

# BUILDING A FUNDERS NETWORK

## *How You Can Catalyze Change in Your Community*

*Collaboration and partnerships are at the heart of our national approach* to ending homelessness, in large part because homelessness is a complex issue stemming from and affecting many systems. Funders are often seen as outside actors because they do not run programs or serve clients. But funders are essential in creating and promoting effective, long-term solutions to homelessness.

At Funders Together, we also recognize the importance of funders working together to improve their communities. Funders networks have been critical to bringing together all kinds of grantmakers within a community and forging commitments to a systems approach—that is, aligning resources and strategies in a way that can improve the lives of those you are trying to serve. (More information on [systems change](#) is available on our website.)

This guide will serve as an introduction for those who are looking to build a funders network, with a focus on ending and preventing homelessness. Because funders approach these kinds of networks in different ways and on different timelines, and because each community is unique, this guide cannot offer step-by-step instructions. We tried to capture essential elements of building a successful funders network below.

### *ABOUT FUNDERS TOGETHER TO END HOMELESSNESS*



Funders Together to End Homelessness is the only national network of grantmakers working to end and prevent homelessness. **Our mission: harness philanthropy's expanding potential for impact and change to help end homelessness in America.** We believe that we can end homelessness, and philanthropy will play a critical role in this effort. But first, we must come together, share what works, and challenge each other to develop innovate, long-lasting solutions. For more information about our work and members, visit [www.funderstogether.org](http://www.funderstogether.org).

## ***ELEMENT I: Understand That No Funder Can Solve Tough Issues Alone***

***We do not have enough money to tackle these complex issues without working together. And it's not always about the money! If funders understand one another's strategies, they can work together to create long-term change.***

Mounting evidence shows that investments in short-term solutions do not lead to long-term change. Let's consider the homelessness space for instance. Many funders support emergency responses to homelessness, often in the form of homeless shelters. If we truly want to solve homelessness, however, we need to move beyond that to long-term and sustainable solutions.

It's understandable that we want to react quickly to a crisis at hand. But it's important to realize that the relationship between problems and their causes is indirect and not always obvious. We are tackling tough issues! We must understand how the system works for the people we are trying to serve. Can we improve services by removing barriers or changing policies, for example, which may not require any financial investment? Are we part of the reason that the problem persists? If we change our own behavior as funders, can we catalyze long-term change? The answer to all of these questions is yes.

### **WHAT STEPS CAN YOU TAKE AS A FUNDER?**

- ◆ Analyze your own grantmaking. Do your goals match the outcomes you seeking? (e.g. Is your goal to end homelessness but your outcomes are focused on the number and availability of emergency shelter beds?) Are you making progress towards your goals? Where are the gaps? What do you need to learn? What would you like to do differently, and what (or who) is holding you back?
- ◆ Assess the way you communicate your grantmaking priorities to other funders, government partners, and especially grantees. Do they understand your priorities? Processes? How and when do you engage with these individuals?
- ◆ Organize and host community conversations to gain a shared understanding of the systems in place. Make the invite list diverse—include those who have been working on the issue, those working in related areas, and those impacted by the systems we create. What's working now? What can we improve? What do we need to do differently to prevent people from cycling through these systems? Are we using all available resources? Where are the gaps?
- ◆ Convene “lunch and learns” with other funders in your community. Invite those who aren't directly focused on the issue as they will likely bring a new perspective on the problem.

## ***ELEMENT II: Build Relationships and Work Together Towards a Common Goal***

***Funders are not outside of the system just because they don't operate programs. As such, funders should be proactive in building relationships and learning with others in the space.***

Spend time building relationships with other funders. This sounds simple and straightforward, but the importance of this step cannot be overstated. Expand your conversations beyond grants to common grantees or conferences you both plan to attend. What are other funders' goals and outcomes? What do their boards care about? Why do they care about the issue personally? What would the benefits be to your respective organizations if you started working together? What would be the initial challenges of working together more formally?

