

Houston Endowment utilizes Portfolio Management to orchestrate system change

Reflecting back on 2017, the team at Houston Endowment could not have envisioned how their grantmaking processes would evolve following their migration to GivingData. But with the help of its newly hired Director of Learning and Evaluation, Russ Ramsey, the foundation discovered how Portfolio Management could support its system change initiatives and transform its learning practices.

HOUSTON ENDOWMENT

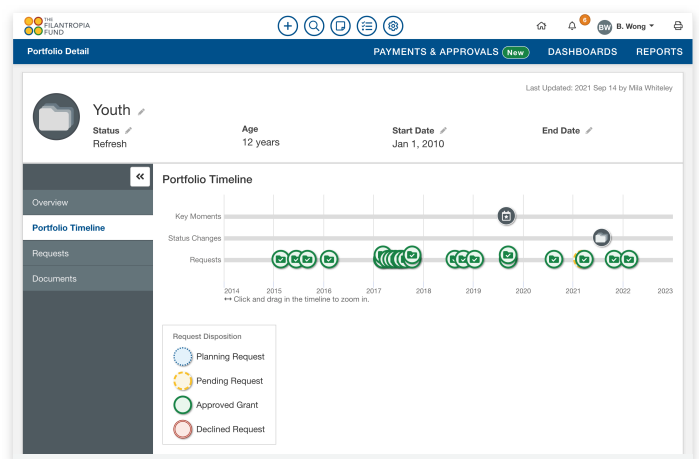
SHINING A LIGHT ON THE PROBLEM

When Ramsey joined Houston Endowment, the end goal was clear: to shift the unit of action and analysis from individual grants to grant portfolios. How to implement the shift, however, was very much an open question.

After consulting with peer foundations and reviewing several reports on the subject, Russ identified three initial steps:

1. A full review of existing strategic portfolios whose number had significantly grown over the years.
2. Consolidation and standardization of portfolios using key documents like Strategy Briefings, Theories of Change, and MEL Plans.
3. Identification of a system that would allow managing and reporting on portfolio budgets, consistent storage repositories for all portfolio-related knowledge and documents, and the support of ongoing learning activities like monthly reflections and periodic strategy reviews.

The collaboration between the Endowment and GivingData began, and a few months later the first version of the Portfolio Management tool was ready for piloting.



Portfolio Timeline

The timeline visualizations in GivingData give grantmaking teams valuable visibility into key moments related to each portfolio.

MANAGING PORTFOLIOS IN GIVINGDATA

Three years into using GivingData's Portfolio Management tool Ramsey acknowledges that - no matter how good the tool - the transition to Portfolio Management has been a collaborative and iterative process that started within leadership and programs, and percolated throughout the organization under the vigilant oversight of the board.

Throughout their adoption of the tool, Ramsey says that the Endowment team has been able to organize and reorganize their existing grantmaking data into several different permutations of portfolios to better understand the financial consequences of their new organizational strategy (and to better forecast budget allocations once the dust had settled on which permutation aligned best with the strategic framework).

Ramsey also credits the Endowment's exceptional program team and the flexibility of the Portfolio Management tool for his success in introducing Emergent Learning approaches to optimize portfolios. This has allowed them to be flexible and adapt their grantmaking particularly in the face of unanticipated catastrophic events like Hurricane Harvey and the Covid-19 pandemic.

RUSSELL RAMSEY

Director of Learning and Evaluation, Houston Endowment



“ The portfolio timeline and the addition of key moments on that timeline has been a gamechanger - not only for how we do work and understand knowledge management, but for how we are going to continue to improve going forward.

STRUCTURED REFLECTION AND AGGREGATED DATA ANALYSIS ENSURE IT'S WORKING

The introduction of structured reflection in the form of Key Moments has been a game changer for the Endowment. Program staff capture monthly reflections about what's working, what needs changing, and what they're learning in each of the portfolios they manage. Russ says the simplicity of the tool helped turn this monthly requirement into a new habit of documenting portfolio performance and identifying required strategic shifts.

The Endowment team can also do more high-level analysis of grantmaking using aggregated grant-level coding to see trends in their grantmaking decisions, such as which types of grants they are making in each portfolio. The flexibility of the portfolio tool allows Ramsey to experiment with and fine-tune these ideas, templates, and approaches by regularly testing and listening to users' feedback.

Though still evolving, portfolio management has become the way of working at Houston Endowment and has produced many desired and unanticipated results like:

- Consolidation and increased strategic alignment of portfolios
- Increased portfolio visibility, reporting, and oversight
- Standardization of strategy management tools, documents, and practices
- Adoption of a culture of learning and experimentation
- Use of one single grantmaking platform to work both at the grant and portfolio level

Ultimately, the Portfolio Management tool has allowed the Endowment to nurture relationships with individual grantees, pay closer attention to their work and, most of all, see the forest for the trees.