Quick Guides for Collaboratives

Connecting Your Regional Workforce Collaborative with Private Funders

Private funders are important constituents to engage in your regional workforce collaborative. In fact, several members of the National Fund network are funder collaboratives, in which private funders are core members and align philanthropic dollars to workforce initiatives. These funders are instrumental in influencing workforce policies and practices. Their priorities, expectations, and metrics can explicitly or implicitly drive behavior in the workforce ecosystem.

Start by taking these steps

- **Connect, connect, connect.** As with all stakeholders, building a relationship with funders is key. Everyone likes to be asked what they are interested in and what motivates them. Funders are no different. Learn about their grantmaking and investment priorities, their work, and their current and future interests. Ask what would bring them to a collaborative table — and what would send them running from the room. Find out about their appetite for risk. Sharing the risk of a new or untested but potentially transformative investment is attractive to many funders who may find it easier or more palatable for their boards to fund something if their peers are alongside them.
- **Think beyond the purse for long-term engagement.** Beyond providing financial support for the collaborative's work, funders can play a number of other important roles. They can serve as collaborative spokespeople and validators, inviting peers and other stakeholders to the table. They can chair committees or workstreams. They can fund programs, capacity building, or research aligned with the collaborative's work. As investors and leaders, they can provide feedback and insight to help shape the collaborative's priorities. Communicate with funders on a regular basis to facilitate their participation and leadership, being clear about how they can support you. For instance, ask funders to serve in leadership positions of the collaborative and then provide the support needed to be successful in those roles. Think about making these asks using peer-to-peer relationships. Remember to take time to have regular, one-on-one check-ins with funders to sustain engagement.
- **Walk away when you need to.** Sometimes the "juice" from a particular grant or funding opportunity is just not worth the "squeeze." Consider whether the effort required to submit and manage the grant is worth the resources that the grant provides. Consider whether the grant aligns with or builds on your collaborative's mission, vision, and strategies or if it will take you off course. Consider the opportunity costs of pursuing and accepting the funds. What will you not be able to do if you take on this grant? The cost of a grant may be too high if it takes you off course, threatens to eclipse the central work of the collaborative, or siphons time and resources away from key goals and activities.

- **Remember there are other funders out there.** Funders involved in your collaborative can be any public or private entity that invests in or is interested in investing in workforce development. Funders might include local or state workforce agencies; workforce investment boards; private, independent, family, or corporate foundations; corporate giving programs; community foundations or other grantmaking public charities; operating foundations; giving circles; United Ways; or individual philanthropists. See our other quick guide, Funding Your Regional Workforce Collaborative.

Watch out for

- **Allowing one funder to dictate the direction or priorities of the collaborative.** This can be tricky if one or two funders are the acknowledged leaders, provide the most funding to the collaborative, or serve as the fiscal home of the collaborative. Strong governance structures, consensus building, and policies like "one funder/ member, one vote" can help. However, your collaborative may still need to deal with these situations outside of formal meetings, using trusted messengers to manage relationships and power dynamics when necessary.

- **Having too much earmarked funding and too little operating funding.** Collaborative budgets are complicated enough to manage without funders earmarking their funding for specific programmatic priorities or initiatives. Although earmarked funding may be helpful in some circumstances — to get a new initiative off the ground, for example —collaborative directors should communicate clearly with funders about the resources needed to operate. You can handle this by setting the expectation that all funders contribute a baseline amount to support operations. Funders then have the option to provide additional funding for specific priorities within the collaborative's strategic plan.

- **Privileging one type of funder over another.** Few things are more frustrating than feeling like your voice does not matter. Be sure to set up collaborative structures and engagement strategies to value all contributors, whether public, private, or corporate.

Center equity

- **Be inclusive.** Even as you engage funders, be sure to create space for other voices in the collaborative and be thoughtful about those processes.

- **Manage power dynamics.** Collaboratives with funders and other workforce stakeholders should carefully manage evolving power dynamics. Consider setting up committees co-chaired by one funder and one nonfunder or creating an advisory committee of nonfunders with a clear governance role that can meet separately to promote honest feedback and dialogue and provide feedback to the funders. Examine and then change any practices that reinforce negative power dynamics or dominant culture norms. Ask your collaborative: "Do we create space to engage and hear from diverse voices? How?"

Learn more

- Cynthia Gibson and Anne Mackinnon, "Funder Collaboratives: Why and How Funders Work Together," Candid. Learning blog, Jan. 1, 2010.

- "Key Ingredients for an Effective and Healthy Funder Collaborative," Candid. Learning blog, Jan. 24, 2016.

- Loh-Sze Leung and Lisa Soricone, Sustainability Guide for Funder Collaboratives (Oct. 24, 2016). See Results, Process, and Relationship Checklist, page 15, and Section 2, pages 37-38.