

Key Findings and Recommendations from the Luminate 2020 Grantee Perception Report

Prepared by The Center For Effective Philanthropy

In February and March of 2020, The Center for Effective Philanthropy conducted a survey of Luminate’s grantees, achieving a 71 percent response rate. The memo below outlines CEP’s summary of key strengths, opportunities, and recommendations. Luminate’s grantee perceptions should be interpreted in light of its goals and strategies.

It’s important to note that CEP fielded this survey at time of great uncertainty around the world. After the survey was in the field for a month, the World Health Organization (WHO) declared a global pandemic as a result of the COVID-19 outbreak. To better understand grantees’ experiences, CEP conducted statistical testing comparing grantee responses before vs. on or after March 9th (when the WHO declared a global pandemic). This analysis revealed that ratings from Luminate grantees who took the survey before this date (the majority of responding grantees) provided significantly higher ratings on measures related to Luminate’s impact, compared to those that completed the survey on or after March 9th. On other measures, there were no significant differences in ratings.

This memo accompanies the comprehensive survey results, analysis, and methodology found in Luminate’s interactive online report at <https://cep.surveymaterials.org> and in the downloadable online materials.

Throughout this summary, Luminate’s grantee ratings are defined as higher than typical when they place Luminate in the 65th percentile or above in CEP’s overall dataset, lower than typical when below the 35th percentile, and typical when in between those thresholds. Ratings described as “significantly” higher or lower reflect statistically significant differences at a P-value less than or equal to 0.1.



The Center for Effective Philanthropy is pleased to share the results of Luminate’s first Grantee Perception Report. While this is Luminate’s first Grantee Perception Report as an individual philanthropic entity, Luminate grantees were also formerly surveyed by CEP in 2014 as part of Omidyar Network’s Government Transparency program area. When answering this past survey, however, grantees were asked to think about Omidyar Network as a whole. As such, Luminate’s 2020 feedback should not be interpreted as directly comparable to feedback from 2014, and this memo will focus on Luminate’s 2020 data as a new baseline. Data from 2014 is available in the full online report.

Strong Understanding of Grantees’ Fields

- ▶ Grantees provide strong ratings for Luminate’s understanding of the fields in which they work, placing Luminate in the top quarter of funders in CEP’s dataset, and higher than the typical funder in its custom cohort of peer funders.

- ▶ Furthermore, grantee ratings place Luminate above the median of the CEP’s dataset and near the typical funder in its custom cohort for the extent to which Luminate has affected public policy and advanced the state of knowledge in their fields.
- ▶ When rating Luminate’s overall impact on their fields, grantees provide ratings that are similar to those at the typical funder.
 - In a custom question, grantees were asked to indicate how strongly they associate a series of characteristics with Luminate. Of the seven options, grantees’ top two strongest associations relate to Luminate’s approach to change in fields: “takes risks and supports innovation” and “makes long-term commitments to issues.”
- ▶ Grantees often champion Luminate’s field impact in their written responses, noting, for example, that Luminate is “pioneering in terms of the issues it identifies and tackles,” and that it “[adds] as much capacity to the field as possible.”
 - Additionally, grantees emphasized how Luminate’s funding has enabled organizations to come together “to explore less common routes to impact, facilitate access to expert advice, [and] research to fill a gap.”



“Luminate are one of the few funders out ahead of the pack, seeing new opportunities for social change and supporting them. This requires a certain appetite for risk - social change...is going to be a multi-year struggle - and we have appreciated Luminate’s enthusiasm and flexibility.”

Strong Understanding of Organizations and Provision of Non-monetary Support

- ▶ Grantee ratings are higher than typical for both Luminate’s understanding of their goals and strategies and its awareness of their organizational challenges.
- ▶ When rating Luminate’s overall impact on grantees’ organizations, grantees provide ratings that are in line with the typical funder.
- ▶ CEP’s broader research finds that grantmaking characteristics such as grant size, length, and type are also often related to perceptions of a funder’s impact on grantee organizations.
 - Luminate’s grants are larger than typical in size, placing it in the top 10 percent of CEP’s dataset, and typical in length.
 - Importantly, about half of Luminate grantees – a larger than typical proportion – report that they received funding that was not restricted to a specific use.

