Exploring Funder Listening Practices

ORS Impact

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Acknowledgments

We are grateful to the funders and community members who took the time to share their insights and experiences. We hope that the information in this report will be useful to other foundations exploring ways to leverage community listening practices as a mechanism of shifting power to those most impacted by structural racism and systemic inequities.

Introduction

For more than a decade, Fund for Shared Insight (Shared Insight) has been working to support nonprofits and foundations in listening, responding, and shifting power to the people most directly impacted by their work. In the past, Shared Insight focused mostly on supporting nonprofits' ability to collect feedback from their clients, while more recently focusing on influencing foundations to listen and shift power. Shared Insight's theory of change identifies "more leaders and staff in foundations listening, responding and shifting power to those most impacted by structural racism and systemic intersectional inequities" as a core outcome to ensuring that listening to shift power becomes standard practice in the sector. Therefore, ORS Impact has partnered with Shared Insight to explore the extent to which funders are, in fact, listening, responding, and shifting power, in addition to describing in more detail what that looks like in practice.

For this inquiry, ORS identified 27 funders engaging in community listening efforts through direct outreach to Shared Insight and ORS contacts. Through interviews with 11 of those funders who responded to the invitation, we explored what their funder listening initiatives look like in practice, what they accomplish, and to what extent they result in shifts in power (Appendix A shows the list of funders we interviewed). This is not an exhaustive or representative examination of funder practices in the sector writ large. Instead, this approach provides nuanced insights from a small subset of foundations that already engage in listening practices. Through this inquiry, we sought to answer four key learning questions:

1. What do funders **hope to accomplish by listening** to the communities most impacted by their work?

2. **How are funders listening**, to whom, and how often?

3. **How are funders using the information**, and to what extent are they **closing the loop**? What is different for funders as a result of listening, particularly related to shifting power to community?

4. How do funders **define shifting power**? How do they relate listening practices to shifting power?

This brief summarizes what we learned from these 11 interviews and offers observations about patterns in the sector and Shared Insight's current theory of change. In addition to this overview brief, we partnered with two of the 11 foundations, The Denver Foundation and the Hellman Foundation, to produce two in-depth case studies that describe the two foundations' listening efforts in more detail and include perspectives from the community members who engage in those efforts to assess their experience and the extent to which these efforts are beneficial from their point of view. These two case studies will be finalized by July 2025.[1]

Defining Listening to Shift Power

In its efforts to make listening to shift power an expected practice throughout the philanthropic sector, Shared Insight has developed a detailed understanding of what it means to listen to shift power. By offering this definition and supporting tools to the sector, Shared Insight hopes to support funders in strengthening their practices to work in increasing solidarity and proximity with the communities they support.

Fund for Shared Insight defines *power shifting* as "movement toward self-determination and ownership for communities most impacted by structural racism and systemic intersectional inequities."[2] In relation to this work, that means de-centering the outsized power of funders by enabling community members to directly influence the decisions foundations make about their resources, strategies, and practices. As Shared Insight explains,

"Listening to shift power embraces the concept of power with, where philanthropy engages in **reciprocal relationships with the communities it exists to benefit**. *This requires funders to de-center themselves as the primary source of solutions and to acknowledge the knowledge and power that also reside in people and communities. As a result, funders engage in partnership with and provide resources to support people and communities to achieve their self-defined interests and aspirations."*

\- Fund for Shared Insight

[1] We had originally planned to produce four case studies, but only two of the four foundations we invited to work with us accepted the invitation amidst the changes in the federal context in early 2025.

[2] Tuan, M. (2024). What Is funder listening to shift power?. *Fund for Shared Insight*. https://fundforsharedinsight.org/viewpoint/what-is-funder-listening-to-shift-power/

Shared Insight offers four guiding principles that can help foundations assess their listening efforts and identify opportunities to improve how they shift power to community. Funder listening to shift power:

1. **Is an ongoing practice:** Listening should not be a one-time activity or exercise but an ongoing process reflecting a commitment to the five steps of a high-quality feedback loop, which includes closing the loop—circling back to those who shared their perspectives to let them know what you heard and how you are planning to respond.

