Journal of PHILANTHROPY AND MARKETING

Searching for the north star or how to navigate a boat with a fixed rudder through turbulent times

Journal:	Journal of Philanthropy and Marketing
Manuscript ID	NVSM-23-095.R1
Wiley - Manuscript type:	Special Issue Article
Keywords:	Philanthropy, grant-making foundations, governance, leadership, poly- crisis



Searching for the north star or how to navigate a boat with a fixed rudder through turbulent times

Abstract

This piece of work aims to connect the governance and leadership levels of foundations with the demand to respond to the societal poly-crisis. Challenges such as climate change, migration, demographic development and economic debts cannot be solved on the level of a single country and, thus, call for joint action. Given the inherent independence of foundations, an analysis of how foundations can strengthen their contribution to solve the global poly-crisis has to begin with the single organisation, its purpose, and its leaders. However, how feasible is it to evolve, transform even, governance and leadership in philanthropic organisations, which are often considered rather rigid and inflexible organisations? Based on arguments on governance and leadership of foundations from both the academic and the public debate, we formulate four propositions on how foundation leaders can adopt their foundation to the current societal situation. The propositions include aspects such as transparency, empowerment, sensemaking and leadership support.

Keywords: Philanthropy, grant-making foundations, governance, leadership, poly-crisis

1. Introduction: governance and leadership

Rowing is a fantastic sport – not only for the athletes. Watching a rowing eight glide through the water is both an exalting and admirable experience. Barely noticeable, it is the coxswain at the rear of the boat that is responsible for steering. The cox handles the rudder, is in command of the boat and makes tactical decisions. As the crew faces backwards, the coxswain has full responsibility for the safety of the crew and is held responsible in case of a collision. A rowing boat is made to go straight and, thus, difficult to manoeuvre. External forces such as the stream or the wind make it even more complicated. As a metaphor, one can see a grant-making foundation as a rowing eight with the board and/or the executive director as coxswain. The direction of a grant-making foundation is settled rather tight in the deed and adaptations to societal changes are always dependent on their connection to the foundation's purpose. Just like a rowing boat, a grant-making foundation does not need any external propulsion. Equally, a foundation is difficult to manoeuver, and sometime the limitations of the purpose may feel like a fixed rudder, especially in times of uncertainty and change. What makes foundations special is the fact that they provide financial resources, rather than raise funds. As the potential fields of action are always larger than the foundation's resources, the challenge for foundation boards lies in deciding where to put the funds and what to support. This can be as challenging as the quest for money for a public purpose.

Traditionally, foundations were mostly reactive and planned their distribution based on applications or specific requirements of the founder. However, calls for venture philanthropy (Letts et al., 1997), strategic philanthropy (Frumkin, 2006), or catalytic philanthropy (Kramer, 2009) led to a new understanding of a (pro)active approach to philanthropic action (von Schnurbein et al., 2021). In the following, foundations developed strategic plans, started programmatic funding, or created joint activities for specific funding areas.

Today the expectations towards philanthropic foundations and their leaders need to be revised, again. The current state of society is described as in a phase of poly-crisis, that are not limited to single countries or regions, but rather have global dimensions. Challenges such as climate change, migration, demographic development and economic debts cannot be solved on the level of a single country and, thus, call for joint action. Since foundations are often promoted as instruments of innovation and social change (Anheier & Daly, 2007 and Breeze, 2021), they should be predetermined to play a vital role in finding solutions to the different societal challenges. However, foundations have limited resources compared to the potential of governments and the economy. Additionally, the philanthropic sector in most countries is heterogeneous and highly atomised. Given the inherent independence of foundations, and subsequently a lack of external pressure, an analysis of how foundations can strengthen their contribution to solve the global poly-crisis has to begin with the single organisation, its purpose, and its leaders, and the ways in which this can then influence and impact practice beyond the organisation and to the sector more widely.

The singularity of foundations is the dominance of the founder's will. The founder dedicates their fortune to a public purpose. Existing research highlights that philanthropy is most beneficial for society when the personal values of the founders are aligned with a social demand (Frumkin, 2006 and Fernandez and Hager, 2014). An orientation along the personal values only may lead to misallocation of philanthropic funds, whereas a dominance of social demand will hinder motivation for private giving.

This piece of work aims to connect the governance and leadership levels of foundations with the demand to respond to the societal poly-crisis. Our paper aims to answer the following question: What role does a philanthropic foundation's governance and leadership play in supporting social change and responding to a poly-crisis, especially in the context of transmitting the founder's intentions into operational action?

The paper's findings are based on desk-based research and review, as well as the direct practical experience and research of both authors. Their research insights include interviews with 28 leaders of philanthropic institutions in UK on their experience of leading their organisations and philanthropic leadership more generally conducted in 2021/22 (authors reference 2022), and four

NVSM

hearings with field experts and foundation representatives in preparation of last edition of the Swiss foundation code (authors reference 2021).

In the following, we discuss the current state of literature on the governance and leadership of foundations too. The structure of the paper follows the general assumption that the founder's will and the deed inform the governance level of the foundations and, subsequently, the governance structure influences the leadership level that is responsible for the operative actions of the foundation. In the following, we first discuss the current state of literature on governance and leadership of foundations. Based on this overview, we develop a conceptual framework on how the founder's will can be aligned with social values through governance and leadership. Afterwards, we apply the framework to five current trends and challenges of foundation leaders, ending with four propositions on how foundation leaders can adopt their foundation to the current societal situation.

2. Governance: principles and models

The construction of a rowing boat is simple and trimmed for speed and efficiency. The only purpose is to run straight at high speed. In quite the same way, the deed of a foundation sets the criteria for structure and purpose of the foundation. Of special interest is the governance of a foundation. Foundations have no members or owners and they lack many of the control mechanisms of other organisational types, such as a general assembly or regular votes for board members. Additionally, their financial endowment and the idealistic focus on perpetuity offer a high level of independence from the constituents (von Schnurbein, 2021). As a consequence, governance in foundations is often described as black box (Bethmann et al., 2014 and Grant, 2015). In literature, the identical characterisations of foundations are promoted as advantages or doomed as problematic (Breeze, 2021). The singularity of the board as the only governing body offers quick decision-making processes, but at the same time reduces the potential for the inclusion of diverse opinions and perspectives. The financial strength is a source for support of innovative and risky projects, but increases the power imbalance between the foundations and its recipients (Ostrander and Schervish, 1990). The perpetuity of its existence does not force the foundation to aim for quick success, but at the same time it supports a less proactive attitude of the board: there is no pressure for quick reactions to social problems, if your organisation has an eternal perspective.

