

TRUST IN WOMEN: GIVE GENERAL SUPPORT

Not all grants are created equal. At the Global Fund for Women, we believe that the way you grant can have as much of an impact as the grant itself.

As the world's largest women's fund, we've heard from our grantees and sister funds that funding for women's human rights is increasingly restricted to project-specific work. This trend has impacted the ability of women's groups to have flexible funding that covers both operating and programmatic needs. Given that the Global Fund is one of the largest funders of *core operating support* for women-led organizations and movements worldwide, this working paper explores new research on the effectiveness of flexible grantmaking and an independent evaluation of Global Fund's approach. We hope this will lead to more strategic grantmaking in the philanthropic world, and offer a powerful argument for women's groups to advocate for the resources they need to build effective organizations and movements for social change.

Research Findings on General Support

It is well known throughout the nonprofit world that general support is hard to come by. In fact, according to the Foundation Center, only 20 percent of grants from the largest private and community foundations are for general operating support.¹ 'General support,' 'core operating,' 'flexible,' and 'unrestricted' are often used interchangeably, but they all basically mean that grantees can use funds, "for the day-to-day operating costs of an existing program" or "to further the general purpose or work of an organization."² In a survey of 1,000 women's rights organizations worldwide, the Association for Women's Rights in Development (AWID)³

found that it was, "most difficult to find funding for staff salaries, administration and capacity building." The result is a struggling women's rights movement trying to keep basic operations afloat.



PERCENTAGE OF GRANTS FROM THE LARGEST PRIVATE AND COMMUNITY FOUNDATIONS DESIGNATED FOR GENERAL OPERATING SUPPORT¹

The sentiments expressed by the global women's movement in the AWID report are also echoed by U.S.-based nonprofits. In the 2011 State of the Sector Survey conducted by the Nonprofit Finance Fund, half of 1,935 nonprofit leaders wanted funders to give more general operating support.⁴ A 2008 Center for Effective Philanthropy survey of 79 foundation CEOs and 20,000 grantees of 163 foundations concluded, "foundations ought to provide operating support grants" to make the greatest impact on grantees.

If the consensus is that general support is critical for organizations, then why don't more funders provide such support? Many argue that general

support grants can't be evaluated as effectively as project support. However, what is evaluated should reflect intended outcomes, and the level of desired change. Recent studies conducted by two foundations—California Wellness and Blue Shield of California—found that general support helped grantees build long-term sustainability and strengthen organizational capacity. The Blue Shield study found that general support enabled 98 percent of the 200 community health clinics maintain clinic operations and helped them, “augment their visibility, credibility and legitimacy” to leverage additional funds.⁵

A 2011 study⁶ on funding for medical research found general support yields higher impact results than restricted funding. In comparing flexible research funds from the Howard Hughes Medical Institute with restricted grants from the National Institutes of Health (NIH), economists found the Howard Hughes flexible grants led to “higher-impact research” because researchers could re-direct funding to another more promising research area, whereas NIH researchers were stuck with their set research goals.

The issue, therefore, isn't whether general support can be evaluated; it's *what* is being evaluated. Grantmakers for Effective Organizations argues that giving general support requires shifting the focus from the program-level to the broader social benefit and organization-level impact of grantees. By “looking at alternate metrics and accountability models for core support, the lack of control or the perceived inability to measure success is defrayed.”⁷

Myths About Unrestricted Funding

It's Not Strategic. The research is clear: allowing groups the ability to work with more flexibility results in higher quality outputs.

It Can't Be Evaluated. Unrestricted grants can be evaluated but may require a different methodology. The evaluation focus shifts from the program-level to the social benefit produced by the organization, from community practices to public policies.

There is no accountability for the funds. Unrestricted funding requires strong due diligence up front, followed by a respectful, collaborative partnership between donor and grantee. Grantee partners tell us that with unrestricted grants, they are more honest about their challenges and accomplishments than when reporting on restricted grants.

Independent Research on Global Fund for Women Grantmaking

To assess the impact of general operating support on our grantees, Professor Lyndi Hewitt of Hofstra University is conducting an analysis using a random sample of 82 grantee partners. At this stage, Hewitt identifies three key advantages of providing unrestricted funding to grantees: promotion of strategic acumen, support of ideological freedom, and continuity.



Granting Women Freedom to Be Bold

In 2003, Global Fund gave Leymah Gbowee and her organization Women in Peacebuilding Network a \$10,000 general support grant. At great risk to their lives, they staged an historic sit-in for peace at a hotel in Accra, Ghana where official peace talks were being held between the militia and government. For three decades, these

warring factions had perpetuated civil war, claiming over 250,000 lives and the brutal rape of thousands of women. The Liberian women had had enough. They literally linked arms and blocked the doors of the meeting until a deal was finalized. The peace accord was finally signed.

