**DEEPENING COMMUNITY ENGAGEMENT: WHAT COMMUNITY FOUNDATIONS CAN DO**

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DEEPENING COMMUNITY ENGAGEMENT: WHAT COMMUNITY FOUNDATIONS CAN DO

Community foundations today are facing serious and increasingly complex issues and problems, motivating them to rethink their relationships with the communities they serve. People are becoming more distrustful of traditional, established institutions, especially those dominated by experts and hierarchical structures. They want more transparency and collaborative, “bottom up” approaches to leadership and problem-solving. Young people, especially, are demanding more “voice” in civic and democratic processes, including politics and government. Technology continues to drive many of these cultural shifts, but one of the most important is the redefinition of what comprises a “community.”

Meanwhile, the pressure for community foundations to distinguish themselves from other philanthropic entities has become particularly acute, given recent economic downturns and increasing competition for donors. Donors are looking for more control over their philanthropy and are eager to see more impact from their grantmaking and a have a number of philanthropic vehicles to advance their charitable goals. In a crowded philanthropic playing field, the natural strengths and possibilities of community foundations have become less obvious—and more important.

In response to these trends, many community foundations have taken on a “community leadership” role that takes advantage of the community foundation’s key attributes—independence, permanence, local orientation and a mission that prioritizes community betterment—to help build strong communities. To accomplish this, they are attempting to integrate the internal operations of the community foundation—development, donor services and program—while identifying the funding streams to support their community leadership work.

What is a citizen?

The word “citizen” has a rich history in American democracy, but it can also be a confusing word to use. Sometimes it is defined in a narrow, legal way, meaning only those people who hold U.S. passports or are eligible to vote. In this paper, we will use “resident” or “person” in stead.

This shift toward community leadership was reflected in (and in some cases, inspired by) a seminal 2005 report, *On the Brink of New Promise*. The report laid down a gauntlet to community foundations: define and distinguish yourselves more strategically or risk facing extinction. Specifically, the report noted that while the community foundation field claimed that its strategic advantage was community knowledge, relationships, and leadership, these qualities were still “largely rhetoric[al],” and that to capitalize on their unique advantage, community foundations needed to refocus on why they exist and whom they ultimately serve.[[1]](#endnote-1)

The field took note and, in 2008, issued a statement calling for a new approach to building healthier communities that focused on redefining community foundations’ role as focused on community leadership. Developed by a National Task Force on Community Leadership comprised of thirty philanthropic leaders from community foundations, the Council on Foundations, the Aspen Institute Community Strategies Group, and CFLeads, the statement was an affirmation of community foundations’ role in serving as trusted and valued community institutions—those that have had staying power, the stature to command attention, and a mandate to transcend single issues and political agendas. As the Task Force asserted, community foundations’ knowledge, networks, reputation, political neutrality and influence, and the ability to contribute and leverage resources, these organizations are “becoming the nexus where the energy, talent, ideas and resources of those who care passionately about their communities converge to meet the leadership challenges of the new century.”[[2]](#endnote-2)

How community foundations look at community leadership

Issued in 2008, the *Framework for Community Leadership by a Community Foundation* calls for community foundations to play a lead role in building community leadership. Developed by a National Task Force on Community Leadership, the document put forward a logic and structure for the practice of community leadership by individual community foundations.

Central to the framework is a definition of what community leadership looks like “on the ground.”

*The community foundation is a catalyzing force…*

The community foundation does not act in isolation but in concert with others, sometimes taking the lead, sometimes following, sometimes paving the way for new leaders.

*…that creates a better future for all….*

The community foundation’s constituency is the entire community. Every issue, every cause it embraces, has some connection to the greater good.

*…by addressing the community’s most critical or persistent challenges…*

The community foundation doesn’t shy away from something because it’s “too hard” or “it’s always been that way,” and it can be counted on to address the things that matter most.

*…inclusively united people, institutions, and resources…*

The community foundation is open to and ensures broad participation. It also recognized that the institution is well suited to assemble and leverage resources.

*…and producing significant, widely shared and lasting results*

The community foundation looks beyond quick fixes and innovative pilot projects and has the staying power to reach long-term results.

*From “Frameworks for Building Community Leadership Capacity and Impact within Individual Community Foundations and the Community Foundation Field,” National Task Force on Community Leadership, 2008.*

Even before but especially since then, a growing number of community foundations have expanded their work to reflect a “community leadership” framework by going beyond “check writing” to working *with* communities to solve problems, build civic capacity, and embed an ethos of civic leadership across diverse populations. By building on their distinctive position and history in the communities they serve, these institutions are taking on more complex roles as convener, connector, informer, influencer, and thought partner.

These efforts have led to a more nuanced understanding among community foundation leaders of how their communities function, including the complex and changing ways in which residents, public institutions, and local decision-makers interact. Many local funders have found that when they overlook or fail to catalyze larger-scale public engagement, their community leadership efforts are unsuccessful in influencing policymaking or producing tangible effects on public problems. The focus on leadership alone also has not necessarily helped to rebuild public trust in institutions, or strengthen connections among people of different backgrounds, ethnicities, or ideologies.

In short, there is growing awareness among some community foundation leaders that the current definition of “community leadership” is missing one important element: The proactive, intensive engagement of ordinary people in all aspects of community building and civic life. This kind of engagement goes beyond simply asking residents for “input” or involving only select groups of people in decision-making processes. Instead, it is intentionally focused on seeing residents—representing diverse parts of the population—as active and equal partners in all facets of planning, implementing, assessing, and developing efforts to strengthen communities. It is an approach that melds “top down” and “bottom up” strategies for decision-making. And it is an approach that is inherently democratic.[[3]](#endnote-3)

Acting on these lessons, a small but growing number of community foundations are experimenting with new strategies that encourage civic engagement across the community. In so doing, they are expanding the field’s definition of “community leadership.” By involving community members more genuinely and effectively, they are also sketching out a new public purpose for their institutions. There are two levels to this role:

Community Leadership Without Resident Engagement: A Case Study

Not so long ago, a mid-sized community foundation concerned about economic development in its region decided to include some brownfield redevelopment as part of its strategy. The foundation developed a highly strategic economic development approach—one that went beyond grants to providing other kinds of assistance and support, including research, convenings, facilitating partnerships, providing access to investment capital, and cross-sector collaboration—aimed at transforming the seemingly unusable vacated spaces into thriving hubs of businesses and services.

In addition to bringing together the leaders from several of the city’s economic development agencies and nonprofit groups working on these issues, the foundation also met with state and federal government officials to explore alternative funding sources for this kind of development. This strategy was successful in bringing organizations together to agree on priorities and a common agenda, as well as ultimately attracting financial resources from the federal government. It seemed that all systems were go for planning to begin around revitalizing these public spaces.

There was one catch, however. Residents living near where the development was to take place were only superficially aware of the plans to reshape their community. They were deeply distrustful of decisions that had been made without their involvement as well as of the people who made those decisions. The community foundation did attempt to engage with the residents but the organization it brought on to do the work did not have the right capacities to genuinely involve the residents. As a result, the project has not proceeded as planned.