Based on practical experience, governance codes aim to offer principles and recommendations for a normative assertion of "good" or "best practice" governance. Sprecher et al. (2021) list over 40 foundation governance codes, more than half of them from European countries. Stemming from these codes, four major governance principles can be mentioned. The first one is *transparency* which covers two aspects. On the one hand, it refers to the internal organisation of the

foundation: decision-making processes should be comprehensible and standardised. The traceability of results through written documentation and standardised processes is necessary to build a constant and reliable working environment. Especially for foundation boards, access to information is important as they usually are not involved in the daily foundation's activities (Bethmann, 2019). However, transparency is a means to an end, and the extent and content of the information shared should be suited to the purpose (Mayrhofer and Meyer, 2020). On the other hand, transparency also affects the foundation's relationship with its environment. Foundations largely evade market control, since the beneficiaries cannot express their satisfaction with the service (Wyser, 2016). Despite a lack of such demands, the foundation is not completely detached from other actors. As a civil society organisation, it should operate as an active partner of its constituents. Willems (2021) highlights the role of transparency in avoiding, mitigating and/or recovering from crisis situations. Transparency is to be understood as an instrument that substantially contributes to securing the legitimacy of a foundation (Frumkin, 2006).

Second, *checks and balances* are an important principle to overcome the issues of agency or stewardship relationships. Since the board of a foundation has no counterpart within the organisation, the foundation lacks important prerequisites to establish a separation of powers, as is usual in other organisations (Sprecher et al., 2021). For this reason, the board is obliged to establish appropriate control and counter-control measures in order to counteract conflicts of interest (Boesso et al., 2013). Establishing a solid balance of power requires selecting board members with the right competencies and developing a governance system that goes beyond the board, e.g. through advisory boards or networked governance in associations (Renz, 2016).

The third principle, *effectiveness*, refers to the transition of the founder's intent to social action. This includes framing and strategising the foundation purpose, implementing a thorough selection process and applying necessary evaluation and monitoring procedures. However, non-profit effectiveness is socially constructed and multidimensional (Herman and Renz, 2008). Even if the management process is thorough, foundations and grantees inherently have different goals, interests and motivations. The intermediaries might misrepresent their capacities to funders to obtain a grant (adverse selection) or might try to elude conditions agreed upon (moral hazard).

The fourth principle is *social responsibility*, and emphasises the need of foundations to engage in solutions for societal problems beyond their focal purpose (Sprecher et al., 2021). In the past, foundations often have narrowed their perspective on society to the purpose in the deed. However, current developments in society, such as climate change, digitalisation, demographic change, etc. call for joint actions of all social actors. Hence, foundations have to integrate these

NVSM

topics in both their investment and funding activities. This final principle connects each foundation's purpose to the poly-crisis and demands a reaction by the board as governing body.

From a theoretical perspective, the role of a foundation board can be described as agent or steward of the foundation's purpose – depending on the theory applied (Jegers, 2021). Referring to agency theory, agents misuse information asymmetry between the principal and the agent for their personal benefit. Hence, control mechanisms have to be installed to prevent the agents from doing so. Stewardship theory emphasises the extrinsic motivations for good work and recognition aside from the intrinsic motives as guiding principles for the stewards. Thus, this theory rather builds on collaboration between principal and steward. Both perceptions can be valued as the extreme positions of a continuum of the role of the board in a foundation.

However, to analyse how the foundation purpose and its values are transformed into activities and social impact, we have to further differentiate the roles of the board. In respect to other stakeholders, the board is often described as the link between the internal organisation and the external stakeholders of an organisation (Van Puyvelde et al., 2012). This role as *interface* or *boundary spanning role* emphasises the ability of the board to connect the founder's purpose with expectations of external stakeholders and to reduce organisational uncertainty through information exchange (Middelton, 1987). Connected to this is the *buffer role* of the board (Harlan & Saidel, 1994). The board has to absorb stakeholder demands, but at the same time protect the founder's will. This needs processes of reconciliation, interpretation, and explanation. Especially, since activities in the realm of the ploy-crisis are increasingly multi-actor organised, the single board of a foundation becomes less influential in terms of strategic definition (Anderson & Renz, 2021). Instead, it has the obligation to balance the inherent values of its purpose with the social demand from outside.

This leads to the final role of the board as *values guardian* (Harlan & Saidel, 1994). It is the board's obligation to detect, define, and defend the values inherent to the foundation's purpose. Detect means that the values cannot always be found in a straightforward way within the written purpose. Thus, the board has to formulate and define values based on the founder's intent. Especially in older foundations, this includes a modern interpretation of the historic understanding. The defined values have to be implemented in the strategies of the foundation. Afterwards, the board has to defend these values against external demands, but also against opportunistic activities internally on the operational level and mission drift.

Aside of governance principles and the board roles, value transformation from the founder's will to operative actions also depends on the governance model. As stated earlier, governance goes beyond the board room and involves other constituents. Diaz (1999) formulates three governance models for grantmaking foundations: rational actor model, bureaucratic politics model, and the

organisational process model. Bethmann et al. (2014) highlight different governance relationships between board and executive director. Either board-dominance, staff-dominance or shared governance can be effective governance models. The board-dominance structure refers to the rational actor model, e.g. decisions are taken top-down and the management executes the decisions of the board. The staff-dominant structure is comparable to the bureaucratic politics model, e.g. staff members act as gatekeepers and have a high influence on the grant decision. The organisational process model explains the exposure to problem complexity with the installation of standard operating procedures that allows the board to concentrate on the main features of a problem and to function efficiently at the same time. This leads to a dominance of bureaucracy and repetition. In contrast, the shared governance structure highlights the potential of joint strategic work by both board and management to translate the foundation's purpose into concrete action. However, governance models reach beyond the board-management relation. Jung and Harrow (2015) emphasise the need to include external stakeholders into the governance models of foundations to gain more social impact.

3. Leadership concepts and approaches applicable in philanthropy and grantmaking

Rowing seems to be a simple task: Even children can sit in a small dinghy and move forward. However, there are many different techniques, facing forward or backwards, double or single banked, even or uneven number of oars, etc. Each technique affords different skills and team structure. What are the skills that philanthropic leaders need to develop a foundation? Philanthropic leaders operate at the nexus between the private, public and charitable sectors, as philanthropic institutions tend to rely on corporate practices and government-based policies on matters like taxation for their grantmaking income, which is then invested in charitable work that responds to systemic and structural barriers and inequalities caused by private, public and charitable sector practices and decision-making (Buchanan, 2019, Bull and Steinberg, 2021 and Irfan, 2021). Various leadership concepts therefore apply to them.

