

The Role of Grantmakers in Collective Impact
By Lori Bartczak

Stanford Social Innovation Review
Fall 2014

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Lori Bartczak is vice president of programs at Grantmakers for Effective Organizations.

The Role of Grantmakers in Collective Impact

Grantmakers can catalyze connections and lay the groundwork for collective impact initiatives to take shape.

BY LORI BARTCZAK

At the Mary Reynolds Babcock Foundation, program staff members have taken on a new title: network officer. This shift, although subtle, signals an important change in how foundation staff members see their role in supporting nonprofit and cross-sector networks such as the Central Appalachian Network (CAN), a collective impact initiative focused on community-based and sustainable economic development in the region.

To catalyze a collective impact initiative focused on education and youth development, staff members at the Kalamazoo Community Foundation in Michigan brought partners together and then left the room while nonprofit leaders and community members worked out the initiative's strategic plan.

These examples provide two ways that grantmakers are embracing the potential of collective impact efforts. Grantmakers rightly see themselves as critical partners—more than just funders—of programs to bring fields and communities together to tackle complex issues and bring about lasting change. They catalyze connections and lay the groundwork for initiatives to take shape. But because of their position and the power dynamics inherent in the relationship between grantmakers and grantees, they also perform a delicate balancing act.

The experiences of grantmakers like the Babcock Foundation, the Kalamazoo Community Foundation, and others provide three important lessons for all grantmakers involved in collective impact efforts: to understand and balance partners' varied needs; to catalyze connections with care; and to fund the costs of collaboration.

UNDERSTAND AND BALANCE PARTNERS' VARIED NEEDS

Successful partnerships recognize that everyone involved expects both to contribute and to receive a benefit from participating. In collective impact initiatives, grantmakers

form partnerships with other grantmakers, grantees, and others, and they must understand their partners' needs and motivations. The cross-sector nature of collective impact efforts can often mean a steep learning curve.

When partnering with other grantmakers to determine a funding strategy, for example, partners have to negotiate the terms of each grantmaker's involvement. Partners must ask questions like What is each grantmaker's vision for the initiative? How does this work fit into the grantmaker's broader strategy? How can we accommodate these varying needs?

"Grantmakers have to be self-aware enough to know they have needs and confident enough to disclose their self-interest in such a way that it doesn't become 'these are my terms and conditions,'" says Carrie Pickett-Erway, president and CEO of the Kalamazoo Community Foundation. Her organization supports The Learning Network of Greater Kalamazoo, a collective impact initiative that aims to ensure that every child in the county is ready for school, college, and career.

Many funders are following Pickett-Erway's advice. One example is CAN, which began in 1993 as a loose network of grassroots organizations devoted to economic sustainability in the Appalachian regions of Kentucky, Ohio, Virginia, and West Virginia. Since then, CAN has evolved into a collective impact initiative focused on advancing economic development strategies to increase the region's resilience and sustainability. The organization consists of six nonprofit organizations from five different states, whose activities are coordinated by a backbone support organization.

A variety of funders support CAN, including national and regional foundations and government agencies, all of which have unique priorities but increasingly work together to

align their investments. In fact, after bumping into one another at various meetings of their mutual grantees, several of CAN's funding partners decided to better understand one another's interests. "We recognized that we each had specific theories of change," says Sandra Mikush, deputy director of the Babcock Foundation. "We weren't trying to convince each other to adopt one theory of change; we were just trying to understand what was driving each funder's interest in this network. We looked at our collective interest and realized we wanted to align our funding to the network for better impact." These conversations led to the creation of a parallel group of grantmakers, the Appalachia Funders Network, which includes 30 official members and more than 50 non-member participants. The network rep-

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resents a broad spectrum of public and private funders that supports economic development in Central Appalachia, including all of CAN's past and present funders.

When it came to funding CAN's efforts, the Babcock Foundation paid attention to the types of support other grantmakers provided and then stepped in to fill gaps. For example, a national grantmaker was interested in replicating a specific strategy for economic development, but some local grantmakers faced geographic restrictions for their funding. The Babcock Foundation therefore decided to provide multi-year general operating support to individual organizations that were part of the network as well as to the network as a whole to help ensure its long-term success. That funding filled important gaps in support, such as network coordination functions, capacity building, and operational expenses such as meeting and travel costs.

"As a collective impact network, CAN has to attract a variety of funders, and that means we're satisfying multiple interests that aren't always aligned at the same time," says Andrew Crosson, CAN's network coordinator and a

program associate at Rural Support Partners, a backbone support organization. “It’s been valuable how connected CAN’s funders are. It helps them be aware of their differing priorities and how they can complement each other by supporting the different functions of the network that help it grow and work more effectively.”

