



## The Community Organizing Toolbox

### HOW CO GRANTMAKING FITS WITH OTHER FUNDING PRIORITIES

Nearly every funder supporting CO also makes grants for a range of other programs and strategies. Funders vary in what the relationship between CO and funding in other program areas is, the importance of the relationship and the ways it is incorporated into their grantmaking.

A number of funders strategically link CO to some or all of their institutions' other grantmaking priorities. Often, these funders place their CO program within a broader funding area, such as poverty alleviation, democratic renewal or community revitalization. Or, they are making grants to address needs of particular neighborhoods and feature CO as one of the strategies they are supporting in those places. These funders ask CO groups to show them how their work meets the goals of the broader funding area, and how they are seeking to connect their efforts to those of other organizations and funder strategies.

At the other end of the spectrum, many funders fund CO groups as part of one or more of their grantmaking priorities, but place no particular emphasis on the relationship between CO and other groups or strategies they are also funding. For many grantmakers new to CO, simply getting their feet wet by funding one or more CO groups in this fashion may be the best approach.

However, CO grantmaking is often seen initially as "risky" by funders not having a long history with the strategy. Determining whether and how CO can contribute to strengthening the funder's overall grantmaking or a particular program priority and developing plans accordingly may be a critical factor in attaining needed internal support for CO.

**One Approach: The French American Charitable Trust (FACT).** The French American Charitable Trust (FACT) is a relatively new California-based family foundation. The information presented here illustrates how CO contributes to the Trust's overall goals and objectives for its grantmaking, and how considerations around CO influenced the content and direction of the Trust's overall program. The study also underscores how extensive outreach and strategic thinking can inform funding decisions.

When FACT - a moderate-size family foundation - opened its doors in San Francisco in November 1994, it hadn't yet settled on specific grantmaking priorities. FACT's principals were clear that they wanted the Trust - a national funder in the U.S. (with a grantmaking program also in France) - to address fundamental inequalities and injustices in society. They were convinced that today's critical societal problems are complex and require integrated, long-term work to achieve solutions. But they weren't sure what issues, strategies or groups to prioritize with (what is

#### FACT'S GRANTMAKING APPROACH

##### Major Funding Categories:

- Social and Economic Justice
- Environmental Health
- Infrastructure

##### Strategic Building Blocks:

- Focusing on funding base-building

now) its annual \$3.5 million in grants.

FACT decided to listen and learn from others before making any grants. After spending a month clarifying its own mission and designing a structural framework for its grantmaking, FACT's staff took to the road to identify and get to know groups and leaders who were making a real difference in working for change. They decided to focus especially on organizations taking a multi-issue approach and actively involving their constituents in determining and carrying-out strategies of change.

FACT's outreach proved to be extremely valuable for its decision-making - so valuable that FACT staff today probably spends more time in the field than any other national funder.

(FACT chooses not to take unsolicited proposals and makes no grants without first doing on-site investigation.) FACT's first-year grants list featured a number of the nation's best CO groups that FACT staff had identified, were excited by and invited to apply for support.

Eight of the CO groups that FACT funded in its first two years of operation are now FACT "anchor groups" - on-going grantees that FACT has committed to funding for a decade or longer. The anchor groups (there are a total of ten, including two national organizations providing technical assistance, training and other support for CO groups and strategies) take roles with FACT in developing and implementing programs and strategies to strengthen CO and other efforts across the country. The director of one of the anchor groups serves on an on-going basis as a principal advisor to FACT's board of directors.

In its initial field work, FACT sought to build relationships with groups and other funders so that, as much as possible, it could act collaboratively with them in grantmaking strategies. FACT was prepared to experiment and take risks in its grantmaking, and looked for opportunities to fund organizations with active constituencies that were making breakthroughs in critical issue areas. These are now important operational objectives in FACT's approach to grantmaking.

FACT's outreach to and interactions with groups in the field contributed directly to its decisions on an overall grantmaking strategy. For example, FACT now prioritizes issues of low-wage worker organizing in general, and contingent work (or non-standard employment) in particular. Contingent jobs are those that are part-time, temporary or contracted out; contingent workers earn less, have fewer benefits and have no job security compared to standard full-time workers.

FACT organizes its grantmaking around two primary goals: strengthening organizations that are developing the leadership and analytical capacities of a broad membership through active involvement in issue work, and strengthening the organizations that are capable of influencing the development of progressive public policies that have wide impact.

organizations (CO)

- Funding clusters of organizations that have relationships with each other
- Funding in a vertically-integrated way; i.e. supporting the training, research and technical assistance groups that are connected to and work with the base-building organizations on collectively held goals

#### Core funding Practices:

- Making fewer and larger grants (grants now range from \$40,000 to \$100,000)
- Providing long-term support (80 percent of grantees can expect five or more years of support)
- Providing general support grants (almost all grants are general support

FACT's giving program "centers on funding organizations that activate, organize and empower the grassroots." FACT is interested in projects that "focus on individuals and communities that traditionally have been ignored or denied power" - and will not support organizations that do for others, but, rather, groups that help people recognize what they can do for themselves.

