3. Build the capacity of your foundation to do this work and of the funder community to support this work

"A small grants program can affect a foundation as a whole—or it could be ignored and kept in its niche. If grassroots grantmaking is taken seriously, it provides examples and possibilities that may move you to look at your institution differently. It could be a catalyst for changes within your institution."

—David Portillo

To say that many people at the Chicago meeting thought that the need to "build capacity" also applies to funders is to state the obvious: funders came to the meeting specifically to build their capacity by learning from both their peers and residents working in other communities.

People at the meeting and in the followup interviews had many ideas about which capacities funders need to build. Many emphasized the capacity to develop a deeper understanding of these communities, one that comes from knowing more than data. Once again, several people talked about the need for funders to become better listeners. They encouraged funders to spend more time in these communities as well as to expose their staff and board to community people.

Several people also talked about the issue of control, saying that funders need to get better at letting go of some of their control and embracing the role of being a partner in the work, not just a funder.

Several also talked about the need for broader changes within the institution. As one person put it in Chicago, "You'd better be ready to move the entire institution closer to the work to really capture the trust and hope of people and then deliver on it."

Others emphasized the need to reach out to the broader funder community to develop more support for this work.

Probably the most-mentioned capacity that funders need to develop involves the ability to develop a deeper understanding of the communities that funders are trying to help.

Funders need "the ability to connect directly to the residents affected by the problems they are trying to solve, rather than running the funds through some intermediary," said **Andy Helmboldt**, the resident volunteer for The Battle Creek Foundation.

"They need to have a more direct connection to the problem and the people who are working on that problem."

When a funder does this, "You learn about problems you may not have known existed. You learn that there are people really dedicated to solving these problems."

Alison Janus of Steans agrees. "It's about taking the time to understand the neighborhood context—politically, economically, socially. These are all really important. You have to understand what is happening to people. What is happening on the street."

You learn this by building your own capacity to listen, Janus believes. "I have a pretty good idea how to listen, but this job taught me how much more important it is. The trust helps you have the conversation."

Janus says that she has also learned that, "It's about so much more than having expertise in an area like education or employment." She adds that "it's nice to know best practices," but to work in communities effectively, knowing best practices in a field like education is not enough.

For the Woods Fund of Chicago's Consuella Brown, the key is that funders learn "best practices" for working in and with communities. "What is the most logical way to move from the stop sign on the corner to getting an off-ramp regulated on a major highway? How do you foster growth? Is it by asking questions or networking grantees together? That is the technical assistance that foundations need—the mechanics of progression or evolution."

David Portillo

Program Officer for The Denver Foundation's Strengthening Neighborhoods program

Nine years with the Strengthening Neighborhoods program in Denver has given David Portillo a good chance to see how deeply small



grants can influence the community. The most rewarding part, he says, is "working with neighborhood leaders through a process of their own transformation.

"You help a group identify a problem, and then a few years later you see they have been able to change their community," he says. "Being a part of that in any way always renews your commitment to the work."

Even after so many years, Portillo realizes there's still much to learn. During "On the Ground" in Chicago, he appreciated the way that new ideas were paired with "candidness" about the struggles. "It gave us an opportunity to look at things we've never looked at before, and consider doing things we can't often voice aloud. That's something."

isa Leverette, who works with The Skillman Foundation, also emphasized the importance of listening. "The funder must change their culture to listen and to be a partner at the table." But she says, "That is harder to do because they have the power."

She thinks funders must build their capacity "to resist the urge to control every nuance" and to trust their partners—both community groups and intermediaries. She thinks Skillman has learned to do this well, "respecting the process of those who have experience with grassroots groups" and trusting the decisions of its community-based review panel. "These folks have evolved to push back on the foundation because they own the process." She says her foundation is trying hard to adjust to this dynamic.

"It's about all the parties being willing to balance and check their power at different times." If a funder can't check its power and truly be a partner, then Leverette says many "community people are willing to walk away." This reflects the fact that "a lot of community people are jaded and have been used as tokens.

"Funders are often caught off guard when a community resists or pushes back based on its own self-interest. It's even hard as an intermediary. There is a fine line to walk as the players learn the give-and-take of the relationship."

Janus agrees that funders that want to work in communities must accept that it will "get called to account for things, more so than in other foundations. Here you are forced to really connect with the community and it is unique."

or The Denver Foundation's David Portillo, ultimately the connection needs to be a two-way street. He thinks the funder must be willing to get into the neighborhood. "Physically locating our committee meetings in the neighborhood is important. It usually includes a tour and a time to understand what is happening there."

But the other side is "having community leaders on your board and committees." Portillo says that his foundation has been working to be more inclusive. He says his Strengthening Neighborhoods program introduces neighborhood leaders to the foundation's nominating committee. As a result, "the foundation's board and committees look much more like the community than they did before."

What helped catalyze change at The Denver Foundation was the process of evaluating its Strengthening Neighborhoods program.

"A big part of capacity building is not just the grantee but also the funder—how do we amplify the work? We need to expose others to these concepts and needs."

—Deborah Harrington

The consultant hired to do this evaluation—David Scheie of Rainbow Research—emphasized the need to take the time to do analysis and reflection, Portillo says.

"They helped us evaluate what we were doing, what we could learn and what perhaps we should stop doing." The process also "provided an opportunity to revisit our goals."

He says one result of this process was a new grassroots leadership program. Another result was a deeper commitment to the goal of social change.

Scheie also tied the evaluation to an intentional way to listen. "He urged us to transform our relationship with the community, and to think of ourselves as working at a place of learning, instead of continuing to pretend we know everything."

To connect this learning to the foundation's board, Portillo says that, "We often invite grantees to tell a story about their work. Whenever small grants leaders get profiled and get to tell their story, it provides an emotional jolt for our larger board and grantmaking committee.

"Not only do they hear a great narrative about a community coming together, but



Rami Nashashibi and Taqi Thomas thanked the Woods Fund of Chicago for "taking a serious risk" and supporting the Inner City Muslim Action Network's "unorthodox" approach to violence prevention, which involves connecting neighbors and reducing fear.

many board and committee members approach me afterward to let me know how they were touched and inspired and feel the energy to continue doing the philanthropic work they are doing. You can never stop telling stories—you can always be re-inspired."

nce a funder's board understands and embraces this work, the next step can be engaging other funders. As one person put it at the Chicago meeting: "How can we partner with other funders? Funders often don't play well together."

Deborah Harrington said that the Woods Fund saw this need: "We focused on working with other funders because the complexity of issues requires a collaborative approach to have impact.

She thinks that the responsibility of a funder "is to provide access—not being a gate-keeper but a door opener. We introduce our groups to colleagues to leverage other grants, and then they have introduced themselves to other funders."

Part of the problem, Harrington said, is few foundations support community organizing. "I believe that less than 3% of all domestic private grantmaking is distributed to social change causes like community organizing, social activism and policy advocacy. So a big part of capacity building is not just the grantee but also the funder—how do we amplify the work? We need to expose others to these concepts and needs."

Brown explains why it's so important for funders to reach out to their peers. "Funders have access to people in power. It is very important for us to use these relationships to broker changes in low-income communities."

Portillo agrees. "It's important to play constructive roles with our peers. Sometimes staff at other institutions won't open up or listen unless the foundation plays a convening role."

Indeed, as Portillo and others explain in the final section of this report, the many roles that foundations can play in addition to providing money can be critical in helping community work add up to broader social change.