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Embedded Philanthropy and the Pursuit of Civic Engagement

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Key Points

· This article examines a range of civic engagement strategies pursued by embedded funders conducting community-change work in chronically disadvantaged communities.

· Embedded funders are place-based foundations that (1) commit to working in a particular community or communities over an extended period of time; (2) pursue direct and ongoing relationships with a range of community actors; (3) make community relationships and partnerships a primary vehicle of their philanthropic operation; and (4) provide extensive supports and resources beyond conventional grantmaking.

· Working as an embedded funder tends either to correlate with a prior commitment to civic engagement or to promote the development of such a commitment. Many of the strengths that embedded funders show in their civic engagement efforts derive from the defining characteristics and shared features of embedded philanthropy.

· The article focuses on four embedded funders: the Humboldt Area Foundation in northwest California, the Jacobs Family Foundation in San Diego, and the Denver Foundation and Piton Foundation, both in Denver. These foundations have all prioritized the promotion of civic engagement, they have done so in distinct ways, and they represent a range of foundation types and styles of embedded philanthropy.

· These foundations have pursued four general types of civic engagement strategy: direct support for individual and group civic engagement activities at the grassroots level, creating spaces and processes for such activities that did not previously exist, creating or supporting an organizational infrastructure for expanded mobilization and citizen engagement, and leveraging their own relationships and influence.

· Successful civic engagement efforts are predicated on knowing a community and being known by it, and on the ability to earn trust through a variety of means. They are also enhanced by the creative use of organizational structure and staffing. An embedded operating style supports and facilitates each of these key elements in the promotion of civic engagement.

Introduction

The revitalization of chronically disadvantaged communities has proven a challenging area of philanthropic investment. When national foundations have attempted multisite community-change initiatives through conventional grantmaking and partnering with local intermediaries, they have encountered a range of significant obstacles.[1] But a number of hometown and place-based philanthropies have been pursuing similar aims. This article focuses on a subset of those philanthropies. These are foundations that have adopted a distinctive operating approach: making long-term or open-ended commitments to particular communities, moving beyond grantmaking

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[1] The challenges that philanthropic multisite community-change initiatives have encountered are relatively well-known, but not widely documented. Exceptions include the Annie E. Casey Foundation's New Futures Initiative (Walsh, 1998), the Ford Foundation's Neighborhood and Family Initiative (Chaskin, 2000), and the William and Flora Hewlett Foundation's Neighborhood Improvement Initiative (Brown and Fiester, 2007).

to provide a range of supports, and focusing their work around direct relationships with a range of community actors. Because of their intensive and intimate engagement with the communities in which they work, we call this operating style *embedded philanthropy,* and we call the foundations that pursue it *embedded funders.*[2] Many of these foundations have proven adept at negotiating the obstacles that have often bedeviled community-change efforts.

The potential benefits of greater civic engagement in disinvested communities are fairly self-evident. When local individuals and groups become more actively involved in identifying shared issues and concerns and addressing them through civic volunteerism or political engagement, a community can begin to solve its own problems. It can also begin to make more deliberate and strategic use of the sort of help that philanthropies have to offer. Indeed, many embedded funders view the promotion of civic engagement in the communities they serve as an important dimension of their change-making work. For some it is one strategy among many. For others it is central to their theory of change and the way they put that theory into practice: that is, they believe that civic engagement is a basic prerequisite for and engine of sustainable community change, and their work is thus centrally oriented toward fostering it.

The purpose of this article is to explore the ways in which embedded funders approach the task of promoting civic engagement, their reasons for doing so, and the relevance of their embedded operating style to this area of work. We do not attempt to survey all of the civic engagement efforts pursued by the embedded funders we have studied. Instead, we focus on four foundations that have been or become particularly committed to the promotion of civic engagement and have pursued it in innovative ways. With this case-study approach we hope to be able to capture

something of the variety and texture of these efforts and the complex interactions between the particular contexts, motives, and strategies operative in each case. Most broadly, we aim to show, first, that an embedded philanthropic approach inclines foundations toward civic engagement efforts and, second, that it provides them with some distinctive strengths in pursuing them.

The article begins with a brief clarification of embedded philanthropy and a discussion of its general relevance to civic engagement. We then describe the civic engagement strategies of our four embedded funders: the Humboldt Area Foundation in northwest California, the Jacobs Family Foundation in San Diego, and the Piton Foundation and the Denver Foundation, both in Denver. We go on to consider the varied motives and mechanisms of their civic engagement work and the general strengths and lessons that the embedded philanthropic orientation has to offer in this area.

