The Kettering Foundation is a nonprofit, operating foundation rooted in the American tradition of cooperative research. Kettering’s primary research question is, what does it take to make democracy work as it should? Kettering’s research is distinctive because it is conducted from the perspective of citizens and focuses on what people can do collectively to address problems affecting their lives, their communities, and their nation. The foundation seeks to identify and address the challenges to making democracy work as it should through interrelated program areas that focus on citizens, communities, and institutions. The foundation collaborates with an extensive network of community groups, professional associations, researchers, scholars, and citizens around the world. Established in 1927 by inventor Charles F. Kettering, the foundation is a 501(c)(3) organization that does not make grants but engages in joint research with others. For more information about KF research and publications, see the Kettering Foundation’s website at www.kettering.org.

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What does philanthropy have to do with everyday life for ordinary people in a community? My hunch is that if you stopped someone in a corner store, neighborhood park, or a community library, or even gathered a group of ordinary people together for a focus group and asked that question, you would get a range of responses that have one or two common denominators: “I don’t know” or “Not much.”

Nevertheless, philanthropies have made a difference in our communities in many ways, some of which are largely invisible to the everyday person. In my rural Texas community, a local family foundation’s investments have made a difference in very tangible ways. Grants from this foundation have been a big part of why
Some choices made in the interest of doing good have had unintended consequences on the space that ordinary people held in communities for problem solving and collective action.

Our tiny town has a library, volunteer fire department, ambulance service, rural hospital, and local historical museum.

This small community is a place, however, where people find it hard to come together to work on wicked problems. While we are a community of generous helpers during times of crisis, we have a tough time with the basic tasks of a democratic citizenry. We have few opportunities for people to connect with others who have differing life experiences or perspectives on an issue and even fewer opportunities for people to work together in ways that grow their citizen power and strengthen local democratic practices. Strengthening civic culture is not on anyone’s agenda here—including the generous family foundation that is right here in our community.

This observation is not a criticism. I know from my time as a foundation staffer that no matter how much money a foundation has in its coffers, it is never enough—and thus priorities must be set. Our local foundation, the only grantmaker in our area, has prioritized bricks and mortar investments and support for core community institutions, for without their investments we would not have community essentials.

However, some choices made in the interest of doing good have had unintended consequences on the space that ordinary people held in communities for problem solving and collective action. Organized philanthropy is a relatively new invention, and over the last 50 years, the number and asset size of foundations in the United States have grown tremendously. Grantmaking foundations are guided by legal constructs that encourage them to funnel their resources to legally established nonprofit organizations. A growing philanthropic sector has gone hand-in-hand with growing numbers of legally established nonprofit organizations. As the demand for accountability for philanthropic investments increased and more
attention was paid to helping non-profits become more businesslike, community problem solving moved into the domain of professional problem solvers. Everyday people moved into the role of beneficiaries of these services—more like customers or clients than powerful citizens. The roles for citizens to engage in democratic practices have been reduced, changing the landscape of the civic culture in our local communities.

**A RENEWED INTEREST IN PLACE**

What is promising, however, is that many foundations that embrace “place” as their core interest have experimented with ways to strengthen civic capacity. For some, this has meant adding a new focus area and staff to work on civic engagement. Others have expanded their grantmaking lens to include those more informal “associational” groups, using micro-grantmaking to support the community projects that these groups imagine, plan, and carry out. And some are looking critically at how they do their work in relationships with people in their community.

Over the years, however, I have seen wave after wave of philanthropic interest in civic capacity—but not much staying power after the wave crested. Even though the number of foundations in the United States has grown significantly, there has been only a modest net increase in the number of place-based funders who have the desire and capacity to build community infrastructure and a culture of democracy. No appreciable net increase, considering the growth of foundation numbers, means a net loss.

Why is it that there seems to be so little staying power when there is so much evidence that ties a vibrant civic culture to long-term community well-being? Could it be that this type of work requires a shift in the foundation’s own organizational culture—and that doing so is where the work gets so hard that the foundation retreats to more comfortable, more traditional behavior?