* Initiating, supporting, and/or funding activities that enable residents to take a stronger hand in problem-solving, give residents a more meaningful say in decision-making, or strengthen the networks and ties between different groups of people. In this way, they are directly increasing the level and quality of engagement, usually on a particular public issue. (*Community engagement)*
* Developing a broader, more long-term view of civic engagement in that community, and convening and supporting other institutions and organizations so that they work together to provide a wide range of opportunities for people to be involved in community life. In this way, they are indirectly increasing the level and equality of engagement by raising it up as a community-wide priority. (*Community democracy*)

This emerging, twofold public purpose harkens back to the historic roots of community foundations, follows the example set by community foundations outside the U.S., and helps to redefine their role in relationship to other local institutions. As Peter deCourcy Hero (2008) asserted:

*[During the past 20 years], the roles and responsibilities of [community] foundations have significantly evolved. No longer primarily focused on massing unrestricted permanent endowment, community foundations are now also more than ever community leaders, centers for philanthropy, and builders of a culture of civic engagement.[[4]](#endnote-4)*

BUILDING THE ASSETS *AND* COMMUNITY BASE

To take stock of the public purpose of local philanthropy, a small group of community foundation leaders came together in 2011 to explore the ways in which civic engagement matters to local funders and, ultimately, philanthropy overall. The group discussed how they can align their organizations differently, given their expanding roles in community-based civic efforts. They felt that this new emphasis on residents, placing community foundations squarely in the work of community engagement and democracy, has deepened and broadened their sense of community leadership.

Most important, the group agreed that the field could take more concerted steps to developing a more definitive and public stance on the role of community foundations—action that may be more warranted now than ever before, given the conflation of the current economic, social, and cultural trends noted above. Clearly, there is a hunger among some in the field to find new ways to engage residents, as evidenced by the number of publications, meetings, conferences, and online/offline discussions about how community foundations might revitalize themselves as crucial “anchor institutions” in the effort to build strong and healthy communities across the country.[[5]](#endnote-5) “The appetite for information on this topic is strong,” says CFLeads Executive Director Deborah Ellwood. “Whether you measure it through survey responses or the high turnout for webinars and conference sessions on this topic, it is clear that people in the field want to know more about community engagement and local democracy.”

While there is a growing interest in community engagement, there is still little documentation about good practice in this area. The group agreed that there is a need to uncover and track the innovation and experimentation in the field so that all community foundations have the opportunity to learn from the experience of others. There is also an interest in the field as to how engaging residents can deepen the impact and extend the reach of community foundations and build the networks and connections that strengthen communities for the long-term.

There is still some understandable skepticism, however, as to whether this approach can integrated into community foundations’ work in ways that sustain and strengthen the financial resources on which they and their communities depend. In response, some community foundation leaders who have embraced a stronger community engagement role and aligned their resources around community betterment have begun to document how this approach can attract more donors and financial resources to the foundation and community. As Jack Hopkins, former CEO at the Kalamazoo Community Foundation, argued in *Raising Money While Raising Hell,* “If you are just going to pursue community leadership because you want to raise money, that is the wrong reason. If you pursue an issue out of a passion for your organization’s mission, values of the organization and needs of the community then I think when ‘raising hell’ on issues, contributions will flow.”[[6]](#endnote-6)

What is community engagement?

In common usage, “community engagement” is often used interchangeably with “civic engagement” and many other terms, including “democratic governance,” “active citizenship,” “deliberative democracy,” “citizen involvement,” “citizen-centered work,” “public engagement,” “citizen participation,” “public dialogue,” “collaborative governance,” and “public deliberation.” In this report, we will use the definitions of “community engagement” and “community democracy” described on page 3.

These efforts have helped move the community foundation field beyond debating what was once seen as a stark duality—asset growth versus community building—to embracing and testing a melding of (and adding on to) the two strategies in ways that strengthen community leadership and, ultimately, encourage more public participation in community problem solving and development. In short, innovative local funders are making it a “both-and” discussion by helping donors to engage in the community—from requiring that donors contribute to community impact funds when setting up donor advised funds to inviting donors to help in efforts to find solutions to compelling and important community issues to working with residents to raise community capital. In these formulations, the community foundation’s financial asset base is not the driver, or the glue, or an end unto itself, but, rather, a resource that can enhance and strengthen community problem solving.

As Paul Ylvisacker (1989) articulated in the *Agile Servant*:

*Whatever territory they select, and whichever dimensions they move along, the essential role that community foundations play is that of making a community more of a community:  to strengthen its sense of itself as a community, to help forge ties that bind, to assist in overcoming divisiveness while releasing the powers of diversity, to reap the benefits of self-reliance while tempering the excesses of self-centeredness and escapism into isolating worlds beyond the humanizing discipline of personal interaction.[[7]](#endnote-7)*

The members of the group that met in the summer of 2011 believe that because community engagement efforts have demonstrated the kind of long-term impact that community foundations want to see, there should be more, not less, attention to engagement and more work to assess their effectiveness in strengthening communities. That assertion stems from the experience and knowledge community foundations have gained as a direct result of *doing* this work in communities every day—work that they believe is leading to longer-term impact.

For years, these leaders have been designing, creating, and sustaining innovative and results-driven civic engagement initiatives, and incorporating these as central components of their foundations’ ethos, programs, and ways of working. These efforts are starting to provide important information about how community foundations can leverage both grantmaking and non-grantmaking strategies to achieve the goals that many have stipulated as priorities— from strengthening the social capital of entire neighborhoods to facilitating resident-led efforts that are tackling difficult problems to encouraging new forms of philanthropy that are attracting a diverse set of donors.

Recognizing that what has been learned from these initiatives can be the grist for productive discussion—and, ultimately, action—in the field, the group took steps to tease out “what works” and “what doesn’t.” At the same time, group members agree that none of them has a formula written in stone. Every community foundation is different and each must decide, in partnership with its community, what kinds of approaches toward civic engagement will work best for that community.

Above all, group members agreed that community foundations can no longer dismiss the potential benefits of infusing a more intentional civic ethos into their efforts. They emphasized the critical role of community foundations within local civic infrastructure – as essential supporters of, and catalysts for, public problem-solving on a range of levels. In that sense, community foundations are well positioned to have an interest both in raising civic capacity and strengthening local democracy.

The Civic Roots of Community Foundations

No discussion about the role of community foundations would be complete without understanding their historic roots, which are intertwined with the notion of a public purpose and mission. That was certainly the case with the first community foundation in the country: the Cleveland Foundation.

