Fund the People Toolkit

Case Making
Collection

Case Making Collection

- Leaders Talk About Talent
- Investment Deficit by the Numbers
- Top Reasons to Invest in Nonprofit Talent
- Talent-Value Chain in Social Sector
- Talent-Value Chain in the Nonprofit Sector
- Funder Myths and Realities
- Nonprofit Myths and Realities
- Less Than We Thought

Fund the People Toolkit

Case Making

Leaders Talk About Talent

At a Glance

Type: Case Making Tool

Date: January 2017

Leaders Talk About Talent

Purpose of Tool

This resource offers powerful quotations from foundation and nonprofit sector leaders that will help you make the case for the necessity and potential of investing in nonprofit talent.

We hope it is useful in providing brief, qualitative "data points" in your own advocacy efforts. Use them in your slide presentations, blog posts, memos, and conversations. Print out a few that "speak to you" and post them on your office door or above your desk. We also encourage you to learn more about the leaders and the organizations profiled in these pages by clicking on the links provided.

Fund the People wants to build this collection of sentiments from the leaders and experts in the field of nonprofit talent investment. You can send your thoughts to **info@fundthepeople.org**.

Required Reading: To build your knowledge of this important subject, we recommend:

- **Glossary of Terms**
- **Talent-Investment Menu**
- **Top Reasons to Invest in Talent**
- **Funder Myths & Realities**
- **Nonprofit Myths & Realities**
- **Guide to Investing in Grantee Talent?**

Leader Quotes

"It is people, at the end of the day, who make change. Yes, it takes money and strategy, buildings, infrastructure, and political will. But it is leaders who take up a cause and stoke an ember into a blaze. It is in our collective best interest that they be nurtured and sustained."

—*Carrie Avery and Claire Peeps, The Durfee Foundation*
www.durfee.org

"Nurturing a performance culture begins with recruiting, developing and retaining the talented professionals you need to fulfill your mission. Failure to do so is, to me, literally a dereliction of duty of board and management."

—*Mario Morino, Morino Institute*

"Investment in leadership can feel like a luxury compared with investing in needs at the heart of a nonprofit's charitable purpose, but failing to invest in leadership as well as services puts the entire mission at risk."

—*Kirk Kramer and Preeta Nayak, The Bridgespan Group*
www.bridgespan.org

"Unless we can figure out what is behind the nonprofit world's chronic underinvestment in leadership and turn things around, we will continue to overlook one of the most important ingredients of positive social change."

—*Ira Hirschfield, President Emeritus, Evelyn and Walter Haas, Jr. Fund*
www.haasjr.org

"Leadership development is the highest order of capacity building. Without strong leadership in place, other efforts for organizational improvement will not succeed."

—*Kathleen Enright, Grantmakers for Effective Organizations*
www.geofunders.org

"Leaders – at all levels – drive and create change. And for funders, there are fewer, more powerful levers to advance change than investing in leaders."

—*James E. Canales,*
www.barrfoundation.org

"The link between strong executive leadership and organizational performance is frequently discussed and widely accepted. Yet this connection does not seem to play a leading role in shaping our grantmaking."

—*Betsy Hubbard, John Glenn School of Public Affairs*
www.glenn.osu.edu

"It seems reasonable to suggest that funders pay increased attention to the nonprofit talent pool. Whatever the line of work, if nonprofits are to survive and flourish in the current environment of tight budgets and increased competition, they must have a stable corps of talented leaders."

—*Paul C. Light, NYU Wagner School of Public Service*
www.wagner.nyu.edu

About Fund the People

Fund the People is the national campaign to maximize investment in the nonprofit workforce. To achieve this goal, we make the case, equip for action, and build a movement to change the attitudes and behaviors of funders, fundraising nonprofits, and the intermediaries that support them. There is a long-standing, sector-wide deficit of investment in the nonprofit workforce. Nonprofit professionals work in environments typified by high burnout and stretched resources. So there is a real demand for equitable salaries and benefits, more and better professional development, improved human resources functions, and healthy organizational culture. Together, we can address these challenges by reshaping existing resources to prioritize nonprofit people as the central asset of nonprofit performance. Now more than ever, we can ensure that America's civic leadership is diverse, well-supported, high-performing, and sustainable for the long haul. Launched in 2014 and headquartered in Beacon, NY, Fund the People (originally known as Talent Philanthropy Project) is a project of Community Partners. Our work is informed by an Advisory Council of diverse leaders and a team of skilled staff and consultants, and is supported by a coalition of regional and national foundations.

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Fund the People Toolkit

Case Making

Investment Deficit by the Numbers

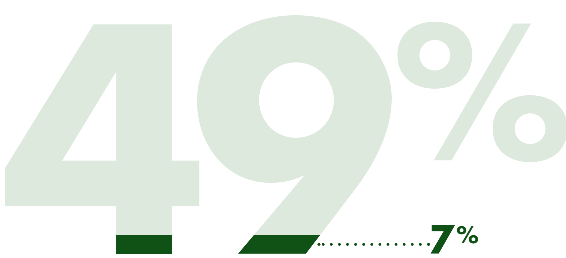
At a Glance

Type: Case Making Tool

Date: January 2017

Investment Deficit by the Numbers

There's a gap between the type of talent-investments that nonprofit leaders want, and the type of support they're able to obtain. Executive Directors say they value funding that helps them bake people-systems into their organizations, but can rarely secure such investments:



While 49% say they value overhead funding for internal capacity for talent management, only 7% say they're able to obtain that type of funding

35% say they want technical assistance to help build their organization's talent management processes. But only 5% obtain such support

Landles-Cobb, L., Kramer, K., & Haley Doyle, B. (2016). *"Smart Funding to Close the Leadership Development Deficit."* The Bridgespan Group. Available here (as of May 2017).

Meanwhile, the likelihood of receiving support that is more individualistic, one-off, and external actually outweighs the value nonprofits place on such support:

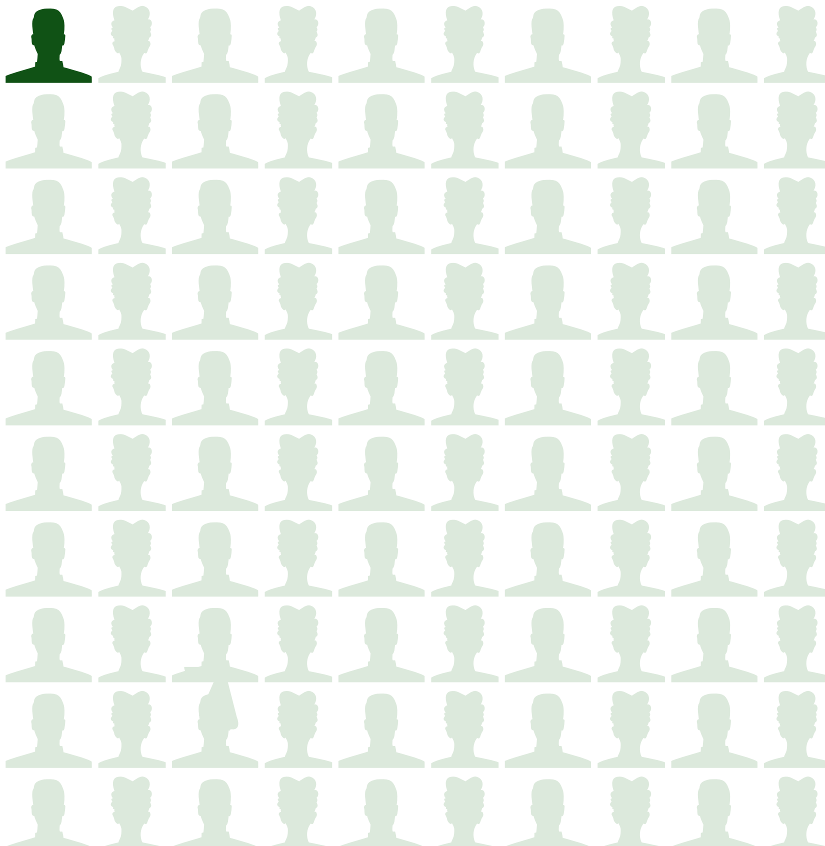
13%

say they value external one-off trainings, while 15% say they obtain it

22%

say they value support to attend conferences/ networking events, but 24% are likely to obtain it

Landles-Cobb, L., Kramer, K., & Haley Doyle, B. (2016). *"Smart Funding to Close the Leadership Development Deficit."* The Bridgespan Group. Available here (as of May 2017).