As I puzzled over what was going on, I was reminded of a conversation

“I have seen wave after wave of philanthropic interest in civic capacity—but not much staying power after the wave crested.”
I had a few years ago with Kettering Foundation president David Mathews. Mathews was talking about invention and innovation—noting that invention and innovation often happen at the edge of something rather than from the middle. Perhaps it was from organizations that are comfortable operating on the edge of organized philanthropy—some mavericks in a sense—that I could get some insights.

With that in mind, I began a series of conversations with people who are in the early stages of work that calls for their funding organization to challenge familiar notions of philanthropic roles and practice and to experiment with new ways of connecting with their community—especially with residents and associational groups. I was especially interested in funders who had jumped on board the current wave of interest in community or civic engagement in a significant way rather than just a new program that ran alongside their more traditional work in a detached fashion like a programmatic sidecar. Within these organizations, I was looking for people who are on fire about what they are doing and were eager to explore learning and possibilities.

**CORE IDENTITY**

One of the common themes that emerged from these conversations was related to their core identity. How does the organization define itself and understand its purpose?

Funders who are at the innovative edge of philanthropy have done some soul searching about who they are at their core. What I’m learning is that these organizations are putting values and practices that are closely aligned with civic capacity building in the forefront—with grantmaking as one of many tactics that they can use to help things happen.

These organizations are doing something different than I’ve seen dozens of others do over the last 25 years. They are not simply adding a new program or a time-limited special initiative.

The following quotes and near quotes around the theme of core identity offer snapshots into the grounding for foundations that aspire to be of
the community where they work:

- We are a community development organization that uses philanthropy as a tool.
- We strive for power with vs. power over—very different from a philanthropy or another organized charity that is in a superior position (to those that want their money or services).
- We are committed to having a visible role in the community as a convenor and an advocate for social justice . . . and we do this because we can (by virtue of our philanthropic endowment) and because this is who we are.
- We learned that we had to take a hard look at ourselves—who we are and how we are doing our work—and really challenge the ways we were creating power imbalances and marginalization both within and outside our walls.
- We’re about investing all our capitals—moral, human, social, intellectual, reputational, and financial—while stewarding the natural capital in our community, in the interest of a community that works well for everyone. We know that we must change who we are—our own organizational culture—to be of service to that vision.
• We are values heavy and issues light. Most philanthropies are issue focused, but we believe that people aren’t that way. . . . There is never just one issue. Things are more complex than that. If we focus on issues and not on creating opportunities for people to grapple with the issues that matter to them, we are just creating another set of dependencies.

• Our mission is to help people envision a different future and pursue it in diverse ways that make sense to them.

• We work hard to think more about mission fulfillment than institutional stability.

• We believe that we are part of a community that will get stronger when we develop and nurture a shared culture that is characterized by more openness to new ideas and entrepreneurial possibilities, a community narrative that shows pride in our place, a way of working that is more inclusive and participatory, and a mind shift from “I cannot” to “I can” and “we can do better.” That’s what we’re about.

While very few philanthropies would admit that they are just about the money, it is not unusual to hear statements like “we’re a grantmaker, not a program operator” or “we are a resource for the nonprofit organizations in our community.” To me, these more typical statements grow from the understanding of a core identity that is indeed about monetary transactions to nonprofit businesses that deliver a product. It is understandable that funders that work from this understanding of their role might regard civic or community engagement as a customer-relations consideration, asking citizens to give input on the change agenda the foundation is offering.

In contrast, what I heard in these conversations was more about a funder being one of many players in a community—with players including the people who live there—and a real desire to be more open, accessible, and relationship-oriented.

I know that words are not enough and that a shift in core identity must extend past aspirations and make it into what organizations do and how they do their work. These are all organizations that do all the institutional things foundations must do—and thus can get pulled back into the mainstream at any moment. But maybe, just maybe, a shift in core identity is a key that opens the door for new possibilities about the role they can play in their communities.

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