

Becoming a Learning Organization

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The Marguerite Casey Foundation has the opportunity to make **learning and growing** a core value that significantly shapes every aspect of its operations. While most foundations tend to refer to themselves as "learning organizations," very few actually achieve that goal in practice, in my experience. Aspects of organizational structure and culture or longstanding commitments to certain ideas or organizations can create barriers to the seemingly simple notion of making learning an institutional priority.

What would a foundation look like that was truly committed to the goal of developing a learning organization? It would frequently ask itself the question "How do we know we're being effective?" The first and most critical step toward that goal is an ongoing effort on the part of all the members of the organization to hold themselves accountable for the wise stewardship of the foundation's resources. This entails regularly addressing the following five questions:

- Are our grantmaking priorities meaningful? (planning; prioritization)
- Are we picking the right organizations to fund? (due diligence; grantmaking procedures)
- Are they having an effect? (evaluation)
- What are we (the foundation and its grantees) learning? (candid self assessment)
- Are we strategically communicating what we're learning to key audiences? (dissemination)

These questions get at the basic dimensions of a foundation's operations. Regularly revisiting them constitutes the essence of the "reflective practice" of philanthropy. That is when continuous improvement of organizational effectiveness becomes more than just rhetoric. To achieve that, the organization needs to do the following:

1) It must ensure that adequate time is set aside for learning by the board, staff and grantees. All too often, perceived time pressures drive decisions, with mixed results at best. This entails periodic strategic planning/visioning exercises to help ensure that the foundation's priorities and procedures are on track. It also drives how time is spent at board meetings. Rather than spending most of the time probing the details of proposed grants, substantial blocks of time are set aside to meet directly with grantees, to conduct site visits, and to engage in in-depth discussions with staff and experts in the foundation's fields of interest.

2) It must place a value on candor by all members of the organization, starting with the board. Board members must demonstrate a willingness to speak openly with one another and exhibit a genuine interest in finding out what's not working out as expected, particularly in the case of "favored" projects. Staff and grantees (including evaluators)

must feel safe in their interactions with the board... and know that they will not be sanctioned for sharing the unvarnished truth.

3) Closely related is a commitment to genuine dialogue that is respectful of varying points of view. A learning organization must encourage questions and be able to dispassionately debate disagreements, while maintaining collegial relationships among all concerned. Among staff, these exchanges have to be rooted in a strong sense of collaboration, cooperation and mutual support rather than competition (whether it be for attention or enhanced funding for one's ideas).

4) Similarly, a priority must be placed on sharing lessons learned among all the members of the organization as well as with key audiences outside the organization. There can be no departmental secrets or "proprietary" information. "Open Source" software is an intriguing model that provides a platform for multiple individual contributions to a shared public product. The very openness of that process helps to engender the best possible outcome. Placing foundation documents on its website for all to see is one way to achieve that kind of transparency within philanthropy.

5) Patience is also key. This has several dimensions, including the willingness to operate with a long time horizon. That acknowledges that change in human behavior and systems is a complicated, multi-year undertaking at best. Patience also entails realistic expectations regarding evaluation. In my view, it is essential that a foundation invest in evaluation to try to learn whether its grantmaking programs are achieving their desired outcomes. However, the state of the art of program evaluation (and the complex nature of social interventions) is such that, even when vast sums are expended, the results are unlikely to be unambiguous let alone definitive. Therefore, it's incumbent on the board and staff to be able to openly explore the tradeoffs of different approaches to evaluation and to carefully gauge the opportunity costs of those decisions and allocations.

6) Finally, it is essential that sufficient resources be allocated to support learning. This is not a trivial concern, particularly since it's possible that most if not all of those expenses are likely to show up under "administrative costs." Even they are qualifying distributions in the eyes of the IRS, many boards have strong feelings about the percentage of foundation resources that go each year to grants vs. administration. While I would argue that it's always prudent for foundations to keep their internal expenses in check as a matter of public accountability, in this case it can be a counterproductive juxtaposition.

There are many ways that a commitment to learning and growing can shape the daily life of the foundation. Naturally, the "core business" of grantmaking comes first. But all of these activities can enhance and inform the foundation's grantmaking decisions. The key is balance and proportion in scheduling. What follows are a few illustrative examples among many possibilities.

Most of the examples I've cited apply to staff, but the foundation should also ensure that learning opportunities for the board are equally rich. Understanding that board members have only a limited amount of time to devote to foundation business in the course of a year, it's essential that those "windows of opportunity" be maximized to the fullest. That can be accomplished via thoughtful yet concise written communications from staff and careful planning of board meetings. Group site visits could also be arranged as a prelude to board meetings for those who can attend. If individual board members can get more involved, they should be encouraged to participate in foundation-sponsored convenings,

meetings of affinity groups, regional associations of grantmakers, the Council on Foundations and the like. They should also receive regular mailings of grantee products to deepen their understanding of the outcomes of funded projects.

