

# Engaging a Range of Stakeholders to Strengthen Program Strategy

## A CASE STUDY OF THE PLANNING PROCESS AT THE DAVID & LUCILE PACKARD FOUNDATION

**The New Venture Fund** retained Arabella Advisors to provide facilitation support to the David & Lucile Packard Foundation as its Children, Family, and Communities Program (CFC) reassessed its strategy. As part of this process, the CFC team evaluated its grant making in the subprogram areas of children's health, preschool, and after-school and summer enrichment and considered how to build on what it had already accomplished through its prior support. The team then explored changes in the children's health and early learning fields to identify opportunities to adapt and revise its strategy to better achieve the foundation's ultimate goal: ensuring that all children have the opportunity to reach their full potential.

### INTRODUCTION

Strategy planning during a period of rapid and disruptive political, economic, technological, and social change can be a precarious exercise. The David & Lucile Packard Foundation's Children, Families, and Communities Program (CFC) navigated such a dynamic context by deliberately and openly engaging a range of stakeholders, including issue experts, trustees, grantees, and peer funders in its strategic planning process. Incorporating multiple perspectives helped the foundation better understand the changing issue landscapes and create a well-informed strategy that responds to needs and opportunities in the field and makes optimal use of the foundation's resources and relationships. By regularly engaging key external stakeholders, the program also gained their buy-in, thereby increasing its potential for lasting impact. This case study illustrates how meaningfully engaging such stakeholders throughout strategic planning adds value to the process and the resulting plan.

### Background

When the foundation undertook its strategy review in 2012, the issue landscape was rapidly evolving. In children's health, the passage and implementation of the Children's Health Insurance Program Reauthorization Act and the Affordable Care Act (ACA) dramatically changed social policy for children and families in America by expanding access to health insurance. CFC found itself well positioned to sustain and build on gains from its previous insurance access efforts, which brought universal coverage closer to realization.

On the early-learning side of the program, evaluations of CFC's subprograms indicated that, in the previous decade, the foundation had made great strides in expanding access to preschool, building systems to ensure high-quality after-school programs in California, and raising awareness of the importance of summer enrichment to stem learning loss. The program had contributed

to the successful establishment of transitional kindergarten, which better connects preschool to elementary school, and it began to explore how to build on that success by addressing the quality of transitions in other settings during a child's first eight years. On the policy front, the pending reauthorization of major components of federal funding for children provided the foundation with an opportunity to embed standards of quality practice in federal programs and include support for improving teaching quality through education policy. In addition, the development of standards and quality rating and improvement systems in more than 35 states and communities across the country provided a scaffold for spreading best practices across child-care and preschool settings. Finally, new data systems and technology presented an opportunity to bridge existing systems to provide smooth transition points for young children entering schools.

In order to better navigate this changing landscape, the CFC team decided to undertake a strategy development process that incorporated multiple perspectives from key stakeholders and was aligned with the foundation's commitment to inclusive and engaged grant making. The CFC team regularly sought the input of issue experts, trustees, grantees, and peer funders and synthesized their insights to inform potential strategies. Through this iterative process, CFC was able to continuously develop, vet, and improve its strategy.

## SUCCESS FACTORS

CFC's approach to strategy planning led to a grounded and well-informed strategy in large part because it had multiple meaningful touch points and opportunities for side-by-side learning with stakeholders.

### Multiple Touch Points

Throughout the process, the CFC team maintained an ongoing dialogue with key stakeholders who actively received, considered, and provided information as the program explored various strategies. These multiple touch points consisted of meetings, interviews, focus groups, and both formal and informal conversations

with individual stakeholders. Because the CFC team regularly sought and received their input, it was able to adjust plans when needed and ultimately develop a more inclusive and responsive strategy.

### Side-by-Side Learning

As CFC staff exchanged information with various stakeholders, they all learned alongside one another. Partnering in this manner enhanced stakeholders' understanding of the team's emerging strategies and fostered their early and continued engagement. This learning style allowed program staff members to explore new opportunities with open minds. Stakeholders' simultaneous, collective learning resulted in a shared ownership of the final strategy that is likely to contribute to its ongoing success.

## KEY STAKEHOLDERS

During its strategy planning, CFC regularly incorporated the multiple perspectives of issue experts, trustees, grantees, and peer funders to navigate a complex landscape and to arrive at a well-grounded and informed strategy.

