



CARE FOR THOSE WHO CARE FOR THE PLANET

GRANT-MAKING FOR STAFF DEVELOPMENT



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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.

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Care for Those Who Care for the Planet

Grant-making for staff development



People are the wealth of an organisation. This is true in the private sector, but in the not-for-profit sector too. If finding the rare gem to work in an NGO is often tough, it can be even more difficult to keep the employees in the organisation and to maintain their dedication at work.

To thrive, employees need well-being and appreciation. People need to be rewarded for the work they do as part of a team and an organisation. When speaking about valorisation at work, it is easy to think only about wages. But while salary is indeed a crucial part of valorisation, including in the not-for-profit sector, there are many other aspects of valorisation at work that are not linked (or directly linked) with financial compensation.

At MAVA, we consider that, as a donor, our role goes far beyond just signing checks. [Our engagement has multiple arms](#) and often includes taking care of the partner organisations we work with, by providing the means to take care of their staff.

This paper presents our point of view as a donor, suggesting ways of valorising people in not-for-profit organisations, beyond their salary. This reflection comes from our 28 years of experience and is based on our approach in supporting the organisations and individuals, with the ultimate aim of rendering these conservation stakeholders more effective in the field.

This paper questions some presumptions regarding cost of staff in NGOs and some established norms and practices that have a short-term cost advantage but a longer term disadvantage. The objective of this paper is to invite other donors to reflect on their own approaches and to see how they might align their funding and methods of allocation, to encourage more non-financial valorisation from their partners. This paper could also be used by not-for-profit organisations' employees who would like to develop new ways of collaboration (or engagement) with their funders.

At MAVA, we advocate for donors to be more engaged in the valorisation of their partner organisations' employees. Usually, donors provide good work conditions and fair treatment to their own employees, and this should be extended to the grantees working on the front lines, in the NGOs they fund.



Non-financial compensation

- *Working for a cause that 'makes sense'*

Working in the not-for-profit sector, for the common good, often provides more meaning and ethical value, which can be seen as part of a valorisation package for the employee. As explained by MAVA Director General Lynda Mansson [in a recent blog](#), “working ‘for good’ is meant to be psychic income and does count for something” ... although unfortunately it often justifies lower wages in the NGOs. If meaning is significant to not-for-profit workers, there are many other non-financial valorisation tools we have utilised, as a donor, with our partner organisations.

Indeed, all along our 28 years of grant-making and engagement, at MAVA we have provided other support not directly related to projects to help our partners attain more conservation impact on the field. ***By encouraging Capacity Building, Leadership Development, Organisational Development, and Networking, our primary objective was to improve the effectiveness and sustainability of our partners, as organisations. But we have found that these supports also serve as a non-financial valorisation of NGO staff who thrive as their organisations gain in efficiency... through a positive chain reaction.***

- *Capacity Building*

We use *Capacity Building* as a generic term to name all activities that develop know-how or improve an individual's skills and knowledge. This could be through training, workshops, coaching, learning-by-doing exercises, online or remotely etc. At MAVA we have funded, but also directly experienced, many kinds of Capacity Building initiatives. Of course, the aim is not only for the employees to improve their ability to play a role in the organisation – the activity also improves the organisation itself. Through such Capacity Building activities, the individual gains new capabilities and often self confidence or self worth. ***Capacity Building can be seen as a mutual win-win process: by providing Capacity Building at work, the organisation builds its own development by reinforcing the self worth and satisfaction of its employees themselves.*** As employees, we are very excited to work for an organisation that gives me the means to improve myself and to explore new learning fields.

In the workplace environment, it is vitally important to showcase the number and variety of skills one has. The skills section is one of the most important elements of a LinkedIn profile (and it is even more valuable when these skills are validated by peers)! Capacity Building initiatives allow the employee to attain and validate new skills.

Given this, let's take a closer look at Capacity Building. Obviously, this entails technical skills or competencies that are directly linked to the accomplishment of working tasks. But Capacity

Building also encompasses all the ‘soft skills’ that are essential for people to thrive. The soft skills are overarching capabilities, attitudes and social know-how that deeply sustain the accomplishment of working tasks by the employee but more overall the employee’s fulfilment in the organisation... and in their personal life. All-together training or coaching on collective intelligence, time management or emotional intelligence are amazing learning initiatives that measurably provide the employee with new knowledge, know-how and a positive attitude. At the same time, this is an excellent opportunity to improve the functioning of the organisation as a whole.

- *Leadership*

In our experience, many people start off in conservation with expert knowledge and a passion for the natural world but find their career progression can be slowed by a lack of access to high quality leadership development – either their organisations are unfamiliar with the benefits, or simply lack the funding to support it.

At MAVA, as presented in this [publication](#), we decided to invest in leadership development to complement our partners’ natural passion with leadership know-how, emotional intelligence, and balancing a results-based focus with recognition of the value of people and relationships. We complemented this approach at the individual level by also working at the organisation level to open dialogue spaces and make collective reflection and communication part of the organisation's culture. ***By working on leadership growth, we offer the opportunity and space for an individual to gain confidence, improve resilience with stronger self-awareness and self-care and unleash his/her potential and talents to thrive, both personally and professionally.***

- *Organisational Development (OD)*

In a [recent booklet on three-way partnerships for OD](#), we make a clear distinction between OD and Capacity Building. ‘OD seeks to improve an organisation as a whole, and done properly, its impact is more profound than a series of separate capacity building interventions’. OD encompasses, but is not limited to, Capacity Building supports. [Another collective publication](#), states that ‘OD is greater than the sum of multiple capacity building interventions’.