Questions for grantmakers to consider as they balance needs:

- What is my vision for this work? What assumptions do I bring?
- What is my organization most interested in supporting? What needs won’t be met?
- How flexible am I willing to be?
- Where might my organization add unique value to the initiative?
- What do I know about my funding partners’ interests and needs?

CATALYZE CONNECTIONS WITH CARE

Grantmakers have a unique big-picture view of what’s happening on issues and in communities that helps them to catalyze collective impact initiatives. Grantmakers can take advantage of this position by connecting nonprofits with each other to explore whether a partnership might emerge, using their connections to introduce grantees to decision-makers they may not meet otherwise. And they can use their convening power to bring diverse groups of stakeholders together for big-picture conversations.

There is, however, an important line that grantmakers must walk. They must realize that their role is to offer the connections and then step back to see what emerges, rather than force connections or mandate strategies. Nonprofits, community members, and other partners have hands-on knowledge and experiences that are just as important as grantmakers’ big-picture views. Shaping collective impact strategy requires both perspectives.

The Babcock Foundation, for example, has supported CAN by connecting members and other regional groups or partners, putting the idea of what they call a “network officer” to work. “Our vision of our role as network officers is to spend time in a place, understand where the momentum is, and where there’s good work going on and some potential partners,” says Mikush.

In collective impact initiatives, grantmakers must be one voice among many in shaping strategy and goals. Such a role reflects a significant shift from a traditional strategic philanthropy approach, where grantmak-

ing organizations execute their individual theories of change.

Consider the relationship between grantmakers at the Kalamazoo Community Foundation and the Learning Network. When Learning Network members were determining strategy, staff of the Kalamazoo Community Foundation decided that it was better for them to literally walk away so they would not unduly influence the strategy. “The foundation took the lead in bringing people together to talk about strategy, but as the conversation evolved, Pickett-Erway and her staff felt they were getting in the way of progress. “It felt like rather than being honest about what needs to happen, community leaders were looking at us and asking, “Well, what do you want to fund?” So we stepped back, which allowed them to step forward and drive the plan,” says Pickett-Erway. When the foundation staff left the room, the group moved in a different direction. The foundation accepted and supported the new plan, demonstrating their trust in their partners.

Establishing this level of trust is critical. For the Babcock Foundation and the Kalamazoo Community Foundation, trust was rooted in organizational culture and values. “A fundamental value that has been part of the Babcock Foundation since its founding 60 years ago is that people in communities know best how to address the problems,” says Mikush.

Trust, inclusion, and respect are important values at the Kalamazoo Community Foundation as well. Over the past few years, the foundation has worked on improving diversity, inclusion, and equity, and its work has been critical in generating meaningful contributions from the community to shape the Learning Network.

“You have to invite people to the table who look different and see the world differently in order for you to come up with better ideas,” says Pickett-Erway. “Once they’re at the table, you have to be able to create the right conversation so that they feel like they’re truly invited to share that perspective; they’re not just there as a token. A lot of that is, as a community leader, being self-aware enough to step back, to close your mouth, to let them start the conversation, to let them start the idea generation, and when they do, honor it, listen, and value it.”

Questions for grantmakers to consider in catalyzing connections with care:

- What knowledge or connections do I have that could be valuable to the initiative?

- How am I balancing the need to catalyze connections with the necessity not to force them?
- How do we bring diverse voices to the table in an authentic way?
- How open are we to the contributions and ideas of others?
- Do collective impact partners have the trust in each other required to work together?

FUND THE COSTS OF COLLABORATION

When it comes to funding collective impact initiatives, a critical way for grantmakers to lend support is to help cover the costs of keeping a collaboration running. This support could take a variety of forms, such as funding the backbone function, supporting capacity-building for network participants or the network as a whole, covering the costs of evaluation, or supporting conventions, research, or other costs. In addition, unrestricted support allows organizations the flexibility to adapt their collective impact initiative to changing circumstances.

The Babcock Foundation’s multi-year general operating support funds some of the individual organizations that are part of CAN as well as the CAN network itself. CAN uses those funds to support the network’s backbone coordination role; cover the costs of meetings, research, and evaluation; and provide pass-through grants to build partner capacity.

“The network partners convinced us that in order to pursue this next level of work, they needed to be able to evaluate, assess, and measure their collective impact,” says Mikush. “They needed to develop that strategic framework collectively and then measure it.”

In addition to covering expenses that program grants don’t cover, flexible support from Babcock has allowed CAN to operate nimbly and adapt to new needs and opportunities. “If an organization has to wait for a grant cycle to adapt, or wait for a funder to learn about the change and consider whether to be willing to shift from one particular programmatic strategy to another, it severely limits the ability for an organization or a network to adapt,” says Mikush. “Providing general operating support based on essential outcomes gives the funder accountability but leaves much more flexibility to adapt strategy and partners in other ways to get to the outcomes. We stay in touch with grantees so we understand the rationale behind these adjustments.”