By engaging with other foundations, community leaders and community organizations across the country, FACT has found that many CO groups and efforts embody its values and beliefs, are taking on the tough issues, and are exceedingly effective. It has placed its grantmaking investments accordingly. Since its inception in 1994, FACT has become one of the most important national funders of CO, funding more than 80 organizations, many of them CO groups. FACT is proud of their, and its, track record.<sup>66</sup>

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<sup>66</sup> Drawn from interviews with Christina Roessler, FACT's managing director, FACT's *Five-Year Report*, and other FACT materials.

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### WHY GRANTMAKERS PRIORITIZE CO

An increasing and significant number of grantmakers fund CO groups, with a growing number making CO a priority in their grantmaking.<sup>51</sup> In a 1999 survey, 88 of NFG's 200 member organizations said they funded CO. They include small local funders as well as five of the 15 largest foundations in the country; community foundations, family foundations, public foundations, church giving programs and corporate funders; foundations funding primarily in urban areas, and others with significant rural portfolios. NFG members can find out more about these grantmakers, their funding and the names of program officers interested in serving as resource persons on CO grantmaking by going to the NFG Web site at [www.nfg.org](http://www.nfg.org) and clicking on "[Member Directory](#)." Nonmembers can email the NFG office at [nfg@nfg.org](mailto:nfg@nfg.org).

Funders investing in CO are influenced or directed in their choice of what to fund by factors unique to their institutions, such as:

- Their varying missions, history and leadership;
- Amount of money at their disposal;
- Differing contexts for their grantmaking;
- Their views about societal issues and what they can do to address them; and
- Their sense of CO's importance and potential.

Following is a summary of key reasons that funders are investing in CO.

**CO is the baseline strategy for effective community revitalization.** Some grantmakers start with the premise that CO is fundamental to revitalizing communities. Their "theory of change" says that no disadvantaged "community" can reach its potential unless its residents or constituents are fully engaged in determining what should be happening, and in leading the necessary change-oriented work to get it done - in short, the people need to be organized, skilled and powerful. In their view, effective CO transforms residents of distressed neighborhoods, empowering them to win concrete improvements in key areas like housing, education, jobs and the environment.

**CO can help find solutions to the critical issues of poverty and race.** Some funders see CO's value in addressing issues of race and poverty. They generally believe in the principle that "those who suffer the problems have the most to offer to its solutions." They see and appreciate CO's work in poor communities - often communities of color, where people of differing races and cultures are brought together in CO organizations for common struggle. Through CO, people learn and grow together and take leadership in making their communities whole. CO has fashioned numerous multi-racial efforts among poor people that have improved public policies benefiting the poor,

#### Yes, There are Risks

The confidence funders place in CO groups, especially fledgling ones, carries an element of risk. Instead of supporting "experts" to solve problems for communities, they are banking on the talents and commitment of ordinary people who have not yet demonstrated - to the "outside world" at least - they can themselves be properly regarded as experts. However, these funders also appreciate that the failure to build

eased racial tensions, and provided purpose and hope for previously unorganized communities.

**CO can affect change by building the capacity of people and groups working at the grassroots level.** More and more funders are working with CO groups to build community capacities and to develop, recast or strengthen their grantmaking programs. The strategies of funders investing in CO for the long term generally include grants to CO networks or intermediaries to assist their grassroots grantees with organizational, leadership and constituency development processes.

**CO can revitalize our democracy.** A number of funders find CO a valuable strategy in seeking to help "repair the torn fabric" of our democracy. CO reflects and practices democracy - in its principles, in the way CO organizations are structured and operate and in its continuing efforts to foster informed dialogue and build common, participatory efforts in their communities and among their constituents.

Maximizing the Use of Grant Dollars:

### **How CO Catalyzes Change in Rural Areas**

Funders focusing on the needs of resource-shy rural communities are particularly determined that their grant dollars catalyze change. Few funders nationally prioritize rural issues; however, some are finding that investments in rural CO groups can trigger a range of significant outcomes unlikely to result from more traditional rural grantmaking. Among its results, rural CO has produced new and increased resources directed to low-income rural residents, public policies responsive to unique rural needs, and effective working partnerships of urban and rural organizations. Funders of rural CO understand that CO efforts are actively involving many people long thought too apathetic to care.

CO through thick and thin. They are convinced that the resolution of social problems requires years of sustained efforts to build the necessary community capacities and power to address them. They believe CO is the antidote for "quick-fix" projects or initiatives that do

and bank on the communities' own people and capacities has been a missing link in community change strategies.