Established on January 2, 1914, the Cleveland Foundation had an explicitly stated dual purpose: 1) to pool the financial resources of local donors and provide them with a more efficient way to engage in philanthropic giving, and 2) to leverage those resources and activities in ways that would benefit the local community. The governance structure of the nation’s first community foundation reflected those dual purposes. Operating under a single management structure, the Foundation’s trusts were managed by banks, but decisions about distribution of funds were overseen by a “citizen board,” a group of selected community leaders and public officials (later known as the distribution committee) who were responsible for ensuring that “the challenging needs of the community would be addressed in the future, even if the original purpose of a trust had become obsolete.”[[8]](#endnote-8)

Part of meeting community needs was helping to identify what those needs were, particularly those “causing misfortune and social dysfunction.”[[9]](#endnote-9) To that end, one of the Cleveland Foundation’s first activities was creating and implementing several surveys of a range of community institutions such as relief agencies, public schools, recreation organizations, and criminal justice systems. Carried out by experts, the surveys were designed to “make the public want certain conditions changed,” based on an assumption that true change would occur when democratic institutions (e.g., schools, courts, human service organizations) recognized that the public was demanding it. [[10]](#endnote-10)

From 1914 to 1929, this model quickly spread across the country as one of several new organizational forms for philanthropic and nonprofit efforts, many of which had emerged from the Progressive Movement. At the heart of this movement was a desire to see philanthropy move from being primarily an offshoot of organized religion to a more secular endeavor. Proponents also wanted to see more infusion of businesslike practices in government and charitable efforts.[[11]](#endnote-11)

In the Midwest, a hotbed of the Progressive Movement and region with a rich and deep civic culture, this model resonated, leading to the establishment of community foundations in several cities. Many of these new Midwestern community foundations conducted their own local surveys, similar to those done by the Cleveland Foundation, to identify “contemporary problems, ranging from housing for young working women to prenatal care to deplorable conditions in local jails.[[12]](#endnote-12)

The growth of the first set of community foundations stalled with the advent of the Great Depression, which, in turn, led to declining confidence in the banks. As a result, when the community foundation movement revived after WWII, most were reconstituted as charitable corporations governed by boards with the authority to make their own investment decisions, rather than through the bank trust form. In short, community foundations were no longer to be directed by bank and business leaders and trust companies, but instead, by “leaders in community planning.” These leaders supported the creation of a different framework for private charity—building local “community chests” that would be separate from government. The need for postwar resources made fundraising for the buildup of these assets a major activity for community foundations, which promised the community chest movement “stability, legitimacy, and access to a significant source of capital.”[[13]](#endnote-13)

Under this new model, from 1945 to 1965, community foundations grew in number and in assets. By 1960, in fact, community foundations and their community chests were seen as “central elements in the framework of private agencies for the control of community life.” [[14]](#endnote-14)

This “community action” model was touted by a number of prominent national leaders, including the Ford Foundation’s Paul Ylvisaker, who publicly encouraged foundations to “move out of do-nothing grantmaking” toward “social change.”[[15]](#endnote-15) Calling on the foundation to return to the days in which it conducted community-based research on serious problems and issues, the group established a separate organization—the Greater Cleveland Associated Foundation—in 1961. Members of this federation brought together—for the first time—business and African American community leaders to devise a plan for distributing resources that would help alleviate segregation and inadequate public education. It also launched a voter registration effort.

Behind this new approach to helping the Cleveland Foundation reignite its community focus was the desire to challenge the sense of community that had been typical since World War II—one that favored college-educated white men as leaders of these institutions. Coming in the midst of larger, societal calls for civil and women’s rights, these challenges took hold, prompting several other established community foundations, especially urban-based institutions in San Francisco, Boston, and Kansas City, to change direction. In these and other places, “community foundations were pursuing a new purpose, that of enlarging the sense of public—and government--responsibility.”[[16]](#endnote-16)

This movement was not without its critics, however, who charged that this role change was contributing to the slump in community foundations’ overall assets that began in 1965 and continued until around 1980. They were especially irked by the more progressive leanings of these efforts, which they believed left less affluent whites, members of European ethnic groups, Catholics, and others to perceive themselves as marginal to community-building focused on race or poverty.[[17]](#endnote-17)

These concerns and others, including growing charges of self-dealings among family foundations, led to passage of the Tax Reform Act of 1969 (which wasn’t fully implemented until 1976). The Act gave community foundations the tax status of public charities and required them to adhere to a “public support test” demonstrating that at least one-third of their financial support came from the general public. Under these new tax rules, wealthy people were encouraged to give to community foundations, which had more accountable boards and professional staffs,[[18]](#endnote-18) rather than to establish private foundations. Community foundations were also able to offer donors tax deductions for their gifts, be exempt from certain taxes, and enjoy less government oversight.

During the late 1970s and 1980s, community foundations continued to grow, moving beyond urban centers to other communities, including those in more rural areas. A significant part of this growth was spurred by large private foundations such as Charles Stewart Mott and Ford, which saw these organizations as “partners for promoting philanthropy or operating specific programs at the local level.”[[19]](#endnote-19)

Another factor for this growth was the shift in the political culture during these years—including a number of government scandals and the overall expansion of the public sector —which fueled growing distrust of government’s ability to “ensure social and economic justice.” Coupled with the massive reduction in government programs for community development and social services during the 1980s, this prompted many donors, corporations and foundations to view community foundations as a “way to meet public needs in the face of these cutbacks in federal funding.”[[20]](#endnote-20)

During the economic boom of the 1990s, community foundations grew rapidly, but so did other forms of philanthropy, as did the realization that philanthropy was a business and, potentially, a “profitable market or product extension for financial service firms.” The turning point came with the establishment of the Fidelity Charitable Gift Fund, a new arm of the giant commercial financial service corporation focused on helping community-level donors engage in philanthropy more efficiently. To community foundations, this was a shot across the bow, putting them on notice that there was now competition for their core business model, which revolved around providing giving options and services to donors.[[21]](#endnote-21) More commercial philanthropic enterprises soon followed, leading to concerns that this competition had the potential to eclipse community foundations’ traditional role as the primary philanthropic brokers at the local level.

Community foundations responded by forming or becoming part of a cadre of organizations dedicated to strengthening their efforts, e.g., regional associations of grantmakers, Community Foundations of America, affinity groups, etc. Working with the Council on Foundations (COF), community foundation leaders also developed the National Standards for U.S. Community Foundations (adopted by COF in late 2000), an attempt to help community foundations better demonstrate fiscal responsibility, accountability, and transparency, as well as distinguish themselves from other philanthropic vehicles.

This sea change in the philanthropic landscape also had the effect of prompting many community foundations, which were worried about commercial funds’ ability to attract individual and new donors, to adopt asset size as a proxy measure of success. This view became widespread in the field, with more and more community foundations devoting considerable time and energy to building their asset base and using it to suggest impact. As Bernholz, et. al., noted in *On the Brink of New Promise* (2005): “Where growth mattered explicitly and for obvious business reasons to the commercial players, in the past 15 years, it has become a measure of meaning for most community foundations as well.”

Meanwhile, another critical trend over the past twenty years has been the shift in the capacities and expectations of ordinary people. People generally have less time for public life, but bring more skills to the table; they feel more entitled to the protection and services of the institutions in their lives, but have less faith that those institutions will be able to deliver; they are less connected to what is happening in their neighborhoods and communities, but when they find an issue or cause they care about, they are better able to find the information, allies, and resources they need to do something about it. Local governments, school systems, and other local institutions have been scrambling – and in many cases, struggling – to adapt to this new environment.[[22]](#endnote-22)

COMMUNITY FOUNDATIONS GLOBALLY: NEW ROLES IN ENGAGEMENT AND DEMOCRACY

The growth of community foundations internationally offers interesting insights into how cultural, political, and economic circumstances affect how these institutions function and the roles they assume. In recent years, there has been a marked expansion of the community foundation concept in countries worldwide. According to the most recent WINGS Global Status Report on Community Foundations, as of 2010 there were 1,680 community foundations in at least 36 countries.[[23]](#endnote-23)

Reasons behind this growth surge vary. Some attribute it to a dramatic increase in the number of civil society/nonprofit organizations internationally, particularly in regions where the notion of “civic engagement” was relatively nonexistent, such as Eastern Europe and Russia. And in the developing world, there was “widespread disappointment over the lack of progress of state-led development.”[[24]](#endnote-24) Non-governmental organizations (NGOs), including community foundations, multiplied dramatically to help fill that void.