Long-term support is just as important as flexible dollars. Collective impact initiatives address systemic issues and have long timeframes for change, so grantmakers must be willing to stick with them for the long haul and maintain realistic expectations about the pace of change.

"We are putting in a \$5 million, five-year commitment to the Learning Network and recognize even that's not sufficient. Funders have to go into this with their eyes wide open," says Pickett-Erway.

Grantmakers can support collaboration in other ways as well. In addition to providing funding, the Kalamazoo Community Foundation supports collaboration by dedicating staff time to lead the communications work for the Learning Network.

"Without that dedicated staff capacity from our foundation staff, the Learning Network just wouldn't be," says Pickett-Erway. "But it requires us to do that in a way that downplays the community foundation identity as much as possible, so that all the other partners don't feel like it's just another community foundation initiative."

Questions for grantmakers to consider in funding the costs of collaboration:

- How are we covering the time and expenses this collaboration requires?
- Are we giving appropriate resources and attention to evaluation for this initiative?
- What are we doing to ensure the long-term sustainability of this initiative?
- Does this initiative have the flexibility it needs to adapt to changing circumstances?

PROVIDING A STABLE PLATFORM FOR SUCCESS

To make the most effective contributions to collective impact initiatives, grantmakers must be mindful of the ways that they engage in these partnerships. They must balance the varied assets they bring with their own agendas and recognize the inherent power differential. Being an effective partner in collective impact requires flexibility, long-term commitment, and a willingness to share power and decision-making with others. For many grantmakers, this requires a fundamental change in approach. When grantmakers are able to strike the right balance, however, they are more likely to meet the needs of the initiative and provide a stable platform for success. ●

Many thanks to Emily Wexler for her contributions to this article.

Power Dynamics in Collective Impact

Collective impact initiatives must build the power needed to accomplish their common agenda.

BY MARY JEAN RYAN

Collective impact initiatives are movements for social change, and they cannot succeed without achieving significant shifts in power and practice in their communities. Collective impact work requires the creation and activation of new forms of power as well as the use of powerful strategies, tools, and tactics to create large-scale systemic change. For these reasons, people involved in collective impact initiatives must understand and carefully consider power dynamics.

To achieve large-scale change, collective impact initiatives must disrupt the status quo. In each community, a particular array of power holds the present system structures in place and accounts for present-day outcomes. Generally, the status quo has been built over a long period of time by the actions of many. The central actors are often unaware of the full extent of their complicity in any negative outcomes, or of how their roles and actions reinforce those of others.

Over time, systems often become servants to themselves. The actions of many reinforce the system's strong hold and its resistance to change. This change resistance can be seen in many education institutions, which, even in the face of enormous change in labor market requirements and student demographics, operate as they have for decades.

For the past four years, my organization, Community Center for Education Results (CCER), has helped support the development and implementation of the Road Map Project, a "cradle to college and career" collective impact effort in South Seattle and the South King County area of Washington State. CCER provides the backbone support for this effort.

The Road Map Project region is very diverse demographically, and poverty rates in the area have skyrocketed over the last two decades. The project's geographic area includes seven school districts serving more than 120,000 students. Our goal is to double

the number of students in South King County and South Seattle who are on track to graduate from college or earn a career credential by 2020 and to close racial and ethnic opportunity gaps. Effectively managing and engaging power has been central to our ability to make progress in our work, as it is for many collective impact efforts. As the work evolves, we are constantly learning about the dynamics and use of power. I want to share a few of the lessons that we have learned so far.

Know your context | It is not a simple thing to develop power and use it effectively for change. Collective impact leaders need to know who holds the reins of power and how these actors are best influenced. They need to understand their allies as well as their foes. They need to know how to build powerful coalitions composed of a diverse group of actors, and they must accept conflict as a natural part of social change.

To understand the dynamics of power it is essential for collective impact leaders to understand the context within which they work and to stay vigilant because context shifts frequently. For example, when we started the Road Map Project, the economy was in a recession and governments were retrenching. Now, four years later, the context has shifted; money is beginning to flow again, and the opportunities are different.

Test for favorable wind conditions | About a year before the formal start of the Road Map Project, I did a lot of digging into our regional context to assess the appetite for change. I talked with a host of regional leaders including education advocates, neighborhood youth service providers, K-12 superintendents, community college presidents, foundation leaders, nonprofit executives, housing authority leaders, and city officials. To a person, they felt a strong discontent with the status quo