First is *sensemaking:* a commitment to testing, learning and continuous improvement, creativity, clear values and humility to understand one's organisational and individual context (Bennis, 1966, Steinbauer er al, 2015, Vroom, 2003 and Weick, 1995). Second is *relating:* in order to build more open and unbiased perspectives and a better exchange of solutions and concepts to support with the management of conflict and difference, and requires the building of trusting relationships within and across organisations and a commitment to being inquiring, advocacy and connection (Ancona et al, 2007, Badaracco, 2016, and Soyer and Hogarth, 2015). Third is *visioning:* with stories and strategies used to understand current and future organisational and sectoral operating contexts, including in more volatile, uncertain, complex and ambiguous conditions that

NVSM

leaders operate within (Ancona et al, 2007, Dahlmann and Bullock, 2020, Shamir and Eilam, 2005 and Shotter and Tsoukas, 2014). Fourth is *innovation:* where invention and innovation allow visions to be achieved and avoids organisations becoming obsolete (Ancona et al, 2007).

However, the bulk of research focuses on decision-making - unsurprising perhaps given that this is a major component of grantmaking. Philanthropic leaders must recognise that decision-making is a non-linear process, often requiring leaders to manage multiple judgement-based processes and activities concurrently and apply different tools to achieve the desired results (Iszatt-White and Saunders, 2020 and Tichy and Bennis, 2007). Integrative thinking is essential, as it generates ideas and solutions based on different hypotheses, a trusted peer support network and consideration of multiple perspectives with greater pragmatism and creativity, which allows leaders to manage leadership paradoxes more fully, such as setting a strategic direction of travel whilst also being responsive and adaptable to unplanned for changes (Heifetz et al, 2009, Van Wart. 2013 and Wright et al, 2013). Some decision-making literature argues that two-system thinking is required: system one operates more instinctively, and system two operates more slowly, logically and deliberately and relies on more participative, consultative and evaluation-based methodologies (Beshears and Gino, 2015, Soll et al, 2015 and Vroom, 2003). More recently, Likierman (2020) identified the six decisionmaking elements of learning, trust, experience, detachment, multiple options and delivery as being important. Decision-making research overlaps with the findings on exercising judgements, obvious perhaps as one's judgements inform one's decisions (Badaracco, 2016).

Leaders are often responsible for improving individual and organisational performance, usually through designing power structures, including organisational structures, cultures, and operating models that their followers and their operating context will respond to positively. A leader's direct or indirect involvement in this varies though, usually due to factors like the size and structure of the organisation, the leader's commitment to or interest in the aspect of this role, the Board, whether this is a priority etc. (Cameron, 2011, Martin et al, 2020 and Nonaka and Takeuchi, 2011). Some research specifies specific steps leaders must take to deliver these duties, but with the advent of new and distributed leadership approaches, there is a greater focus on empowerment, due to its increased reference to the concept of empowerment, and its impact in enhancing team psychological safety and avoiding groupthink – vital in eliciting greater sensemaking, experimentation, innovation and the expression of emotions at work (Amabile and Kramer, 2007, Kotter, 2007 and Nembhard and Edmondson, 2011). Empowered team cultures improve teamwork and performance too, as teams and organisations benefit from enhanced approaches to learning, constructive communication, cooperation and social cohesion (Kotter, 2007, Nembhard and Edmondson, 2011 and Spreitzer, 2008).

Research also recognises that becoming a leader represents a significant transition for both individuals and organisations, with leaders needing to unlearn previous ways of working and develop a broader-based and more generalist skill set, as they are less involved in direct delivery and more likely to spend their time focussed on strategy development, leading and diplomacy, and the development of their leadership style(s) (Porter et al, 2004 and Watkins, 2012). This paper outlines three leadership styles.

The first style is *Intuitive and learned leadership*, which increasingly references 'gut instincts'. Arguably though, as leaders become more experienced what may be deemed intuitive leadership is more likely to arise from learning, experience and pattern recognition. This leadership style can also operate at the expense of judgement-based decision-making processes, including feedback loops (Hayashi, 2001, Soll et al, 2015 and Tichy and Bennis, 2007).

Gut instincts are impacted by learned and innate biases too, often arising from a leader's advisers, their reasoning abilities and preconceived notions, which can result in leaders making use of a limited amount of the assets available to them (Ancona et al, 2007, Iszatt-White and Saunders, 2020, Soyer and Hogarth, 2015, Van Wart, 2013, Vroom, 2003 and Watkins, 2012). Biases can become ingrained for leaders as they become more experienced, and this carries a greater risk as their subject matter expertise will also be decreasing. Additionally, the confidence for others to offer their views and contradict their leader may decrease as a leader becomes more established (Larrick et al, 2007, Porter et al, 2004 and Soll et al, 2015). In foundations, boards often take decisions on single projects based on intuition and experience. Due to the high number of comparable projects, they develop a gut feeling about the potential outcomes of single projects. However, grant decisions only based on experience risk hindering the support of innovative or unorthodox projects.

A second style is *Quiet and wise leadership*. Phonetic leadership can support a leader to make better judgements, devise and communicate engaging shared contexts, navigate complexity, harness political power, and empower others to experience these same benefits (Hartman, 2006, Martin et al, 2020, Nonaka and Takeuchi, 2011 and Shotter and Tsoukas, 2014). A virtues and values led approach is related to this leadership style, and it is particularly focussed on the application of ethics in leadership, whilst applying pragmatism and navigating mixed motives that respond to the varying requirements of different contexts effectively (Badaracco and Webb, 1995, Badaracco, 2002, Fletcher, 2004 and Hartman, 2006). Foundations are highly value-based organizations. Hence, all team members share intrinsic motivations connected to the foundation's purpose. This facilitates leadership by the management and allows pragmatic approaches and situative leadership.