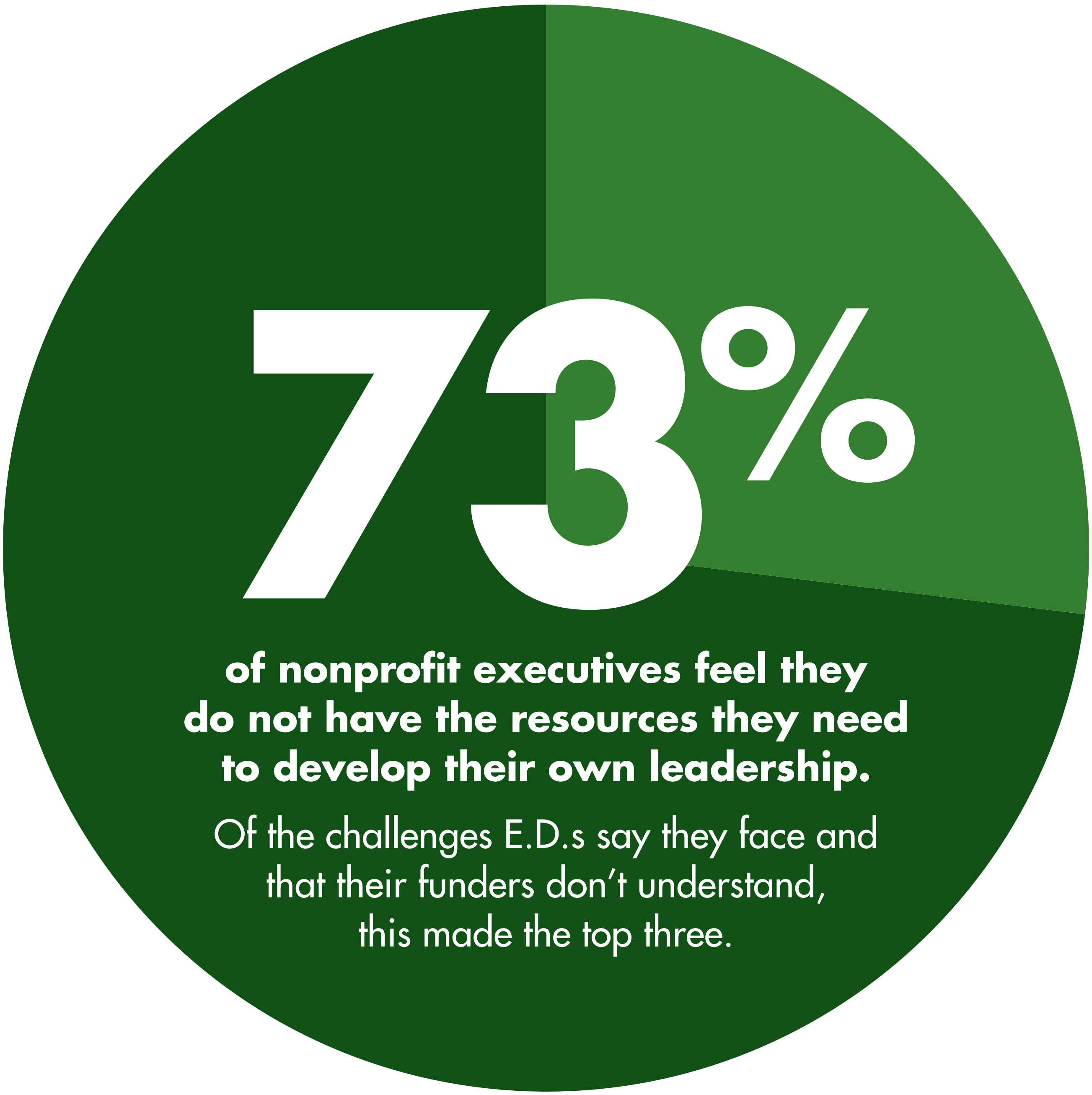
Less than 1% of foundation grant dollars are invested in developing the nonprofit workforce

(Foundation Center grant data during 1992 to 2011)

Douglas, B. & Stahl, R. (2017). *Less than we thought: A New Analysis of Foundation Investment In The Nonprofit Workforce*. Fund the People. Available here.

Businesses spend at least four times more than nonprofits per person per year on talent development.

Callanan, L., Gardner, L., Mendonca, L., & Scott, D. (2014).
"What Social Sector Leaders Need to Succeed." McKinsey & Company. Available here.



Buteau, E., Brock, A., & Chaffin, M. (2013). *Nonprofit challenges: What funders can do*. Center for Effective Philanthropy. Available here.

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Fund the People Toolkit

Case Making

Top Reasons to Invest in Nonprofit Talent

At a Glance

Type: Case Making Tool

Date: January 2017

Top Reasons to Invest in Nonprofit Talent

What Does Investing in Nonprofit Talent Mean?

Intentional deployment of resources to support and develop professionals and leaders in the nonprofit workforce. These resources may include financial capital, political capital, time, attention, skill, etc. Investments may be made internally (by the board, executive director or by others) or externally (by foundations, donors, government or corporate funders). Talent-investing may support various types of interventions, depending on context, need, interest, and level of intervention.

Audience

Intended primarily for foundation grantmakers, this tool is also meant to be useful to individual donors, governments, corporations, capacity builders, and nonprofit boards, executives, and fundraisers.

Purpose of Tool

This tool provides succinct language and anecdotes that can be used to introduce the concept of talent philanthropy to foundation staff and board trustees and to communicate the compelling reasons for investing in nonprofit talent.

Call to Action

The impact of the work of a nonprofit or a grantee can be broadened and deepened on an exponential scale if talent is funded with as much intelligence and intention as other significant budgetary expenditures. While Fund the People believes it is essential for foundation grantmakers to support nonprofit talent development, we also encourage nonprofits themselves to develop planned allocations of such resources in order to grow and strengthen the talent in their organizations and to bolster their effectiveness and impact.

Fund the People

People

1. Funders and nonprofits intentionally, substantially, and continuously invest in nonprofit professionals. It starts with rising investment in nonprofit professionals from both funders and nonprofits themselves. External funders could include foundations, individual donors, government, corporate contributors, and other sources. Foundations, in particular, have the incentives and systems to increase investment in nonprofit people. For example, foundations have the flexibility that government often does not, and the stake in organizational effectiveness that often individual donors do not.

Performance

1. **Strengthens nonprofit performance and organizational effectiveness. Intentional investment in people is the most important ingredient for attaining the highest morale, productivity, and service to communities.** Organizations performing at this high level are able to achieve the greatest mission-driven results. Investing in talent is widely believed to optimize the effectiveness of organizations, including individual leaders, ideas, dollars, and culture. Grantmakers for Effective Organizations supports this belief by stating that building the capacity of leaders is the single most effective way to make a nonprofit's work more meaningful to its community.

2. **Creates great places to work.** Investing in talent shapes organizational cultures that heighten staff morale, increase engagement and satisfaction, and elevate performance. In fact, data shows that Talent investment has been shown to prevent staff turnover and burnout.[1]

Impact

3. **Clears the leadership bottleneck. Nonprofit Boomer executives are delaying retirement in part because of philanthropy's failure to invest in nonprofit talent, and specifically in their successors.** This lack of funding has exacerbated nonprofits' struggle to properly compensate their employees and provide for their retirement. Executive Directors rightly fear a wait-and-see approach by funders rather than timely investment to help ensure healthy executive transitions. The result is a dangerous instability in cash flow. It is essential that funders and nonprofit executive directors initiate the difficult but courageous conversations necessary to develop plans for talent investment; prepare for executive transitions; and build the talent of their grantees.

4. **Counters the leadership investment deficit. There isn't a deficit of nonprofit leaders, but there is a deficit of investment in nonprofit leaders.** Only 1% of foundation dollars was allocated annually for nonprofit leadership development over the last 20 years. This percentage computes to $29 spent per person while businesses spend at least $120 per person. With an adjustment in perspective or outlook, the lack of investment in the bench strength of nonprofits can be turned around to increase leadership opportunities for nonprofit talent. Funders and nonprofits must work together to tackle this critical issue. Otherwise leadership crises will become commonplace, adversely impacting nonprofit effectiveness and impact.

5. Harnesses diversity. The U.S. is becoming more diverse. People of color will constitute majority of the population by 2025, and more women and LGBTQ people will join the workforce. But the composition of nonprofit executives, boards, donors, and staff is not keeping pace with this reality. Only 16% of people of color hold positions of leadership at nonprofits, with those next in line being only 18% people of color. A 2014 national BoardSource study found that 89% of nonprofit CEOs were white, as were 90% of board chairs and 80% of board members. Lack of attention to these trends impedes the ability of nonprofits to maximize their community impact. In order for nonprofits to be responsive to the community, remain relevant, and achieve their desired impact they need leadership and staff to not only reflect the diversity of the population but also to embrace equity and inclusion.

6. Ensures inter-generational collaboration. Career and economic conflicts among the generations have reached a low boil in the nonprofit workplace. By investing in nonprofit talent we can appropriately begin to address conflicts among the generations of Baby Boomers, Gen Xers, Millennials (and soon Generation Z) who currently work together. Talent development spans building the skills of emerging leaders, preparing mid-level managers to take on more senior leadership roles, and helping long-time executive directors to determine the next phase of their careers. It also helps teams to build their impact and effectiveness. Such comprehensive strategies will increase morale, clear communication, and productivity at work.[2]

Sustainability

7. Expands the nonprofit workforce's value to society. Employing 11% of the U.S. workforce, nonprofits are formidable job-creators. Our workers produce immeasurable benefits for the public good. Investing in the performance, impact and sustainability of nonprofit professionals fuels the economic and social health of our society.

8. Advances long-term sustainability. Today's premier corporations and thought leaders believe that investment in employees is essential to both financial viability and to achieving their mission over the long term. The nonprofit sector, however, has not yet adopted this view. Yet now, more than ever, the high demand for our services presents an opportunity for us to establish our value, make the case for investing in talent, and build a platform for best practices.

9. Fulfills our moral mandate. Investing in the people who do the work of the social sector is consistent with the values of our collective mission. When we work to improve the quality of life in our communities while maintaining a poor quality of life for our own employees, we undermine our mission and lose our footing, both morally and ethically.

[1] ROEI® : Return On Employee Investment® Increase Competitiveness Through Your Biggest Asset. White Paper. SAGE.

[2] Linnell, D. and Wofred, T. "Creative Disruption: Sabbaticals for Capacity Building & Leadership Development in the Nonprofit Sector".

