

December, 2005

Dear Hyams Foundation Grantees and Applicants:

I am writing to thank each of you who responded to the confidential surveys of Hyams Foundation grantees and applicants that were administered through the Center for Effective Philanthropy (CEP). The time you took to complete the surveys was very much appreciated by both Hyams trustees and staff. Since reviewing and discussing the results of the CEP surveys earlier this year, we have continued to think through how best to respond to the feedback we received. We hope that this letter will give you a sense of what we learned from the surveys and our thoughts about how to further increase the Foundation's overall effectiveness in the community and in its interactions with you.

In assessing the survey results, CEP provided us with the median and ranges of ratings from our own grantees/applicants and also compared these scores with the medians and ranges of responses for 116 other foundations whose grantees/applicants completed the survey. CEP is especially interested in this comparative data as it has found that, in general, grantees tend to rate their funders highly. We therefore want to give you a sense of how Hyams was perceived by its grantees and applicants on both an actual and a relative basis. I will begin with grantee perceptions and end with findings from the much shorter applicant survey.

Altogether, 133 Hyams grantees were surveyed and 92 responses were received for a response rate of 69%. Some of the key areas addressed in the grantee survey were as follows.

- Hyams grantees gave the Foundation high scores for its understanding of its fields of interest, the advancement of knowledge in those fields and its impact on public policy. Hyams also was seen as having a very high level of understanding of the low-income communities it serves and a significant impact on those communities, while also being very responsive to important issues within them. However, when compared with the other foundations in CEP's data set, Hyams's ability to advance and share knowledge, and to impact its fields of interest and the communities it serves, were at the foundation median. As these are extremely important aspects of the Foundation's work, we would like to be viewed as being even more effective in these areas in the future.

Based on grantees' written comments, we see two ways to further strengthen our work by: 1) spending more time and effort sharing the Foundation's activities and highlighting the accomplishments of our grantees; and 2) speaking out more on issues of importance to the Foundation and "getting the word out more" about what Hyams is funding and what difference it is trying to make. We hope to do more of both of these in 2006, including making even greater use of our website, which does appear to be a valuable resource to the nonprofit community.

- Our grantees believe that Hyams has a deep understanding of the populations they serve. While they also rated the Foundation's impact on their own organizations very highly, Hyams's rating on this criterion in relation to other foundations was slightly below the median. Based on the survey, we learned that Hyams staff provide more assistance "beyond the grant check" than other foundations in the CEP data set. Assisting grantees in accessing other sources of funding was seen as especially valuable. Based in part on this feedback, we are interacting even more with our grantees by making fewer and larger multi-year grants in several of our program strategy areas. While this certainly has the downside of not being able to support as many organizations, especially newer ones, it has allowed Hyams staff to focus greater attention on the groups that the Foundation does fund. Foundation staff also is spending more time convening groups of grantees, or supporting this convening through intermediary organizations. Both seem to have increased grantees' knowledge of other resources and program approaches, as grantees also have learned a great deal from one another. The Foundation was asked to take further steps to share the work of its grantees on its website or through other publications.
- The CEP survey also focused on grantees' overall satisfaction with their experience with the Foundation and its grantmaking and grant monitoring processes. CEP has found that three dimensions best predict grantee perceptions of satisfaction with a funder: 1) quality of interactions with the staff; 2) clarity of communication of the foundation's goals and strategy; and 3) expertise and external orientation of the foundation. Grantees rated the Foundation very highly in terms of their satisfaction with dealing with the Foundation, comfort in approaching staff with problems, responsiveness of staff and fairness of treatment. However, relative to other foundations, Hyams ranked below the median on these measures as well as on the overall "helpfulness" of the grant selection process, things that clearly concerned us. We again looked to grantees' comments and suggestions to determine what else staff might do to improve interactions with grantees, and several ideas surfaced from this review. The main one relates to having staff spend more time explaining the reasoning behind the Foundation's grantmaking priorities as well as how the grantmaking process actually works. Staff also is unable to meet in person with each applicant, and while this is mentioned on our website, it is a change from several years ago and may lead to a sense that not every applicant has the same chance of being selected for a grant.

