



LEARNING TO LET GO

DECISION-MAKING FOR FOUNDATIONS



This publication is part of a series of MAVA learning products developed to reflect on and share the foundation's learnings about institution processes and ways of working at foundation level, including challenges faced in carrying our conservation actions – to inspire donor strategies and best practices.

Authors: Lynda Mansson, Thierry Renaud and Holger Schmid

Designer: Yona Lee

Font: Calibri, Futura PT

Photos: iStock, Unsplash

This document should be cited as: MAVA Foundation. (2022). *Learning to Let Go. Decision-Making for Foundations*. MAVA Fondation pour la nature.

CONTENT

1. INTRODUCTION	4
2. PIONEERING	4
3. PROFESSIONALIZING	7
4. DESIGNING FOR IMPACT	10
5. LEARNINGS	13
6. FINAL REMARKS	14

1. INTRODUCTION

At MAVA Foundation, like many foundations, we have adapted our decision-making model throughout our evolution to align with changes to our level of ambition, amount of funds to allocate and shifting context. This article outlines the different models we have used along with the pros, cons and thoughts on what it takes to make it work for each model. There is no single best model, but it must be adapted appropriately to the situation.

We split our analysis into 3 distinct phases (pioneering, professionalising and designing for impact), looking at four key aspects (center of gravity for decision-making, time availability and expertise of the board, profiles of staff, and level of ambition). For each phase, we define the different steps of the decision-making process.

2. PIONEERING

This phase covered our early days when our founder, Dr. Luc Hoffmann, started out by making most decisions on his own based on his personal relationships and his deep knowledge of the natural world. This then shifted to having an empowered board of conservation experts who took on the role of both initiating projects and reviewing all funding proposals for decision.



STEPS	1	2	3	4
President				
Board				
Director General				
Allocation Team				
Programme Staff				
Partner				

CENTER OF GRAVITY FOR DECISION-MAKING

In this model, all decisions are taken at board level including the President.

STAFF

In this phase, staffing was minimal. Those that were in place played more of a coordination and due diligence role.

BOARD

This model of decision-making requires well-informed board members (with conservation expertise) who have significant time availability. In our early model, board members read stacks of detailed proposals (with no common format required) and debated each in their meetings. This required a significant investment of time and energy from board members.

AMBITION LEVEL

The ambition in this phase was to fund work that was important for conservation. Little attempt was made to create links between the individual projects or to ensure they add up to a coherent whole (some degree of coherence was created by alignment to the vision of the President/board). Projects were reviewed and approved one by one.

PROS

- The foundation benefits from the expertise, experience and trusted relationships of the President and other board members built through years of conservation funding and action.
- Low staff count and overhead cost.
- Board has a high degree of knowledge and ownership of projects.
- Deep expertise of board allows for risk-taking and confidence to act alone when needed.

CONS

- Very time consuming for board members who review fully developed projects.
- High transaction cost for the partners who must develop the full proposal for evaluation, and who must find a way to access board members.
- Board gets drawn into the level of project detail rather than focussing on broader strategy.
- No means to compare and prioritise projects. Lack of competition bears risk of lack of incentive for excellence, reduced innovation, or funding 'pet interests' of board members
- Can be difficult for staff to engage credibly with partners making sourcing of projects more challenging.



WHAT IT TAKES TO MAKE IT WORK

- President and board need to have knowledge, networks and time.
- Good facilitation and conflict management skills by board chair (for example when funds are insufficient to cover all good project ideas).
- Need good alignment on external communications from board and staff.

This model of operation has worked well up to a certain number of projects. Over time, the availability of funds to allocate increased and required an equivalent increase in capacity to manage the volume of proposals and ongoing projects. With increase in number of projects, the foundation was gradually supporting projects that were oriented around certain themes. It became apparent that they could be managed more actively as thematic portfolios to be more complementary and coherent.



3. PROFESSIONALIZING

The increase in volume coincided more or less with the time when Dr. Luc Hoffmann decided to step back from overseeing the daily operations of the foundation. The decision was made to make two fundamental changes – bringing on a team of qualified staff and to shift the role of the board to a more strategic level.

The team increased in size from 1.5 in 2005 to 6 in 2009, then later to 9 in 2014, and finally to 18 following our merger with another foundation. The role of the board shifted from being hands-on in the decision-making to one of overseeing the definition and implementation of the strategy, with the qualified staff handling the majority of the shaping, vetting and evaluation of project proposals. The door was open to receive unsolicited proposals.



