

LEARNING TO JUGGLE

By George Hepburn

Abstract: Community foundations need to ‘juggle’ several disparate roles. This is especially difficult for new foundations who may restrict themselves to the pressing tasks of asset development and grant making and not consider providing leadership in their community. The author reviews his own experience in directing a community foundation in the United Kingdom and discusses issues and options for how community foundations can develop four core roles of asset development, grant making, donor relations and leadership in their formative stages.

This article was written as a contribution to the Transatlantic Community Foundation Network working party on the role of community foundations in building civil society. The views expressed are the author’s own and not necessarily those of Community Foundation serving Tyne& Wear and Northumberland.

Introduction

Most new community foundations in the United Kingdom would define their role as raising assets and awarding grants rather than providing leadership in the community. After ten years, Community Foundation serving Tyne & Wear and Northumberland had gained reasonable competencies in both development and grant making. As Director, however, I had not thought about how community foundations could play a wider role in the community until I was invited by the Bertelsmann Foundation to join the Transatlantic Community Foundation Network. As a working party member for the last two years, I have been investigating how community foundations can help build civil society and learning from my colleagues on both sides of the Atlantic. What follows is therefore something of an apology for that earlier omission. It is an attempt to redefine the basic role of a community foundation to include, in the broadest sense, ways in which a community foundation can use its influence and resources to exert some beneficial influence in its community.

A Juggling Act

Community foundations have to develop competencies and build reputations in a number of different areas at the same time. They must juggle different roles – casting occasional envious glances at those who just have to award grants from endowed trusts. The juggler thrives on the thrills of the circus and has to be constantly creative and adaptable. Its no coincidence that a good practice and innovation can often be found in community foundations.

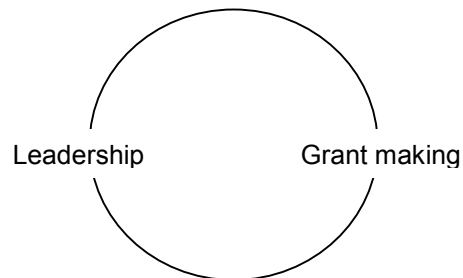
The virtuous circle

To simplify the situation slightly, community foundations have to juggle between four different roles:

- Grant making – without which there is no immediate benefit
- Asset development – without which there is no long term benefit
- Donor relations – without which there is no growing benefit
- Leadership – without which there is no beneficial influence

These four roles reinforce each other and comprise a 'virtuous circle' as shown below. Grant making depends upon continuing asset development; good grantmaking helps donor relations, which in turn leads to repeat donations. Leadership raises the profile of the community foundation and bring both more grant applications and new donors.

Development



Donor Services

With experience, juggling these different roles becomes second nature, but the apprentice lives in fear of dropping a juggling ball. A new foundation director is likely to withdraw from the stage in horror. How does a new foundation learn to juggle? Is it better to take the easy route; start off with one or two balls and pick up the others later on. Or does it become increasingly difficult to change your act, if you become known as a two ball player? Are you better off struggling with the whole juggling act from day one remembering that juggling always involves a element of illusion!

What comes first?

Many of the first wave community foundations in the United Kingdom concentrated on good grant making. They received sufficient flow-through funding from endowed trusts and quasi-statutory sources to allow them to demonstrate their proficiency as good local grantmakers. A chosen few received challenge grants from the C. S. Mott Foundation and the Charities Aid Foundation to build endowment which successfully focused their minds on asset development.

However, in other countries, and especially in Central and Eastern Europe, leadership has been an early priority. At Ústí nad Labem in the Czech Republic, for example, there was an urgent need to help the public authorities and private sector work together in a way that is difficult to imagine in the UK. The community foundation has played a valuable role as bridge builder and facilitator. A further fascinating example is Northern Ireland, where the community foundation has been widely respected for its independence which has enabled it to play a distinguished if understated leadership role and manage substantial flow through grants programmes.

The variation in early year activities is so marked in different societies that one wonders whether all such organisations can fly under the same flag with a generic title of community foundation. Are there a set of core roles that all community foundations should aspire to or is the instrument sufficiently flexible to allow for very wide variations in different cultures or between community foundations at different stages of development? Can a new foundation grow up unless it demonstrates competency in each area? Can you truly take on the mantle of a community foundation without demonstrating asset development, grantmaking, donor relations and leadership to an acceptable level?

What are core roles?

Not everyone might agree that this list defines core activities. Some foundations in the United Kingdom have yet to encompass donor relations and even some US foundations might not subscribe to leadership as a core role. It is not a foregone conclusion. A community foundation run purely as a donor services agency might exclude any philanthropic initiatives that did not stem directly from the individual or combined wishes of its donors. But if, for the rest of this article, we assume that any self respecting community foundation will aspire to a four ball act – that is proficiency in asset development, grantmaking and leadership, lets ask how a new community foundation can best become a self-assured four ball juggler?

