MONITOR INSTITUTE

moving **ideas** into **action**

REFLECTING ON THE FIRST THREE YEARS OF
BUILDING NETWORK EFFECTIVENESS AT
THE DAVID & LUCILE PACKARD FOUNDATION

May 2012

contents

audience

Why are *you* interested in network effectiveness?

I am part of the **Organizational Effectiveness team** at Packard Foundation and want to refine our approach to building network effectiveness

I am part of a **Packard Foundation program** and want to use network effectiveness as part of my strategy

I am a **grantmaker** interested in building the capacity of my grantees to work in networks, and my own ability as a network weaver in my field

I am the **leader of a network or an organization** who wants to sharpen my abilities at achieving impact through networks

I am a **consultant** who is helping to build the capacity of others to work in networks

Read the full document

Read the introduction, the experiment, key points of the insights and implications for the field, and the insights and implications for Packard Foundation

Read the introduction, key points of the experiment, the insights and implications for the field, and key points of the insights and implications for Packard Foundation

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I

Introduction

Why building network effectiveness matters today

The leading edge of social change is increasingly network-centric. Collaboration, coordination, and working in networks are becoming the new normal, as leaders across sectors work to move the needle on today's most pressing problems.

Individuals and groups are taking increasing advantage of technology's ability to facilitate and expand their impact through connection, coordination, and collaboration. What does this look like in action? Grassroots mobilization has achieved a step change in speed and power, as witnessed by the Twitter-enabled Arab Spring, the KONY 2012 campaign that put a long-invisible crisis in Africa on the public radar, and the swift backlash against the Susan G. Komen Foundation for withdrawing support from Planned Parenthood. Collective knowledge production on sites like Wikipedia, Galaxy Zoo, Instructables, or the Polymath Project continues to grow and is redefining how we access expertise. We can also see the power of networks playing out in field-level collaboratives such as Strive and RE-AMP, where large groups of organizations are aligning their strategies to enable individual efforts to add up to systemic change.

It's not surprising that we are now seeing growing interest among funders in catalyzing networks. The trend is visible in how often the topics of collaboration, transparency, stakeholder engagement, and open leadership are present in the *Stanford Social Innovation Review*, as well as how often it has been the subject of recent conferences. The 2011 conference "Growing Impact in a Networked World," co-produced by Monitor Institute and Grantmakers for Effective Organizations, sold out in just three weeks. Collaborative problem-solving was a popular topic on the agenda at the following GEO conference in 2012. And, the Global Philanthropy Forum in 2012 focused on creating a new social contract through collective problem-solving.

There are now many new resources available for funders to develop an understanding of how to catalyze networks for social action: Beth Kanter's blog on the use of social media for strategic engagement has gained a substantial readership; guidance on the art of network weaving is now available in June Holley's just-released handbook; a comprehensive toolbox for measuring movements was published in *Metrics That Matter*; and, Monitor Institute and Grantmakers for Effective Organizations' *Catalyzing Networks for Social Change: A Funder's Guide*, which captured ideas and best practices on funding networks from over 80 contributors. The conversation in the field is very much alive.

> Do you have to become a networked nonprofit to be successful? I think you do.
>
> BETH KANTER (VISITING SCHOLAR AT THE PACKARD FOUNDATION AND AUTHOR)

> You have so many more people in philanthropy who are aware of this…. there's a new language. It's a way of working. It's not even new anymore.
>
> GALE BERKOWITZ (MASTERCARD FOUNDATION)

> It's good to see the extent to which social media and technology are now being used as a means for working in networks, rather than for their own sake.
>
> CHRIS DECARDY (PACKARD FOUNDATION)

> I don't think Packard Foundation should stop [investing in networks]. There was a revolution started. I don't think there's a turning back.
>
> BETH KANTER

What this document contains

This document is a reflection on what the Packard Foundation has learned in its past three years of experimentation with supporting the efforts of nonprofits to work in networks. It addresses:

1

What happened?
What has happened with the Foundation's investments in networks over the past 3 years—2009, 2010 and 2011?

2

What did we learn?
Looking back at OE's networks grants/projects/commitments, what are the implications for the field?

3

What are the implications for OE at the Foundation?
Based on these findings, what should OE consider in setting its strategy for the next five years?

This document also explores how the past three years of work have informed the deeper learning questions that the OE team posed in its 2009 Network Effectiveness Theory of Change. For example: Which network effectiveness offerings do grantees find the most helpful? What is the appropriate balance of Program vs. OE investments? And, how can the Packard Foundation most effectively position itself within the networks it is supporting? Answers to those questions are included throughout, and a new learning agenda is proposed at the close.

This work is intentionally not a reflection on Packard Foundation's grantmaking of program dollars to networks. The program officers who gave input into this work did reflect on their use of network-style approaches in their grantmaking, and on their experiences grantmaking to networks, but this work does not address those grants in detail.

This research was also intentionally constructed to be a forward-looking examination of what is now known about the most effective approaches in supporting networks, not an in-depth retrospective assessment. It is key to note that we at Monitor Institute have been participants in designing and running this experiment, not objective third parties. We helped to develop the Network Effectiveness Theory of Change and delivered a portion of the work. Our analysis here is informed by our experience, along with a range of inputs:

- Reviewing the documentation of the 45 OE grants given for network effectiveness between 2009 and 2011, along with other relevant documentation

- Interviews with six Packard Foundation grantees who received network effectiveness support from OE

- Interviews with nine Packard Foundation staff, including both program officers and OE staff, as well as Visiting Scholar Beth Kanter

- Interviews with three close advisors to Packard Foundation who are familiar with its network effectiveness work

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HOW ORGANIZATIONAL EFFECTIVENESS IS STRUCTURED AT THE PACKARD FOUNDATION

When a Packard Foundation grantee needs capacity-building support beyond the guidance of a program officer, the program officer can refer the grantee to the Organizational Effectiveness team. OE gives modest grants to support grantees' work with a capacity-building consultant. Its small in-house staff works with grantees to scope the work and advises them on choosing the right consultant for the job.

▶ *If you have any questions or comments, please contact Kathy Reich, Director of Organizational Effectiveness Grantmaking: kreich@packard.org.*

▶ *For more details on the sources of input, see the appendix.*

What was accomplished and where we now stand

The experiment's original hypothesis has proven true: building network effectiveness does benefit from a specialized brand of support. Having a line of grantmaking dedicated to network effectiveness has drawn attention to and addressed the particular needs of networks. These grants have helped build network effectiveness, consistently delivering strong results that are on par with the rest of the OE portfolio.

The OE program's investment in network effectiveness has contributed significantly to the growing interest among funders in investing in networks. It set an example in responding to grantees' requests for building network effectiveness within their individual organizations, demonstrated "learning in public" through its ongoing use of social media to share its observations and ask for input, and provided Foundation grantees with peer learning opportunities. It also took the initiative in building the field through broader peer learning opportunities for both funders and nonprofits, research to capture best practices, and convening for those practices to be to shared and sharpened.

The investigation into network effectiveness began in 2007, a moment when social media was starting to take off and the notion of networks as a vehicle for social change was just coming into focus. Over the past 5 years, network capacity building has become much more commonplace, although it is not yet mainstream. Looking forward, we expect there will be a point when specialized support, specialized consultants and specialized language won't be needed. Building network effectiveness will be a common part of the capacity-building repertoire. We're seeing seeds of this transition today, and OE's work can be credited with making a meaningful contribution to that shift.

But we're not there yet. We recommend that OE continue supporting network effectiveness in the many forms it has done in the past three years, including research to capture and codify the new practices. And that it do more work to bring those practices to program officers at the Foundation and wider audiences in the field, acting as an advocate and guide for using network strategies as a new avenue to impact.

II

The experiment

The experiment: key points

The process of how this experiment was conceived and run is useful context for the recommendations that follow, but it is also a good example of how a foundation can explore a promising new approach to grantmaking in a way that supports individual grantees, groups of organizations, and the field as a whole:

1 The experiment put ideas about networks into action

This is the second Packard Foundation experiment with network practices. The Foundation saw the promise of networks in the mid-2000s, and ran its first explicit experiments with networked approaches from 2007-2009. In this second round of experimentation the Foundation began responding to requests for network effectiveness from any of its grantees and also took steps to build the field.

2 It used specialized offerings to support network effectiveness

This work put into practice a set of ideas from the initial experiments about the type of approaches that would be required to build grantees' *awareness* of network concepts, *application* of network strategies, and *action* using network practices.

3 Support for individual grantees was augmented by OE initiatives

The network effectiveness support that OE provided was largely in response to requests from individual grantees for one-on-one consulting, but the team also ran eight independent initiatives.

4 Eight OE initiatives served broader groups and the field

Those initiatives provided peer learning for Foundation grantees, peer learning for broader groups, field-building research to capture best practices, and field-level convenings to share and sharpen those insights.

1. The experiment put ideas about networks into action

Living in a "network age" has profound implications for all of us who aim to create social change.

Packard Foundation was a natural place for this realization to strike early: It has a long history of supporting collaborative work among nonprofits and pioneered the field of organizational effectiveness. In the mid-2000s, Packard Foundation leaders were watching with interest as the use of social media began to spread. They began talking with grantees about how the new peer-to-peer forms of communication could disrupt the existing models of membership. What became clear at that point was that social media was the tip of an iceberg around fundamentally new ways of organizing. In 2007, the Foundation launched a two and a half-year partnership with Monitor Institute called the Philanthropy and Networks Exploration (PNE).

