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# THE ART OF ADDING VALUE:

Variety New York's  
High Touch, High Impact  
Philanthropic Model

By Jessica Bynoe

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## **THE ART OF ADDING VALUE:**

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**Variety the Children's Charity of New York** supports grassroots non-profit organizations in the Tri-State area whose programs use the arts as a catalyst to transform the lives of under-served children.

## INTRODUCTION

The relationship between funder and grantee is one of the most delicate and multifaceted in the non-profit sector. It is a relationship that can be strained due to power imbalances, cultural differences, disproportionate resources, accountability, levels of risk and trust, different definitions of success, and many other factors. It is also a relationship that has great promise and fertility to create a deep impact on issues in communities and society at large.

At Variety the Children's Charity of New York, it is our belief that the relationship between funder and grantee must be examined and refined to become a mutual partnership in which both parties work in tandem to create great change. We believe that the best way to create this culture is by approaching philanthropy through a value-added model. This model asserts that a funder can add value to grantees, the relationship between funder and grantees, and their collective outcomes, not only with money, but through a variety of resources, principles and processes.

In the dozen years I have spent working in the non-profit sector I have had the opportunity to be on both sides of this intricate giving and getting relationship. Whether I was pursuing funds or distributing them, the navigation of the funder/grantee relationship has always fascinated me. I have been especially curious as to why there is often such distance between funder and grantee and why there have not been more efforts to create partnerships of shared value and mutual outcomes. I have seen grantees express genuine fear of their funders. I have seen grantees bend and twist their programs to fit into funder guidelines. I have seen funders invest in programs that fail to succeed and divest in programs showing strong outcomes. I have seen both parties skirt the tough issues in favor of highlighting small kernels of success. At the same time, there are some funders and grantees making concerted efforts toward building meaningful partnerships and achieving mutual goals.<sup>1</sup> And, while there are still too few groups making this commitment, it appears to be the direction the most strategic organizations are taking.<sup>2</sup>

With this in mind, when the Board of Directors at Variety the Children's Charity of New York embarked on a vision to develop a value-added approach to philanthropy, it was a rare and exciting opportunity. Variety New York is part of Variety International, which was established in the 1920s and, as such, is one of the oldest non-profits in the country. So, in 2010, when Variety New York began an ambitious strategic plan to determine ways to achieve high impact grant making, it required the shifting of decades of practice and thought, as well as the offering of new resources to its grantees. Variety New York made some difficult decisions in order to strengthen its work, including narrowing the focus of its grant making and mission and decreasing the number of its grantees. While it was difficult for an organization with the history and traditions of Variety New York to make such changes, these decisions contain some of the keys to a successful value-added approach.

This paper will present elements of the value-added model being tested by Variety New York. The ideas presented are further supported by current research, interviews with dozens of non-profit leaders who act as funders, grantees, consultants, or a combination of the three, and feedback from Variety New York's current grantees.

## THE ART OF ADDING VALUE

It is important to remember that at its core, a value-added model not only shores up the investments of a funder, by adding resources to a grantee's organization and programs, but also creates a genuine partnership between funder and grantee. This model is built on reciprocity, where both grantees and funders become smarter and work together to achieve their mutual goals. Furthermore, a value-added model is not constructed from an exact science, but rather through the art of navigating relationships, asking tough questions, and deeply reflecting upon what success means.

The idea of adding or creating value for grantees is not new or original. One could say the concept of supporting grantees with more than money goes back to 1969 when Rockefeller introduced the idea of venture philanthropy.<sup>3</sup> The original bastions of philanthropy, however, operated in a different time and with different rules.<sup>4</sup> The modern concept of "creating value" was introduced in 1999 by Kramer and Porter. In their landmark article, "Philanthropy's New Agenda: Creating Value," they talked about how funders can offer additional resources to grantees to enhance the value of the donations given to or funds held by a private foundation.<sup>5</sup> This article presented some of the ideas that created a foundation for Variety New York's model; however, their framework remained very funder centric. It is essentially a suggested list of things the funder can do to enhance and prove its own value. It keeps the funder in the top line of the hierarchy as a creator of value rather than a partner with grantees adding value to the whole.