Tyne & Wear's experience

Community Foundation serving Tyne & Wear and Northumberland has been primarily a two ball player and leadership has, for the most part, been an incidental Friday afternoon activity. Here's the apologia....

Established in 1988, Tyne & Wear now has over £20 m in endowment and has become one of the leading role models in the UK. By comparison, Tyne & Wear has been relatively inactive in bringing its resources and influence to bear on topical issues or provide 'leadership'. What has been our rationale or excuse? Broadly speaking we would say:

- "we're too small"
- "we'll do it later"
- "Its not a prioirity"
- "Its presumptuous"

In its initial development phase, Tyne & Wear concentrated on endowment building; ran a lean grant making operation and exercised relatively little leadership. This was a fairly conscious strategy which, if measured by endowment growth alone, was fortuitously and successfully carried out. It was also a survival strategy. Tyne & Wear could not reckon on continuing subsidy from the sources, notably the Baring Foundation, which generously supported its initial development. It had to grow to survive and this discipline strongly influenced the early years.

Our community foundation operates in an environment that is 'institutionally rich'. There is no shortage of partnerships, initiatives and task forces that broadly aim to regenerate a post industrial region. The UK also has a sophisticated and well organised voluntary sector well able to speak up for itself without our help. It is a society which, at its peril, takes 'civil society' for granted. There were not therefore obvious openings for leadership.

Our leadership record was modest: convening a local grant making forum and an ongoing relationship with a national funder that has brought significant new funds into the region. We've also developed a tradition of high profile annual meeting that have given a platform to speakers of national significance. The largest initiative was a nine month project funded by Natwest Bank on grant making to small voluntary organisations that culminated in a residential event for funders. It built reputation but asset growth dropped that year.

In essence, Tyne & Wear's philosophy for the first ten years was that good grant making is essential as shop window to attract assets and that asset development has to be pursued rigorously, if a new foundation is ever to stand on its own two feet. Leadership, at this stage, is a bit of a luxury and even an impediment. In other words, learn a safe act first and don't risk anything that could damage your growing reputation.

Why avoid leadership?

Why was T&W so wary of leadership initiatives. Was its reticence reasonable? Some reasons would include-

- **We lacked the resources.** With hardly any staff and very little money, in those heady early days, it would have been crazy to be so ambitious.
- **We would be muscling in.** As a young fledgling, who were we to take on the bastions of power. What's worse, who would have listened to us?
- **We would be issue bound.** At an early stage of development, we did not want a name for championing an individual cause.
- **It would divide the Board.** Whilst united in building our assets, Board members would not have easily rallied behind the same cause.
- **It would have put off donors.** It was rumoured anyway that some donors thought grants were spent on 'weird and wonderful' causes. We couldn't risk offending people.
- **It would cut across donor services** by suggesting the Community Foundation should have a mind of its own rather than just reflecting donors interests.

Myths about leadership

Leadership in this context means activities carried out by community foundations in addition to regular grant making where the community foundation can exert some influence on topical issues in its area of benefit. These need not be grandiose and might happen in small and specific ways. For example

- **Leadership need not depend on asset size.** Convening meetings; going to others meetings or even writing to the press doesn't require much spend, but it does show your colours.
- **Leadership need not take up staff time.** It's a great way to involve Board members and volunteers
- **Leadership need not be controversial.** Community foundations can offer a round table and act as a neutral broker.
- **Leadership can help fundraising.** In the United States, my colleagues believe that 'campaigning brings in dollars' through demonstrating that the organisation has the guts to take a stand.

- **Leadership can win new friends.** Its likely to involve allies in the public and voluntary sector as well as the thinking public which will stand the community foundation in good stead for the future.
- **Leadership can be slipped in.** Issue a press release on your latest grants programme; invite an outside speaker to your annual meeting or find other ways to spin your existing activities into leadership opportunities.

Problems about leadership

You may to think hard before getting into leadership. It will involve taking up an informed position on the issues of the day and a view of what needs to be done. At some level, it involves the community foundation agreeing underlying values. Two years ago the Tyne & Wear Board decided to take an initiative to combat homelessness. In so doing, it implicitly took the view that homelessness is unacceptable; that the community foundation had a role to play and there were realistic objectives. Since then, we have been helping the main agencies working with homeless young people to develop strategies aimed at abolishing the need for young people to be homeless in our region. The initiative is led by a Board member with expertise and ambassadorial qualities in this field.

