# Participatory Grantmaking: Sharing the Power of Funding

Participatory grantmaking transforms traditional philanthropy by ensuring that communities most affected by funding decisions have a direct role in determining where resources go. This approach shifts decision-making power from conventional grantmakers (such as foundations or individual donors) to those with lived experience of the issues, fostering a more equitable and impactful distribution of funds.

## Core Principles of Participatory Grantmaking

* **Shifting Power**: Decision-making authority is placed in the hands of communities rather than external actors.
* **Community Expertise**: The lived experience and insights of those directly affected by the issues inform funding decisions.
* **Transparency and Accountability**: The process is open, inclusive, and accountable to the community.
* **Diversity and Inclusion**: Marginalized voices are actively sought, heard, and valued.

## Models of Participatory Grantmaking

* **Community Grantmaking Panels**: Panels made up of community members review applications and determine funding allocations.
* **Closed Collectives**: A pre-selected group of stakeholders reach consensus on how to distribute grants.
* **Participatory Budgeting**: Residents directly allocate public funds to priorities they identify.
* **Peer-to-Peer Grantmaking**: Individuals within a community grant funds to each other through online or offline platforms.
* **Collective Giving**: Community members pool their resources and collectively decide on grants.
* **Youth-Led Grantmaking**: Young people play an active role in funding decisions that affect them.

# Benefits of Participatory Grantmaking

* **Greater Relevance and Impact**: Funding is more aligned with the real needs and priorities of communities.
* **Stronger Community Ownership**: People feel empowered and invested in solutions that directly affect them.
* **Sustainability and Accountability**: Trust is built, and responsibility for outcomes is shared.
* **Innovation and Creativity**: Local knowledge uncovers unique, effective solutions to pressing challenges.

## Challenges of Participatory Grantmaking

* **Navigating Power Dynamics**: Traditional grantmakers may need to adjust to ceding control, which requires thoughtful facilitation.
* **Capacity Building**: Supporting community members to develop confidence and skills in grantmaking takes time and investment.
* **Managing Logistics and Resources**: Designing and running an inclusive and efficient participatory process can be complex.
* **Measuring Impact**: Evaluating the effectiveness of participatory grantmaking requires tailored approaches and methodologies.

By embracing participatory grantmaking, funders can ensure that resources are distributed in ways that are equitable, impactful, and community-driven, ultimately fostering long-term, sustainable change.