2. **Is relationship-based**: Listening processes that are most effective at advancing equity and shifting power involve being in relationship and partnership throughout the process—from framing the initial conversations to making meaning from what is heard to figuring out how to respond. These relationships are built on open channels of communication, mutual accountability, and authentic partnership, such as through shared decision-making.

3. **Engages in an explicit power analysis:** Funders have historically exercised outsized power, and that dynamic, if not taken into account and addressed, can result in funder listening that is extractive, transactional, or just reinforcing what funders want to hear. Funders should approach listening with a clear understanding of how power currently operates and with specific attention to people and communities most impacted but not typically consulted by philanthropy and nonprofits.

4. **Advances equity:** This kind of listening offers an opportunity for funders to hear from—and work shoulder-to-shoulder with—diverse communities and people who are experts in their own lives and have myriad assets and capabilities. It engages multiple forms of listening—such as systematic feedback loops, participatory processes, and community-driven practices—to make lasting systemic change.

Findings

Funders engage in listening practices to refine their practices and strategies, shift power to other stakeholders, and build trust and relationships with community members.

All 11 foundations cited a desire to inform and improve their practices and strategies as a core motivation for community listening practices. Listening to communities helps them gather insights that inform and refine their strategies, making their initiatives more effective and aligned with community needs. These funders also look for information that helps them improve internal processes and practices, noting that listening efforts have influenced their grantmaking and reporting processes, as well as organizational practices, like hiring more diverse staff.

Seven funders identified shifting power from their foundations to other stakeholders as a core purpose of their listening practices. Fund for Shared Insight defines power shifting as movement toward self-determination and ownership for communities most impacted by structural racism and systemic intersectional inequities. In relation to this work, that means intentionally reducing the outsized power of funders by enabling community members to directly influence the decisions foundations make about their resources, strategies, and practices. Throughout these interviews, we learned that foundations conceptualize shifting power in different ways. For instance, three foundations defined power shifting as directly transferring decision-making power to community members and other impacted stakeholders (nonprofits, grantee partners). Others (4) viewed power shifting as allowing the community to influence their decisions, with some specifying the importance of involving those most directly impacted or those with lived experience. Two interviewees described shifting power as adopting practices for racial and class equity.

Lastly, four funders emphasized the role of community listening in enabling them to build trust and relationships with community members and the importance of this outcome. In many ways, having authentic relationships with community members is a key factor for meaningful listening. Having trust with the community helps foundations deepen their relationships and develop a strong partnership. As a result of this relationship-building, foundations gain more insight into their needs and, in response, provide more tailored assistance and resources.

*"If we are not doing the work to really **cultivate trusting relationships**, then the listening that we are able to do, or that we are receiving, is going to not be as authentic and impactful, if we don't begin with the relationship."*

—Foundation staff member

Funders use an array of methods to engage community stakeholders. Each method varies in the extent to which it enables power shifts in decision-making.

Funders reported a variety of methods through which they engage these different community stakeholders:

- Traditional research methods, including surveys, focus groups, and interviews (8 foundations)

- Participatory grantmaking (6)

- Ad hoc meetings and engagement sessions, including attending community association meetings and roundtable lunches with community members (5)

- Community liaisons (2)

- Advisory groups (2)

As Facilitating Power's spectrum of community engagement (Figure 1) demonstrates, the method of community engagement indicates the extent to which power is shifted. For instance, engaging community members to inform them of a funding choice or decision does not give community members power over how or what decision is made. In contrast, engaging community members to give them control over an institution is a direct transfer of power over decision-making.

Among these 11 foundations, most engagement efforts fell in the middle of this spectrum. Foundations used their engagement practices—ad hoc meetings, traditional research methods, and community liaisons—to consult with stakeholders, and they used the feedback they received to shape their strategies and decisions. In this way, those who were consulted did influence the foundation, but they did not have direct control over how their insights or perspectives were integrated into the foundation's work. In contrast, six foundations directly partnered with or deferred to their stakeholders through participatory grantmaking processes, though one of these foundations has since ended its participatory grantmaking initiative. In these cases, the participants did

have control over a specific grantmaking program, albeit within the boundaries and parameters established by the foundation (similar to Shared Insight's own participatory grantmaking initiative).