### Issue Experts Provide a Solid Understanding of the Field

As part of its strategy review, CFC retained issue experts to conduct evaluations of its subprograms, thereby allowing CFC to assess its grant-making history and determine the successes and promising areas on which it could build. Issue experts also developed white papers and landscape analyses that provided a better understanding of the trends, gaps, opportunities, and challenges in a multi-layered field.

For example, expert contributions highlighted the growing bodies of research that cite the importance of the early years on the development of children's emotional, intellectual, and social success and well-being later in life. Experts also pointed to potential opportunities for impact, including increasing access to and the quality of prenatal care, supporting policies on paid leave and well baby care, funding early screening and follow-up services, improving the quality of

***“Experts were expansive in what they covered, which was helpful when deciding if we want to go where no one else has gone, or if we want to join with others.”***

**—CFC staff member**

earliest years of childhood, from birth through age five.

Issue experts shared their findings at meetings with the foundation’s program officers and at a day-long convening, or learning day, with trustees. Collectively, the research and knowledge these experts shared with the staff and stakeholders helped CFC sharpen its focus as it explored various strategies.

## **Trustees Act as Internal Sounding Boards**

Inviting trustees to participate in the learning day was a particularly fruitful way to engage them. Together with experts, senior leaders, and program staff, they discussed the current state of play of children’s health and education, possible pathways for future investments, and strategies for building on the foundation’s previous work. The CFC team used this opportunity to foster an open environment for feedback where trustees could fully interact and learn from other participants.

As part of the day’s agenda, staff held a presentation and discussion on the current state of health and education practice and policy. Participants then broke into small topical groups to discuss what success would look like in 2025 and what steps would need to be taken to achieve it. Finally, they discussed patterns and emerging insights about what it would take for children to reach their full potential and how philanthropy could help. As program staff learned more about specific areas of trustee interest in children’s health and education for young children, they recognized that their work, while continuing to build off their successes,

infant/toddler care, and extending policies beyond childcare for just the most at-risk and/or low-income families. These findings are part of what compelled the foundation to extend its focus beyond the preschool years to encompass the

could evolve. As a result of this learning day, the trustees affirmed CFC’s ongoing work in policy, practice, and implementation, and the program’s interest in pivoting from expanding access to improving the quality of child health and education programs. In addition, the trustees expressed a desire to include infants and toddlers in CFC’s work, and thus focus more broadly on children from birth through age five.

CFC continued to share its progress with trustees during a subsequent board meeting and one-on-one conversations with its director, during which trustees were able to more deeply explore the team’s goals and strategies. Doing so provided multiple opportunities for trustees to both provide input

***“Our board members do not just accept ideas; they really pull them apart. They are a very good sounding board for us.”***

**—CFC staff member**

on the potential strategies and share their knowledge about the foundation and the program’s history. Trustees, for example, reinforced the foundation’s core values and long-standing commitment to children’s healthy well-being. Because the trustees are ultimately responsible for approving the foundation’s strategy, their early and ongoing involvement bolstered the team’s efforts to refine its emerging strategy. Their input reinforced the team’s decision to focus more on the implementation of ACA and to continue concentrating its early learning efforts on improving education outcomes of the most vulnerable children between the ages of zero and five.

## **Grantees Ground the Strategy in Reality**

In an effort to better understand the complexity of the field and better employ the foundation’s intellectual capital, CFC engaged grantees with firsthand knowledge of the foundation’s expertise, reputation, and partnership and grant-making style. Listening to the field and the people who implement the strategy allowed the foundation to more accurately comprehend what is happening on the ground, where funders

are (and are not) channeling their investments, and opportunities and challenges in the space.

Children's health staff conducted focus groups and one-on-one meetings with select grantees, which led to an emerging interest in connecting health and

***"We could use grantees as an echo chamber. They let us test out assumptions and hear what they saw as challenges and opportunities. We could not move in isolation from the field."*** —CFC staff member

early learning. Early learning staff, for their part, held ongoing, real-time conversations with select grantees, which helped the team realize that there was a need to focus on the multiple, significant transitions that children make among and between early

care and learning settings (for example, from home to center-based care or from preschool to transitional kindergarten and early elementary school). The team consequently decided to extend the scope of its early learning work beyond preschool to include the care and transitions of infants and toddlers. Grantees also helped CFC understand the prevalence of informal care settings in the early learning context. Given the large number of infants and toddlers being cared for in informal settings, CFC realized that in order to increase its potential to make an impact, it needed to also focus on improving the quality of early learning in informal care settings.

