

Key Findings and Recommendations from the Luminate 2023 Grantee Perception Report

Prepared by The Center for Effective Philanthropy

In May and June of 2023, The Center for Effective Philanthropy conducted a survey of Luminate's grantees, achieving a 66 percent response rate. The memo below outlines CEP's summary of key strengths, opportunities, and recommendations. Luminate's grantee perceptions should be interpreted in light of its goals and strategies.

This memo accompanies the comprehensive survey results, analysis, and methodology found in Luminate's interactive online report at <https://cep.surveymaterials.org> and in the downloadable online materials.

Throughout this summary, Luminate's grantee ratings are defined as higher than typical when they place Luminate at the 65th percentile or above in CEP's overall dataset, lower than typical when below the 35th percentile, and typical when in between those thresholds. Ratings described as "significantly" higher or lower reflect statistically significant differences at a P-value less than or equal to 0.1. Ratings described as "trending" higher or lower reflect a difference of more than 0.3 from the average rating.

Overview

The Center for Effective Philanthropy is pleased to share the results of Luminate's second Grantee Perception Report. While this is Luminate's second Grantee Perception Report as an individual philanthropic entity, Luminate grantees were also formerly surveyed by CEP in 2014 as part of Omidyar Network's Government Transparency program area. Results from all three surveys are included in the online report. Especially while Luminate is undergoing a strategic evolution, it is important to note that these ratings should be interpreted within the context of Luminate's goals, strategies, and approaches.

- ▶ Overall, grantees share positive feedback regarding their experiences with Luminate and generally rate Luminate in line with or above the typical funder. On many measures, grantee ratings have shifted in a positive direction since 2020, with several significant improvements on aspects of interactions, communications, and grantmaking processes.
- ▶ Grantees highlight strengths in Luminate's deep investment in and impact on their organizations through its grantmaking and beyond-the-grant assistance, high-quality funder-grantee relationships, and helpful, adaptable grantmaking processes. In written comments, grantees note that Luminate support has been "instrumental" and that "staff are always incredible, kind, supportive, [and] thoughtful."
- ▶ Grantee feedback indicates opportunities for Luminate to consider finetuning its approaches to creating impact on grantees' fields, build on its impact on grantees' organizations by providing a larger proportion of unrestricted and multi-year support, communicate more consistently, and to continue to streamline aspects of its grantmaking processes.

Luminate’s Deep Investment in Grantee Organizations

Grantees perceive Luminate to have a strong impact on their organizations. On this measure, ratings have trended upward since 2020, now placing Luminate among the top 30 percent of funders in CEP’s dataset. In addition, grantees also perceive Luminate’s understanding of their organizations and awareness of the challenges they face to be stronger than typical.

GRANTMAKING CHARACTERISTICS

CEP’s research has shown that grant characteristics – specifically size, length, and whether the grant was restricted – are often strong predictors of grantees’ perceptions of a funder’s impact.

- ▶ Luminate’s grants tend to fit this pattern. Specifically, Luminate’s grants (\$290K at the median) are larger than those of most other funders in CEP’s overall dataset. In addition, 41 percent of Luminate grantees receive multi-year unrestricted funding, a larger proportion than at most funders in CEP’s dataset.
- ▶ Still, the second largest theme in grantees’ suggestions relates to Luminate’s grantmaking characteristics. Given the value of this type of funding, grantees suggest that Luminate should consider offering even more general operating or unrestricted funding, and more multi-year grants. These grantees often cite how both types of support would allow for greater flexibility given changing contexts and political environments, as well as foster organizational sustainability.

BEYOND-THE-GRANT ASSISTANCE

In addition to its grantmaking, Luminate creates meaningful impact on grantees’ organizations through its provision of beyond-the-grant assistance. Eighty-four percent of grantees report receiving some form of beyond-the-grant assistance from Luminate, a much larger than typical proportion.

- ▶ Luminate’s beyond-the-grant assistance makes a difference for its grantees. Of those who received it, 84 percent of grantees indicate that their beyond-the-grant assistance was equally or more important relative to Luminate’s financial contributions, a proportion that increased from 2020 where 62 percent indicated this.
 - The majority of grantees agree or strongly agree that Luminate’s beyond-the grant assistance met an important need for their organization and/or program, and that Luminate would be open to feedback about the assistance it provided.
- ▶ In their comments, grantees emphasize the importance of this support. As one grantee explains, “Luminate provides a lot of new information and knowledge through capacity-building activities and opening access to new networks, which affects the organization’s strategy.” Given the value of Luminate’s beyond-the-grant assistance to their organizations, some grantees suggest that Luminate could do even more deepen its support. They request more funded opportunities to collaborate and convene with other grantees or other funding networks, as well as additional technical and organizational capacity-building support.



“With funds received from Luminate, we gained access to expertise, mentorship, and networks that catalyze our growth and effectiveness. The funding received from Luminate also enable us to explore new avenues, scale their projects, or experiment with innovative approaches.”



