

2012

# The McKnight Foundation Southeast Asia Grantmaking Program Grantee Perceptions Evaluation Report



Executive Summary

Prepared by



## Introduction

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For nearly 30 years The McKnight Foundation has supported the people and communities of Cambodia, Laos, and Vietnam. Originating with an initial grant of \$10,000 in 1983 to provide basic health care to refugees living in camps on the Thai-Cambodia border, the program has continuously sought to improve the lives of the region's most vulnerable populations – among them refugees, landmine victims, ethnic minorities, exploited women and girls, and other marginalized communities. Over the years the Southeast Asia grantmaking program has grown substantially and adapted to the changing needs and challenges of the regional population, shaped by its evolving political, socioeconomic, and environmental conditions.

The McKnight Southeast Asia grantmaking program currently provides approximately \$2 million in grants annually, and has invested more than \$23 million in the region since the program's inception. While grantmaking strategies have changed with the region's most pressing needs – moving from the provision of basic services to integrated development programs to rights-based advocacy work – the Foundation's commitment to the region's at-risk populations has been steadfast.

In 2011, the Foundation engaged The Philanthropic Initiative, Inc. (TPI) to conduct an independent evaluation of the Southeast Asia grantmaking program. The framework for the assessment is one of *grantee perceptions*. The McKnight Foundation asked TPI to gather grantee perceptions in four areas: the application and proposal process, the reporting process, the quality and effectiveness of the relationship between the grantees and the Foundation, and program impact. The key findings from the evaluation are reported below, organized around these four categories.

The study's methodology was straightforward. In order to obtain nuanced and comprehensive information in the face of certain linguistic and cultural challenges, information was gathered through in-person interviews conducted in November/December 2011. In Laos and Vietnam interviewers conducted individual interviews; in Cambodia the team conducted focus groups. Interviewers also met with "peer organizations" in each country.

As part of the overall evaluation effort, the Foundation also commissioned a companion report to capture the history of the regional grantmaking program. This report, *The McKnight Foundation Southeast Asia Grants Program, 1983-2011*, summarizes the regional grantmaking program's origins, evolution, and key inflection points.

## Application and Proposal Process

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The McKnight Foundation uses an open, two-step, on-line application process that includes an Initial Inquiry and a full application by invitation. The Initial Inquiry process is very helpful to applicants, although timing can be a bit of a challenge in some instances. The on-line process is relatively new so many grantees participating in the evaluation had experience with both the previous “hard copy” system and the current electronic process. Among the key findings:

- The general approach is appropriate and generally well regarded. The two-step process is very helpful; avoiding investment of unnecessary time. The application questions are appropriate. Supporting documentation can be difficult to provide.
- Interaction with foundation staff and consultants during proposal development is critical for some grantees.
- Several NGOs, particularly in Cambodia, found the questions too rigid and limiting. Some grantees believe that the application is out-of-alignment with the Foundation’s widely respected reputation for understanding and adapting to the NGO context in which it works.
- Perceptions of the “user-friendliness” of the on-line system vary, depending largely on the size and capacity of the NGO involved. The differences in experience can generally be attributed to the level of English fluency, computer literacy, and cultural and community practices.

## Reporting Requirements and Process

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McKnight grantees submit narrative and financial interim and end-of-project reports. While the Foundation is transitioning to an on-line reporting system, few grantees had yet used it. Perceptions were thus based largely on the previous paper-based process.

- By and large, grantees report a very positive experience in meeting the Foundation’s reporting requirements – often describing them as “reasonable, straightforward, and flexible.”
- Some grantees observed that the reporting process was very helpful in prompting them to “reflect on the highlights” of their programs. “It is a good process for us, as grantees, to report on the big picture.”

- Grantees in all three countries noted that the reporting requirements generally reflected the Foundation’s deep understanding of the region and its NGOs. The Foundation’s emphasis on qualitative information is perceived as appropriate to the regional environment and the NGOs with whom the Foundation partners.
- Grantees would welcome feedback from the Foundation on their reports – a substantive dialogue regarding a report’s content and findings.
- There is significant concern about the current migration from a paper to an on-line system, based on the difficulties some grantees have with the on-line application process.

## Foundation and Grantee Relationship

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Here the aim was to explore the Foundation’s understanding of and adaptation to the environment in which the grantees work; the general nature and characteristics of the foundation/grantee relationship; and the effectiveness and timeliness of communication.