Others believe that the rise of the community foundation stems from economic growth and the “expansion of an educated urban middle class” in many parts of the world. This has fueled the establishment of numerous voluntary organizations that operate outside of the private and public spheres—similar to the roots of nonprofit sector growth in the United States. Community foundations have been a natural outgrowth of this “global associational revolution,” and in many countries have been at the forefront of “building or reinventing civil society.”[[25]](#endnote-25)

Unlike in the United States, however, community foundations in many other countries have focused less on building asset bases and more on encouraging civic engagement. Specifically, these institutions are serving as vehicles for educating potential donors about the importance of philanthropy; reinventing volunteerism and civic participation (which had been compromised in some countries); “building local communities” by “fostering strong cross-sector partnerships, catalyzing civic participation, and educating donors,”[[26]](#endnote-26) and even allocating local government funds to nonprofits. Particularly in the Global South, community foundations—most of which are operating with meager financial assets—have found ways other than grantmaking to help repair and strengthen those societies.

In more affluent regions, such as Western Europe, community foundations have become more directed toward raising their asset bases, particularly in places that are facing cutbacks to government funding that supported their administrative costs. To replace those funds, community foundations are racing to attract income from local donors, which, in turn, will help to ensure their long-term viability.

The expansion of community foundations internationally and, most importantly, the difference in their roles, can help illuminate the options available to U.S.-based community foundations, which still tend to be more focused on asset building. Moreover, in assuming these roles, community foundations in other countries have demonstrated the power in going beyond grantmaking to leveraging their resources in other ways: advocating, supporting, and sustaining new vehicles for public participation in democracy; monitoring the public sector, playing a watchdog role that helps ensure accountability and good government; helping to compensate for cuts in public services and other functions previously served by government; promoting a spirit of mutuality and culture of giving broadly within the community; or some combination of all four.

There are still opportunities, however, for community foundations to build on these kinds of roles in more countries worldwide, including the U.S. In countries such as India and Brazil, for example, civil society organizations have helped to propel a wave of democratic innovation. Specifically, they have helped to build civic capacity to take advantage of new laws and policies on citizen participation, creating new spaces for people to take part in public decision-making and problem-solving. Models like Participatory Budgeting (PB) in Latin America and the Gram Sabha reforms in India have since become compelling examples of how to engage residents in local democracy. With support from community foundations, these kinds of efforts—which are also emerging in other parts of the Global South—could be powerful drivers for expanding philanthropy’s role in large-scale civic engagement.

What is Community Philanthropy?

In a survey of practitioners and experts in community philanthropy by Barry Knight (2012), the respondents defined community philanthropy as: organized and structured; self-directed; “open source” in that anyone can design add-on products; part of civil society (i.e., voluntary social relationships, civic and social organizations etc.); able to use its own money and assets; and focused on building an inclusive and equitable society.

While the first four characteristics could include most nonprofits, the fifth—using local residents’ own money and assets—is what distinguishes “community philanthropy*”* because it reflects a strengths-, rather than deficit-based, approach. The final characteristic–values—is also essential to the notion of community philanthropy, particularly the notion of reciprocity and solidarity—the building blocks of a “just and equitable society.” This means that the community philanthropy’s “benefit is public and widespread, rather than private or restricted to certain privileged groups in the community.

The European Foundation Centre uses a somewhat similar definition of community philanthropy as “the giving of individuals and local institutions of their goods or money along with the time and skills to promote the well-being of others and the betterment of the communities in which they live and work.” There are two key features in this definition: Community philanthropy is a collective act and it promotes the well-being and betterment of others.

From: *The Value of Community Philanthropy* by Barry Knight, February 2012: Aga Khan & Charles Stewart Mott Foundations.

Why are community foundations becoming more focused on civic engagement?

There are a number of practical reasons why many community foundations are placing a stronger emphasis on community engagement and community democracy. These reasons reflect the broader trends noted previously, and the work has led many community foundations to begin rethinking the public purpose of their institutions. But this is not a shift driven primarily by abstract principles; local funders are heading in this direction because of the need to address some very tangible public problems. As community foundations learn how to tap into the ideas, skills, and energy of ordinary people, they are coming to new understandings of how this work can enhance and leverage the role and status of their institutions.

Public problems are too complex for experts or institutions to solve alone; community foundations can catalyze the kind of “bottom-up” problem-solving that communities need. It has become apparent that many of the challenges communities face are in fact “wicked problems,” meaning that they are too complex for just one solution from one group of experts or institutions. Recognizing the limits of their problem-solving capacity, public officials, school administrators, nonprofit leaders, and other decisionmakers are asking for more help from residents and grassroots groups. Some community foundations are encouraging this exchange by seeding and supporting these kinds of “bottom-up” problem-solving efforts and helping to connect them with “top-down” expertise and resources.

Barry Knight of CENTRIS describes this approach within a broader framework known as “community philanthropy,” which is a distinct departure from the “top-down” model favored by more traditional institutions. In some ways, this trend reflects the increasing democratization of areas such as education, journalism, politics, and others in which there is a desire to open up what were once the purview of mostly experts. In other ways, however, it is simply an elevation of the more intuitive and centuries-old notion that “local people helping each other, by sharing resources for the common good is a naturally occurring asset, found in all communities, and encouraged by all major religions and institutions”—a tradition that has deep roots in the United States.[[27]](#endnote-27)

The new emphasis on bottom-up problem-solving doesn’t reduce the role of government or other institutions. Advocates of community philanthropy point to research suggesting that both expert-driven and resident-led approaches are important, and neither is sufficient to deliver progress on its own. As Knight (2012) notes, “What often determines success is what happens at the point at which top down meets bottom up. This is the point where outside intervention meets inside culture. Many planners of social programs fail to see the significance of this point been though it’s been known for 40 years.”[[28]](#endnote-28) Others point out that community-designed strategies may do a better job than foundation-designed strategies of harnessing “distributed wisdom for solving tough, systemic problems.”[[29]](#endnote-29)

People want more say in the decisions made by community foundations and other institutions; this input can make policies more informed and more broadly supported. Like other kinds of decisionmakers, many community foundation leaders are realizing that residents can provide valuable information and input about grantmaking and program-related decisions. While this trend is still more conceptual, than practiced, in philanthropy, there has been a marked increase in the level of interest in “democratizing” philanthropic practice—from inviting the community or public to vote on grant decisions to providing input on grantmaking criteria to serving as partners in public deliberations about important community issues. As with other institutions that are becoming more transparent and participatory, community foundations that are engaging in these kinds of “open source” practices are finding that partnering *with* communities in determining key issues and developing strategies to address them can not only improved and informed their decisions, it can build broader support for their work.

