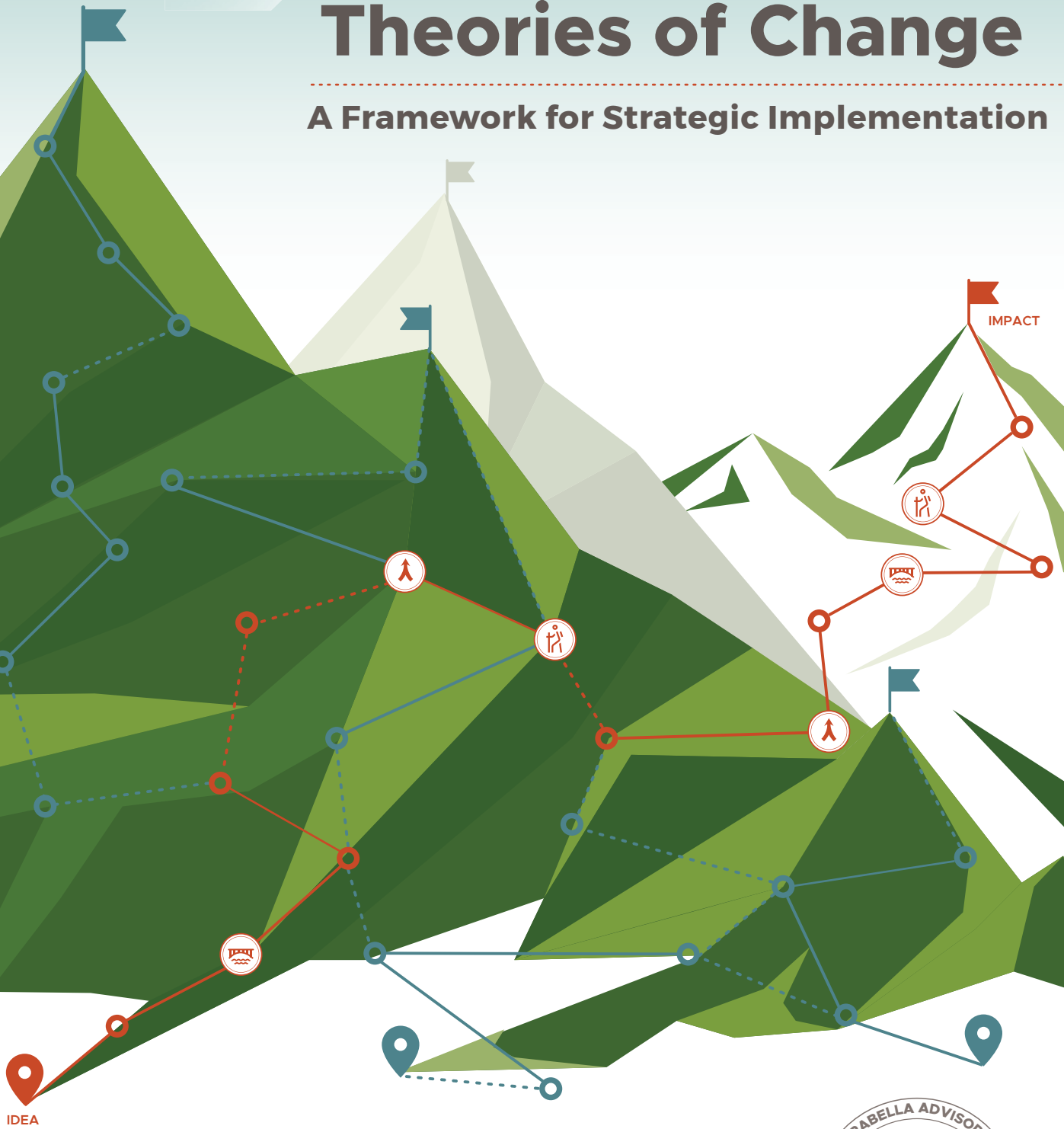
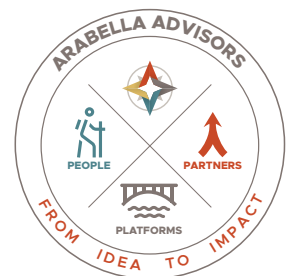


Moving Beyond Theories of Change

A Framework for Strategic Implementation



By Gwen I. Walden



The Context and Complexity of Philanthropy Have Changed Dramatically in the Past 25 Years

By almost any measure you choose, philanthropic giving in the US has grown exponentially in the past 25 years. Whether viewed by total contributions, number of donors, visibility, professionalization, or infrastructure, philanthropy is no longer the hidden, clubby, and ill-defined field it used to be. Indeed, it has now entered the domain of public civic discourse as never before. Every day, there's news of an unprecedentedly large gift or extended media commentary about philanthropy's transformational role in policy-making and politics. Authors of existential books on the ethics of donors using philanthropy to allegedly whitewash ill-gotten fortunes have platforms for their views on TV talk shows, as keynotes at conferences, and on Twitter.

