

Family Foundations as Agents of Change

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PASSAGES

EXPLORING KEY ISSUES IN FAMILY GIVING

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We often hear media reports on the contributions and impact of super-sized grants and mega-foundations. But data and experience tells us it's the presence and consistency of small- and medium-sized family foundations that provide much of the fuel for nonprofit organizations in our communities.

Family foundations are uniquely positioned to serve as leaders in community problem-solving. Because their board members and staff have typically grown up, raised families, and built businesses in the communities they serve, family foundations provide insight into community challenges and their potential solutions. By tapping into their personal and professional relationships, as well as a deep understanding of local issues, family foundations of all sizes can play a crucial role in efforts to solve complex issues.

And it's not just money that powers this change we see in our communities.

Family foundations play many roles in effecting change: grantmaker, broker and bridge builder, convener, thought partner, disseminator of information, and catalyst. From the unique vantage point of an on-the-ground organization, your foundation can identify unrealized connections between community agencies and bring them together for greater impact on vexing community problems. Or, in the role of thought partner, your foundation can share its expertise in a particular subject area to build the capacity and effectiveness of an organization. Your foundation might also initiate and facilitate community-wide conversations

about pressing issues that demand more focused and informed attention.

Tom Leedy, President of The Dekko Foundation in Indiana, believes that while "it's hard to separate grantmaking from non-grantmaking activities, it's the dollars that bring us to the table" and that allow the foundation to also offer other approaches. The common thread—whether you provide funding, build relationships or serve as a catalyst—is how these interventions can influence others to think and act differently because of your investment of resources in them. You can magnify your efforts by helping to change existing thinking and approaches to the problems they, and you, are attempting to solve. And that's exactly what a change agent does.



So what is your family foundation trying to change in those communities in which you invest? What's your role as a change agent?

Take a moment to reflect and ask yourself, "How clear is my foundation about what it intends to change? How do our investments of time and money connect to those hoped-for outcomes or changes?"

The clearer you are internally, as board and staff, about your intention to effect change, the deeper your impact can be externally. Consider pursuing some of the following practices at your next board meeting, annual retreat or family gathering:

DEVELOP A SHARED AND CLEAR UNDERSTANDING ABOUT THE CHANGE YOU ENVISION.

A conversation about donor intent is a great place to start. Begin this discussion as a review of how well your foundation has lived out its mission, values and original intent of the benefactor, regardless of whether that goal was highly prescribed or very broad and adaptable over time.

If you are fortunate enough to still have the donor's engagement, these conversations could become a valuable oral history to provide further background and understanding to future family and board members. While you are revisiting these stories, consider capturing them via video or audio recording so that future generations can connect with the original founder's vision. If the donor is deceased, seek out family, friends, associates and board members who knew the donor and can add their recollections to round out what is already known about the donor's thinking and perspectives.

For example, a mid-sized family foundation in Ohio has for some years made story-telling a part of each of its board meetings. Board members are invited to share their family recollections, and the stories often revolve around the founders and family elders. These stories – sometimes matter-of-fact, sometimes humorous, and often touching – illuminate the nuances, relationships and values manifested in the fundamental mission and activities of the foundation. The story-telling also serves to build a common knowledge and understanding across family branches, multiple generations and with non-family board members.

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Here are some questions to help guide the story-telling exercise:

- What led to forming the foundation? What internal (personal or family) or external (community or global) problems, issues or concerns led to your philanthropy? What motivated you to become involved?
- What did/do you want to be different in the world because of your foundation's work?
- How will you know if your foundation is having an impact?

SEEK CLARITY ABOUT WHAT YOU HOPE TO ACHIEVE – AND HOW WELL YOU ARE DOING.

An entry point into this discussion is to ask simply: *How are we making a difference?* Everyone involved in your foundation's work may feel good about the grants that are awarded, the meetings convened, and the leaders in the community that are being supported. But, in asking "How are we making a difference?" you can generate more specificity about what that means for board members and staff.

In furthering this conversation with your trustees and staff, some initial questions can help to frame the larger picture:

- How well have we manifested the original intent of our foundation? What does that mean for our continued work?
- What indicators do we have that signal progress is being made on the issues we care about?
- What roles have we carved out for our foundation's particular philanthropy and how does it relate to the larger funding environment?