Part of this relationship-building process is also learning together. We all know that data is essential in the development and implementation of an effective grantmaking strategy. Some of the information will come from grantees, but not all data should come from grantees. Be proactive in educating yourself and other funders. Seek out data that is unbiased and transparent. Compare and contrast data and identify the gap areas and inconsistencies. Focus on these inconsistencies. What's really happening there?

In our experience, it's easier to develop a common vision for your community once you have established good relationships with other funders and started the process of learning together. You can have open conversations about the opportunities and road blocks within your community. You can talk about the data you've gathered together. You can talk about the things you'd like to do differently, and why you have been stuck until now.

## WHAT STEPS CAN YOU TAKE AS A FUNDER?

- ◆ Set the mission, vision and goals early on, and establish a leadership structure.
- ◆ Host a day where you share your work with other funders. This is a low-pressure way to begin the conversation with those who are interested. And you might find surprising connections if you extend the invite broadly to other funders in your community.
- ◆ Proactively identify key stakeholders in your community and set up one-on-one meetings with them. Who aren't you talking to already?
- ◆ Organize site visits where multiple funders can experience the same kind of program together.
- ◆ Host a community mapping day—visually represent the flow of services, current capacity, and funding in the community. Define the problems together to ensure you are talking about the same issues.
- ◆ Educate funders, providers, and other stakeholders about a systems approach. Bring in experts if you do not feel comfortable presenting alone.

### **REMEMBER!**

Working towards a common goal—or developing a shared vision for success within your community—is not always an easy process. Bringing people together does not guarantee that they will work well together, even if they are all working to end homelessness in one way or another.

- ◆ **Start with a group of the willing.** You want to build momentum, and so do not try to be all things to all people from the beginning. Bring together those who can agree to work together for a shared vision and start there. You can expand that group over time.
- ◆ Allow people to bring their own agendas and interests to the tables. These may be the very things stopping you! Instead of closing off those conversations, bring in a neutral facilitator to help you work through them.

## **ELEMENT III: Formalize a Funders Network**

***Funders networks are instrumental in forging commitments from a diverse set of community leaders to a systems approach.***

There is no one way to form a funders network, but it is important to provide some structure for the group. Do you need to allocate an existing member's time to things like meeting coordination, or do you need to hire a new funders network staffer? Are you going to align resources and/or pool funding? How will decisions be made? Does it make sense to develop a common application for grantees? Giving the group some structure will allow you to focus on the work at hand instead of dealing with minor issues like scheduling along the way.

## WHAT STEPS CAN YOU TAKE AS A FUNDER?

- ◆ Invest in the backbone. Consider opening an administrative account for the funders network. This fund can be used to pay for expenses associated with hosting community convenings, special projects, travel to key conferences, etc.
- ◆ Make sure it is in someone's job description to support the funders network. You can identify an existing member to serve in this capacity or hire a project manager to coordinate the funders network.
- ◆ Form a steering committee for governance.
- ◆ Set benchmarks for the group so you can measure success along the way.
- ◆ Become a Funders Together regional affiliate for support and connections to other funders networks.

### REMEMBER!

- ◆ **Make sure the people at the table are decision-makers within their organizations.** If you are going to talk about aligning resources or pooling funding, the people at the table need to have a say over these areas within their organizations.
- ◆ Invite community members to participate or frequently update the group so you stay connected to the community's need and priorities.
- ◆ **Don't try to take on everything at once.** Ending homelessness, for example, is a multi-step and multi-year process. Recognize that you will have to take on one or two pieces at a time.
- ◆ The structure of the funders network can change over time. Allow room to adapt as you go. Review goals and priorities periodically and check in with other members to make sure these goals and priorities are still valid and supporting the system.

## ELEMENT IV: *Become a Champion for Solutions at the Local/Regional Level*

***Many communities have good programs, but homelessness still exists. Funders play a key role in bringing people together and pushing them to think beyond the barriers to embrace solutions.***

Homelessness is not a pathology. In other words, it is not something that we have to manage because people are inherently homeless. It is a temporary situation that people experience and that can be ended. Funders can help to create crisis response systems that quickly and permanently move people experiencing homelessness off of the streets. Creating systems that work requires resources, and funders have the unique ability to provide seed money for new infrastructures, especially when program models need to change to meet the needs of your community. Moreover, we know what works. We have evidence-based solutions to homelessness. By making program investments consistent with the shared vision for success, funders can drive change.