VALUABLE PROVISION OF NON-MONETARY SUPPORT

- ▶ As part of the CEP’s core survey, grantees were asked to indicate whether they received any of 16 types of non-monetary assistance provided directly or paid for by Luminate. From these measures, CEP uses the term “intensive” non-monetary assistance to describe the pattern in which grantees receive either seven or more total, or three or more field-related forms of non-monetary support – patterns that CEP’s research has found to be associated with the strongest impact on organizations.

- Under this definition, 31 percent of grantees report receiving intensive non-monetary support, placing Luminate in the top quarter of the overall dataset. Mirroring CEP’s broader research, these grantees also rate significantly higher for Luminate’s impact on their organizations.
 - In particular, Luminate provides a larger than typical proportion of grantees with nearly all field-related forms of non-monetary support, such as facilitation of collaboration, introductions to leaders in the field, and insight and advice on grantees’ fields. Those receiving these three specific supports also rate significantly higher for Luminate’s impact on and understanding of their fields and/or organizations.
 - Analyses also show that ‘fundraising support’ is associated most closely with positive grantee perceptions. The 19 percent of Luminate’s grantees who report receiving this type of support provide significantly higher ratings for nearly all key measures in the survey.
- ▶ In addition to the standard non-monetary supports, Luminate also added two custom supports – executive coaching and security assistance. Just over 15 percent of grantees report receiving executive coaching, while a smaller proportion – just over 5 percent – report receiving security assistance.
 - ▶ Importantly, when asked in a custom question about the impact of the non-monetary support they received on their ability to achieve their goals, nearly two-thirds of grantees report that it was equally or more important than Luminate’s financial contributions.
 - ▶ In an open-ended question about specific ways Luminate could improve, a third of grantees suggest that Luminate continue to build on this valuable non-monetary support – the most common theme of suggestion in the report. Specifically, 15 grantees request more funded opportunities to collaborate and convene with other grantees, and eight request more support to build capacity within their organizations.



“Luminate has supported us to tell our story better and creating a reinforcement that amplifies our advocacies. Luminate impact also includes linkages to partners and experts that helps to sharpen our skills and processes for improved efficiency and effectiveness.”



“More interaction between organizations that are part of its donation portfolio. More spaces to share common practices, success stories and challenges. More spaces to learn about organizational challenges.”

Opportunity to Improve Clarity and Consistency of Communications

- ▶ CEP’s research across funders reveals that strong funder-grantee relationships – defined by high quality interactions and clear, consistent communications – are a key predictor of grantees’ perceptions of impact on their organizations, fields, and local communities. Overall, ratings for the quality of Luminate’s relationships with grantees are less positive than those at the typical funder, but similar compared to Luminate’s custom cohort of peer funders.
- ▶ On measures related to interactions, grantees provide ratings that are similar to those at the typical funder. Luminate receives typical ratings for how fairly grantees feel they were treated, grantees’

comfort approaching Luminate if a problem arises, staff responsiveness, and Luminate’s openness to ideas about its strategy.

- Grantees report experiencing high-touch relationships with Luminate. A higher than typical proportion report interacting with their program officers monthly or more often – 52 percent compared to 27 at the typical funder. These grantees provide significantly higher ratings on a number of measures throughout the survey.
- ▶ In contrast, grantees provide lower than typical ratings for the clarity of Luminate’s communications about its goals and strategy and for the consistency of its communications – the latter placing Luminate in the bottom ten percent of CEP’s overall dataset.
 - In their open-ended comments, 10 grantees suggest improvements related to the clarity of Luminate’s communications, the second most common suggestion in the report. These grantees often express concerns about a lack of clarity regarding Luminate’s direction and goals, indicating, for example, a need for “stronger communication about priorities.”
- ▶ Certain practices are associated with significantly more positive grantee perceptions of Luminate’s communications:
 - Grantees provide ratings that are in the bottom 40 percent of funders for Luminate’s overall transparency. Those who rate the highest on this measure (rating a 6 or 7 on a 7-point scale) also provide significantly higher ratings on most measures, particularly so for the clarity and consistency of Luminate’s communications.
 - A typical proportion of Luminate grantees report undergoing a contact change in the six months prior to taking the survey. These grantees rate significantly lower for Luminate’s overall understanding, transparency, and the clarity of its communications.