From 2007 to 2009, the PNE provided the container for a series of pilot projects in how networks can be used to drive impact, in the use of social media and network mapping, and the development of organizational strategies for Packard Foundation to increase its impact through the use of networks—including an effort by the OE team to explore the capacity building needs of networks. The OE team's work laid out a vision and set of strategies for (a) applying the mindset of networks to its grantmaking and (b) building that mindset and set of capabilities in its grantees.

Part of the context for these experiments was the start of today's era of government and foundation austerity, in which working collectively has the added appeal of putting increasingly limited dollars to efficient use. And at a deeper level, many in the field were also raising questions about the limitations of lone-wolf social entrepreneurs to achieve impact on systemic issues.

In 2009 the Foundation launched a formal experiment to extend its Organizational Effectiveness (OE) grantmaking to include support for building "network effectiveness." They believed that nonprofits would need not only strong leadership and infrastructure internally, but also the capability to work collectively to achieve meaningful impact. But what practices were required to do that was an open question.

What the Foundation could see was an emerging body of work for bringing collaboration on social challenges to a new level. The bedrock of that work was a range of well established practices: community organizing, multi-stakeholder negotiations, and organizational development. Layered on to those were both the evolving theory of social network analysis and a growing base of experience in using new communications technologies for coordination and collaboration.

For an organization to gain network effectiveness meant digging into this collection of practice areas to discover and develop new competencies. Grantees would need help with the process. So the Foundation identified a menu of ways to offer this new kind of support, and OE has spent the past three years finding opportunities to use that toolkit in responding to grantee needs.

This document details what the Foundation has learned through that experiment. It is intended primarily for the Foundation's grantmakers but also for anyone with an interest in the question:

What does it mean and what does it take for a funder to catalyze networks for social change?

2. It used specialized offerings to support network effectiveness

There was reason to believe that grantees would be interested in developing more intentional network approaches to achieving impact. At the start of the PNE, an internal survey found that over 100 grantees were formally structured as networks. This was confirmed when a [follow-up survey in 2009 & 2010](#) found that 27% percent identified as networks and a further 37% identified as more centralized organizations that were nonetheless highly networked. OE continued to take a responsive stance in its support of network effectiveness, consistent with its foundational belief that the best capacity-building is initiated and driven by the grantee. But the theory of change did lay out a clear hypothesis for the types of grantees it believed could benefit from network effectiveness support, what forms of support to provide, and which would be provided by OE versus programs. That set of offerings proved robust over the course of the three years, with the final set of offerings showing little change from the start:

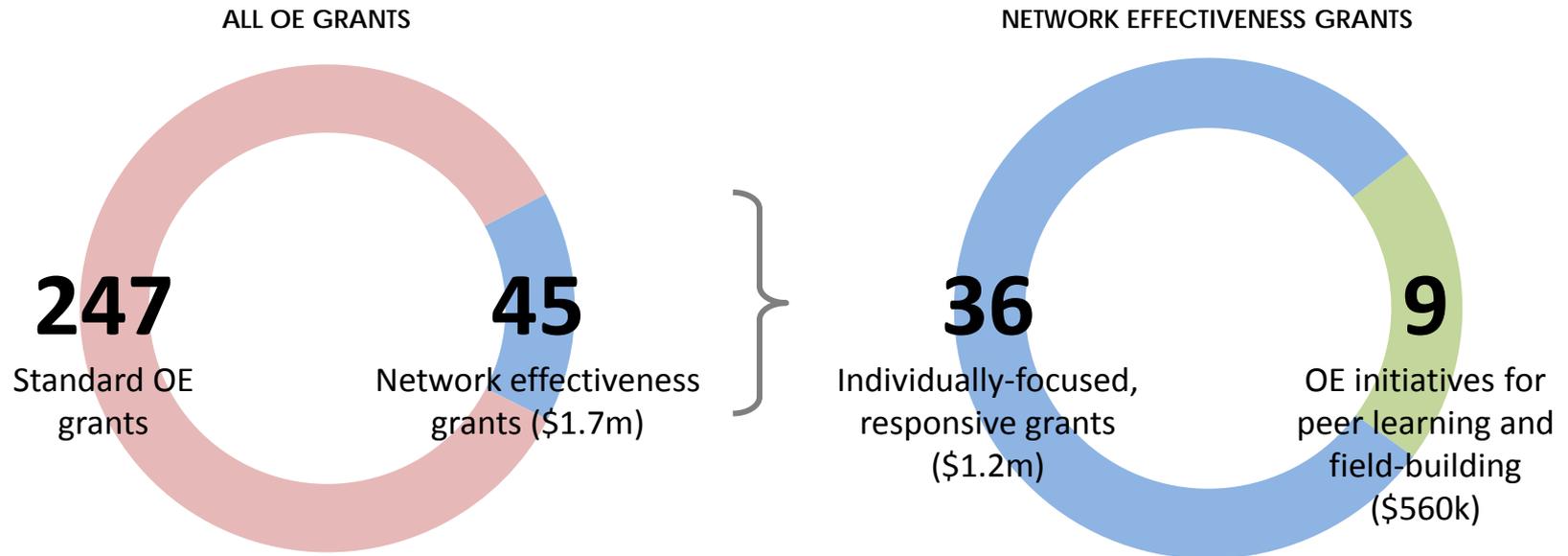| AWARENESS OF NETWORK CONCEPTS	APPLICATION OF NETWORK STRATEGIES	ACTION USING NETWORK PRACTICES

- Network effectiveness convenings
- Case studies to capture and share stories of network effectiveness
- Aggregate and share learning across network effectiveness interventions
- Access to inventory of network effectiveness resources
- Network effectiveness self-assessment tool
- Network effectiveness trainings
- Peer learning for network leaders
- Network-focused coaching
- Standard OE approaches (applied to building network effectiveness)
- Network staff
- Convening "glue" (travel, food, facilitation)
- Developing technology infrastructure
- Building grassroots networks
- Maintaining technology infrastructure

Provided by Organizational Effectiveness
Provided by programs
Provided by both

Details on each of the OE offerings are provided in the sections below

3. Support for individual grantees was augmented by OE initiatives

ALL OE GRANTS

247
Standard OE grants

45
Network effectiveness grants ($1.7m)

NETWORK EFFECTIVENESS GRANTS

36
Individually-focused, responsive grants ($1.2m)

9
OE initiatives for peer learning and field-building ($560k)

The result of OE's opportunistic grantmaking in this area over the three-year period is that it provided a total of 45 network effectiveness grants, just 15% of the total (292), which came to $1.76 million. To supplement OE's own budget, a small amount of President's Fund monies were used each year.

While the majority of its grantmaking was given reactively to support individual grantees, about a third of the OE dollars spent on network effectiveness were for eight initiatives to test and explore network approaches. These were typically larger by a factor of two, at an average of $62,240 versus $33,836 for those that were individually-focused.

▶ *For a year-by-year breakdown, see the appendix*

▶ **DEMAND FOR INDIVIDUALLY-FOCUSED GRANTS STAYED STEADY**
The pipeline of network effectiveness grants ranged from seven to 15 being managed per month, for an average of 10.3:

2009 2010 2011
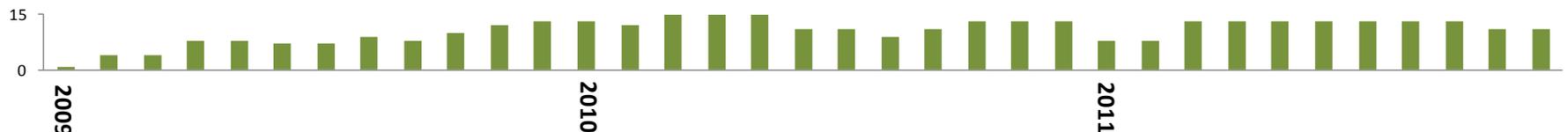
4. Eight OE initiatives served broader groups and the field

At the start of the work, two of the offerings OE set out to support were network effectiveness convenings and peer learning for network leaders. Both required OE to take initiative beyond responding to grantee demand, and each turned out to have two components. Convenings were augmented by written research as a means of spreading best practice, while peer learning was provided both for grantees and for broader groups.

PEER LEARNING FOR GRANTEES

- **Network effectiveness working sessions with grantees:***
  Three workshops with Monitor Institute in 2009 for grantees to learn about network effectiveness concepts, tools and case studies of network effectiveness.

- **Providing coaching and peer learning on social media:**
  Consulting assistance for grantees from social media and technology educator Beth Kanter, provided in a variety of forms: one-on-one coaching with leaders, single classroom sessions, classroom series with related participants, and longer-term peer learning groups.

PEER LEARNING FOR BROADER GROUPS

- **Participation and partial support for the Network of Network Funders:**
  A community of practice for funders experimenting with increasing their impact by catalyzing networks

- **Supporting the Network Weavers Community of Practice:**
  A nine-month community of practice to help nonprofit leaders and leadership development consultants strengthen their abilities to weave networks.

- **Support for the Shelter Providers Learning Community:**
  Two learning community cohorts of local shelter and emergency services grantees, facilitated by La Piana Consulting from 2008 to 2011.

- **Support for the Network Leaders Innovation Lab:**
  A learning community for providing tools and support to leaders for operating more effectively across and within social justice movements.