This new awareness of the potential and power of philanthropy brings both opportunities and perils. On the one hand, our field's potential for impact has never been greater. Examples of scalable, demonstrably measurable results may still be too rare, but we understand more about what needs to be in place to make progress. On the other hand, philanthropy has become a target both for partisan attacks and for searing critiques that sometimes go too far,¹ as well as an occasional object of regulatory attention.

Both the potential and the peril arise from a similar set of recent, and dramatic, changes affecting virtually every aspect of American life:

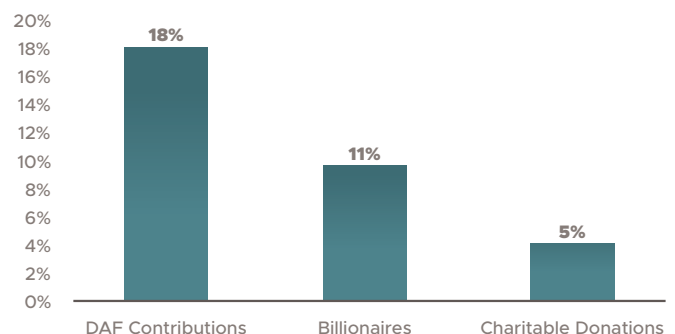
- ❖ *The enormous growth (and grossly unequal distribution) of personal and corporate wealth*
- ❖ *The ascension of the billionaire class in political influence and social status*
- ❖ *The rise of a technocratic ethos that seeks to create new and innovative products while also solving, or claiming to solve, social problems*

❖ *The development of new regulatory and financing tools designed to influence the flow of power, policy, and politics*

In this context, our team at Arabella Advisors has had the privilege of working with a wide range of clients over the past 14 years as they have sought to achieve impact at the local, national, and international levels. Over the course of more than 1,000 projects, working with hundreds of foundations and grantee partners, we have witnessed—and have had to adapt to—the changing nature of philanthropy, its benefactors, and its beneficiaries. We have listened to our clients, their stakeholders, and the communities they serve across the country and around the world. And here's the central insight we have gleaned from them: Transforming ideas into impact requires more than just a theory of how change happens. It also requires a set of integrated, sequenced, and high-quality resources—the investment of significant human, financial, and organizational capacity—deployed over time and buttressed by ongoing learning, recalibration, and continuous improvement.

In other words, theories of change are, at best, just the beginning. They need to be accompanied by actionable plans for embarking on a complex journey that will almost always require adaptation, intelligent course correction, and engaged collaboration with others.

Percent Growth 2012–2017



1: <https://www.philanthropy.com/article/Critiques-of-Philanthropy-Are/246338>

Change Takes More Than a Theory

Long-term, systemic change requires a deep understanding of the complex logistics of impact—of when and how to move the human, financial, and even intellectual resources needed to accomplish the goal. It requires not only a strategy but a well-constructed plan for implementing that strategy, one that anticipates the likely necessity of adapting the implementation plan in response to realities on the ground. Among scenario planners in the military, there's an old saying: Amateurs debate tactics; professionals study logistics. The implication is clear—if you can't get the right people with the right resources to the right places at the right times, it doesn't much matter how good your plan is.

Seem obvious? Unfortunately, it's not. Long experience shows that the all-important journey from vision to action is often given short shrift in our field. Many a time I have received a call from a colleague who says, "We finished our strategic plan. Now we don't know what to do." My first response is, "Before you do, align." That is to say, spend time identifying and optimizing the partners, approaches, and organizational commitments you will need to successfully implement your strategic plan before you go about the task of designing programs, issuing requests for proposals, and hiring new staff members. Deeply informed implementation planning is crucial if you want to find the right pathway from the theoretical to the actual, the optimal to the feasible, and general ideas about impact to the right measures, accountability, and tactics.

Recognizing this insight (and oversight) after long years of trial (and sometimes error!), Arabella has developed a set of implementation tools that we use to help guide our clients on the journey from idea to impact. We use these tools to analyze, align, amplify, and accelerate the various forces that propel philanthropic efforts.

Fourteen years of continuous practice has taught us to think closely about three forces in particular, each of which we label with a *P*: People, Partners, and Platforms. As our philanthropic partners begin to advance their goals, we encourage them to assess each of these forces carefully, considering how they will likely interact in implementation contexts and whether—in different combinations and amounts, and over various time frames—they will work to successfully effect the desired social change outcomes. By identifying (and, where necessary, creating) connections between and among these forces, we help our partners make the journey from idea to impact.



Assessing and Aligning People, Partners, and Platforms

From Strategy to Implementation

At the beginning of the strategy planning phase, when we are asked to facilitate the process of developing the pathways to change for a foundation, we often use a tool known as the “strategic triangle,” developed at the Harvard Kennedy School.²



The strategic triangle enables us to organize the planning process based on three important factors that together triangulate the “sweet spot” where a foundation should locate its impact goals. The target lies where the external environment, the internal capacity, and the mission, vision, and values of the foundation overlap or align. Once the goals, and the strategies to achieve them, are determined, the implementation journey begins.