At Variety New York we find this distinction critical in trying to alleviate some of the challenges most often cited in the current climate of philanthropic giving. During the series of interviews conducted while researching for this paper, funders and grantees commented consistently on the imbalance of power between funder and grantee. As one experienced funder explained, "The real issue is not that there is [a power imbalance] – that is a given. The real meat is how that power relationship is worked – what is the nature of the transaction? Does it become one of mutual benefit? Does the transaction reshape how the power feels for more authentic exchange and a more honest relationship? This is a skill. If [a funder] wants to hold the power this is a skill that will not get developed."<sup>6</sup>

For the most part, the imbalance of power results from the funder controlling the resources—most often money—needed by a grantee. In addition, funders lack measures of accountability for tracking their behavior and weighing their outcomes, yet they put stipulations on their grantees to prove their worth. If value is posited as yet another resource to be bestowed upon grantees or the broader field only after funders create it, funders are in grave danger of perpetuating a system of haves and have-nots. Instead, we ought to examine the role of funders and ensure that they are adding value to a system that remains in motion, with or without their engagement. A funder is never solely responsible for creating or

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multiplying the worth of its investments. Rather it must take into account the many transactions in which it engages, in order to achieve the change it seeks. Only by reflecting on, nurturing, and shaping its transactions to be consistently those of reciprocity can it begin to work as a partner who adds value to the broader work.

## GOALS OF ADDING VALUE

When a funder makes a commitment to add value to its investments it is actually making a commitment beyond that of supporting a few charities. Rather, the funder is ensuring its ability to achieve the goals and outcomes associated with a broader logic model. When funders approach this work strategically they have created a set of outputs, outcomes, and impacts that can affect the broader field in which they hope to achieve change.<sup>7</sup> Adding value should be both a means and an end for funders to successfully reach the goals in their logic models.

While the specifics of goals within logic models will vary based on the field, there are some core goals that funders subscribe to if they choose to engage in a value-added approach. Below are four overarching goals that ought to be embraced, considered and explicitly embedded into a funder's logic model when it builds a robust value-added approach:

- 1. Support existing brilliance.** As a funder, it is important to remember that many of the brilliant ideas to change communities, injustices, and society are already out there. They need to be identified, nurtured, and lifted up. A grantee's strategy can certainly be enhanced through constructive critique and probing questions of a funder. However, in a value-added approach, funders must keep in mind that they are not there to change, mold, or force their own "assumed brilliance" onto the grantees that harbor new and innovative ideas. There is a fine line between support and either exerting heavy influence or worse yet, micro-managing. At Variety New York, we like to tell grantees that it is our goal to be a hands-on funder, but not a micro-managing one. The grantees are the experts regarding the issues they are seeking to address, their program models, and what happens on the ground in their communities. They have spent years painstakingly creating and refining models that work for their community. The brilliance is there; it just needs to be nurtured.
- 2. Add capacity and strengthen innovation.** Once there is recognition of the existing brilliance it should become the goal of funders to add capacity and strengthen the innovations of the ideas and organizations. The mechanics of how this is done contains an entire menu of options that are expanded upon in the next section. Kramer and Porter's 1999 article did outline some ideas about supporting grantees. However, the ideas embedded in their suggestions of "creating value" rather than "adding value" often places the grantee in a passive role of recipient of charms bestowed by the funder. When embracing the goal to add capacity to grantees, funders must approach the means by which they do this as a collaboration and partnership with their grantees.
- 3. Ease the power imbalance between funder and grantee.** As noted above, a resounding theme in the interviews conducted for this paper was the power imbalance between funders and grantees. Some funders who had a history of working on the grantee side of the work were shocked at the level of the imbalance. There was also a consistent hope among interviewees that the imbalance of power could be eased through strategies of communication, relationship building, and transparency.<sup>8</sup> At the same time it is important to remember that these strategies do not just happen. The desire to ease the power imbalance must be an explicit goal in this work. Only when the power imbalance is addressed will a funder and grantee be able to work more as partners, with funders working alongside grantees rather than as gatekeepers in front of grantees.
- 4. Build the broader field.** Another prominent theme in the interviews conducted was the role and responsibility of funders to build the broader field in which they work. While field building is a bigger goal with more facets than covered by this paper,<sup>9</sup> in the context of grant making, some elements of field building come into play. When supporting grantees through a value-added approach, funders ought to recognize their role as field builders as it relates to their ability to add to the knowledge base, support emerging leaders, and create infrastructure for collaboration.<sup>10</sup> One funder interviewed articulated this role as a way to also support the third goal stated above: "Everything you do is an expression of power. The only thing you can really do is