FIELD-BUILDING RESEARCH

- **Partial support for _Catalyzing Networks for Social Change: A Funder's Guide_:**
  A report from Monitor Institute and Grantmakers for Effective Organizations that captured & formalized the insights from the Network of Network Funders.

- **Partial support for research into Leadership and Networks:**
  A collaborative research project with the goal of accelerating learning among social-sector leaders and catalyzing social change at a larger scale through cross-sectoral collaboration and collective action.

FIELD-BUILDING CONVENINGS

- **Partial support for the GEO & Monitor Institute conference on "Growing Social Impact in a Networked World:"**
  A sold-out gathering of GEO members focused specifically on funding networks, which brought the conversation to a wider audience.

Note: The network effectiveness working sessions were funded under the final grant for the Philanthropy and Networks Exploration, which are not included in the quantitative accounting for this three-year period.

> ▶ *For more details on each project, see the appendix.*

Networks as a catalyst for place-based change

The results of building network effectiveness can be seen throughout the organization at Community Foundation for Monterey County (in California), which Packard Foundation has supported twice in the past five years as part of its Local grantmaking program. CFMC coordinated a network of social service providers. They helped government, nonprofit and school leaders better align their efforts, and built relationships among leaders at the neighborhood level. Across these initiatives, CFMC actively applied insights from social network theory, mapping networks and engaging local leaders in opportunities to learn about network dynamics and community change.

Former senior program officer Jeff Bryant explained that understanding networks "gave us a new vocabulary — a new way of articulating and being intentional about what we'd been doing for years." This more focused intention has led to a series of efforts around supporting networks that have generated several key insights:

Seeing Connections is Powerful:

CFMC has found it particularly helpful to develop network maps of key social connections, to provoke discussion (and related action) about how groups could better connect and coordinate. Its first use of network mapping was in 2007 with a project in the city of Salinas, California, where the city's many youth service providers seldom saw themselves as part of a larger system.

When CFMC mapped their relationships, the group was able to see for the first time the connections and gaps between them. This helped each actor see its place within the larger system, and ultimately led to greater coordination among the city's government agencies, nonprofit organizations, schools, and local funders.

Coordination Creates the Strength of Numbers:

CFMC is now explicitly open to accepting grant requests to support field-level network capacity or are designed to build organizational capacity by working in a more networked way.

For example, it recently supported a local environmental advocacy organization in forming a coalition to push for a ban on plastic bags. Called the Central Coast Sanctuary Alliance, it now has over seventy members who are working to coordinate their efforts and speak with a single voice.

Lessons Are Meant to be Shared:

Building on its experience running a community of practice for network weavers, CFMC is now offering classes on facilitation and other elements of network weaving as part of its center for nonprofit excellence. And that's not the end of their plans: also under discussion are a new community of practice and the creation of case studies to put a face on the successes and challenges of networks.

According to senior program officer Janet Shing, "We want to keep the question of what it means to work in networks on the front burner for everyone."

III

Insights & implications for the field

Insights & implications for the field: key points

There is great value in examining OE's experience if you are a grantmaker interested in building the capacity of networks, a leader working to increase your own network effectiveness, or a consultant helping to build that capacity in others. We saw six important insights embedded in the work:

1 Combine network effectiveness with organizational effectiveness

Network effectiveness is clearly a distinctive set of behaviors and strengths for a leader or organization to build. But the approaches for building network effectiveness that this experiment supported were typically combined with more traditional organizational development activities.

2 For consultants, networks expertise is an addition to standard skills

A consultant's ability to build network effectiveness is clearly a distinct skillset—and of most value when used in concert with standard capacity-building skills.

3 Low-technology settings require high-touch network facilitation

In areas where the use of high-tech communications is not yet widespread, working in networks can be slower and more time-consuming and require a more high-touch process for supporting the network. But the benefits remain substantial by comparison to working with one organization at a time.

4 Peer learning builds capacity, builds network effectiveness, and enables collaboration

Not all capacity is best built through one-on-one consulting. Peer learning fills a distinctive and complementary niche: it helps grantees explore an issue that is central to their work, builds their overall ability to engage collaboratively, and also connects them with potential partners for doing collaborative work.

5 Networks are proving their value to program outcomes

Network-based approaches have become central to the work of a number of program officers at the Packard Foundation. Each has discovered their own reasons for achieving strategic goals through network-centric modes of working.

6 Field-building work remains critically important

The past three years have seen significant progress in the development of network practices and the level of interest among funders; but there is substantial work to be done before network effectiveness is considered an essential capacity to build.

1. Combine network effectiveness with organizational effectiveness

Consultants' capacity-building approaches were most often a combination of both
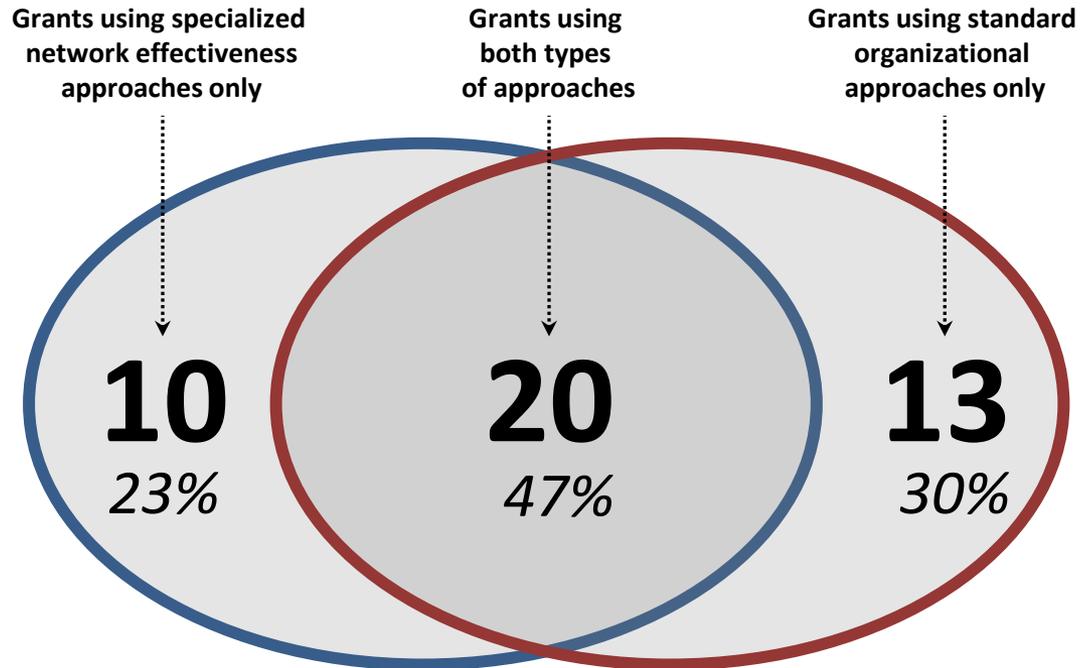
One of the most important parts of the learning agenda for the experiment was to discover what kinds of support grantees would need to build network effectiveness and whether those approaches would dovetail with standard capacity-building. Behind each of the case studies and the network effectiveness grants was a set of approaches to building network effectiveness, chosen by OE and the grantee and carried out by a capacity-building consultant.

▸ **WHAT WE FOUND**

Consultants combined an average of three distinct approaches in their work. These were most often a combination of both standard organizational effectiveness and network effectiveness, but were just as likely to be only network effectiveness strategies as they were to be only standard strategies.

▸ **WHAT IT MEANS**

Building network effectiveness should not be thought of as a separate capacity-building practice that works only with its own specialized toolkit, but rather as an additional drawer in the toolbox of capacity-building tools, to be used alone or in combination depending on the circumstances.

▸ I don't see a distinction between network capacity and organizational capacity. It's another set of potential areas where OE can be effective.

JEFF SUNSHINE (PACKARD FOUNDATION)

Grants using specialized network effectiveness approaches only

Grants using both types of approaches

Grants using standard organizational approaches only

10
23%

20
47%

13
30%

(Note: Consultants used an average of three approaches to build network effectiveness, each of which is described on the following page)

1. Combine network effectiveness with organizational effectiveness

A wide range of both standardized and specialized approaches were used with roughly even frequency

USES OF STANDARD ORGANIZATIONAL EFFECTIVENESS APPROACHES

Communications & engagement

| 17 | 2 |

Fundraising

| 10 |

Governance & structure

| 9 |

Strategic planning

| 8 |

Branding

| 6 |

Knowledge-sharing

| 5 |

Research

| 2 | 2 |
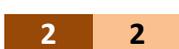
Technology training

| 2 | 2 |

- *Used in individually-focused grants in response to grantee requests*
- *OE-initiated field-building, peer learning, and coaching*

> Note: When we asked our interviewees which approaches they considered the most valuable, their votes largely followed the pattern above, with one notable exception: network staff was tied for second with many that were used far more often.

