

# Segal Family Foundation



## Principle 3



Upon reflection, what is most striking about our response to the Covid crisis is how much we as a foundation learned and evolved alongside our partners – and how decisions and opportunities made out of necessity have since become integral parts of our DNA and ways of working, three years later.

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# About the Segal Family Foundation

The Segal Family Foundation (SFF) is a social impact funder and advisor. It invests in visionary local leaders with bold ideas and huge potential to transform society and helps progressive donors do the same. The foundation was recognised as the second largest U.S. grantmaker in Sub-Saharan Africa (by number of grants given) according to the Council on Foundations' [2022 The State of Global Giving report](#).

## What was the challenge?

In times of global emergencies like Covid-19, philanthropic funding tends to be diverted towards relief efforts – resulting in reduced budgets for smaller implementing partners in other sectors, especially those in Africa and the Global South. Donors' crisis response potential is also often bogged down by traditional systems that include centralised decision-making and burdensome grant disbursement and reporting processes.

SFF's response to the pandemic modelled a nimbler way of addressing immediate needs while continuously learning to ensure that high-quality implementation remained a priority.

## What was the response?

During the high-pressure period of the pandemic, the SFF board, management, programmatic and operational teams were able to come together, in recognition of the immense challenges that their grantee partners were confronted with, to find the most effective ways to adapt their operations and simplify their processes, to disburse funding in the fastest and most effective ways and support organisations working on the frontlines.

In 2020 and 2021, SFF awarded USD 3.7 million in 178 grants for diverse Covid-19 response efforts across Sub-Saharan Africa. Initially, the Foundation received many health sector-related funding requests, such as support for access to personal protective equipment and medicine. Gradually, SFF was drawn towards food security and other initiatives that responded to the far-reaching economic impact of Covid-19. The Foundation also explored ways to support the education sector, with some of its partners rolling out radio programming and distributing educational material within communities that did not have access to online learning tools. Staying closely engaged with communities helped the Foundation understand the complex challenges emerging from the pandemic and the need to dedicate resources across various sectors and diverse partners. SFF also facilitated USD 29 million in additional funding to its grantee partners by working closely with like-minded foundations that did not have teams on the ground and lacked local intel and networks.

SFF also compiles recommendation lists for other funders looking to grow their reach in specific geographies, shares its due diligence and geographic insight, and connects potential funders directly with its grantee partners. During the pandemic, the Foundation developed country-specific situational reports and reports on their grantee partners' responses, which it shared with funders looking to deploy more resources. SFF's facilitation of additional funds for its grantee partners also led to the formation of coalitions, such as the Oxygen Alliance, which mobilised resources for oxygen access.

SFF's commitment to building and maintaining trust with its grantees and other partners became especially evident during the pandemic, when it prioritised flexibility and responsiveness to communities over compliance, recognising that its grantees would need to pause or change their plans to better meet the urgent and evolving needs of their constituents.

SFF builds and maintains trust with its grantees and other partners in these ways:

- ✓ **Rebalance the power of the board in the decision-making and evaluation processes.** Since 2016, SFF has invited longer-term and more established grantees, as well as former programmatic staff members, to serve as board members. Grantee board members are selected on the basis of the mentorship that they provide to their wider communities; their abilities to collaborate; whether their own organisations are well-resourced enough for the leaders to offer up the time needed to serve on the SFF board; and how comfortable they are to challenge the Segal family and other board members, to advocate for local voices. Since these board members have lived or worked in target communities, their nuanced understanding of the relevant contexts helps to inform the Foundation's strategy development and key decisions.

SFF also runs the anonymous [Grantee Perception Survey](#), which interrogates how it can be a better funder, and a better partner overall.

- ✓ **Have local teams working on the ground.** Local teams connected to the communities that they work with better understand the complexities of the social issues being addressed and serve as local touch points that can strengthen partnerships with grantees and help to ensure open lines of communication.

This decentralised approach allowed the Foundation's responses to Covid-19 to be fully steered by its in-country programme teams, ensuring greater diversity and innovation in the structure and types of grants awarded. For example, SFF's country teams tracked how its partners were coming together — both in terms of geography and sector-specific efforts — to enhance their impact by working as coalitions. The country teams emphasised to the rest of the Foundation the importance of supporting these coalitions directly. The country teams also played a crucial role in guiding the Foundation's Covid-specific grantmaking based on the situations on the ground.

This approach has now become the basis of SFF's programmatic operating model, which reflects its bold resolve to centre its local teams and partners in shaping the organisation's strategy, grantmaking and operations.

- ✓ **Distribute unrestricted grants.** Partners working on the ground are the experts on the issues they are working to address, and they are best placed to determine how they use their funding. Unrestricted grants allow the funders to really understand and buy into an organisation's vision about how it wants to self-actualise and grow.

SFF broadened this approach during the pandemic, when it began to explore ways to more directly support coalitions that their grantee partners were involved in.

