

Summary of Input from Heron’s Customers – A Component of the Foundation’s Program Review

Background

As part of its Program Review process, the F.B. Heron Foundation solicited feedback from its “customers” – all grantees and investees. We received a wealth of thoughtful ideas and insightful observations, as well as useful comments on the Foundation’s current practices and future opportunities. It is challenging to condense so much information into a brief document. Nonetheless, we thought others would be interested in the highlights and themes we heard from talented leaders who are at the forefront of implementing wealth creation strategies.

Purpose

The overall purpose of Heron’s Program Review is to ensure that Heron strategies:

- Are forward looking
- Consider current environmental factors and state of play
- Reflect best thinking and most effective interventions in practice
- Emphasize leverage, scale and impact
- Support strong opportunities in grantmaking and investing to advance the mission.

Process

To solicit feedback from Heron’s customers, the Foundation:

- Sent letters and a survey to all grantees and investees
- Received 79 written responses to the survey (63% response rate)
- Conducted 35 in-depth telephone interviews with “thought leaders” in wealth creation
- Commissioned three papers from outside experts
- Reviewed and discussed content in detail

Questions

The survey and interview questions posed to customers addressed the following:

- Identify key trends and big picture changes
- Identify the best opportunities and biggest challenges to wealth creation
- Comment on Heron’s approach to grantmaking, specifically its:
 - Preference for general support grants
 - Grantmaking targeted to select geographic areas as well as for national and regional organizations
 - Requirement of strong evidence of impact
- Indicate how the Foundation could improve services and/or supplemental, non-monetary resources for its customers
- Indicate what the Heron Foundation should definitely change and should definitely not change about how it operates

Below is a summary of the most frequent responses to the survey questions.

Big Picture Challenges:

- Growing wealth disparities
 - Access to inappropriate capital; household debt at record levels
 - Predatory and sub-prime lending and foreclosures
 - Public policies that impede wealth creation (e.g., for disabled)
 - Lack of power in low-income communities, need for organizing

- Changing demographics:
 - Immigration patterns
 - Aging population and under 30 population
 - Returning Veterans

- Concern about low-income individuals and families who lack access to:
 - Health insurance/health care – contributing to household debt
 - Quality child care and public education
 - Living wage jobs

- Issues within non-profit organizations:
 - Leadership transitions
 - Capacity

- Globalization

Big Picture Opportunities:

- Developing strategies for asset preservation
 - Individual Development Accounts and other savings plans
 - Financial education and counseling
 - Alternatives to predatory lending

- Nexus of climate change and low-income people
 - Green, energy efficient housing
 - Investments in alternative energy development

- New approaches to housing development
 - Manufactured housing
 - Housing and land trusts
 - Employer-assisted homeownership

- Advances in technology
- Increases in state funding for Pre-Kindergarten
- Growing sophistication of community development finance institutions
- Innovative capacity building opportunities
- Increased attention to assessing impact

Heron's Specific Approach to Grantmaking:

- Enthusiastic endorsement of general support grantmaking and mission-related investing
- Praise for customer service and quality of relationship with Heron staff
- Appreciation of emphasis on practice-based approaches to impact and accountability.
- Opportunity to improve communication about geographic consolidation i.e., Heron's decision to make grants in a smaller number of specific locations known at Heron as geographic "clusters."

Services and supplemental resources for customers

- Interest in opportunities to share best practices and network with peer organizations, as well as other experts in wealth creation
- Some interest in technical assistance – if the right match and high quality – on topics such as impact assessment, fundraising, and organizational development

One thing Heron definitely should not change:

- Core operating/general support grantmaking
- Emphasis on customer service
- Mission and core values

One thing Heron definitely should change:

- Increase leadership role especially in leveraging additional mission-related investments
- Increase opportunities for customers to learn from others
- Customers would happily receive more money