be as transparent as possible. Be transparent as to how learning has helped you as a grant maker and it can help more organizations doing this work.”<sup>11</sup> When these ideas are kept in mind, funders can build value-added strategies that not only support their portfolios of grantees, but also strengthen the overarching field supporting the outcomes of both funders and grantees.

## ELEMENTS OF THE ART OF ADDING VALUE

As previously stated, adding value is defined as an art rather than a science. While there are some trends among strong value-added approaches, there is no pre-packaged model that every funder should implement. Inherent in the core idea of building reciprocity is the search for the right set of tools, processes, and values that will work for the funders and the grantees in the broader context of the issues the group is addressing. Furthermore, the models for adding value should be constantly assessed and evaluated to determine their effectiveness and to increase accountability for all parties involved.

Variety New York has developed five elements in its value-added approach: a sharp investment focus, risk taking to support innovation, relationships of shared value and reciprocity, varied and targeted resources for grantees and collective infrastructure. Some of these ideas are adaptations of past research regarding best practices in philanthropy, but their implementation and outcomes have been altered and expanded. The elements of Variety New York’s model have been further supported in interviews with colleagues over the past year. As other funders consider adopting a value-added approach or enhancing existing models, they can draw from some of the lessons and suggestions outlined below in Variety New York’s value-added elements.

### *Sharp Investment Focus*

Several years ago, Variety New York was supporting a multitude of children’s issues, such as health, mobility, education, arts, and poverty. Millions of dollars were distributed to worthy charities addressing important problems; however, it was hard to identify the real impact of Variety New York’s support. The only factor defining Variety New York’s grant making was geography. According to its mission, Variety New York was responsible for the welfare of children in the Tri-State area—a tall order to say the least. Even with the geographic limits, the diffuse spending lacked the ability to move the needle on any one issue in particular. The impact of the foundation was wide but thin.

During a strategic planning process Variety New York made the decision to focus on programs that transform the lives of children through the arts. Reflecting on Variety New York’s history in the arts and entertainment, this was a natural connection. Furthermore, the funding climate was experiencing a decrease in resources for youth arts funding. After an extensive review of existing research and investment strategies, Variety New York developed its investment focus to support organizations “whose programs used the arts as a catalyst to transform the lives of under-served youth.” Transforming lives can further be defined as enhancing academic, vocational, emotional, and social outcomes for youth.

Variety New York’s niche investment interest was layered onto its geographic focus to create a laser- sharp investment strategy. Variety New York now has the ability to develop a rich understanding of a field, the communities it serves, and the programs and interventions that reap the most success in the outcomes Variety New York cares about. Entrenching an organization or investment portfolio in a defined field of work can help a funder select grantees in a more educated way, assess outcomes and impact more clearly, and inform a broader field that can help both grantees and funders achieve more profound results. Understanding this, Variety New York has been able to become a true partner in a larger effort to transform the lives of children through the arts.

