

## Unlocking Impact: Why Healthcare Foundations Need a Modern Investment Strategy

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Healthcare foundations play a critical role in addressing some of our society's most urgent needs, from community wellness and medical innovation to health equity and access. Yet even the most mission-driven organizations can fall short when it comes to aligning their financial strategy with long-term goals.

As an investment advisor serving mission-based institutions, Fiducient Advisors prompts our healthcare clients to ask the right questions:

- *Is our investment strategy supporting our future as well as our present?*
- *How can we remain agile and resilient in volatile markets?*
- *Are we making the most of our assets to advance our mission?*

These are essential conversations. And in today's complex landscape, they're more important than ever.

### The Investment Strategy Gap

Healthcare foundations face a unique combination of pressures: capital preservation, growth in excess of inflation, donor expectations and increasing demand for grants and programmatic support. While most institutions have a standard investment policy statement and some form of oversight in place, many are still missing a comprehensive, forward-looking investment strategy.

Here's the gap: Too often, portfolios are managed in a reactive way, rebalanced periodically, benchmarked against standard indices and assessed primarily through short-term performance reviews. What's frequently missing is strategic alignment: a proactive investment approach that considers your long-term liquidity needs, spending policy and risk tolerance within the context of your mission and governance structure.

### What Investment Consulting Brings to the Table

This is where investment consulting creates transformational value. As an advisor, our role isn't just to recommend fund managers or rebalance your portfolio. We help you step back and ask the big-picture

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questions that directly affect your ability to fulfill your mission over time. Here are a few ways we help healthcare foundations rethink and strengthen their investment strategy:

### **1. Custom Spending Policy Guidance**

Many healthcare foundations rely on predictable distributions to fund grants, operations or strategic initiatives. An experienced investment consultant can help you develop or refine your spending policy to strike the right balance between current needs and long-term capital preservation so you can sustain impact well into the future.

### **2. Risk and Liquidity Management**

Access to capital is critical, especially in uncertain times. We help clients plan for cash flow requirements and stress-test portfolios under different scenarios. Whether you're preparing for a capital campaign, expanding services or navigating economic headwinds, our approach helps to ensure your investment strategy is designed to support operational flexibility and financial health.

### **3. Mission-Aligned Portfolio Design**

Foundations that have a values-based mission may want to integrate their values into how their assets are invested. Whether through ESG criteria, impact investments or mission-related allocations, it's possible to design a portfolio that reflects your organization's values without sacrificing financial performance. A strong investment consultant can help you evaluate these options with clarity and confidence.

### **4. Governance and Fiduciary Support**

A sound investment strategy also depends on strong governance. We provide investment committees and boards with clear, actionable information so they can make confident decisions. From IPS development to manager due diligence and performance reporting, we serve as an extension of your internal team, helping you stay accountable, informed and forward focused.

## **Real-World Impact**

We have seen firsthand how healthcare organizations can benefit from a more strategic approach. One client, a regional healthcare foundation, came to us with a traditionally allocated portfolio and a passive oversight process. Working together, we helped them:

- Reframe their investment policy to reflect updated spending needs and capital reserves
- Implement a more diversified allocation to reduce concentration risk
- Establish a quarterly reporting cadence focused on outcomes, not just returns
- Integrate ESG screening to align with their health equity mission

The result? A more resilient investment program and a board that feels empowered and informed.

## The Path Forward

Healthcare institutions are being asked to do more with less. Navigating public health challenges, rising operating costs and a dynamic donor landscape requires clarity and courage not only in programming, but in financial strategy.

If your organization hasn't revisited its investment approach in the last few years, now is the time. Markets have changed. Risks have evolved. Your mission and goals may have too.

Investment consulting isn't about making dramatic shifts or chasing performance. It's about aligning your portfolio with your purpose so your assets can fuel the kind of impact your community needs most.

## Let's Talk

At Fiducient Advisors, we specialize in helping healthcare clients build resilient, mission-aligned investment programs. From portfolio design and spending policy to governance and reporting, we strive to bring clarity, structure and expertise to every step of the process.

Let's start a conversation about how your organization's investments can better support your mission today and for generations to come.

[Click here to contact us today](#) to learn more about how we can help you invest with purpose.

## About the Author



As a Partner and Senior Consultant, Devon services institutional clients by providing advice and counsel on all areas of fund oversight including asset allocation, portfolio structure, spending policy, rebalancing, and overall investment policy. She focuses primarily on endowment and foundation clients, while serving as a resource on ESG investing. Devon is an active member of several of the firm's committees: the Endowments and Foundations Business Council, the Mission-Aligned Investing Council, and the Engagement Council. Additionally, she served as the podcast host for our [Nonprofit Investment Stewards podcast series](#). She joined Fiduciary Investment Advisors, LLC in 2006, which combined with Fiducient Advisors in 2020. Prior to joining the firm, Devon worked with the PRIME Asset Consulting Group at UBS Financial Services. She received an M.Ed. from the University of New Haven and a BA from Duke University. Devon obtained the title Certified Investment Management Analyst (CIMA®) from the Investments & Wealth Institute™ accreditation program at the Wharton School of Business and is a member of the Investments & Wealth Institute™. Additionally, Devon obtained the Chartered SRI Counselor™ (CSRIC®)

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