In 2004, the Foundation changed the way it monitors the results of its grants and instituted a new grant report format and "outcomes" chart. The CEP grantee survey showed that Hyams's grantees thought that the Foundation's grant reporting process was as helpful as that of other foundations and that our grantees were more apt to be asked to show quantifiable targets and outcomes than other foundations' grantees. Grantees suggested that the Foundation provide more guidance on how to use the outcomes chart; that it make clear that it is interested in quantitative and qualitative outcomes and learning; and that it be open to revising the grant report form based on grantee feedback. Hyams staff is committed to pursuing all of these options, most likely through

discussions with groups of similar grantees, and began this process this year with its Girls Initiative and new multi-year ESOL and ABE grantees.

- As a part of the CEP survey process, the Foundation added questions related to the importance it places on organizational diversity, in particular the racial and ethnic diversity of board and staff that is reflective of the communities being served. The feedback we received on this portion of the survey was certainly the most varied and provocative. Grantee responses to the question of whether the Foundation's focus on board and staff diversity had caused them to become more diverse varied widely. On a seven-point scale, 25% said "not at all", 14% said "to a great extent" and 18% were in the middle, with the remaining responses spread fairly evenly across the other choices. Respondents also were asked to comment on the Foundation's focus on board and staff diversity - over half approved of this emphasis, and many of these organizations stated that they were already diverse.

What we learned from both grantee and applicant comments on diversity was very important. One lesson is that the Foundation needs to do a better job of explaining why it values organizational diversity. The Foundation also needs to ensure that diversity is not seen as being "just about the numbers" but is integral to the overall effectiveness of an organization in addressing the needs of those it serves. The Foundation is preparing a new set of "questions and answers" related to nonprofit diversity. Staff also is thinking about how best to raise board and staff diversity during the grant review process so that it is clear why the Foundation holds it as a value. Finally, several grantees in the survey asked for help in increasing organizational diversity. The Foundation continues to support the work of the Diversity Initiative, which was created by Hyams and other funders and is based at Third Sector New England, and nonprofits can access its publications at www.diversityinitiative.org. We also will try to identify other resources and information that can assist in achieving these important goals.

Hyams undertook a separate survey through CEP of applicants that had been turned down by the Foundation in 2003 and 2004. Sixty-six out of 128 declined applicants completed the survey, for a response rate of 52%. This survey contained fewer questions, and CEP was able to compare these responses with those from the denied applicants of only eight other funders. Respondents also included organizations that might have been funded by Hyams in the recent past.

The key findings were as follows:

- The feedback from applicants was generally similar to that received from grantees, though on almost all counts it was slightly less positive.
- Those organizations not funded by Hyams also thought that the Foundation's funding priorities were less responsive to local low-income community needs and should be broadened, though there was no agreement that any one issue in particular was being ignored.
- On the whole, the median ratings by Hyams applicants were higher than the median ratings for the other eight foundations in this group. What was especially helpful from the applicant survey was the suggestion that Hyams do more to let applicants know much earlier on in the grant review process if they will not, or are very unlikely to, receive funding from the Foundation. We recognize that applying to Hyams requires significant time and effort, and we will work with our trustees to see if there are ways to provide more feedback to applicants earlier on in the grant review process so that they can plan accordingly. We also will continue to call all applicants that are turned down for funding to provide any feedback or advice we may have.

In closing, I know that the Hyams trustees and the entire staff join me in thanking everyone who participated in the CEP survey process. The feedback was important in both reaffirming a great deal of the Foundation's current work while also pointing out areas for improvement. Your written comments in particular were very helpful to us, and CEP staff did an excellent job of interpreting and summarizing a tremendous amount of information. While we will not be able to respond to every issue raised in the survey report, it will continue to be invaluable to us as we work to increase the Foundation's effectiveness in the community.

Thank you again, and may each of you have a wonderful holiday season.

Sincerely,

Elizabeth B. Smith
Executive Director