The third style is *Authentic leadership*, and requires self-awareness, storytelling, transformative experiences, and a commitment to personal development. This style enables leaders to be empowered, strong and connect authentically with others – essential given that public trust in

NVSM

philanthropy is falling (George et al, 2007, Ibarra, 2015 and Shamir and Eilam, 2005). A foundation's purpose is not fulfilled before the beneficiaries have executed the funded projects. Through storytelling, empowerment of beneficiaries, and lasting relationships the leadership of a foundation can ensure that beneficiaries understand the strengthen the values and aims of the foundation. Leadership styles have also evolved due to increasing diversification in the workforce, for example the 'great man' leadership model becomes more irrelevant as more women become

leaders. Consequently, the leadership typology posited by Grint (2010) of position, person, results, and process related leadership, allows for a more effective exploration of leadership that better encompasses different operating models and contexts, as well as characteristics a leader might possess, like gender, age, socio-economic background, education level, race, and disability. There is less research available on these aforementioned characteristics and their impact on leadership styles and approaches – apart from perhaps women in leadership roles. However, quiet and wise leadership literature does explore the effectiveness of operating as an insider and outsider, and would benefit from further consideration of how this manifests within different cultures, races, genders, and abilities, as well as collective versus formal organisational structures. Equally, authenticity, whilst championed within research, cannot be applied equally by all leaders: those from under-represented backgrounds may experience criticism or perceptions of poor performance when revealing personal information such as mental ill health.

4. Challenges and trends

This section seeks to outline five key challenges and trends facing philanthropic leaders, and is in no way considered a full or exhaustive analysis, nor does it seek to offer complete solutions – although the leadership concepts and approaches discussed in sections two and three would all be applicable in responding to the challenges and trends outlined here. The authors also acknowledge that inevitably the challenges and trends referenced will not apply to all philanthropic boards and leaders, and those that do apply will be experienced in different ways depending on the operating context and experiences of a board and their organisational leader. The five challenges and trends identified relate to the societal poly-crisis, as well as being based on the interests and expertise of the authors.

4.1 Participatory approach

A major critique against foundations is the lack of democratic legitimacy and power imbalance. Although this critique has surfaced regularly since at least the 1970s (Nielsen, 1972,

Ostrander and Schervish, 1990, Prewitt et al., 2006 and Strachwitz, 2010), it has gained momentum in the past years (Reich, 2018). One of the main concerns today is who decides on interventions in fields of public interest. Precursors to this debate were the activities of the Bill and Melinda Gates Foundation and other foundations to support charter schools with the aim of reforming the US public school system (Fabricant and Fine, 2012). As a consequence, recent contributions on the relationship between philanthropy, the state, and society argue for more participation and suggest new forms of involvement and inclusion (Breeze, 2021).

As an example, a stronger inclusion of beneficiaries and other constituents through their representation on boards has been proposed to reduce the partly paternalistic nature of foundations ((von Schnurbein et al., 2021). New funding approaches promote a partnership structure in which the foundation is investor, consultant and collaborator (Harrow, 2010). Another option is to encourage the conduct of polls or perception reports as a means to include the opinions and expectations of beneficiaries in the board's decision-making process. In addition, further improvements in transparency and reporting might enhance opportunities for receiving feedback. From a legal perspective, regulations on purpose selection, lifespan of the foundation, and control by the founder are brought into the discussion.

4.2 Accountability and trust

At its best, philanthropy, including grantmaking institutions, has been at the forefront of improving politics, society, the economy and the environment in ways that have enhanced the lives of individuals, communities and ecosystems globally (Breeze, 2021, Jaskyte et al, 2018, Sulek, 2010 and Zhulina, 2018). There are many tangible examples of this, from the introduction of the Freedom of Information Act in the United Kingdom to supporting the production of various Covid-19 vaccines (Breeze, 2021 and Bull and Steinberg, 2021).

However, philanthropy has also been subject to warranted critical reflection and scrutiny by the public, the wider non-profit sector, academics, policymakers and regulators (Breeze, 2021, Jung and Harrow, 2015 and Sulek, 2010). Institutional grantmakers can often trace their origins to wealthy benefactors, including public figures and industrialists who benefitted from the Industrial Revolution or colonialism in the 19th and 20th centuries, who sought to deliver reform at a political and societal level through their philanthropy (Irfan, 2021 and Sulek, 2010). Such philanthropic ambitions can lead to the critical reflection that philanthropic institutions and their benefactors are not democratically elected and can have an outsized influence on shaping and reforming the systems and policies that impact people, society, and the natural world, in ways that they believe are necessary but often without sufficient evidence or understanding to elicit meaningful and impactful change (Hall, 2013)

Page 11 of 24

NVSM

and Reich, 2016). This can also lead to the criticism that philanthropy is a plaything of the privileged, wealthy and elite, derived from ill-gotten gains, misused as a way of sanitising public profiles, and often misdirected to unworthy causes like excellence in the arts rather than basic human needs, or used in ways that accept and rarely challenge the systemic and underlying root causes of the activities being supported (Breeze, 2021, Buchanan, 2019, Bull and Steinberg, 2021, Hall, 2013, Irfan, 2021, Jung and Harrow, 2015 and Sulek, 2010). Furthermore, unless grantmaking institutions consider with rigour the origins of their wealth and what was originally ingrained into their operating ethos and culture, they are not able to determine fully how their history feeds into their present ways of working and whether their founding principles limit their legitimacy to do good now (Irfan, 2021).

Breeze's (2021) book 'In Defence of Philanthropy' outlines three stereotypes of the academic, insider and populist critique – each arguing respectively about philanthropy's lack of transparency and accountability, its inability to support the right kinds of causes effectually, and the unclear motivations by individual and institutional donors for their giving. Stereotypes are of course generalisations. However, the critiques presented are familiar, especially when one considers them in the context of falling public trust in philanthropy, and ongoing debates, both in the philanthropic and wider non-profit sector, about the ways in which philanthropy, including institutional philanthropy, is perceived as operating in opaque and unaccountable ways, particularly in relation to how decisions are made and who makes them, how the wealth has been created, and how onerous the grant reporting processes and demands are and the reasons for this, and the overall effectiveness of the grantmaker's work (Breeze, 2021, Jung and Harrow, 2015 and Irfan, 2021).

Grantmakers often consider their origins and ways of operating as unique, exceptional, and separate. Moving beyond such framing to a recognition that institutions are part of a wider philanthropic movement and the wider non-profit sector would lead to greater levels of communication, accountability and transparency. This could be evidenced through increased adoption of initiatives relating to public reporting and seeking performance related feedback from applicants, grant-holders and other external stakeholders that institutional grantmakers are working with (Hengevoss, 2021).

