Effective Place-Based Philanthropy:

The Role and Practices of a National Funder

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PREFACE

Democracy Fund believes that strong local news and a vibrant public square are critical to a healthy democracy. Today, local news is struggling in communities across America. Newsrooms, facing dwindling advertising revenue and diminishing trust, have been forced to shrink, or in many places, disappear altogether. While there are bold experiments to rebuild newsroom capacity in some regions, these experiments are unevenly distributed and precarious. The Democracy Fund local news strategy is focused on creating a more connected, collaborative, and sustainable future for public-interest journalism.

Because local news must be responsive to and reflective of the local communities it serves, we have designed our local news strategy around deep partnerships with local funders, journalists, and communities. We want Democracy Fund to be a catalyst for expanding local efforts to create robust news ecosystems. We recognize that in pursuing place-based philanthropy to strengthen local news, we are guests in other's communities. We can't do this work alone.

The purpose of this paper is to examine the roles and practices of national foundations undertaking place-based work. Democracy Fund commissioned Prudence Brown, a respected leader in place-based philanthropy, to provide her insights as we design a new program to support and strengthen local journalism and civic engagement.

Drawing significantly from recent literature and Brown's own experience and observations, this paper is organized around key questions that national funders can consider as they develop new place-based partnerships. After each question, Brown provides a brief discussion and concrete suggestions for decision-making and action.

Many of the themes and considerations in this paper are applicable to funders in other sectors. As such, we are sharing this work with the broader field. We think this is important both for the sake of transparency and accountability, and because we hope others can learn alongside us. This paper is just the start of our learning journey. We welcome any comments about lessons learned from other national-local partnerships.

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Introduction: When National Funders Invest in Place

National foundations have a long history of place-based work. "Place" here refers to geography. Although neighborhoods, whole communities, metropolitan areas, and regions obviously operate differently as places, each functions as an ecosystem within a larger context. Many national funders do critical work in their own cities and towns. This paper, however, focuses on those projects where national funders are operating in communities outside their backyard. When a national foundation chooses to develop a strategy around a specific place, its goal is often to change something about the place, rather than just operate in that place. What it aims to change can vary considerably — ending racial disparities in health outcomes, increasing high school graduation rates, building civic capacity, or in the case of Democracy Fund, building a more sustainable, connected, and collaborative local news ecosystem.

The nature of this work raises important issues around power, agency, voice, and different models of expertise and experience. Foundations are sometimes viewed as insular and insulated from normal feedback loops and market responses. Operating in a place that is not your home requires behavior that is just the opposite: frequent communication about the foundation's goals, clarity about its values, and an ongoing invitation for critique and constructive input. Rather than passive transparency, this work calls for active engagement of multiple parties with diverse views and competing interests. It requires local expertise be embedded in the project to avoid actions that are unsound, unnecessarily risky, or uninformed by local realities.

This paper outlines a series of questions and considerations for Democracy Fund and other national funders that are interested in pursuing genuine, place-based work in deep partnership with local stakeholders. These questions include:

- How can national funders operate as collaborative change agents?
- How should national funders partner with local communities to foster a shared vision?
- What capacities are required for national funders to execute place-based work effectively?
- How should national funders balance planning with action to build trust early on?
- How can national funders maximize peer learning across the sites of a place-based initiative?
- How should national funders support local capacity?
- How should national funders pursue evaluation and learning?

This paper is not meant to be a toolkit that captures best practices. Given the unique characteristics of every local community and the need to be adaptive and responsive, there are few right and wrong answers to these questions. Instead, the sections that follow are designed to spark meaningful conversation and inquiry during the program design and development phase of placed-based work.

HOW CAN NATIONAL FUNDERS OPERATE AS COLLABORATIVE CHANGE AGENTS?