Many of these funders recognize that most community groups are not representative of or accountable to their communities - they are not "community-based" as are CO groups. They appreciate that the task of developing and sustaining community-based organizations - where leadership from the community can be nurtured and "authentic" leadership can emerge - is a difficult one. CO is seen by some of these funders as the only capacity building strategy out there that prioritizes these essential community-base building and authentic leadership development objectives. As a result, their funding for CO is "patient" and long-term.

CO groups are often funded under categories called "civic participation" or "governance." Some grantmakers meet their objectives for strengthening democracy by funding CO groups' environmental justice or jobs efforts, or by supporting CO's leadership development strategies.

### **CO gets the best mileage for grant investments.**

Small funders especially realize that, because of size limitations, their dollars can do only so much. They often look for catalytic effects from their grantmaking - resources attracted from other sources, partnerships formed, leadership developed that can take on important challenges independent of the funders' support, recognition from the broader public of the importance of the funded efforts, and so on. These funders appreciate how CO groups inspire and rely on an unusually committed brand of volunteerism to get results, how far they stretch their dollars and how dedicated are their staffs. These funders distinguish CO groups from other types of community efforts that deliver a service but do not work for change.

### **CO is a long-term strategy that makes a significant difference.**

Many funders are determined to support

little good.

The Wieboldt Foundation has been a CO funder for more than two decades. Only a few funders have supported CO for as long a period. Wieboldt's leaders believe its CO grantmaking makes a vital and unique long-term contribution to change. Their view was strongly validated in a detailed review of the first ten years of its grantmaking.

## BACKGROUNDER # 4

### Comprehensive Community Initiatives and CO

Comprehensive Community Initiatives (CCIs) are grantmaker-driven efforts intended to improve poor, generally urban neighborhoods and the lives of their residents. Many funders, singly or in partnership with other grantmakers, have developed and implemented CCIs over the past decade, and dozens of CCIs are in operation. While individual CCIs vary considerably, all of them are guided by principles of comprehensiveness and community building.

Most CCIs are relatively large, multi-site initiatives. They include the Ford Foundation's Neighborhood and Family Initiative operating in four cities; the Comprehensive Community Revitalization Project in the South Bronx funded by several grantmakers; the Annie E. Casey Foundation's Rebuilding Communities Initiative in five cities; the Children Youth and Family Initiative of the Chicago Community Trust; the Cleveland Community-Building Initiative, funded by the Cleveland Foundation and the Rockefeller Foundation; and many others.

The high priority CCIs place on resident-driven approaches to making change fits naturally with the work of CO groups. No other types of community organizations can claim CO groups' effectiveness in bringing residents to the table to share in community decision-making or in developing leadership to direct communities' futures. Yet, very few CCIs have involved CO groups. Perhaps the primary reason for this is the lack of understanding and appreciation for the value of CO on the part of grantmakers.

The Neighborhood Partners Initiative (NPI) of the Edna McConnell Clark Foundation in New York City is one CCI that does value what CO can contribute to community building. "NPI works to strengthen the capacity of community-based organizations (CBOs) to improve the quality of life in small, targeted neighborhoods through methods that encourage significant resident and community participation."<sup>52</sup> Among the five CBOs the Foundation is supporting are a local ACORN group and two others that make CO strategies central to their NPI efforts.

<sup>52</sup> Edna McConnell Clark Foundation, Program for New York Neighborhoods.

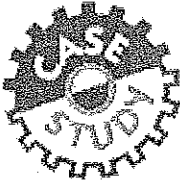
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### CASE STUDY #6: A FUNDER'S ADVICE ON DISPELLING THE MYTHS OF CO

**Foundation Funding of CO: Understanding How CO Can Build Leaders and Transform Communities.**

*Funders may be unaware of CO's value in part because of controversies and myths that have accompanied CO efforts over the years. Straight talk about CO is necessary to overcome suspicions and doubts and the feeling that CO is somehow a 'fly by night' kind of thing. In fact, CO has grown and matured over the past 20 years and demonstrated real staying power and results. Many CO organizations are now celebrating their 10th, 15th, and even 25th anniversaries. Many of them are very significant organizations in their urban and rural communities across the country. They are now recruiting and training a second generation of leadership while many of their first generation leaders remain involved or have moved to other positions of influence. They are now dealing with large policy issues that affect thousands of people. They have the discipline to work on multiple issues and move on when they achieve their goal. In the past, CO organizations tended to last only as long as the issue did.*

#### Why It's Important to Learn About Funding CO

Educating and exposing funders to CO is a critical first step to help them understand how CO can enhance their existing grantmaking. Most foundation funding for bettering neighborhoods and communities is directed to programs and operations of well-established groups that are not change-oriented, are not community-based and cannot play effective leadership roles in local revitalization strategies. On an overall basis, the lion's share of foundation funding at the local level is for mainstream groups in the arts, health and education. CO groups and others that are dedicated to making bottom-up social

*CO's importance for making democracy work needs to be understood. Democracy is not seasonal; it is an ongoing dynamic process that calls for active citizenship. Community organizations are one of the few vehicles left in our country that provide a place for ordinary citizens to learn democratic practice. Community organization is the engine for that dynamic process of engaging ordinary citizens in democracy.*

