

The top half of the cover features a close-up, top-down view of a light-colored wood grain, showing concentric growth rings that create a sense of depth and texture. A dark teal rectangular box is centered over the bottom portion of this wood grain image.

# The NCFP Guide for Effective Family Philanthropy



NATIONAL CENTER FOR  
FAMILY PHILANTHROPY

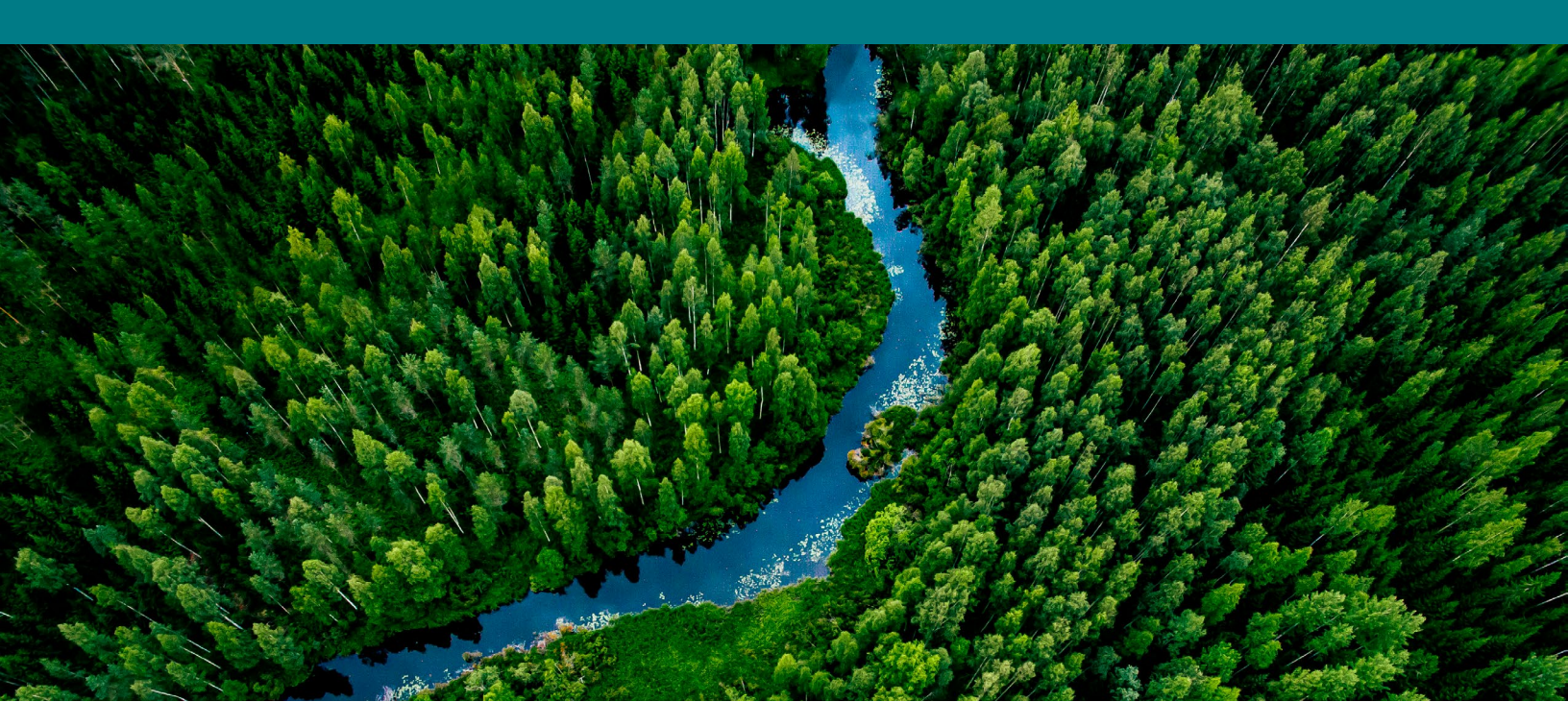
# Introduction

**In philanthropy, meaningful change is the aim—it’s the purpose and the promise. But in striving for and achieving impact, have we been *effective*? Who decides the measures of success, and what are the conditions that promote meaningful and enduring progress? What does it mean to be effective not just as funders, but as *family philanthropies*?**

Family philanthropy is an act of a collective—rooted in the values of a family, oftentimes carrying forward its name and legacy, and engaging its members. Inherent in its structure is not only the conscious commitment to effect meaningful, positive change, but to do so in partnership with a family, in all the broad ways ‘family’ can be defined. The complexity of this dynamic has its challenges, yet it presents an enormous opportunity to not only fund the change you seek, but to model it by effectively engaging your families across generations and physical and ideological divides.