These conversations gave grantees an understanding of the thinking behind potential shifts or realignments in strategy, and served to solicit their input and foster buy-in. As the team begins strategy implementation, it has increased confidence that its strategy is grounded in the realities of the field and that it has the support of its grantee partners.

## Peer Funders Point to Opportunities in the Field

Through informal conversations and affinity groups, peer funders provided a complementary vantage point that

helped the foundation navigate the complex field and gauge the financial resources, knowledge, and influence needed to make an impact. Because peer funders understand the intricacies and challenges of grant making, they helped the foundation identify investment trends and gaps, as well as potential partnership and funding opportunities, to determine where the foundation does or does not fit. One of the foundation's major funding partners disclosed its intention to exit the children's health space, thereby leaving a gap in the field. The peer funder's exit underscored the importance of CFC's role in protecting the gains that had been achieved over the last decade. Similarly, conversations with peer funders helped the foundation identify important partnership opportunities. One peer funder informed CFC that it was looking to make a significant investment in ACA implementation, which helped the team decide to invest in and collaborate on this work.

Peer funders further provided a solid understanding of the foundation's reputation, networks, and other resources it could apply to future efforts. This helped the CFC team assess its internal financial and intellectual capital to determine how to effectively

invest its resources. In early learning, CFC's work with an affinity group of funders revealed the importance of the Packard Foundation playing a more prominent role in national conversations about early childhood education. At the same time, CFC was working closely with local funders to implement a new early learning model. This work brought together a new set of funders interested in building systems and infrastructure for early learning, and helped CFC further think about how it could collaborate with other funders to pilot and scale innovative models. The information the CFC

***"[Peer funders] gave more reasons for understanding the importance of Packard stepping in and playing the role left behind by [the exiting partner] and the new opportunities for partnership."***  
—CFC staff member

team gathered from its peers reinforced its decision to continue expanding on its existing grant-making successes in public policy, communications, advocacy, and systems improvement.

## LESSONS LEARNED

The foundation's efforts highlighted several lessons learned that other foundations may consider when engaging stakeholders during a strategy planning process.

- **Engaging trustees directly and early in the process helped elicit more meaningful input.** Because trustees were consulted so openly and early in the process, they had an important impact on the strategy, effectively serving as co-creators.
- **Engaging foundation staff outside of the CFC program led to increased internal support, knowledge, and excitement about the new strategy.** In addition to the stakeholders discussed above, CFC included senior leadership and members of other departments at various points during the process. Their knowledge and familiarity with the foundation helped round out the team's perspective, allowing for a more holistic point of view. It also helped the foundation, as a whole, understand and support the team's work.
- **Thoroughly vetting and selecting a range of experts created a more effective process for sharing knowledge.** The CFC team carefully considered which experts to bring in to speak with the board and other stakeholders. As part of the vetting process, CFC sought experts who were both knowledgeable and able to engage in collegial conversations with other stakeholders. The resulting conversations helped

set the context for CFC's work and helped the team effectively transfer knowledge among stakeholders.

- **Building in more time to deliberately reflect may further strengthen the strategy planning process.** The CFC team had an aggressive time line for reviewing its strategy, so it collected a vast amount of data and knowledge in a short amount of time. In many respects, the team found itself developing the process as it went along. While the process worked well, it could have benefitted from setting aside additional time to reflect on the information it collected and the process itself as it was underway.

## CONCLUSION

Throughout the strategy development process, key stakeholders provided valuable input that helped the CFC team align its priorities with others working in this field and merge its vision with the realities of its strengths and opportunities. Their input resulted in the foundation's decision to focus its CFC grant making on supporting the implementation of the ACA to ensure that children and their families access coverage and receive quality and affordable health care, as well as on improving the quality of early learning experiences for children from birth through age five. As the CFC team prepares to implement its revised strategy, it is fortified by having engaged in an inclusive process that energized its staff and set it on a path to success.

***"Our strategy now rests on multiple viewpoints. We would not have gotten to the same strategy had it just been program staff."***

**—CFC staff member**