STEPS	1	2	3	4	5	6	7	8
PRESIDENT								
BOARD								
DIRECTOR GENERAL								
ALLOCATION TEAM								
PROGRAMME STAFF								
PARTNER								

CENTER OF GRAVITY FOR DECISION-MAKING

In this model, we made a radical shift to the main decision-making happening at staff level via an internal allocation team that reviewed and approved (or not) all project proposals. The President always had final approval. In practice, he generally trusted the vetting process and supported the recommended decisions from the allocation team. The board was informed post-facto of all decisions but were still involved in a small number of decisions for larger or especially tricky or risky commitments.

BOARD

This model of decision-making requires strategic board members who bring in a variety of expertise (legal, financial, science/research etc.) beyond just conservation knowledge.

STAFF

Staff became much more empowered in this phase and we relied heavily on their deep expertise and relationship skills. Staff had a frontline role in sourcing, shaping and evaluating projects. Directors took part in the allocation team, with a role of challenging and strengthening project ideas put forward. This entailed a cultural shift and building a whole new way of working together.

AMBITION LEVEL

The ambition in this phase was to fund work that was important for conservation, spelled out through a dozen high level objectives, with an attempt to assemble projects into a coherent whole. Projects were reviewed in batches in order to compare them directly, highlight the trade-offs, and select the strongest projects (in the previous model it was hard to know if subsequent projects would be a better investment).



PROS

- Board operates at strategic level.
- Project concept saves time for partners and staff, only inviting a full proposal once the idea is confirmed to be of interest by the allocation team (partners save time by not developing detailed proposals for concepts that have no chance of being accepted and staff save time by not reviewing endless proposals that we ultimately do not want to fund).
- Allocation team develops joint ownership over all foundation programmes, better harmonisation and coherence across programmes.
- Multiple projects are reviewed simultaneously by the allocation team allowing for debates of the trade-offs and prioritisation.
- Door is kept open for new partners and innovative ideas. Receiving the proposals is a way to build knowledge on the field and trends.
- Strategy with clear objectives, clarity for partners seeking funding and on what we wanted to achieve.
- Process similar to many donors, easier for partners to understand and engage.

CONS

- Board might feel a step removed from project work.
- One by one, staff assemble projects to fit into a bigger picture (often remained a collection of individual projects) making collective impact difficult to measure.
- Collaboration amongst partners is difficult to catalyse.
- Do not have an overview of a whole portfolio when making decisions.
- of projects more challenging.

WHAT IT TAKES TO MAKE IT WORK

- Plentiful information flow to board members which helps build trust in the solidity of the review process and competency of staff.
- A strategic framework approved by the board to guide the work of programme staff.
- Consistent process leading to decisions that can be defended. Robust challenge at the level of the allocation team and board (for us the culture for this had to be built).
- Staff expertise in content areas complemented by mobilisation of external expertise when needed to ensure critical eye.
- Giving enough visibility of the amounts available to allow meaningful project sourcing by staff, while maintaining the competitive side of project allocation. We allocated a core budget to each programme, so the staff could engage with high level of confidence in the development of pillar projects. The remaining funds were allocated based on a competitive process to drive performance and effectiveness of projects.



During the period, staff gained deeper understanding of conservation issues and also developed good relationships with the partner organisations. Across the individual regional portfolios some effective synergies with higher impact were created. But engaging in each project development became increasingly time consuming work, especially with the attempt to build the connections and synergies with other projects. We realised that building fully coherent portfolios that can deliver on specific objectives needed a new approach.

4. DESIGNING FOR IMPACT

In this final phase, we again radically changed our model of decision-making to align with our increased ambitions. Because this was our final phase of funding before closing in 2022, we focused on a limited number of measurable and specific outcomes, allowing for bigger and more sustainable impact. We built on the expertise and networks strengthened over the years and developed a more [collaborative, partner-centred approach of decision-making](#).

This involved identifying the themes we wanted to work on (selected with the participation of our key partners) and then convening groups of partners to build a common strategy. Along with the strategy was a recommended set of projects that would together lead to achieving the common objective set by the group.



STEPS	1	2	3	4	5	6	7
PRESIDENT							
BOARD							
DIRECTOR GENERAL							
ALLOCATION TEAM							
PROGRAMME STAFF							
PARTNER							
COALITION OF PARTNERS							

CENTER OF GRAVITY FOR DECISION-MAKING

In this model, the shape of the work was defined by partners, with MAVA staff present to facilitate and help shape decisions. Listening to what the partners felt was most needed on any specific line of work was key.

BOARD

The board approved the shape of each strategy and the overall budget distribution across strategies. They were then informed of the projects that were approved as part of the agreed strategies. The President maintained final approval of all decisions.

STAFF

In this phase, staff knowledge of the subjects was important, but this needed to be complemented by excellent facilitation and orchestration skills. Their responsibility shifted from the need to select good projects that would deliver the desired results to one of orchestrating a complex process to deliver impact. At the same time, the allocation team no longer reviewed individual projects, but looked at the whole package of projects proposed. They did not look in detail at each project.