At the level of the individual Program Officer, a prime venue for learning is the review of proposed grants at the staff level prior to each board meeting. It provides a regular opportunity for feedback on the quality of their written analyses and their evolving grantmaking strategies. Another important activity is the preparation of a closeout report at the completion of each grant to assess the degree to which the grantee met its goals. Of particular interest are insights into things that did not work out as anticipated and lessons learned that might influence future grantmaking. For large grants, an “exit interview” might be justified to get as full a picture as possible of what happened. Sharing summaries of these reports with the board can also enhance its learning. One of the frustrations many foundation board members experience is never hearing a report back on the results of grants once they have been approved. This simple mechanism helps to “close that loop.”

Professional development of individual Program Officers is also essential. Attendance at professional meetings, participation in networks of grantmakers, and self-initiated visits with experts in the field and with fellow grantmakers across the country can all increase their exposure to valuable information and ultimately enhance the quality of their work. Informal mentoring relationships can be encouraged for those new to philanthropy. But it's also important to invest in renewal activities for midcareer Program Officers, such as time away from day-to-day responsibilities to reflect and write. An excellent writing project is the preparation of a “cluster analysis” that synthesizes lessons learned across a number of grants made for a similar purpose. Those pieces can also provide valuable learning for the board and the field at large.

A variety of group learning activities are also critical for enhancing organizational effectiveness. Regularly scheduled in-house trainings and forums provide an opportunity for skill building, mutual support and expanded thinking. One theme for such meetings might be to periodically conduct a “post mortem” on some grants that failed to live up to expectations. It's a great way to model candor and to discourage defensiveness and territoriality. Everyone is guaranteed a place in that particular spotlight over time.

Bringing the professional staff together regularly for substantive discussion is essential for building a true learning community. Much can be accomplished via memos, e-mails and shared readings, but those are no substitute for face-to-face interaction. If the organization wants to promote dialogue and sharing it must practice it on a regular basis. Monthly gatherings can provide a useful forum for those discussions, supplemented by annual retreats for more in-depth explorations.

If particular themes are identified that merit an ongoing discussion that need not involve the entire group (e.g. leadership or capacity building), smaller cross-unit “circles” can be nurtured that report back periodically to the whole staff. Even more informally, individual staff should be encouraged to convene their colleagues for “brown bag” lunches to meet with a guest or simply to kick around some ideas over lunch.

Some of this same spirit of inquiry should also set the tone for board meetings. With careful planning and selection of guests, each meeting can feature a “state of the art” presentation and exchange on issues of concern to the foundation. If staff is not typically

present at board meetings, it would be beneficial to have the same guests engage in a similar conversation with them so that they will also be in tune with messages the board is receiving.

Outside the organization itself, a powerful vehicle for learning is foundation-initiated convening. This can draw from a wide spectrum of formats, from informal gatherings of funders with a guest over lunch, to off-site facilitated retreat-type meetings for selected groups of grantees, to full-blown conferences on topics central to the work of the foundation. The foundation can frame the issues and hand pick the facilitators, speakers and attendees to maximize the potential for truly significant learning. Of course, the extra payoffs of such events are the unplanned synergies (e.g. connections that happen among attendees) that can lead to creative breakthroughs and new working partnerships. I've seen it happen many times over the years.

Foundation staff should also be encouraged to participate in workshops and panels at meetings of philanthropic affinity groups and other professional associations. It's an important way to network and meet new colleagues (and potential partners) from across the country.

Also important is a strategic communications program to share information on the work of grantees and lessons learned from the foundation's programs with a variety of audiences. Not many foundations do this well. Some tend toward self-aggrandizement or information overkill (how many foundation-generated products can even a voracious audience absorb?). More often, foundations share virtually nothing about their work other than an annual report. The challenge is to strike a balance between these extremes.

The web has opened up a whole new world of possibilities for communication and mutual learning, as long as the foundation remembers that key segments of underserved communities remain relatively "unwired." A website is an excellent place to model sharing and candor ... openly discussing lessons the foundation has learned, even if it reveals mistakes in judgment on its part. User-friendly language and formats are also critical, avoiding wherever possible the self-important, frequently opaque rhetoric favored by too many philanthropic organizations.

Finally, it's essential for a learning organization to solicit feedback from its constituents on its own performance. This can take the form of grantee surveys, focus groups, phone interviews, or mail back comment cards on publications. What is most important is that the foundation demonstrate its commitment to good listening. The next step is to post the results of those surveys on the website and indicate how the foundation intends to respond. That's a step in the direction of transparency that few foundations have taken.