As other funders examine ways to enhance their ability to add value, it is important to start with an honest assessment of focus and impact. This work cannot be accomplished well by supporting work a mile wide and an

inch deep.<sup>12</sup> While I think many funders understand this, it is staggering to note how many investment strategies do not support this idea. Funders ask grantees for logic models or theories of change, but few follow such models themselves. Their grant making priorities swing with the times, or their decision makers are too nearsighted to look beyond pet projects. If we want to see impact and add value not just to our reputations, but to our outcomes, it is our responsibility as funders to develop clear, focused and consistent priorities in our investments.

### ***Risk Taking to Support Innovation***

During Variety New York's strategic planning process another revelation helped the foundation determine the best ways to have the biggest impact with its resources. In the past, Variety New York was giving grants to large institutions such as hospitals. A grant of \$10,000 to \$20,000 is a nice, but small, contribution for organizations with budgets of several billion dollars. An organization with that kind of operating budget would not be devastated to lose Variety New York's grant, and the grants Variety New York was equipped to distribute were not having a big impact on the work of these organizations.

In order to see its funds make a real difference Variety New York shifted its focus to supporting grassroots organizations. This is a significant shift, not only because it was a commitment to support smaller groups, but because it showed a willingness and interest to support innovation at the edges of communities. In supporting grassroots work, Variety New York had to be willing to take some risks with smaller and less structured organizations. Variety New York understood that these risks can pay off when time and care are taken to search for the most creative and strategic solutions for a community's issues.

Variety New York developed an extensive process for reaching out to small organizations, affinity groups, local foundations, and personal contacts to ensure that grassroots organizations were aware of the funding available at Variety New York. We now intentionally market our offerings in non-traditional circles. As a result our applicant pool has tripled, with the largest increase coming from organizations with an operating budget of \$500,000 or less and with leadership of and from the communities they serve. In addition to improving our visibility we have increased our accessibility to potential grantees. We never turn down a call or email inquiring about our grants and our process, and in our responses we counsel applicants on the best ways to present their work. We want to make the application process as clear and accessible as possible to groups that may not have fully matured fund development systems.

Funders making a commitment to value-added philanthropy should find themselves working with smaller, grassroots organizations. This work and this model of philanthropy inherently work better when supporting these organizations due to their interest and commitment to grow and deepen their impact. However, it is important to keep in mind that innovation at the edges does not always come with perfected organizational structures, processes, or policies.<sup>13</sup> The leadership may not have the stereotypical look and background of a non-profit executive. The space where the organization conducts its business may be raw, shared, or nonexistent. There may be limited infrastructure for things like evaluation, technology or record keeping. Variety New York works with grantees with many of these characteristics and has had to remain flexible in our expectations and supportive in our relationships. This is not to say that our expectations or standards are lowered, rather they are adjusted to fit the needs of the communities in which we work.

Especially when searching out small, smart, innovative groups funders must create strategic processes for identifying and nurturing the best possible grantees.<sup>14</sup> Finding, funding, and supporting innovative grassroots organizations add tremendous value to not only the funders', but the broader field's work. It is at this level that the most innovative, resonate, and passionate ideas are generated and implemented. It may be safer and less risky to support larger, more established organizations, but if we are trying to achieve real change, we must support those

solutions which are born in and by the communities most afflicted. There is a reason our social ills have not yet been solved; it is because a great deal of money is going to the big brand name organizations that fail to generate the kind of impact grassroots groups can deliver. If we are going to be honest about our desired outcomes as funders, we must take the risks (backed up with the right supports) and put our money where our mouths are.