At this point, we use a complementary set of tools we developed to plot the course for what’s ahead. These tools enable us to foresee the logistical realities of—not to mention the necessities entailed by—preparing for an upcoming journey leading from idea to impact. They ensure there are sufficient supports in place to enable such a journey. They recognize that a journey can follow different paths, depending on real-time developments that can hinder progress or present unanticipated opportunities.

In either case, adjusting course and/or adding additional supports, vehicles, or componentry may be necessary along the way to reach the impact goal. The tools—People, Partners, and Platforms—are the navigational instruments we use to chart the possible pathways on the implementation journey.

Here we turn to our own tools, focusing on the three Ps mentioned above: People, Partners, and Platforms. The first step is an assessment of each of the three Ps (3Ps) and its role in achieving the impact goal. The next step is to explore the possible pathways of connection, as well as potential disconnects, between the 3Ps, bearing in mind that different pathways may cross different types of terrain and/or cause different types of disruption within an existing social-change landscape. Together, these assessments and explorations enable us to discover and begin to build pathways across the landscape. Taking into account the foreseeable logistical realities of the landscape—the terrain through which the journeyers are likely to travel over the duration of the plan—we work to ensure there are sufficient supports and resources available to traverse it.

Scenario planning is an underutilized methodology in philanthropy, and we believe the 3Ps offer a framework for more realistic goal setting as well as more successful implementation.

2: Mark H. Moore, “Managing for Value: Organizational Strategy in For-Profit, Nonprofit, and Governmental Organizations” (Nonprofit and Voluntary Sector Quarterly, 2000), 183.

At the same time, we consider a variety of what-ifs. Scenario planning, using the 3Ps as a guide, recognizes that a journey can follow multiple paths, depending on real-time developments that can hinder progress or present unanticipated opportunities. Adjusting course and/or adding additional supports and resources may be necessary to reach the impact goal.³ Scenario planning is an underutilized methodology in philanthropy, and we believe the 3Ps offer a framework for more realistic goal setting as well as more successful implementation.

When developing implementation plans, we are cognizant both of established best practices and of emerging trends with staying power. Thus, in thinking through the 3Ps, we pay particular attention to what we believe are the most salient elements that need to be assessed and aligned when preparing for an implementation journey. Under each of the Ps, we consider the following elements:

◆ People

*DEI: Relationships and Experiences
Visionaries, Managers, and Makers*

◆ Partners

*Donor Collaboration
Intermediaries*

◆ Platforms

*New Legal and Organizational Structures
Integrated Approaches*



³ We have also found that thinking deeply about the 3Ps can help foundations develop better risk/benefit analyses of their particular social-change projects, especially when used in combination with ongoing assessment and learning tools. Developing an evaluation and learning plan that enables ongoing assessment, quality control, course corrections, and risk management is outside the scope of this paper, but we will discuss this topic in subsequent articles.



People

Stripped to its core, social change is about people. We may talk in the abstract about theories and plans, but it is people who make things happen, as well as to whom things happen. Concepts like radical empathy, love, proximity, and equity help to describe and define the relationships between and among people. They are becoming the currency of philanthropic practice and have become central to our understanding of people as the most important of our implementation forces. All too often, our sector has underinvested in people, who provide both the means and the motive for social-change efforts. And all too often, social-change efforts have failed precisely because of such neglect.

Successfully advancing a social-change effort requires carefully considering and constructively working with people at every point on the journey—from people within your own foundation to people with whom you collaborate and from service providers and platform managers to grantees, stakeholders, influencers, and beneficiaries. It therefore requires a wide range of people-management skills and capacities: facilitation, convening, collaboration, communication, and more. Given the broad range of needs at play here, we encourage our partners to focus on people through two important lenses: the diversity, equity, and inclusion (DEI) lens and the visionaries, managers, and makers lens. We find that employing these two lenses opens up thinking and ultimately increases focus.

DEI: Relationships and Experiences

At this point, philanthropy should accept as a truism that many of its best-laid theories of change have been undermined by persistent occupational hazards, such as top-down-ness, elitism, and ignorance of how change happens within a particular community or context. We should also accept that philanthropic efforts have frequently, in practice or effect, perpetuated and extended inequitable power structures that they should

have sought to undo—both to serve broader societal goals and to achieve the narrower goals the effort set out to effect.

It's against this backdrop that we consider tactics and techniques designed to advance DEI as one of the most important resources for advancing effective philanthropy today. Successful implementation inherently incorporates the values of a DEI approach. Among these are considering historic, systemic, and institutionalized patterns of discrimination and oppression; incorporating the beneficiaries or targets of your interventions into the strategy-making process; and being proximate⁴ to the community of interest.