Research has shown that networks and social capital are critical to community success. Twenty years ago, Robert Putnam argued in “Bowling Alone” (an essay that later became a best-selling book) that communities with strong levels of attachment and connection between different groups of people were more successful – politically, socially, economically – than ones with less of this “social capital.”[[30]](#endnote-30) In 2003, Putnam and Lew Feldstein, then-President of the New Hampshire Community Foundation, picked up where *Bowling Alone* left off, suggesting signs of civic renewal were imminent. Together, they researched and then documented several in-depth case studies of successful community-building efforts across the country. They found that “ordinary people” are “re-weaving the social fabric within institutions, organizations and communities all across America as the most effective way to respond to civic crises and local problems. Individual activists as well as local and national groups working in private and public enterprises of many different kinds are building community in big cities, suburbs, and small towns from coast to coast.”[[31]](#endnote-31)

Other researchers have used these seminal studies as the foundation for deeper research, some of which has challenged parts of the core thesis, reinforced others, and taken the analysis in a number of new directions. In aggregate, most of these studies reinforce the notion that people are hungry for more of these connections. The theory of “networked governance,” emphasizing the connections between sectors and between people and institutions, has offered new explanations for why some communities thrive and others fail. The Knight Foundation’s “Soul of the Community” study has found a strong correlation between residents’ feelings of attachment to community and the level of economic prosperity in that place.[[32]](#endnote-32)

In response, a number of community foundation leaders have placed a new emphasis on helping to strengthen community networks, attachment, and social capital. They argue that while financial resources are important to this work, they are not sufficient to lead to longer-term impact. As James Joseph (1989) noted, “Dollars make poor social cement. They can only create the conditions that may bring a community together. They do not of themselves constitute an effective bond. A relationship may be instituted by cash, but it is in coming together around a true community that an enduring connection is likely to be made….a sense of community develops when the association and the transaction bring together a significant portion of the community in a way that creates community-wide ownership of that need. When what was ‘their problem’ becomes ‘our problem,’ a mere association is transformed into a community.”[[33]](#endnote-33)

Rich Harwood (2012) believes that “there are far too few organizations and groups that use their position and credibility in communities to bring people together across dividing lines – to help people see and hear one another, work through real differences, figure out the common ground that does exist, and engage the community it creating a new trajectory.” Too many times, he adds, “we end up bringing together only people we already know, those we feel most comfortable with, and those we mistakenly believe hold credibility in the community.” This is important because today, increasingly “community” is less about the intimacy of friends of people who already know one another, but the “capacity of strangers to share a common territory, common resources, common problems—without in many cases ever becoming friends.”[[34]](#endnote-34)

how haVE THESE TRENDS caused community foundations to ENGAGE RESIDENTS AND STRENGTHEN COMMUNITY DEMOCRACY ?

As community foundation leaders have become more proactive about engaging the public, they have learned a number of lessons about how to do this work well. These discoveries have illuminated the broader context of community leadership to include community engagement – the work of involving residents directly in decision-making and problem-solving – but also, for community democracy – building the infrastructure that will provide a much broader, more sustainable array of engagement opportunities. It has also caused them to rethink the strengths and potential role of their institutions, in a number of ways:

Community foundations can make many other contributions, in addition to money, that help spur more civic engagement. In this work, community foundations are employing some of the other assets they possess, instead of or in addition to their grantmaking, to increase civic engagement and community democracy. Community foundations have the mission, skills, and relationships to help strengthen communities’ sense of trust. They also can help to break down boundaries between different groups of people because they are familiar with the diverse constituencies within communities and their ways of interacting with one another. As Robert Putnam has demonstrated, greater diversity in communities tends to have a negative effect on virtually every form of social capital—from voting to volunteering to charitable giving and trust. The latter is not only true among “strangers” but also, among like-minded people in communities that have experienced increasing diversity in their population. For community foundations, “whose unit of measurement is their own community, this poses critical challenges that won’t yield to grantmaking.”[[35]](#endnote-35)

Lew Feldstein (2008) calls the dollars that a community foundation brings to any issue as “little more than a pimple on an elephant.” He adds that moving the needle requires community foundations to engage and “move” larger systems than can be influenced by grants. Even the Gates Foundation, the richest foundation in the world, has acknowledged that it cannot “do it alone.” It, rather, requires working with others in communities, including other philanthropic entities, to engage and deploy resources “beyond the financial assets of even the largest and wealthiest foundations.” This happens only through “engaging the reputational capital, the clout, the connections, the personal ties, and the social capital that the community foundation can mobilize to move others.”[[36]](#endnote-36)

This change in thinking does not necessarily come easy for many community foundation board members, who often claim that anything beyond raising funds and giving them away is “beyond our purview,” as Monica Patten (1989) once wrote. She believed this sentiment arises because the boards of community foundations are often made up of “elites who have money themselves, manage money, or see leadership as being associated with financial success.” Opening up the governance structures of community foundations to involve community members with different backgrounds and perspectives, Patten suggested, may “lead to more understanding that the assets of a foundation are just as much about its people as its money.”[[37]](#endnote-37)

Community foundations can be “boundary-spanning” organizations that facilitate collaboration in community democracy. Most organizations—local governments, school systems, community organizing groups, nonprofits, in addition to community foundations— that try to engage the public do so in isolation from one another. In the same city, the school system may be reaching out to parents on a school redistricting question, the police department may be trying to involve people in crime prevention, and City Hall may be engaging residents on how to balance the local budget. Some community foundation leaders have recognized the duplication, waste of resources, and failure to share lessons and connections that result from this piecemeal approach.

As prominent community stakeholders and decisionmakers that control significant resources, community foundations are well placed to help facilitate conversation and collaboration among local institutions that work in different sectors, as well as individually. Rich Harwood (2012) calls these “boundary spanning organizations”—the “special groups in communities that help to spark and lead change, convene and connect [people in communities] and focus on the community (rather than programs alone).” He adds that “without these kinds of anchor institutions – along with other necessary capacities to create change, such as trusted leaders, effective networks, and productive norms, among others – a community can never change.”[[38]](#endnote-38)

Community foundations can help to embed civic engagement in communities more deeply—beyond “one-shot” programs or initiatives. While temporary public engagement efforts can have tangible benefits, these are often ineffective in strengthening communities’ ability to address issues and problems in meaningful ways because they have not contributed to engagement becoming a regular, “embedded” aspect of daily public life—an essential component of community democracy. This kind of long-term community-building and problem-solving requires sustained, thoughtful, and persistent involvement that will survive changing times. Community foundation leaders have realized that their institutions, with their rich local history and deep relationships with the communities in which they operate, have the roots or “staying power” to work on public engagement as a long-term priority. Community foundations also have the ability to provide consistent support—not only in grant dollars but through technical assistance, relationship brokering, monitoring, evaluation, and other strategies that enhance the likelihood of impact—over time.