4.3 Systems change

Systems based thinking in relation to politics, economics, communities, health and wellbeing, our natural world and more is increasingly being considered within institutional philanthropy. This thinking often relates to multiple systems, with varying levels of confidence in determining how

these systems interact with each other and operate. Philanthropy exists to address both the symptoms of the system, as well as looking to improve and enhance existing dominant systems or even consider new emerging systems that it may seek to steward into existence (Breeze, 2021).

Systems thinking is not yet widely understood or consistently applied by those using it in their philanthropic practice, and this presents a clear challenge for philanthropic leaders, who are tasked with the challenge of trying to work in partnership with others to support systems-based work that is designed and delivered in ways that are pluralistic, inclusive, and just, and ensures that those most experiencing the most disadvantage and marginalisation within systems are empowered and enabled to design and pursue alternative ideals (Knight et al, 2017). Furthermore, there is a risk that systems thinking terminology is not actually used by those that philanthropic institutions work with, such as their grantees, resulting in funders exerting pressure on the sector when it is already addressing multiple demands and requirements (Knight et al., 2017).

4.4 Increasing diversity

There is little formal data demonstrating the levels of diversity within institutional philanthropy, including at a leadership level. The authors' experiences of working with philanthropic leaders is that they vary in terms of professional backgrounds, although many will have experience of working in grantmaking or the wider charity sector prior to their current role. Most are educated to an undergraduate degree-level or above, many are 40 years old and over, and there is a mix of men and women in leadership roles but very few are from minoritised backgrounds, in terms of disability, race and sexuality. In 2018, the Association of Charitable Foundations released research that found that the Trustee boards of UK-based foundations were 99% white, 66% male, 58% were aged over 64 years, 3% were aged under 45 years, and many do not use open recruitment when appointing new Trustees (Lee et al, 2018). Trustee boards are not the same as leadership teams, but this data does offer some insight into the diversity, or lack of, within grantmaking institutions.

Within leadership definitions there is usually reference to leadership not being 'one size fits all'. However, there is a risk that leadership definitions, theories and models are presented and perceived as being something that can be lifted and applied within different organisational contexts, or that leaders feel persuaded to emulate a single or narrow set of ideas and ideals (Western, 2008). Given that the reality is more akin to leaders of any organisation, including philanthropic leaders, having to operate and deliver results and progress within complex and uncertain circumstances that require use of known and unknown approaches, and given the sheer breadth of what leaders have to deliver, there is a clear rationale for working towards diversifying leadership within all sectors but especially philanthropy so that it is more representative of the causes that it seeks to support.

4.5 Time horizon: now or for eternity

The increasing evidence of the impact of the climate and nature crises on people and planet, and the urgency with which this must be responded to, as well as the ethics and environmental sustainability of continued wealth creation and growth through the investing of philanthropic endowments, means that there is an increasingly active discussion within parts of institutional philanthropy around how long a grantmaker should exist for (Dahlmann and Bullock, 2020). It has been commonplace for institutional grantmakers to be set up as in perpetuity organisations, rather than having a time limit – and this is also evident and common practice within the wider non-profit sector. In the face of these challenges, there is a relevance to philanthropic leaders working with their organisations and wider stakeholders to explore this question and determine a strategic way forward.

5. How to deliver in times of poly-crisis?

We chose the analogy of rowing to discuss governance and leadership in foundations today. As mentioned in the introduction, our societies are facing several crises at the same time that challenge foundations not only in their purpose-oriented work, but also in the structure and delivery of their organisation. When mastered well, a rowing eight looks majestic and runs at high speed, even in rugged waters. Choosing well on governance principles and leadership models lays the grounds for a foundation to take good decisions and to support its beneficiaries in respect of the poly-crisis. Building on the presented models and categorisations of both governance and leadership in philanthropic foundations, we present in the following four propositions on how foundation leaders can adopt their foundation to the current societal situation. Propositions one and two are directed to the board level, while propositions three and four deal with the executive level.

Proposition 1: Boards need to develop scenarios and build trust through increased transparency

According to stewardship theory, the board acts responsibly in favour of the organisation (in contrast to agency theory with the expectation of self-serving behaviour). In the context of a philanthropic foundation, the board has to protect the founder's will and at the same time develop strategies for activities that create social impact. In a situation of poly-crisis, there is not the *one* strategy. Instead, boards should develop scenarios for different development paths and to be able to quickly adopt to new challenges. The lockdowns in the COVID-19 pandemic caused difficult situations for many constituents of philanthropic foundations. Cultural events had to be cancelled, social

services had to be limited, educative courses had to be reorganised to digital offers etc. With a direct and flexible reaction, philanthropic foundations were able to offer immediate relief and reduce insecurity. For example, a Swiss foundation supporting orchestras and theatres announced on the first day of the lockdown in Switzerland, that all promised funds will be spent, even if the concert or play could not take place.

In addition to flexible planning, philanthropic foundations should aim to increase the information available on decision-making processes, review processes and provided funds. The will of the founder remains unclear and is subject to interpretation, if the foundation board does not enrich it with further information about the strategy and the values that are derived from the founders will. Foundations until today prevail in a tradition in non-transparency, mainly because the right for self-determination of the founder is valued higher than the public interest. Foundation boards need to develop a new balance between these two aspects in order to be accepted as societal actors (Sprecher et al., 2021).

Proposition 2: From power to empowerment

Closely connected with the new balance for transparency is a new understanding of the role of the foundation board. Traditionally – and supported by law – the foundation board is defined as the ultimate decision-making body of the foundation. In fact, there is hardly any organ in organisations that has more power and a higher independence in decision making. However, in times of disruption and poly-crisis, one board will barely be able to overview all necessary information and development for a through decision-making process. Instead of emphasising the legal responsibility to decide, a foundation board should rather define its responsibility according to the founders will, e.g. the charitable purpose. This may include taking the responsibility to give others a voice in the decision-making process, or it may lead to new forms of disbursement not based on a project outline but based on competencies of the people involved. No foundation will be able to find answers to all societal problems currently occurring. By enlarging and diversifying the number of people involved in the decision-making processes, foundation boards can switch from power to empowerment and, by this, take their responsibilities as leaders for a charitable purpose.

