

# How to Change Behavior in Philanthropy

## Factors and Barriers that Influence Foundation Practices

By Spence Limbocker

Social justice philanthropy has been hit especially hard by the economic crisis: grantmakers that fund a range of issue such as civil rights, poverty alleviation and environmental justice saw their assets diminish, and their giving levels have gone down along with it. According to a study by Sara K. Gould, social justice grantmaking will remain below 2008 levels until 2015 unless the field sees an infusion of new philanthropic dollars.<sup>1</sup>

But what makes a foundation decide to fund the kinds of strategies utilized by groups that work on social justice – strategies such as grassroots advocacy and community organizing? What are the barriers encountered in supporting these activities?

Below are lessons from a series of interviews with 17 small- to mid-sized family foundations on supporting grassroots advocacy and community organizing. The interviews were part of a study commissioned by The Needmor Fund in Toledo, Ohio, which has a long history of working with other foundations to help them both understand and support policy and civic engagement as effective strategies for change.

### FACTORS THAT LED TO CHANGE

#### Internal leadership on the board and staff

The most important factor was the importance of having the right individual in a leadership and decision-making position inside the foundation who wanted to change the foundation's

funding strategy. Particularly critical in family foundations was having a strong family member interested in changing the foundation's direction and willing to lead the change. In a couple of cases, a top staff person (such as an executive director or president) led the change effort. These individuals had knowledge of and understood community organizing; most importantly, they were trusted by the board. They also had strong advocates for change inside the board.

The individual leading the change effort was not always a supporter of community organizing, but in general, he or she was unhappy with the present funding strategy, was open to change and had a passion for social justice. This openness offered an opportunity to look at different funding strategies, including community organizing.

In non-family foundations, it was more likely that the executive director or president led this change effort but he or she needed to have allies on the board. This happened most often in connection with the hiring of a new executive director or president.

#### Impact and outcomes

The second most important factor involved dissatisfaction with the impact of and outcomes from the current funding strategy. A foundation looking to achieve a larger impact than its present strategy is providing is a strong candidate to develop a grantmaking approach that includes community organizing.

Among family foundations, and with individual donors, the "mission" of the

foundation, the self-interest and history of the donor, and what the donor wanted to accomplish were key factors in determining funding priorities. In many cases, simply having these conversations with a foundation board or leadership offered an opportunity to open up a discussion about including organizing as part of the overall strategy.

Many of those interviewed stated that to be most effective, foundations need a long-term strategic approach to their funding, and many do not. They think that more foundations need to understand that there is no "silver bullet" to solving the issues they care about and that change takes time. Foundations are most open to change when key decision-makers inside the foundation begin to ask questions about impact, outcomes and being more strategic in their funding strategies.

#### Role of individuals outside the foundation

In all cases, the most important players in influencing change came from within the foundation. In some cases, outside individuals who had a long-term or trusted relationship with key decision-makers also played important roles. Individuals who brought specific knowledge and expertise fulfilled a supportive role in the change discussions.

The "outsiders" had some common characteristics: they were able to listen as much as they were able to give advice to key foundation leaders. They understood and spoke to the needs

and interests of the foundation in a language that the board members understood and were comfortable with. However, it also was clear that someone from the outside can only play a catalytic role if there is a key decision-maker inside the foundation willing to lead the change effort.

### Ability to step outside their comfort zone and take risks

Another key factor to change was the openness of key foundation decision-makers to take risks and step outside of their comfort zone. This was particularly the case when they were willing to interact with and listen to people in communities where they wanted their funding to have an impact. Many interviewees spoke about the power of going into the community and meeting community leaders, and how the site visit influenced the way board members viewed the issues the foundation cared about. The most successful cases were those in which effective community organizing groups and skilled organizers were able to successfully conduct these site visits. In some cases, this was a role that another funder helped broker and organize. It also was important to have someone whom the foundation leader trusted to interpret what was experienced in the visit and talk about community organizing in a way that the funders could understand.

### BARRIERS TO CHANGE

**Communicating about the work:** Many foundation leaders and potential donors don't understand – and in many cases were put off by – community organizing vernacular, such as “power,” “control,” “demand,” “direct action,” “confrontation” and “conflict.” Also, in many cases, talking about race and class is uncomfortable for funders. Unfortunately, many progressive grant-makers and community organizers do

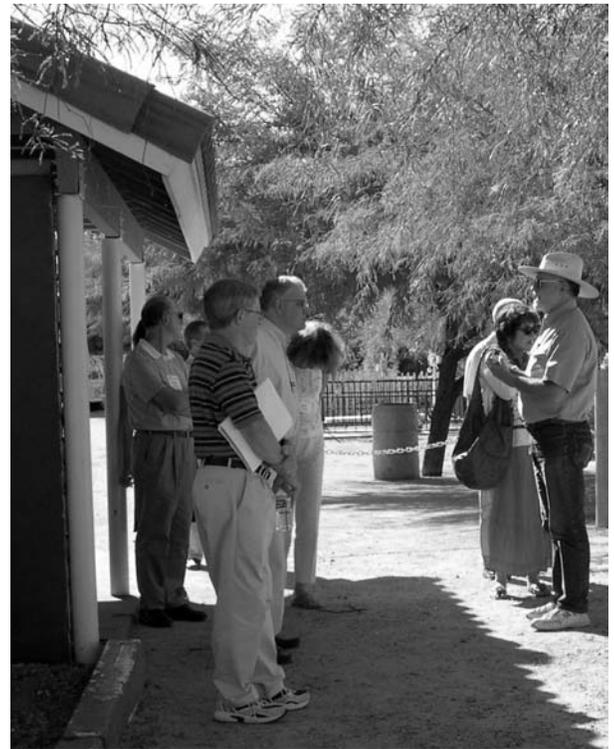
not take these factors into account when talking about their work.