*The critical value of CO's unique role in transforming ordinary citizens into leaders of community organizations and of their communities cannot be overstated. Where CO-trained community leaders started out and where they are today - fully engaged in significant decisions that affect their families, neighbors and communities - is amazing. CO's leadership development processes help ordinary citizens - often low-income persons of color victimized by discriminatory practices - become adept at understanding and analyzing the decisions and policies that affect their lives and working creatively to change bad policies. CO elevates new voices and leaders and helps to build their reputations.*

*A good community organization transforms not only individuals but whole communities over the years. It weaves and knits relationships that have been fragmented by isolation and the consumer approach to politics. Once a community embarks on a deep organizing process it cannot turn back. Communities are*

change - strategies developed and directed by disadvantaged constituents to reach goals they determine - are drastically under-funded relative to their importance and potential.

*shaped for generations through CO, as power relationships are altered and new voices accountable to the community take places at the decision-making tables.*

*Funders are always looking for concrete accomplishments from strategies they invest in. CO doesn't take a back seat to any other approach in producing measurable, positive and significant change. Beyond this, however, CO's greatest contribution to disadvantaged people is undoubtedly its ability to spark hope and facilitate poor people's ability to imagine new possibilities for their communities.*

*- Frank Sanchez, Needmor Fund*

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### EVALUATING GRASSROOTS ORGANIZING AND ORGANIZATIONS: CHOOSING CO GROUPS TO FUND

*I think funders must allow communities to choose their own issues and organizing approach. Anything else is manipulative. It's especially bad when white outsiders dictate organizing methods to poor people of color who have good reason to feel disenfranchised and discriminated against.<sup>61</sup>*

- Garland Yates, Annie E. Casey Foundation

Whatever rationale, goals and funding strategies new funders choose, the effectiveness of their CO grantmaking rests on the quality and performance of their grantees. All of the thoughtful ideas and guidance from others can add up to very little if funders' grant decisions are not very good. This is in part why experienced CO funders claim there is no substitute for getting into communities and talking with folks, listening and learning before making their decisions. No proposal or advice can tell a funder what a group looks, feels and smells like. Funders can minimize grantmaking mistakes through on-site interactions with CO groups, their staffs, leaders and constituents.

As one funder said in urging colleagues to conduct site visits before making grants, "even renowned winemakers taste each of their offerings each year to be sure they meet high standards."

**Looking at the General Characteristics of Grassroots Organizations.** Following are some key questions to ask.

- Does the organization involve large numbers of people in its geographic location?
- Are its members actively involved in the work of the organization in ways that go beyond subscribership or donating money?
- Is it democratic, with the leadership and staff accountable to the membership?
- What are its principle objectives?
  - Developing the capacity of its members to participate effectively in public life?
  - Delivering concrete victories on issues of direct concern to its constituency?
  - Affecting institutions, public policies and power relationships in ways that advance social, environmental and economic justice?<sup>63</sup>

#### Learning from the Community: A Guide to CO Funding

Leaders of the New York Foundation stress that the Foundation's expanding commitment to CO is directly related to board and staff reflection and the on-going dialogue that exists between board, staff and grantees. The Foundation's

**Grantmaking Criteria.** Grant-making criteria vary from funder to funder. Most make few, if any, distinctions between the requirements for CO groups and those expected of other grantseekers. However, funders making a serious long-term commitment to CO have found it helpful to have a set of criteria that can help them to

year-long review process in 1992-93 involved extensive outreach to the community and several facilitated discussions involving staff and trustees about grantmaking priorities. When the review was completed, the Foundation chose to redirect a considerable portion of its grants and grant dollars from direct services to CO. New York Foundation grants supporting direct service programs fell from just under 25 percent of total distributions in 1991-1992 to about 6 percent in 1995, while grants supporting CO increased from 18 percent to 46 percent during the same period.

Today the Foundation's grantmaking prioritizes long-term commitments to CO groups in the City. "What is good about the New York Foundation," executive director Madeline Lee states, "is that we listen to our grantees rather than to other funders. This in fact should be the first, second and third priority - to listen to the people who have the problems and who are struggling the most." Foundation Trustee Robert Pollack agrees. In fact, he argues that it is out of this process of learning about and from grantees that long-term philanthropic strategies and priorities can and should emerge.<sup>62</sup>

identify effective CO groups - as well as to distinguish CO groups from other kinds of community organizations.

One leading CO funder, the Unitarian Universalist Veatch Program at Shelter Rock, developed and uses the following checklist to evaluate CO groups.

#### Membership

- ✓ Does the organization have a membership or constituency base?
- ✓ Is there a membership recruitment plan? Does it include one-on-one engagement of people? Does membership recruitment play an important role in the organization? Is there a mechanism to retain current members?
- ✓ Does the membership reflect the diversity of the community?
- ✓ Is there active participation in the group by people of color and women? Are questions of race and gender addressed in the education and leadership development process of the group?

