

correctional supervision or control. It may be, as Sylvia Ashton-Warner once said, that ‘truth has beauty, power and necessity’. But how fragile that power so often appears to be! In just about every domain of consequence to the health of our evolving democracy – the media, political life, the work of our foundations and NGOs – truth is often the first casualty, trodden upon by forces that appear to be much more powerful, at least in the short term.

What power does a community foundation have?

A key question for a community foundation is what role, if any, it will play in social transformation, for it too, like the central actors in the simplistic sketches I’ve just given, has powers peculiar to its station. To begin with, a community foundation has the power of *perspective*. Understanding in a holistic way what happens in a community – how its various parts fit together and interact – is essential to its effectiveness. It acquires this perspective (or should) by working in close partnership with all sectors of society. Thanks to the generosity of its many donors, a community foundation also has the power of the *purse*, the ability to marshal significant resources for the common good. Finally, it has the power of *persuasion*, using its voice and its ability to gather stakeholders to help settle disagreements and advance progressive agendas.

How can these powers be used?

At a very practical level, how might these various powers be deployed? I offer the reader some suggestions drawn from our own experience in New Orleans, fully aware that context is everything.

Trustee ownership of the conversation

Typical of many community foundations in the US, the Greater New Orleans Foundation has a staff whose worldviews run markedly to the left of those held by trustees.³ But in order for trustees and staff to work effectively in the socioeconomic borderlands, we need to diminish the psychic dissonance between us. This requires strong and sensitive board leadership, supported by trustees willing to take risks. These risks include broaching difficult subjects such as race and class, and trying to find a language that can unite all in common purpose.

Board diversity

If people of colour comprise 60 per cent of the population you’re serving, don’t let them constitute just 10 per

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cent of your board. Numbers do matter, as well as the positions of responsibility occupied by diverse trustees. People of colour currently constitute close to half of our foundation’s trustees. This composition closely reflects the racial and ethnic composition of our community and helps ensure that key perspectives are represented – and supported – in our deliberations.

Stick to your knitting

In conversations with our trustees, we learned that many ideological clashes could be avoided if staff members stuck to matters of fact, to an objective description of the challenges at hand. Editorializing on the issues, assigning blame, or practising sociology without a licence quickly met with resistance and threatened to derail social change efforts. Progress required that staff leave their usual liberal echo chambers.

Don’t elide difficult subjects

While race is a divisive topic in New Orleans, there’s also clear evidence that racism in its many forms continues to drive the disparities we see in south-eastern Louisiana. We can’t go around it, so somehow we need to go through it. This is one of our toughest challenges, given that traditional ways of talking about race – for example, in the context of trainings on cultural competency – are almost universally detested. We’re always on the lookout for creative, non-threatening and transformative ways to address this issue.

Metrics and evaluation

These are your friends, not your enemy. Many grant-makers in the social justice camp shrink from the idea that cold numbers and data can fuel social change. Our own experience has been that these data keep us honest about our shortcomings and challenge us to improve our work. The data clearly indicate that grant-making as usual will not help solve our most deeply entrenched problems.

No doubt some community foundations will eschew thorny social issues. They might choose to do little more than perpetuate themselves as institutions, or play a largely palliative role in addressing the ills of a given region. At their best, however, they can use their powers to help move earth a little closer to heaven. @

1 See eg Albert Ruesga, ‘The Foundation as Borderland Institution’. http://postcards.typepad.com/white_telephone/2012/07/borderland-institution.html

2 See eg Eric Lipton and Ben Protess, ‘Banks’ Lobbyists Help in Drafting Financial Bills’. http://dealbook.nytimes.com/2013/05/23/banks-lobbyists-help-in-drafting-financial-bills/?_r=0

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3 Cf ‘The Big Uneasy: New data on community foundations and social justice’. http://postcards.typepad.com/white_telephone/2011/11/biguneasy.html

Unleashing foundations' special powers

Suzanne Siskel and Anna-Nanine Pond

How powerful are foundations relative to other actors in society? With few exceptions, foundations and NGOs pale in size, programme scope and budgets beside governments, international development agencies and multinational corporations. Yet, too often, grantmakers act as if the limited transactional clout of giving away money affords them special power. To achieve anything of substance, foundations should consider themselves as actors within an evolving social change ecosystem. Rather than comparing their relative power, we believe it is more productive to determine how foundations can use their power to influence the deployment of other resources to effect positive change.



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We begin with a caveat. This article is not about all foundations; it is about those interested in playing a catalytic role beyond the transactional element of funding, in particular those committed to tackling underlying structural issues of justice and equity. This assumes that the work of such organizations is guided by their values; that they cultivate innovation, accept risk as part of their strategy, and have a tolerance for failure and learning from experience.

Relinquishing ego

Money is a currency of power and giving it away is at the core of what foundations do. Even the best-intentioned organizations can generate power dynamics that undermine their work: failing to engage communities or to take account of what they say; giving grants to ineffective organizations and ineffective leaders; and failing to explore whether their interventions dovetail with other policies, institutions and social forces are just some of the pitfalls. However, foundations are often most powerful when they understand the social dynamics involved and develop authentic relationships through which they can deploy their potential for social impact. This means, in part, relinquishing their ego and urge to 'brand' their work and actively countering perceptions of their special privilege.

This does not imply that foundations should eschew setting goals or charting, monitoring and reporting on a course of action. However, because foundation resources are small in comparison to other actors such as development agencies and corporations, they must consider where to apply pressure to catalyse change and what sort of mechanisms will build and sustain progress. Often it is foundations' under-used or under-appreciated non-financial resources that can complement or become even more powerful than the funding they provide.

We focus on three powers that foundations have to promote social change. Two of these approaches, supporting advocacy and using strategic leverage, enable organizations to influence new or more equitable policy and flows of public sector resources. The third, investing in local philanthropic organizations that share their values, enables foundations to amplify their support for social change through those other organizations. These approaches are inherently risky. Yet with appropriate planning, monitoring, adjustment and evaluation, they can enable foundations to wield a deeper, more transformational power than they can by acting alone.

The power of advocacy

Foundation advocacy is not new but it is receiving greater legal and public scrutiny, and this in turn is driving some of its most thoughtful proponents to evaluate and share their strategies and results. For example, a five-year analysis of the work of 110 American non-profits by the National Committee for Responsive Philanthropy showed that they have 'brought over \$26.6 billion in benefits to low-wage workers, communities of color, rural residents and other marginalized groups' through their advocacy work. The report, *Leveraging Limited Dollars: How grantmakers achieve tangible benefits by funding policy and community engagement*, found that every dollar donors invest in policy advocacy, community organizing and civic engagement provides a return of \$115 in benefit and contributes to stronger communities. This 1:115 rate of return far exceeds what might have been achieved had these organizations provided direct charitable services.

At a recent conference in New York on *Money and Power in a Post-Election America: Where is philanthropy?*, more than 100 US foundations, non-profits and government executives debated philanthropy's role in influencing public policy