Existing work on effectiveness has focused almost exclusively on tracking metrics linked to the external mission of social impact. These approaches have been useful for all philanthropies seeking to improve their grantmaking. For our field, however, effectiveness must go beyond healthy funding practices with grantees and the greater communities we serve. It must touch on intra-family dynamics, family philanthropy staff, and speak to the varied stages within the [Family Giving Lifecycle](#)—from purpose to succession and legacy. Put simply, effective family philanthropy is not possible without effective family engagement.

Effectiveness is the culmination of many practices and it is a lifelong process and pursuit—not a destination or a simple checklist. We’ve developed this guide with insights from our community and the understanding that it will evolve. However, through this shared understanding and language around effectiveness, we can demystify the internal and external practices that promote positive outcomes and prepare families to create meaningful change.



# Defining Effective Family Philanthropy

*Effective family philanthropy makes a collective commitment to meaningful societal change. It holds itself accountable to impact as defined by community, and to the proven practices that support it. It is adaptive, evolving with the family and the community or ecosystem within which it operates. It shares or cedes power with different family members and generations, as well as staff, communities, and grantees.*

## PRINCIPLES

Ultimately, effective family philanthropy is rooted in cultural evolution and advances meaningful outcomes by embodying four core principles: **accountability, equity, reflection and learning, and relationships**. We view these principles as holding true for guiding both practices within a family as well as with staff, grantees, and community partners. This harmony is what makes effective family philanthropy possible.

The four principles provide a framework to guide your giving. Each one requires thoughtful reflection that invites you to consider its meaning, how it manifests in your philanthropic purpose, and its application through your governance, grantmaking, and operations. We encourage you to be open and curious. After all, family philanthropy is an art and a science—both of which take practice, a willingness to fail, and an ability to pick yourself up and do it again better.



## Principle I: Accountability

Accountability underpins dynamics of power, trust, and sustainability. But who are we accountable to in pursuit of effective family philanthropy? Fundamentally, family philanthropy exists to serve the public, therefore questions of accountability must always be rooted in the communities you serve. Families are stewards of funds intended for public benefit, which is a position of extraordinary power and privilege—one that requires a recognition of the responsibility that individuals, family, and staff have to each other and their community partners.

Embracing accountability as a principle of effective family philanthropy means moving beyond intentions and taking ownership of the real impacts of the work on all the people within the ecosystem in which your philanthropy exists. Accountability also requires a commitment to reflection. Without an ongoing, transparent assessment of your actions—as an individual and as a family—trusting relationships between family, staff, and community won't be possible. However, when families hold themselves to account, not only to the expressed values of the family but to the vision and aspirations of the community, they invite staff and community wisdom that leads to better outcomes.

### QUESTIONS FOR REFLECTION

- Who are we accountable to and what are we accountable for?
- How are we building structures and culture that promote accountability internally, with our family and staff, and externally with grantees and partners?
- How do we engage in challenging conversations within our family and with our partners, acknowledge our barriers, and commit to growth?
- How are we overcoming the barriers created by our wealth and privilege to listen to, and be guided by, the people closest to the issues?
- How can we be transparent with our grantees and the community about our work, including our mistakes?

### EXAMPLE PRACTICES

- Name the people who are engaged in your philanthropy and communities who are impacted. Assess where voices and perspectives are underrepresented and develop a plan to ensure continuous, meaningful engagement and representation.
- Schedule a periodic review of your mission to ensure your philanthropy is responsive to current community priorities and conditions.
- Conduct an annual board assessment to explore and reflect on your governance, family dynamics, feedback loops with staff and community, and alignment with your mission and vision.
- Gather feedback from grantee partners and/or community partners. Share the results and be transparent about what changes you are willing to make based on the feedback.
- Be transparent about your expenditures and your investments. Share your mistakes and what you are learning from them.



