



Commentary by Rip Rapson:

## Qualities That Guide Our Future Work

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Welcome to the April version of the President's Corner.

In trying to build on, and out from, the well-established Kresge tradition of capital challenge grants, we have found it helpful to articulate some basic qualities we hope will guide our foundation's future work. There is nothing particularly original or surprising about this articulation – indeed, it draws heavily from the brilliant thinking of Paul Y. Ivisaker.<sup>1</sup> But, for Kresge, each of the qualities represents a departure – either large or small – from our traditional focus and methods.

*The first is private philanthropy's ability to view things whole.*

It's so easy to become focused on a particular grant or immediate need that we in philanthropy sometimes forget the enormous privilege we have been accorded: to take a holistic, long-term view. We can, and should, set our bearings from a more distant horizon line. We can aspire to stitch together threads among activities that seem distinct and unrelated, exploring the nature of linkages among sectors, across disciplines, among levels of government and across policy issues.

And because our assets secure our survival, we need neither to rush to judgment nor to expect quick results. We can instead cultivate the kind of patient intelligence that permits us to probe deeply into an issue or issues over an extended period, chipping away methodically at seemingly intractable challenges.

*The second quality is the opportunity to use the full range of tools at our disposal.*

At root, we in philanthropy make grants. But that is only the beginning:

- Private foundations can *convene* people as a way of forging relationships, promoting joint inquiry and fostering concerted action.
- We can use *strategic communications* to strengthen public understanding of, and engagement in, the work of grantees.
- We can invest in *research* to capitalize on the community's intellectual power and make an enduring knowledge base available to others.
- We can encourage *networks* to serve, in effect, as intellectual extension cords – amplifying the collective power of organizations working in shared purpose.

Twenty years ago, many of these tools and tactics were the province of only the largest and most ambitious foundations. Today, they are increasingly understood as indispensable levers of philanthropic efficacy.

*The third is the freedom to take risks.*

It is helpful to bear in mind that the endowments of many large private foundations were created by founders taking the kind of high business risk that could leverage spectacular returns over the long term – think Carnegie, Rockefeller, Ford, Mellon, Gates and countless others. Private philanthropy – free as we are from re-election cycles, quarterly profit reports and appropriations from others – has the independence to take chances of a similar kind. Not just the modest risk entailed in individual grants, but the larger bets that promise yields commensurate with the magnitude and import of so many contemporary challenges.

Philanthropy is uniquely situated to catapult over a community's fixed and safe positions to true innovation and transformation. Joel Fleishman's recent work, *The Foundation: A Great American Secret*, describes some of the more spectacular examples: Rockefeller's role in giving birth to the Green Revolution and in eradicating yellow fever. Ford's advancement of civil rights and voting rights in the 1960s. Carnegie's laying the foundation for the creation of the Public Broadcasting System. Each is an example of philanthropy acting as society's social venture capital.

*The fourth is the latitude to invest in underrepresented people and causes.*

Like other forms of charitable giving, privately endowed philanthropy provides support for society's full spectrum of cultural, environmental, health care, educational and religious institutions. But its support assumes particular importance for organizations that, in Ylvisaker's phrase, serve as our society's moral thermostats, flipping into the on position in the presence of suffering, injustice, inequality or callous behavior.

Not only are these organizations particularly vulnerable in an era of declining human-services spending, they connect directly to philanthropy's institutional values. There's an old Asian saying, "Everything rests on the tip of intention." It implies a very close relationship between outcome and motivation. In the world of philanthropic service, our decision-making principles and long-term evolution grow directly out of our fundamental intention to help others, to dislodge the inequitable inertias imbedded in our society.

As we have measured ourselves against these four qualities, the board and staff of The Kresge Foundation have concluded that an adjustment is in order. We would be well-served by taking the larger view, placing our grantmaking into a broader context. We need to explore using a greater variety of tools – capital grants in a variety of forms and applied more flexibly, to be sure, but also operating grants, program grants, research, convening and all the other tools commonly used by other foundations. We have to introduce the calculus of risk, not a part of our current thinking. And we have to become more intentional about investing in underrepresented people and causes, systematically exploring the extent to which our current grantmaking disfavors organizations serving those needs.

We are at the front end of developing those ideas. I'll report on our progress in subsequent columns.

<sup>1</sup> During a nearly 50-year career as a public administrator, Ford Foundation program director, Harvard educator and adviser to countless foundations, Ylvisaker treated with remarkable current relevance virtually every issue that contemporary philanthropy faces. See Virginia M. Esposito, ed., *Conscience & Community: The Legacy of Paul Ylvisaker* (Peter Lang: 1999).