Finding Effective Organizations

EVEN AFTER YOU HAVE DECIDED ON YOUR PHILANTHROPIC GOALS, you may find it difficult to choose which organizations to fund when a number of them seem to be doing similar work in your focus area. This chapter addresses the question of how to find organizations aligned with your goals. (The next chapter will help you assess the quality of the organizations that you identify.)

You can find organizations by:

- conducting a landscape analysis
- researching grantees of credible foundations
- asking knowledgeable people and networking
- performing online research

A landscape analysis will provide a strong foundation on which to build your philanthropy. If your time and capacity is too limited, then skip ahead to the other ways of finding organizations.

Understanding the Context: Landscape Analysis

A landscape analysis helps you learn about the best research, strategies, and practices in your focus area.

A landscape analysis begins with desk research—Internet searches and literature reviews about a field. You (or a consultant) can supplement this by talking to key stakeholders, including your intended beneficiaries, nonprofits, other funders, scholars, government officials, business leaders, and community members.

If you decide to contact potential grantees, be mindful of the power dynamics between a donor and applicant. Speaking with an organization that might be eligible for your support may raise its expectations for funding. Be clear about your purpose, and be considerate of their time.

Here is an example of an actual landscape analysis conducted in 2014 by the William and Flora Hewlett Foundation to review the trends, priorities, and funding sources of youth-serving organizations in the San Francisco Bay Area.[26] The analysis sought to answer four main questions:

Impact-Driven Philanthropy practice: We believe it's important to learn about and understand the context of the issues we care about.

- What are most important trends in the youth-serving field, in terms of funding priorities and intervention strategies?
- What is the state of the youth-serving nonprofit community?
- Who are the main funders of youth-serving organizations? What youth funder collaboratives exist?
- Are there gaps in the capacity-building services currently being provided to youth-serving organizations?

The report focused mainly on programs for marginalized and "at risk" youth in the nine counties of the Bay Area.[27] It found that:

- 55% of the total funding for disadvantaged youth went to human services (including criminal justice, legal issues, and youth development), 20% went to education, and 13% went to health.

- 79% of grant funding went to two counties: San Francisco and Alameda (which encompasses Oakland).

- Top funding priorities included schools and local education systems as critical sites for centralizing community change efforts, young people's mental health and emotional needs, alignment of K-12 education to career paths, and improving outcomes for foster youth.

- There were relatively few nonprofit organizations outside of San Francisco and Alameda counties, and those that existed tended to operate at a small scale.

- Youth-serving organizations had great needs for capacity building to strengthen their management and governance structures. Specific skill sets that were noted included board development, fundraising, financial planning, and growth planning.

This landscape analysis included a "gap analysis" of geographic locations and activities in need of funding. Although the analysis did not list specific organizations, a philanthropist armed with this information could ask knowledgeable sources or conduct Internet searches to identify potential grantees. (See other ways to find organizations later in this chapter.)

Basic Questions

RESPONSE

What are the needs of the
intended beneficiaries of
your focus area?

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Which strategies have
succeeded or
failed in the past?

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What is the scale of the
problem? Where is the
greatest need?

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Which nonprofit approaches
are being pursued
and why?

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Which organizations are
the essential players in your
focus area? What problems are they
trying to solve and why?

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Where are philanthropic efforts from
other funders currently concentrated
within your focus area?

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How are political, social, and economic trends affecting your focus area?

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What does the latest research in your focus area show?

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Are there gaps in current levels of philanthropic funding?

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How might you build on the efforts of other funders for greater impact?

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Who are proponents and skeptics of specific approaches? What is their reasoning?

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Which organizations are competing with each other? Which are collaborating?

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Which organizations are potential partners?

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Supplementary Questions – Speaking with Organizations in the Field

What are your views and
experiences in the field?

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What strategies have worked?
What strategies have failed?

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What are you continuing to learn about
the problem you are trying to solve?

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What assets do you bring
to your work?

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What challenges do you face?
What worries you the most?

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What are your priorities?

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What opportunities for solving
problems exist right now?