FIGURE 1 Spectrum of Community Engagement[3]

THE SPECTRUM OF COMMUNITY ENGAGEMENT TO OWNERSHIP

Facilitating Power

1 INFORM
Provide the community with relevant information

2 CONSULT
Gather input from the community

3 INVOLVE
Ensure community needs and assets are integrated into process and inform planning

4 COLLABORATE
Ensure community capacity to play a leadership role in implementation of decisions

5 DEFER TO
Foster democratic participation and equity by bridging the divide between community and governance, through community-driven decision-making

[3] Graphic can be found on Facilitating Power's website:
https://www.facilitatingpower.com/spectrum_of_community_engagement_to_ownership

Respondents perceived these various degrees of power sharing and acknowledged that, though they may be engaging in some form of power sharing, there is still room for growth. As one foundation staff member reflected,

> *"I think the more we can **put grant decisions in the hands of people that are impacted**, that's power shifting . . . There is a weird push-pull in this process where we say, 'you can make the decisions however you want.' And then say, 'Well, this is the structure that has traditionally been used.' And they adhere to that. We use it as a means of accessibility, but we're still the conduit. So, I think we have a lot of room to grow in terms of how this applies to a wider power-sharing philosophy at the foundation itself."*

These funders have an expansive definition of community. They engage a number of key stakeholders across a wide range of listening efforts, looking for input from those they consider proximate to the communities at the heart of their work. The ways in which funders engage community and who they engage as community representatives dictate the extent to which power is shifting and to whom power is shifted as a result of their listening efforts.

While Shared Insight intentionally defines *community* as "the people most directly impacted but least consulted by funders and their work," the funders' definitions of *community* as it relates to their listening practices varied extensively.[4] Our conversations with foundation leaders highlighted that many of these philanthropic institutions think of *community* as the collective of stakeholders with whom they most directly engage. For instance, nonprofit and philanthropic leaders, grantees, other funders, corporate professionals, and city officials were engaged across foundations, as these are the people and organizations who regularly interact with the foundation and its work. This composition makes sense given that grantees and other nonprofits in each foundation's ecosystem are the institutions most directly affected by the choices a foundation makes about its resources, and as a result, foundations consider those stakeholder groups as the ones they are most accountable to—and not necessarily the

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[4] Tuan, M. (2024). What Is funder listening to shift power?. *Fund for Shared Insight*. https://fundforsharedinsight.org/viewpoint/what-is-funder-listening-to-shift-power/

populations their grantees serve. Ultimately, all 11 foundations included some mixture of these groups as the focus of their listening efforts.

These foundations are taking steps to include and, in some cases, center community members most impacted by their decisions in their listening efforts, expanding the set of community representatives traditionally consulted by philanthropy, albeit in a different way. Five funders engaged the residents most directly impacted by their work, who were also not already a part of their ecosystem (i.e., leading a local organization). Some have hired staff with lived experience, others are engaging nonprofit leaders who are members of their communities and are now serving their community through a leadership role in an organization, and others are engaging current residents or users of services as advisers. For instance, a couple of foundations described the nonprofit leaders on their advisory boards as people with lived experiences in the issues they seek to address. One foundation representative considered shifting power from the board to its staff as an important change in power dynamics because the staff came from the most directly impacted communities. These examples showcase that it can be difficult to find a clear line of demarcation between a community leader and someone who is "the most impacted."

Figure 2 shows, in more detail, how each stakeholder group was engaged across foundations' different community engagement and listening practices, including explicit listening initiatives but also other types of community engagement efforts, such as hiring staff with lived experience or selecting new board members. Because foundations had multiple engagement activities, the total number of initiatives reflected in the figure exceeds the total number of foundations we interviewed (11).