### ***Relationships of Shared Value and Reciprocity***

One of the most important parts of a value-added approach is to create an environment in which grantees and funders can work together as partners to achieve mutual goals. As discussed above, this must be one of the core goals of a value-added approach. Nevertheless, having the best intentions to create this relationship and actively working to achieve it are two different matters. A good first step is for the funder to reflect on their strengths, gaps, communication style, and desire to learn.<sup>15</sup> Remembering that an open and candid relationship between funder and grantee is not the norm is also important. In interviews, one funder with extensive experience at the grassroots level remarked how surprising it was to learn how “scared” some grantees were to meet with or host a visit from the funder.<sup>16</sup>

When developing this relationship, it is critical not only to ease the tensions of power that exist, but also to create opportunities for reciprocity and shared value. The funder can and should gain an equal amount from the grantee as the grantee receives from the funder. One interviewee explained this relationship in a unique way when describing a strong example of funder/grantee engagement: “There is a tremendous tenderness towards grantees and carefulness about the disparities of power. This carefulness is quite remarkable. The grantees are so admiring, grateful and impressed with their program officer because [the funder] pays attention to the power inequity and [the funder] is very reachable. [The funder] has gone out of the way to find issues common to grantees that are not being understood enough by the foundation and uses it to educate fellow foundation colleagues.”<sup>17</sup> This is a wonderful example of the kind of care and effort it takes to create relationships and a culture of reciprocity. The funder goes above and beyond to support grantees and takes time to learn from and with the grantees to educate their own institution and other funders.

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At Variety New York, the first thing we did when crafting such a robust value-added model was to talk with our grantees. We recognized that while we brought some expertise in the areas of community outcomes, field-wide knowledge or connection, and organizational development, the grantees had a great deal to teach us about doing this work successfully on the ground. Furthermore, we felt that if we developed open and candid lines of communication early, we could understand together the gaps in our collective knowledge and figure out how to fill them. In interviews with colleagues, this idea of mutual learning often characterized successful existing funder/grantee relationships. One interviewee, with a long history as a funder, remarked that the best moments were those when a grantee would honestly explain a course correction or a departure from proposed outcomes and expound on the lessons learned from that change in plans.<sup>18</sup> In times like these the funder and grantee are able to talk and work together to better understand effective approaches in the work.

As funders work to create value-added philanthropic strategies, it will be important to define the culture of the grantee/funder relationship. Funders need not only explain their values, but they must also live them through active engagement of their grantees as partners, teachers, and leaders in this work. Furthermore, they must pursue active learning with their grantees and other partners to understand how this work is done most effectively. Finally, when they gain feedback or lessons from grantees or others they need to find ways to incorporate those lessons into their own practice so as to create an environment and a set of relationships that generate constant improvement and support.

### ***Varied and Targeted Resources for Grantees***

Before Variety New York designed its value-added approach to philanthropy, it operated like many other foundations. It solicited proposals for grants, evaluated them, and cut checks. Grantees sent in reports mostly

including outputs of the number of children served and how the money seemingly helped the children. The grantees were happy to get the checks every year, and Variety New York was happy to say how many children it helped. However, there was a great opportunity being missed, an opportunity to identify ways to ensure that the grantees' and funder's outputs and, more importantly, outcomes were stronger and the organizations were more successful.

“ It may be safer and less risky to support larger, more established organizations, but if we are trying to achieve real change, we must support those solutions which are born in and by the communities most afflicted.”

When Variety New York designed its approach, it wanted to offer grantees targeted and varied resources to help them achieve their goals. The first and most important step in this process was to ask the grantees what they needed and how Variety New York could help. During these consultations, Variety New York understood that its grantees needed training, individualized technical assistance, enhanced visibility, and access to other sources of funding. As a result, Variety New York's team created a multi-faceted set of supports for its grantees.