- What new and different ways can we approach our grantmaking?
- What are our strengths and what areas need more attention?

A small family foundation based in Illinois engaged a consultant to facilitate this discussion among board and staff over a series of dinner work sessions. Using an outside facilitator helped board members gain clarity and achieve consensus around key issues. Having an objective third party also helped to clarify differing perspectives of family members in a manner which led to greater common understanding.

Keep track of what surfaces during these conversations. What patterns and themes do you see? What new information shows up? Where are there similarities and differences? What questions emerge from the discussion? What insights can you draw?

Pay attention to what topics inspire the most energy and excitement, and which are met with less interest. Be patient with one another as you talk about these important issues, and listen as much for what you have in common as you do for the differences of opinion.

Pay attention to what topics inspire the most energy and excitement, and which are met with less interest. Be patient with one another as you talk about these important issues, and listen as much for what you have in common as you do for the differences of opinion. And, if your board is not able to meet face to face, consider using a teleconference or videoconference so everyone can participate in this dialogue.

Recognize that this is the beginning of a conversation that can reap a clarity of purpose which will better guide and improve the foundation's work. Achieving this shared purpose provides other benefits as well. Tom Leedy, President

of The Dekko Foundation, reports that as the foundation more clearly defined the change it sought to affect, the "focus made the work more meaningful to staff" by providing a common understanding and vision for their efforts. He also observed that board members saw the foundation's activities become more organized and better articulated when supported by more information.

SEEK INSPIRATION AND OTHER PERSPECTIVES.

If your board and staff conversations could use a boost, invite a guest speaker to your board meetings. A nonprofit director, civic leader or researcher can inform your understanding of a particular topic and spark a more insightful discussion about how your foundation can best tackle key issues of concern.

Visit with your philanthropic peers to learn about how they have ramped up and focused their efforts in achieving change. This can be done informally, or through referrals and events sponsored by donor organizations and networks.

As you proceed in these practices, know that this is an ongoing process requiring continuous discipline to become more effective change agents. These efforts need to be revisited at regular intervals to ensure you are moving toward your goals, incorporating what you have learned, and taking full advantage of the relationships you are developing. Shape these conversations in ways appropriate to your foundation's style and culture.

The payback from these exploratory conversations is increased internal understanding and learning for your foundation's board and staff. The new information can be applied to redefining problems and re-framing more effective strategies and tactics. The additional focus can also help build new relationships with grantees, peer foundations and others engaged in the work of bringing about change in your community.

As you continue to engage with your external stakeholders in your efforts to create change, consider this next set of strategies:

BE CLEAR WITH YOUR EXTERNAL PARTNERS ABOUT WHAT YOU HOPE TO ACHIEVE.

Use this clarity to improve communication, understanding and engagement among others who have a stake in the key issues you fund. Work with current grantees to better understand what went well with their funded efforts and what didn't. Ask what they learned, and what they might do differently the next time.

Draw community attention to your cause by highlighting successes and lessons learned.

The Baltimore-based Jacob and Hilda Blaustein Foundation regularly invites grant recipients to chat with board and staff about what is different in the community because of the investment made by the foundation. Board members can hear first hand from community partners what is working and how. This give-and-take enhances board understanding of the complex issues facing the foundation and its grantees.

FIND OTHERS WITH COMMON INTERESTS.

Survey your board and staff to determine the network of relationships that can be tapped for collaboration. Map those relationships, and make it regular practice to keep one another informed of new and emerging connections.

Be attentive to relationships and opportunities that might further your foundation's efforts. Form a strategic partnership with another foundation, participate in a funder's collaborative on a shared topic of interest, or coordinate research with another funder or agency.

Keep track of those relational intersections which enhance your collective sphere of influence and link your foundation to a growing variety of potential partners. Include this discussion at your board and staff meetings, or allow time for special briefings to consider how best to leverage these growing connections.

Identify others outside your network who might share your concerns and priorities, such as community opinion leaders, elected officials, grantees, journalists and other philanthropies.

Again, document your findings to share with board and staff, and determine how and when to approach these potential partners.

And don't forget—where are the contrarian voices in the community and what might you learn from talking with them?

The Blaustein Foundation uses site visits to potential grantees as a way to invite and engage other funders. This has improved the quality of the site visits and produced a richer conversation among the potential partners.

