In recent years, philanthropy has called for greater collaboration among nonprofit and public-sector partners, cutting across disciplines — the rationale being that no one organization working in isolation can hope to make significant progress against the complex challenges we jointly aim to address.

Yet how many foundations practice what they preach when it comes to cross-sector partnership within their own institutions?

Most organize their work vertically within fields of practice, attempting to fix longstanding challenges along parallel paths. Doing so certainly carries advantages — foundations can recruit talent with deep expertise in particular sectors, building relationships and credibility among those they seek to influence and uncovering the nuances and leverage points required to achieve their goals.

However, people do not live their lives in the ways that most foundations organize themselves internally. In fact, people constantly navigate multiple, interconnected systems — from education, transportation and employment to health, housing and human services — that shape their opportunities. As a result, communities have a more holistic understanding of their challenges and solutions than many of the organizations dedicated to supporting them. Philanthropy has a responsibility to respond accordingly.

After The Kresge Foundation transitioned to a strategic philanthropy approach about a decade ago, we found that a single programmatic lens was increasingly insufficient to realize our full potential to positively affect long-standing challenges whose roots...
are structurally interconnected. Beginning in 2011, program officers and managing directors started to explore opportunities to structure grants that would advance the strategies of multiple Kresge programs and pooled resources on cross-disciplinary projects.

To identify new opportunities for cross-team grantmaking — our term for when more than one program contributes to a single grant — our leadership created a series of supports in 2014, among them:

- Formally embedding the encouragement of more cross-team collaboration in senior staff members’ job descriptions;
- The creation of a $2 million incentive pool, which provided matching dollars for cross-team grants; and
- An internal “Good Pitch” competition to generate ideas for grants that addressed multiple program priorities.

As with any organizational change effort, some aspects worked better than others. While program staff responded strongly to the cross-team incentive fund, “Good Pitch” was discontinued after two rounds.

These internal changes contributed to a level of cross-team collaboration that is now a part of our operational DNA. In 2013, only 3 percent of Kresge’s annual grantmaking involved contributions from multiple teams; by 2017, this proportion had risen to more than 16 percent — a high of 74 cross-team grants.

More important than grant quantities — or the proportion of our funding they represent — is the depth of involvement that Kresge program staff, grantees and partners are now contributing to cross-program strategy development and implementation. We’re seeing this collaboration manifest in at least four different ways:

- Joint program support for a project or to a single grantee: By far the most prevalent method of cross-team grantmaking, partnering on an individual project grant is typically initiated by staff who recognize the relevance of the work to their strategy and to that of another program in the foundation.
- Multiple program investments in a single place: While Kresge currently funds work in more than 230 cities, we
While the growth of Kresge’s cross-team grantmaking has been significant, grants are only one indicator of how this cross-disciplinary thinking is taking root inside the organization. There are many ways in which the unique perspectives of various Kresge program staff positively influence these investments in more subtle ways.

For instance, in this report, Kresge Vice President and Chief Strategy Officer Ariel H. Simon describes the emergence of the Opportunity Fund, which has been shaped by the perspectives of staff from multiple departments within the foundation. (See page 14.)

The foundation’s work in Memphis, as discussed later in the report, also exemplifies our multidisciplinary ethos. In April 2017, Kresge launched an opportunity for nonprofits in Memphis to apply directly for funding with an emphasis on work that addresses more than one foundation program priority. It is rare for a national funder to create such a broad open funding opportunity in a specific city. But the response was overwhelming, with more than 100 applicants.

Ultimately, we funded 11 community-driven efforts in Memphis, including a project spearheaded by Neighborhood Preservation Inc. that was funded jointly by the American Cities Practice and the Health Program. Neighborhood Preservation is featured in this report. (See page 36.)

Our ability to respond to community priorities in a multidisciplinary manner has been enhanced by the evolution of strategic priorities within each Kresge program. For example, in 2015, the Education Program introduced the Aligning and Strengthening Urban Higher Education Ecosystems focus area, recognizing that the
success of both first-generation and historically underrepresented college students is shaped by factors that exist beyond the college campus, such as stable housing and reliable transportation. The foundation’s work in this focus area has opened new opportunities for other Kresge programs to collaborate with the Education team, as described in the report. (See page 28.)

Similarly, the Arts & Culture Program, which aims to embed Creative Placemaking within comprehensive community development, regularly engages other Kresge programs. A good example is the team’s partnership with the Environment Program around climate change in New Orleans, as brought to life in the story, “A Rising Tide of Climate Resilience,” in this report (page 32).

Working across every program team, Kresge’s Social Investment Practice aims to identify ways in which multiple forms of capital can achieve program goals, which by its nature is a multidisciplinary approach. We believe that this kind of integration will increase our impact on issues and in places.

Yet by no means does the deepening adoption of interdisciplinary funding lessen the import of our individual program teams. Expertise within these disciplines still matters. Kresge President and CEO Rip Rapson likens this programmatic expertise to a gyroscope: “In the face of problems whose configurations are constantly altering, we use our expertise as a stabilizing mechanism that permits us to isolate the underlying drivers of the problem and land on an entry point.”

Kresge is among several foundations increasingly investing at the intersections of multiple programmatic perspectives. As such, we feel a responsibility to examine our practices and to share what we are learning with the field. To that end, we have engaged a third-party firm to conduct an evaluation of our cross-team work, explore whether and how cross-team grantmaking enables our grantees to achieve a bigger impact, and share those lessons with our peers and partners. We will do this as we continue to explore new ways to deploy our unique mix of resources — intellectual, financial, network and social — to expand opportunity in America’s cities.

I invite you to join and learn with us on this journey.