#### Leadership and Governance

- ✓ Is the organization democratic? Specifically, does the membership have some direct control over the decision-making process and structure of the organization? Over programmatic policies, the budget and staffing?
- ✓ Are members and leaders involved in all levels of the organization, including fundraising and financial oversight?
- ✓ Is the leadership elected, and actively changing every few years?
- ✓ Are people of color and women part of the decision-making and leadership bodies?
- ✓ Does the organization have an identifiable leadership development process?
- ✓ If the organization is staffed, are professional community organizers included in the staffing structure? Are they trained and regularly provided additional training opportunities?

#### Strategy

- ✓ Does the organizational mission identify the values of social, economic and environmental justice as part of its work?
  - ✓ Does the group have the ability to realistically assess the political terrain and devise strategies to address their concerns in the long and short term?
  - ✓ Does the organization think systematically about the education of its membership, leadership and staff?
  - ✓ Is there evidence that the group works collaboratively in coalitions?
  - ✓ Does the organization have a strategic plan in place that makes them viable and sustainable for the long haul?
- Is the organization developing its own culture, social relationships and celebrations?

### Impact

- ✓ Is the organization developing creative solutions to difficult community problems?
- ✓ Does the organization have a record of and/or the capacity for delivering victories?
- ✓ Is the organization increasing the civic participation of communities traditionally left out of the political process?
- ✓ Does the organization have a stated method for organizational evaluation? Is the evaluatory process a measure of the objectives met as well as a learning tool for the organization?

**Tips for Smaller Funders: One Funder's Perspective.** With all of the CO groups and strategies to choose from, how can a small funder new to CO grantmaking wisely allocate resources? The Liberty Hill Foundation, a local foundation in Los Angeles, has nearly a quarter century of CO grantmaking experience. Funders with similar size or even far smaller allocations available for CO than Liberty Hill's may find elements of the Foundation's approach, as well as its overall strategy, worthy of further investigation.

The Liberty Hill Foundation makes some \$3 million in grants annually, nearly all of them for CO or related efforts in the Los Angeles area. The Foundation's grantmaking strategy provides flexibility, allows coverage of a range of different groups and permits the Foundation to focus on top priorities. In its strategy, the Foundation seeks to achieve the best possible balance between the desirability and need to fund new CO groups, and requirements for long-term support to established CO organizations that can help them grow and address more difficult and complex challenges. Key elements of the strategy include:

- Flexible grantmaking categories that can provide both start-up grants for fledgling CO efforts as well as larger grants to intermediate-size platform or anchor CO groups;
- A single annual cycle per grant area or category, along with an interim funding option; and
- A combination of focused grant programs as well as ones that can accommodate various organizational needs and sizes.

In addition to its central grantmaking, the Foundation also provides small grants for technical assistance to grantees and frequently convenes grantees for training and technical assistance purposes.<sup>64</sup>

<sup>61</sup> Garland Yates, "Passive Progressive," *City Limits*, November 1998.

<sup>62</sup> Drawn from "The New York Foundation and Empowerment-Oriented Grantmaking," in Sally Covington and Larry Parachini, *Foundations in the New Era*, Washington, D.C.: National Committee for Responsive Philanthropy, September 1995.

<sup>62</sup> Unitarian Universalist Veatch Program at Shelter Rock, undated internal materials.

<sup>64</sup> Liberty Hill Foundation materials adapted by Emily Goldfarb, consultant, March, 2000.

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### MEASURING RESULTS: HOW TO EVALUATE CO INITIATIVES

*Effectiveness must become the principal criterion for givers of time and money.<sup>67</sup>*

*-The National Commission on Philanthropy and Civic Renewal*

Funders of all persuasions - progressive, middle-of-the-road, conservative - can agree that a bottom line for funders is, or ought to be, getting results from their grantmaking. CO grantmaking is no exception to this rule.

Long-term funders of CO are convinced of its value and, for the most part, are more than satisfied with their funding results. Funders new to CO will need to be equally convinced that CO will produce outcomes of the type and scale they believe possible, necessary and/or desirable.

But how can funders classify and measure CO grantmaking results? What can be learned and how best to learn it? How soon can funders expect results?

This section of the Toolbox discusses the CO evaluation strategies of the Woods Fund. The Woods story, which is followed by tips for designing an evaluation system, includes informative pointers for funders who want to plan and implement a formal evaluation strategy. The Woods Fund evaluation is valuable, particularly for funders new to CO, because it documents the important achievements of CO and identifies current weaknesses and/or limitations that need attention if organizing practice is to improve and become an even stronger and more viable strategy for positive change. Other notable evaluations have been those conducted by the Boston Foundation, the Catholic Campaign for Human Development (CCHD) and other grantmakers. The complete evaluations of the Discount Foundation, CCHD and the Woods Foundation are available online at [www.nfg.org](http://www.nfg.org).