Over seven years, Global Fund gave \$50,000 in general support grants to Leymah's organizations, which they used for core operations and advocacy. Although they received other funding, Global Fund was among their only sources of flexible funding. "The flexibility and significance of the general support grant cannot be overemphasized," Leymah wrote to us. Today, Leymah receives the Nobel Peace Prize and has been appointed to negotiate peace among Liberia's warring parties.

LEYMAH GBOWEE ©MICHAEL ANGELO FOR WONDERLAND

Strategic Acumen

Hewitt finds that Global Fund's general support grants empowered organizations to use "strategic acumen," which is defined as "a set of critical steps in which activists adapt their tactics and discourse to developments in the broader political and cultural environment."⁸ Organizations with strategic acumen are able to face a setback, assess why, and use this information to adapt their strategy, particularly in response to political, financial or cultural shifts. In reviewing final reports, Hewitt found, "explicit claims that unrestricted support enabled [grantees] to act strategically."

One organization Hewitt cites as exercising strategic acumen is Grameena Mahila Okkuta (GMO), a group working to establish women's property rights in India. As they began their advocacy, they soon realized that the women in north Karnataka—challenged by multiple barriers of poverty, illiteracy and caste discrimination—were not as organized as women in other districts and could not clearly articulate their hopes and aspirations. Furthermore, because of devastating floods, local women's groups were focused on relief efforts, not on rights. GMO recalibrated their strategy and

focused more on equity in relief distribution, housing and building the skills and confidence of the women, key first steps before more transformative change could be catalyzed.

Ideological Freedom

In addition to strategic acumen, Hewitt also found that Global Fund's general support gave grantees ideological freedom to, "be who they are," which is crucial since many grantees work on controversial issues, such as sexual and reproductive rights, or issues not considered "hot" by international donors. "Externally driven pressure to 'follow the money' censors organizations from using indigenous knowledge," says Hewitt, "and from freely exercising ideological and strategic autonomy." Hewitt cites one grantee that reported, "One of the unique strengths of a Global Fund grant is that it does not come with the baggage of an agenda." Hewitt also found that grantees used general support funds more carefully and efficiently, compared with other types of grants.

Promoting Continuity

General support grants promote continuity and consistency of approach, according to Hewitt. Many grantees reported the challenge of covering staff salaries, which negatively affected the organization's ability to work consistently "because of staff turnover." Hewitt also emphasized

the value of ongoing support in an organization's ability to, "develop linkages, gain credibility in their communities and execute sustainable projects."

In conclusion, Hewitt found that in an era of shrinking funds, "organizations working for positive social change need unrestricted funding, perhaps more than ever, so that they can analyze and act strategically (and quickly) to respond to local needs appropriately." *If grantmakers want to support movements effectively, promoting strategic capacity and action should be a high priority.* Hewitt concludes, "unrestricted and consistent funding has distinct advantages over and above one-time restricted funding."

Global Fund's Grantmaking Philosophy

In our first annual report from 1989, we defined our grantmaking philosophy as one, "of partnership and respect for the wisdom of people, particularly women, within their own communities." We set out to practice feminist philanthropy with trust and respect for women's expertise by giving women's groups general support. Since we fund about 24 percent of the proposals we receive, our process is rigorous, competitive and depends on the expertise of our regional advisors, board members and program staff.

What we've learned in over 23 years is that our grantmaking approach has helped strengthen strategic organizations and a resilient global women's movement. We've heard from the movement that when organizations have more flexible funding, they have greater freedom and agency to



LIBERIAN WOMEN DEMONSTRATE AT THE AMERICAN EMBASSY IN MONROVIA AT THE HEIGHT OF THE CIVIL WAR IN JULY 2003
 PHOTO: PEWEE FLOMOKU

determine their priorities and allocate resources where it is most needed, such as for operations, programs or campaigns. Today, we still prioritize flexible funding because we have learned that this form of philanthropic support leads to the following inter-connected outcomes:

Long-term Sustainability:

- » Helps organizations cover basic operating costs, including recruiting and nurturing talented, multi-functional staff.
- » Ensures that organizations build and sustain capacity and infrastructure, while staying focused on mission.

Flexibility and Resilience:

- » Organizations can be more responsive to changing environments, external pressures, emerging needs and windows of political opportunity.

» Shields organizations from risks caused by external crises, including war, conflict, shifting political tides and environmental disasters.

» Protects organizations from a donor driven agenda.

Addressing Root Causes and Achieving Systemic Change:

» By empowering women and girls, groups are transforming individual lives and existing social and political institutions. This work takes time.

» For the long haul, groups need to employ diverse, flexible and adaptable strategies, such as having a cross-cutting, holistic approach to women's rights, and building multi-sectoral and issue coalitions.

» Since few foundations are willing to specifically fund advocacy, grantees can integrate public policy and advocacy work into their strategies.

Citations

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**Global Fund
for Women**

The Global Fund for Women is the largest publicly supported grantmaking foundation that advances human rights by investing in women-led organizations worldwide. Our international network of supporters mobilizes financial resources to strengthen women's contributions to social justice, equality and peace.

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