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We were driven by a desire to become an outstanding funder. We wanted to take the partnership between a funder and non-profit up a notch. It took us two years to get our model right. We tested multiple ways of supporting our partners, ditching those that failed and refining those that worked. By the end, we'd created something that made us proud. Along the way, we picked up a whole heap of learning.

Strong foundations

Our efforts to support non-profits were helped by having a philosophy and vision to drive us. We felt a deep sense that we needed non-profits just as much as they needed us. And we made it our mission to help them to become a success, judging ourselves on their performance. So, for us, it wasn't about 'giving money away', rather investing in partners that would help us to achieve our mission. All our approaches and decisions flowed from this.

Our style

Our partners told us that they liked the way we interacted with them and our style was very different to many other funders. Three things came up time and time again. First, our partners liked our openness. It meant that they were willing to tell us the real story of what was happening rather than the one they thought we wanted to hear. Second, our partners liked our flexibility. We made it clear that we didn't expect everything to go to plan and were very open to change if it meant it would get them closer to their vision. Third, our partners liked that we didn't ever tell them what to do, that we saw them as the ultimate decision makers and our role was to help them. We didn't create our style to be liked – we approached things in the way we did to achieve the best results.

Focusing our energy

The more we focused our philanthropy, the quicker and better we became. After two years it became clear to us that we could have a much bigger impact on non-profits and the wider sector if we focused on supporting organisations just starting out. We discovered that our support was a lifeline for them. By focusing on start-ups we became experts at supporting them, understanding where to find them and what their specific needs were.

We did, however, make life difficult for ourselves by working in four places – UK, Ethiopia, Kenya and Uganda. It meant we had to understand four different contexts, create four networks and travel to four different places. There were very good reasons for working in the UK and Africa and we wouldn't change that but, ultimately, as a small foundation, it would have been better for us to focus our work in fewer places.

Mining diamonds

At the beginning, we found it hard to find organisations with a good fit with our criteria. We even resorted to 'googling'. We did two things to ensure that, within a year or so, we always had a healthy pipeline. First, we built a brand in the sector so that non-profits knew about us. Second, we approached other

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funders and incubators that could signpost appropriate organisations to us. We found the process to find organisations inefficient. And it was one of the reasons we created www.beehivegiving.org so funders could discover organisations that met their criteria quickly and easily.

Creating a picture

One of the things we're most proud of is our choice of non-profits to partner with. Many were a risky bet but most are now flourishing. The good decisions we made were the result of our approach to gathering and analysing information on non-profits. We made it our mission to create an approach that gave us the insights we needed to make a good decision using the least amount of effort, for applicants and us. We did six things well.

First, we knew exactly what we were looking for – we were clear in our minds what qualities would make a good partner. Second, we put people over process. We wanted to get under the skin of an organisation and could only do that by talking to them. So we'd have a call and then met those with the best fit. To get a full picture, we met on their turf so we'd better understand their culture and could meet three groups of people - the leader, the team and the young people they were working with.

Third, we created a light written application process. Our early efforts were too long and had too much influence in our decision. So we stripped back its length and influence. Invited applicants completed a one page application form and budget, setting out their plans for their organisation. We didn't just ask the usual questions others asked, drawing on ideas from other sectors, such as the start-up tech world.

Fourth, we were very informal. We had conversations not interviews. This meant we got to know each other better, helping us both know whether we'd make good partners. Fifth, to save everyone's time, we only invited a small number of organisations to apply, all with a strong fit. They had a one in two chance of success. Sixth, we sought the views of those we were making decisions about – young people. Our Associates, a group of young people who helped to shape The Foundation, reviewed each proposal and offered useful insights, particularly around how likely the applicant's programme would resonate with their peers.

Making final decisions

Our Board made the final decision on which organisations we would partner with. Our Board played a major role in our successes – it was empowering, supportive and made smart decisions. However, it wasn't all smooth sailing. In our early days, sometimes a trustee would focus on something of great importance to them but not related to the criteria we were using to make decisions on whom to partner with. The rest of the group, wishing to avoid conflict or bowing to their expertise, would be swayed and we'd left with a decision that was made not for the right reason.

"WE FELT A DEEP SENSE THAT WE NEEDED FRONTLINE ORGANISATIONS JUST AS MUCH AS THEY NEEDED US"

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As we got more confident, we made sure each board member understood and agreed the criteria by which we would assess organisations. We limited the influence of people's personal perspectives and made the decision based upon a small number of things that were most important for us as an organisation. This meant we didn't have random reasons for choosing not to partner with an organisation, a source of frustration for non-profits. We were fortunate that our board challenged the team on their recommendations but also acknowledged its 'on the ground' knowledge.