USES OF SPECIALIZED NETWORK EFFECTIVENESS APPROACHES

Technology infrastructure—Building new technology systems to support networks such as peer-to-peer methods of grassroots engagement, collaboration with other organizations, or internal knowledge-sharing

| 13 |

Convening "glue"—Providing the funding for travel, accommodations, venue, facilitation, and the other expenses of holding a convening

| 8 | 5 |

Network-focused coaching—One-on-one support from an expert in network leadership, network strategy, or other network approaches

| 8 | 3 |

Peer learning for network leaders—Structured opportunities for leaders who are using network approaches to exchange stories and advice

| 6 | 5 |

Building grassroots networks—Developing the ability to organize communities by helping individuals connect with each other and take initiative

| 4 | 7 |

Network effectiveness training—Instruction in the theory and practice of network approaches

| 6 |

Network staff—Consultants for building, running, and strengthening a network that is too informal to have full-time staff

| 2 | 2 |

- *Used in individually-focused grants in response to grantee requests*
- *OE-initiated field-building, peer learning, and coaching*

1. Combine network effectiveness with organizational effectiveness

Reflections on the usage data

- The top ranking of both communications & engagement and technology infrastructure reflects the fact that this was a time when social media was experiencing a significant burst in popularity, and was still an experimental area for many nonprofits

- The high usage of convening "glue" supports the perspective that one of the best uses of a funder's unique positioning is to enable groups to come together when the costs would otherwise be prohibitive

- The standard organizational needs of fundraising, governance & structure, and strategic planning were all heavily used, indicating that those needs may be different in a networked grantee but do not go away.

- Network staff was originally expected to be provided by programs rather than OE, but OE staffed three networks by hiring consultants to act as the weavers, facilitators, and analysts. That role appears to be very important for networks that are nascent and/or temporary.

Suggestions for fine-tuning the approaches

- **Technology infrastructure** should explicitly include support for designing and running high-functioning online communities, a skill-set not typically present in many technology consultants

- **Network-specific coaching & expertise:** This should explicitly include facilitation and negotiation skills, and should ideally be available over the long term to help the skills take root.

- **Building grassroots networks:** This should be expanded to include strengthening grass-tops networks, which is a common need that shares a great deal of tradecraft

MOMSRISING

Sharing stories to spark grassroots energy

Online networks and social media are part of the DNA at MomsRising, which was co-founded in 2006 by MoveOn co-founder Joan Blades and operates with an entirely virtual team that works from home offices spread across the country. Its purpose is to advocate for family economic security and children's health. For MomsRising, success comes from supporting individuals connecting with one another—and more importantly, being the place "where moms and people who love them go to change our world." Rather than promoting its own brand, MomsRising gives its members a platform for telling their own stories and taking action together, thanks in large part to a platform built in 2010 with OE support.

MomsRising had already established a substantial name in 2009, when its members took over a million online actions in support of family-friendly policies and were covered in the media over 1,000 times. The grant from Packard Foundation enabled it to build a story collection tool that enables members to quickly and easily share their personal narratives about why they support MomsRising campaigns.

The ease of the story collection page has resulted in thousands of stories from families across the country who are struggling with healthcare challenges. These individual stories add up to a compelling collective voice and knit together a community of moms across the nation—those unable to afford childcare; families living with the challenge of having three children with auto-immune disorders; or the struggle of having a child born three months premature. Many stories highlight not only the need for additional government support, but also the value of the existing services that have supported families through difficult times.

> ▶ **ONE OF THE STORIES SHARED BY MOMSRISING MEMBERS:**
>
> *"Who would have thought that a short one-paragraph post on MomsRising.org about my personal experience with the new healthcare reform act would lead to me meeting President Obama! But that's exactly what happened. About a week after I posted the exciting news that my family's new health insurance cannot exclude my son's pre-existing condition (thanks to the new law), I received a call from the White House asking me for more information about my situation."*
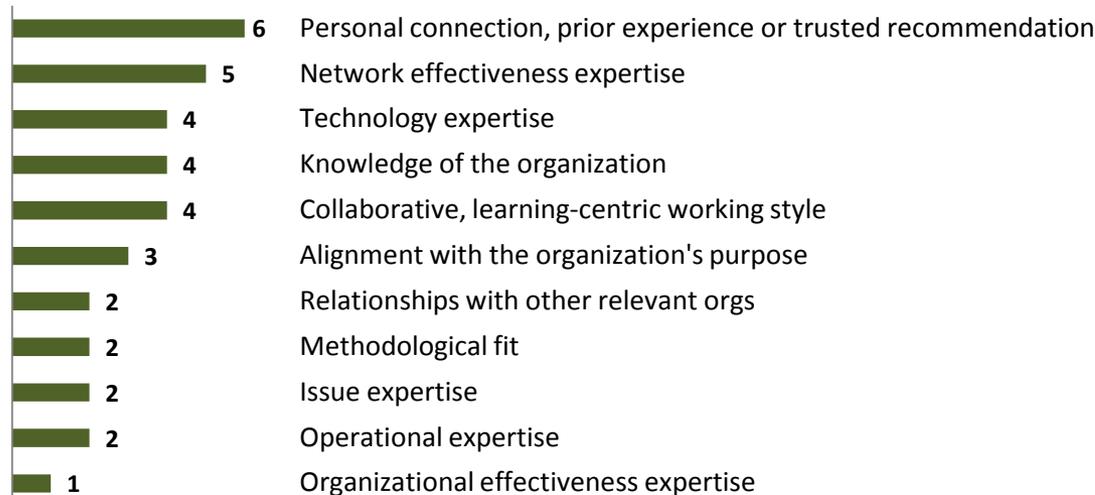
The grant also enabled MomsRising to build a text-messaging broadcast system for rallying members to take immediate action, on a communications channel typically reserved for close relationships. The two tools together helped MomsRising build a much more personal connection with its members, greatly strengthening its ability to take collective action when necessary.

At the end of the one-year grant, moms participating in the new mobile text message campaign had an average action rate that was 10 times higher than then those on the general email list. The email list had swelled to 1.2 million members, with another three million subscribing by social media. And the stories proved highly effective in the recent public debate about healthcare. According to Executive Director Kristen Rowe-Finkbeiner, "The stories tool is the backbone of our many campaigns, and they built a groundswell of public support and helped change the public narrative around the health care issue. Over 500 stories from 43 states helped influence action alerts generating 100,000 letters to Congress, and we think it helped to save Medicaid."

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2. For consultants, networks expertise is an addition to standard skills

WHAT WE FOUND

When we asked six grantees to tell us what they were looking for in a consultant, all but one named networks-specific expertise. But it was never chosen alone—interviewees named between three and nine of the following ten qualities as crucial to who they selected:

Score	Quality
6	Personal connection, prior experience or trusted recommendation
5	Network effectiveness expertise
4	Technology expertise
4	Knowledge of the organization
4	Collaborative, learning-centric working style
3	Alignment with the organization's purpose
2	Relationships with other relevant orgs
2	Methodological fit
2	Issue expertise
2	Operational expertise
1	Organizational effectiveness expertise

WHAT IT MEANS

Specialists in network effectiveness have clear value where the situation requires an advanced understanding of networks, such as in building a large-scale collaborative for aligned action. But as working in networks becomes more normal, and the knowledge of best practice becomes more widespread, basic literacy in networks is becoming a requirement for any consultant to master. And "networks" will not always be the word used to describe it: many consultants will continue to describe their expertise in plainer language such as group facilitation, promoting collaboration, or stakeholder engagement.

> You want someone literate in networks, but not beholden to the toolkit.
>
> EUGENE KIM (GROUPAYA)

> Most of the people we've worked haven't had specific networks experience. We've brought people in for their functional expertise or professional skill. We're just now bringing in people who do collective impact work, and they'll be the first people to come in with a networks lens.
>
> LISA MONZÓN (PACKARD FOUNDATION)

> The truth of it is that we live in a networked world, and consultants need some fluency. If a consultant isn't thinking about how you're connecting to the world outside of your organization, that's not good for the organization.
>
> JEFF SUNSHINE (PACKARD FOUNDATION)

> [Network effectiveness consulting] requires really highly-skilled people on process management and collaborative design. For us it's a difficult skillset to find.
>
> CHRIS VAN BERGEIJK
> (HAWAII COMMUNITY FOUNDATION)

3. Low-technology settings require high-touch network facilitation

Social media and other new communications technology has been the spur to focus on network approaches, but there are many situations where a network approach would be useful and yet the group in question has little access to or comfort with those new tools, such as in many developing countries. Network effectiveness is just as important in these settings, but presents a different set of opportunities.

WHAT WE FOUND

Low-tech settings can provide a stronger foundation:

- Where the group shares a communitarian culture, they may have a stronger rooting in collaborative practices

- When there are fewer resources, participants can have further incentive to work collaboratively

But also have clear challenges:

- The ability to connect across distances can be limited or lacking, particularly at the grassroots

- There can be far less comfort at building and maintaining connections at a distance

- When working across cultural and language differences, communication is difficult without visual cues, requiring far more face-to-face interaction

WHAT IT MEANS

The work of building network effectiveness in low-technology settings is often a matter of providing high-quality in-person facilitation over an extended period. It should be expected to require a more substantial commitment of time and require additional support for the costs of facilitation and convening—but provide commensurate benefits beyond a traditional organization-by-organization approach.

> I think being [network savvy]comes from necessity in developing countries. There are so few resources dedicated toward solving these problems that people have to band together.
>
> STEPHANIE MCAULIFFE
> (PACKARD FOUNDATION, RETIRED)

> Success in a network can depend a lot on the relationships built among the members, and that can be somewhat tenuous if you can't get together face to face. What international groups need is more tailored technical assistance where the feedback isn't always a technology fix.
>
> LANA DAKAN (PACKARD FOUNDATION)

LMMA NETWORK

When high-tech does not trump high touch

Much of today's focus on network effectiveness comes from the new ease with which we can make distance disappear through the use of technology. But technology was unevenly available to the widely-dispersed and culturally-diverse members of the LMMA Network, which met a critical need for strategic planning in 2009 and 2011 with support from OE. The network achieved substantial progress through sustained and skilled facilitation. Its experience illustrates how high touch can be as important to building networks as high tech.