FIGURE 2 Number of Listening Initiatives Among 11 Foundations by Type of Community Stakeholder and Level of Community Engagement
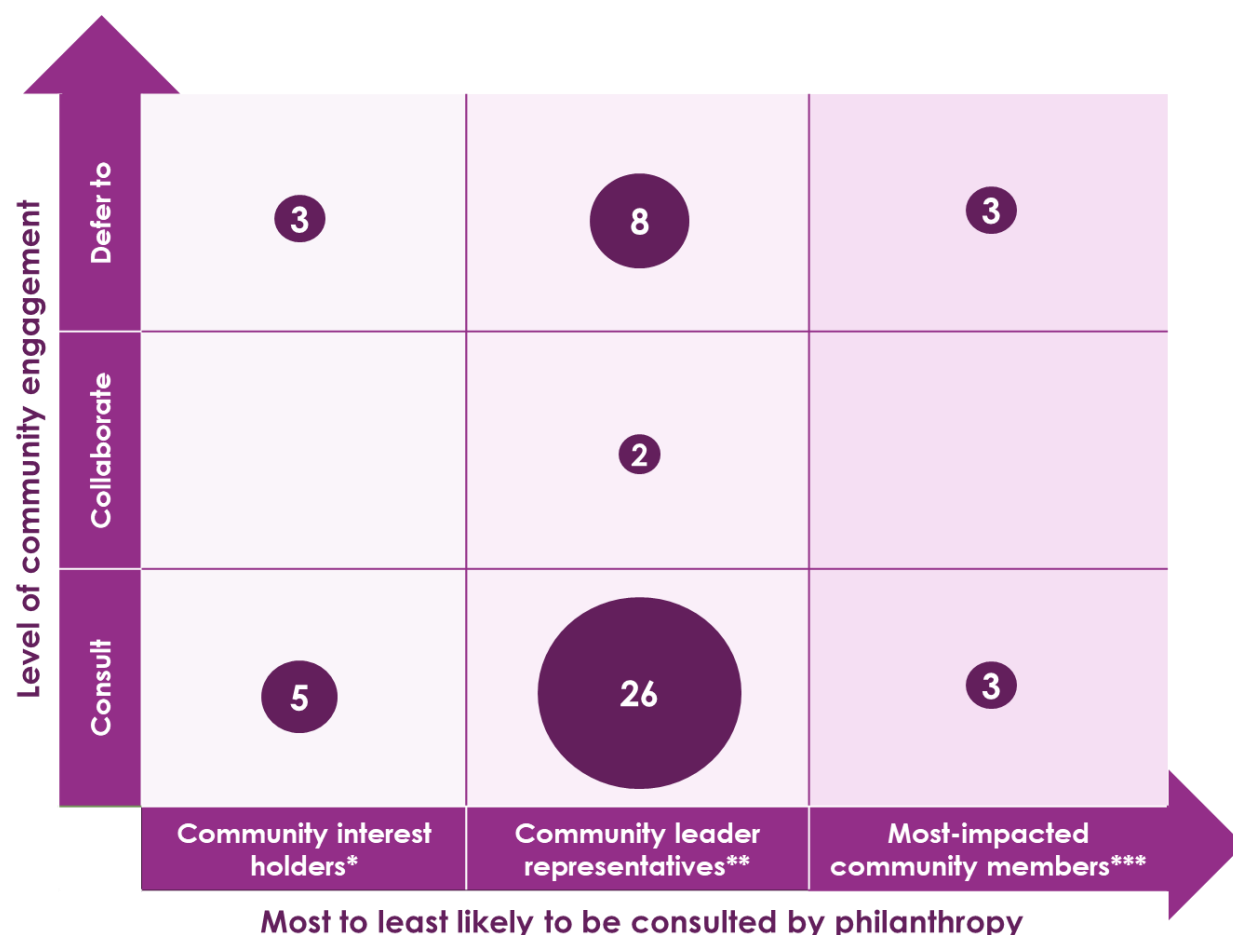
Includes members of the private sector, government officials, donors/peer funders

***Includes members of the private sector, government officials, donors/peer funders*

****Includes foundation staff with lived experience, community consultants, grantees, nonprofit/local leaders, and general members of the community*

*****Includes community members specifically identified as most impacted by systemic racism and other structural inequities, but least consulted by philanthropy*

Notably, Shared Insight's definition of listening to shift power includes elements of collaborating or deferring to community and defines *community* specifically as "those most impacted yet least consulted by philanthropy."[5] We found a handful of instances where both conditions were present, with most instances of community engagement falling elsewhere in this spectrum. In fact, most engagement efforts fell in the middle of the community engagement spectrum, around consultation. Nonprofits, philanthropic,

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[5] Tuan, M. (2024). What Is funder listening to shift power?. *Fund for Shared Insight*. https://fundforsharedinsight.org/viewpoint/what-is-funder-listening-to-shift-power/

and local organizations were the largest stakeholder group consulted or to whom power was delegated. This pattern suggests that these foundations are more likely to shift power to people who are already in their ecosystem and who they assume are good representatives of community interests. In only three cases, power was delegated to the community members who directly experience the issues the foundations are trying to solve. In these cases, the most impacted community members are making decisions about how the foundation allocates its resources.