Familiar critiques of externally designed, funder-driven, place-based initiatives are:

- The commitment of substantial resources to support new implementation structures and processes that are inefficient and unsustainable

- Unwitting reinforcement of existing power and racial dynamics, and opening up deep community rifts that the initiatives are not prepared to address

- A failure to produce tangible results in the eyes of local stakeholders and civic leaders, which can reduce the likelihood of future external investment

No matter how attentive to these dynamics, national funders still face the inherent conundrum of trying to catalyze change from the outside, while recognizing that sustainable change must reflect the goals and ownership of the community.

National foundations working locally have found various structural ways to mitigate these challenges:

- Stationing their own staff in the community

- Defining the program officer's role as "cultivator," whose job it is to help individuals and their organizations turn new ideas into actionable strategies

- Working in close partnership with a local funder or lead organization

- Co-designing the effort with a local stakeholder team

- Sitting on the advisory board of the local change effort

- Delegating substantial authority to local players, both formally and informally

Each approach has advantages and disadvantages, depending on the goals of the external funder. Whatever the particular arrangement, the "partnership" between an external funder and a place will never be totally symmetrical. Each party brings different assets, has access to different kinds of knowledge, and faces different consequences for the success or failure of the enterprise.

The more the external funder and the local partners can understand the other's role, the less room there is for misunderstanding. National funders engaged in effective local partnerships know that a deep understanding of history and the dynamics of a place is critical – as is a stance that communicates respect, curiosity, and humility. Similarly, it is important to offer local partners the ability to learn about the opportunities, limitations, and pressures under which foundation staff operate.[1]

IMPLICATIONS FOR NATIONAL FOUNDATIONS:

1. **Select places that have a level of readiness that positions them to take advantage of an external partnership, but not be derailed by it.** Build on existing momentum in places where some of the initial organizational and relational groundwork has already been laid, and the work has begun to gather some steam. Reasons against selecting sites with this degree of readiness are that these places might be successful without an external partner, or that other places may have more pressing needs. But such cases

should then be weighed against the commensurate need to spend more time investing in readiness and, in the process of doing so, the possible risk of identifying substantial barriers that prevent the work from ever getting off the ground.

There are, for example, numerous places where change initiatives bogged down early because of key organizational, political, or leadership conflicts that had been papered over to secure external support, but could not be resolved when the real work began.[2] This is often the case in places where there is a lack of understanding of, or resistance to, changes required by an equity agenda. Lack of readiness can, however, also be a function of other factors – for example, a longstanding organizational feud, a leadership vacuum, or a lack of civic capacity.

Places that are not "ready" usually need long-term capacity-building investments, a process that could involve leadership and organizational development, broader community visioning/healing strategies, and/or pressures on civic leaders for changes in policy and practice. In general, national funders should cultivate the patience and commitment needed to support these "pre-readiness" strategies. It is, however, important to recognize that sometimes it makes more sense to select places that have already done the hard local work of identifying shared interests and taken at least some initial action to operationalize a path forward.

2. **Think of the investment less as a self-contained project and more as a change strategy being implemented in a dynamic environment that needs to be understood and leveraged for maximum impact and sustainability.** This requires adopting a wide enough lens to connect with diverse local, regional, and state actors, as relevant, to gain an initial understanding of their self-interests and to start building increasingly powerful relationships that can help get things done. Too many selection processes vet the few players and organizations central to the initiative but fail to appreciate how other key organizations or leaders in the larger context could either support or undermine the principals.

3. **Design a community engagement strategy that aligns reach and scale with the particular goals of the change effort.** As an external funder, community engagement is central to any effort that aims to support change, and is required for informing, selecting, and sustaining effective strategies. But with limited time and resources, engagement strategies need to be tailored and sequenced to serve the priority constituencies affected by (and needed for) the change effort to be successful. Important components of any engagement strategy are residents – including those who may have been marginalized in the past and who now seek voice, agency, and clout – in shaping the place-based work.[3]

4. **Use the outsider status as a way to be a disruptive force for the desired changes.** The external funder's knowledge, skills, and resources can position it to introduce new ideas, challenge the status quo, and serve as devil's advocate in ways that those inside the community may not be able to do. This is particularly valuable in places where local culture does not promote inclusive problem-solving, initiative and innovation, or a sense of hope. Being productively disruptive, however, demands deep knowledge and respect for local actors and institutions, and should be pursued carefully and openly with partners.[4]

HOW SHOULD NATIONAL FUNDERS COLLABORATE WITH LOCAL COMMUNITIES TO FOSTER A SHARED VISION?