A "locally managed marine area," LMMA, is an alternative approach to the standard method of marine management where a centralized body (such as a national government agency) is in direct control. The idea is to enable coastal communities to manage and protect the resources on which they depend. But every LMMA faces a unique mix of challenges to meet their stakeholders' long-term goals of promoting sustainable fisheries and maintaining biodiversity. Hence the birth of the LMMA Network to help these local sites—in over 400 coastal communities, spanning eight Asia-Pacific countries—share learning and coordinate their efforts.

But as in the case of many efforts that have achieved such scale, a new set of challenges surfaced. New national networks of LMMAs emerged and added a layer of complexity to the "umbrella" network. Efficient decisionmaking and other processes were stymied by an unwieldy structure. Technology could facilitate basic organizational processes, but for many of the representatives it was unavailable or simply not commonly used. So by 2009 the network had become a victim of its own success. "We were much more of a direct democracy, which had gotten unwieldy," said network manager Wendy Tan. "We had clearly defined objectives before, but a very dispersed structure, so they were not very practical or achievable."

LMMA Network began a lengthy three-phase process of reinventing its structure, strategy, and finally operations. Achieving wide-ranging participation, genuine engagement, and building a sense of community were important goals not only because of its network structure but also because of the participants' communal and consensus-oriented cultures. Tan reflected: "It was really important that we had representation from multiple levels of the network, present face to face and participating actively. We convened community members, leaders of NGOs, leaders of agencies, technical people, and managers. As a result, when we had the discussion, we could challenge, validate, contest, and brainstorm with input from each of those levels. This critical interaction could have only happened in person."

Two years later the process is complete and the network has changed in many ways. It developed a new governance body, selected new representation, agreed to a new operational structure with clear responsibilities, and created a fresh strategic plan for the coming three years. Many of its organizers have received coaching in the art of network leadership. In an age that glorifies high-tech, Tan believes the most important lesson is the value of meeting face to face: "It may be an expensive exercise, but for many reasons, the result is always a huge leap forward." It is a lesson that LMMA Network will not forget as it continues to grow.

4. Peer learning builds capacity, builds network effectiveness, and enables collaboration

The Packard Foundation ran two peer learning groups in the course of this experiment and participated in a third, which provided substantial insight into the strengths and limitations of capacity-building in a group setting.

Peer learning proved to fill a valuable but different niche than one-on-one consulting. It proves a powerful way to help grantees explore a topic of shared concern (whether long-standing or leading-edge) while also providing valuable experience at working collaboratively with peers.

THE DISTINCT VALUE OF PEER LEARNING:

- Serving more organizations per capacity-building dollar

- Tapping a broader range of expertise than a single consultant can offer

- Building new relationships and sparking strategic collaboration within a set of nonprofits—in other words, building network effectiveness

- Collecting insights of use to others in the field who are struggling with related questions

HOW TO USE PEER LEARNING EFFECTIVELY:

- Choose a topic where the substance of the work is timely and will be immediately useful, either for putting into practice themselves or for teaching to others

- Be mindful of the limits of online connection: think carefully about how much trust and familiarity is shared among the participants, and only use online connection when the group has enough of a bond to accomplish the work it needs to do. It is better to err on the side of more in-person connection than less, especially at the start.

- Choose a group with enough common ground on the topic that their reflections will be valuable to one another, and ideally enough common ground outside the topic that they could discover opportunities to collaborate on other topics

- Find participants who are ready for an exploratory learning process and can commit to doing the work

- Find enough participants to create a critical mass, and plan for additional recruitment as necessary to make up for attrition

> The most important points are picking a topic that means something, kicking it off in person early on, and going where the energy is. We've found it important in this work with our partners to not jump to a solution right away.
>
> GALE BERKOWITZ (MASTERCARD FOUNDATION)

> The timing of it is critical. If there's an emerging need that needs attention, and there's not a lot of information out there about it, having people co-create is very effective.
>
> JEFF SUNSHINE (PACKARD FOUNDATION)

> It wasn't part of the agenda, but the fact that I happened to meet up with other participants in Beth's group at an unrelated conference laid the groundwork for highly effective coordination on the anti-shark-finning campaign.
>
> SARA THOMAS (OCEAN CONSERVANCY)

NATIONAL WIDLLIFE FEDERATION

Distributing leadership to transform a large-scale enterprise

As a well-established national nonprofit and a mainstay of the environmental movement, the National Wildlife Federation (NWF) has many qualities typical of a centralized hierarchy—it is a substantial enterprise, employing close to 400 staff spread across the nation and serving over four million individual members and supporters, as well as coordinating the efforts of independent affiliates in 48 states and territories. It doesn't look like the kind of place where building network effectiveness would be top priority.

But in 2009, network leadership is exactly what was on the mind of Dan Chu, Vice President of Affiliate and Regional Strategies. Pursuing NWF's mission of "protecting wildlife for our children's future" requires growing the grassroots movement for conservation, and by 2009 it was clear to Chu that the task required reaching out to a base beyond the historic class and race boundaries of environmentalism—and he worried whether the organization had what it needed to do the job. "I felt that network weaving was a critical component of the kind of leadership needed for NWF to succeed as a movement-building leader," he said. "We needed to nurture leaders who could support a diverse conservation movement."

Chu decided to start by working with the organization's 32 senior staff whose role involved complex cross-organizational projects. With support from both OE and Seattle's Quixote Foundation, he brought in consultants to design and deliver an intensive program on network leadership that involved four workshops, meetings by phone and web, online goal-tracking tools, and peer groups for follow-up. The conversations in these *Leader to Leader* workshops ranged from general network theory to practical tools such as coaching and network mapping.

Part of what brought home the technical discussion of networks was a 360-degree evaluation that showed many in the group that their leadership style was more reactive than creative. Many of the creative leadership capabilities on the scale are central to network weaving: relating, self-awareness, courageous authenticity, and systems awareness. When many in the group discovered that they were acting far more reactively than creatively, they set specific goals to shift their behavior. "We wanted to nurture leaders who were more effective at leading networks to achieve collective outcomes, both internally and externally," said Chu. "If you act top-down internally, you don't just turn that off and act collaboratively externally. You're going to carry that over."

When the initial workshops went well, Chu set a new target: to train a total of 100 leaders and include a majority of the senior staff. He exceeded that target as of early 2012, and the impact has been tangible. "Leader to Leader is accelerating NWF's cultural shift away from a culture in which authority and leadership have been concentrated at the top, and toward a culture of distributed leadership," he said. He also credits it with contributing to new strides in NWF starting and joining collaborative efforts, including the Choose Clean Water coalition focused on restoring Chesapeake Bay, the Healing Our Waters coalition working to protect the Great Lakes, and a coalition focused on restoring the Gulf of Mexico.

Across NWF, people are now far more inclined to use their creativity and courage without waiting for direction or permission, and to act in more aligned, collaborative, and accountable ways. The overall result: a new clarity of purpose and a culture that is becoming increasingly entrepreneurial.

MONITOR INSTITUTE

5. Networks are proving their value to program outcomes

Four examples of programs where network strategies are central to achieving impact

While we were not able to survey all of Packard Foundation's program officers, the five we spoke with all saw some form of networks, shared learning, collaboration, or collective action to be at the center of their strategy. For example:

> How do we get foundations to understand that a network strategy is key to their program deliverables?
>
> **DAN CHU (NATIONAL WILDLIFE FEDERATION)**

✳ PRESCHOOL, AFTER SCHOOL, AND SUMMER ENRICHMENT
CHILDREN, FAMILIES, AND COMMUNITIES PROGRAM

The goal of this work is to move policy issues forward in the state of California. Collaboration is central to the work: it consists of pulling people together to work collaboratively on the ground, creating a common voice, and bubbling up that voice through advocacy to create policy change.

✳ AGRICULTURE & ENVIRONMENT
CONSERVATION & SCIENCE PROGRAM

While many of the biofuels grantees have the same five-year goal, they are often at odds over their six-month goals. Building common understanding among them helps to avoid them working at cross purposes, and also helps them sharing information so that they can see and reduce areas of duplication.

✳ GLOBAL AND U.S. HEALTH
POPULATION AND REPRODUCTIVE HEALTH PROGRAM

In both the Global and the United States portfolios, building grantees' ability to achieve coordinated advocacy is central to the grantmaking, as a means of giving organizations a bigger voice and making more of an impact.

✳ MARINE FISHERIES
CONSERVATION & SCIENCE PROGRAM

The program has taken an active role in developing several highly networked initiatives, such as:

- **SeaWeb** hosts an annual seafood summit that has become a place for brokering between different camps in the field, and is now creating a cohort of leaders who are pioneering better industry practices.

- **The Sustainable Fisheries Partnership** works with organizations throughout the seafood supply chain, and has been successful in driving change thanks to its strategy of building a team composed of people with strong existing ties to industry and government.

- **The Future of Fish** is effectively a network-weaving project that identifies mission-minded seafood entrepreneurs who are trying to scale and matches them up with potential business partners.