Proposition 3: Invest in sensemaking and partnership working

Faced with a poly-crisis that presents challenges that have never before been experienced by society, it is important for current and future generations of leaders to consider carefully their leadership approach and style. For example, applying instinctive approaches only may not serve a

NVSM

leader well when faced with new unknowns. Seeking to gain a deeper clarity and understanding of the poly-crisis supports leaders and the Boards, staff and stakeholders they serve with the opportunity to gain a deeper and more meaningful understanding of the poly-crisis and the assets and tools they can apply to respond to it most effectively. Given the scale of the challenges faces, this commitment to sensemaking also requires collaborative working with internal and external partners to determine creative and ambitious ways in which the organisation can deliver against its organisational vision and purpose.

This approach also requires leaders to recognise that their leadership approach and style will need to be multi-layered. For sensemaking and partnership working to be an ongoing and effective part of a leader's practice, there is a need for leaders to foster adaptation, embrace disequilibrium and generate leadership not just in themselves but across all levels of their organisation and across their wider networks. The goal should be for leaders to become less linear in their thinking, thus enabling them to hold multiple, and even opposing, ideas simultaneously in order to generate new ideas and multiple working hypotheses in pursuit of shared visions and strategies. This also requires an acknowledgement that leaders and the organisations they lead do not have the solutions to the poly-crisis, but can engage in critical reflection in pursuit of progress and that it is a continuous process too that seeks to bring forward ideas, frameworks and options that melds together observations, data, experiences, conversations, and analyses.

Proposition 4: Support leadership at all levels

Somewhat linked to proposition 3, this proposition seeks to consider the ways in which leadership studies have resulted in many different leadership definitions and theories – many of which highlight the continuing debate as to whether leadership relates to individuals or collectives or if it is about a process and that leadership is not one size fits all (Bogenschneider, 2016 and Western, 2008). The definitions used often reference things like: the need for leaders to have followers, and that they should work with their followers in a relational way that influences and inspires them; or that they need to develop expectations and the necessary operating environment and resources for work to be delivered effectively; or that they play a role in offering shared purpose and direction to inspire individual and collective efforts and transformation; or that leaders have traits or characteristics like being extraverted, self-confident or conscientious (Bogenschneider, 2016 and Western, 2008).

Just as leadership is not one size fits all, leadership studies also demonstrate that leadership can exist at all levels of an organisation or similar. This could present itself as: *position-based leadership* that relate to those who are in formal leadership positions like Chief Executive; *personbased leadership* where individuals exhibit traits that are associated with leadership; *results-based leadership* that is based on achievements and progress made; and *process-related leadership* that refers to leadership that elicits results and implements processes that result in work being delivered (Grint, 2010).

By nurturing and championing leadership at all levels within an organisation, we offer an opportunity to elicit a fuller response and set of ideas to the current poly-crisis. This seems more necessary than ever when one considers the continued lack of diversity within philanthropic leadership and the persistence with which inequities continue. It will take considerable time for leadership at the highest levels of the philanthropic sector to diversify, and in this time the poly-crisis will only continue to evolve – by naming that leadership can and does exist at all levels of the philanthropic movement we offer greater opportunities for creating a compelling vision of the future, and ideating the ways in which philanthropy will bring this vision to life. Thinking of the foundation as a rowing boat, governance and leadership direct the focus towards the foundation's purpose to deliver in all conditions and to move ever forward with purpose, intention and skill.

References

Amabile, T. M. and Kramer, S. J. 2007. Inner Work Life. Harvard Business Review. 85(5), pp. 72-83.

Ancona, D., Malone, T. W., Orlikowski, W. J. and Senge, P. M. 2007. In praise of the incomplete leader. *Harvard Business Review.* **85**(2), pp.92-100.

Anderson, F. F., and Renz, D. O. 2021. Who really governs? Nonprofit governance, stakeholder theory and the dominant coalition perspective. In: Donnelly-Cox, G., Meyer, M., Wijkström, F., and List, R. (eds.), Research Handbook on Nonprofit Governance, Cheltenham: Edward Elgar, pp. 196-219.

Anheier, H.K. and Daly, S. 2007. Philanthropic Foundations in Modern Society, in: Anheier, H.K. and Daly, S. (eds) The Politics of Foundations - A Comparative Analysis, London: Routledge, pp. 3-26.

Badaracco, J. L. 2002. *Leading Quietly – An Unorthodox Guide to Doing the Right Thing*. 1st ed. Boston, Massachusetts: Harvard Business School Press

Badaracco, J. L. 2016. Managing Yourself – How to Tackle Your Toughest Decisions. *Harvard Business Review*. **94**(9), pp.104-107.

NVSM

Badaracco, J. L. and Webb, A. P. 1995. Business Ethics: A View From the Trenches. *California Management Review.* **37**(2), pp.8-28.

Bennis, W. G. 1966. Changing Organizations. *The Journal of Applied Behavioural Science*. **2**(3), pp.247-263.

Beshears, J. and Gino, F. 2015. Leaders as Decision Architects. *Harvard Business Review*. **93**(5), pp.1-12.

Bethmann, S. 2019. Stiftungen und soziale Innovationen, Wiesbaden: Springer VS.

Bethmann, S., von Schnurbein, G., and Studer, S. 2014. Governance Systems of Grant-making Foundations, *Voluntary Sector Review*, 5(1), 75-95.

Boesso, G., Hinna, A. and Monteduro, F. 2013. Governance and value creation in grant-giving foundations. In Gnan, L., Hinna, A. and Monteduro, A. (eds), *Conceptualizing and Researching Governance in Public and Non-Profit Organizations*, Bingley, UK: Emerald Publishing, pp. 151-178.

Bogenschneider, B, N. 2016. Leadership epistemology. *Creighton Journal of Interdisciplinary Research.* **2**(2), pp.24-37.

Breeze, B. 2021. In Defence of Philanthropy.1st ed. Newcastle upon Tyne: Agenda Publishing.

Buchanan, P. 2019. *Giving done right – Effective philanthropy and making every dollar count*. 1st ed. United States of America: PublicAffairs.

Bull, G. and Steinberg, T. *Modern Grantmaking – A Guide for Funders Who Believe Better is Possible.* 1st ed. London: Modern Grantmaking.

Cameron, K. S. 2011. *Diagnosing and Changing Organizational Culture: Based on the Competing Values Framework*. 3rd ed. San Francisco, CA: John Wiley and Sons, Inc.

Dahlmann, F. and Bullock, G. 2020. Nexus thinking in business: Analysing corporate responses to interconnected global sustainability challenges. *Environmental Science and Policy*. **107**, pp. 90-98.

