



Measuring the strength of your own foundations

Initial findings from the Stronger
Foundations self-assessment tool

July 2021

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About this report

Stronger Foundations is an initiative of the Association of Charitable Foundations (ACF) that aims to help grant-making charitable foundations identify and pursue ambitious practice. In December 2020, ACF launched a new self-assessment tool to support our members to explore their organisation's strengths and weaknesses, and describe their plans to work towards the ambitious practice set out in the Stronger Foundations thematic reports.

This short report describes how ACF members have used the tool since it was launched six months ago, how they have benefitted from it, and what we've discovered from the data. It highlights the varied contexts in which the tool has been used and summarises initial findings about foundation sector trends – **including the top five areas where foundations report their greatest strengths and weaknesses.**

The tool is exclusively an ACF member benefit, designed with the help of colleagues from across the foundation sector. We hope this short report, and particularly the quotes from foundation leaders who have used the tool, demonstrate the value the tool can bring, and we invite all ACF members to try it for themselves.

The tool and a short guide on how to use it can be found here: acf.org.uk/stronger-foundations-self-assessment-tool. For more information or to get in touch please email policy@acf.org.uk

Summary

- In the six months since its launch, more than 50 foundations have used the Stronger Foundations self-assessment tool, completing more than 70 surveys on six different aspects of foundation practice
- A range of size and type of foundations have used the tool, from across the UK, with interests in a broad range of causes and a variety of operating models
- Many judged themselves to be at an early stage of thinking and actions in relation to embedding the 40 'pillars of practice' identified by the Stronger Foundations initiative, but all reported confidence and ambitious practice in at least some areas
- The findings from the tool have been used by foundations in a variety of contexts, such as to initiate discussions at trustee board meetings and inform strategy reviews
- Many foundation leaders have reported significant benefits from using the tool (see their own words on page 6). One director told us:

“Undertaking the Stronger Foundations self-assessment has been incredibly helpful for our Foundation and really helped us to shape our strategic and operational priorities for 2021. For a small outlay of time, the self-assessments are a tool that we can return to time and again, and they are really helping us to keep track of the progress we are making.”

- Foundations expressed more confidence in areas related to funding practices and strategy, with good progress also reported on external engagement and collaboration.
- By contrast, many foundations said they lack confidence or are at a much earlier stage of their work on diversity, equity and inclusion. Others felt that aspects of investment practice and transparency required more attention
- We invite all ACF members to try the tool for themselves and we hope that more than 100 foundations will have done so by the end of the year

Background: What is the Stronger Foundations Initiative?

Since 2018, hundreds of ACF members, including both staff and trustees, have taken part in the largest foundation engagement initiative globally to date – [Stronger Foundations](#) – a flagship ACF initiative that aims to identify and promote ambitious foundation practice. Between 2018-2020, more than 100 foundation representatives committed a combined total of 2,000 hours as part of working groups examining six different aspects of foundation practice:

- Diversity, Equity and Inclusion
- Impact and Learning
- Strategy and Governance
- Transparency and Engagement
- Investment
- Funding Practices

Thematic reports on each topic were published between November 2019 and August 2020, and collectively presented 40 ‘pillars of stronger practice’.

Why did ACF create a self-assessment tool for foundations?

The 40 pillars identified by members through Stronger Foundations set a high bar. To help foundations engage with these ‘pillars of stronger practice’, ACF launched a self-assessment tool, enabling members to choose the thematic areas they would like to prioritise and supporting them to take action. The tool provides a mechanism through which foundations can:

- Consider the example actions and behaviours for each pillar
- Reflect on and score their own performance
- Record examples of how and to what extent the foundation is meeting each pillar
- Summarise planned future actions

Members have told us that the tool is **quick and easy to use**, and that the process and results are **helpful in a variety of contexts**, such as board-level discussions, staff away days, strategic reviews and team meetings. The results are **anonymous by default**, with users asked to give only basic information about the type of foundation they represent.

The tool is **only available to ACF members** and can be accessed [via the ACF website](#).

Who has used the tool?

In its first six months, the six surveys that comprise the tool have been used more than 70 times by more than 50 foundations (as of 10 June 2021). These include small, medium and large foundations, and those based in all nations of the UK.

The surveys were quick to complete, usually taking less than 15 minutes (for many, completing the survey was the culmination of a discussion or activity within the foundation, which will have varied in length depending on the approach taken, as described below).