- The overall grantee perception of the relationship with the Foundation is exceedingly positive. The local consultants are widely respected for their knowledge of the issues and environment, the respect they exhibit for the grantees, and their openness and willingness to help.
- Trust and a true sense of partnership is a theme that ran through the interviews.
- The availability (in person and on-line) of Foundation staff and consultants has been more than adequate for some, but sporadic and problematic for others.
- Some grantees reported a sense of ambiguity about the difference between the Foundation and the local representative, and their respective roles. There was additional ambiguity around the level of direct involvement the local consultant should have with grantees, i.e., in goal setting or organizational operations.

## Southeast Asia Grantmaking Program Impact

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In November 2009, the McKnight Foundation Board redefined the Southeast Asia grantmaking program mission:

***“Through community building and empowerment, our goal is to strengthen local institutions and initiatives that sustain and improve the livelihoods of the most vulnerable people in Cambodia, Laos, and Vietnam.”***

To accomplish its mission in Southeast Asia the Foundation has defined three key strategies. The Foundation supports (1) efforts to increase self-determination for indigenous and ethnic minority communities, (2) efforts to increase community resource rights related to rural land, forests, rivers, and coastal resources, as well as – in some cases – urban housing and other resources, and (3) balanced approaches toward better management of natural resources in ways that support both local communities and biodiversity conservation. Grantees were asked to comment on the strategies.

- The Foundation’s overall focus is spot-on. As vulnerable populations in the three countries are increasingly threatened by economic, political, and commercial pressures concerted efforts to protect and strengthen their communities and livelihoods is critical.
- The strategies – emphasizing efforts to protect and strengthen community resource rights and management – are also effective ones, though may not be sufficient without an additional focus on national and sometimes local policy changes.
- Foundation funding has been instrumental in building the capacity of local organizations and in empowering communities. Many organizations and communities have better tools and skills for collective action and self-advocacy, and are able to more effectively work with local authorities.
- Factors contributing to the Foundation’s impact include its willingness to take risks and be an “early stage” funder of new organizations, provide multiple-year funding, and offer core (rather than project-specific only), flexible organizational support.
- Factors limiting the Foundation’s impact include the absence of consistently available local staff to work with grantees and stay on top of changes and challenges occurring in the region, the limited level of overall funding, the lack of engagement with national policy- and decision-makers and perhaps the consultant’s influence on foundation strategy and selection of partners.
- To increase success in achieving its goals, the Foundation should consider efforts to encourage and facilitate knowledge sharing, network-building, and potentially stronger collaboration, among its local partners/grantees.

## Conclusions and Recommendations

The McKnight Foundation is highly respected by both grantees and peers in Southeast Asia and perceived as having an important impact in regard to the Foundation's regional goals. The Foundation is admired for its knowledge of the substantive issues and the operating environment, the respect it exhibits for grantees, its openness and willingness to help, and its flexibility. Its goals are viewed as correct, timely and essential; its strategies are seen as appropriately targeted; and its impact is described as instrumental in building NGO capacity and empowering communities.

Our strongest recommendation is to “stay the course.”

The in-country evaluation also identified some specific aspects of the program that could be improved or enhanced to strengthen current and future program impact. The recommendations below are offered as opportunities to fine-tune the Southeast Asia grantmaking program to institutionalize the program's strengths, address its weak or vulnerable attributes, and avoid potential future difficulties.

The principal recommendations, articulated below, aim to:

- Further align the grant process – including proposal and reporting requirements – with the local environment, including organizational capabilities and cultural norms.
- Ensure objectivity and transparency in the grantmaking process.
- Develop a stronger institutional identity of the Foundation in Southeast Asia.
- Increase long-term program impact.

Each of these areas is considered below. Specific recommendations, while identified in the most relevant subsection, often could benefit more than one of these areas.

### The Grant Process

The general proposal approach is perceived as well-conceived. Grantees feel the two-step process, starting with an initial inquiry, is helpful, and the questions are perceived as appropriate. The assistance of the local consultant in helping with the proposal process has provided great value to some grantees, particularly in Cambodia. Weaknesses in the process include (1) a lack of widespread knowledge about the grant competition, (2) difficulties posed by the new online system, particularly for smaller and indigenously-led NGOs, and (3) the level of responsibility or influence concentrated in one individual, and related concerns around the decision making process. The following recommendations address these challenges.