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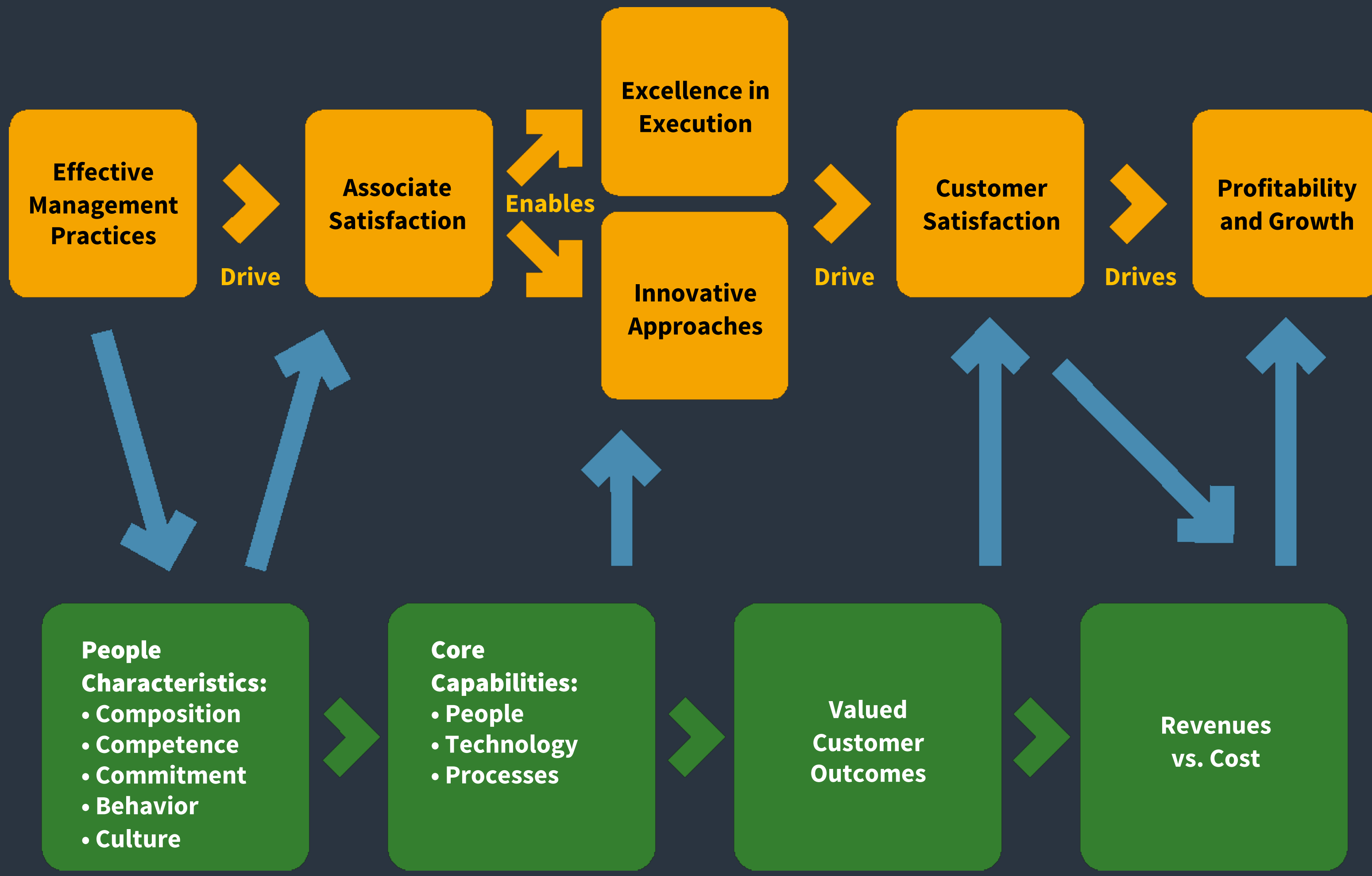
Talent-Value Chain in the Social Sector

Fund the People

Value-Profit Chain in For-Profit Sector



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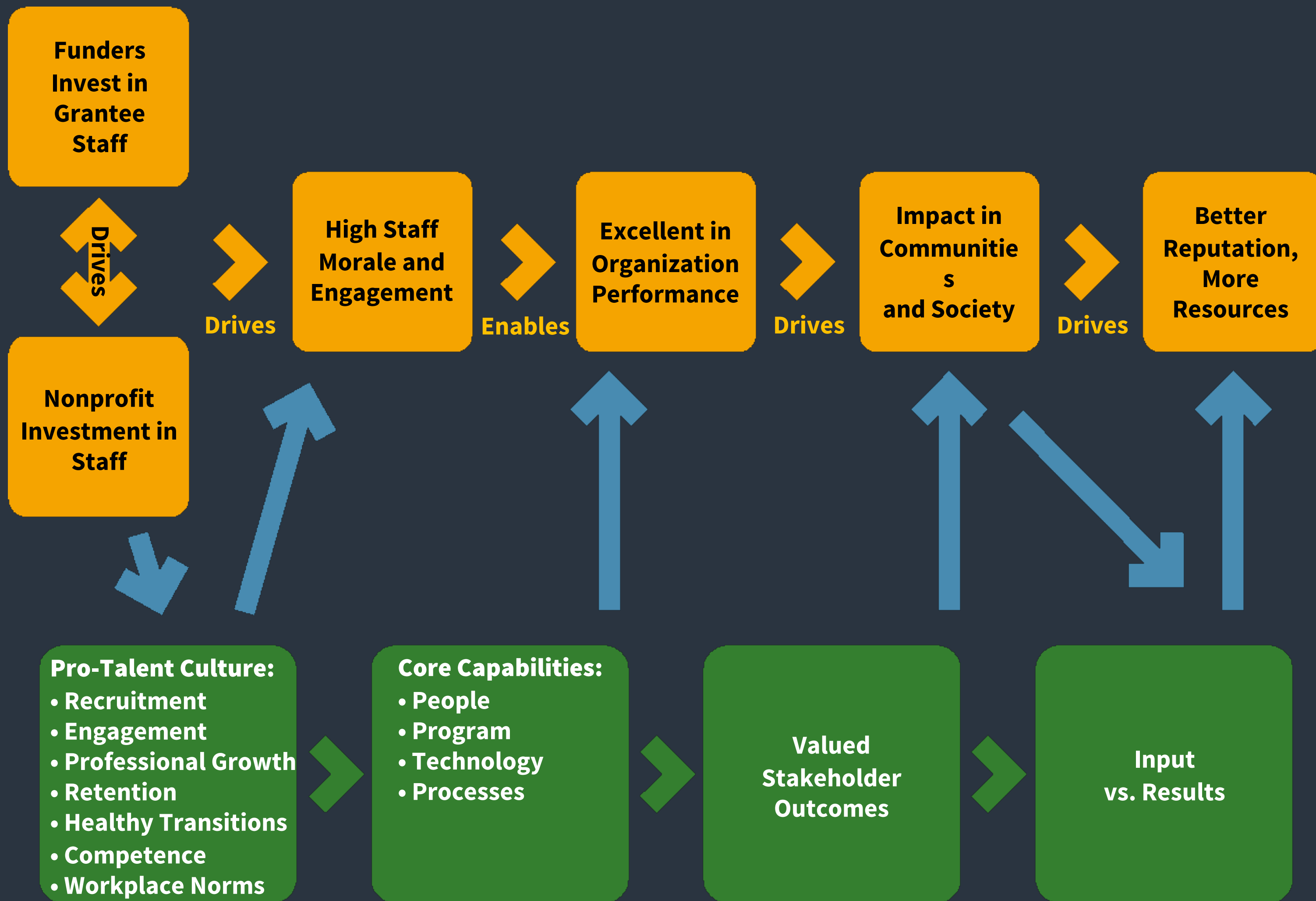
Carrig and Wright, *Building Profit through Building People: Making Your Workforce the Strongest Link in the Value-Profit Chain.* Society for Human Resource Management (SHRM), 2006.

Talent-Value Chain in the Social Sector



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Talent-Value Chain in the Social Sector

Rising Investment in People:

Funders and nonprofits intentionally, substantially, and continuously invest in nonprofit professionals…

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Talent-Value Chain in the Social Sector

Rising Performance:

Rising investment leads to high staff motivation, morale, and ability to execute with excellence. This increases productivity and decreases burnout …

Talent-Value Chain in the Social Sector

Rising Impact:

Rising performance leads to greater achievement of program, organizational, and mission goals…

Talent-Value Chain in the Social Sector

Rising Sustainability:

Rising impact leads to greater reputational capital among prospective staff, board members, funders, etc. This leads to more resources for rising investments in people…

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Talent-Value Chain in the Social Sector

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Fund the People Toolkit

Case Making

Talent-Value Chain in the Nonprofit Sector

Talent-Value Chain in the Nonprofit Sector

By Rusty M. Stahl, President and CEO, Fund the People

In recent years, many funders and nonprofits have turned to business for everything from branding to technology to strategy. Everything, that is, except staff development.

The business world has entered a networked "knowledge economy" in which there is a "war for talent", and the best and most successful companies develop a competitive advantage by investing intentionally and significantly in their employees. Meanwhile, many in the philanthropic community still fund nonprofits as if we operate in the industrial age -- as if staff work on conveyor belts, and programs are machines that produce outcomes. This is a trend repeated from the "scientific charity" of the late 19th century; it didn't work then, and it isn't working now.