Many community organizers and leaders don't know how to talk about their work in a way that relates to most funders. Many talk about organizing as a process and most funders don't fund process – they fund issues. Funders don't want to understand process – they want to see outcomes and impact on issues that they care about. The purpose of community organizing is not clear to many in philanthropy and they will not support what they don't understand.

One foundation leader interviewed told me that when she started to talk about organizing as engagement of people in solving their own problems, there was a major shift in the board's understanding of organizing. Everyone on the board could agree that people had a right and responsibility to take control of their own lives and to be engaged in solving issues that affected them.

My findings for the importance of communicating about the work are similar to those of Marjorie Fine in her 2009 work “Untapped.”<sup>2</sup>

**Fear:** People spoke about several types of fear. They mentioned the fear of tactics used by groups and fear of being embarrassed in front of their peers. There also was the fear of change and the fear of government regulation and losing their IRS status. One person interviewed actually talked about a conservative philanthropic watchdog group in their state that was feared by many of their board members.



Foundation leaders meeting with community group outside of Phoenix, Ariz. Photo by Spence Limbocker.

### Lack of relationships with low-income people:

Funders often are unable to imagine that low-income people might be able to define solutions to issues. Many foundation leaders and major donors simply don't have personal experiences with low-income individuals or communities; what they don't know or understand they won't support. All people have prejudices and fears of what they don't know or understand. Since these fears and prejudices are brought into the funding decisions of foundations, we need to find ways to overcome them.

### SUGGESTIONS ON HOW BEST TO OVERCOME THESE BARRIERS

Several of the people interviewed suggested ways to overcome barriers that could help both organizers and those in philanthropy who want to help other funders understand and support community organizing:

- **Listen and communicate effectively.** Community organizers and funders

## New and Renewing Members

Advancing Compassion Project

Clowes Fund, Inc.

Community West Foundation

Dalia Association

Dyson Foundation

Eisner LLP

F. B. Heron Foundation

Ford Foundation

Hispanics in Philanthropy

James Irvine Foundation

Maine Initiatives

My Gift, My Choice

National Institute on Money in  
State Politics

Northwest Area Foundation

Public Welfare Foundation

Southern California Grantmakers

Southern Coalition for Social  
Justice

Swift River Consulting

Unitarian Universalist VEATCH  
Program at Shelter Rock

W. K. Kellogg Foundation

William and Flora Hewlett  
Foundation

who want to influence foundations need to listen to what those foundation leaders are saying, what language they use, what they feel is important and to use language that they are comfortable with.

- **Know who you're trying to influence.** Be aware of the foundations' self-interest and what it wants to accomplish in its grantmaking. This goes beyond the guidelines that foundations publish. To influence a foundation leader, an organizer or funder must also be aware of his or her personal story and what motivates his or her philanthropic work.
- **Make good use of site visits.** Over and over again, those interviewed mentioned the power of firsthand face-to-face interactions with community organizing groups and leaders. This was particularly true when another foundation that already supports organizing can effectively interpret the experience, or if the visits are done with an experienced community organizer who can successfully talk about his or her work in a way that foundations can connect with and understand.
- **Let new funders test the waters.** Look for opportunities in which the foundation does not have to take many risks. Find opportunities where a foundation can invest in community organizing either through a collaborative effort with another foundation or where they can just dip their toe in the water with a small grant. One of the interviewees stated that they were able to get another grantmaker that they had a long-term relationship with to provide a small grant to a community organizing group that their foundation was supporting.
- Several of those interviewed stated that **they did not want to be told by others what to support.** The most effective strategy was to respect their work and help them to understand how they can be more strategic in

their funding to achieve their mission and goals.

- **Help foundations understand that problems are very complex and often require multiple strategies.** It is all right to fund direct service and organizing at the same time.
- **Help organizers and leaders to be better advocates for their work.** Help them understand the power of their stories and assist them in developing more effective language to describe their work. NCRP's publication "Seizing the Moment" is a helpful guide for community organizers in reaching out to new donors to support their work.

Millions of people from underserved communities are relying on the numerous local nonprofits in this time of great need. For philanthropy to continue to be relevant in today's society and meet this challenge head on, foundations and organizers need to be better advocates and ambassadors for those strategies that empower people and communities so they are part of solutions to problems affecting them. ■

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## Notes

1. Sarah Gould, *Diminishing Dollars: The Impact of the 2008 Financial Crisis on the Field of Social Justice Philanthropy* (New York: Foundation Center, November 2011).
2. Joan Minieri, *Untapped: How Community Organizers Can Develop and Deepen Relationships with Major Donors and Raise Big Money* (New York: Linchpin Campaign and Center for Community Change, 2009).