Embedded Philanthropy and Civic Engagement

Embedded philanthropy has four defining characteristics:

- *A long-term commitment to a particular region, town, or city neighborhood(s).* With few exceptions, embedded funders work where they are located. Their commitments are often open-ended, although some begin with a limited time horizon that is later extended.
- *Commitment to direct and ongoing community engagement and relationships with a range of community actors.* Foundation staff, and often trustees as well, spend a significant portion of their time interacting directly with community members. They get to know a variety of community actors, such as leaders of community institutions, business owners, local politicians, and unaffiliated residents. With some, they develop working relationships and partnerships that grow and intensify over time.
- *Relationships and partnerships as a primary vehicle of philanthropic operation.* Relationships are not incidental or secondary aspects of an embedded funder's community work; rather,

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[2] See Karlström, Brown, Chaskin, and Richman (2007) for a summary account of embedded philanthropy. Sojourner et al. (2004), and Brown et al. (2006) contain foundation profiles and more extensive analysis. All are available at www.chapinhall.org.

they constitute one of the central means and methods of that work.

- *Community engagement and change efforts beyond grantmaking.* Whether or not monetary grants are part of an embedded funder's approach, their work consists of a good deal more than grantmaking. Common examples include convening and mediating, network building, incubating community-based organizations, nurturing local leadership, catalyzing community mobilization, bringing in outside resources, and providing technical assistance and data on community issues.

Beyond these defining characteristics, embedded funders tend to operate in accord with a number of principles that have been identified as keys to successful community-change philanthropy:

- They generally adopt and maintain a "learning stance" (Hamilton et al., 2006 Brown, Colombo, & Hughes, 2009).
- They show flexibility and adaptivity in their work, an unusually high tolerance for uncertainty, and a willingness to take real risks (Sojourner et al., 2004, pp. 19–21; Brown, Chaskin, Richman, & Weber, 2006).
- They convene and leverage diverse networks and resources in support of community revitalization (Auspos, Brown, Kubisch, & Sutton, 2009).

In their community relationship building, embedded funders share a number of characteristics that allow them to establish and maintain the productive relationships with diverse people and organizations that help foundations promote community change (Brown and Fiester 2007, p. xi):

- They take the time to get to know local actors and put their staff on the ground in order to do so.
- They make themselves directly accessible to community actors rather than operating as distant benefactors known mainly through intermediaries.
- They emphasize respect and reciprocity in their community relationships and often show a willingness to sacrifice a measure of the power and

authority that foundations ordinarily possess (Sojourner et al., 2004, pp.15–18; Trent and Chavis, 2009, p. 100).

> *Some foundations may embark on an embedded philanthropic path because of a prior commitment to civic engagement and grassroots democracy. Others may adopt civic engagement strategies as a logical extension of their intensive and relational community work.*

Although the cultivation of *community* engagement (i.e., engagement with the foundation's own work) is central to every embedded funder, it does not necessarily follow that all embedded funders are equally concerned with promoting *civic* engagement more generally in the communities where they work. Nonetheless, most embedded funders do seem to adopt the latter focus in one form or other. Embedded funders are more likely than not to believe that local participation, energy, and substantive input are crucial to the success and sustainability of their community-change efforts. For some this principle has animated their work from the outset. For others it comes from seeing projects and agendas falter and fail without local anchorage. It is a small step from this belief in the indispensability of local energy and input to a broader conviction that fostering a culture of civic engagement is crucial to the promotion of sustainable community change. Some foundations may embark on an embedded philanthropic path because of a prior commitment to civic engagement and grassroots democracy. Others may adopt civic engagement strategies as a logical extension of their intensive and relational community work. Generally speaking, the evidence suggests a certain mutual attraction or elective affinity between embedded philanthropy and the promotion of civic engagement.

Table 1 Overview of Four Embedded Funders

The Denver Foundation, Strengthening Neighborhoods Program

Geographical Focus
· Nine contiguous Denver neighborhoods and a neighborhood in adjacent Aurora

Aims and Areas
· Strengthening neighborhoods by fostering local leadership, resident relationships, economic development, and neighborhood pride
· Supporting resident agendas
· Catalyzing forces for social change and social justice

Civic Engagement Strategies
· Supporting grassroots civic engagement activities, supplemented by supporting mobilization infrastructure and leveraging foundation influence

The Piton Foundation

Geographic Focus
· Metro Denver, with special attention to four underserved neighborhoods

Aims and Areas
· Children and families living in poverty
   · Education reform
   · Strengthening communities
   · Economic opportunity

Civic Engagement Strategies
· Supporting organizational infrastructure for citizen engagement
· Leveraging foundation influence on behalf of civically mobilized citizens

Humboldt Area Foundation

Geographical Focus
· California North Coast: four-county, primarily rural region

Aims and Areas
· Economic development
· Native American communities

Civic Engagement Strategies
· Creating new spaces and processes for civic engagement, supplemented by leveraging foundation influence

Jacobs Family Foundation

Geographical Focus
· Southeastern San Diego "Diamond" neighborhoods

Aims and Areas
· Economic revitalization
· Resident ownership of change process and development assets