Overall, these patterns show movement toward greater community engagement among these foundations. However, it is clear that foundations are approaching listening in many different ways, suggesting that there are different on-ramps for foundations seeking to improve or strengthen their listening practices and shift power to the communities they serve. Funders can advance their listening practices by examining the broad spectrum of community members whom they can engage and the extent to which each type of member can legitimately represent community interests. They can also explore the extent to which different engagement mechanisms allow for degrees of power shifting and discern which combination of engagement methods and community representatives works best in their context. Understanding and offering different on-ramps and adequate supports to meet foundations where they are on this listening journey is important to support the uptake of practice at a greater scale toward the goal of making listening, responding, and shifting power standard practice in philanthropy. However, it is also important to develop standards of high-quality practice, which can provide a north star for the sector in terms of the types of listening efforts that can truly transform philanthropic practices to enable communities to be better off in ways they define for themselves.

Observations

There is a fine line between community representation and tokenism that influences the quality and authenticity of listening efforts.

Given that community members who are most impacted by philanthropy's decisions can play many roles in society and within foundations, an important question is to what extent the community members convened by the foundation can, in fact, represent the voices, needs, preferences, and opinions of others in their community. Whether community members are now staff at a foundation, have become nonprofit or business leaders, or represent their local school's parents' association, what funders prioritized was the extent to which they are familiar and proximate enough to the rest of their community. All the 11 foundations with whom we spoke paid attention to lived experience and proximity to community when selecting members for advisory boards or other participatory mechanisms. This is unsurprising, as we screened foundations based on our initial understanding of how they used listening efforts to shift power to those most directly impacted by the issues they seek to solve. It is unclear, however, whether this is standard practice in the philanthropic sector.

These findings suggest that foundations should carefully consider proximity and ability to represent a community's voice when selecting community members in order to avoid what Facilitating Power calls "the trap of consultation"—that is, the tokenism associated with engaging members who have not developed a shared vision and set of priorities with the community they are asked to represent. This is an important hurdle toward high-quality community listening, which calls into question who is at the table and who has the power to influence foundations' decisions and authentically represent the community members most impacted by those decisions. Assuming that donors, for example, are equally able to represent community interests as impacted community members, without understanding donors' lived experience and proximity to people's lived experience, can lead to tokenism. Absent a power analysis, this assumption continues to give power to the same community representatives philanthropy has traditionally consulted rather than shifting power to other community members who may be more proximate and better able to represent their community. At the same time, inviting community members who are most impacted into community listening efforts without supporting them in their ability to understand and represent their broader community can also lead to tokenism, influencing the quality and authenticity of listening efforts.

> *"If the people participating have not had the chance to develop a shared analysis of the problem or articulate a shared vision, values, and priorities, with their peers, then they don't actually represent a 'community,' they are simply participating as individuals, and therefore are only 'tokens' of the community they are supposed to represent."*
>
> —Facilitating Power

Listening to shift power, as defined by Shared Insight, is likely a high standard for the sector at this time. Among these "listening" foundations, there is an uptake of community engagement practices, but listening is not always happening in ways that align with Shared Insight's definition of listening to shift power.

Shared Insight hopes to contribute to "more leaders and staff in foundations listening, responding and shifting power to those most impacted by structural racism and systemic intersectional inequities" and is currently engaging in a campaign to ensure broader uptake of listening practices to shift power. Within this context, there have been conversations about the extent to which foundations may already be listening, responding, and shifting power. When we began this inquiry, we had high hopes that we would find a good number of foundations conducting high-quality listening efforts that they would want to share with us. We created and marketed an open call through various platforms and channels, asking foundations to share their listening stories with us, but we only received two responses. We then constructed a list of around 25 foundations we had previously identified as potential interviewees, and upon inviting them to share their listening efforts, we only heard back from 11 of them. Those 11 foundations are reflected in this brief, and all of them are engaging community deeply in different ways but also facing challenges.