Diaz, W.A. 1999. The Behavior of Grantmaking Foundations. In: Anheier, H.K., Toepler, S. (eds) Private Funds, Public Purpose. Nonprofit and Civil Society Studies. Springer, Boston, MA. Pp. 141– 153. Fabricant, M. and Fine, M. 2012. Charter Schools and the Corporate Makeover of Public Education: What's at Stake? New York: Teacher College Press.

Fernandez, K. M., and Hager, M. A. 2014. Public and private dimensions of grantmaking foundations. *Public Administration Quarterly* 38(3), pp 405–39.

Fletcher, J. K. 2004. The paradox of postheroic leadership: An essay on gender, power, and transformational change. *The Leadership Quarterly.* **15**(5), pp.647-661.

Frumkin, P. 2006. Strategic Giving: The Art and Science of Philanthropy, Chicago: University of Chicago Press.

George, B., Sims, P., McLean, A. N. and Mayer, D. 2007. Discovering Your Authentic Leadership. *Harvard Business Review.* **85**(2), pp.129-138.

Grant, P. 2015. Achieving philanthropic mission: Directing and managing grantmaking. In Jung, T., Phillips, S.D., and Harrow, J. (Eds.). The Routledge Companion to Philanthropy (1st ed.). Routledge, pp 408-422.

Grint, K. 2010. Wicked Problems and Clumsy Solutions: The Role of Leadership. In S. Brookes and K. Grint (Eds.), *The new leadership challenge* (pp.169-186). Basingstoke: Palgrave Macmillan.

Hall, P. D. 2013. Philanthropy. The Nonprofit Sector & the Democratic Dilemma. *Daedalus.* **142**(2), pp.139-158.

Harlan, S. L., and Saidel, J. R. 1994. Board Members Influence on the Government-Nonprofit Relationship, *Nonprofit and Management Leadership*, 5(2), 1994, pp 173-196.

Harrow, J. .2010. *Philanthropy*. In Taylor, R. (ed.), Third Sector Research, New York: Springer, pp. 121-137.

Hartman, E. M. 2006. Can We Teach Character An Aristotelian Answer. *Academy of Management Learning & Education.* **5**(1), pp.68-81.

Hayashi, A. M. 2001. When to Trust Your Gut. Harvard Business Review. 79(2), pp.59-65.

Heifetz, R., Grashow, A. and Linsky, M. 2009. Leadership in a (Permanent) Crisis. *Harvard Business Review*. **87**(7/8), pp.62-69.

NVSM

Hengevoss, A., 2021. Nonprofit Management Researchers' Reconceptualization of Comprehensive INGO Accountability: Toward an Institutional Logics Approach. *Journal of Public and Nonprofit Affairs*, pp.1-22.

Herman, R. D. and Renz, D. O. 2008. Advancing nonprofit organizational effectiveness research and theory: Nine theses', *Nonprofit Management and Leadership*, 18(4), 399-415.

Hodges, J. and Howieson, J. 2017. The challenges of leadership in the third sector. *European Management Journal.* **35**(1), pp.69-77.

Howieson, B. and Hodges, J. 2014. *Public and Third Sector Leadership: Experience Speaks*. 1st ed. London: Emerald.

Ibarra, H. 2015. The Authenticity Paradox. Harvard Business Review. 93(1/2), pp.54-49.

Irfan, F. 2021. *Special Issue Article in Journal of Philanthropy and Marketing: Neo-colonial Philanthropy in the UK*. [Online]. [Accessed 31 December 2021]. Available from: https://onlinelibrary.wiley.com/doi/full/10.1002/nvsm.1726?saml_referrer

Iszatt-White, M. and Saunders, C. 2020. *Leadership*. 3rd ed. Oxford: Oxford University Press.

Jaskyte, K., Amato, O. and Sperber, R. 2018. Foundations and innovation in the nonprofit sector. *Nonprofit Management and Leadership.* **29**(1), pp. 47-64.

Jegers, M. 2021. Agents and stewards in nonprofit governance. In: Donnelly-Cox, G., Meyer, M., Wijkström, F., and List, R. (eds.), Research Handbook on Nonprofit Governance, Cheltenham: Edward Elgar, pp. 186-195.

Jung, T. and Harrow, J. 2015. New development: Philanthropy in networked governance – treading with care. *Public Policy & Management.* **35**(1), pp.47-52.

Knight, A. D., Lowe, T., Brossard, M. and Wilson, J. 2017. *A Whole New World: Funding and Commissioning in Complexity.* [Accessed 27 April 2023]. Available from: <u>https://collaboratecic.com/insights-and-resources/a-whole-new-world-funding-and-commissioning-in-complexity/</u>

Kotter, J. P. 2007. Leading Change; why Transformation efforts Fail. *Harvard Business Review*. **85**(1), pp.96-102.

Kramer, M.R. 2009. Catalytic philanthropy. Stanford Social Innovation Review, Fall.

Larrick, R. P., Burson, K. A. and Soll, J. B. 2007. Social comparison and confidence: When thinking you're better than average predicts overconfidence (and when it does not). *Organizational Behavior and Human Decision Processes.* **102**(1), pp.76-94.

Lee, S., Harris, B. and Pesenti, S. 2018. The Awareness and Effectiveness of Charity Trustees in Grantmaking in England and Wales. [Online]. [Accessed 26 February 2022]. Available from: https://acf.org.uk/common/Uploaded%20files/Research%20and%20resources/Resources/Strategy% 20and%20governance/ACF_CASS_trusteedata_2018.pdf

Letts, C. W., Ryan, W. and Grossman, A. .1997. Virtuous Capital: What Foundations Can Learn from Venture Capitalists, *Harvard Business Review*, 75(2), pp. 36–44.

Likierman, A. 2009. Successful leadership – how would you know? *Business Strategy Review*. **20**(1), pp.44-49.

Martin, R. L., Straub, R. and Kirby, J. 2020. Leaders Need to Harness Aristotle's 3 Types of Knowledge. *Harvard Business Review.* **98**(5), pp.2-6.

Mayrhofer, W. and Meyer, M. 2020. Zwischen Medizin und Gift. *Zeitschrift für Führung und Organisation*, 89(3), 152-157.

Middelton, M. 1987. Nonprofit Board of Directors: Beyond the Governance Function, in: Powell, W.W. (ed.): The Nonprofit Sector: A Research Handbook, New Haven: Yale University Press, pp 141-153.

Nembhard, I. M. and Edmondson, A. 2011. Psychological Safety: A Foundation for Speaking Up, Collaboration, and Experimentation in Organizations. In: Cameron, K. and Spreitzer, G. *The Oxford Handbook Of Positive Organizational Scholarship*. United States: Oxford University Press.