First, monthly workshops were scheduled for grantees' senior staff. These workshops focused on organizational development topics that could help the grantees grow and be more successful. Topics ranged from communication strategies to effective partnership development to fund development to evaluation technique. At each workshop, grantees were introduced to a set of tools, literature, and best practices and were offered templates for using these ideas to enhance their own systems, policies, and practices. Oftentimes, grantees were able to immediately incorporate some of the lessons to strengthen their work. During these workshops, the Variety New York team has also been able to learn more about the specific opportunities and challenges the grantees face and the context in which they work. This opportunity for regular learning and exchange informs the value-added offerings, and Variety New York has been able to change and tailor workshops accordingly.

Second, Variety New York offered an "open door" policy for its grantees, meaning grantees had the invitation to ask for advice, support, or feedback on any element of their work and organizational development, and Variety New York staff would offer one-on-one technical assistance and support. Grantees asked Variety New York staff to review strategic plans, communication strategies, evaluation processes, and program ideas. Variety New York was able to work with all grantees requesting individualized support by offering feedback, connecting them to outside experts, or suggesting organizations from which to benchmark success. This is a time intensive process; however, the benefits reaped by both funder and grantee are invaluable. Grantees are able to get advice and, at times, develop new systems that would cost tens of thousands of dollars with outside consultants. As a funder, Variety New York developed a more intimate understanding of the inner workings of the grantees and what can successfully work for small, grassroots groups in moments of transition and expansion.

Finally, Variety New York wanted to create opportunities to enhance the visibility of its grantees. We know that not all funders have the time and capacity to vet hundreds of grassroots applicants and that not all grassroots organizations have the readiness to apply for grants from larger funders. At Variety New York, we strive to be a bridge between the two. Through events, publication opportunities, individual introductions, and highlights in Variety New York's publications and press, Variety New York is increasing the exposure of its grantees among other funders, supporters, colleagues, and partners. Variety New York has the ability to open doors and crack windows

and allow grassroots organizations to get on the radar of larger and more influential funders and partners.

In many ways the combination of these three supports for grantees allows Variety New York to be an incubator foundation that does deep due diligence to select grantees, support them with training and assistance, and then prepare them for grants that can help their work go to scale. Not only is Variety New York enhancing the visibility of grantees for the sake of highlighting a few great organizations, but it is increasing understanding and exposure of what is effectively working to transform the lives of children through the arts. Variety New York is in a unique position to aggregate observations, outcomes, and experiences across grantees. This position helps advance Variety New York's outcomes as well as contribute to a body of work that can inform best practices for youth arts work. By supporting grantees and then increasing their visibility by signaling other funders, media, and researchers, we can ensure the "existing brilliance" we are nurturing gets the exposure it needs to inform and become leading practice in the field.

“ If we are honest about the current limitations of philanthropy and develop relationships and investment partnerships that recognize the power dynamics and work to address them, we can build and inform a better approach.”

As other funders strive to create a set of supports for their grantees, it is important to keep in mind these larger goals of informing and enhancing practice. The objective in creating value-added supports is not to expand the number of things for which the grantee relies on the funder; rather it is about co-creating opportunities to collectively strengthen the work that funder and grantee know needs to be done in order to achieve

the desired outcomes in communities. This is a mind shift yet to occur among many well intentioned funders. Funders ought not to approach this strategy as a hand down to the less-resourced grantees, but rather as an opportunity to collectively achieve great impact.

### **Collective Infrastructure**

As Variety New York developed the resources and supports described above, it was clear that in certain areas, grantees would not have the internal capacity to implement some of the suggestions for organizational development. One of the biggest challenges small non-profits face is developing the infrastructure necessary to support sophisticated processes and systems that will allow them to grow. Variety New York decided to enhance everyone's capacity by developing systems of collective infrastructure—meaning Variety New York would house systems that could be shared by all.