Specifically, though all of the funders we spoke with are engaging in at least one listening practice, most were not in a deep, power-sharing partnership with those in their communities who are most directly impacted but least consulted. Instead, most foundations are listening to receive input from community members that they will take into consideration when designing and implementing their programs. Other foundations have deeper partnerships with communities through practices like participatory or community-informed grantmaking, but the individuals involved in these programs may not exclusively be the most directly impacted community members. As such, most

funder listening efforts shift power to varying degrees, in ways that meet part of Shared Insight's definition but typically not all four principles.

Sector-wide, data suggests that funders beyond those in our sample are struggling to listen and respond to community effectively. A recent Center for Effective Philanthropy survey of 243 foundations found that while most (71%) foundation leaders perceived their strategies as very well aligned with community needs, nonprofit leaders disagreed—only 32% said that most or all of their foundation partners had funding priorities that reflected a deep understanding of community needs.[6] This discrepancy in perception suggests that while most funders believe they are engaging community well enough to understand their priorities and reflect them in their strategies, their partners, who are more proximate to community, disagree.

Therefore, our experience in this inquiry suggests that while uptake of community engagement practices may be increasing, listening is not always happening in ways that meet the standards of listening to shift power. This definition is intentionally setting a standard of practice for high-quality foundation listening, and these findings suggest that there is ample opportunity to improve the number of foundations listening as well as the quality of those listening practices.

Shared Insight posits that listening to shift power enables meaningful connections that improve foundations' abilities to respond to communities' authentic needs. This inquiry suggests that some parts of this hypothesis hold true, but additional research may help clarify whether communities are, in fact, better off in ways they define for themselves.

Shared Insight's current theory of change posits that if foundations listen, respond, and shift power, then people in communities, nonprofits, and foundations will be more meaningfully connected and will work in greater solidarity with each other to meet the authentic needs of those most impacted. Ultimately, all of these changes contribute to people and communities being better off in ways they define for themselves.

The data from this inquiry with 11 foundations suggests that the initial parts of this hypothesis are true. Namely, this inquiry confirmed that foundations engage in community listening precisely with these goals in mind: building relationships, shifting

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[6] Buteau, Ellie, Grundhoefer, Seara, Smith Arrillaga, Elisha. (2025). How Nonprofits and Foundations Engage With the Communities They Support. *Center for Effective Philanthropy*. https://cep.org/wp-content/uploads/2025/06/CEP_Voices_That_Matter_FNL.pdf