There's a reason we are sometimes called the social sector - we don't produce widgets, we advance the common good. And that is all about people. Nonprofit people are nonprofit programs. There's no education without teachers, no health care without health workers, no youth development without youth workers, no community organizing without community organizers, no social work without social workers. And there's none of it without the managers and administrators who support them.

Investing in the nonprofit workforce is perhaps the most important -- and least explored -- area where philanthropy and nonprofits could learn from our business counterparts.

Business management literature is chock full of evidence showing the value of investing in staff and leaders. It is such a common sense, self-evident value that in some companies it is an unquestioned assumption about how business happens.

But in the nonprofit sector, we face daily questions about the value of investing in our workforce. There is scarce rigorous data showing the return on investment. Why so little research? It may be because it is difficult to do experimental studies in a nonprofit context in which real lives are on the line. Or because nonprofit outputs and outcomes are challenging to measure compared to those in business. Or because that research has simply not risen to a high enough priority in our field. Whatever the reason behind it, the lack of evidence creates a vicious cycle in which we don't have evidence of the value of investing in nonprofit people, so we don't invest in nonprofit people, and therefore we don't have evidence...

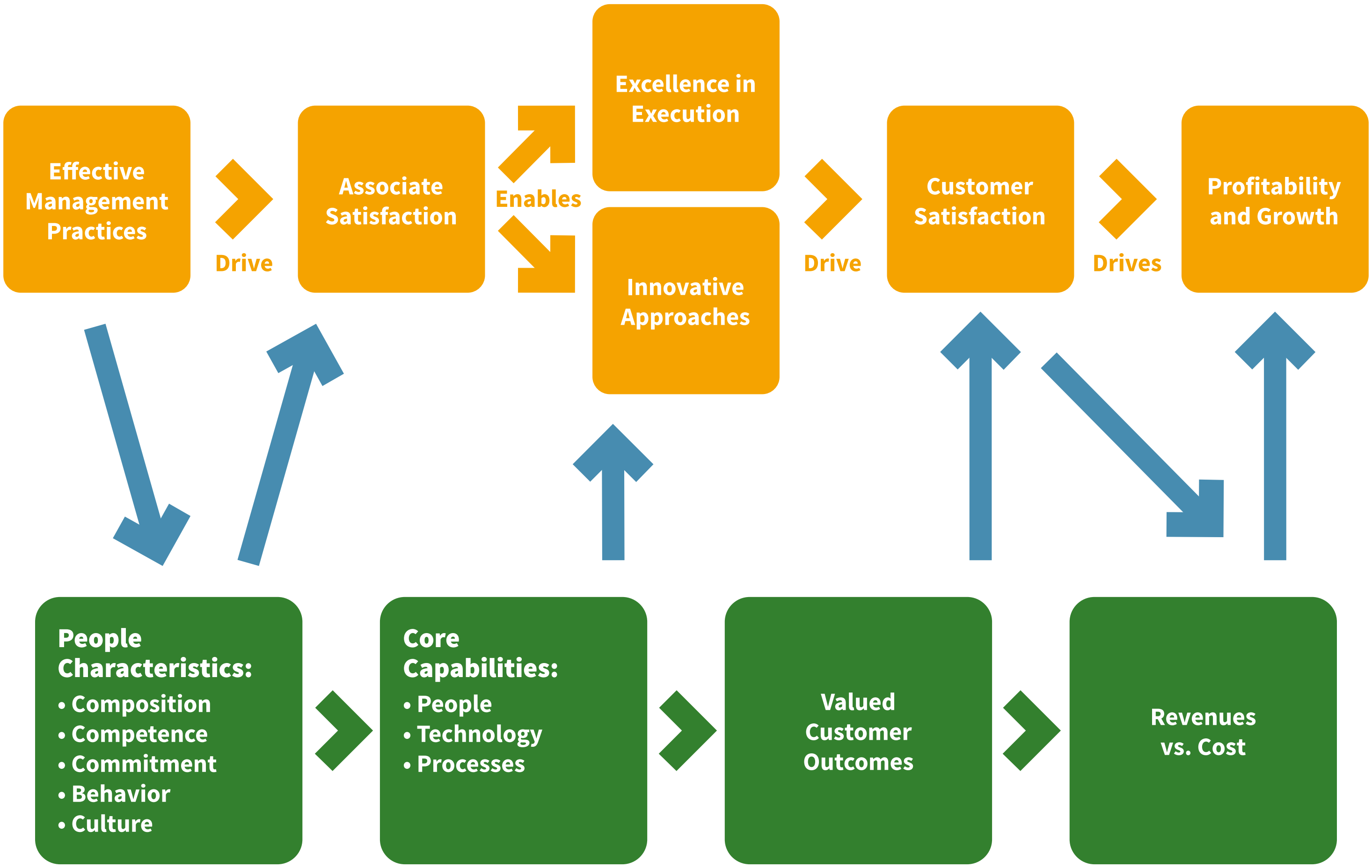
To begin breaking this cycle, we have compiled our own **Top Reasons to Invest in Nonprofit Talent,** and sought to debunk the myths that tamp down investments by funders and nonprofits. In this document, we examine the value proposition businesses gain from investing in employees. And we propose an interpretation for the value funders and nonprofits can gain from investing in nonprofit employees. It is our hope that this preliminary thinking may contribute to further research and practice in the field.

The Society for Human Resources Management (SHRM) is the major HR association in the United States and around the world. It is almost exclusively composed of and focused on for-profit businesses. (There is, to our knowledge, no association for nonprofit HR professionals.) In 2006, SHRM published the book *Building Profit Through Building People: Making Your Workforce the Strongest Link in the Value-Profit Chain* (Carrig, K. & Wright, P. (2006). Society for Human Resource Management). The text lays out a clear logic model showing how investing in employees creates significant value for companies and their customers.

Nonprofits differ from businesses in a variety of ways. Nonprofits have stakeholders, not shareholders or owners. And nonprofits seek public impact, not private profit, as their end goal. So we sought to translate the Value-Profit Chain to a logic model that speaks specifically to the needs and values of our sector.

First, here is the Value-Profit Chain as illustrated in the book (page 19). The items across the top show the primary stages, and the boxes below show the underpinning conditions or processes.

Value-Profit Chain in the For-Profit Sector



Carrig and Wright, *Building Profit through Building People: Making Your Workforce the Strongest Link in the Value-Profit Chain*. Society for Human Resource Management (SHRM), 2006.

The chart shows how management practices aimed at building a skilled and motivated workforce drive employee satisfaction. In turn, this enables excellence in both implementation of routine tasks and new ways of doing work. These effective practices ensure satisfied customers, which enables profitability and growth.

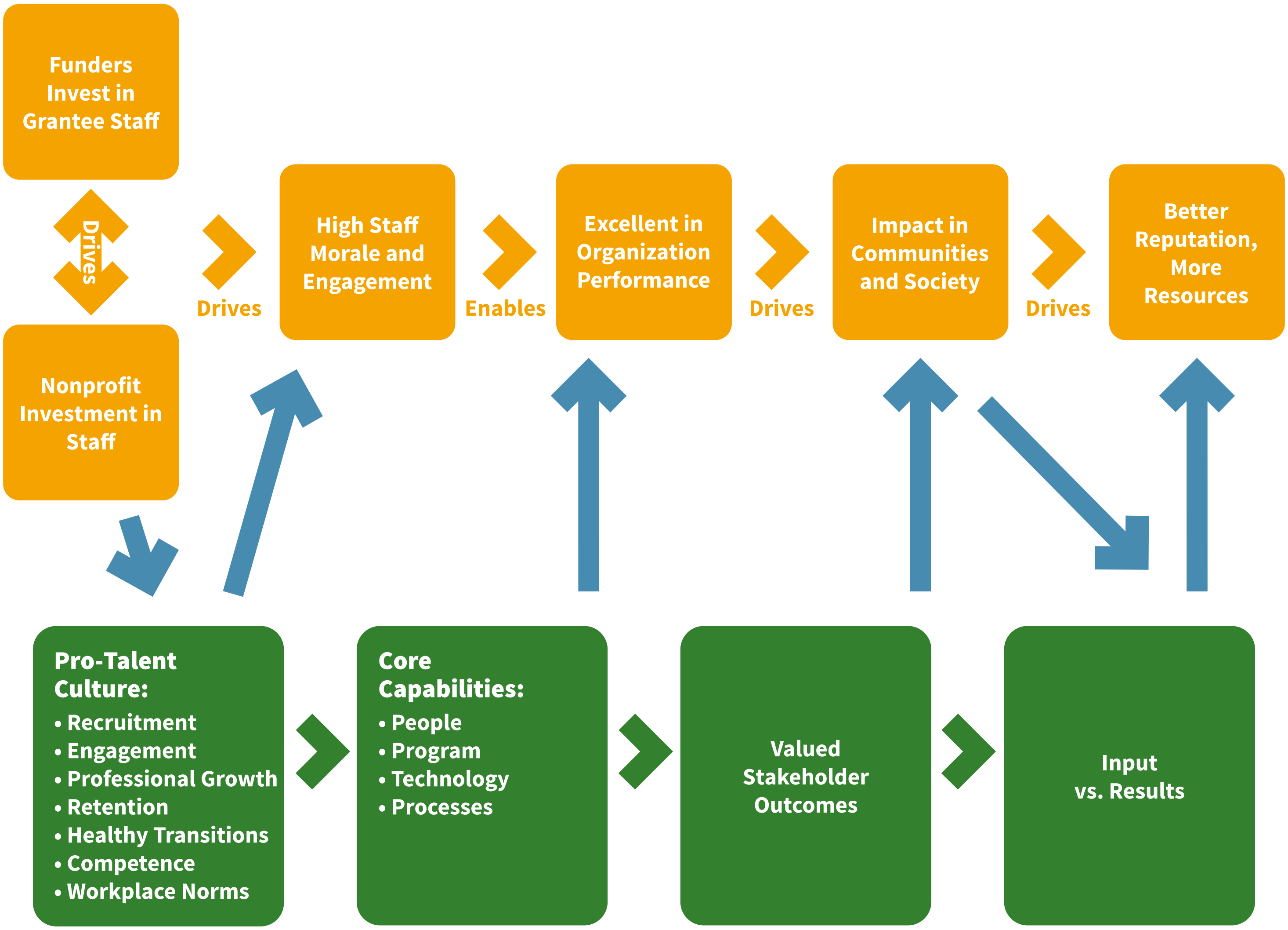
The book discusses how companies that invest in their workforce intentionally, intensively, and consistently see "significantly higher profits and market values" compared to firms with lower levels of investment in the staff. Indeed, the authors cite multiple studies in diverse industries and countries that demonstrate that, on average, a one standard deviation increase in employee-investment management practices was associated with a 20% increase in profitability (page 26). Here's our six-word summary:

