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# Telling the Truth

## 3 Myths of Foundation Work

There is no benefit to holding ourselves to impossible ideas or standards, so let's bust a few common myths about foundation work. The first myth is that it's easy to give money away, the second is that foundation staff can do everything that needs to be done for effective grantmaking, and the third is that you should keep failure to yourself. These myths are not simply untrue, they may actually be destructive. We'll briefly examine each.

### **Myth 1: Giving money away is a snap!**

Giving money away is easy if your plan is to drive down the street and hand out twenty-dollar bills to everybody. Now, that would be fun! When foundations give away money, however, there's a whole lot more background work than gathering a stack of twenties. If you want to be effective stewards of your foundation's money, then you have to ensure that you are deploying the most appropriate strategies, meeting genuine needs, evaluating your impact, and communicating success. These four things are doable, but they are certainly not easy. They are also not the glamorous part of giving money away, but they're an integral part of doing so.

### **Myth 2: Foundation staff can do it all!**

So much goes into effective grantmaking that it is impossible for foundation staff (program officers, program directors, vice presidents, and CEOs) to do everything themselves. Of course, you and your foundation staff are highly talented and very knowledgeable, and I do understand that foundations seek to bring on the best people they can, people who bring in-depth expertise in their areas. Nevertheless, talent and knowledge can only go so far when the trouble is volume. There is often way too much to do – too many grant proposals to review, docket write-ups to prepare, meetings to attend, issues to stay abreast of – to make it realistic to do it all. It can be helpful to bring on outside expertise that you can deploy to help with specific, concrete projects, especially when those experts bring a little more objectivity, knowledge in terms of research, or experience conducting focus groups. Or the outside help may simply extend the capacity of your staff. There is no shame in any of that, but it is a shame to buy into the myth that extra help should be unnecessary.

### **Myth 3: Keep quiet about failure.**

Perhaps the most destructive myth of all is the one that says foundations should keep their failures to themselves. I think foundation staff often worry about taking risks in their grantmaking because they want to report the best findings to their boards and their community stakeholders. They also may avoid risk because they want to have confidence in knowing that all of their grant dollars are being spent in the most effective way possible and are meeting community needs. Those are certainly worthy goals. But to change deep-seated issues like poverty, homelessness, and environmental issues, it's important to try some new things, which implies some risk. Although risk can bring success, it sometimes brings failure. Don't deny your failures. They're valuable – to you and to others. Talk about what didn't work so that other foundations and organizations that are doing similar projects can learn from your mistakes. That way everybody can increase the effectiveness of their grantmaking.



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### *Telling the Truth, continued*

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These three myths about grantmaking are anything but innocuous; I believe they're actually harmful. Myth 1 says that giving away money is easy. If we believe that, then we'll be discouraged by all the time, hard work, and conscientious behavior that go into effective grantmaking. Myth 2 claims that foundation staff can do it all. If we fall for that, we'll hamper important initiatives by declining to bring in the additional help or expertise we need. Myth 3 says that we should keep quiet about failure. Nothing could be further from the truth. We need to be willing to take risks, and we desperately need to learn from mistakes – our own as well as those of others.

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