At this point, philanthropy should accept as a truism that many of its best-laid theories of change have been undermined by persistent occupational hazards, such as top-down-ness, elitism, and ignorance of how change happens within a particular community or context.

Even if and when driving outcomes related to DEI is not central to the work at hand, affirmatively addressing questions about DEI related to both the substance and the process of that work will nearly always strengthen it—for example, by surfacing possible alternative perspectives, potential blind spots, and opportunities for proactive engagement.

4: <https://ejl.org/just-mercy>

Applying a DEI framework is a good, and a necessary, first step. But building relationships with actual people is even better. We also encourage foundations to develop radical empathy for the residents they wish to help by spending time with them in their communities, learning from frontline organizations, and trusting the solutions arising from the residents themselves, even if they are not the subject of third-party evaluations or randomized control trials.

Typically, when our clients come to us, they have already formed an opinion, belief, or understanding of how to achieve the strategic goals they have identified. In the main, this set of assumptions is based on experience and evidence born from engaging on issues with knowledgeable partners. But our experience tells us that using a DEI framework, buttressed by relationship building, to interrogate these formed mind-sets almost always results in a stronger strategic vision. It may take longer, and require donors, board members, and staff members to stretch beyond their comfort zones. But the results are more palpable, longer lasting, and emotionally engaging for all parties to the relationship. We have recently worked with multiple funders to increase the effectiveness of their grant making by eliminating barriers that were unnecessary and often implicitly biased. While this work is not without challenges, early indicators from our clients and the communities they support indicate that it is advancing shared goals and empowering change.⁵

Visionaries, Managers, and Makers

As in the corporate and public sectors, the nonprofit sector relies on multiple actors to propel change and growth. Each role is essential to successful implementation, and all must work together to achieve an optimal outcome. We identify three broad roles for the various types of necessary actors on the journey from idea to impact: visionaries, managers, and makers. Vision-

aries are the executives, board members, and/or community advocates and organizers who provide the vision, voice, and inspiration that fuel the social change over sustained periods of time. Managers are the skilled planners who determine and control the resources required to act. Makers are the people who make the change: They are doers who take the actions required, make decisions on the ground, and respond in real time to people and circumstances.

Public policy and systems change are often driven by nonprofit visionaries, managers, and makers whose efforts lead to scalable solutions to deeply embedded social problems. They have the frontline view of both the root causes of problems in communities and of the most effective solutions emerging from those communities. They are skilled at adapting solutions to meet the needs of different communities. They are proximate. In short, they are strategic, nimble, and fore-sighted, often acting as bellwethers of larger, societal forces influencing the future of our communities.



5: <https://www.arabellaadvisors.com/company/diversity-equity-inclusion/checklist-recommendations-to-incorporate-dei-in-grant-making-practice/>



Partners

The timeworn go-it-alone instinct in philanthropy is, unfortunately, still very much in evidence. Even new philanthropists emerging from the tech, venture capital, and IPO cultures often find their own visions most compelling and don't want to dilute their disruptive ideas by having to be in consultation with others. However, many in philanthropy have learned that to transform large, entrenched systems, you must collaborate within, across, and between the for-profit, nonprofit, and public sectors. And even those who choose to operate more independently of others are nearly always doomed to frustration if they fail to recognize and integrate into their own thinking the work of other organizations in the fields where they engage.

Every philanthropic field includes a wide variety of organizations, programs, and partnerships that work—sometimes collectively, sometimes not—toward social-impact goals. Likewise, every such field includes a wide range of organizations that are connected to or potentially affected by the impact goals pursued. Failing to understand the work of these stakeholders—and to choose among them the right set of partners with which to align and/or collaborate—is almost as harmful to philanthropic impact as is failing to center the people who always move it forward.

With this in mind, we encourage a focus on partners as driving forces on the journey from idea to impact. In many cases, the most important partners are grantees with which a foundation or other funder works. A great deal of valuable research and advice has been generated in the past decade on how funders can work most effectively to support grantees, notably by organizations including the Center for Effective Philanthropy, Grantmakers for Effective Organizations, the Open Road Alliance, the Foundation Center, and others. The good advice here includes themes similar to the ones covered in the Peo-

ple section, above: engaging with humility and a willingness to listen and learn, building relationships of trust in which frank two-way communication is possible, and working intentionally to correct for deeply entrenched power imbalances. It also includes themes that are specific to the grantor-grantee relationship (which I have also written about elsewhere).⁶ These themes include the need to think about (and fund) organizational capacity and not just immediate programmatic impact, the need to engage for the long term (and, when necessary, to disengage responsibly), and so on. It has been our privilege to engage with leading thinkers and partners on these topics over the years, and we benefit from their work as we help our clients navigate relationships with their grantee partners.

In addition, we pay particular attention to the potential power in working with two other types of partners: fellow donors and intermediaries.