Giving the right funding

We knew what non-profits needed most was core or unrestricted, long-term funding. Core funding sustains an organisation, unrestricted funding provides flexibility and multi-year support enables organisations to have a greater impact, plan better and reduce the huge costs of fundraising. We also knew that short-term grants for projects are the norm. But, despite knowing all this, we started off by funding projects rather than organisations and only giving funding for one year.

Why? The answer lies in our own priorities. At the start, we supported small organisations to innovate and so felt that we could only fund discrete projects that would enable them to do this. It wasn't until our priorities evolved – and we started supporting start-ups - that providing core funding worked for us. And we have only ever funded annually because our funding was never secure enough to make longer promises. Our experience shows how conflict between funders' and non-profits' priorities and situations creates the wrong type of funding flowing between them.

But we made a mistake. Such is the profound impact the type of financial support has on non-profits, right from the beginning we should have invested in organisations not projects, and built our model around that. Because it was their priority, it should have become our priority.

Providing expertise

We wanted to go the extra mile in supporting organisations. So, in addition to funding, we provided our partners with a comprehensive package of expertise, drawn from our team, tech companies, consultants and volunteers. We advised, we mentored and we built things.

We discovered this level of support takes significant time to manage. In the first couple of years our small team worked with too many organisations, meaning we weren't able to provide a consistent level of quality. We found that one person can only support around ten organisations. We also wrongly started out by understanding what expertise we could draw upon easily and offering that to our partners. Things got much better when we switched things around, and first worked out what our partners needed and then sourced it for them.

"WE WANTED TO TAKE THE PARTNERSHIP BETWEEN A FUNDER AND FRONTLINE ORGANISATION UP A NOTCH"

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We learnt early on that some of our partners might feel compelled to accept our support even if they didn't really want it, for fear of upsetting the partnership. So we kicked our partnerships off with an open discussion around what support they really needed. We discovered that inexperienced social entrepreneurs don't always know what they need, and so we found it useful to help them to figure it out.

Counting on others

Other people, such as staff of our company supporters and consultants, provided most of the expertise to our non-profit partners. Things didn't always go smoothly. We had high standards and not everyone met these. So, on occasions, we failed our partners - a project would take too long to complete or not take off. To manage things better, we ought to have more consistently formalised arrangements with our providers, clearly setting out the terms of the work. And we should have monitored the work more closely, such as project managing the more complex initiatives. We paid some consultants while others offered their services on a voluntary basis. Payment didn't influence the quality of work, but it did influence the speed with which it was done.

Bringing people together

We ran nearly 60 events during our time, providing non-profits with expertise and connections. We hosted intimate workshops, large events and weekend hackathons. We learnt five essential things. One, do it in the middle of the week (Tuesday to Thursday) to make sure most people turn up. Two, if it's free, assume one third of people won't turn up. Three, particularly if it's taking place in the evening, keep presentations short (ten minutes per person maximum)

and spend most of the time getting people to interact. By doing so, people will stay awake and learn more.

Four, most people don't like 'networking' so find ways to make this as comfortable as possible. We found getting people working in groups will then lead to them naturally connecting with each other. Five, convene a diverse bunch of people to generate the best ideas and learning. At our events non-profits, foundations and tech companies all brought something different.

Measuring our success

We invested much time in understanding what difference we were making to our partners and to the young people they served. We tried several ways to do this but we were never satisfied. It was either too burdensome for our partners or didn't give us enough evidence to shape our future work. And, at the beginning, we were too preoccupied with getting numbers, such as how many young people had benefited from our work, which were great for our communications but didn't help us to understand how effective we were.

We only cracked it right at the end. We created a relatively light system, including a report and online survey, for organisations to set out four main things. First, the impact they had on young people using their own indicators. Second, how they had developed as an organisation, using quantitative indicators we had developed. Third, how we had contributed to their development through rating our impact in different areas of their organisation. And fourth, the learning they accumulated during our partnership. We also keep track of our partners' progress beyond our partnership by asking them to complete a survey each year.

WERE OUR EXPERIENCES OF **SUPPORTING NON-PROFITS** HELPFUL? THERE'S PLENTY MORE FROM WHERE THAT CAME FROM.

INCLUDING INSIGHTS ON...

BUILDING A VENTURE

LEADERSHIP

PROGRAMMES FOR YOUNG PEOPLE

THE WORLD OF FUNDERS

FUNDRAISING

COMMUNICATIONS

WORKING WITH COMPANIES