This is fundamentally cross-sector work. It requires the buy-in and active involvement of a range of public and private institutions – governments, school systems, nonprofits, businesses, faith communities, libraries, universities – but it fails if it is “owned” or driven exclusively by any one of those institutions. Local funders have a unique capacity to bring these cross-sector planning teams together, support their work, and help them gauge their progress.[[39]](#endnote-39)

Community foundations are beginning to realize that civic engagement can be helpful in attracting and engaging new donors. Some community foundation leaders advocate a stronger emphasis on engagement because they have found it an effective way to reach and engage new donors, as well as to reinvigorate the interest of current or past contributors. When community foundations branch out as partners in community development, they find that they are able to build stronger relationships with larger cross-sections of the population (including donors), enhance the foundations’ brand, and focus more attention on the important issues and outcomes donors say they want.

Faced with the realization that it couldn’t match commercial gift funds in terms of expediency and efficiency, one community foundation, for example, decided to differentiate its services by “injecting community values into every aspect of its operations.” To that end, they agreed to only accept donor advised funds that reflected the community foundation’s core values. Initially, the institution faced criticism from some donors who withdrew their funds, but over time, the foundation saw the number of donor advised funds “skyrocket by more than 300 percent,” largely because “donors were attracted to the institution’s clearly articulated point of view” and that it “stood for something.”[[40]](#endnote-40)

Taking this stand on donor advised funds, Emmett Carson says, will become more important as community foundations try to distinguish themselves from the ever-growing competition from other philanthropic entities. The success of community foundations, he argues, will depend on to what extent they incorporate a “transformative” role, “regardless of whether the [institution] sees its mission as a transformative organization.” Eventually, community-focused funders will be “inexorably drawn to engage in transformative , rather than transactional activities” and, if they do not, “they will cease to be viable institutions within the communities they serve.”[[41]](#endnote-41)

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| --- | --- | --- |
| Asset Development  DONOR ENGAGMENT | Grantmaking | Community & Philanthropic Leadership |
|
| Infrastructure | | |
| *Source: B. McInnes, in Local Mission, Global Vision, 2008, p. 121.* | | | |

Donor engagement, Barbara McInness asserts, can and should be the “core” of all three of the traditional pillars of community foundations’ work—asset building, grantmaking and leadership—like “the load bearing beam in a building” (see illustration below.) Some institutions are realizing that and moving from providing services *to* donors to collaborating and partnering *with* donors that “help them make informed decisions about their giving to achieve impact and chage in the community.” Echoing Carson (above), McInness calls this “transformational giving, the focus on which is the *impact* of the gift and constant renewal of the relationship, not just on the transaction of making and

stewarding donations”—a concept that is just starting to be taken seriously in the community foundation field.[[42]](#endnote-42)

It is also important to note that, among community foundation leaders that are integrating a civic purpose into their work, the incentive for donor engagement is not necessarily related to financial or sustainability needs. As Mike Howe, former president of the East Bay Community Foundation, says, “We began to reach out more to the community not because of the need to distinguish ourselves from other competitors or for more money but because our board and staff made a decision that our foundation needed to become directly engaged in the community if we were to have the impact that was desired by the community, board, stakeholders, including donors.”

Still others point out that while working *with* donors to engage with communities is important, there is room to take this one step further. Specifically, some community foundations are building relationships with donors *and others* who may not be able to provide financial resources but who may have other assets—skills, expertise, connections, etc.—that are equally as important to public problem-solving and community building efforts. By doing so, these institutions are playing key roles in building connections and relationships across diverse constituencies—the kind of social capital that research indicates can contribute to considerable impact in community building.

GUIDING PRINCIPLES

When local funders talk about their work in community engagement and community democracy, they identify a number of guiding principles. For many community foundation innovators, these ideas helped inspire them to begin pushing the envelope; in other cases, they emerged as unifying principles for all of the community foundation’s engagement work.

The following are a set of proposed principles that seem to resonate with the allies, grantees, and other constituents of community foundations.

Inclusiveness – Fundamental to engagement is the notion of inclusiveness. It is not about simply bringing together the ‘enlightened’ or about educating the ‘unenlightened.’ Inclusive engagement means mapping community networks, thinking carefully about why people might want to be involved, dealing with the barriers they may face, and proactively pulling them into the process. The core idea is that everyone, regardless of beliefs or philosophies, can contribute ideas and energy to improving the community.

Partnership, not directorship – One of the keys to building communities’ civic capacity is broadening the definition of leadership. To do engagement effectively, organizations or individuals that have traditionally been seen as “leaders” take steps to work *with* communities, rather than *for* or *on behalf of* communities. Edward Skloot suggests community foundations could adopt a notion purported by C.K. Prahalad, a university business school professor who traced the ways in which “consumers are changing the dynamics of the marketplace, resulting…in powerful collaborations of manufacturers, their suppliers, and their customers working in new ways to ‘co-create value.”[[43]](#endnote-43) More recently, co-creation has emerged as a fundamental principle behind the internet, examples of which include crowdsourcing, wikis, social media, blogs, and other venues that encourage interaction, production, feedback, and collaboration among a wide variety of consumers and producers.

Working in partnership with community groups, however, doesn’t mean that community foundations should just “passively accept how a community perceives itself”; instead, they should seek to find a middle ground by being as supportive as possible, and use their reputation and credibility to put forward important information or ideas that will help generate more thoughtful discussion and action.[[44]](#endnote-44)

Reciprocity. Community foundations have as much to learn from other institutions, and from residents themselves, as they have to teach. This kind of reciprocity emerges as a critical factor in building successful civic partnerships and increasing engagement. But this fluidity and reciprocity also works horizontally—among and between community residents and institutions—in terms of gaining knowledge, forging relationships, and working together toward a greater good. This sort of reciprocity can strengthen a civic ethos and deepen people’s sense of responsibility for the health and well-being of the entire community.

Susan Wilkinson-Maposa and colleagues (2009) distinguish between two types of philanthropy: philanthropy *of* community and philanthropy *for* community. Operating under the latter framework, they argue, can actually prohibit growth of the former. Using the “two-directional” reciprocal model, instead, “challenges or subverts a commonplace practice that tends to exclude or co-opt organic [ways of helping].” [[45]](#endnote-45) Worldwide Initiatives for Grantmaker Support (WINGS), in fact, defines a community philanthropic organization as one that “gathers, manages, and redistributes financial and other resources for the community’s well-being and does so in ways that *engage the community*.”[[46]](#endnote-46)

Not Just Grants, but Contributions. Community foundations that take more proactive roles in engagement often find that it changes how they perceive their grantmaking – and how their grants are perceived both others. Some have suggested that community-focused philanthropy replace the word “grant” with “contribution,” to better connote the reciprocal relationship between grantee and grantmaker. “Such language,” Wilkinson-Maposa, et.al, writes, “acknowledges the two co-existing systems of philanthropy [in which communities] enter the grantmaking arrangement with equity that can be mobilized and not just with needs and problems needing to be addressed.” It also challenges the tacit acceptance of asymmetric power as intrinsic and intractable. And, it signals that the rules of the game are changing in that philanthropy is working with communities, valuing their contributions, and encouraging their involvement.[[47]](#endnote-47)

Resident agency. “People power” is one of the fundamental values that emerges in public engagement work. Engaging communities effectively means honoring and tapping into the capacity of ordinary people to relate to one another, understand public issues, make recommendations to public institutions, and take action themselves to address public problems.