This was particularly true for evaluation systems. Funders, including Variety New York, expect tracked, measureable outcomes. However, developing systems that can do so effectively is time and resource consuming. Years ago, when I was part of a team managing a project, we were asked to spend 10% of our budget on evaluation. Ultimately, the hundreds of thousands of dollars spent on evaluation amounted to a lot of time invested by staff, a research model that did not fully capture the essence of the work, and funds diverted from the grassroots organizations that truly needed them. This is not to say that the requirement of evaluation was on the wrong track, but, as one colleague with extensive non-profit and public management experience explains, "foundations should not be in the business of micro-managing the budget for evaluations."<sup>19</sup>

What funders can and should do in recognition of the expense and opportunity cost associated with systems

like evaluation is build infrastructure that then can be utilized by all grantees. At Variety New York, we centralized evaluation systems by creating three survey instruments for grantees to use and submit to the team at Variety New York. The protocols are based on outcomes of common interest among the grantees. After grantees collect the completed forms from program participants and/or trained observers, Variety New York enters and analyzes the data. The centralized system creates economies of scale in more ways than one. Not only is it more cost effective to do all the data entry and analysis in one place, but the statistical power of the results is greater. Now, rather than each of fourteen organizations having sample sizes of a few dozen or a few hundred program participants, we have a collective sample size of several thousand youth from which to assess the impact of arts programs on social, academic, and vocational outcomes.

When funders consider new and innovative models to add value to their work, the work of grantees, and the broader field, the addition of collective infrastructure is a rarely used but highly effective strategy. Some corporate funders are doing this well with technology and marketing supports.<sup>20</sup> Also, affinity groups are discovering this asset by offering collective human resources services or even group health insurance.<sup>21</sup> Funders often have infrastructure to spare and should consider ways to use it to support their grantees. All can benefit from sharing systems such as, but not limited to, evaluation departments, advocacy strategies, technology, human resources, and even office space. Excluding grantees from sharing in this infrastructure can perpetuate the power imbalance identified earlier, and funders who hold back may not be honest about their willingness to shift power. For funders who are genuinely invested in their grantees' success, this strategy is a low cost, low risk opportunity to add tremendous value.

## **POSSIBILITIES OF THE MODEL AND FURTHER INVESTIGATION**

Variety New York believes that it is of utmost importance to support grantees with value that transcends mere money.<sup>22</sup> We acknowledge that this is not a new idea.<sup>23</sup> This model rests on basic principles of successful investment, but their applicability in the non-profit sector must be compounded with real issues of power, accountability, and justice. The multi-faceted model described above and the candor and values with which we approach this model add nuances to some of the existing work and can help take this kind of approach to philanthropy to the next level.

If we are honest about the current limitations of philanthropy and develop relationships and investment partnerships that recognize the power dynamics and work to address them, we can build and inform a better approach. Value-added models will allow us to use grantee and funder assets in strategic ways to achieve mutual outcomes. The ability to accomplish these goals is embedded in a reimagining of philanthropy. Of course, to encourage a greater circle of funders to embrace this idea we need more research to better track, measure, and transparently report on the effectiveness of philanthropy overall and value-added approaches in particular. Anecdotally we know that value-added models reap a higher return on investment. The next step will be to undeniably prove it with true, not assumed, calculations of net social impact.

We believe that if more funders ascribe to this kind of philanthropy we have a tremendous opportunity to create change in our respective fields. This kind of approach can help us invest in and nourish the absolute best ideas for achieving change. The diligence with which this approach is conducted can ensure that brilliant ideas surface, innovation flourishes, overlap is diminished, and ineffective dinosaurs no longer waste resources. We need a new generation of funders who are comfortable with allowing a shift in philanthropy's status quo. Only then will we start to alleviate the strains of power imbalances, cultural differences, disproportionate resources, lack of accountability, levels of risk and trust, and different definitions of success. Only then will the relationships between grantees and funders fulfill their promise to achieve deep impact on issues in communities and society at large.

## ENDNOTES

<sup>1</sup>Kathy Havens-Payne, Telephone Interview, August 15, 2012.