Invest in for-profit staff > performance > profit > growth

Given the difference between business and nonprofit institutions, how can we apply the Value-Profit Chain to the nonprofit sector?

We developed the Talent-Value Chain to show how the underlying assumptions apply even in the dramatically different context, inputs, outputs, and outcomes.

Talent-Value Chain in the Social Sector



In contrast to the relatively unrestricted income enjoyed by businesses (sales, investors, shareholders, etc.), most nonprofits rely on relatively restricted income from funders of various types (donors, foundations, government, etc.). This tends to severely limit the ability of the board and management to deploy resources (both dollars and non-cash resources like time, managerial approach, skills, systems, etc.) for investments in the staff. So on the left-hand side of our model, we show intentional funder investments driving the ability of the nonprofit to invest in staff. We show the arrow going in both directions between funder and nonprofit, because nonprofits' interest in investing in staff can and should shape funder investments.

Funder and nonprofit investments in staff are two factors that subsequently drive high staff satisfaction. (It is worth noting here that nonprofits too often over rely on their missions to motivate their staff—and it can backfire. A dearth of investment in staff can lead to cynicism about the organization's real commitment to its stated values, which may lead to bitterness and sinking morale. So, it is recommended to pair mission and staff investments as twin motivators.)

High motivation and satisfaction drives rising performance (both routine tasks and innovation, although we do not highlight that in our chart). This subsequently improves impact by ensuring excellent processes, programs, and goods and services for the people and communities served by the organization. Impact drives reputational capital and the ability to secure diversified resources, thus resulting in the sustainability of the programmatic work, the organization, and the staff. Here's our six-word summary:

Invest in nonprofit staff > performance > impact > sustainability

If you are interested in exploring this further, check out **Top Reasons to Invest in Nonprofit Talent,** which explores in more depth how talent-investment drives improved nonprofit performance, impact, and sustainability.

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Case Making

Funder Myths and Realities

At a Glance

Type: Case Making Tool

Date: January 2017

Funder Myths and Realities

Introduction

Many of the people who lead funding institutions continue to hold out-of-date, disproven, or counter-productive assumptions about the nonprofit workforce. These beliefs, like the idea of people as overhead, actually impair the ability of funders to reach their program goals and achieve their missions. A sustained internal dialogue among trustees, executives, and/or program staff can help the team to recognize the myths for what they are, and acknowledge the value of nonprofit professionals in grantee organizations and in the wider society. This new attitude helps to clarify why it is sensible to invest in the people in and around grantee organizations.

This tool is meant to help you turn these obstacles into opportunities. Based on what we've heard in the field, we summarize a set of myths. With each, we offer a brief counter-narrative, along with resources for those who wish to learn more. We hope this will prove provocative and help you and your colleagues to explore new beliefs that can lead to new practices and behaviors.

To further that conversation, you may find it useful to distribute the following pages, copy and paste the text into your own internal writing, or circulate a few of the suggested readings.

To help begin a dialogue at your foundation, you may wish to use our Talking Talent for Funders, which can help you start an internal conversation at your foundation about how your colleagues perceive the value of investing in grantee talent.

Once attitudes begin to change, the inevitable question is: What do we do now? Our How-To guides are available for guidance in answering this important question!

1. Myth: "Talent-development doesn't appear to be a need. We don't hear about it from our grantees."

Reality: In many diverse and divergent organizations across the nonprofit sector, there is extensive and urgent need for increased investment in individual staff and in the people-systems that support the whole team. Research from across the field finds that:

- 50% of executive directors would prefer funding for talent management capacity, but only 7% of them are able to secure it [1]
- 73% of nonprofit executives feel they do not have the resources they need to develop their own leadership, and they say this is one of the top three challenges they face that their funders don't understand [2]
- 90% of emerging leaders cite burnout as a reason they would leave the sector, and 82% cite low salaries [3]
- 77% of prospective grantees to one major foundation said they spend 1% or less on professional development [4]

For more data presented in a visual manner, see
The Investment Deficit: By the Numbers.

The fact that the need for talent-investment is not surfaced by grantees in conversations with their funders does not mean the issue is irrelevant to nonprofits.

- Grantees may be reluctant to discuss their staff compensation or development needs precisely because funders rarely seem interested in these matters.
- It may be a point of vulnerability, and nonprofits may fear that sharing their talent issues will cause them to lose funding, rather than gaining new forms of support.
- The nonprofit leaders with whom funders generally talk and negotiate grants (such as executive directors and board members) may not be best positioned to fully understand or articulate the talent-investment needs in their organizations, while the mid-level managers, emerging leaders, and line staff may know the issue intimately.

You may not hear from current or prospective grantees about their talent-investment needs because you offer few incentives to discuss the issue, or have created disincentives (perceived or real) for grantees to explicitly discuss this need with you. These disincentives may come in the form of language, practices, paperwork or more subtle signals that seem to classify staff development as a taboo or frowned-upon topic.

Learn More: It may take proactive effort on your part to create the trust, safe space, and positive incentives for grantees to share their talent-investment needs. You may need to intentionally learn from grantees through conversations, surveys, site visits, proposal and reporting questions, etc. As you do this, try to go beyond the top-tier of leadership (in a respectful and appropriate manner) to gauge the needs of the whole team. Remember this is not meant for punitive purposes, or for judging the worthiness of an organization, but rather to better understand how best to support the effectiveness, impact and sustainability of the people who compose your current and prospective grantees. We recommend several of our Toolkit resources to guide you through this process.

- Guide To Investing in Grantee Talent provides in-depth, step-by-step suggestions for strategizing and structuring talent-investments (note: there is a fee associated with this item).
- Talking Talent Between Funders & Nonprofits offers framing and questions for conversations between you and your grantees to help you understand their talent strengths and challenges, and how you could help them build on their strengths to meet the challenges.
- The Harry and Jeanette Weinberg Foundation has designed a series of specific application questions that elicit information from nonprofit applicants about how they invest (or do not invest) in their staff. They found that 77% of prospective grantees spent 1% or less on professional development. To learn more, download our free Weinberg Foundation field story.
- See Investment Deficit By the Numbers for more statistics on the dearth of support for the nonprofit workforce.

2. Myth: "There is no way to prove that investing in nonprofit talent improves nonprofit program or outcomes. So, therefore, we cannot or will not invest in nonprofit talent."

Reality: Business literature shows statistically significant gains in performance, profit, stock value, and firm longevity for every percentage increase in investment that businesses make in their employees. Although there is not the same level of research in the nonprofit sector, recent evaluations of funding efforts by the Barr Foundation, Blue Shield of California Foundation, Durfee Foundation, Haas Jr. Fund, Irvine Foundation, Virginia G. Piper Charitable Trust, and Rasmuson Foundation show that investments in grantee talent yield significant value for communities, nonprofits, and the funders themselves.

Learn More: Diverse types of foundations, from various parts of the country, that fund in different issue-areas, have evaluated talent investments and found great value. To give you a better sense of the impact that investing in nonprofit talent has had on nonprofits in a variety of fields, here are highlights from the assessments done by two foundations.

Key findings from the Evelyn and Walter Haas, Jr. Fund report **Five-Year Evaluation of the Flexible Leadership Awards:**

- Flexible Leadership Award grantees were highly successful in meeting their mission-advancing goals and leadership development goals. Grantees that saw the highest gains in leadership development also saw the highest gains in mission advancement. Much of their success can be reasonably attributed to their participation in the Flexible Leadership Awards program.
- Participating grantees targeted their FLA grants at the organization-wide level (39%), the senior team (29%) and the board of directors (15%) which has helped to clarify role issues and build a deeper bench of leadership across the grantee organizations.
- FLA grantees described coaching - including for the Executive Director; for senior teams (both as a group and for individual members); for mid-level program managers; and various combinations of all these - as particularly powerful in improving their effectiveness.

- Key findings from the Blue Shield of California Foundation report **"Preparing the Next Generation of Health Center Leaders."**
- The Clinic Leadership Institute Emerging Leaders Program participants demonstrate greater knowledge, confidence and skills in areas that are vital to strong health center leadership and closely aligned with the program curriculum.
- Among the first five cohorts of the program, more than three-quarters of alumni (77%) have assumed more senior roles since beginning the Program.
- CEOs and stakeholders believe that the Program has had a considerable impact on networking above and beyond individual alumni, having cultivated a strong web of connections between organizations that permeates the field statewide.
- CEOs and other stakeholders in the field indicate that the Program has helped contribute to a more robust, resilient community health centers field in California.