Civic Engagement Strategies
· Creating new spaces and processes for grassroots civic engagement
· Building new civic engagement infrastructure

As the following cases illustrate, the defining characteristics and general tendencies of embedded philanthropy that were outlined above can provide considerable leverage on the challenging task of generating civic engagement in disadvantaged communities. The four foundations considered here have done this in a variety of ways. Broadly speaking, these efforts have involved a varied relative emphasis on four types of strategic focus:

- Direct support for individual and group civic engagement activities, ranging from volunteerism to political activism
- The creation of new spaces and processes for such activities, usually through convening and brokering
- The creation of or support for an organizational infrastructure for expanded mobilization and citizen engagement
- Efforts to leverage their own relationships and influence to make powerful actors and institutions more responsive to the needs and demands articulated by civically mobilized citizens.

Methods and Scope

The following descriptions of embedded funders and their civic engagement work draw on five years of ongoing study. To date, Chapin Hall researchers have profiled 26 such philanthropies based on extensive interviews with foundation staff and their community partners. More in-depth follow-up research was conducted in 2006 and 2007 on the four foundations described in this article. A total of 52 individuals were interviewed regarding the work of these foundations, 18 of whom were staff and board members, and 34 were community members connected with their work.

We chose to focus on these four cases (Table 1) because they represent a range of foundation types and styles of embedded philanthropy and because they have been particularly committed to the promotion of civic engagement, pursued it in creative ways, and done so with some success. Although our research has convinced us that these foundations are doing effective community-

change work, our descriptions in this article focus on the motives and methods of their civic engagement efforts rather than on demonstrating their general impact, and they are by necessity far from comprehensive even in this regard.[3]

The Denver Foundation

The Denver Foundation (TDF) is a community foundation serving the metropolitan Denver area. In the late 1990s TDF established the Strengthening Neighborhoods Program, focusing on community building and revitalization in several contiguous low-income neighborhoods. Civic engagement is at the core of the program's approach to community change. It was founded on the premise that community change happens through increased resident engagement and ownership in community affairs and the organic emergence of grassroots energy and agendas.

The program's initial focus was on fostering small and often informal community groups and initiatives through small grants accompanied by the engagement and support of program staff. Rather than formulating programmatic goals based on an outside analysis of neighborhood needs, it sought to support the development of resident-led agendas for community change. Much of its early grantmaking was small in size and scope — supporting block parties, neighborhood cleanups, parent groups, and new after-school programs — but catalytic in intent, seeking to promote new sparks of civic energy. Grantees who did well with such starter funding were encouraged and guided by program staff in applying for continued support to build their groups and initiatives and advance their agendas. A fairly typical example of this method of ongoing and flexible small-scale support — if less typical in its rather improbable success — was a parent-led effort to improve the quality of education for Latino students and promote cultural integration by lobbying the Denver Public Schools to create a dual-language Montessori elementary school in a gentrifying Denver neighborhood. Throughout this effort parents and community leaders received a steady stream

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[3] More detail on these foundations is available in their profiles, which are among the 26 available at www.chapinhall.org.

of TDF grants, amounting to $5,000–10,000 per year, to support meetings, parent outreach, translation services, educational research visits, a conference, fundraising, and organizational consolidation: funding that the parents describe as crucial to their success but unencumbered by any attempts to influence their agenda or strategies.

> *Over its decade of operation, program staff have found that small-scale civic engagement does not necessarily build toward a more ambitious social-change agenda.*

As program staff worked with this and other nascent neighborhood groups and initiatives over time, they increasingly saw the need for a broader array of supports, resources, and guidance, and began to fund grantees' access to technical assistance providers and consultants. By these means, TDF has helped several of its grantees organize themselves in more sustainable ways over time, with some eventually "graduating" from informal groups into small nonprofits. To help build the skills and knowledge of neighborhood leaders, the program operates a leadership development program and periodically brings current and former grantees together with their counterparts from other neighborhoods for peer learning and networking.

More recently, the program has added a more activist dimension to its general approach. Over its decade of operation, program staff have found that small-scale civic engagement does not necessarily build toward a more ambitious social-change agenda. Having become increasingly aware of the social-justice issues facing their target neighborhoods, they have therefore felt the need for a new balance between a strictly resident-led orientation and a more activist approach — to "be agitators, to push the groups we fund a little bit," while also being careful not to "get too far out ahead of residents." Although the

program continues to fund small neighborhood events and initiatives intended to build social capital, it has shifted more of its work and resources toward fostering activism among its grantees. It recently hired a community organizer, whose work includes bringing small neighborhood groups together for issue identification and collaboration and providing the training needed to mount effective issue-based campaigns. Through such "preorganizing" it hopes to generate one campaign per year, the most recent of these being several groups of Hispanic mothers with traffic safety concerns joining forces to gain a voice in city-wide traffic planning. The program has also gradually increased its funding for several of Denver's larger community organizing groups and progressive organizing initiatives. In contrast with its earlier reluctance to adopt a prominent public profile, it has grown more willing to leverage foundation resources and connections in taking a leadership role on critical neighborhood issues, as it recently did when using relationships with the city council to help a day-labor group initiate talks with previously unresponsive city officials over the siting of a center for day laborers.

