LISTENING FOR THE FUTURE

Insights for funders on how small charities use feedback
This report shares learning for funders about the ways smaller charities engage with feedback, and how they use it to build their organisation’s resilience.

These insights were gained through work Keystone Accountability undertook with the 10 charities on the CAF Resilience programme. Keystone Accountability worked with each charity to review the feedback systems they had in place to listen to their constituents (by which we mean intended beneficiaries and other stakeholders), and identify where Keystone could improve the process using their ‘Constituent Voice™’ methodology.

About the CAF Resilience programme

This programme tests how CAF and other funders in the sector can help small to medium charities to be more resilient. As part of this initiative 10 small to medium sized charities and CICs in the UK are receiving core grant funding, alongside bespoke advice and training for two years. The selected organisations have formed a learning community, working with us to encourage further philanthropic giving that supports this goal and exploring how such support can have the most impact. The programme ends in August 2020.
Feedback, or more broadly stakeholder and community engagement, was identified right from the start of the programme as a key component of resilience for smaller charities. Without asking the people who are supposed to benefit from a charity’s services what they think about the organisation's work, charities run the risk of unwittingly providing services that are either not meeting people’s needs, or that are poorly designed and delivered.

Charities who actively listen and respond to their constituents are more likely to provide better quality, relevant services in a way that people can engage with. They are also more likely to have a useful source of evidence to demonstrate that impact to the outside world.

Feedback can be valuable for the following elements of charity resilience:

- **Strategy**: Organisational strategy must be shaped by a deep understanding of whether the services offered are the right ones and resilient organisations must adapt to what they are hearing from their constituents.

- **Quality and trust**: Effective listening, coupled with responding to what people say, drives the quality of what a charity delivers and fosters positive relationships between charities and their constituents.

- **Relevance**: Ensuring the charity responds to feedback and changes their services based on insights can help ensure they continue to be relevant and accountable.

- **Engagement**: Creating feedback loops – where people are informed of the changes made as a result of their feedback – motivates stakeholders to engage further. It can be assumed that communities which feel they have some ownership within a charity and can impact how it operates are more likely to support it financially or otherwise.

![The Feedback Loop](image-url)
The three main ways Keystone supported the 10 charities to review their feedback practices were:

1) A presentation on the value of systematic feedback
This was helpful in securing organisation-wide buy-in on the rationale for listening and responding to service users and highlighting key elements of feedback good-practice. It was important to include a diverse cross-section of staff in this process, so both senior managers, frontline staff and all those in-between had a chance to participate. For feedback to drive organisational change there needs to be buy-in at all levels.

2) A theory of change workshop
This participatory process was designed to walk organisations through a simple thought process, where the answers could be used to form the basis of a feedback mechanism:
- What are we trying to achieve?
- Which constituent groups are involved in that?
- What do each of those groups (both intended beneficiaries and others) need to be doing or thinking for our aims to be realised?
- What can we ask each group to determine if we are making progress, and how?

3) System review
This involved conducting an assessment of existing practices and advising on how to either adjust the content or the process to maximise value. Often the charities asked questions around outcomes, but less so about the services themselves, whether or not they were the right services to be providing and whether what was delivered was of good quality. And also the interaction between the charity and those they worked with – do people trust them? Do people feel treated with respect? Do people feel able to challenge or question the organisation? Such relationship indicators are critical and can either accelerate or impede progress towards outcomes.

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1 How Keystone worked with the charities
Keystone provided bespoke support to each of the ten. The type of support provided varied and reflects the different organisations participating in the pilot and their individual starting points. Some were starting from scratch, looking to overhaul their measurement systems while some already had quite sophisticated ways to listen and engage to their intended beneficiaries. To kick-start the process, Keystone either visited or held an in-depth discussion with each of the ten individually. This allowed for an informal assessment of where the organisation was, their aims for constituent feedback and any particular challenges they faced. During these visits Keystone outlined what the rationale for feedback was and the different ways they could support them.
The first interesting difference across the charities was how easy (or not) it was to identify a clear intended beneficiary population. For some direct service delivery organisations this was straightforward, while others who were more advocacy focused found it harder to determine whom they should be listening to. While both types of organisations found value in feedback, more work was required to demonstrate the value to advocacy-based organisations. However, by broadening the definition of constituents beyond direct end-users, the value from listening to people and using that to report on work undertaken was clear to even quite complex advocacy based models.

**Examples:**

**The Child Accident Prevention Trust**

disseminates information designed to help keep children safe. Their ultimate intended beneficiaries are the children, with whom they have no direct contact. As a result they decided to focus more on gathering feedback from important intermediaries who need to be using their information in order for children to be safer. This includes parents, carers and other institutions like schools and nurseries.