These and additional evaluations of foundation investments in grantee talent may be found in the Toolkit's Resource Listings section.

3. Myth: "It's most effective to spend funds on program work, not overhead. And staff development is overhead. We don't support that - let other funders take care of it."

Reality: Nonprofit people ***are*** nonprofit programs. The programs you fund are only as good as the people who envision, develop, oversee, lead, implement and sustain them day after day, year after year.

There is no educational program without educators. No social service without social workers. No health service without health workers. No arts program without artists and artistic directors. No youth engagement without youth workers. No policy advocacy without advocates. No community organizing without organizers.

Investing in grantees' staff is a smart investment in ensuring high-quality nonprofit programs. The costs of a high-performing staff are essential to high-performing organizations and programs. Staff costs are not "indirect" costs, but have a direct impact on the value of programs - even if the staff are administrative or managerial. Staff investment costs cut across all the "columns" of nonprofit finances (program, fundraising, and administration).

Learn More: The Pierce Family Foundation works to build the capacity of nonprofit organizations that are helping to meet the needs of people experiencing homelessness. Through general operating grants and innovative support programs, the Foundation invests in keeping organizations strong so that programs can thrive. To learn more about their approach, click here.

If you are a funder investing in talent or interested in getting started, it may help to consider the full range of choices you have in investment areas, levels and structures. We encourage you to think about all your options at the individual, organizational and ecosystem level. To learn more, see our **Talent-Investing Menu.**

4. Myth: "Talent development will never be a priority for our Board, president, and/or donors, so we can't make it a priority."

Reality: Many funders assume that talent investments will not be of interest to their supervisors, boards or donors. Some don't even raise the issue even if they think it's important. And there's often an additional line they use to describe their potential investors: "They're business people and just won't get it." The irony is that many of the biggest supporters of talent- investment in the funding world have become supporters because of their business experience.

Learn More: A growing number of foundations are making talent development a major priority in their grantmaking. For example, the **Durfee Foundation's** "focus is on extraordinary people who make things happen." They are investing in nonprofit executive directors and higher level managers to build and strengthen nonprofits and communities." **You can learn more about their programs here.**

The Bush Foundation "invests in great ideas and the people who power them" in Minnesota, North Dakota, South Dakota and the 23 Native nations that share that geography. They work to inspire and support creative problem-solving—within and across sectors—to make the region better for everyone. They invest in people and organizations working on any issue that is important in their communities, primarily through their Community Innovation and Leadership programs. They are awarded through competitive grant and fellowship processes open to all eligible people and organizations in the region. **Learn more about their work here.**

5. Myth: "If we invest in a nonprofit leader who subsequently leaves the organization, we've wasted the investment and failed to help the organization."

Reality: Are organizations better off if they don't invest in employees, and staff with low morale and high burnout stay in place? Or better if they invest in employees, and staff who have high morale and high performance that end up moving on to lead elsewhere?

While nonprofit professionals are the bedrock of organizational performance, people come and go from nonprofits. It is both natural and healthy. In fact, much has been written recently about the "war for talent", and how talent is moving in and out of jobs at a more rapid pace in today's economy. This applies to nonprofits as well as business. The old 'company man' social contract between employers and employees is no longer applicable in the labor market. So we should no longer pretend it applies in nonprofits. In fact, the head of Linked-In, Reid Hoffman, suggests we need a new social contract between organizations and their employees that explicitly acknowledges that people will likely leave in three to five years, and then work to ensure that the employer gets the most out of employees, and that employees gain marketable new skills and experience from the employer.

The more an organization is able to support its team members, the more it is able to recruit and retain excellence, build high performance, move underperformers out, and enable staff alumni to lead in other institutions.

Learn More:

- **Secrets of the Super Bosses** by Sydney Finkelstein, Harvard Business Review, January-February 2016
- **The Alliance: Managing Talent in the Networked Age** by Reid Hoffman (founder of Linked-In) and colleagues, July 2014 *(Note: You can see a visual summary or download the first chapter for free on the website we've provided)*
- **Can Nonprofits Compete in the War for Talent?** by Linda Novick O'Keefe, The Huffington Post, January 2015

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About Fund the People

Fund the People is the national campaign to maximize investment in the nonprofit workforce. To achieve this goal, we make the case, equip for action, and build a movement to change the attitudes and behaviors of funders, fundraising nonprofits, and the intermediaries that support them. There is a long-standing, sector-wide deficit of investment in the nonprofit workforce. Nonprofit professionals work in environments typified by high burnout and stretched resources. So there is a real demand for equitable salaries and benefits, more and better professional development, improved human resources functions, and healthy organizational culture. Together, we can address these challenges by reshaping existing resources to prioritize nonprofit people as the central asset of nonprofit performance. Now more than ever, we can ensure that America's civic leadership is diverse, well-supported, high-performing, and sustainable for the long haul. Launched in 2014 and headquartered in Beacon, NY, Fund the People (originally known as Talent Philanthropy Project) is a project of Community Partners. Our work is informed by an Advisory Council of diverse leaders and a team of skilled staff and consultants, and is supported by a coalition of regional and national foundations.

To learn more about Fund the People visit:
fundthepeople.org

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Fund the People Toolkit

Case Making

Nonprofit Myths and Realities

At a Glance

Type: Case Making Tool

Date: January 2017

Nonprofit Myths and Realities

Introduction

Some nonprofit boards, executives and other leaders continue to employ out-of-date or disproven assumptions about the nonprofit workforce. These implicit assumptions, while often accepted widely, impair the ability of nonprofit organizations to invest in their own people, and endanger the mission and programmatic work of the organization. In order to secure and deploy resources for staff development, you may need to engage in dialogue with your colleagues to surface these myths and help them recognize the usefulness of alternative frameworks.

This tool is meant to help you turn these obstacles into opportunities. Based on what we've heard in the field, we've summarizes five myths. With each, we offer a brief counter narrative and resources to help your organization learn more and shift its thinking.

In order to begin a dialogue at your nonprofit, you may wish to use **Talking Talent for Nonprofits**, which can help you start an internal conversation about how your colleagues perceive the value of investing in staff members and the entire team.

To further that conversation, you may find it useful to distribute the following pages, copy and paste the text into your internal writing, or suggest some of the readings or resources provided in the Learn More section.

1. Myth: "We don't have enough money to invest in our staff."

Reality: It is a matter of priorities and intention. Dollars will flow from there.

If your organization prioritizes staff development, you will be able to find or raise money for staff development.

Nonprofit budgets are moral documents -- they are testimonials of the values and priorities of an organization and its leaders. If boards value their staff members, they can demonstrate it in their fundraising and spending plans.

It's not a matter of how much, but how money is deployed. Nonprofit income tends to be cobbled together from heavily restricted resources. This often leaves little margin for staff investments. In this context, it is up to nonprofit boards and executives to prioritize, plan, budget, and fundraise for staff development expenses, and ensure that restricted resources include funds restricted for the purpose of staff development. It is up to nonprofits to ensure that funders do not define staff development out of the budget. Moreover, it is up to nonprofit leaders to invest unrestricted resources in their team.

Nonprofit people are nonprofit programs. So investing in staff (including administrative and managerial staff) is an investment in program. When organizations disinvest from staff and plow funds into program, they actually risk weakening their programs. Underinvestment in the team creates fertile ground for staff burnout, which damages performance and is costly in both financial and human terms.

The actual direct cost of programs tend to be relatively small in comparison to personnel expenses. Spending the majority of a budget on compensation (which may still be below market), without spending resources on the development of employees, is like putting all your assets into purchasing a house and never painting it, fixing the roof, etc.

When it comes down to it, nonprofits can invest in their people without directing significant financial resources. It is a matter of the time, thought and energy managers take to provide feedback, professional development planning and implementation, stretch assignments, cross-functional learning opportunities, and external networking and learning opportunities. All of this can be done with existing dollars.

Learn More: Many nonprofit boards and staff teams have simply never made the time to proactively discuss the state of staff development, and the needs or desires they have about how an investment should be made in their team.

- Learn more about the deficit of investment in the nonprofit workforce in Fund the People's Toolkit's **Resources Listings** section.

- **Discussion Guide:** We invite you to use the Fund the People Toolkit's brief **Talking Talent for Nonprofits.** This is an essential resource for beginning a productive dialogue within or across the board and/or staff about organizational talent development needs.

- **Fundraising Guide:** Our initial guide on fundraising for nonprofit staff development -*"Talent-Investing: Raising and Granting Funds to Develop Social Change Leadership"*- is available in *The Talent Development Platform: Putting People First in Social Change Organizations.* This guide, written by Rusty Stahl, president & CEO of Fund the People, offers extensive step-by-step guidance and self-diagnostic tools. You can find the book on **Amazon** or find a link to it from the **Fund the People website.**

2. Myth: "We don't have the time to invest in our staff. We're too busy trying to survive. The day-to-day work comes first."

Reality: You are prioritizing immediate needs such as paying for programs or maintaining cash flow over longer-term, less tangible investments in staff. With this attitude your staff is more likely to burn out, programs won't be as good as possible, and your organization won't be able to achieve its mission.