Some funders design initiatives to engage the community with their vision of change – as in "we have a specific model that we'd like some number of communities to test," or "we want each community to adapt our model to local needs and opportunities." Other funders articulate specific goals but provide few parameters or conditions that encourage the emergence of new ideas and experiments aimed at achieving these goals. A third type of funder communicates a broad mission, but shapes its investments organically alongside others in response to broad community demand and promising opportunities. These funders draw on "principles of openness and inquiry more consonant with principles of basic research and experimentation than with certainty and roll-out."[5]

Most place-based initiatives represent hybrids, any of which can have merit, depending on the funder's goals. But the rub comes when the funder doesn't know its own bottom line, or doesn't communicate it to the communities with which it wants to engage. Many place-based initiatives have faltered because the "partnership" between the funder and the place is fraught with mutual misunderstanding and power struggles over the initiative's core ideas and/or their implementation. Community actors sometimes define these struggles as "bait and switch," while funders sometimes frame them in terms of lack of community capacity for effective implementation. Neither party is entirely wrong.

The natural way to avoid such struggles is to be as clear as possible at the start. Even when genuinely aspiring for clarity and transparency, a funder (or a community) may struggle to envision the variety of scenarios that later become unacceptable, such as pace, local politics, new staff and board members at the foundation, or new community partners. Because power favors the funder, the presumptive fallback resolution is usually the funder's.

IMPLICATIONS FOR NATIONAL FOUNDATIONS:

1. **Entering a new partnership without a rigid protocol around its ideas does not mean the foundation has no responsibility to articulate upfront which of those ideas is not negotiable with the local partnership.** The foundation has beliefs, strategic frameworks, and assumptions about how change happens. It has some, but not infinite, options regarding the length, amount, and flexibility of funding. It has initial ideas about staffing structure and the use of intermediary partners. While wanting to avoid a prescriptive stance, the foundation should grapple honestly with the question of what is fixed and what is flexible as it goes into the field. These decisions will undoubtedly change over time, but it's important to start with as much clarity as possible.[6]

2. **As the partnerships develop, build vehicles for reviewing the rules of engagement – and renegotiating, as necessary – into the agreements.** Ideally, the partnership internalizes the practice of regularly reviewing what's working and what's not, so that when and if a conflict arises, or the partnership runs into obstacles, the principal actors have an established method for problem-solving. The fact that most place-based work unfolds over many years means that key actors on both sides are likely to change – underscoring the important role of an existing mechanism for addressing concerns within the partnership agreement.[7]

3. **Manage the dynamics of credit and control.** Relative to a standard bilateral grant agreement, responsibilities and accountabilities in these kinds of partnerships are widely distributed among many partners who have varying degrees of capacity and different organizational needs. Consider questions such as:

    - To what degree does the foundation want, or need to brand the local work?
    - Does the foundation want to review significant local press coverage or communications about the work?

WHAT CAPACITIES DO NATIONAL FUNDERS NEED TO EXECUTE PLACE-BASED WORK EFFECTIVELY?

Foundations that establish close, place-based partnerships to bring about significant change often need to make internal adjustments to support new staff roles, practices, and professional development needs; expanded communications and evaluation capacities; and a new "change-making" culture that aligns with their system-change goals.[8] Several national or regional foundations that launched new place-based initiatives in the past five years have experienced significant staff turnover and internal reorganizations before developing a structure and set of practices better aligned with their goals for the work.[9]

When the going gets rough, individual staff skill sets might involve substantive field knowledge, finely honed listening and assessment capabilities, a sense of timing and pace, ability to navigate group dynamics and organizational development, political acumen, effective communication with all kinds of stakeholders and constituencies, and the self-control to resist the temptation to start dictating outcomes and terms. These are useful skills for any foundation person, but place-based work can be both particularly intense and isolating.