Donor Collaboration

Achieving impact⁷ necessitates an honest assessment of the resources needed to facilitate change. These include both financial and human costs. Often, however, these costs transcend the capacity of a single individual or organization. Achieving impact requires collaboration. In recent years, foundations and donors have increasingly recognized that they need to work more closely together where their interests and goals align. The proliferation over the past decades of philanthropic interest groups, like those mentioned above, as well as affinity groups like Funders for LGBTQ Issues and Funders for Housing Opportunity, attests to this trend. Pooling and aligning resources are features of this type of collaboration. Jointly sponsored convenings and shared reporting and evaluation are others.

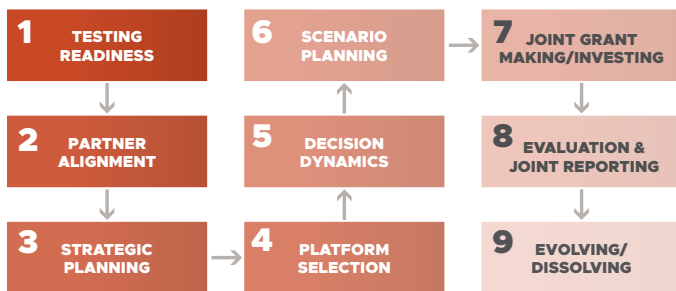
Regardless of the nature of the collaboration, we now understand that facilitation of the collabo-

6: <https://onlinelibrary.wiley.com/doi/abs/10.1002/pf.70>

7: *Defining impact is a critical part of the strategic-planning process, and the one least understood by most planners. Most of our clients present their impact goals in a systems change context, where it is vital to parse the short-, medium-, and long-term measures of progress toward an ultimate goal. It is also necessary to understand the differentiation between contribution and attribution of the philanthropic partners in achieving that goal.*

ration itself is a success factor in achieving the stated goal(s). Leveraging dollars, knowledge, and networks requires thoughtful planning but often gets too little attention in the collaborative process. This may stem from a laudable desire to focus resources on grantees, but experience tells us that it can undermine the success of the project. When I discussed this piece with a colleague who has helped set up and manage more than a dozen donor collaboratives over the past three years, she noted that “implementation is hard even when you work alone; collaborative implementation is even harder. It can get you a lot farther than going alone, but you have to invest the time, effort, and resources to do it right.”⁸

Donor Collaborative Roadmap



Intermediaries

Alongside the rapid growth in donor collaboration has been the increasing use of intermediary organizations. For decades, fiscal sponsors were underutilized in the world of charitable organizations. Both grant makers and grant seekers, fiscal sponsors acted like other grant-making public charities, but often without the same programmatic focus and usually confined to a geographic area. They were (and sometimes still are) seen as a one-trick pony offering incubation services to newly forming projects.

However, the same forces driving the broader trends in philanthropy have rapidly transformed these intermediaries into primary partners of donors and foundations. For instance, the New Venture Fund, which Arabella Advisors initially

helped to incubate to support large foundations seeking to develop and implement grant-making initiatives beyond their own staff capacity, has also become a primary partner of dozens of donor collaboratives, advocacy campaigns, and new initiatives led by social entrepreneurs. Needing infrastructure—finance, human resources, subgranting capacity, project-management tools, and compliance monitoring—donors have seen the efficacy of intermediaries as turnkey implementation partners. In addition, intermediaries offer flexibility at varying stages in the lifecycle of a social change project. Their ability to expand or contract capacity given the project’s needs affords efficiencies unavailable to stand-alone 501(c)(3)s with fixed costs.

For these reasons, the growth and complexity of these intermediaries have mirrored that of foundations generally. Beyond a geographic focus, the field is now quite differentiated as new fiscal sponsors have emerged and existing nonprofits have developed additional infrastructure to meet the needs of donors interested in these types of partners. Other intermediaries, such as donor advised funds (DAFs) and multiple family offices, offer yet more ways for donors to engage in philanthropy with ease.

The value proposition offered by intermediaries is now broadly recognized. This is evidenced by the growth and differentiation of the field, as well as the critiques of the aggregation of philanthropic capital in anonymized vehicles. Engaging via intermediary partners is not without risks and challenges. For example, new efforts to legislatively regulate DAFs are on the horizon, portending one of the perils associated with the power of new philanthropic actors. That said, failure to consider the possible pathways to impact that working with innovative intermediaries can open up unnecessarily limits flexibility and adaptability in achieving impact goals. We encourage all funders to explore such pathways carefully.

⁸ <https://www.arabellaadvisors.com/blog/four-features-of-effective-donor-collaboratives/>

CASE IN POINT

How Philosophy Uses an Intermediary Partner to Support Women’s Mental Health and Well-Being



IDEA

Deliver resources to the “unsung heroes” of the mental health field—community-based organizations focusing on women’s mental health—while aligning with company objectives.

PEOPLE, PARTNERS, PLATFORMS

Philosophy, Inc., the global beauty brand, was interested in creating a charitable program that would align with its emphasis on women’s health and well-being. The company decided it wanted to give grants to community-based organizations focusing on women’s mental health—or, as it saw them, the “unsung heroes” of the mental health field.