- ✓ **Adopt unburdensome grant application and reporting processes.** During the pandemic, with reporting deadlines further eased and radical streamlining of its grant renewal process, grantees had the flexibility to deprioritise meeting agreed-upon milestones, instead pivoting their focus to more urgent issues, as needed, without impacting grant renewal decisions.

SFF automatically renewed grant commitments to all grantee partners that were in good standing, often with a simple email, and did not require additional reports for the renewed funding cycle. The Foundation also gave its grantee partners the option to request changes to their grant payment schedules and to obtain advances if it would be helpful for their Covid responses by completing easy online forms. This was particularly geared towards supporting partners with cash flow challenges.

End-of-grant conversations focused more on understanding how the grantee partner was experiencing and navigating the pandemic rather than assessing progress on agreed milestones.

# What have they learned?

- ✓ **Size does not matter.** The foundation only has 20 full-time staff members, but it supports more than 350 grantee partners and manages to build and maintain trust and meaningful partnerships. A small organisation can still have a vast and meaningful impact if fuelled by values that cut through cumbersome reporting and other traditional approaches to philanthropy.
- ✓ **In times of crisis, trust allows for quicker action** – for both funding organisations and their implementing partners.
- ✓ **Employ a low-burden approach to grantmaking.** Simplified grant application forms and reporting proved to be very effective in times of crisis; giving grantee partners as much trust, flexibility, and certainty as possible, despite the tumult and uncertainty in the global financial markets.

In line with this approach, grantee partners were only required to report on progress towards milestones and to submit lists of team and board members, along with financial statements. Grantee partners are not required to itemise the minute details of how they spend their grants. Submission of reports was usually followed up with relationship-building site visits. The Foundation also makes times available throughout the year during which grantee partners can opt to meet with the team for more casual check-ins.
- ✓ **Embrace an adaptive and decentralised approach.** The pandemic was both an adaptive and transformative challenge for which no playbook existed to guide decisions. In the face of great uncertainty regarding how the spread and impacts of Covid-19 would play out globally, it was crucial to have an adaptive approach. Decentralise as much as possible to allow for closer-to-the-ground responses to issues tailored to the specific contexts and needs of the beneficiary communities. The diverse types of responses that the Foundation supported evolved with continuous consultation with its grantee partners and local teams regarding what was needed to protect lives and secure the dignity and well-being of their constituents and communities at different phases of the pandemic.
- ✓ **Turn to your core values.** SFF's values of trust, community building, boldness, fighting for fairness, and learning and innovating with its partners enabled the Foundation to overcome its initial paralysis. The Foundation realised that, rather than slowing down in the name of getting it right, this was a time to act with urgency in ways that felt right.
- ✓ **Allocate longer-term funding to support partners.** SFF automatically renewed grants to partners in good standing during the pandemic. The Foundation has since begun to transition more of its grantmaking to two or three-year grants, which gives partners some reporting ease, as well as assurance and flexibility when it comes to budget planning.



- ✓ **Emergency funding budget can become a key tool in times of crisis.** SFF has had an emergency funding budget since its establishment and this fund played a significant role in supporting recovery during the pandemic.
- ✓ **Fund the administrative costs of coalitions.** Prior to the pandemic, SFF would fund individual organisations and leave it up to them to mobilise resources for the coalitions that they participated in. Having seen how coalitions helped to scale and deepen impact during Covid-19, the SFF now realises the importance of and is committed to funding the administrative costs of coalitions beyond the individual organisations that it supports.
- ✓ **Acknowledge the interconnectedness of social issues and respond accordingly.** When SFF started, it focused on specific sectors such as education and health. Over the years, however, and particularly with Covid-19 underscoring the interconnectedness of social issues, the Foundation has come to realise the importance of being sector agnostic, considerably diversifying its funding portfolio, partners and networks.
- ✓ **Embrace continuous learning and transformation.** SFF still has unanswered questions regarding the aggregate reach and impact of the Covid-19 efforts that it supported, given the diverse spectrum of approaches that its response took across different countries and phases of the pandemic. As a funder, SFF is still grappling with navigating trust, visibility, accountability, and learning and interrogating the best ways to hold itself accountable as a funder as it supports a diverse range of partners, approaches, and outcomes – particularly in times of crisis.

# Key outcomes and impact indicators

## All SFF's grantee partners

were able to survive the pandemic and sustain their core missions.

## Testimonies

from grantee partners and other anecdotal evidence show that the continuity in support from SFF was crucial in helping to maintain their programming and payment of staff salaries at a time when global funding priorities were shifting towards Covid-19.

## Bold, rapid-response

partnerships with peer funders enabled SFF to substantially expand the scope and scale of its efforts to provide life-saving medical oxygen and equipment to public and not-for-profit health facilities that were serving high volumes of Covid-19 cases (a total of 89 facilities across East Africa continue to use the equipment to date).

## The Foundation

facilitated USD 29 million in additional leveraged funding to its partners by maintaining close working partnerships with peer funders throughout this period

The Segal Family Foundation Equitable Giving Toolkit can be accessed [here](#).