Most were family or corporate foundations, but also community, fundraising and other foundations. Several completed all six thematic surveys, while most have started with one or two.

Many said they had some prior involvement with Stronger Foundations before, such as participation in one of the working groups, or attendance at a report launch or engagement events. Around 20% said they had no previous involvement.

Contexts in which the tool has been used

Foundations reported that they used the tool in a wide range of settings, each with their own benefits.

Several told us that they had used the tool as **part of trustee board meetings**. In some cases, the surveys were completed by a staff group and the results discussed as part of a board paper. Others said that they worked through one or more of the surveys within a board meeting, inviting trustees to score their foundation against the pillars in that theme and then looking together at the results. There was also an instance where a staff team and a board completed the surveys separately and then compared results to stimulate discussion on where there were differences.

Several directors and CEOs told us that they found the tool helpful as **a prompt for raising more difficult issues with trustees**, such as board diversity or a change of operating model.

Many said they used the tool to **inform a strategic review**, with the results of the surveys helping to identify areas of strength and weakness within the foundation.

Some used it as part of a **team away day**, while others worked on this **independently or within sub-groups**.

Benefits to individual foundations – *in their own words*

Foundations have told us they found many benefits to using the tool. Below is a range of experiences from ACF members who kindly agreed to be named in this report to share their perspective with peers in the sector and promote the value of using the tool to others. As you will read, foundations large and small are using the tool, each at different stages of their work in relation to the pillars of practice.

A way of baselining our practice

“We have used the tool as a way of baselining our practice in areas where we are developing our thinking and practice. As we build our learning strategy, we took the survey to get a feel for where we might need to do more work, speak to Trustees and other stakeholders and, frankly, educate ourselves. It is a facilitative and supportive framework for improving practice and finding a way into the accumulated wisdom about what “good” is in our sector.”

Danielle Walker Palmour
Director, Friends Provident Foundation

A way of posing questions to ourselves that pushed us a bit further than we would have gone otherwise

“We used the tools as a way of posing questions to ourselves that pushed us a bit further than we would have gone otherwise and made us examine areas we might have otherwise overlooked.

“We set up small staff groups to review each of the thematic areas. The scoring, reasons and recommendations were agreed on a consensus basis within each group before being reported to our trustees. The report promoted useful discussions at the board before the agreed actions were included within our next action plan.”

David Ireland
Chief Executive, World Habitat

Helped us to shape our strategic and operational priorities

“The tool has been incredibly helpful for our Foundation. We worked on our self-assessments together as a team in one-hour bursts over three days. These conversations, along with a reflection on the results as a whole, really helped us to shape our strategic and operational priorities for 2021.

“We produced a summary of our results for Trustees, and these were used to help with our 2021 Away Day discussions. The self-assessments are a tool that we can return to again, and they are really helping us to keep track of the progress we are making.”

Sufina Ahmed
Director, John Ellerman Foundation

The first important step

“We used the tool, briefed our trustees on it, and they have now agreed to use it as a framework for managing the DEI policy and strategy review. We are only at the start of the process so we are presently looking at bringing in a facilitator to support us in starting the dialogue about what DEI means to the Foundation, how we define, understand and determine objectives and priorities. That will take us some time to do given other pressures, but we have taken the first important step.”

Graham Fisher
Chief Executive, Letchworth Garden City
Heritage Foundation

A guide for individual and group trustee conversations

“I have found the tool really useful. We are including it in our board review and development processes, using it to guide individual and group trustee conversations on performance, assets and development needs as a team”

Steph Taylor

Strategy and Programmes Director and Deputy CEO, Leeds Community Foundation

A very useful learning experience for the team

“We used the tool in a whole-team review as part of our wider commitment to good governance and self-improvement. This provided a useful learning as it enabled all involved to consider areas that they may not have considered in their individual roles.

“We shared the assessment with trustees to flag key issues on which to focus moving forward. All involved found the tool an excellent, challenging but constructive, framework in the full range of areas that we must address if we are to deliver the high ambitions we have set for the Foundation”

Jonathan Freeman

Chief Executive, CareTech Foundation

Useful to provide focus on a particular area

“We used the impact and learning survey as a team. We read each question, then simultaneously ranked ourselves in the chat, then reviewed and discussed discrepancies in our score. It’s a useful tool to provide focus on a particular area of work, generate some team discussion and reflect on what best practice looks like for us.”

