



When Inclusive Foundations Exclude: Lessons from a Dutch Foundation's Experience with Immigrant Grassroots Organizations

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How can foundations dedicated to inclusion unintentionally create unequal funding outcomes? This study examines the role of staff sense-making of their own role as grant-makers, their grasp of grassroots applications, organizational cultures, and decision-making processes in shaping access to philanthropic resources.

This study asks: *Why were immigrant grassroots associations more likely to be rejected for funding than other grassroots associations, despite the foundation's explicitly inclusive mission?*

The study finds that unequal outcomes were driven less by explicit opposition to immigrant organizations than by the ways foundation staff interpreted application quality, fit and relevance and the organizational capacity of applicants in situations where policies were ambiguous. Staff rely on shared understandings, past experience, and professional judgment, creating the possibility that funding decisions may diverge from institutional intentions.

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Background

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Context



- **Foundations seek to translate mission into practice.** Yet grant-making rarely involves the simple application of fixed rules. Staff must collectively make sense of proposals, assess potential, and determine alignment with mission, often in circumstances characterized by incomplete information and competing priorities.
- **The study examines a puzzling outcome.** A Dutch regional foundation with an explicit commitment to inclusion found itself funding immigrant grassroots associations at lower rates than other grassroots organizations. The gap widened over time despite no formal change in mission.
- **The researchers focused on decision-making rather than outcomes alone.** Instead of asking only who received funding, they examined how staff together justified rejection decisions and what those explanations revealed about organizational thinking. Their analysis covered 594 rejection recommendations concerning 2,749 applications over a fifteen-year period.
- **The concept of "sense-making" is central to the study.** Sense-making refers to the process through which people interpret ambiguous situations and construct plausible explanations that guide action. In grant-making, it helps explain how decisions are reached when policies leave room for interpretation.

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Take aways & Learnings



- 1. Ambiguity creates space for group-think:** When criteria were clear, decisions were straightforward. When criteria were vague, staff relied more heavily on emergent consensual interpretations that guided their course of action.
 - *Practitioner reflection: Foundations should periodically review whether their operational criteria are sufficiently clear to support the outcomes their mission intends to achieve.*
- 2. "Quality" emerged as the decisive factor:** Applications from immigrant grassroots associations were far more likely to be criticized for failing to meet quality standards, yet quality itself was rarely clearly defined or consistently articulated.
 - *Practitioner reflection: Whenever quality is a major determinant of funding decisions, foundations need to consider how they define quality and how an application is assessed for quality.*
- 3. Equal access does not necessarily create equal opportunity:** The foundation applied the same formal procedures to all applicants. Nevertheless, immigrant grassroots organizations experienced substantially higher rejection rates (37% vs. 9% for other grassroots organizations).
 - *Practitioner reflection: Foundations dedicated to inclusion may need to examine whether opportunities are available and how to avoid group-think about collective identities of – particularly – immigrant grassroots associations.*
- 4. Relationships matter:** Many concerns regarding proposal quality remained internal to the foundation. Applicants often received little guidance to help them improve future submissions.
 - *Practitioner reflection: A rejection can be viewed either as the end of a transaction or as part of a longer-term relationship. Foundations that invest in feedback and capacity-building may strengthen both future applications and community trust.*
- 5. Inclusion is ultimately an organizational practice:** Disparities emerged not through explicit bias, but through routine processes, shared assumptions, and interpretations of quality and potential.
 - *Practitioner reflection: The challenge for foundations is not only to articulate inclusive values but to ensure that internal practices consistently reinforce those values.*



Key lesson: The closer a decision process depends on grant-makers' interpretative skills rather than clearly articulated criteria, the greater the need for reflection, transparency, and organizational learning.