Obviously, no single set of foundation capabilities makes sense for all place-based work. Good practice will reflect a dynamic match between the goals of the change effort, the opportunities in the place, and the foundation's own history, goals, values, operating preferences, and existing capacities.

IMPLICATIONS FOR NATIONAL FOUNDATIONS:

1. **Clarify staff roles.** Foundations funding place-based projects across multiple geographies have to decide whether to manage them directly, or delegate primary responsibility and oversight to an intermediary or managing partner.

    The advantages of working with an intermediary are that it allows a foundation to engage individuals with specialized expertise and credibility without having to increase its own staff. It reduces overhead costs and it tends to mute the sometimes difficult power dynamics between the national funder and its local partners. The presence of an intermediary does, however, increase geometrically the number of relationships that need to be negotiated and managed, and potentially decreases the learning that comes from direct engagement with the community. Further, the foundation must be clear about its own comfort level with an independent voice lifting up the initiative's vision and, despite pressures to drift, accommodate, or relay only good news, with that voice speaking candidly to both the sites and the foundation. The field can point to examples of both successful and not so successful uses of intermediaries in place-based work.[10]

2. **Help board members and trustees understand the work.** In the 1980s, when national foundations launched a number of multi-site, place-based initiatives, foundation staff tended to fall into the trap of promising trustees "the world" to get approval for what were often inchoate, if promising, efforts. But almost uniformly, these initiatives encountered trouble after two or three years because the trustees never really understood the nature of the work, and they raised reasonable concerns about pace and measures of success. Some significant initiatives were even ended midstream.

   Newer place-based efforts have recognized the importance of board investment in the work. They have spent considerable time trying to educate trustees by engaging them in learning opportunities, taking them to visit community-change efforts around the country, holding meetings in the sites, and encouraging them to participate in philanthropic meetings devoted to relevant topics. Every board has its own culture and modus operandi, but it is worth noting that board anxiety or unhappiness – and the ripples it generates organizationally – is an important factor in assessing the landscape of nationally funded, place-based initiatives.

HOW SHOULD NATIONAL FUNDERS BALANCE PLANNING WITH ACTION TO BUILD TRUST EARLY ON?

Community engagement helps the external funder gain knowledge of the community, establish relationships, and begin to identify shared interests and goals and build implementation capacity. The work can begin in a number of ways.

Many place-based initiatives begin with a planning process as a way to engage a representative group of community stakeholders in developing a shared vision and strategies for the change effort. The advantages of such an approach include surfacing diverse ideas, developing a shared commitment to an animating vision, and producing a blueprint for action that reflects local priorities and ownership. The more inclusive the planning group, the more legitimate the plan from the local perspective.

The most common disadvantage of such an approach is getting bogged down in process. Nothing can be more crippling for a new place-based initiative than for it to be viewed locally (and beyond) as "all process and no results." Formal planning also risks provoking local conflict around leadership and control, or around competition for resources. Without a deep understanding of local dynamics, the external funder may not appreciate the "baggage" that its local partners bring to a diverse planning event, or the longstanding organizational rifts and personalities that can undermine such processes. And, individuals and groups that have not traditionally had a seat at the planning table may need particular supports to participate fully.

A different critique of the traditional planning process for system-change efforts is that the resulting detailed plans cannot reasonably capture the complexity of the many dynamic factors at work, and may in fact constrain much-needed adaptation for the high-fidelity implementation expected by some external funders.

To avoid these potential pitfalls and increase the likelihood of a successful start, place-based funders take the following two approaches:

* **A planning process which has a clear structure and "curriculum" that is supported by skilled facilitation.** Examples include curricula from LISC's Sustainable Communities,

the National Community Development Initiative, the National Civic League, and United Way. This approach tends to be most successful when the desired outcomes are very clear, the methodology has been tested and refined over years, and when there is a clear sense of the result of the process (e.g., the development of a "plan" will trigger five years of funding).