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If you lack the capacity to conduct a full landscape analysis, consider three other ways to identify organizations to fund:

1. Researching grantees of credible foundations
2. Asking knowledgeable people
3. Shortlisting organizations through online research

Researching Grantees of Credible Foundations

A good way to learn about organizations that have already gone through a due diligence process by trained philanthropic professionals is to examine the grantee lists of foundations that you respect. An increasing number of staffed foundations publish their grantee lists. An Internet search of foundations that fund in the issue areas you're focused on could yield a list of potential organizations for your support. Magnify Community, focused in Silicon Valley, has cultivated a list of almost 400 organizations across 40 issue areas that are recipients of funding from at least one of seven local foundations.[28] Other new initiatives like Grapevine work with "professional grantmakers and other thought leaders" to build their list of recommended organizations and "funds" to support.[29]

Asking Knowledgeable People

If you have limited time to search for organizations on your own, consider asking knowledgeable people for recommendations. You might ask subject matter experts (e.g., an oncologist for cancer research, a development economist for organizations working to meet the U.N. Sustainable Development Goals) or experienced donors in your focus area. These connections can be made through acquaintances, or they can include outreach to professionals. The connections may lead to opportunities to attend events hosted by organizations in your areas of interest. You might also consider talking with the beneficiaries you hope to serve to learn about how they are receiving services and which organizations are best meeting their needs.

FINDING ORGANIZATIONS EXAMPLE

Alleviating Hunger in Washington, D.C.

Suppose that you're interested in supporting organizations that seek to reduce hunger in the Washington, D.C. area. You start by asking your friend who is an active volunteer with community nonprofits. She recommends that you look into D.C. Central Kitchen. When you ask her why, she responds that D.C. Central Kitchen is well thought of not only for its food distribution work but also for its creative approaches to addressing the causes of hunger—for example, providing job training.

If you get nonprofit recommendations from a friend or professional expert, understand the basis for the recommendation and try to ascertain whether their views might be biased. Some questions might include:

- How do you know about this organization? Do you have any affiliation with it?

- What makes you recommend it?

- If you have interacted with the organization, what has been your experience?

- Have you conducted due diligence on this organization? Did that process raise any red flags?

Shortlisting Organizations Through Online Research

We mentioned above that an Internet search is an important component of a comprehensive landscape analysis. Conducting the search alone is an economical way to find organizations. Searching by your focus area and geographic scope, plus the word "nonprofit" or "organization," is likely to yield a list that highlights potential grantees. Your search results will often yield "best of" or "top ten" lists of organizations—though you should check on the impartiality of the source. If you have more specific preferences, you can add search criteria for example, geographies, sub-populations, and organizational approaches (e.g., "advocacy" or "research").

> 🔍 "Homelessness" + "Washington DC"

If you are interested in giving internationally, online searches can help you discover organizations that link you to foreign nonprofits that you might not otherwise find—for example, Give2Asia for Asian development organizations and the Global Fund for Women for women's empowerment organizations. Internet searches may also yield third-party reviews of organizations, which can be useful in conducting organizational due diligence later on.

For all of their usefulness, Internet searches may not uncover small or new nonprofits. And in many cases, the organizations that appear in the search results may simply have better marketing tactics.

When to Stop Your Search

At some point, you will stop searching for organizations and begin vetting those on your list. When you reach that point depends on how many plausible candidates you've identified, how much time and capacity you have to devote to the process, and your own preferences for comprehensiveness. You may wish to ensure that you don't miss any organizations in the field, or you may be willing to "satisfice" after finding a handful of good candidates.

Finding Effective Organizations Takeaways

→ Conduct a landscape analysis to learn about approaches, organizations, and research in your focus area.

→ If you are time-constrained, you can find effective organizations by asking knowledgeable people who can help you find potential organizations to support—though it is important to filter out bias in the recommendations that you receive.

→ Another quick option is to do online research, using keywords to narrow your search.

A Landscape Analysis of Education in Turkey[31]

Because of the importance I give to knowledge, we never adopted a "we know the best" approach; we established working groups and organized our programs based on these consultations…. We thought it was necessary to increase the level of education if we wanted to make Bolu [in Turkey] a better place to live. We looked at the reasons that prevented young people from accessing higher education and tried to solve these problems. The low university entrance rates had created strong criticisms of the Bolu Directorate of Education and the educational institutions. The Izzet Baysal University conducted research and stated in their findings that the early education rate was only around 5% and that children who did not have an early education were not likely to be successful in the future. In partnership with the Directorate of Education, support from donors, and technical assistance from the University, we created an education center which could be replicated in other parts of the country. We received comments that a three-party partnership would be highly complicated and that handing over a private initiative to public institutions would be ineffective. But we went on with our work. And we got some wonderful feedback. With its proven success, we now have a model in our hands that could be replicated.