This type of organizational culture in nonprofits leads to feelings of being overwhelmed, staff burnout, dissatisfaction, and high turnover. Nonprofit professionals are unable to effectively deliver the programs and services that their communities need. The myth becomes a self-fulfilling prophecy that ends up harming nonprofits, their causes, and broader movements. Taking the time to invest in nonprofit people is one of the most valuable investments that can be made to help nonprofits to fully deliver on their missions.

Learn More: To address this myth we invite you to use several resources outlined below.

- **Talking Talent for Nonprofits,** a discussion guide to help you begin a productive discussion with the board, staff or both about talent development needs:

- **Thinking Through Choices In Talent Investment,** which outlines the different levels, points in the career trajectory, site of investment, and nonprofit professionals in which funders can make talent investments.

- **Social Entrepreneurial Pathways to a Culture of Wellbeing** (May 30, 2016), a research study by Ashoka Changemakers on of how social innovators – from banking, legal, healthcare, tech, and others – are shifting systems to create a culture of wellbeing for all.

- **Beth Kantor's "The Happy, Healthy Nonprofit"** is a manifesto for a culture shift in the nonprofit sector by starting conversations about the importance of individual self-care and WE-care in the workplace. (2016)

3. Myth: "If we talk about our talent development needs, we will look weak and selfish."

Reality: Talent development is a scary topic to discuss openly with your board members and funders. Asking for funding to fill the gaps in capacity can feel tantamount to saying you're not good enough to do your jobs or to manage the grants you have received. Many nonprofit leaders work in the sector because they have a desire to serve others. Asking for funding to help your staff—and yourself—grow and develop can feel selfish, even though it is essential.

If your organization does its planning and uses "strategic vulnerability", you can be successful at securing talent investments from funders who care about your work. Talent investments can result in increased levels of organizational effectiveness and performance. Therefore, it is critical for nonprofits to seek funding to develop staff.

Internalized Oppression > Exploitation

Learn More: To address this myth we invite you to use several resources outlined below.

- **Talking Talent for Nonprofits,** a guide to begin a productive discussion with the board, staff, or both about talent development needs.

- **Talking Talent Between Funders & Nonprofits,** a guide for discussions among funders and nonprofits.

4. Myth: "We cannot ask. Our staff development needs are not something funders want to talk about. They think of it as overhead."

Reality: Funders who support your work may invest in your talent if you show that it is a priority for your organization, and make a compelling case.

Nonprofit fundraisers believe that most funders see investing in programs, not people, as the priority. Many say they are discouraged from even asking for a conversation on the topic. Grantmaking guidelines, requests for proposals, and grant budget templates tend to minimize talent development in favor of underwriting products, programs, and results.

Learn More: To address this myth we invite you to use several resources outlined below.

- The Harry and Jeanette Weinberg Foundation is a good example of a funder who is interested in learning about their potential grantees' talent development needs. The Foundation's **online application** now features a set of questions on the subject. Want to know what they've learned? Read our **field story**.

- **Talking Talent for Nonprofits,** a discussion guide to help initiate productive discussions about talent development priorities in your organization with your colleagues on the board, staff, or both.

- **Overhead Madness,** a report from Full Costs Project which presents baseline data on the spectrum of current funder and sector practices that relate to real cost funding. This project objectively assesses the full cost for organizations to deliver their purpose for social good.

5. Myth: "If we invest in our staff, they'll gain skills and then leave or be poached by another organization."

Reality: When there is limited room for advancement or growth, your staff begins to feel stymied and pursues other opportunities. While investing in your team doesn't guarantee they will stay indefinitely, when you prioritize their growth and development you help to increase their job satisfaction. This supports them staying with the organization and doing their best work.

Fund the People believes that in the nonprofit sector, staff naturally come and go. However, this should not stop nonprofits from investing in professional development for their staff. The more an organization is able to support its team members, the more it is able to recruit and retain excellence, build high performance, move under-performers out, and enable former staff to lead in other institutions. The key is for nonprofits that invest in their staff's professional development to develop strategies and practices to institutionalize the knowledge these staff members have gained. This will allow for the wisdom of transitioning staff to remain with the nonprofit.

As the Pierce Family Foundation states in their **field story** "when talented individuals move from one organization to another, they are further benefiting the sector overall because they are sharing and applying the skills and knowledge they've learned more broadly."

Learn more: The following resources provide helpful information to combat this myth.

- **The Alliance: Managing Talent in the Networked Age**
  Co-authored by Reid Hoffman, founder/chairman of LinkedIn, The Alliance teaches managers how to recruit, manage, and retain the entrepreneurial employees your business needs to succeed in the networked age.

- **"The Case for Investing in Nonprofit Talent"**
  A blog post by Exponent Philanthropy co-written by Rusty Stahl, president & CEO of Fund the People, and Hahn Le, executive director at the Weissberg Foundation.

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Fund the People Toolkit

Case Making

Less Than We Thought

At a Glance

Type: Research Brief

Authors: Benjamen Douglas & Rusty Stahl

Date: January 2017

Less Than We Thought

A New Analysis of Foundation Investment in the Nonprofit Workforce

Introduction

The central narrative about the nonprofit workforce since the early 2000s focused on a "deficit of leaders." This discourse gained traction after the publication of a Bridgespan Group report entitled *The Nonprofit Sector's Leadership Deficit.* Fund the People has argued since 2013 that there is not a lack of leaders in the nonprofit sector; rather, the problem is a dearth of investment in nonprofit leaders and the entire nonprofit workforce. In 2015, Bridgespan published new research clarifying and updating their research, reframing the issue as *The Nonprofit Leadership Development Deficit*.

This deficit of investment in nonprofit people has created an enduring bottleneck on the nonprofit leadership highway. The roadway is inaccessible and unaffordable to diverse potential leaders, people stagnate and burnout along the way, and long-serving leaders cannot easily transition or retire in a dignified and productive fashion. This status quo is detrimental to the performance, impact, and sustainability of nonprofit organizations and their supporters. This problem is complex, and it has roots in problematic attitudes about the merits and nature of nonprofit work.

Responsibility lies with all stakeholders—boards, executives, fundraising professionals, line-staff, government, donors, foundations, and other groups. Each can help increase investment in nonprofit people through what we call **talent-investing.** We argue that foundations must play a central role in jump-starting this change. Unlike nonprofits, grantmakers have the power to shape the intentions and restrictions of financial capital flowing into the sector. Unlike most governmental entities and major donors, organized philanthropy combines outsized power and influence in the sector, unique flexibility in how they deploy capital, and a serious stake in the effectiveness of their grantees and causes.

Fund the People was formed to advance the change of attitudes and behaviors that can lead to expansive investment in the nonprofit workforce. In 2013 we worked with the Foundation Center to understand the scope and scale of foundation funding for nonprofit staff development in recent history. We found that only 1% of foundation grants went to nonprofit talent. But because the concept of investing in the nonprofit workforce is relatively new to most of the foundation community, the ways grants are summarized and labeled made us question the data. In this report, we share exactly what is included in that 1% of grants and why our previous finding was overly optimistic.

Key Findings

- **Of the 1% of foundation grants previously believed to be investments in nonprofit talent, only 65% can accurately be classified as such**
- **Of the grants in the initial data set, our analysis disqualified several of them. For example, we judged 17.5% were not investments in talent, 14.5% not applicable, and 2.7% unclear**
- **The median size of grants we categorized as "talent-investments" are in the range of $40,000-$50,000**

Context

Several years ago, two simultaneous studies reported that only 1% of foundation grants are used to develop nonprofit leaders and employees. Laura Callanan, then a Senior Fellow at the Foundation Center and affiliated with McKinsey & Company, published scholarship on the subject.[1] In a similar endeavor, Rusty Stahl of Fund the People (then Talent Philanthropy Project) produced an article entitled **Defining Talent Philanthropy**.[2] Callanan and Stahl queried the same Foundation Center database with slightly different search parameters, and reached the same conclusion: an investigation of the veracity and stewardship of investment in nonprofit leadership by foundations was essential to the sector's survival.

To understand what lay beneath these numbers, in 2016, Fund the People completed a detailed statistical analysis of the grant files that comprised the Foundation Center data set's 1%. Our goal was to determine which grants fully or partially offered a talent-investment in support of the recipient organization's staff, board, or volunteers. We included investments in planning or evaluation for such investments. This research brief shares the results of our analysis.

The Data

Fund the People worked with the Foundation Center to create a custom, query to identify grants that could be defined as talent-investments.[3] Our data is based on a set of grant records pulled from the Foundation Center's grants database, which includes all grants of $10,000 or more awarded to organizations by private and community foundations between 1992 and 2011. The database consists of grant records from approximately 1,000 of the largest private and community foundations. Among community foundations, only discretionary and donor-advised grants are included.

We recognize there are limitations to this data set, and we believe it is important to consider within these limits. Because this data set is composed only of grants, it does not include fellowships, trainings, awards, and other leadership development activities paid for and managed directly by foundations for the benefit of their grantees. We recognize that foundation-administered programs are one of the ways foundations invest in nonprofit people; however the Foundation Center does not track them, and we are not aware of a centralized data source for such activities. Moreover, we are interested in how foundations use grants to enable grantee organizations to support their staff, beyond when foundations create their own branded programs and trainings.
(For more on the dynamic tension of who controls the focus of talent-investments, check out Talent-Investment Menu.)