- **Starting somewhere with "small" projects (often called "learn-by-doing," "early action," or "spark" projects) that offer the opportunity to accomplish something visible and locally valued.** This alternative to a formal and often lengthy planning process – and sometimes an adjunct to planning – allows funders to build new relationships, develop trust, deepen shared understanding of an issue, and practice new skills while having an impact. Sometimes these small grants are selected and managed by a local grants committee as a way of demonstrating the critical role of local engagement and ownership. A small grants process also provides the opportunity to connect with communities of color and other groups that may be harder to reach through traditional networks and planning processes.[11]

Regardless of how it is accomplished, even small wins early on help build the energy and momentum that come from participating in a shared, value-added enterprise. The assumption is that this momentum will lead to work that increases in scope and ambition over time. The challenge is not to get stuck at the small-project level, but rather to establish a self-reinforcing cycle of increasingly significant system-change strategies. This does not happen without intention, however. Local place-based champions who point to many exciting and valuable early action projects in their community are sometimes hard pressed to reflect on what they all add up to, or what they mean for long-term outcomes. In the worst-case scenario, too many early-action projects can be a distraction that diverts resources and energy from the hard work of systems change.

IMPLICATIONS FOR NATIONAL FOUNDATIONS:

1. **If a local change effort relies heavily on an emergent strategy that uses small-scale actions to get started, it must also put in place a disciplined plan for using the results of these actions to build shared knowledge and capacity to shape next steps.** Dedicate time and create vehicles for learning from rapid planning and implementation cycles, which can in turn, build the capacity of the entire enterprise to experiment and learn. This helps to avoid the common problem of getting stuck at the small-project level described above.

2. **Employ a consistent communications strategy that helps everyone recognize the positive accomplishments, regardless of how modest, resulting from the initial work.** Moreover, locate these accomplishments within the larger arc of change. This can be the first step in demonstrating the possibility of change, and in creating a new community narrative.

HOW CAN NATIONAL FUNDERS MAXIMIZE PEER LEARNING ACROSS THE SITES OF A PLACE-BASED INITIATIVE?

Multi-site, place-based initiatives often physically convene sites at a location with the goal of creating a community of practice, but there are other ways to cultivate learning

across place-based partners, such as a listserv with site leads, an online hub for resource sharing, monthly conference calls, or video-conferences. These efforts expose participants to hear from seasoned practitioners about promising approaches, problem-solve within and across teams, and deepen skills related to the tasks at hand. When working under challenging local conditions, people often appreciate the opportunity to network, share their accomplishments and challenges, and see themselves as part of a larger, national enterprise. However, national foundations need to be realistic about what sites operating in very different places, with very particular constraints and opportunities, can actually learn from each other. Grappling with these ideas early on will improve cross-site meeting design.

CFLeads, a membership group of community foundations, has developed the Community Leadership Network Program, an experiential, peer-to-peer, team-based methodology, to create conditions that can maximize peer learning.[12]

The core elements of this approach include:

- Teams made up of board, staff, and community partners
- Focusing on a specific challenge throughout the program
- Team action plans that drive the work, concentrated team time, and team report-backs to build accountability
- Structured peer advising to share experiences
- Customized exercises to address specific cohort needs
- Skilled facilitation and coaching informed by in-depth interviews before and after each gathering

IMPLICATIONS FOR NATIONAL FUNDERS:

1. **Think hard about goals, and structure cross-site meetings accordingly.** Being very clear about community-of-practice goals will improve decisions about design issues − for example, the relative balance of time devoted to experts versus peer mentoring and exchange, the size and structure of local teams, and expectations for follow-up actions and support. If using these meetings to monitor progress of the sites, make sure this goal is as transparent as possible to avoid working at cross purposes with the community-of-practice goals.