Focusing on assets rather than deficits. Engagement is most effective when it enables communities to identify and build on their assets—even communities and neighborhoods that have traditionally been treated as if they had no assets at all. This guiding principle was first illuminated by John McKnight and John Kretzmann in *Building Communities from the Inside Out.* [[48]](#endnote-48) Following their lead, community foundations have found to help communities leverage their assets more effectively and efficiently.

Everyone can be a donor. One important way that community foundations can (and should, some assert) increase civic engagement across the community is by adopting a mindset that sees every community resident as a potential donor—no matter how much money they might have to contribute. Today, technology is transforming entire fields and institutions—including journalism, politics, and education—that were once relatively closed but that are now being “democratized” due to the ability of “ordinary people” to weigh in with the tap of a keyboard, a blog post, watching a public meeting, and in myriad other ways.

Measuring Accountability: Citizens See It Differently

Behind all the talk about accountability these days, there seems to be an assumption that everyone agrees on what that means.  A study by [Kettering Foundation](http://www.kettering.org/) and [Public Agenda](http://www.publicagenda.org/), however, suggests that this may not be the case when it comes to how the public views accountability in their institutions (e.g., schools, public agencies, legislatures, etc.) versus how the leaders of those institutions see—and measure—that concept.

Based on data from focus groups and interviews in six cities around the country, the study explored how the lay public defines accountability to test whether leadership efforts to increase it in key sectors like education and government are meeting the citizens’ expectations.  In a 2011 report summarizing the findings—, “[Don’t Count Us Out: How an Overreliance on Accountability Could Undermine the Public’s Confidence in Schools, Business, Government and More](http://publicagenda.org/dont-count-us-out)”—researchers outlined five dimensions of accountability as the public defines it and contrasted this with prevailing leadership views. A major finding was that despite efforts by institutions in the public and private sectors to build confidence by adopting tougher accountability measures—including how tax dollars are spent or school-related outcomes—Americans are still largely disappointed in public institutions.

Essentially, to citizens, simply having more information available doesn’t necessarily lead to more public trust, since most Americans are skeptical about the accuracy or importance of accountability measures, which they see as easy to manipulate. The public also believes that standard metrics fail to assess whether institutions have “ethical cultures” and how responsive they are to citizens when they have problems or questions.

Respondents also felt that the job of deciding on the metrics or benchmarks to be included as part of accountability assessments should not be the exclusive domain of “public experts,” but rather, a wide range of typical citizens who can contribute knowledge and actions that will help strengthen accountability.  As the report emphasizes, “giving people more and more information or giving them more and more choices without truly considering public priorities and concerns is likely to backfire.” In short, the public needs more than just numbers; they need genuine two-way communication and relationships that build trust between them and their legislators, school administrators, and other institutional leaders.

Philanthropy is also experiencing a wave of democratization as more and more people contribute online—many with small contributions that allow them to feel invested in organizations or causes they care about. In 2008, for example, half of Barack Obama’s presidential campaign contributions came from people sending small donations.[[49]](#endnote-49) A growing movement calling for recognition that “anyone can be a philanthropist” has led to a rise in giving circles and other philanthropic entities that allow residents to contribute in anyway they can to their communities.

ASSESSING IMPACT: AN ENHANCED DEFINITION OF SUCCESS

Given the complex environments in which community foundations now operate—not the least of which is the considerable surge in the number and types of alternative charitable giving vehicles and structures that now exist—the mindset as to what success looks like is being expanded. As community foundations move toward a community leadership, and ultimately, community engagement focus, the metrics for success will go beyond asset size or number of grants to those that will help assess whether and to what extent institutions are serving as long-term advocates on behalf of the community.

Doing so, Bernardino Casadei (2008) notes, reflects an understanding that the true outcome of a community foundation’s efforts is the “increase in social capital and trust necessary for the moral and civil—as well as economic and social growth of each community.” Reshaping foundations’ efforts to meet that goal is admittedly challenging, but imperative, faced with the “compelling needs of our world” that demand more than a focus on more limited goals.[[50]](#endnote-50)

Ultimately, as Peter DeCourcy Hero and Peter Walkenhorst (2008) state, “success will come from the [community foundation’s] role as a focused, long-term advocate on behalf of the community.” If community foundations concentrate on their nongrantmaking roles—convening, connecting, and providing leadership across sectors—they will “Over time create a culture of civic engagement…with a legacy far greater than that created by the distribution of grants. In so doing, they will crack the atom of civic participation and unleash its power, not to create steam engines but new and sustainable engines of social change.”[[51]](#endnote-51)

HOW IS IMPACT MEASURED IN THIS WORK?

As community foundations adopt new definitions of what constitutes “success,” some have begun to explore the development of new ways to assess communities’ civic and leadership capacity, especially social efficacy or “the community’s ability to do things for themselves.”[[52]](#endnote-52) Examples of such measures include assessing whether a community has enhanced its ability to make collective decisions, access necessary resources, and/or manage its own efforts to “make change” for greater well-being across diverse constituencies. These kinds of metrics go beyond any one foundation’s individual program or grant goals and help to ensure that communities have the ability to address any issue that comes along, not just those in which foundations are interested.

This contrasts with traditional measurement indicators, which have been largely focused on outputs, e.g., number of people served by a grantee organization, number of meetings held, number of programs established, etc. Moreover, measuring public engagement has also tended to focus on assessing a single engagement strategy, rather than well-rounded and comprehensive participation plans. The use of any single participation tool or technology on its own, however, is likely to be disappointing, because there is no “magic bullet” method or app, and because community interests are diverse and multi-faceted.  
  
There are some engagement indicators that, while insufficient to capture the full impact of engagement work, are simple and versatile enough that they can be applied to both single activities and comprehensive plans. The most basic benchmarks—or outputs—track the number and diversity of participants, and the depth of their participation. These indicators include the number and diversity of participants, and the number of hours spent per person in the activity.

A second set of indicators focuses on the quality of the engagement experience; these are more likely to reflect the presence of a broader participation plan (or the absence thereof). These measures include: the level of participant satisfaction; the extent to which participants took public action of some kind (voting, volunteering, engaging in advocacy, working with others to solve a public problem, running for public office, etc.); the quantity of interactions between participants, and between participants and public officials and employees; and the quality of deliberation within the process.

The third category of measurement deals with how engagement influenced the participants, public officials and employees, the policymaking process, and problem-solving (by both governmental and non-governmental actors) on the issue being addressed. These measures are highly dependent on the presence of a broad array of participation opportunities and also, the political context surrounding the engagement. They explore areas like the impact of the experience on participants’ feelings of trust in government, community attachment, interest in public affairs, confidence in their capacity to effect change, and openness to the views of others; the impact of the experience on public officials’ and public employees’ feelings of trust in the public, confidence in their capacity to effect change, and openness to the views of others; the level of similarity between the recommendations of participants and the public policies eventually adopted; and the number and ultimate success of new problem-solving efforts (involving residents, government, non-governmental organizations, or some combination) to emerge from the process.