Similarly, **The Money Charity** provides training to both adults and children, many of whom only have one-off contact with the charity, making the collection of regular feedback difficult. Instead they have also consulted the schools and businesses who arrange the training and who have a good perspective on the impact and quality of the work they do.
The second difference between the charities was the extent to which they had bought into the rationale for feedback and the extent to which they grasped the key stages in the cycle. Those who already had a broad organisation-wide commitment were much more interested in learning about simple and specific tools that they could use. They wanted templates, guides and very practical ‘things’ that would make their efforts easier and more effective. Organisations who were not yet in that mind-set or way of working needed much more work on the theory, and the high-level rationale for feedback. That is not to say this second group did not find value in the process, and several reported how simple shifts in their thinking had enabled them to see opportunities for more effective constituent feedback in the work they were doing already.

Examples:

**WILD** supports young parents in Cornwall. They were not in a position where they could use specific tools, but rather benefited from more general discussions about how they could change their existing approach to collecting information from their constituents. The parts that really resonated with them concerned how to use the data they already had – closing the loop on what had been heard and ensuring information was fed through to programmatic change. This required a simple shift in attitudes as opposed to new tools.

Conversely, **ACE**, who help local communities based in Cardiff, quickly understood the theoretical underpinnings, and were desperate for quick and easy tools they could start using to put it all into practice.
The third factor that determined how an organisation engaged with the support provided was around their internal capacity to implement the recommendations. Keystone’s role was only ever to support, advise, and guide. Implementation was firmly on the shoulders of each organisation. This required both capacity and capability. The latter was not a concern, and all organisations were quickly able to demonstrate the skills and understanding needed to conduct good feedback loops – in fact many organisations had these skills already.

The challenge was the time and effort different organisations could invest in the process. While effective feedback can be done simply and as part of ongoing work, it does take conscious effort and that can be hard for some smaller organisations.

For some, the pressures of service delivery, funder demands and unforeseen challenges took precedence. As a result, some really made the most of the available support and maximised their time with Keystone. Others needed some chasing up, and while this may have been an indication that the support was of limited value, anonymous feedback gathered by CAF suggests it was more often to do with internal ability to dedicate time and staff towards it, making it a question of priorities rather than value.
The ‘Right’ Time to Engage with Feedback

Ideally feedback would be considered at every point of an organisation’s development – from when a charity starts operating or introducing a new programme onwards. Building feedback loops into processes from the start is the ideal. However those who had not built it in from the start still found value in exploring feedback and were able to make meaningful changes. In fact, one well-established charity found the support valuable in highlighting that their focus on evaluation and ensuring their services ‘worked’, had side-lined the equally important element of whether people actually enjoyed their interaction with them.

There were situations where reviewing feedback processes was less relevant or important to the organisations. Those charities in the middle of reviewing their end to end service delivery or facing critical financial difficulty found it harder to engage, as the unknowns and urgency of their situation tended to eclipse this work. Feedback can feel like an improvement rather than a basic building block and this work was deprioritised. Ideally charities should see feedback as part of their core working practice rather than an optional addition.

Related to this, it helped when feedback was linked to other topics the charity was actively engaged with such as data collection, impact, strategic reviews understanding the needs of their beneficiaries in general.

Example:

ACE came on the programme preparing to lose their largest funder. The support came at exactly the right time and they saw this as a chance to review all their data collection processes now the demands of their strict funder were coming to an end. Putting in place processes to capture and respond to the feedback of people who use their services was immediately and clearly useful.
Pre-conditions for success

Through our work with the 10 charities, we have identified factors that make it more likely for organisations to effectively introduce or improve their listening practices.

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<thead>
<tr>
<th>Pre-condition for success</th>
<th>Why it is important</th>
<th>What happens if absent</th>
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<tr>
<td>The organisation believes in the value of feedback and has an expressed commitment to it, including responding to feedback received.</td>
<td>Given competing organisational priorities, it is critical there is buy-in from top to bottom. This is often best with a respected champion who can drive the process.</td>
<td>Without a strong internal driving force, which has the backing of senior management, time and resources will not be dedicated to feedback.</td>
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<td>There needs to be relevant capacity within the organisation.</td>
<td>Plans to gather feedback are insufficient alone and require resources to ensure they are well-executed. Good listening takes effort – not as much as one might think – but some nonetheless.</td>
<td>A lack of either time or the right skills means feedback is seen as a nice-to-have which invariably gets bumped down the to-do list, especially compared to service delivery.</td>
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<td>Feedback systems work best, especially in the long-term, when they are simple, proportional, and aligned to the strategy of that organisation.</td>
<td>Less is more – both in terms of content and approach. Listening has to be ingrained to work on a lasting basis.</td>
<td>There is a temptation to make feedback an overly complex process, which undermines the ability of an organisation to implement it moving forward.</td>
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<td>Feedback is more likely to be lasting if it is aligned to existing structures, without creating new parallel processes.</td>
<td>Being able to integrate feedback into existing management processes makes it more likely to result in change.</td>
<td>If feedback results in many additional and new steps, it is harder for an organisation to continue without an injection of resources.</td>
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<td>Feedback has the most impact when it is not seen as simply part of a single department or one individuals responsibility.</td>
<td>Feedback can offer value and learning across an organisation for strategic direction as well as individual programmatic improvements.</td>
<td>Keeping feedback in isolated silos can lose a lot of the value and can stop possible changes being made across the organisation.</td>
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Table 1: Pre-conditions for success
Feedback at all levels in the grant cycle

Feedback is usually thought of as something received by a charity from their ‘beneficiaries’ (constituents). But funders should also value feedback from the charities they give grants to. Funders of all types usually practice monitoring and evaluation to ensure their funds had benefit for the intended beneficiaries. They actually ask for feedback less frequently from the grant recipient about the service and relationships experienced.