Jo Wells

Director, Blgrave Trust

A good check to make sure that you are following best practice

“We used it as part of our ongoing governance review. The self-assessment tool gives a good check to make sure that you are following best practice in key policy areas. The tool provides you with a score for each area which gives an objective basis for assessing your Foundation’s progress”

Andrew Whitehead

Head of Finance, Lloyds Bank Foundation for England and Wales

Invaluable as a starting block

“We used the Stronger Foundations self-assessment tool to understand where and how the foundation could improve its response to diversity, equity and inclusion. This was initially undertaken by staff, who used the pillars and recommendations as a basic audit tool for the Board to consider. The assessment and the audit were presented for discussion which sparked much interest.

“As a result, trustees have proactively engaged in recent webinars, talks and read papers by the Ubele Initiative, the Baobab Foundation and CharitySoWhite, amongst others. This is the start of regular discussion at Board meetings and a key part of induction for new trustees.

“The tool has been invaluable as a starting block - we wouldn’t have known where to start otherwise. Rather than responding to and implementing a finished format, the tool has enabled the start of a journey that we will listen to and learn from in order to understand our best response.”

Felicity Mallam

Director, Wates Family Charities

Benefits to the wider foundation sector and beyond

In addition to the benefits to individual foundations described above, there are also benefits to the foundation community and beyond. The data, which is anonymous by default, enables ACF to review individual and aggregate results, which offers unprecedented insight into foundation practice and ambition, showcases action taken and planned, and provides an overview of sector trends.

The quality and quantity of data gathered through the tool will increase as more foundations use it. This means that, by completing a survey, ACF members not only benefit from insight into their own work, but contribute important knowledge about the foundation sector as a whole. This will also enable foundations to compare their own progress to that of their peers.

While all six surveys have been well used, those focused on Diversity, Equity and Inclusion (DEI) and Strategy and Governance were most popular. This perhaps reflects where many foundations perceive their greatest needs to be in terms of distance still to travel, and where there is pressure from external partners and from within their own organisation to act. Many foundations, in the wake of the pandemic and the spotlight on inequality, are thinking more than ever about their effectiveness and impact, particularly their approach to DEI, their governance and their strategies.

Initial results from across the foundations sector

With more than 70 surveys completed we are gaining a good understanding of where foundations using the tool feel they are strongest, and where they feel weaker. The data reveal some interesting emerging trends. The surveys ask users to rate themselves against each pillar using a score from 1-5:

- 1 - Not yet considered
- 2 - Just getting started
- 3 - Made some progress
- 4 - At a fairly advanced stage
- 5 - Fully embedded

Average scores within each thematic survey

The aggregate average scores of the pillars within each of the six thematic surveys show that foundations feel more confident in some areas than others:

Thematic area	Average score out of 5	Balance of scores
Funding Practices	3.7	Most at an advanced stage, some fully embedded
Impact and Learning	3.5	Most at an advanced stage
Transparency and Engagement	3.4	Some making progress, most at an advanced stage
Strategy and Governance	3.4	Some making progress, most at an advanced stage
Investment	3.0	Some just getting started, most making some progress
Diversity, Equity and Inclusion	2.8	A wide range, some yet to consider or just getting started

Funding Practices, described in ACF’s thematic report as ‘where the rubber hits the road’ in foundation practice, is reassuringly high scoring. This is the core, day-to-day operational business of grant-making charities and where foundations are most likely to already be performing well.

Impact and Learning is also high scoring, with foundations expressing confidence in their abilities to understand how to achieve and measure the impact of their activities, particularly funding others, and how to improve based on what they learn.

While it is so far the most popular survey, foundations reported the least confidence in relation to **Diversity, Equity and Inclusion (DEI)**. We know from our thematic report, and other research, that foundations have a long way to travel to achieve the pillars related to DEI. There is also greater pressure and expectation for action than ever before, both from within foundations and from wider stakeholders (including applicants and grantees). Many of the foundations that scored themselves low against the DEI pillars are also among the most reflective, and their qualitative answers demonstrate a commitment to improving their practices. DEI was also the area where foundations reported the most planned actions for the year ahead.

On **Investment**, most foundations rated themselves as making some progress, with very few reporting either great confidence or concern. We know that more foundations are thinking intentionally about how to use their investments to pursue their mission beyond merely a financial return. More than ever before are interested in responsible and ethical investment, or programmatic investment, alongside (and increasingly integrated with) their funding strategies.