## WHAT STEPS CAN YOU TAKE AS A FUNDER?

- ◆ Invest in best practices strategies, data collection, development of assessment tools, etc.
- ◆ Support pilot projects with private and public funders to test out new approaches.
- ◆ Remove barriers that you can control. Can you create a common application with other funders in your community so that grantees spend less time on paperwork and funders receive the same data?

- ◆ Appoint a representative from the funders network to the community governance council or decision-making body. Is your funders network aligned with government funding (e.g. [HEARTH](#)) and other community efforts (e.g. [Continuum of Care](#))?
- ◆ Attend national and regional conferences and report back to your local funders network on innovations and lessons learned.

### **REMEMBER!**

This phase is the “doing” phase, or the phase in which you are actively investing in new things within your community. This phase can be difficult at times, so remember:

- ◆ Look for an early win, even if it is something small. Build momentum with a series of small wins and then tackle bigger issues.
- ◆ Even then, you simply cannot take on every problem within your community. You can, however, work to create integrated systems. For example, instead of taking on efforts to improve the child welfare systems, you can work to improve the ways in which the homelessness and child welfare agencies refer individuals for services.
- ◆ Create and disseminate a community-wide report card on homelessness to educate funders, providers, policymakers, and the general public about the issues and solutions.
- ◆ **Don't just build the capacity of programs; build the capacity of the community!**

## ***ELEMENT V: Share What You've Learned So Others Can Improve Their Communities***

***Funders are unique advocates for new approaches and strategic shifts. Encourage other communities to adapt your lessons learned and work with partners at the federal level to implement broader policies and funding strategies that can end and prevent homelessness.***

Ensuring that your grants to end homelessness succeed also means helping to change—through quiet conversations or community-wide campaigns—the environment and public systems and policies that make the grants necessary in the first place. You, as both funder and community partner, have an important role to play in promoting, sustaining, and amplifying the movement to prevent and end homelessness. At this phase, you know what works. Your role is to be catalytic, to not only make effective grants to prevent and end homelessness, but to help guide other communities through the process.

### **WHAT STEPS CAN YOU TAKE AS A FUNDER?**

- ◆ Connect with other funders networks and share your experience.
- ◆ Support organizations within your community that educate others on effective solutions.
- ◆ Become a Funders Together affiliate, elevating your work to the national stage.

**REMEMBER!**

- ◆ **Funders are often hesitant about advocacy, but it is an important part of your job!** Advocacy is different from lobbying, which is expressing a position on a specific piece of legislation to legislators or their staff. While funders can't lobby for particular bills, you can advocate on behalf of those who are most vulnerable in our society by educating policymakers and other community stakeholders about the issues and solutions.
- ◆ Government partners want to solve the problem, just like you. But they need the data to justify sweeping policy or funding changes! You can provide an invaluable service by compiling your data, actions, and outcomes.

## *In Summary: Keys to Success*

- ◆ Take a step back. Bring people together to talk about why we haven't solved the problem already. What connections are we missing? What can we change if we work together?
- ◆ Talk to funders from other issue areas and communities. Adapt their lessons learned to your community.
- ◆ Get a group of the willing together. Start small and track your progress as you go. This momentum will help you tackle the larger challenges in your community.
- ◆ Share your progress with other communities. They can learn from you!
- ◆ Join Funders Together to End Homelessness to gain access to funders doing this kind of work across the country.

**Looking for individual coaching about building a funders network focused on homelessness? Funders Together can help!**

**Contact Anne Miskey, Executive Director of Funders Together, at [anne@funderstogether.org](mailto:anne@funderstogether.org) or at 617.245.0314.**



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TO END HOMELESSNESS

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