2. **If stimulating new ways of talking about issues and more innovative community problem-solving is one goal, design opportunities for local teams to put new skills and tools into direct practice.** It's not enough to invite a more diverse group of people to the table. "They also need to learn how to do creative things together in the kitchen."[13]

HOW SHOULD NATIONAL FUNDERS SUPPORT LOCAL CAPACITY?

A national funder's role in supporting local implementation depends on many factors, including the goals of the work, its stage of development, and local capacity and preferences. One challenge for national place-based funders has been deciding when and how to introduce which kinds of technical support − operational or management assistance, resources, and training − at what level of intensity over what period.

Decades of experience points to the limits of externally imposed assistance, rather than demand-driven assistance, and to the ill-advised use of technical assistance methods to monitor local progress or encourage local compliance with funder ideas and protocols.[14] Many well-intentioned national funders have spent significant amounts of money hiring expert consultants to provide their place-based partners with knowledge, skills, and learning events that, despite positive reports from participants, never gain traction, or get fully implemented locally.

One common pitfall is letting technical assistance get ahead of the work – i.e., providing too much expertise, by too many people, too fast for local players to absorb and translate into action. Making the right technical assistance match at the right time is challenging. Even more challenging is making sure that decisions about technical assistance are not complicated by tensions about roles and decision-making authority.

IMPLICATIONS FOR NATIONAL FUNDERS:

1. **Develop a shared understanding with local players about who decides what is needed and when; who selects the providers and oversees the work; and to whom the providers are accountable.** Even with this understanding, the specifics of particular decisions can be confounding. What if the local players "don't know what they don't know," but the national funder is itching to expose them to new ways of thinking? What if a key local player is limping along within the boundaries of acceptable progress, but resists any offers of organizational capacity building or leadership coaching? These are not atypical or unresolvable dilemmas (versions of them came up in the interviews for this paper), but they are particularly sensitive when the external funder is initiating and paying for the assistance.

2. **Consider other ways, besides technical assistance, to help local partnerships.** For example, using the foundation's own political/social capital to influence relevant parties; helping partnerships fundraise; using sophisticated communications on their behalf; and holding cross-partnership convenings. And, make sure the foundation has the resources and capacity to fulfill these roles effectively.

HOW SHOULD NATIONAL FUNDERS PURSUE EVALUATION AND LEARNING?

The thinking about evaluating place-based change efforts has evolved over the past 30 years. At different times, the focus has been on a set of individual projects or groups of projects in a place, strategies governed by theories of change and logic models, the use of results-based learning and performance measures, and the notion of "emergence" as an approach aligned with the complex nature of place-based change.[15] There has been much debate about the relative value of different approaches and methods for generating different kinds of data and lessons for different audiences. The first two observations below reflect the field's evolution; the last one raises questions that deserve more attention.

Theories of change frameworks.

Theories of change became popular in place-based evaluations 20 years ago partly because they helped both funders and communities have a conversation about causal assumptions of producing the changes both parties desired. The process of defining outcomes and

identifying ways of measuring them often helps different parties agree on the nature of the work, and their own roles in it. Such frameworks helped funders appreciate the difference between an animating vision — for example, ending poverty or eliminating high school dropout — and operational outcomes that could feasibly be achieved within a decade, or so. Just getting the external funder and the local players at the same table, developing shared goals, strategies, and definitions of success, signified major progress in place-based work.

Over time, however, these frameworks were less successful in capturing the many factors that affected, derailed, and challenged the causal assumptions of the change effort, and they sometimes constrained learning about, and exploiting alternative change pathways. Relying on theory of change frameworks to operationalize specific evaluation questions also proved to be unwieldy for practical and budgetary reasons. Many funders either abandoned the frameworks in practice or supplemented them with other ways of thinking about and assessing the progress and impact of the work as implementation occurred. Despite its limitations as an evaluation tool, the process of developing a shared evaluation framework can help all parties articulate and negotiate their assumptions about change, even though these assumptions are dynamic and likely to change.