- Publicize the grant opportunity more broadly.

- Improve the online system to better align with local practices and capacity.
- Ensure that the timeline is clear, reliable and responsive to grantee needs.
- Clarify the role of consultant(s).
- Ensure that the online system is user-friendly.
- Provide substantive feedback on grantee reports.

## Objectivity and Transparency

The McKnight Foundation is widely regarded for its openness and willingness to be helpful to grantees. At the same time, some grantees and peers expressed a concern that the local consultant has too much influence over the grantmaking process. While the evaluation did not indicate that this was a widely-shared perception, we suggest that the McKnight Foundation’s long term strategy aim to systematize policies and processes that ensure objectivity and transparency.

It is important to note that the scope of this evaluation was limited to “grantee perceptions.” It did not include a multiple-stakeholder assessment of the Foundation’s operational procedures or the overall grant decision process. Therefore, the following recommendations are based on limited knowledge and should be viewed as issues to consider rather than firm recommendations for changes.

- Ensure that personnel roles and grantmaking processes are such that no one individual has undue influence over grant decisions.
- Consider the formation of a regional advisory group. An advisory group could contribute to program strategy, objectivity, and impact.

## Foundation Identity

To date, the local consultant has been the key representative of the Foundation in the region. The majority of grantees have great respect for the consultant and through him, the Foundation. But among many grantees there is limited understanding of the Foundation more broadly, including a lack of knowledge regarding other Foundation activities (grants) in the country or the region. For some grantees, there is an uncertainty about when/if the consultant is representing the Foundation’s views or his own personal perspectives.

We recommend that the McKnight Foundation develop a stronger institutional presence that is not subject to the interpretation of any individual. A stronger and clearer identity could be established in a variety of ways, including:

- Develop and/or translate some website content into local languages.

- Ensure that consultant(s) are representing the Foundation effectively. Develop talking points and/or other useful tools and materials for consultants.
- Develop brief written materials on the Foundation to be used within the region.
- Consider more regular trips to the region by staff and/or board members.
- Consider an annual or biannual grantee convening(s), either by country or region, that includes foundation staff and possibly board members.
- Consider a quarterly letter or regional summary from the Vice President.
- Consider the pros and cons of a direct hire staff person, rather than a consultant, for the regional program.

## Program Impact

To accomplish its mission in Southeast Asia, the Foundation has defined three key strategies. It strengthens local institutions and initiatives by supporting (1) efforts to increase self-determination for indigenous and ethnic minority communities, (2) efforts to increase community resource rights related to rural land, forests, rivers, and coastal resources, and (3) balanced approaches toward better management of natural resources in ways that support both local communities and biodiversity conservation.

To a large extent, these strategies are considered “spot-on” and critical to the overarching objective of sustaining and improving the livelihoods of the most vulnerable people in the three countries. That said, there are a few considerations regarding how the Foundation might strengthen its impact.

- Consider additional complementary strategies (such as working to influence policy) that may be critical to achievement of goals.
- Consider national and/or regional advisory group(s). As noted above, such a group could provide wider visibility, broader knowledge and perspectives, and objectivity.
- Consider ways to incorporate systematic, ongoing, formative evaluation.
- Provide more feedback to grantees.
- Consider ways to facilitate learning and potential collaboration among grantees.
- Continue to seek out ways to collaborate with other regional funders.

## Endnote

For nearly three decades the McKnight Foundation has sought to improve the lives of the most vulnerable peoples of Cambodia, Laos, and Vietnam. While geographic focus and grantmaking strategies have changed over time, evolving to address the economic and social needs of the populations, the commitment to assist marginalized communities and neglected populations has remained steadfast. Hallmarks of the regional program are its overarching goal of improving the lives of the countries’ most vulnerable and marginalized people, its long-term commitment to the region, its



emphasis on developing local organizational capacity and expertise to “lead locally,” and the direct engagement of Foundation Board members with the program’s grantees and beneficiaries.

The Foundation is highly regarded among both current grantees and peers for its commitment to the region, its knowledge of the issues, its respect for its partners, and its willingness to be flexible. The recommendations above seek to strengthen and systemize these most admirable qualities.