Various funders have been and/or are incorporating mandates for evaluation in their grants to CO groups - often requiring the groups to contract for outside evaluation and to meet the funders' specifications. Some foundations examine CO groups and efforts as part of their own program reviews, to resolve questions about continuing support for CO or to expand support.

For more resources on developing and implementing

#### The Discount Foundation's Approach

The Discount Foundation has made a substantial funding commitment to supporting CO. In an interactive process involving staff and board members, the Foundation developed five criteria for assessing the strengths, limitations and future potential of those groups seeking its support:

- Winning concrete improvements and policy changes through collective action;
- Permanently altering the relations of power at the local, state or national level;
- Developing citizen leaders in poor, urban communities of color;
- Increasing civic participation at local, state and national levels; and
- Building stable and financially viable organizations, accountable to the communities in which they are located.

evaluation systems, visit NFG's Web site at [www.nfg.org](http://www.nfg.org).

**How The Woods Fund of Chicago Approaches Evaluation.** One of the most extensive evaluations of a foundation's CO grantmaking was carried out in the mid-1990s by the Woods Fund, a small foundation based in Chicago. Both the process and the results of the evaluation are noteworthy and offer considerable guidance for funders already involved with CO and those new to the field, as well as to CO groups.

The Woods Fund has long supported CO in the city through its grantmaking and other strategies. In 1995, the Fund engaged an outside evaluation team to examine its CO grantmaking, its major priority for over a decade. The evaluation team included seasoned community organizers and trained program evaluators.

The evaluation was extensive - the most substantial evaluation of CO ever undertaken by a foundation - and covered the Fund's CO grantmaking over a ten-year period, from the mid-1980s to the mid-1990s.

The team concluded that the Fund's \$4.2 million investment had achieved significant results when judged by three broad criteria: community improvements, leadership development and democratic participation.

The evaluators stressed that CO's ability to achieve widespread community improvements was clear-cut and unambiguous. They reported that CO had successfully "brought millions of dollars into low-income communities for housing, job creation and other community improvements by challenging bank lending practices." Organizing also "trained and supported dozens of parent leaders in local schools, who have ousted non-performing principals and developed new local school programs and policies." And, finally, CO secured "significant public investments in neighborhoods..." and "won efforts to keep out resources and programs deemed inimical to the community's health (by successfully fighting) land fills and hazardous waste facilities."

The Woods Fund evaluation also found that "organizing has indeed been quite effective in promoting democratic participation in the wider community" and that it "developed dozens of leaders and involved thousands of citizens in securing these results."

Other findings candidly raised a number of critical issues and themes related to the constraints and limitations of CO as a strategy for change. Included were: 1) the precariousness of the organizing infrastructure itself, owing to the "weak and unstable funding base for organizing"; 2) the inattention given to "promoting democratic participation of individuals" within the community organizations studied by evaluators; 3) the limitations of CO in effectively addressing "fundamental urban problems," such as poverty, job and wage erosion, drugs and crime; 4) the lack of vision, or, conversely, parochialism that too often characterizes CO groups and activities; and, 5) the disconnection between CO and public policy work.

Following its review of the evaluation report and discussions with the evaluation team members, the Fund's trustees determined that the foundation would continue to place a high priority on funding CO. The Woods Fund reaffirmed its support for funding CO in its 1995 Annual Report. In part, the Fund's decision was responsive to another critical finding of its evaluation team with respect to the weakening funding base of CO groups in Chicago when

the evaluation was conducted. The team found that:

*At the same time that organizers have begun to face significant role strain, the funding infrastructure for organizing seems to have deteriorated. This declining external support for organizing has taken place in years when sources of support internal to the community have also eroded, thanks to growing class segregation, aging church facilities and declining middle class members, and the loss of business activity in our low income neighborhoods.<sup>68</sup>*

**How the Catholic Campaign for Human Development (CCHD) Approaches Evaluation.** CCHD has been one of the major funders of CO for over 30 years. During that period, CCHD has provided nearly \$300 million to more than 3,500 projects. In 1994, the organization undertook a year-long study of its funding activities, carried out by John D. McCarthy of Catholic University of America. He examined 325 groups that received CCHD funding in 1991, 1992 or 1993. Below are some of the study's key findings.

#### Funding and Budgets

- The groups had a combined budget of \$64,980,487 for the year for which they requested CCHD funding.
- The average budget for funded organizations was \$213,050.
- Forty-five percent of the groups' income came from grants.
- Almost two-thirds of the groups' expenditures were for personnel.

#### Who They Are and Who They Serve

- One group in eight was at least 15 years old.
- Their work benefited an estimated 38.5 million people, of whom 18.2 million were poor. This represents half of the U.S. poverty population in 1994.
- The groups had an average of 16 board members and a median staff size of 3.1.
- The majority of those they served were minorities. The majority of members and half of the beneficiaries were poor. A majority of members, beneficiaries, staff and board members were women.