5. Networks are proving their value to program outcomes

Program officers shared the following lessons about how to use networked approaches

- Grantees may ask for opportunities to connect (such as a mailing list) or collaborate (such as a convening to draw up a common agenda) when there isn't enough shared interest to make the effort worthwhile.

- The program officer can be a network weaver, provided s/he has the time available to invest and the network is at an early stage

- When the group is together in person, the time is best used for connection rather than training

- The program officer can educate grantees in the value of working through networks, providing them with materials and general guidance

- It is delicate to call a convening of grantees without forcing a false consensus, and it is even more challenging when the program officers is present in the room

- Network approaches can be used in many ways, and benefit from clarity up front about the goals, process, and expectations

- Map the networks that matter to your goal, not just those that are easiest to uncover

One of the things that a lot of people said in our external evaluation was that they wanted [networking] activities. So we tried to provide that for our sustainable agriculture grantees by holding a convening. But their issue areas were too disparate to pull together a cohesive agenda. This year we're going to host more of a networking reception instead of a full-day meeting to see if that yields better results.

JAMIE DEAN (PACKARD FOUNDATION)

We're talking about deeper engagement over a longer term. You have to be clear on why you want a network approach. There's nothing wrong with just raising awareness of the landscape. That's a perfectly legitimate goal. And using a network approach to achieve a specific outcome is also a legitimate goal. But very different conditions will lead you to each one.

CHRIS VAN BERGEIJK (HAWAII COMMUNITY FOUNDATION)

6. Field-building work remains critically important

Five next steps for developing and spreading network practices

It is clear that effectiveness at working in networks will continue to be uneven across the field for the immediate future. Some nonprofits will find a natural aptitude for embracing these challenges, but many will need a helping hand. Some funders will naturally step up to lead in this direction, but many will need encouragement.

And if current trends hold, it will be increasingly important to have the capability to lead an organization while being open to input, to mobilize the grassroots through peer to peer connection, and to coordinate effort across organizations in order to drive large scale impact.

Our interviewees highlighted five areas as particularly important:

- Helping funders understand the opportunities for achieving their program goals through a combination of stronger networks and organizations

- Elevating and legitimizing network weaving as a necessary skill for both program officers and nonprofit leaders

- Establishing robust practices for assessing the impact of networks and integrating those practices into the broader toolkit of measurement & evaluation

- Helping funders understand the value of investing in long-term change and the many uses of networks for achieving it

- Translating the academic language of networks into plain English that fits more closely with the many settings where they are being used

> We haven't done as good of a job spelling out the value of a network approach for foundations—when and where it makes sense.
>
> CHRIS VAN BERGEIJK (HAWAII COMMUNITY FOUNDATION)

> You look at schools of sardines, and they flash all over the place. Every sardine is a leader at a moment in time, and then not. I think that was the radical promise of working in networks five years ago, and it still is. But today there is a whole lot of conversation using the lexicon of networks and collaboration to describe initiatives that are still not living up to the promise of what networks can be.
>
> CHRIS DECARDY (PACKARD FOUNDATION)

6. Field-building work remains critically important

We must communicate the value of networks in terms that are easily understood

From what we heard in our research and our own observations, the field of network effectiveness is at an important inflection point in its use of language. The "newness" of a thing is often reflected in the semantic gyrations to describe it. As theory takes shape in best practices, how we call something goes through similar shape-shifting.

Academics and practitioners who pioneered the field developed a powerful lexicon for describing networks. They coined terminology for network structures and the roles of network participants that cut across an incredibly diverse range of settings. This was an important advance at a not-so-distant time when the following were realities:

- The software and theory for network mapping and analysis was still in the early stages of being applied to working on social issues

- Social media and mobile technology were earlier in their development and were not yet as widely used, understood, and applied for practical purposes as they are today

- Approaches to building network capacity were few and yet to be codified

The academic shorthand of networks remains useful for those familiar with the underlying theory, but it can also be a stumbling block to communication. Both grantees and program officers we've spoken to could take or leave the academic language. Many found our questions about network effectiveness unclear until we rephrased them in plain-English terms such as helping groups work together.

Their reaction reflects the fact that the ~~new~~ challenge today is to bring network approaches to a wider range of audiences—including many that will need help applying theory to their specific niche. Where the initial challenge was to effectively describe emerging practices, today's added challenge is to make this language—and the practices it defines—resonate more broadly.

> If people are working as a networked nonprofit, who cares how they talk about it?
>
> STEPHANIE MCAULIFFE
> (PACKARD FOUNDATION, RETIRED)

> If you believe this is a fundamentally changed way of working, that we all need to embrace, you do not continue to call it out. It's an evolution of the work.
>
> KATHY REICH (PACKARD FOUNDATION)

> I think that today [networked approaches are] getting greater attention, but often people are trying to shoehorn it into their current worldview so that it's non-threatening and familiar.
>
> CHRIS DECARDY (PACKARD FOUNDATION)

6. Field-building work remains critically important

Our recommendation: use lay definitions first, and academic terms sparingly

It continues to be important to call out networks work as something different from the status quo, but it is equally if not more important for the ideas themselves to be communicated in a way that they are immediately understood. A simple answer to the problem is to develop lay definitions of the shorthand that convey their meaning clearly.

Here are some simple definitions we suggest as a starting-place:

Network
Any group of people who are meaningfully connected through relationships

Network-centric
A way of doing something that is transparent, open, and decentralized

Network mindset
Seeing value in the webs of relationships that surround you; working with a bias towards transparency, openness, and distributed leadership

Network weaving
Making a network more effective by strengthening existing ties, bringing new people into the fold, and bridging divides

Network leadership
Using influence rather than authority to organize group effort

Network effectiveness
The ability to work collectively with peers

> Here [at MasterCard Foundation], people are talking mostly in terms of collaboration, collective action, and collective impact. When we talked about ecosystems of actors and used some technical language, it went over a lot of people's heads.
>
> GALE BERKOWITZ (MASTERCARD FOUNDATION)

> I have not used the language of networks, and I find it a little bit confusing. My grantees are not a network, although subsets may be. They don't see themselves as under any umbrella other than that of being Packard Foundation grantees.
>
> JAMIE DEAN (PACKARD FOUNDATION)

IV

Insights & implications for the Packard Foundation

Summary: strategic recommendations for the OE team

As the OE team develops its new strategy for the coming five years, we have the following recommendations, listed in order of priority, each of which are explained in greater detail below:

1 Continue providing network effectiveness support as part of OE

2 Partner closer with program officers to develop networked strategies

3 Continue to mine the work for learning:
- Refresh the learning agenda
- Refine the approaches and spread awareness through active engagement with the field
- Update the approach to data collection

4 Give grantees principles for choosing network effectiveness consultants

5 Experiment with ways of talking about networks with different audiences, so that networks work remains distinctive but is easier to understand and apply

As described in the field-level findings above, on pages 29 & 30

1. Continue providing network effectiveness support as part of OE

Where to locate the staff support for network effectiveness is an important question. One suggestion we heard was for greater integration of support at the program level. Ideally speaking, supporting sophisticated network-centric program work would benefit from living the program strategy at a deeper level than is possible with the current lightly-staffed OE team.

But we believe network effectiveness support should continue to be housed within OE, for many of the same reasons as OE as a whole should continue to exist separately from programs:

- OE's team has deep experience with building capacity

- The current OE budget cannot support staff in every program, much less at the sub-program level where they would be the most helpful

- Absent dedicated OE capacity within programs, program officers are unlikely to take on more active role given their already-full workload

- Capacity-building support is best delivered in the context of a relationship that is not directive

And there are additional reasons why network effectiveness in particular is best provided by OE:

- It draws on OE's standard capacity-building approaches as well as a specialized set

- The expertise in using those specialized approaches resides primarily in the OE team

- There is need for OE to continue to draw on their network expertise and work further with program officers to build their awareness of network approaches and understanding of how to apply them

OE should therefore continue supporting all of the substantial workstreams described in this report:

- One-on-one consulting to build the network effectiveness of individual grantees

- Peer learning cohorts for network leaders

- Coaching on network leadership

- Research to capture and codify best practice

- Convenings to spread best practice

2. Partner closer with program officers to develop networked strategies

Network effectiveness matters not only for grantees but also for program officers. Program officers can take on a variety of roles in networks, from gentle facilitation to active leadership, and the way they structure their strategies can create or close off opportunities for grantees to work in networks with one another.

There are a number of ways that OE could help program officers develop more networked approaches to their grantmaking:

- Continue to partner closely in the process of scoping network effectiveness grants to individual grantees

- Advising on the capacity-building implications of program strategies, and the role of network effectiveness therein

- Ongoing coaching in the details of putting those approaches into practice, especially with regard to acting as a network weaver

- Helping program officers identify and share their examples of network-centric grantmaking, in order to build the collective intelligence internally about how these approaches can help achieve programmatic goals

- Reminding program officers of the types of network-specific support are available and sharing what has worked in other programs & grants

- Training and facilitated discussion about network effectiveness for POs and their grantees, to build a shared understanding of the expectations on both sides

- Consulting on when to use peer learning among grantees and how to execute it effectively

> I know what the straight OE funding is, but the network-oriented approaches or peer learning… I don't even think about those things.
>
> JAMIE DEAN (PACKARD FOUNDATION)

> Sometimes I feel like I'm flying by the seat of my pants. I never really get to lift up the way I do my work. Looking across programs is especially exciting.
>
> JEFF SUNSHINE (PACKARD FOUNDATION)

> I don't always think, "Hey, this is something cool that we're doing!" Maybe OE's role is on an ongoing basis identifying the things that should be shared.
>
> JAMIE DEAN (PACKARD FOUNDATION)

> It's hard to carve out time to put together a robust peer learning group.
>
> LANA DAKAN (PACKARD FOUNDATION)

> At Hawaii Community Foundation, networks work is integrated into our various initiatives, and we play a different role in each.
>
> CHRIS VAN BERGEIJK
> (HAWAII COMMUNITY FOUNDATION)

3. Continue to mine the work for learning

Develop a fresh learning agenda

The past three years have done a great deal to address the many open questions that were stated in the original Network Effectiveness Theory of Change. But there remains a great deal of open territory to explore—for the field as a whole, for Packard Foundation, and for OE in particular.