power, and adjusting strategies to meet community needs. Moreover, data from our forthcoming case studies suggest that the community members who participate in these listening efforts, or at least those with whom we spoke, agree that they feel meaningfully connected to and valued by their foundation. The shifts these foundations made in their processes and strategies in response to findings from listening efforts suggest that, by responding to what they learn, they are working in greater solidarity with community members to meet authentic needs. However, important questions about legitimate community representation and the degree to which community engagement is leading to power shifting as defined by Shared Insight remain. Moreover, additional research is necessary to understand the extent to which the communities these 11 foundations work with are better off in ways that they define for themselves and to what extent the findings hold up among a broader set of foundations.
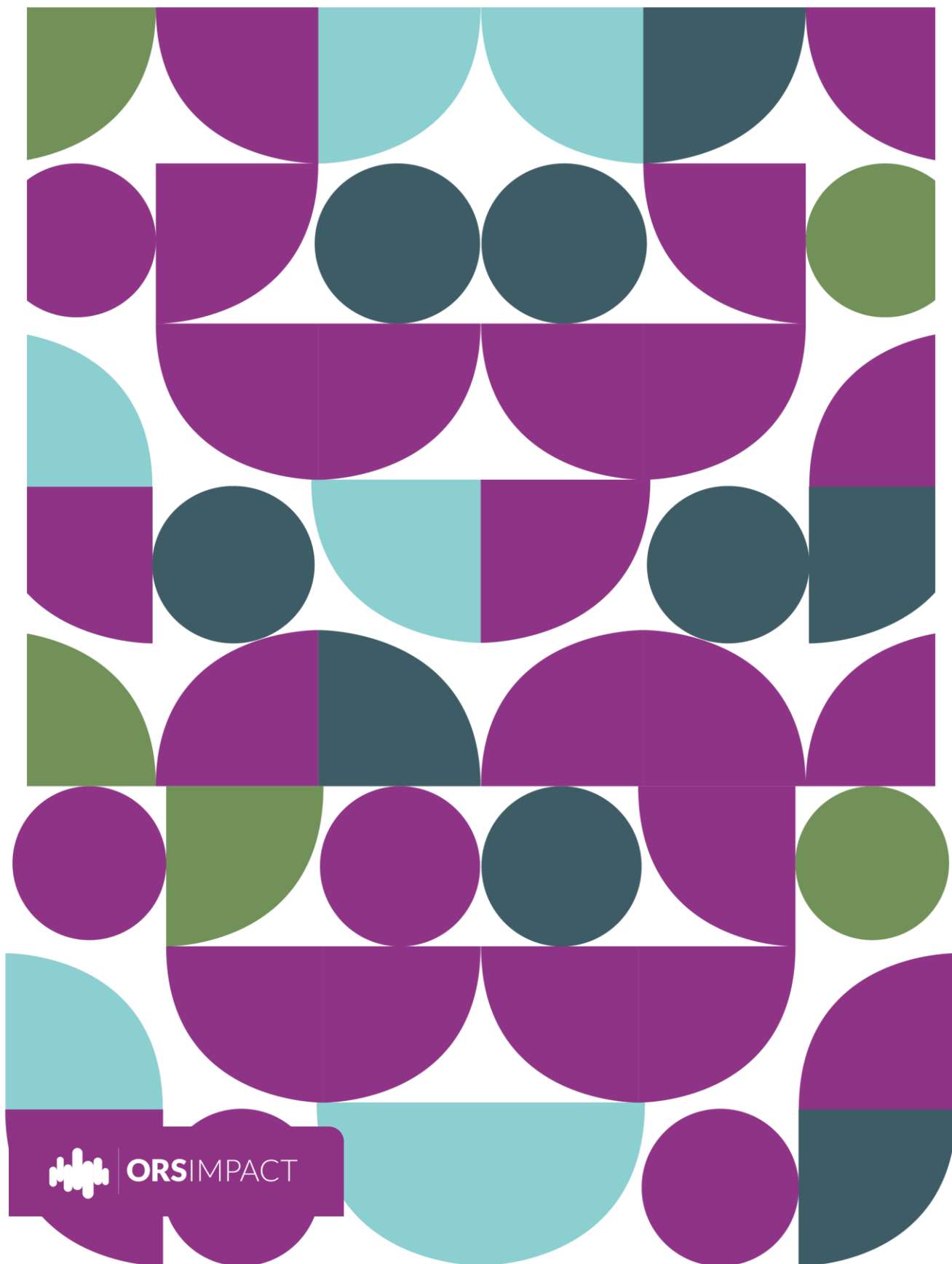
Conclusion

Through this inquiry, we sought to explore how a set of foundations engages in community listening practices and to what extent they leverage these efforts to shift power to the most directly impacted community members. We found that some of these "listening" foundations are, in fact, expanding their definition of community to include those most impacted by their decisions and grantmaking, and they are involving these community members in different ways through community listening efforts. However, the degree to which power is shifting varies, and there are still important considerations about who can and should be asked to represent community interests. Nevertheless, these practices are challenging traditional lines of accountability, power, and influence in philanthropy in ways that hold promise for a more equitable philanthropic practice—one that leads to communities being better off in ways that they define for themselves. However, more time and a wider scope of research are necessary to understand the extent to which the philanthropic sector is coalescing around a shared understanding of standards for high-quality listening and whether these shifts in philanthropic practices lead to people being better off or more equitable outcomes, as defined by the communities at the heart of our work.

Appendix A

List of Interviewed Foundations (11)

- Andrus Family Fund
- Borealis Philanthropy
- Caring for Denver Foundation
- The Denver Foundation
- Greenlight Fund (Kansas City)
- Hellman Foundation
- Jay and Rose Phillips Foundation
- Missouri Foundation for Health
- Omaha Community Foundation
- Satterberg Foundation
- Weingart Foundation

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