#### What They Do

- The most frequently addressed issues were housing, jobs, education and health.
- The most commonly used methods for reaching group goals were research (70.8 percent of groups) and membership development and training (69.5 percent). Six groups in 10 (59.1 percent) used protest, negotiation and other forms of direct action.
- Two-thirds of the groups used technical assistance for member, staff or board development.

One conclusion of the study was that CO works in low-income communities, and has significant impact at the local, state and national levels. The study found that the groups changed laws and policies and generated billions of dollars for low-income communities and their residents. Even the least successful groups had some victories.

The author concluded his report by stating:

*The groups funded by the Catholic Campaign for Human Development are heavily minority and female in their composition. They address a broad range of issues with a broad range of methods and benefit large numbers of people. They tap outside resources for technical assistance and expertise and receive funding from major American institutions - religion, foundations, business, and government - and from a wide variety of grassroots sources. Many of the groups we have profiled have demonstrated staying power, with lifespans of at least 15 years.<sup>69</sup>*

**Pointers for Designing a CO Evaluation System.** Some funders are using innovative techniques to gain an accurate picture of and assess their CO grantmaking. For example, they are funding consultants to conduct periodic observations of grantee activities, prepare ongoing documentation of grantee work, and develop in-depth case studies. Others are underwriting retreats where varying questions and views are aired at length with grantee representatives and outsiders knowledgeable about the CO field.

Evaluating CO is not impossible, but it can be difficult. Using these and other methods singly or in combination may yield a useful and meaningful evaluation system. It is important to consider the cost of the evaluation, what can be gained from it to satisfy funders' needs and how it can contribute to strengthening grantees.

Funders new to CO will want to consult widely with other funders before embarking on the challenging work of designing and implementing an evaluation system. Some funders are developing or exploring evaluation designs that they hope can be useful to other funders in evaluating CO. Among them are FACT, the Public Welfare Foundation and the Unitarian Universalist Veatch Program at Shelter Rock.

The Woods Fund evaluation team made several recommendations for "increasing evaluations of organizing" because CO organizers, leaders and organizations can learn from evaluation and because too much that has passed for evaluation is too "quick and dirty" to generate significant learning. "The state of the art of outcome measurement in organizing is pretty crude."<sup>70</sup>

They found three major problems to be addressed in designing a meaningful evaluation system.

1. *The key to organizing success is its process, but valid benchmarks for assessing the success of this process have eluded us so far.*
2. *Numbers measures utterly fail to get at intensity, quality, the "spirit and the vision."... We need to find ways to supplement membership numbers with other measures that capture quality and intensity of participation. We need ways to supplement leadership numbers with other measures of leadership quality and sophistication.*
3. *Listing issues victories fails to isolate the role of CO in effecting the victory; assess the depth of challenge of the victory; or assess what impact the issue victory made on the community, the organization and the people involved.*

The team of evaluators also felt that naturally occurring opportunities in CO for continuous evaluation are being missed. The heart of leadership and membership development - reflection-in-action - is an evaluative experience, they suggested. They asked, "How can

organizing more systematically accumulate and distill the learnings from these separate reflections? And, is there a growing dichotomy between reflection and action?"<sup>71</sup>

For funders new to CO, it may be valuable to discuss the Woods Fund evaluation in some depth with representatives of the Fund, leaders of CO groups in Chicago who are grantees of the Fund, and members of the evaluation team.

In addition, two sociologists - Jacqueline B. Mondros and Scott M. Wilson<sup>72</sup> - are tracking and writing about CO groups and doing useful groundbreaking work in developing methodology for evaluating CO. A number of academicians are studying and assessing faith-based CO networks as well, and others are examining CO's impact in various arenas such as health and education reform and environmental justice. Books and articles that may be helpful to funders interested in evaluating CO are referenced on NFG's Web site at [www.nfg.org](http://www.nfg.org).

Another effort at evaluation has been developed by the Development Leadership Network (DLN). DLN is a network of hundreds of neighborhood-based community development practitioners who believe that CO should be integrated with bricks and mortar strategies, and that community development efforts must be accountable to the community members served. In partnership with the McAuley Institute, DLN has published a Success Measure Guidebook, developed by and for practitioners, to improve evaluation, to better manage programs, and to expand the ways in which practitioners are able to communicate to broader audiences about the benefits of community development programs and activities in low-income communities.