After engaging deeply to understand Philosophy’s unique goals and needs, we developed a customized roadmap for moving them from idea to impact. Working closely with our client partners, we developed the Hope & Grace Initiative, a project hosted at New Venture Fund (NVF), a nonprofit intermediary that specializes in launching and accelerating innovative social-impact projects.

Through this unique partnership, Philosophy pays one percent of product sales into a fund hosted by NVF. Meanwhile, an Arabella Advisors research team helps to identify community-based organizations focused on women’s mental health that can put those funds to work strategically. NVF then makes grants from the Hope & Grace Initiative with guidance from an expert advisory board—efficiently, effectively, and compliantly moving money to frontline grantee partners who support some of the groups and people most vulnerable to mental health challenges.

IMPACT

With NVF’s and Arabella’s guidance, the Hope & Grace Initiative has been able to support multiple often-neglected populations, helping to preserve and protect women’s mental health in affected communities across the country.

Failure to consider the possible pathways to impact that working with innovative intermediary partners can open up unnecessarily limits potential flexibility and adaptability in achieving impact goals.



Platforms

The traditional and most familiar model for creating philanthropic impact unfolds along a fairly simple pathway: A grant maker (typically a private foundation) makes a grant to a grantee (typically an established nonprofit organization) to support a program that engages with a group of people (the intended subjects, beneficiaries, or end users of the effort). Using the 3Ps, a platform (the private foundation) engages with a partner (the nonprofit organization) to support a group of people.

This pathway is and will continue to be crucial to many types of philanthropic efforts. These days, however, this pathway is far from the only one, and philanthropy is no longer limited to the platforms, partners, and people this pathway envisions and entails.

On the contrary, the past decade has demonstrated how a variety of legal and organizational structures—including limited liability companies (LLCs), 501(c)(4) social welfare organizations, and impact investing funds—can be employed to achieve social impact.

We think of such organizational structures as platforms, which may open up new potential pathways from idea to impact and which also may work with and through different partners and people.

The past decade has demonstrated how a variety of legal and organizational structures...can be employed to achieve social impact.

New Uses for Legal and Organizational Structures

Innovation in the types of entities being used to accelerate impact in the social sector has dramatically expanded philanthropy's potential for achieving its goals. Here is where the new techno-philanthropists have perhaps disrupted the hidebound foundation structure the most. Flouting the legal and cultural rigidity of traditional private and operating foundations, newly formed LLCs are the most visible of these innovations, providing donors with greater levels of control and flexibility in the deployment of their philanthropic resources. The Chan Zuckerberg Initiative is certainly the most visible and largest of these entities directed at social change. But there are many more, lesser-known ones. Some exist alongside a traditional foundation in the family philanthropy space where multiple platforms may be housed within a single family office. In these cases, part of the implementation assessment and alignment process is determining which of the entities is best suited to achieving a particular impact goal and/or how the entities can be used in tandem to achieve the same or multiple goals.

Likewise, as donors are increasingly promoting the power of advocacy tools to attain impact, they are using 501(c)(4)s to promote policy change. Working side by side with advocates, policymakers, and researchers, we now know more than ever about the need for these tools to make long-term, sustainable systems change. Thus, individual donors themselves have become savvier about the legal restrictions related to all aspects of their giving, charitable and political, and how to use different entities to ensure they do not run afoul of the law. Institutional foundations too have become more knowledgeable about the role of advocacy in achieving their strategic goals. Indeed, some new foundations are exploring whether to incorporate as (c)(4)s for this very reason. For example, the Group

Health Foundation in the state of Washington, a new conversion foundation, elected to incorporate as a (c)(4) to preserve maximum flexibility around its activities. Also, Bill and Melinda Gates just announced their intention to establish a (c)(4) in recognition of the need to engage in advocacy to achieve systems-level change.

The rise of impact investing is becoming a leading indicator of where market failure meets the activation of capital in the social sector. For years, impact investing was a niche market existing on the margins of wealth management. But again, broader socioeconomic trends that are changing so much about philanthropy generally are arguably on the cusp of also changing impact investing. Impact investors are rapidly capitalizing new funds with hybrid financial and social returns aimed at foundations eagerly seeking to put more of their endowment capital to work on behalf of social issues. Traditional wealth-management firms, investment banks, and venture capitalists are scrambling to add impact opportunities to their offerings as well.

The bulk of the really difficult work isn't about getting the idea approved or the theory of change accepted. ... The really difficult work comes in figuring out how to get a nine-figure philanthropic endeavor off the ground.

All three of these platforms—LLCs, 501(c)(4)s, and impact investing—enjoy the favor of younger generations of wealth creators and inheritors who are platform agnostic. In other words, they care less about the prestige and legacy-making qualities that a traditional foundation offers than about finding the platform best suited to the outcome they are seeking from their philanthropic and financial investments. Some may argue that these platforms impose too much of a business paradigm onto organizations that have already demonstrated they are subject to market failure (and, therefore, are nonprofit by their very nature). But many others, especially millennials, see the opposite effect: repurposing these platforms for social progress by overlaying a moral compass on predominantly profit-seeking entities.