Analysis

Fund the People conducted two related analyses of the data:

1. We coded a randomized sample of 641 grants made during 1992-2011, plus every grant in the data set awarded during 2009-2011. Our coding system determined whether a grant was:

- Fully or partially a talent-investment in a US nonprofit or school
- Not a talent-investment
- Not applicable, because they funded a non-US nonprofit or school
- Not clear whether it provided a talent-investment

Findings for 2009-2011

Category	Amount
Talent-investment	$321,613,193
Not talent-investment	$55,815,578
N/A	$94,581,996
Unclear	$12,264,865
TOTAL	$484,275,632

When counted by the **number of** grants awarded:
- 68.3% were talent-investment
- 16.5% were not talent-investment
- 11.1% were not applicable
- 4.1% were unclear

What this means: 31.7% of the grants we previously identified as talent-investments were not, or could not be, verified as such.

When counted by the **dollar amount** of grants awarded:
- 66.2% of dollars were talent-investments
- 19.6% of dollars were not applicable
- 11.7% of dollars were not talent-investments
- 2.6% of dollars were unclear

This means: 33.9% of dollars previously identified as talent-investments were not, or could not be verified as such.

Findings for 1992-2011 (randomized sample)

When counted by the **number of** grants awarded:
- 58.3% were talent-investments
- 25.4% were not talent-investments
- 14.4% were not applicable
- 1.9% were unclear

This means 41.7% of grants previously identified as talent-investments were not, or could not be verified.

When counted by the **dollar amount** of grants awarded:

- 68.6% of dollars were talent-investments
- 12.9% of dollars were not applicable
- 16.4% of dollars were not talent-investments
- 2.0% were unclear

This means 31.3% of dollars previously identified as talent-investments were not, or could not be verified.

Variations Between 2009-2011 and 1992-2011 Results

	Dollars 1992-2011	Dollars 2009-2011	Number of Grants 1992-2011	Number of Grants 2009-2011	Average
Talent-Investment	68.6%	66.2%	58.3%	68.3%	65.4%
Not Talent-Investing	16.4%	11.7%	25.4%	16.5%	17.5%
Unclear	2.0%	2.6%	1.9%	4.2%	2.7%
Not Applicable	12.9%	19.6%	14.4%	11.1%	14.5%

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Conclusion

Regardless of whether you analyze every single grant, or a random sample—or whether you calculate grants based upon the number awarded or dollar amount—it is fair to say that only 65% of grants that were previously considered to be talent-investments can accurately be classified as such. This means that rather than representing one percent of grants, talent-investments constitutes only slightly more than one-half of one percent of total foundation grantmaking. The hole is deeper than we thought. The call for foundations and their grantees to maximize investment in the nonprofit workforce could not be more urgent.

Appendices: Talent-Investment by the Numbers

Top Funders of Talent by Dollar Amount or Number, 2009-2011:

Funder	Number of Grants	Amount Awarded
The Andrew W. Mellon Foundation	28	$8,281,000
Bill & Melinda Gates Foundation	51	$65,170,431
The California Wellness Foundation	47	$5,995,000
Ford Foundation	36	$8,373,000
Oberkotter Foundation	50	$5,285,222
The Oregon Community Trust	41	$1,559,135
Robert Wood Johnson Foundation	38	$24,533,794
The San Francisco Foundation	59	$1,473,900
Wallace Foundation	9	$15,565,000
W.K. Kellogg Foundation	27	$11,879,979

What's in the Data?
Top Five Largest Grants, 2009-2011:

Talent-Investment

Grantmaker	Recipient	Amount	Description
Bill & Melinda Gates Foundation	Atlanta Public Schools	$10,000,000	To build the necessary capacity, processes, and tools that will lay a strong foundation to accelerate the district's human capital reform work
Bill & Melinda Gates Foundation	Denver Public Schools	$10,000,000	To accelerate the district's human capital reform by implementing a teacher performance management system with student achievement and growth at its core
The Duke Endowment	Duke University Health System	$9,000,000	To assist with neuroscience faculty recruitment
Bill & Melinda Gates Foundation	DC Public Education Fund	$4,038,768	For continued development of Teacher Data and Professional Development Platform
Bill & Melinda Gates Foundation	Teach Plus	$4,010,611	For program expansion and to create a national network of informed teachers, through an intensive training program for teaching fellows and less intensive network-building activities for additional teachers

Not Talent-Investment

Grantmaker	Recipient	Amount	Description
F.M. Kirby Foundation	Wake Forest University	$2,025,000	For Wake Forest Fund-$25,000; toward Office of Personal and Career Development (OPCD) program-$1,000,000; to name and endow F.M. Kirby Foundation Chair of Leadership Development within the Office of Personal and Career Development (OPCD)-$1,000,000
The John D. and Catherine T. MacArthur Foundation	National Juvenile Detention Center	$1,425,000	For training and technical assistance to state and local juvenile justice professionals and agencies in Models for Change states, and to launch the Models for Change Juvenile Court Curriculum nationwide
W.K. Kellogg Foundation	Connecticut Commission on Children	$1,200,000	To strengthen civic engagement skills of parents by supporting the national expansion of the Parent Leadership Training Institute
Ford Foundation	Mexican American Legal Defense and Educational Fund	$1,000,000	To strengthen financial base; expand regional reach; and focus litigation, public policy, and community leadership development around immigration, language, education, and related issues
The Robert Wood Johnson Foundation	The University of North Carolina	$801,175	To enable young physicians committed to clinical medicine to acquire new skills and training in non-biological sciences important to medical care systems

N/A

Grantmaker	Recipient	Amount	Description
Bill & Melinda Gates Foundation	Ministry of Culture of the Republic of Bulgaria	$14,999,853	To implement programs to increase access to computers and the internet in Bulgarian public libraries, and provide training and support services for librarians and library users
Doris Duke Charitable Foundation	Health Alliance International	$10,000,000	For Strengthening Integrated Primary Health Care and Workforce Training in Sofala Province, Mozambique
Bill & Melinda Gates Foundation	Association for Aid with Preventive Medicine	$4,315,471	For development of health logistics as a profession in developing African countries through establishment of training program and centers for government logisticians in vaccine logistics and supply chain management
Conrad N. Hilton Foundation	Marywood University	$2,000,000	To extend Sisters Leadership Development Initiative to increase technical, management, and leadership skills for female students ministering in Africa
Omidyar Network	MicroSave India	$2,000,000	For research, toolkit, curriculum development, extensive information dissemination, and training service providers

Unclear

Grantmaker	Recipient	Amount	Description
The John D. and Catherine T. MacArthur Foundation	Policy Research	$1,275,000	For training and technical assistance to the Models for Change states
Ewing Marion Kauffman Foundation	KIPP Foundation	$500,000	To support KIPP with matching funds for the Department of Education's i3 grant to the KIPP Foundation, the consortium of KIPP schools, and regional organizations in support of KIPP's leadership development programs and network growth efforts
Robert W. Woodruff Foundation, Inc.	American Foundation for the Blind	$500,000	For training resources on the Low Vision Technology initiative as part of the 90th anniversary campaign
The John D. and Catherine T. MacArthur Foundation	Massachusetts Institute of Technology	$500,000	For interdisciplinary program of research and training to strengthen scientific advice on international security policy
Meyer Memorial Trust	Blue Mountain Community College	$400,000	For matching grant to build Eastern Oregon Higher Education Center in Hermiston to support workforce training, and undergraduate, and graduate-level degree programs

Outliers

As we analyzed the data, we found several categories of grants that we did not anticipate. Examples of these outliers include grants for:

- Training doctors in various scientific skills
- Teacher development in school systems
- Skills-trainings for grassroots community members
- Student leadership programs
- Government employees, including training for police and justice personnel
- Capital campaigns to fund training centers
- Workforce training
- Clergy and lay leadership training

[1] Callanan, L. (2014). Under-investing in social sector leadership. PhilanTopic, a Foundation Center blog. Available at http://pndblog.typepad.com/pndblog/2014/02/underinvesting-in-social-sector-leadership.html

[2] Stahl, R. (2013). "Talent philanthropy: investing in nonprofit people to advance nonprofit performance." The Foundation Review, volume 5, issue 3. Available at http://www.fundthepeople.org/downloads/Talent-Philanthropy-Article-in-Fdn-Rvw.pdf

[3] Our query captured grant records that included the following Foundation Center keywords, tags and labels: leadership develop*, staff develop*, staff train*, training, professional develop*, human resources, staff support, human capital, personnel, coaching, sabbatical, or recruitment (in the grant description) in combination with either type of support codes: management development (13) or faculty/staff development (42 or activity codes with a primary or secondary purpose of nonprofit management (S50), leadership development (W70), management/technical assistance (A02-Y02), or volunteer bureaus (A16-Y16).

About Fund the People

Fund the People is the national campaign to maximize investment in the nonprofit workforce. To achieve this goal, we make the case, equip for action, and build a movement to change the attitudes and behaviors of funders, fundraising nonprofits, and the intermediaries that support them. There is a long-standing, sector-wide deficit of investment in the nonprofit workforce. Nonprofit professionals work in environments typified by high burnout and stretched resources. So there is a real demand for equitable salaries and benefits, more and better professional development, improved human resources functions, and healthy organizational culture. Together, we can address these challenges by reshaping existing resources to prioritize nonprofit people as the central asset of nonprofit performance. Now more than ever, we can ensure that America's civic leadership is diverse, well-supported, high-performing, and sustainable for the long haul. Launched in 2014 and headquartered in Beacon, NY, Fund the People (originally known as Talent Philanthropy Project) is a project of Community Partners. Our work is informed by an Advisory Council of diverse leaders and a team of skilled staff and consultants, and is supported by a coalition of regional and national foundations.

To learn more about Fund the People visit:
fundthepeople.org

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