## BACKGROUND # 5

### Common Pitfalls of Evaluation from a Foundation Executive

*Many of the most methodologically ambitious attempts to evaluate long-term program impact have yielded disappointing results, feeding the perception in some quarters that 'nothing works.' Yet if we step back a bit from our work, it stands to reason that it's rather unrealistic to expect time-limited programs to engender long-term change, particularly in communities with few other support systems in place. That is why we and others have invested in longer-term, multi-faceted funding initiatives. But it only makes the challenge of evaluation that much more complicated.*

*Even with a relatively sophisticated evaluation design in place, there remains the challenge of attribution. How do we know that the results observed are due to the program we've funded?... Most of our grants programs are being implemented in 'high noise' settings where there are multiple interventions simultaneously taking place. Even if we were able to employ methodologies such as random assignment and control groups, there's no guarantee that we would be able to unequivocally attribute observed outcomes to our funding...*

*...Rarely in the worlds of policy and practice are such 'textbook' standards decisive.... Judgments tend to be made on other forms of information, whether they are quantifiable intermediate measures of success, other forms of documentation or even*



*well-told anecdotes.*

*...We have made it clear that we are still concerned about tracking outcomes, but our first priority has been to provide continuous feedback to our grantees to help them enhance program effectiveness. We have also acknowledged the importance of building the capacity of grantees to conduct their own data gathering and evaluation activities as a key component of the ultimate sustainability of their work.<sup>73</sup>*

## BACKGROUND # 6

### Ten Years of CO Grantmaking - Compelling Results

The Wieboldt Foundation is a small Chicago-based foundation and an NFG member. It has long been a vigorous supporter of CO. In 1990, it conducted an extensive internal review of its ten years of CO grantmaking.<sup>74</sup> The review was quite positive about what its CO grants had accomplished and helped dispel three of what the Foundation identified as "myths" about CO.<sup>75</sup> After the review, the Foundation's president and executive director wrote enthusiastically about CO's value and why the Foundation would continue to prioritize CO groups and efforts in its grantmaking:

*What are the results of funding organizing? The results of funding organizing are not all in yet. In fact, the results will always be coming in, because we are investing in an on-going process of developing leaders, and that is a major result.*

***Growth and development of local leaders.** We can name dozens of people who have developed out of their neighborhood organizations and who have made concrete and important contributions to the life of Chicago.*

***An organized infrastructure within a neighborhood that provides a forum for decision-making, creates action, and is ready to take action when needed.** When Chicago's school reform decentralized power and authority, dozens of neighborhood groups were ready and have played a significant role in the election, training and support of local school councils.*

***Successful actions, victories, public policy changes.** The list is long: getting new schools built, passage of the Tenants Bill of Rights (of no small import in a city where two-thirds of people rent), passage of the Community Reinvestment Act that has resulted in millions of dollars being invested in city neighborhoods, Chicago's revolutionary school reform, passage of the Tax Reactivation Act that allows community groups to obtain abandoned houses and apartment buildings from slumlords and rehab and sell them, and much more.*

***Innovation and invention.** Community groups are small, scrappy and resourceful. They live by their wits. Their resources are strategic thinking, public process, lots of people, and the kind of innovation that only occurs in an organization that is unfettered by bureaucracy and needs to stretch every dollar. From including a day care home within a block of new low-income houses (result: a job, a community service, and a home) to reclaiming public school buildings as community centers, community organizers are*

*social entrepreneurs in a democracy.*

Winston Churchill once said, "Democracy is the worst form of government, except for all the rest." He could have been describing organizers' work to ensure a powerful role for the public in public life; to develop local leaders, to promote racial, ethnic and socioeconomic inclusion; and to demand fairness. This work is rarely tidy or quiet; it is lively and participatory. We believe it is more timely now than ever.

<sup>67</sup> The National Commission on Philanthropy and Civic Renewal, *Giving Better, Giving Smarter*, Washington, DC, 1997, p. 114.

<sup>68</sup> This discussion of the Woods Fund's evaluation of CO was presented in its entirety in slightly different form in Sally Covington and Larry Parachini, "Community Organizing: Democratic Revitalization Through Bottom Up Reform," *Foundations in the New Era*, National Committee for Responsive Philanthropy, Washington, D.C. September 1995, pp. 47-48.

<sup>69</sup> *Working for Justice: the Campaign for Human Development and Poor Empowerment Groups*, John D. McCarthy and Jim Castelli, Aspen Institute Nonprofit Sector Research Fund, 1994.

<sup>70</sup> All discussion of the Woods Fund evaluation is drawn from the final report of the evaluation team.

<sup>71</sup> *Ibid.*

<sup>72</sup> See particularly Chapter Eight, "Evaluating Outcomes: Victory and Defeat" in *Organizing for Power and Empowerment*.

<sup>73</sup> Tom David, *Evaluation of Foundation Grants*, internal memorandum from the Executive Vice President to the President and CEO of The California Wellness Foundation, November 18, 1999.

<sup>74</sup> Anita S. Darrow, president, and Anne C. Hallett, executive director, *Message from the President and the Executive Director*, Chicago, Wieboldt Foundation, March 1990.

<sup>75</sup> *Ibid.* The three "myths" discussed in the review were: Myth One: Organizing is a relic of a bygone era; Myth Two: When community organizations mature, they leave organizing behind (and move up to development); and, Myth Three: Organizing is a militant, radical activity.

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