee—the fund’s peer review panel led by sex workers from across the world—reviews all eligible applications and selects groups for the fund to consider. An International Steering Committee, whose members are largely sex workers, approves the final list of potential grant recipients. Groups that make it to this stage of the process are asked to send a more detailed budget and work plan; groups that don’t make it to the final selection phase receive individualized responses.

## UHAI: EASHRI (The East African Sexual Health and Rights Initiative)

<http://www.uhai-eashri.org/ENG/>

UHAI - the East African Sexual Health and Rights Initiative is an indigenous activist fund that provides flexible, accessible resources to support civil society activism around sexuality, health, and human rights in the East African region with a specific focus on the rights of sexual minorities.

UHAI makes grants annually through an open and competitive process reviewed by a committee of LGBTI and sex worker activists representing all five East African nations who serve as the Peer Grants Committee and are selected via an open nomination process. The criteria for participation include a track record of work in the East African region and a stated commitment to sexual minority rights and principles of non-discrimination by the interested parties. Care is taken to select reviewers who are knowledgeable of the sector and involved in full-time, field-based activism in the region.

Committee members review and score peer grant applications, including in-person, online or telephone meetings to discuss and decide on grants; share their knowledge and expertise with staff; and provide ad-hoc technical advice and assistance on a voluntary basis.



## **Participatory Grantmaking: Has Its Time Come?**

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October 2017