“Luminate’s presence was very important when initiating our project during the first years, but it has also been very important in the current moment to strengthen it. Luminate came to fill several funding gaps in key areas, such as communications, which was underserved, but also provided technical assistance in key areas for the development of our work.”

Luminate’s Evolving Strategy for Creating Impact in Grantees’ Fields

Overall, grantees rate Luminate in line with the typical funder for its impact on and understanding of the fields in which they work, as well as for the extent to which it has affected public policy and advanced the state of knowledge in their fields.

- ▶ The largest theme in grantees’ suggestions for improvement is around Luminate’s approaches to creating impact in their fields. They offer a variety of suggestions within this theme without a strong consensus on a particular approach, noting the complexity of the issues Luminate focuses on and the environments that it operates within. As one grantee requests, “Invest in initiatives that promote long-term systemic change.” Another suggests, “Co-design strategy with the organizations or specialists in that particular country.”

STRATEGIC CHANGE

In 2021, Luminate embarked on a new strategic direction and asked several customized questions addressing the impact of this change on grantees’ experience and their perceptions of its work.

- ▶ When asked how they are experiencing Luminate’s new strategy, grantees moderately agree that Luminate is both a stronger catalyst for change in the community, as well as that its funding priorities are clearer now than previously, rating a 5.5 and 5.3, respectively, on average.
- ▶ Grantees are split on how Luminate’s new strategic direction has affected their organizations: 51 percent indicate that Luminate’s new direction has affected their organization positively, 10 percent indicate that it has had no impact, and 39 percent indicate that it has affected their organization negatively.
 - First-time grantees provide significantly more positive perspectives on this measure, as well as a few others about Luminate’s communications, processes, and impact toward particular outcomes, compared to grantees that Luminate has funded consistently or inconsistently in the past.
- ▶ In their written responses, several grantees note that Luminate’s strategic changes have been disruptive to their work and request that Luminate allow its strategies to be in place for longer periods of time. As one writes, “The chaos around the organization and its strategy...is very challenging.... Please find a way to have some level of identity and continuity, and work within those confines.” On the other hand, some grantees highlight the potential for positive impact related to Luminate’s strategic changes, expressing that Luminate’s “new trajectory will yield great results.”



“Luminate has shifted its focus along[side] the grant, which is not a bad decision. Nonetheless, the changes were taken with little connection to the local environment. It focused more on reacting rather than on anticipating, and it missed some key pressure points as part of their diagnosis.”



“Luminate’s grant programs and initiatives play a crucial role in advancing fields related to social justice, human rights, and transparency. By providing financial support, expertise, and resources to organizations and individuals working in these areas, Luminate contributes to the development of innovative solutions, research, and policies. This, in turn, helps shape the discourse and progress within these fields, leading to positive social change.”

Strengthened Relationships with Grantees

Grantees provide positive feedback regarding their relationships with Luminate, rating in line with or above the typical funder on almost all related measures, and with several positive shifts since 2020. In their comments, grantees describe their Luminate contacts as “supportive thought partners,” “transparent,” and “knowledgeable.”

- ▶ Notably, Luminate receives ratings in the top 25 percent of CEP’s dataset for grantees’ comfort in approaching Luminate if a problem arises and the extent to which Luminate exhibits candor about its perspectives on their work. Additionally, Luminate receives significantly improved ratings for the extent to which it exhibits compassion for those affected by grantees’ work – bringing it in line with the typical funder in CEP’s dataset.
- ▶ Regarding Luminate’s communications, grantees provide significantly improved ratings for Luminate’s overall transparency as well as for their understanding of how their work fits into Luminate’s broader efforts – rating above typical on both measures.
 - However, grantees still provide some of their lowest comparative ratings for the consistency of information provided by different resources, both personal and written, they used to learn about Luminate – placing Luminate in the bottom ten percent of CEP’s overall dataset.

PATTERNS OF INTERACTION AT LUMINATE INFLUENCE PERCEPTIONS OF RELATIONSHIPS

- ▶ Certain patterns of interaction at Luminate are associated with more positive ratings on relationships-related measures. Specifically, Luminate grantees that interact with their program officers monthly or more often (36 percent), have contact with Luminate either initiated by Luminate or reciprocally (80 percent), and those that have had a site visit (69 percent) provide significantly higher ratings on several measures across the report, including on aspects of relationships and processes.
- ▶ Conversely, the 21 percent of Luminate grantees that have experienced a change in primary contact within the last six months – a higher than typical proportion – report significantly less positive perceptions on a few measures related to relationships and DEIJ.



“Luminate’s staff has created a true partnership.... When our contact person at Luminate reached out to check on preparations, it never felt that we are controlled, but that there was a genuine interest in our progress with the – unspoken, but clearly implied – offer to support if need arises.... I would also like to point out that this kind of relationship is...unique, and so far, unparalleled.”



“We have a great relationship with our main contact at Luminate, although the contact has changed a few times due to departures at the organization. We have received delays in receiving information about the status of a renewal in part because of strategic changes at the organization.”