Integrating Approaches

As for philanthropic consultants like us, we have had to adapt our own practice to account for the innovation that the use of the new structures has spurred. The New Venture Fund, and the other fiscal intermediaries Arabella has helped incubate (Windward Fund and Hopewell Fund) are expressions of this innovation in that we created them as the need for these platforms exploded in the field. Windward, focused on conservation and environmental projects, has grown steadily as philanthropy increasingly recognizes the need to reach beyond traditional areas of concern, like land conservation, to include new ones, like climate and environmental justice. Likewise, Hopewell welcomes social entrepreneurs seeking to test out new ideas and donors ready to support such innovative ventures. We also helped to incubate the Sixteen Thirty Fund, a 501(c)(4) social welfare organization, which provides additional tools for strategies incorporating advocacy.

These platforms offer us the ability to enable donors and foundations to assess the impact goal in the context of the best vehicles for achieving the desired outcome. In other words, we are no

longer bound to devising a grant-making initiative where, say, creating a new LLC might be more aligned with the strategy. Or we can use the fiscal intermediary platform to combine these approaches in a way designed to achieve one, integrated goal. Grant making, launching an LLC, and doing impact investing simultaneously, for example, requires both the knowledge of the uses of these approaches and the know-how to combine them in a legally compliant manner and with a clear view of their ongoing operational needs.

Fueled by the impetus to take on systems-change goals, the growth of interest in “Big Bets” among donors demonstrates the need for platforms that seamlessly integrate these vehicles. Big bets are characterized by the aggregation of large pools of capital and expansive visions of transformational change. Our experience tells us that it is necessary to also understand that successful implementation of big bets usually requires big builds too. The bulk of the really difficult work isn’t about getting the idea approved or the theory of change accepted—difficult as that can be when you have multiple VIP stake-

holders around a table. The really difficult work comes in figuring out how to get a large, perhaps nine-figure, philanthropic endeavor off the ground—then in doing all that work. This takes a different-in-kind capacity. And, often, it’s one that integrates numerous vehicles—grant making, impact investing, creating new entities—in a mash-up aligned to achieving the impact goals.

Integrating (c)(3) and (c)(4) approaches in a legal and compliant manner is another implementation challenge, but one well worth considering when working across sectors, pursuing public/private partnerships, and combining organizational and individual charitable vehicles. As with Big Bets/Big Builds, advocacy philanthropy benefits from working with intermediary platforms that have developed the capacity to implement across different types of partners and approaches. It is common now for traditional (c)(3)s to launch separate (c)(4)s designed to combine approaches to achieving their mission. Latino Victory, for example, is the umbrella for three entities (Latino Victory Fund, Latino Victory Project, and Latino Victory Foundation) that together seek to lift up Latino voices in the democratic process.

CASE IN POINT

How the Forsythia Foundation Uses Multiple Platforms to Empower Green Chemistry

IDEA

Achieve outsized impact by advancing green chemistry and environmental health through “total portfolio activation.”

IMPLEMENTATION

Founded in 2010 by Alison Carlson, with support from a team at Arabella Advisors, the Forsythia Foundation uses multiple platforms to engage with and sustain a variety of partners and people, all of whom share the goal of advancing green chemistry and environmental health. To advance toward its impact goal, the foundation seeks to “deploy our capital in all forms—grants, corpus investments, intellectual capital, and staff engagement—to promote a healthier population and planet by reducing harmful chemicals in our everyday lives.” It not only engages in grant-making activities, it also makes mission-aligned investments that support and advance green chemistry and that have the potential to “demonstrably improve a sector or product that poses significant health risk and/or environmental harms.”

Recognizing a critical gap in the field, the foundation has also gone a step further, investing in a unique platform for engagement with the commercial world: Safer Made, an early-stage venture capital fund dedicated to advancing innovation and commercialization of technologies, products, and processes that are healthier for people and the natural world.

By working through multiple platforms, the Forsythia Foundation is able to engage with and support a wider range of people and partners than grant making alone would allow. In its own words, “We work with corporate investors and community leaders alike” and are “dedicated to pragmatic problem solving that blends the best of science with the forces of supply and demand.”

IMPACT

By drawing together leading scientists, business innovators, advocates, and nonprofit partners, the foundation is helping to propel the growing field of green chemistry. Ultimately, beneficiaries of its efforts will include every child, woman, and man on the planet, as toxic chemicals in our supply chains and environments are increasingly replaced with greener alternatives.