## Principle II: Equity

For family philanthropies to be effective, equity must be woven into their internal and external principles, policies, and practices. This begins with recognizing that individuals and communities have different lived experiences and identities that require tailored and specific approaches to build trust and repair harm and injustice. In order to be effective, philanthropic families must commit to learning, unlearning, and taking actions to reduce or eliminate inequities. What does it mean to commit to equity as a family philanthropy? It requires shifting your organizational culture and demonstrated practices that extend equity to all—staff, family, grantees, and community.

### QUESTIONS FOR REFLECTION

- How are we understanding our position of privilege and power? How does this understanding inform our family relationships? Our relationships with staff and community?
- What is the origin of our wealth as a family philanthropy? Was any part of the wealth acquired by exploiting people and/or natural resources or perpetuating or benefitting from inequities?
- How are we thinking about repair within our families and in the communities we serve?
- How do we reflect our commitment to equity across our mission and values, governance, grantmaking strategies and approaches, and operations? Where can we strengthen our efforts?
- Whose experience and perspectives might help inform our philanthropic efforts? Who are we including and who are we excluding?

### EXAMPLE PRACTICES

- Embark on an individual and organization-wide learning journey that touches on power and privilege, the origins of the family wealth, and ongoing exploitative practices. Be transparent about your findings and consider how your grantmaking and operations can address past and current harms.
- Share or cede power (money, positional power, influence, decision making) within the family and with staff and communities to repair inequities. This includes hiring teams that have the knowledge and lived experience to advance change in the issues you are tackling.
- Create structures in your board meetings that allow for different voices to be heard—both from different perspectives in the family and from the community. These structures might include rotational leadership positions, the delegation of authority to committees, and guest speakers and learning agendas.
- Manage power dynamics. Listen and ask questions of peer family members, staff, and community partners. Evaluate how you are eliciting feedback, acting on that feedback, and reporting back on changes made in response.
- Within the issue areas and communities that you and your family support, ensure your grantmaking criteria accounts for and reduces inequities across race, class, ethnicity, gender identity, sexual orientation, and disability.



## Principle III: Reflection and Learning

Philanthropy presents an incredible opportunity to learn together and from one another as a family. A commitment to reflection and learning spans beyond monitoring and evaluating social impact strategies. Family philanthropy must commit to curious, continuous inquiry. Learning from a diversity of people and perspectives—especially those with lived experience—is the bedrock of effectiveness.

As a principle, reflection and learning requires internally and externally engaging with tough questions and actively sharing learning with family members, staff, grantees, and the communities the family philanthropy is accountable to in ways that result in real and evolving impact on strategies.

### QUESTIONS FOR REFLECTION

- How do we actively engage in learning that challenges our preconceived notions and invites a diversity of perspectives? What strategies or practices might we employ to promote a culture of learning?
- What questions do we need to address to be most effective with our philanthropy?
- What are we changing as a result of what we're learning?
- How are we reflecting on our purpose over time as our understanding of issues and communities change?
- How are we preparing the next set of thoughtful and informed decision-makers?

### EXAMPLE PRACTICES

- Approach the work with a sense of humility and develop a plan to learn from those who are closest to the issues.
- Create and reinforce a culture of learning. Reward curiosity and provide a safe environment for constructive feedback, respectful dissent, and learning from mistakes. Be mindful of who you learn from.
- Develop annual goals for learning and improvement related to family and board members, staff, strategies, partners, and grantees. This can include book clubs, speakers, site visits, online videos, and workshops. Vary the formats to accommodate different learning styles.
- Listen for how the communities you partner with define progress and success. Ensure your evaluation processes don't disrespect or marginalize people of color and those with less privilege.
- Connect with other funders to learn about their work and better understand where your philanthropy fits within the existing ecosystem. Take advantage of opportunities to collaborate.



## Principle IV: Relationships

When effective, family philanthropy is rooted in healthy relationships—relationships among family members, between family and community, staff, grantees, and partners who impact the work. Trusting relationships require transparent communication, listening, humility, empathy, power sharing, and honesty. Relationship-building leads to collaboration and better collective efforts, a better understanding of the ecosystem family philanthropy exists within, and clearer shared values and visions.