Assessing the role of the funder.

For many years, funders supporting place-based work did not include themselves in evaluations. How foundations did their work — the roles they played and their capacity to play those roles — was not viewed as a central element of the work's success, or lack thereof. Evaluators were hired to assess the performance of only the grantees in producing progress for place-based work.

This stance has shifted for many funders (though not all), who increasingly recognize that how they do the work plays a significant role in what their work accomplishes.[16] Signs of this shift include much more attention to building their own capacity to learn alongside the community-change initiative, structuring in more feedback loops about their role, and commissioning independent reviews of their own performance.[17] Place-based work, and the close partnership it can entail between an external funder and a local change effort, has been one of a number of factors stimulating philanthropic pressure for increased foundation transparency and accountability.

Evaluating complexity.

Recent literature on complexity science has begun to incorporate principles of systems thinking into propositions for evaluating place-based work that is dynamic, emergent, and profoundly affected by context.[18] This thinking has resonated widely with those who have been struggling with the limitations of traditional evaluation paradigms. It will, however, take some time before specific evaluation methods, tools, and practices generated by an emergent framework are tested and mature to the point of widespread use in the place-based field. One common concern is how funders and their community partners learn to differentiate between changes in program design that are strategic and adaptive versus those that represent a failure to focus and maintain efforts long enough to be tested for impact and effectiveness.

1. **Build the adaptive capacity of the place-based effort and its funders.** Relevant data must be collected regularly, examined, interpreted, and translated into decisions in real time. This process requires an investment in data infrastructure and capacity, dedicated time (an asset that is often trumped by the press for relentless execution), smart vehicles for sharing information among partners, and a commitment and capacity to translate the information into action.

    Despite good intentions, too many participants in national place-based initiatives have been brought to their knees in frustration, or simply stuck in old patterns and ways of doing business because they couldn't learn together. The conditions under which learning occurs and is translated in action include: a group culture that incentivizes learning and adaptation, leadership that values and models candid exchange, and clear and realistic expectations about how decisions will be made and actions taken as a result of the information. New tools to support "whole system learning" are being tested and are likely to become valuable resources to complement existing evaluation and learning methodologies.[19]

2. **Establish two-way accountability with sites for both products and processes.** What does the foundation want to hold itself accountable for? Auspos and Cabaj suggest a new paradigm of accountability for foundations investing in complex community change that strengthens local site prospects for working adaptively and achieving results.[20] Such understandings might involve agreeing on reasonable performance objectives and strategies for tracking outputs and simple measures of progress, using administrative and reporting practices that reflect the adaptive nature of the work, and mutually committing to adjusting goals, strategies, and terms of investment as needed.

CONCLUSION

Ultimately, perhaps the most useful lens for place-based philanthropy is asking at every stage whether the decisions the national foundation is making and the way it is operating promote or undermine local ownership.

Asking that question – and answering it – may be hard, but it is fundamental to practicing place-based philanthropy with local stakeholders, not just for them. Creating truly responsive and reciprocal relationships between the local community and the national funder demands openness and honesty, empathy and humbleness from both parties. Mistakes will be made, but the goal should be to confront and learn from them together. At the same time, foundation staff will be developing a sophisticated and nuanced understanding of the interests that motivate other individuals, groups, and organizations in the place – especially those with whom collaboration is most desired. Any change is likely to produce pushback, but staying attuned to these dynamics will help the foundation shape its strategy and identify where it can find common ground to move forward. That is the key difference between grantmaking that is geographically targeted versus genuinely place-based.

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ABOUT THE AUTHOR

Prudence Brown is an independent consultant who has worked with the Ford Foundation and the Chapin Hall Center for Children at the University of Chicago. Her work focuses on the documentation and evaluation of community-change initiatives, new approaches to learning from and providing assistance to these initiatives, and the role of philanthropy in community change.

For more information about Democracy Fund, please visit www.democracyfund.org.

ENDNOTES

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