Thus, it is easier to foster Capacity Building in the framework of a coherent and entire OD process. ***It is more rewarding for the employee to engage in the improvement of individual capacities when it is clear that the organisation is also working to improve itself as an entity (particularly when this process starts with an organisational health-check).***

At MAVA, we often hear that through an OD process, as staff confidence grows, the organisation becomes more adept at entering in new partnerships with new donors. Such

fundraising successes are perceived very positively by the employees individually and by the organisation as a whole.

- *Networking and collaboration*

We firmly believe that collaboration between organisations through strategic partnerships result in more impact and sustainability of conservation initiatives. But maximisation of impact is not the only added value of networking. By interacting with people from other organisations, staff members also enrich their professional life and learn from their peers. They gain knowledge, perspective, and know-how, and feel they are part of a broader movement. An employee might well find that their network provides part of the valorisation they feel is lacking in their own organisation.

To foster collaboration between people from various organisations, at MAVA we held peer coaching online fora. Through these fora, people could match with other CEOs or technicians to share issues and solutions. This provided a rich opportunity for learning.



Supporting staff development as part of grant-making

In the first part of this paper, we laid out some of the types of non-financial valorisations available to reward staff in addition to salary in an effort to increase overall staff satisfaction, performance, well-being and retention (all of this ultimately leads to more impact).

Generally speaking, NGOs do not invest sufficiently in these non-financial valorisations, mainly for two reasons: lack of financial means and, sometimes, lack of awareness.

- *Staff costs are more than just salary*

This section explores the reasons why there is rarely enough funding to cover auxiliary staff costs such as technical and personal development, particularly in terms of the role and the responsibility of donors. We also suggest possible solutions to remedy this unfortunate situation.

There is a general tendency in philanthropy to keep budgets small as an approximation for responsible and prudent spending. This often leads to the systematic elimination of costs that are not considered directly related to the desired outcome but, as explained above, can be important contributors to overall performance.

Unfortunately, budgets are often looked at too narrowly as a price that can be negotiated. Another prevailing assumption and praxis is that project efficiency and high 'return on investment' can be best achieved by simply cutting costs, ignoring or not understanding the counterproductive effect this can have.

There is a difficult judgement to make between what is really needed, what offers added value, and what does not. We have observed that budgetary decisions in relation to staff valorisation are often wrong.

- *How to include full staff costs in budgets and funding?*

If staff valorisation costs are not itemised in budgets, they are generally included (or not) in overhead costs. Prescribing a fixed and generally rather low percentage for overhead is also seen as a common and commonly appreciated practice for keeping projects cost-efficient. But it is also a practice that makes soft skill development non-affordable.

So, how do we overcome these misconceptions of financial cost and project efficiency? We hope that part 1 of this article has already helped to demonstrate that ***staff costs are actually investments and an important factor of impact delivery***. In relation to the budget and allocated funding by foundations, we see the following options:

- Increase the allowed percentage of overhead. It is, however, important to ensure that this increased amount includes staff development.
- Build a separate section into the budget template, thereby encouraging partners to think about and include it.
- Generally move to day rates that include all staff costs - these day rates can be benchmarked with the private sector.
- Move towards core funding or outcome funding. This does not guarantee staff development but gives the flexibility to do so.

Whenever the cost of staff development is integrated and not separated from the budget, there needs to be some other form of assurance that staff development actually takes place. A good relationship with the partner that allows a conversation about this is an important factor.



Investing in people is investing in more impact

Staff development and growth opportunities are what attract and retain capable staff. So being fixated on low cost/price will undermine effectiveness of allocated funding, maybe not short term but very likely in the long run.

At MAVA, we have also often tried to 'control' the financial cost of a project, questioning salaries and overheads. Nevertheless, we have learned over the years to pay more attention to the long-term sustainability of our investments – that collateral investment in operational performance is needed and valuable.

We have built an entire programme for organisational development, capacity building and leadership development. If we were only concerned with cost, we might simply have just given each partner more funding in the hope that staff development would be included. **But instead, we chose to build a programme with a meaningful budget.** Having a specific programme with dedicated staff has allowed us to support our partners in their reflection on the best way to take care of their staff and to increase their awareness on staff development.

Looking back at our OD, Capacity Building and Leadership programmes, we are proud of what they have allowed our partners to do and we consider it money well spent.

Here are a few other important elements we have learned along the way:

- Pay your staff appropriately and complement that with other means of rewarding them.
- Make sure that your partners' operational mindset and practice validate staff development as a component of staff compensation.
- Treat staff development not as a cost but as an investment.
- Consider switching to benchmarked day rates that internalise full cost (building and retaining staff) and do away with direct and indirect cost calculations that are never really comparable, and to some degree arbitrary.
- Mature organisations may only need simple financial help while others may need additional help with technical understanding of staff development.

In conclusion, we wholeheartedly encourage funders to embrace the importance of valorisation. It is just plain good sense, really – give what you would like to receive. Give, and you will get just as much, if not more, in return.