This is how the existing reporting system can look:

Many of the same benefits of feedback apply to funders. Having and using feedback makes it more likely their funding will achieve its intended outcome.

Feedback can:

- Allow funders and donors to understand not just which interventions worked, but also why. Was it the individual who delivered it? Was it the context? Would the same thing be just as successful in a different organisation? Learnings cannot be reproduced without this information.
- Enable funders to adjust their behaviours and processes during grant programmes, rather than wait until the end, to understand what improvements could have been made.
- Inform funders – by understanding the experience of applying for and using grants, funders can better understand the challenges charities face.
- Allow funders to understand how their support interacted with the charity’s work and whether it had the intended effect.
- Assist with the relationship between funder and recipient, giving space for honesty and levelling the power balance. If done genuinely and if recipients see that changes follow, it strengthens the partnership.
CAF’S REFLECTIONS

Working with Keystone Accountability on this programme was a good opportunity for CAF to reflect on our own feedback loop with the 10 charities. As well as evaluating whether the programme worked, we also wanted to know why.

Feedback allowed us to improve our processes for each subsequent cohort of charities that we worked with. However while the first cohort told us that they felt the advisory support we provided was too slow to start, the third cohort told us the amount of support at the start was overwhelming. Through feedback, we also learned that the milestone plans we created with each charity and the regular check in calls with the programme manager were valued more than we expected. These are pieces of information that made a difference to how we worked.

In some cases, we were also able to include grantees in the design of their support package – although this was truer of the first cohort than the later ones. By explaining how we planned to run the programme and asking them questions, we made some relatively small tweaks (such as lining up the funding quarters with the tax year quarters) that removed practical frustrations from the charities.

What kinds of feedback questions should funders ask?

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<tr>
<th>Relationships</th>
<th>Service</th>
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<tr>
<td>Are concerns listened to appropriately?</td>
<td>Are the processes smooth?</td>
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<td>Are key people approachable?</td>
<td>Did we give you help on the right things?</td>
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<td>Do they understand your context and issues?</td>
<td>Would you recommend this programme?</td>
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<td>Do you feel able to challenge their understanding or actions if you disagree with them?</td>
<td>How long did it take you to complete the reporting?</td>
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<td>Is the level of contact enough or too much?</td>
<td>Is there anything you wish had worked differently?</td>
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<td>Can you give examples of good or poor practice that you have seen?</td>
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SUMMARY OF FINDINGS

1. Feedback is a key component of resilience for smaller charities
Charities that actively listen and respond to their constituents are more likely to provide better quality, relevant services in a way that people can engage with.
In particular the use of feedback is important in developing strategy, quality and trust, relevance and engagement – all key elements of charity resilience.

2. Small charities can benefit from external help on reviewing and improving their feedback processes
Keystone Accountability’s involvement in the CAF Resilience programme has had some impact in improving charities resilience. Five of the 10 charities feel that their resilience has already improved as a result of focusing on the feedback systems, while a further two of the more recent additions to the programme feel it would further down the line.

3. There are things small charities can do that will help them improve their feedback processes
Small charities that want to improve their feedback processes should have:
   1. A clearly identified constituency (stakeholders, beneficiaries and those who support them)
   2. Buy-in from the whole organisation
   3. Capacity and resources to dedicate to this

4. Feedback is important at all levels in the grant cycle
Feedback is usually thought of as something received by a charity from their ‘beneficiaries’ (constituents). But funders should also value feedback from the charities they give grants to.

5. Funders have a role to play in encouraging small charities to engage with feedback
Funders can encourage grantees to meaningfully engage with feedback by:
   ■ Asking about feedback separately from outputs and evaluation in grant reporting.
   ■ When funding existing programmes, asking grantees what feedback they have had and what they have changed as result.
   ■ Finding out what the grantee needs to know for its own purposes (not just the funded programme) and allow them to shape reporting around this.
   ■ Creating a culture of trust with the grantees. You can do this by letting them know that you don’t expect all feedback to be positive and that you welcome conversations about how their delivery and funding may need to change if feedback is telling them this.
ABOUT CAF

We are CAF and we exist to make giving go further, so together we can transform more lives and communities around the world. We are a charity, a bank and a champion for better giving, and for over 90 years we’ve been helping donors, companies, charities and social organisations make a bigger impact. We are CAF and we make giving count.

Find out more about the CAF Resilience programme at www.cafonline.org/cafresilience

ABOUT KEYSTONE ACCOUNTABILITY

Keystone Accountability helps organisations understand and improve their social performance by harnessing feedback, especially from the people they serve.

Find out more about Keystone Accountability and how they support charities with constituent voice at www.keystoneaccountability.org
If you’re a funder or donor looking to help small charities have a bigger impact, we’d love to hear from you.

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