“Luminate is one of the few funders we encountered where the program officer asked difficult (good) questions, cared about the response, followed up and deeply engaged. This developed a high level of trust and understanding that I believe we both value.”



“Increased transparency regarding Luminate’s funding priorities and grantees/investees would be a helpful improvement. This would make it easier for us to understand mission alignment and opportunities to increase the impact of our mutually supported work.”

Helpful, Engaging Processes with Opportunity to Reduce Pressure and Burden

- ▶ Given Luminate’s large grant awards, grantees receive a higher than typical monetary return for every hour they spend on Luminate’s processes compared to CEP’s overall dataset and its cohort of peer funders.
 - Grantees report spending more time than is typical – 75 hours at the median – on Luminate requirements over the grant lifetime.
 - In addition to more time-intensive processes, a larger than typical proportion of grantees – 24 percent at Luminate compared to nine percent at the typical funder – report waiting

seven months or longer between the submission of their proposal and receiving clear commitment of funding.

- ▶ Despite the time it requires, grantees derive value from the proposal process, rating similar to grantees at the typical funder in both the overall dataset and in the peer cohort for the extent to which it was helpful in strengthening their organizations or programs.
- ▶ Still, in the development of their proposals, grantees report experiencing more pressure to modify their organization’s priorities to receive funding than do the grantees of more than 75 percent of funders in CEP’s dataset.
 - According to CEP’s research, pressure experienced by grantees to modify their priorities is one of the key predictors of the strength of funder-grantee relationships: high pressure is associated with lower relationships ratings. Echoing this research, Luminate grantees who report experiencing the most pressure (rating a 3 or higher on a 7-point scale) provide significantly lower ratings on nearly all measures in the report.
- ▶ On the positive, over 90 percent of grantees report having exchanged ideas with Luminate about how to assess the results of the funded work, placing Luminate in the top five percent of the overall dataset.
 - Grantees who discussed plans for assessments rate Luminate significantly higher on a number of key measures in the report, particularly for its impact on and understanding of grantees’ organizations, strength of relationships, and overall understanding.
- ▶ Grantee perceptions of the reporting process are mixed, with Luminate receiving higher than typical ratings for the extent to which it was adaptable to fit grantees’ circumstances and a helpful opportunity to reflect and learn, but lower than typical ratings for the relevance of its questions to the work funded by the grant.
 - During the reporting process, a larger than typical proportion of grantees – 74 percent – indicate having had a substantive discussion about submitted reports with Luminate. These grantees provide significantly higher ratings for the consistency of Luminate’s communications, its transparency, and the extent to which the reporting process was adaptable and relevant.



“The proposal process was very illuminating and provided us an opportunity to reflect on who we want to be and what we want to achieve.”



“We can see a great deal of care on the part of Luminate to work with excellence, with well-established and non-flexible processes. However, this strength is also a weakness as it is often seen as excessive red tape, interference and excessive attention to detail.”

Recommendations

- ▶ Recognizing Luminate’s strong understanding of grantees’ fields and organizations, institutionalize the ways in which its specific decisions and values achieved these results, so they can be maintained in the future.

- ▶ Continue to build upon Luminate’s strong provision of non-monetary assistance. Given grantees’ suggestions and quantitative findings, consider opportunities to deepen or refine assistance related to facilitating convenings and collaborations, capacity building, and fundraising support where possible.
 - Additionally, maintain open lines of communication with grantees to ensure their ability to consistently share the types of supports their organizations most need.
- ▶ Communicate clearly and consistently with grantees about Luminate’s current priorities and its future direction by:
 - Identifying opportunities across interactions, processes, and communications resources to reinforce current goals and strategy.
 - Building internal processes to ensure smooth transitions for grantees during changes in program officer, concentrating on knowledge transfer in both directions.
- ▶ Without compromising its helpfulness, review the selection process to identify areas that could be streamlined, particularly with an eye toward shortening the internal grant approval process.
- ▶ Facilitate internal discussions about whether Luminate is comfortable with the high level of pressure grantees experience to change their organizational priorities during proposal development. If Luminate determines that it is comfortable with that kind of pressure, consider ways to mitigate its potential adverse effects on relationships with grantees – for example by setting clearer expectations with grantees, providing further technical assistance, or making longer term commitments.

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