For relationships to be most effective, family philanthropies need to be conscious of existing power dynamics and seek to break those down, both between grantmakers and grantseekers and in hierarchical generational practices within the families themselves. Dismantling existing power dynamics creates space for new and deeper relationships to build from.

### QUESTIONS FOR REFLECTION

- What is the nature of our relationships with staff, family, and community?  
*Which relationships are we attending to with trust, humility, and respect?*  
*Which relationships might we improve upon and how?*
- How are equity, accountability, reflection, and learning embedded in our relationships?
- How are we valuing the time, energy, expertise, and contributions of all those involved in our philanthropic efforts?
- How do we repair relationships when harm has been done?
- How are we attending to family dynamics and are we willing to have empathetic approaches to hard conversations?

### EXAMPLE PRACTICES

- Assess how power dynamics (within families, between CEO and staff, board and CEO, funder and grantee) may harm a relationship and explore ways to share or cede power.
- Be a partner who listens with openness and humility. Ask what is needed and how you can help.
- Attend to family dynamics with grace and empathy to promote healthy relationships across all people involved in your family philanthropy.
- Recognize that relationship-building takes time and ongoing maintenance. Develop annual work plans that make time for purposeful relationship building.
- Employ tools and frameworks such as trust-based philanthropy to authentically build relationships with and listen to communities.



# Conclusion

**Family philanthropy can be a critical lever for positive change.** As the world changes and as family philanthropy learns more, we must act on what we are learning and apply new insights and practices, which are vital to maximizing the possibility for meaningful impact. Unlocking a brighter future requires reflection, intention, and a commitment to action. This guide serves as a launch pad that leads to change, so the question is: *What are you taking from this guide? What are you committing to do differently?*

Perhaps it starts with simply taking these questions back to your organization and setting aside time with your family and board to start a conversation about the four principles. Perhaps it sparks a dialogue with a peer organization whose work you admire. Which of the principles feel easy or obvious? Which do you find more challenging?

Effective family philanthropy has the power to support lasting change in our communities. Remember that this work requires a posture of humility, openness, and critical assessment—but it's not work you have to do alone. This guide is a challenge, but it is also an invitation to work through these principles as a community. It's through sharing, supporting and challenging each other that we learn, grow, and achieve our greatest impact. Together, we will discover what is possible when family philanthropy is at its best.

*NCFP is a platform for exploring, challenging, and learning alongside peers to turn distant possibilities into tangible impacts. We look forward to seeing the shifts, hearing your stories and supporting you every step of the way. Explore additional resources in NCFP's [Knowledge Center](#).*



## RESEARCH METHODOLOGY AND CITATIONS

Kate Wilkinson and Kat Vang at Open Impact led the research that informed this guide. This included an extensive literature review, gathering of data and relevant frameworks about effectiveness and family philanthropy, a synthesis of common themes, and interviews with members of the family philanthropy community.

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[Grantmakers for Effective Organizations](#)

[Listen4Good](#)

[National Committee for Responsive Philanthropy](#)

[Stanford PACS](#)

[Trust-Based Philanthropy Project](#)

## **CREDITS AND SPECIAL THANKS**

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## **ABOUT OPEN IMPACT**

Open Impact partners with private donors, foundations, and networks who are committed to the repair and healing of our planet and its people. We advise donors at all stages of the giving process to strengthen capabilities for making accelerated, strategic investments and deepen family engagement. Leveraging our expertise and research capabilities, we partner with foundations and networks to build the field of effective philanthropy and design innovative solutions that can scale from one donor to many. Learn more about Open Impact by visiting [www.openimpact.io](http://www.openimpact.io).

## **ABOUT NCFP**

NCFP is a network of philanthropic families committed to a world that is vibrant, equitable, and resilient. We share proven practices, work through common challenges, and learn together to strengthen our ability to effect meaningful change. Our range of programs and services support family philanthropy at its many points of inflection and help families embrace proven practices and advance momentum. Explore our resources, all rooted in a Family Giving Lifecycle, by visiting [www.ncfp.org](http://www.ncfp.org).

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