<sup>2</sup>Elizabeth McGee, Telephone Interview, August 16, 2012

<sup>3</sup>Rob John, *Venture Philanthropy: The Evolution of High Engagement Philanthropy in Europe* (Oxford: Skoll Centre for Social Entrepreneurship, 2006).

<sup>4</sup>Edward Skloot, *Beyond the Money Reflections on Philanthropy, the Nonprofit Sector and Civic Life, 1999-2006* (New York: The Skoll Foundation, 2007).

<sup>5</sup>Mark R. Kramer and Michael E. Porter, "Philanthropy's New Agenda: Creating Value." *Harvard Business Review*, 1999.

<sup>6</sup>Robert Sherman, Telephone Interview, August 8, 2012.

<sup>7</sup>Ian David Moss, "In Defense of Logic Models." *The Huffington Post*. 05 July 2012. TheHuffingtonPost.com. 14 Dec. 2012 <[http://www.huffingtonpost.com/ian-david-moss/in-defense-of-logic-model\\_b\\_1633676.html](http://www.huffingtonpost.com/ian-david-moss/in-defense-of-logic-model_b_1633676.html)>.

<sup>8</sup>McGee.

<sup>9</sup>Melinda Fine, "What Does *Field-Building* Mean for Service-Learning Advocates?" National Service Learning Partnership, 2001.

<sup>10</sup>Lorraine Marasigan, Telephone Interview, August 29, 2012.

<sup>11</sup>Edwin Torres Telephone Interview, August 27, 2012.

<sup>12</sup>Skloot.

<sup>13</sup>Meghan McDermott, Personal Interview, October 5, 2012.

<sup>14</sup>Havens-Payne.

<sup>15</sup>McGee and Kenneth Holdsman, Telephone Interview, August, 23, 2012.

<sup>16</sup>William Buster, Telephone Interview, September 18, 2012.

<sup>17</sup>McGee.

<sup>18</sup>Sherman.

<sup>19</sup>Holdsman.

<sup>20</sup>Havens-Payne.

<sup>21</sup>Philanthropy New York [http://www.philanthropynewyork.org/s\\_nyrag/sec\\_tsr.asp?CID=138&DID=209](http://www.philanthropynewyork.org/s_nyrag/sec_tsr.asp?CID=138&DID=209).

<sup>22</sup>Skloot.

<sup>23</sup>Melinda Fine, Telephone Interview, August 23, 2012.

## About the Author

Jessica Bynoe has more than a dozen years of experience in the fields of youth development, civic engagement, and strategic philanthropy. Since 2011, she has been the Executive Director of Variety the Children's Charity of New York where she manages a portfolio of grassroots grantees whose programs use the arts to transform the lives of children. At Variety New York, Ms. Bynoe has built a robust value-added philanthropic model to work in partnership with Variety New York's grantees ensuring successful outcomes for the children and communities they serve.

Prior to her work with Variety New York, Ms. Bynoe was the Director of Programs and Strategic Operations at Usher's New Look Foundation, an organization dedicated to supporting youth as global leaders, where she ensured the implementation of the strategic plan, designed a multi-year youth leadership curriculum, and developed the parameters for partnerships and program expansion. Ms. Bynoe was also a Program Officer for Youth Engagement at the Academy for Educational Development where she led several national initiatives including the W.K. Kellogg Youth Innovation Fund, the Youth Media Reporter, and, in collaboration with America's Promise Alliance, Saving Our Futures.

Ms. Bynoe has conducted trainings and presentations about youth engagement and non-profit management at numerous conferences around the world. She is also the author of *Confronting the Glass Ceiling of Youth Engagement*, a white paper exploring the challenges and opportunities for authentic youth engagement.

Ms. Bynoe holds a BA in Psychology and Metropolitan Studies from New York University's College of Arts and Sciences as well as an MPA for policy and non-profit management from New York University's Robert F. Wagner Graduate School of Public Service. She currently serves as Vice President of the NYU College of Arts and Sciences Alumni Association Board.



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