In many UK community foundations, this social agenda has been built by a 'social audit' or 'needs assessment' to help define grant making which has also become a kind of manifesto for the community foundation. In the United Kingdom, the best example has been Wiltshire Community Foundation's work on highlighting rural poverty in an apparently affluent area. But by whatever means, more proactive community involvement is likely to involve deeper thinking and heart searching from the Board and staff than may have happened before.

It may be necessary to pick issues on which the community foundation can have reasonable influence. This year Tyne & Wear has made a modest contribution to helping alleviate some of the problems following the foot and mouth outbreaks in the rural parts of our area. In this case, we've responded to a topical issue and been swept along with the popular mood. My Canadian working party colleague, Carolyn Milne from Hamilton Community Foundation, has responded to recent extreme acts against the Muslim community in Hamilton, Ontario, Canada by asking the interfaith community to step out in their community leadership role. From a simple phone call, the interfaith leaders organised an historic demonstration of interfaith solidarity. In situations like this, you just have to be there!

There's perhaps a risk of being unduly tactical by selecting issues that have quick fixes or will court popularity. The Minneapolis Foundation has led public awareness campaigns several years running on difficult issues like immigration because as Emmett Carson, Minneapolis CEO and fellow working party member puts it:

"If you're a philanthropist, you're in the risk business. You do it not because you're assured of success or you're afraid of failure. You do it because it's the right thing."

The full juggling act

Emmett Carson speaks from a position of a community foundation that has consciously embraced leadership and taken on the full juggling act. Like New Hampshire Charitable Foundation, also represented on the working party, he's shown that this can be achieved at a realistic cost and without jeopardising other activities. Rather than taking piecemeal initiatives, as we've done in Tyne & Wear, these community foundations have built them into their core work.

This definition of core roles taxed the Tyne & Wear Board earlier this year. I would say that Board members have worked exceptionally well together as a team for some years now. We've moved from grant making into donor services and from fundraising into fund management, with assistance from some distinguished US consultants. We've become fairly nimble in moving around 'the virtuous circle' discussed above. The debate this year was sparked by a number of things including my own growing interest in leadership roles through involvement with the working party. In the course talking to Board members some of their underlying perceptions about the role of the community foundation became much more apparent. Here's a selection, paraphrased slightly:

The Community Foundation has the potential to be a £200m business. There's a goldmine out there that we're not tapping! We've got to market this product much more professionally.

I'm not interested in growth for its own sake unless it's money that can be used for our core charitable purposes. We've got to have a sense of our purpose in town.

We spend too much time courting donors. We were set up to support the voluntary sector and make grants that help the community. If we don't do that, the Community Foundation has been a noble failure.

It's a great service to my company. The Community Foundation gives me good public relations and it should direct all its energies to servicing its clients.

You want to support the kind of charities that your donors will like and avoid controversy at all cost. Show me where it says anything about 'donor services' in your articles and memorandum; I can't believe that serving donors is even charitable!

We are widely respected in this community and it would be a great pity, if we didn't use that influence and stand up for a few things that we believe in.

If you're just a marketing organisation, you don't need a large and distinguished Board like this. For goodness sake put us to good use!

At the end of a good debate, the Board acknowledged the importance of all the different elements of the virtuous circle and recognised there must be changing priorities and emphasis at different times. It gives us a platform for moving forward in different ways and could be seen as a coming of age in adopting a full juggling act.

Tactics and coaching

If I was learning to juggle again, how would I go about it? Is it safer and more productive to concentrate on two ball juggling until you've got the hang of it. That was our method: build assets, give grants and keep your head down. Can you then unpick the act and include the other balls? Have you been shrewd in leaving the clever tricks till last or by then lost the opportunity to play a wider role in the community? It may be difficult to learn new tricks and it may also be difficult to climb up the bill with a new more flamboyant act. There's a danger that the community foundation will have become seen as a conservative institution, perhaps too compliant to donors' interest, and not a port of call in a storm for the disadvantaged or marginalized.

One of the most astute coaches in this respect, Lew Feldstein, CEO in New Hampshire and another working party member argues that "the leadership function is one that a community foundation can sneak up on, gradually adding it to the repertoire so that it compliments, and doesn't compete with either grant making or development". There are a number of ways for new and emerging foundations to exert modest leadership that need not detract from other higher priority activities. Indeed, there is good evidence that it compliments the latter, by drawing attention and giving you a better story to tell. In other words, have the courage to start out to learn the full act from day one, even if you only try juggling with all four balls every so often.

Remember that juggling requires quick wit and good presentation. But then any new foundation faces the problem of establishing its reputation on limited resources. In carefully selected ways, community leadership may be an effective way to do so that can in return have a positive influence on asset development and grant making.

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