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BUILD BRIDGES AND BROKER RELATIONSHIPS.

Communicate your potentially shared concerns as well as what you have in common with old and new partners to create fertile ground for future joint action.

Build an alliance or coalition among key stakeholders to share baseline data on an issue, raise awareness about the issue, or promote potentially successful approaches to a problem.

Bring together leadership from your grantees to leverage the collective influence and knowledge in the community around particular issues.

Visit other funders doing similar work and learn more about their efforts. Through this network of relationships, plan a joint board meeting or lunch gathering where more discussion can occur.

Even with limited or no staff, small and medium-sized foundations can exercise their influence:

As Catalyst:

Host or fund a series of issue briefings working with local colleges and universities, community organizations and other experts to share topical information about important issues.

Organize a town meeting with key funders, decision makers, public officials, faith-based organizations and others around a critical community issue to better understand its complexity, engage support and involvement, and raise awareness.

Seek out strategic levers and critically timed opportunities to encourage action, engagement and collaboration.

The Dekko Foundation pursued such an opening when it helped organize multiple counties in Northeast Indiana to address regional economic development issues. The foundation's presence and significant involvement brought a level of credibility to the endeavor that got people's attention. Participation was further enhanced by the foundation's matching grant program which provided incentive for counties to sign on to the regional effort.

As Convener:

Hold a breakfast or lunch meeting for all of your grantees in a particular field to discuss the successes and challenges they've faced in their work. Ask them to identify ways your foundation and others could help them beyond direct investments. How else might the foundation be of service in resolving key problems facing the community? How can they be of service to each other?

Make introductions around a particular issue or problem between key constituencies—public officials, civic and business leaders, your grantees and other nonprofit organizations. This could be done informally over lunch, or at the foundation's offices to highlight the importance of shared problem solving around the issues you fund.

This kind of convening at the community level is practiced by The Ball Brothers Foundation in Indiana. As a result of its strategic and communications planning, the foundation reached out to local leaders it didn't know well and convened a group of people who didn't know each other very well either. The luncheon conversation was about "quality of life" and involved local and county

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elected officials, the local newspaper editor, higher education leaders, the community foundation, and nonprofit directors.

The dialogue was facilitated by an outside party in cooperation with the foundation's leadership, and was designed to build ownership in the proceedings by the participants. This "quality of life" luncheon and subsequent discussions produced a number of important outcomes: it strengthened existing relationships and created new ones with important civic leaders; it built working relationships among local leaders that hadn't existed before; it created new and substantial foundation projects with new partners; and it brought education issues to the surface as a critical community challenge. The foundation also learned it needed to improve its communication and outreach to the community since some participants had little knowledge of its work. Jud Fisher, Executive Director and COO, summed up the foundation's approach by saying, "(our) responsibility is to 'connect the dots' in the community and to bring people together. In other words, you can't build a park, for example, and not hear from the people who are going to use it!"

As Thought Partner and Disseminator of Information:

Make it a part of each board meeting to invite a grantee to share with your staff and trustees the challenges and successes of their organization's work.

Use your annual report, brochures and website to highlight the effective strategies of your grantees. Tell their stories enhanced with pictures and quotes to bring them to life. If you have limited or no staff, consider enlisting the help of student interns from a local college or university.

Support the collection and analysis of data around the key issues you fund. In partnership with grantees, public agencies, or institutions of higher learning, fund the research and publication of monographs, issue briefings and articles. Share these locally and nationally with key stakeholders, media, public officials, the larger nonprofit sector, and other philanthropies.

Incorporate these approaches, methods and discussions in ways appropriate to how your foundation defines its philanthropic work. Initiate meaningful dialogue among board and staff members to examine more closely what it is you want to change and how you can best make it happen. Build on evolving clarity, reaching out in respectful and authentic ways to your grantees, partners and communities to create a wider, and more powerful, shared understanding and base for

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action. Lara Hall, Program Officer of the Blaustein Foundation, reminds us that “you can't do it alone no matter how big or small you are. There are others out there doing similar work and we are all in this together.”

Inherent in family foundations, regardless of size, are characteristics that can shift the levers for change in our communities. By using the unique position of family foundations through creative grantmaking—and by employing other important tools—your family foundation can engage grantees and the wider community in achieving the change you seek and increase the impact of your grant dollars.

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