A Note About Process: Bringing It All Together

Aligning the 3Ps and connecting them in ways that unleash and potentially amplify the power of these implementation forces is complicated. It requires organizational commitment to the journey at every level and the allocation of resources—human and financial—to sustain it. Singly and as a group, the 3Ps—People, Partners, and Platforms—have implications for the foundation as a whole. DEI, for instance, will have to account for both internal changes to the foundation, like its recruitment, retention, and cultural practices, as well as external ones, like its community outreach and grant-making norms. Integrating approaches, such as combining grant making with impact investing, will require foundation staff members to understand return on investment (ROI) from both a financial and a social point of view.

As a result, this is when disciplines outside the program department, especially in mid- or large-size organizations, should be called upon to contribute to the plan. Human resources, communications, grants management, finance, and legal expertise may all be needed to understand the changes required for implementation. Indeed, the best way to undermine the success of a strategic plan is to implement the new plan with an outdated or unaligned organization. You need an organization that is designed to implement the plan you are launching, not the one you've just completed (or never had). Form should follow function.

By recruiting staff members from throughout the foundation to contribute to the process, you are tapping into critically needed knowledge and skills. As important, you are also creating a space for non-program staff members to gain greater understanding of the strategic goals of the foundation and to feel a connection to the mission that is sometimes hard to instill in these staff members. The traditional chasm that exists between the program department and what

have often been seen as support departments creates a power dynamic inside the organization that can hinder effective implementation. A process designed to include everyone, applying their backgrounds and experiences where they can most influence the process, is both good DEI practice and good management.

“Too much process” is a criticism frequently leveled at foundations by staff members and grantees alike. It can seem as if there is a lack of urgency on the part of foundations that don't have a bottom line, shareholders, or consumers scrutinizing them consistently. However, the relatively recent board attention paid to impact, along with the growing recognition of the role learning and evaluation can play in establishing metrics, has changed the mind-set in philanthropy. There now exists a common call for greater accountability to outcomes and a culture within the field to amplify those voices demanding it. Yet sometimes it can seem like greater accountability has just added more process!

This is a conundrum that we think can best be addressed by developing an evaluation framework as a companion to the strategic plan. If the strategic plan is done well, the evaluation framework should emerge fluidly from it. The strategic plan's outcomes ought to be expressed as measurable (quantitatively and/or qualitatively) so that an evaluation framework can identify the appropriate metrics to be collected at timely and appropriate intervals. Frequently, however, the evaluation framework is left for a later date. Usually too tired or overwhelmed by the strategic-planning process itself, board and staff members want to stop thinking and start doing. Grantees and other partners grow impatient with the lack of clarity or uncertainty about where the foundation is headed. As a result, at some point during the implementation, the need for an evaluation framework arises urgently so that the foundation can tell its story of impact.



A learning agenda should be embedded into the evaluation framework. It provides the intelligence and insights needed to course-correct during the duration of the plan. An effective process will allow the staff members to iterate their plans based on the lessons they learn when activities and events on the ground stress-test their initial assumptions. It will also incorporate a feedback loop that enables grantees and other partners and stakeholders to benefit from what the foundation has gleaned.

Due to the complexity of the implementation journey itself, the process should apply all the organizational-development and change-management tools appropriate to the circumstances. These tools are distinct from program-planning and design tools. They may include technology, project management, and human resources methodologies unknown to the program planners. Thus, while the program team is central to implementation, many times we recommend the convening of cross-disciplinary working groups to explore the implementation options and make recommendations to the senior team responsible for decision making.

Conclusion

Many well-resourced and strategic philanthropic initiatives have been launched out of the program planning phase only to stumble through the implementation phase. Making the journey from idea to impact involves an additional phase in which the donor(s) or foundation(s) assess the implementation forces needed to propel the journey forward. The 3Ps offer a framework for determining the relationships between people, partners, and platforms that set the course for successfully reaching the destination.



About the Author



Gwen Walden has more than 25 years of leadership experience in the nonprofit sector. She is currently a senior managing director in Arabella Advisors' San Francisco office, where she leads the firm's West Coast practice. She is also one of only three outside directors of the Surdna Foundation and serves on the boards of the East Bay Community Foundation and the Breast Cancer Fund. She previously held executive leadership assignments at the J. Paul Getty Trust and the California Endowment.

Gwen has received national recognition for her numerous articles on current issues in philanthropy. She has written for the Chronicle of Philanthropy, Foundation Review, Foundation News & Commentary, and Non-profit & Voluntary Sector Quarterly, as well as in special editions of the annual State of Philanthropy and New Directions for Philanthropic Fundraising.

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About Arabella Advisors

Wherever you are on your philanthropic journey, Arabella offers advisors who understand the problem you seek to solve and the complex network of people, institutions, and investment vehicles that can help you address it. Whether you want to launch a global movement, more effectively manage your existing work, better understand your outcomes, or amplify them with Arabella's advocacy, impact investing, and donor partnership platforms, we can guide you forward.

Your philanthropic investments are too important, and the need too great, to get bogged down. So let's get there faster. Let's get there smarter. Let's go from idea to impact.




From **Idea**
to **Impact**



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**Questions? Thoughts?
Additional ideas on creating philanthropic impact?**

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