Nonaka, I. and Takeuchi, H. 2011. The Wise Leader – How CEOs can learn practical wisdom to help them do what's right for their companies – and society. *Harvard Business Review*. **89**(5), pp.59-67.

Ostrander, S. A., and Schervish, P. G. (1990), Giving and Getting: Philanthropy as a Social Relation. In Van Til, J. (ed.), Critical Issues in American Philanthropy: Strengthening Theory and Practice, San Francisco: Jossey-Bass, pp. 67-98.

 NVSM

Porter, M. E., Lorsch, J. W. and Nohria, N. 2004. Seven New Surprises for New CEOs. *Harvard Business Review*. **82**(10), pp. 62-72.

Prewitt, K. 2006. Foundations. In Powell, W.W. and Steinberg, R. (eds), The Nonprofit Sector: A Research Handbook, Cambridge, MA: Yale University Press, pp. 355-377.

Reich, R. 2014. Philanthropy in Market Democracy. *Critical Review.* **26**(3-4), pp.408-422.

Reich, R. 2018. Just Giving -- Why Philanthropy Is Failing Democracy and How It Can Do Better, Princeton: Princeton University Press.

Renz, D.O. 2016. Leadership, Governance, and the Work of the Board. In D.O. Renz and Herman , R.D. (eds), The Jossey-Bass Handbook on Nonprofit Leadership and Management, Hoboken, NJ: Jossey-Bass, pp 127-166.

Shamir, B. and Eilam, G. 2005. "What's your story?" A life-stories approach to authentic leadership development. *The Leadership Quarterly*. **16**(3), pp.395-417.

Shotter, J. and Tsoukas, H. 2014. In Search of Phronesis: Leadership and the Art of Judgement. *Academy of Management, Learning & Education.* **(13)**2, pp.224-243.

Soll, J. B., Milkman, K. L. and Payne, J. W. 2015. Outsmart Your Own Biases. *Harvard Business Review.* **93**(5), pp.65-71.

Soyer, E. and Hogarth, R. M. 2015. Fooled by Experience – What you think you've learned may be wrong. A guide to figuring out the real lessons. *Harvard Business Review.* **93**(5), pp.3-7.

Sprecher, Th., Egger, Ph. and von Schnurbein, G. 2021. Swiss Foundation Code – English version, Zürich: Schulthess.

Spreitzer, G. 2008. Taking Stock: A Review of More than Twenty Years of Research on Empowerment at Work. In: Barling, J. and Cooper, C. L. eds. *The SAGE Handbook of Organizational Behaviour: Volume I – Micro Approaches.* London: SAGE Publications Ltd.

Steinbauer, R., Rhew, N. D. and Chen, H. S. 2015. From Stories to Schemas: A Dual Systems Model of Leaders' Organizational Sensemaking. *Journal of Leadership & Organizational Studies*. **22**(4), pp.404-412.

Strachwitz, R. 2010. Die Stiftung – ein Paradox?, Stuttgart: Lucius & Lucius.

Sulek, M. 2010. On the Modern Meaning of Philanthropy. *Nonprofit and Voluntary Sector Quarterly.* **39**(2), pp.193-212.

Tichy, N. M. and Bennis, W. G. 2007. Making Judgment Calls. *Harvard Business Review.* **85**(10), pp.94-102.

Van Puyvelde, S., R. Caers, C. Du Bois and Jegers, M. 2012. The governance of nonprofit organizations: integrating agency theory with stakeholder and stewardship theories, *Nonprofit and Voluntary Sector Quarterly*, 41 (3), 431–51.

Van Wart, M. 2013. Lessons from Leadership Theory and the Contemporary Challenges of Leaders. *Public Administration Review.* **73**(4), pp.553-565.

Von Schnurbein, G. 2021. The governance of foundations. In: Donnelly-Cox, G., Meyer, M., Wijkström, F., and List, R. (eds.), Research Handbook on Nonprofit Governance, Cheltenham: Edward Elgar, pp. 236-257.

von Schnurbein, G., Rey-Garcia, M. & Neumayr, M. 2021. Contemporary Philanthropy in the Spotlight: Pushing the Boundaries of Research on a Global and Contested Social Practice. *Voluntas* **32**, 185–193. https://doi.org/10.1007/s11266-021-00343-9

Vroom, H. V. 2003. Educating managers for decision making and leadership. *Management Decision.* **41**(10), pp.968-978.

Watkins, M. D. 2012. How Managers Become Leaders – The seven seismic shifts of perspective and responsibility. *Harvard Business Review*. **90**(6), pp.65-72.

Weick, K. 1995. *Sensemaking in Organizations*. 1st ed. Thousand Oaks: SAGE Publications.

Western, S. 2008. Leadership: A Critical Text. 1st ed. London: SAGE Publications

Willems, J. 2021. Accountability and transparency: cornerstones of civil society governance. In: Donnelly-Cox, G., Meyer, M., Wijkström, F., and List, R. (eds.), Research Handbook on Nonprofit Governance, Cheltenham: Edward Elgar, pp. 46-70.

Wright, R. P., Paroutis, S. E. and Blettner, D. P. 2013. How Useful Are the Strategic Tools We Teach in Business Schools. *Journal of Management Studies.* **50**(1), pp.94-125.

NVSM

Wyser, R. 2016. Evaluation von Förderprojekten: Governance-Analyse einer spezifischen Evaluationssituation unter Anwendung der Prinzipal-Agenten- und der Vertrauenstheorie, Book on Demands.

Zhulina, A. 2018. Performing Philanthropy from Andrew Carnegie to Bill Gates. *Performance Research*. **23**(6), pp.50-57.

for per peries

Practitioner points

(a) what is currently known about the subject matter,

- grant-making foundations are highly independent organisations that provide financial means for public purposes

- foundations are designed for continued and stable action, contrary to the flexible calls of the current times of poly-crisis

- governance and leadership are important to translate the foundation's purpose into operative action.

(b) what your paper adds to this

- we provide an overview of the current state of knowledge on governance and leadership in foundations

- we discuss current challenges and trends that fuel foundation management

- we offer four propositions on how foundation leaders can adopt their foundation to the current societal situation

(c) the implications of your study findings for practitioners.

- practitioners gain a quick overview on the current knowledge on governance and leadership in foundations

elien

- practitioners can compare their own situation with insights from theory and practice