In terms of **Transparency and Engagement**, foundations were more varied in their responses. Most reported confidence when it came to engaging with external stakeholders but were less assured when it came to making their own practices open to scrutiny. Collecting data about funding decisions and making this publicly available were also scored lower than other pillars in this theme.

Strategy and Governance is so far the second most popular survey, and its pillars were scored highly by most users. Awareness of the wider ecosystem and a deep understanding of mission were areas of confidence, with being open to scrutiny and challenge less so.

Scores for individual pillars

There is also clarity emerging about which pillars foundations are reporting most confidence in, and where they believe they have further to travel.

Strongest Pillars mostly scored as 3 (“Made some progress”), 4 (“At a fairly advanced stage”) or 5 (“Fully embedded”)

Pillar description	Average score out of 5	Thematic area (and pillar number)
We understand our mission and the impact we are trying to achieve	3.9	Impact and Learning (1)
We seek to achieve positive impact beyond a financial contribution	3.9	Funding Practices (3)
We recognise the unique and vital role of grant funding and are aware of the variety of grants that can be made and the implications of each type	3.9	Funding Practices (2)
We proactively engage external audiences	3.9	Transparency and Engagement (4)
We have a deep understanding of our vision, mission and values and articulate them publicly	3.8	Strategy and Governance (1)

These five pillars all scored close to a 4. Many of these pillars relate to the core business of grant-making, as well as the role of other assets in the foundation toolbox beyond funding.

Across the surveys, the pillars relating to understanding mission, collaboration with other funders, considering time horizons, achieving impact, and learning from failure were scored relatively high.

Weakest Pillars mostly scored as 1 (“Not yet considered”), 2 (“Just getting started”) or 3 (“Made some progress”)

Pillar description	Average score out of 5	Thematic area (and pillar number)
We pursue transparency and respond to scrutiny	2.1	Investment (4)
We seek to positively influence the behaviour of others in relation to investments	2.4	Investment (7)
We express our DEI commitment, policies and practices publicly	2.4	Diversity, Equity and Inclusion (6)
We produce and review strategies that will implement DEI practices	2.6	Diversity, Equity and Inclusion (2)
We collaborate with others to promote and implement DEI practices	2.6	Diversity, Equity and Inclusion (9)

These five pillars all scored between 2 and 3. Most foundations believe they have “not yet considered” the pillar, are “just getting started” or have “made some progress”.

Across the surveys, pillars relating to accountability, being subject to scrutiny, openness and transparency, and sharing data were scored relatively low.

There are nuances emerging within the surveys, which will be explored in more detail as the data grows. For example, based on their qualitative answers on actions taken and planned, some foundations with more awareness and ambition on DEI seem to score themselves lower in that survey than those that appear to be at a less advanced stage.

ACF's call to action

To support the foundation sector's understanding of practice trends and to enable a more rigorous and deeper analysis, our hope is that at least 100 ACF members will use the tool by the end of 2021.

To mark that milestone, ACF intends to publish a report with detailed analysis on what actions foundations have taken on each pillar and their future plans.

We need members' help. Our invitation to all ACF members is:

- **If you've not yet used the tool, give it a try**
 - It's quick and easy to use, and members report a wide range of benefits
 - Consider taking it to a board meeting as the basis for a discussion about strategy, governance or operations
 - Ask trustees or investment committee to complete the Investment survey
 - Invite staff to complete one, and compare answers with that of trustees
 - Take it to a staff away day
 - If working as the only member of staff, consider using it to inform a board paper
- **If you've used it already, consider using it again in the future**
 - We recommend foundations repeat the process after 6-12 months in order to track progress and allow enough time for changes to occur
- **Once you've used the tool, consider sharing it with others. You could:**
 - Write a blog about your experience
 - Put some headline findings in a newsletter
 - Tweet about it to your followers using the hashtag [#StrongerFoundations](#)
- **Please let ACF know how you get on and whether the tool could be improved**
 - Email policy@acf.org.uk
 - Complete the [two-minute feedback survey](#)

This report is published by the Association of Charitable Foundations (ACF), the membership organisation for foundations and grant-making charities in the UK.

Registered Office: 28 Commercial Street, London, E1 6LS Telephone: 020 7255 4499 Email: acf@acf.org.uk
Website: acf.org.uk

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