Perhaps the most significant opportunity in this area is to find ways of involving community members in the work of tracking, measuring, and analyzing public engagement. Just as well-structured participation taps into people’s capacity to understand and solve public problems, it should capitalize on their ability to improve engagement itself. New online tools that allow residents to gather and analyze data, along with evaluation methodologies such as action research, suggest new directions for innovation.[[53]](#endnote-53)

TYPES OF ENGAGEMENT

Community foundation leaders who try to forge a new public purpose for their organizations often start out with one particular engagement-related goal in mind: they want to catalyze bottom-up problem-solving by residents, for example, or build networks and social capital, or facilitate broad-based involvement in public decision-making. The farther they go with this kind of work, the more they realize that all of the goals are important, and that these different activities depend on one another.

Working harder to engage communities, therefore, tends to give community foundations a more holistic, multi-faceted vision of their work. “This is about instilling ongoing democratic practices,” says Stuart Comstock-Gay of the Vermont Community Foundation. “If we strengthen civic engagement and community democracy it will connect more people to community, build trust between people and institutions, reduce hostilities between different groups, and lead to better solutions to public problems.”

This is a larger vision and one that community foundations can’t develop or implement on their own. It also leads community foundations to see their work on two levels: 1) contributing directly to engagement through their grantmaking and partnership with community organizations, and 2) contributing indirectly to engagement by convening other institutions and encouraging them to work together on better ways for people to be involved in their communities. Nancy Van Milligan of the Community Foundation of Greater Dubuque argues that “community foundations need to build this broader civic capacity so it is embedded in the culture of communities.”

Recognizing that community foundations are “of” the community, each one will be different in terms of how they decide to engage—beyond making grants— in helping to promote and support civic engagement and community leadership. Below are some of the roles that community foundations can (and do) assume in helping to strengthen communities’ civic capacity and leadership.[[54]](#footnote-1)

These include:

Knowledge-Builder – Given community foundations’ close contacts with community problems and access to information, ideas, and approaches outside their locations, they can spot trends, surface issues, offer analysis and serves as hubs for community issues. They can lift up research being done in that community, compare the findings with research done in other places, and communicate all these lessons in ways that are helpful to stakeholders and residents.

Examples: Synthesizing existing research about community issues and disseminating it; using public relations or communications strategies to enhance public awareness on issues; developing and implementing—in partnership with representatives from diverse constituencies and community groups—regular surveys, “town halls” and/or open source meetings that invite conversation and deliberation about which issues are most pressing; and creating and implementing community indicators projects.

A Catalyst in Shaping Community Discourse – Community foundations are well positioned to help bring diverse groups of people together to build relationships, share perspectives (and allow for participants to “hear” one another), plan local agendas that cut across various constituencies (including those who are hard to reach or aren’t the “usual suspects” in these kinds of gatherings), and develop action plans. Community foundations can create these kinds of “civic spaces” for representatives from institutions representing other sectors, as well, including business, government, education, and nonprofits.

Examples: Town hall meetings, forums in which diverse community residents come together to talk about and decide on issues that are most pressing, meetings that allow community residents to “take action” to address those issues, panels featuring experts talking about issues that communities care about and that invite dialogue between the two groups, outreach to those in the community who might otherwise be excluded; designing, in partnership with community residents, “demonstration projects” that can pilot different approaches to solving problems.

Advocate – Community foundations can (and do) lobby—and facilitate others in the community to lobby—with policymakers about community needs and issues and potential ways to address them, as well as work with communities to connect with representatives in government to access public resources and develop partnerships.

Examples: Task forces to encourage a range of stakeholders to advocate on an issue; providing space for “disconnected” local agencies, advocates and/or residents to develop consensus policy agendas around which they can help mobilize others;

Bridge Builder and Convener – Community foundations, like many other kinds of foundations, are naturally placed to serve as conveners—those who bring people and institutions to the table to help create long-term solutions to community problems and issues. This includes convening *other community foundations* or philanthropic institutions in a particular community or space, which can help add even more value to efforts to improve communities and donors’ giving options.[[55]](#endnote-54) Community foundations can also lift up important or difficult issues that others may be reluctant or unable to address, as well as highlight new or effective solutions they see in their communities and beyond and bring these to the attention of residents. In situations of high conflict or volatility, community foundations can help step in to mediate toward peaceful resolution.

Examples: *Insert*

Capacity Builder – Community foundations can help communities and organizations in those communities build their capacity for engagement by offering training, technical assistance, coaching, referrals, and learning opportunities that allow for more meaningful engagement with stakeholders. They can also help to build communities’ collective capacity by identifying individuals and organizations that have a range of other types of resources—such as leadership, skills, connections, knowledge, etc.--and create venues through which they can work together toward meeting shared goals.

Examples: *Insert*

Philanthropic Educator – This role has been particularly important in other countries in which democracy and civil societies are relatively new concepts. In many of these countries, the notion of coordinated private giving was compromised; new community foundations are now educating the public and influential leaders and organizations about the importance of these structures, as well as the role of philanthropic intermediaries in developing a strong civil society.[[56]](#endnote-55)

Examples: *Insert*

WALKING THE TALK: INTEGRATING PUBLIC PURPOSE

Increasing civic engagement and strengthening community democracy are not just “external” activities; they are, combined, also an ethos that should permeate the community foundation’s internal operations, policies, and “ways of working.” In short, funders need to “walk the talk” to be perceived as committed and authentic civic actors within and as *part of* the larger community and its civic infrastructure.

Key to this process is shifting the question from “what did our grants accomplish” to “how do we work with others to contribute to community leadership, but community leadership that *includes civic engagement and community democracy* as key components of that process?

There are a number of ways to accomplish this goal, among them:

* Creating and implementing internal evaluation/assessment processes on grants and non-grantmaking efforts
* Establishing advisory committees that include residents representing a variety of constituencies
* Engaging the board in discussions about the benefits and drawbacks of non-grantmaking roles and making decisions about which are most appropriate for the foundation and why
* Clarifying values and aligning donor advised funds to that mission (e.g., we will only accept funds that align with our values), as well as aligning endowment assets and investments with core values
* Inviting input and participation from community residents—not just donors—about program strategies and/or priorities
* Using social media/technology to communicate what the foundation is doing and to invite community participation in that discussion
* Dismantling the walls between functions (e.g., “program” and “development”) to enable more flexibility and enhance the ability to make quick decisions
* Adding new functions or departments that strengthen institutions’ capacity to engage more effectively with residents, e.g., communications, public outreach, research, etc.
* Redesigning the role of program staff to serve as more “active” resources in communities or more autonomy to commit small amounts of funding or other kinds of non-grantmaking assistance (e.g., technical assistance, information, convening space, etc.) so they have more credibility with community residents and can operate in “real time.”[[57]](#endnote-56)
* Instituting hiring policies that reflect the diversity of the communities in which community foundations operate, e.g., bringing in staff who reflect the communities in which the organization is based.
* Holding public meetings, advertised widely, to discuss community foundations’ grant programs, future directions, and in which the public has the chance to raise questions or offer facts/opinions about those directions.
* Ensuring that the “representative governing body” required by the IRS for community foundations truly reflects a broader swath of the public, rather than just donors, experts, or prominent community figures.[[58]](#endnote-57)
* Being proactive in seeking out proposals or requests from organizations or those beyond the “usual suspects” in communities.
* Being more attentive to who comprises community foundations’ “10 percent public support” group, i.e., making sure that it is more than the most affluent residents in a community.
* Initiating discussions that explore how increased community engagement can lead to enhanced asset development

ENDNOTES

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