We recommend that OE settle on a clear and focused learning agenda for developing insights in each of these spheres, and offer the following as a starting-place for the team to consider:

LEARNING AGENDA FOR THE FIELD

- What are the most powerful opportunities for funders to achieve program goals by building both stronger networks and organizations?

- What are the most important ways for program officers and nonprofit leaders to act as network weavers?

- What are the most robust practices for assessing the impact of networks?

- How can funders identify situations when networks are most powerful at achieving long-term change?

- What are the clearest and most compelling arguments for the value of networks when speaking to broader audiences?

LEARNING AGENDA FOR PROGRAMS

- Where are the "bright spots" of program staff who are using network strategies to great effect, beyond what is profiled here?

- What are the most useful forms for program officers to learn from one another's experimentation with the use of networked approaches?

- When is peer learning the most effective as a tool for achieving program impact, beyond what is described here?

- What are the moments when it is most worth the effort for programs to actively seek input and engagement from outside audiences?

LEARNING AGENDA FOR OE

- What are the most helpful ways for OE to build network effectiveness among program staff, given the resources available?

- When is building technology infrastructure a part of network effectiveness versus simply communications and engagement?

- What are the ideal conditions and topics for peer learning that is provided by OE directly versus by a program officer?

- How can grantees define the extent to which they are "networked" in a way that the terminology is understood and used consistently from one to the next?

- When are the moments when it is most worth the effort for OE to actively seek input and engagement from other capacity-building funders and consultants?

3. Continue to mine the work for learning

Update the approach to data collection

Pursuing the learning agenda above will be greatly helped by re-tooling the current practices around data collection.

HOW DATA COLLECTION WAS DONE

At the start of the experiment, the OE team added ten network effectiveness options for describing the focus of a grant, each of which was based on one of the offerings described in the Network Effectiveness Theory of Change. The goal was to gain granular data about demand across the different approaches, but it proved overly ambitious: when the OE team assembled a complete list of its network effectiveness grants for this research, just 17 of the 43 had been given a network effectiveness flag, and 7 of those were filed as "Network: Other" rather than any specific type. Creating the breakdown provided earlier required first re-examining the past three years of grantmaking to find the network effectiveness grants, and then re-examining each one to identify the approaches that were used.

TWO OPTIONS FOR DATA COLLECTION GOING FORWARD

The question that OE should consider is whether it wants to engage in an ongoing discussion of what approaches it is using to build network effectiveness, how they combine, when they are most useful, and how best to provide them. If that level of granularity is important, then we recommend:

- Updating the original list of practices to reflect the list provided earlier

- Re-committing to the original practice of coding grants as they arrive, and

- Integrating a discussion of approaches into the Year-End Learning Reports

However, given the level of reflection and analysis that OE already provides, and the difficulty that OE found in implementing the initial system, that may be an impractical or unnecessary level of effort. In that case, **we believe that the far majority of the task could be accomplished by simply adding a "network effectiveness" checkbox to the database, so that every grant can not only have a focus but also be identified separately as whether or not it builds network effectiveness.**

The original database categories

- Network: Case Study
- Network: Communications Infrastructure
- Network: Community of Practice
- Network: Convening/Meeting/Facilitation
- Network: Leadership Training
- Network: Other
- Network: Social Network Analysis
- Network: Technical Infrastructure
- Network: Training
- Network: Weaving

3. Continue to mine the work for learning

Refine the approaches and spread awareness through active engagement with the field

The OE team is already studying its own work very closely in its Year End Learning Reports, where it examines lessons not only from the work as a whole but also from its work on network effectiveness in particular. And it has already set an example for the field in its degree of working transparently and prioritizing its engagement with others, by doing the following:

- Making its resources and ongoing thinking available on the OE wiki, which is <u>now an integral part of its working process</u>

- Writing posts on Beth's Blog and other online venues

- Participating in the Network of Network Funders

- Speaking at conferences about what it is learning, such as the recent GEO panel on learning in public

- Supporting the Monitor/GEO convening on networks

- Opening up its strategy refresh process to outside input <u>using a blog</u>

Now that the greatest need in the field is shifting from initial experimentation to broader application, we believe the most important goal for OE is to continue learning how to apply networked approaches, and secondarily to help spread what it learns to other capacity-building funders.

4. Give grantees principles for choosing network effectiveness consultants

It is better for a funder to advise on how to choose a consultant than to make recommendations

WHAT WE FOUND

OE's current practice is to have a light touch with regard to their grantees' choice of consultant. It is an explicit assumption in the OE theory of change that consultants are best chosen by the grantee; the strongest recommendation it offers is to send a list of grantees who have done similar work and may be able to recommend a consultant. The only difference in OE's practice with network effectiveness grantees was to ask more often whether the consultant has experience with networks.

We did hear some support for Packard Foundation (and funders in general) to recommend specific network effectiveness consultants, but more concerns about the potential pitfalls:

SUPPORT

- More information is welcome, since referrals can be hard to come by

- Packard Foundation and other network effectiveness funders have more experience than most nonprofits at judging consultants' quality, especially regarding networks expertise

CONCERNS

- Many grantees do not need guidance: existing trust or a personal recommendation was the top-cited selection criteria, and most grantees are able to find consultants themselves

- It would be hard for a funder to hear honest opinions about consultants, especially negative reviews

- The grantee and program officer could have different interests in some circumstances

- It can be very important for networks to stay fully autonomous and learn from their own mistakes

- It could encourage consultants to specialize in networks vs. integrating a networks mindset into a wider range of work

WHAT IT MEANS

The costs of giving direct recommendations appear to outweigh the benefits. The challenge of getting honest feedback is particularly concerning, since it would make it difficult to maintain a list that the Foundation could share with confidence. But we also heard that it would be nearly as helpful to have advice on what to look for in a consultant. Given that the goal is not to address a pain point but to provide additional value, **we recommend that funders simply provide advice on how to choose consultants—in other words, how to identify those with a "network mindset"—without recommending precisely who to choose.**

> It's helpful to have some general direction… on the who and how to select, especially around technology stuff, to connect grantees with the right resources.
>
> BETH KANTER (VISITING SCHOLAR AT THE PACKARD FOUNDATION AND AUTHOR)

> I would appreciate recommendations, because good consultants are hard to find. But I would worry about whether Packard would ever hear anything bad.
>
> KRISTIN ROWE-FINKBEINER (MOMSRISING)

> How can we play our part in helping grantees to be wiser in choosing consultants, rather than working to create a set of consultants who are somehow approved?
>
> CHRIS DECARDY (PACKARD FOUNDATION)

> One of the reasons that I'm called a network consultant is because I participated in your community of practice. But I've had this frame since the beginning and never pitched it that way. I've done a lot of work without that frame, with organizations.
>
> EUGENE KIM (GROUPAYA)

A

Appendix

Inputs to the research

PACKARD FOUNDATION GRANTEES

interviews

Beth Kanter
Author, educator, and current Visiting Scholar

Dan Chu
National Wildlife Federation

Janet Shing
Community Foundation of Monterey County

Kelly Luck and Sarah Thomas
Ocean Conservancy

Megan Peterson
National Network of Abortion Funds

Wendy Tan
LMMA Network

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Lisa Monzón

Kathy Reich

Jeff Sunshine

OUTSIDE NETWORK

Gale Berkowitz
MasterCard Foundation

Chris van Bergeijk
Hawaii Community Foundation

Eugene Kim
Groupaya

documents

OE Network Theory of Change

44 reports on network-flagged OE grants, with accompanying metadata

Beth Kanter's Visiting Scholar reports, 2009 & 2010

Year-End Learning Reports: 2009, 2010 & 2011

Summaries of program grants given to each interviewee

Goldmine data analysis

Independent projects initiated by OE: in detail

Over a third of the grant dollars for network effectiveness went to the following eight projects that OE either initiated or joined, as a complement to the individually-focused grants that it provided in response to grantee needs:

Network effectiveness training for grantees

OE provided grantees the opportunity to learn about network effectiveness concepts, tools and case studies of network effectiveness through three workshops with Monitor Institute in 2009. To embody the collaborative approaches that were being taught, the workshops were designed to balance traditional teaching with peer learning, giving the participants a chance to share their experiences and learn from one another. A spring session in San Francisco served a mixed group of approximately 30 grantees, a summer in Washington, D.C. served a group of similar size and make-up, and another session in D.C. served a similar number of grantees who shared a focus on reproductive health.