AMBITION LEVEL

The ambition in this phase was to achieve some concrete outcomes by the time of our closure and to catalyse deep collaboration amongst a community of partners, with the hope that they will continue working together effectively post-MAVA on the issues we care about. We wanted all projects to fit tightly into a commonly-owned strategy, with transparency on how each action fits into the whole and contributes to achieving the ultimate objectives.



PROS

- Board focuses on strategy and impact. Clarity on foundation-level outcomes and deliverables.
- Vision of the whole package (strategy implementation plan + project concepts) together allows the allocation team to take well-informed decisions and see how the different projects add up to something bigger.
- Collective ownership of the strategy at staff level and coalition of partners, also with the ability to track progress through a monitoring system shared across partners.
- Empowered staff with enhanced legitimacy when engaging with stakeholders.
- Creates synergies between partners and expands the community of partners. Promotes transparency and working towards common outcomes.
- Ability to be more ambitious with longer time horizon.

CONS

- Complex process to run. Only appropriate for larger programmes with good knowledge of the relevant players.
- Learning curve for partners to be able to work in a coalition (openness, transparency, organisational strength, speed, ...).
- Risk of staff losing objectivity since they have such a strong role in shaping. Also creates a sort of moral lock-in making it harder to exit if something goes wrong.
- High coordination cost for foundation and partners.

WHAT IT TAKES TO MAKE IT WORK

- High level of trust between board and staff (built through transparent and regular information, ability to mobilize the right external expertise, external content and partners review, strong DG/President relationship...) as well as high level of trust between MAVA staff and partners.
- Strategic framework approved by the board and information flow to board members to allow for effective oversight.
- Staff with talent for shaping coalitions, respected by stakeholders. Staff refocuses their work on facilitating – stepping back from technical input.
- Willingness to fund what the partners say they need (including admin/coordination)
- Robust administration to manage the complexity of the portfolio and the different steps in the process.
- The right spirit of the partner – seeing the opportunity for more ambition rather than ‘cutting up the cake in a privileged relationship with a funding organization’. Culture for peer reviewing and collective decision making (partners level).
- Good initial knowledge of key partners that can be brought together as core group.



5. LEARNINGS

Some of our learnings for these phases include:

The evolution of our decision-making model was driven by the evolution of the foundation, especially its level of ambition, culture and amounts available. Each model built on the previous phases, and some models, especially the most complex one, have not been developed and stabilised overnight. There was a learning curve for both our partners and our staff, to find the sweet spot where impact can be maximised. Looking back, we would like to highlight a few lessons:

- **Decision-making is just means to an end for impact.** The fund allocation method is at the service of the foundation strategy. It needs to be right sized for the level of ambition and resources available, as well as the organisational culture (e.g. board availability, ability to decentralise ...). Throughout the life cycle of a foundation, the decision-making model will evolve, and when shifting from one phase to another, a change of either board members or staff members might be necessary. Not everyone can – or wants to – make the shift from one model to another.
- **Each model requires different skills.** Shifting models of allocation may require building or bringing in different skillsets amongst staff and board. Also, as allocation decisions can be perceived as a center of power, more collaborative model requires readiness to let some of this power go.
- **Complement metrics with trust.** The models with increased delegation to staff require a high degree of trust between board and staff. We tried to build this trust by ensuring regular contact between board and senior programme staff and a high degree of information flow in the board packs – along with opinions from external experts, ratings on progress and elevation of issues. We also performed regular external reviews of our work. These metrics are good but would be insufficient in the absence of trust.

6. FINAL REMARKS

There is no single answer to the best decision-making model question. However, we believe that the higher impact comes with a more collaborative approach to philanthropy. This requires more stakeholder participation at different stages of the decision-making process. Also, the model needs to be adapted to the system you work in and can take different forms. In our last phase, our model relied in some cases on empowered long-term coalitions but in other contexts adopted a more dynamic approach with prototyping and looser partnerships.

While it is difficult to say with certainty what a 4th phase of allocation decisions at MAVA would look like if we were no closing. Viable options include:

- A natural evolution to fully participative, decentralized grant-making in which more power is transferred to the hands of coalitions of stakeholders
- Rolling back to hybrid of our phase 2 and 3 which simplifies the complexity of phase 3, includes the flexibility of phase 2 and still builds collaboration amongst partners
- Work with trusted partners to develop a common strategy – as we did in phase 3 – and then provide unrestricted funding to implement from there.

Whichever way the funder chooses to go, thoughtful alignment between ambition levels, skills sets and levels of trust is essential.