Helpful, yet Time-Intensive Grantmaking Processes

Luminate grantees perceive its grantmaking processes as helpful but more time-intensive compared to those of most other funders in CEP’s dataset. Given the requirements of the complex contexts in which Luminate works, it is important to assess what is feasible in order to achieve the impact that Luminate seeks with grantees.

- ▶ Grantee ratings for the helpfulness of Luminate’s selection process now place Luminate among the top funders in CEP’s dataset – a significant improvement since 2020. In addition, grantees find Luminate to be clear and transparent about its criteria to decide whether a proposal would be funded, rating in the top 20 percent of funders on this measure.
 - Grantees in 2023 feel less pressure than they did in 2020 to modify their organizations’ priorities in order to create a grant proposal that is likely to receive funding. They now rate Luminate in line with the typical funder.
- ▶ Grantees also report positive experiences with Luminate’s reporting process, providing ratings in line with, or above, the typical funder on all related measures. In particular, they rate higher than typical for the helpfulness and adaptability of the process and provide significantly higher ratings than in 2020 for how straightforward the process is.
- ▶ A larger than typical proportion of grantees continue to report having exchanged ideas with Luminate about how to assess the results of the funded work (82 percent compared to 69 percent at the typical funder). These grantees rate significantly higher on a few key measures in the report related to understanding, communications, and processes.
- ▶ Still, there may be some opportunity for Luminate to continue to streamline aspects of its processes. At the median, grantees spend 25 hours fulfilling Luminate’s requirements over their grant lifetime – a decrease of 23 hours since 2020, but still higher than typical. Notably, grantees with budgets of less than \$500K spend the most time on Luminate’s processes and receive fewer grant dollars per hour spent.



“We believe the requirements for submitting the proposal are too onerous, especially in comparison to other funders.... The narrative answered many of the questions we were asked separately. The questions about our organization’s policies on DEI, whistleblowing, etc., took a tremendous amount of work to gather and describe, involving numerous members of our staff in different departments. We submit similar documents to other funders, but Luminate’s were quite a bit more time-consuming.”



“Our experience with the selection and contracting process was highly positive. Luminate staff greatly understood our needs, offered support and capacity building, and showed flexibility to meet our organizational practices rather than imposing new procedures.”

Diversity, Equity, Inclusion, and Justice

Luminate receives ratings in line with the typical funder in CEP's dataset for all measures related to diversity, equity, and inclusion (DEIJ) – including how clearly Luminate communicates and demonstrates an explicit commitment to DEIJ, as well as for Luminate's commitment to combatting racism.

- ▶ Grantees were asked in 2020 and again in 2023 how strongly they associate various characteristics with Luminate. Since 2020, the largest trends upward are for grantees' associations of Luminate with a commitment to social justice and convening diverse perspectives to contribute to conversations.
- ▶ When asked how Luminate could best support their organizations' DEIJ-related work, grantees often suggested that Luminate offer funding specifically targeted toward DEIJ, facilitate collaboration and the exchange of knowledge and best practices, and offer training and capacity building support. As one grantee suggests, "They could organize events, workshops and knowledge sharing meetings that focus on DEIJ issues. This would help us learn from others, share our experiences, and possibly find opportunities for collaboration."

Recommendations

- ▶ Celebrate and reflect on Luminate's unique approaches and the changes made since 2020 that have contributed to grantees' strong perceptions of Luminate's impact on and understanding of their organizations, high-quality relationships, and helpful processes. As Luminate continues its strategic shift, ensure these practices are codified, maintained, and reinforced.
- ▶ Continue providing valuable beyond-the-grant assistance, and where it is in line with Luminate's broader grantmaking strategy, consider opportunities to further increase the provision of the kind of multi-year, unrestricted grants that grantees find transformational.
- ▶ Reflect on grantees' suggestions around Luminate's approaches to creating impact in their fields. For instance, consider how to maintain consistency as Luminate's new strategy takes effect and identify opportunities where Luminate could engage grantees and other local experts in strategy design.
- ▶ Identify barriers that might be hindering effective, consistent communications with grantees, particularly in this moment of change, recognizing that this is an opportunity shared across the entire organization. Consider ways to improve consistency in communication, perhaps by:
 - Finding ways to support teams and staff in communicating with grantees about Luminate's current priorities and its future direction, whether through their informal conversations or through more formal interactions during grantmaking processes.
 - Seeking opportunities to maintain consistency in communications and grantee experiences during program staff transitions.
 - Identifying sources of variation in the ways that Luminate communicates across its people and teams and in its resources about goals, strategies, and Luminate's approaches. Ensure content is well-aligned across different avenues of communication.
- ▶ Continue efforts to streamline aspects of Luminate's grantmaking processes that grantees and staff find most burdensome, while considering what is possible given the complex contexts in which Luminate operates. Identify opportunities to tailor and/or right-size process requirements to meet grantees' capacity, particularly for smaller grantees.

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