Providing coaching and peer learning on social media

OE recruited social media and technology educator Beth Kanter to join Packard Foundation as a Visiting Scholar starting in March 2009, where she is currently continuing to work through 2012. Beth had been consulting to nonprofits on the use of technology since 1993 and her widely-read blog provided regular updates on both the strategy and tactics of using social media. At the Foundation, she consulted to grantees in a variety of forms: one-on-one coaching with leaders, single classroom sessions, classroom series with related participants, and longer-term peer learning groups. During that time, she also co-authored *The Networked Nonprofit* with Alison Fine, making her insights available to the field as a whole.

FIELD-BUILDING NETWORK EFFECTIVENESS RESEARCH

Partial support for *Catalyzing Networks for Social Change: A Funder's Guide*

The Network of Network Funders intentionally focused on collecting, developing, and testing insights on the role of funders in supporting networks. To refine those insights further and make them available to a broader audience, OE supported Monitor Institute and Grantmakers for Effective Organizations in developing the Funder's Guide. The report was aimed at grantmakers who are just beginning to experiment with networks as well as those who are further along and wanted to reflect on their practice. It addressed three topics: working with a network mindset, cultivating networks, and assessing and learning about network impact. It received warm reviews, and beyond being used to inform the Monitor/GEO conference described below, it was also downloaded 3,518 times from the GEO website as of April 16th 2012.

Supporting research into Leadership and Networks

The consulting group Leadership Learning Community launched a collaborative research project in 2009 called Leadership and Networks, with the goal of accelerate learning among social-sector leaders and/ catalyze social change at a larger scale through cross-sectoral collaboration and collective action. OE provided support for the work in 2010, and in 2011 LLC released a preliminary framework that detailed their interim findings on the competencies required for network leadership and how leadership development should be carried out to build competency at working in networks. That work now continues as LLC gathers additional input and refines its findings.

Independent projects initiated by OE: in detail

Supporting and participating in the Network of Network Funders

OE supported Monitor Institute in facilitating a community of practice for funders experimenting with increasing their impact by catalyzing networks. The group grew to about forty grantmakers from private foundations, community foundations, and donor intermediaries, including members of Packard Foundation's OE team, as well as individual donors and growing numbers of others on the network's periphery. While their reasons for joining were diverse, they shared an interest in making connections that lead to better shared understanding, coordination and access to resources, creating space for collective intelligence and action to emerge and, above all, for scaling impact.

Network effectiveness training for grantees

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Support for the Shelter Providers Learning Community

OE convened two learning community cohorts of local shelter and emergency services grantees from 2008 through 2011, facilitated by La Piana Consulting. One learning community was composed of Executive Directors, while the other was composed of Program Directors. The sessions were designed collaboratively with the participants, and used a variety of formats: in-person gatherings, online resource-sharing, Both groups addressed a range of topics in leadership and professional development. For example, in 2010 the executive directors focused on leadership transition, leadership development, and overcoming burn-out, while the program directors shifted from a previous focus on tactical issues such as negotiation skills into the higher-level topic of understanding when their organization was ready for a leadership transition.

Partial support for the conference "Growing Social Impact in a Networked World"

OE was one of six funders who supported Monitor Institute and Grantmakers for Effective Organizations in holding a conference in fall 2011 that brought the discussion of funding networks from the Network of Network Funders to the broader audience of GEO members. It was aimed at grantmakers who had already been experimenting with networks, those who ended up supporting networks and wanted to reflect on how to do it best, and those who saw the potential of networks and wanted to learn more. The event was very successful, not only selling out its tickets but also receiving the highest survey scores of any GEO conference. A number of participants have since indicated interest in holding similar events for their grantees.

The Funder's Guide angle on describing the approaches of support

Beyond the question of which of OE's approaches were put to use, it is also important to ask whether they are the best description of what is needed for the task. A new point of view on that question was one of the outputs of the network funders' community of practice and the guide that followed (Catalyzing Networks for Social Change: A Funder's Guide). OE's list of approaches was originally drawn up for building network effectiveness in both traditionally-structured organizations and networks, whereas the funder's guide was explicitly focused on the latter.

WHAT WE FOUND

What changed in the Funder's Guide? Very little, beyond dividing up the approaches for support according to the stages of in a network's lifecycle. The funder's guide recommends providing innovation funds, but that is beyond the scope of Packard Foundation's OE program. And it doesn't account for a number of the approaches that OE uses with standard organizations.
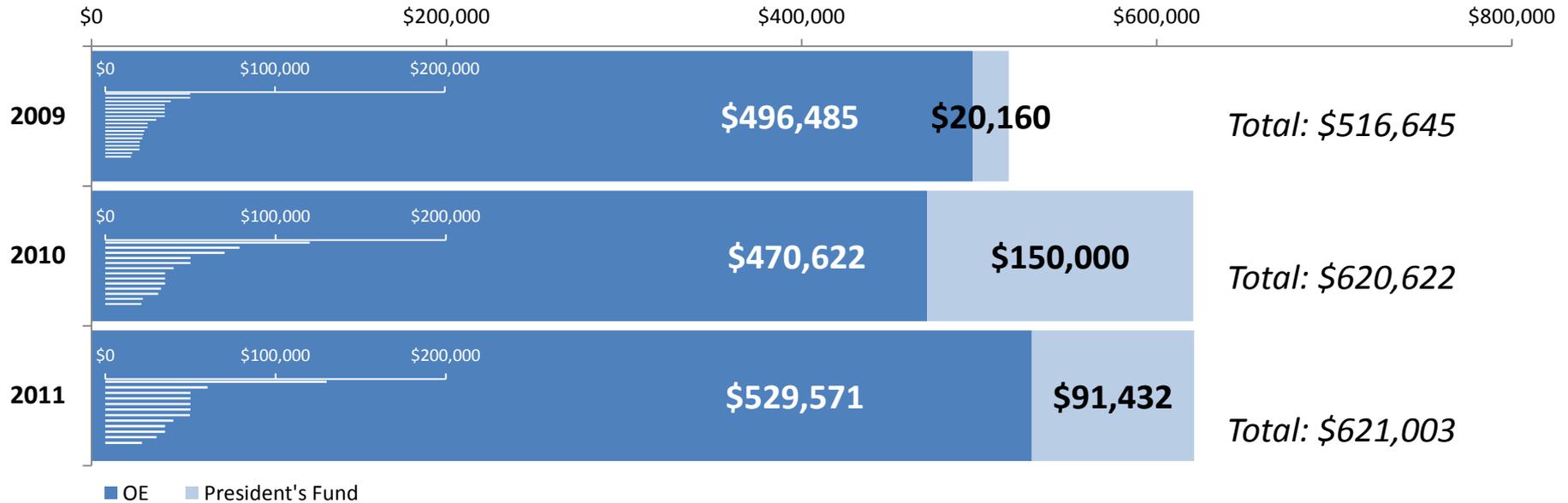
WHAT IT MEANS

The original hypothesis of how to describe the approaches for building network effectiveness appears to have been borne out, with only minimal changes from the Funder's Guide and our interviewees. Packard Foundation's original list would do well to be updated based on the input above, and other funders who are likewise interested in supporting network effectiveness for all types of grantees would do well to note the Foundation's experience that standard capacity-building approaches are often equally important.

FUNDER'S GUIDE APPROACH	OE APPROACH
Lifecycle stage: Know the network	
Mapping and visualization	Network effectiveness trainings
Assessment of network health	Network effectiveness self-assessment tool
Lifecycle stage: Knit and organize the network	
Creation and maintenance of spaces for weaving the network	Tech infrastructure; Convening "glue"
Dedicated network leadership	Network staff
Network "glue"	Convening "glue"
(no equivalent)	Building grassroots networks
Lifecycle stage: Grow the network	
Establishing innovation funds	*(no equivalent, but beyond the scope of OE)*
Develop leadership for the network, e.g. through peer learning	Peer learning for network leaders
(no equivalent)	Fundraising
(no equivalent)	Governance & structure
(no equivalent)	Branding
Lifecycle stage: Transition the network	
Reflection, evaluation and strategy development	Strategic planning
Spreading awareness of networks and how to tap their potential for social impact	Network effectiveness trainings; Network-specific coaching & expertise
Building the capacity of the capacity builders to support networks	Peer learning for network leaders

Grant spending by year: in detail

GRANTS FOR NETWORK EFFECTIVENESS

The total of $1.76 million in grant dollars broke down into the following totals by year, with the additional monies from the President's Fund indicated separately. Individual grants are shown in the small white bars inside each year:

Year	OE	President's Fund	Total
2009	$496,485	$20,160	Total: $516,645
2010	$470,622	$150,000	Total: $620,622
2011	$529,571	$91,432	Total: $621,003

Legend: ■ OE   ■ President's Fund

GRANTS TO GRANTEES WHO SELF-IDENTIFIED AS NETWORKS

A slightly different picture can be seen in OE's work with grantees who self-identified in a Packard Foundation survey as networks. These quantities are less connected to the topic because they don't distinguish between work done to build network versus organizational effectiveness:

Year	Grantees of Children, Communities, and Families	Grantees of Conservation & Science	Grantees of Local	Grantees of Population and Reproductive Health
2009	$293,500	$653,835		$163,300
2010	$244,600	$148,940		$191,915
2011	$204,375	$279,765		$252,545

Legend: ■ Grantees of Children, Communities, and Families   ■ Grantees of Conservation & Science   ■ Grantees of Local   ■ Grantees of Population and Reproductive Health