The Jacobs Family Foundation

The Jacobs Family Foundation and its sister organization, the Jacobs Center for Innovation, have been working to revitalize several contiguous neighborhoods in southeastern San Diego for more than a decade. Dissatisfied with the limits of conventional grantmaking to nonprofits, the foundation decided instead to engage with a specific community, called the Diamond Neighborhoods in southeastern San Diego, where they purchased a 20-acre abandoned industrial property — a prominent local eyesore — in 1997. The area has roughly 88,000 residents who are predominantly African American and Hispanic, but also include Filipino, Laotian, Samoan, and Sudanese, and a range of other minority and immigrant groups.

The foundation was viewed with considerable mistrust by local residents from the outset. The failure of several previous revitalization initiatives had left a deep skepticism toward grand promises, and the foundation's initial acquisition of

such a sizeable property aroused local suspicion as to their motives. The first phase of their work involved an intensive effort to engage the community in determining how to develop the old industrial site. Their lead hire for the initiative brought in extensive community-organizing experience. They held community meetings and workshops and invited individuals and local organizations to join the planning process. They hired residents to work as paid outreach coordinators, surveying local residents on their priorities for the development. They also relocated the foundation offices to a vacant store and office space, which they renovated as a venue for hosting meetings and other events, making themselves directly available to interested residents and giving neighborhood groups free use of their extensive facilities. Given the need to quickly get to know the neighborhood, establish a network of local relationships, and overcome mistrust, they used their dual structure — a grant-making foundation paired with an operating foundation — to shift a significant proportion of their resources toward operational costs and a dramatically expanded staff.

After determining that the highest resident priority was a major chain grocery store, followed by other commercial and entertainment services, the foundation involved community members in the planning and implementation of a new commercial and cultural center by delegating various aspects of the work — design, construction, employment, business development and leasing, and so on — to eight "working teams" composed mostly of residents with interests or expertise in those areas. Such working teams soon became central to the foundation's revitalization effort and a hallmark of their style of work and resident engagement. There have been over 30 working teams to date, involving thousands of residents, handling virtually every aspect of the foundation's evolving portfolio of projects. Teams were partially self-selecting, with residents first attending open community meetings on the relevant task or issue and those with the greatest interest joining the team. They have varied considerably in size, generally included members who have expertise in the particular area as well as ordinary residents who do not, and usually been facilitated by

Jacobs staff. Members of teams with particularly labor-intensive tasks have often been paid by the foundation on a "consultant" basis and sometimes hired as foundation staff members.

Foundation staff cite the working teams, as well as their original decision to relocate to the neighborhood and make themselves maximally available to local residents, as the keys to overcoming initial mistrust and generating broad resident engagement in the revitalization work. They also stress that their understanding of engagement has evolved over the course of that work, as they began to think of their role less in terms of "engaging" residents in the foundation's community-change agenda than in terms of promoting resident "ownership" of the community-change agenda and process itself. This orientation toward resident ownership also has a quite tangible component. Because the foundation has a "sunset" provision, requiring that it spend itself out of existence within the lifetime of the founder's children, they have been developing mechanisms for the transfer of the assets developed through the initiative into resident ownership and control. These include a system of resident shareholding in the development, a resident-designed and -operated community foundation, and a development management company that will eventually transition into resident control.

The Piton Foundation

The Piton Foundation is a private operating foundation in Denver, funded by the Gary-Williams Company, a major Colorado energy corporation. Its focus is on children and families living in poverty, and its program areas are education, economic opportunity, and strengthening communities. Over the last 10 years, Piton has become increasingly involved in supporting community organizing as an instrument of resident empowerment and leverage in policy-making processes. This involvement began when the foundation developed a strong partnership with one of Denver's leading community organizing groups while serving as the Denver fiscal agent for the Annie E. Casey Foundation's Making Connections program, which involved convening a broad group of local stakeholders in a protracted

planning process. Although several community organizing groups were invited to participate, most felt that collaborating with foundations and other mainstream institutions would compromise their principles. Metro Organizations for People (MOP), a primarily church-based organization with a radical past, had similar reservations but was willing to set them aside in the interest of exploring new partnership opportunities. The Making Connections planning phase was an extended process of intensive deliberations that gradually built trust among the partners and fostered a degree of mutual influence. MOP was able to introduce Piton and the Making Connections leadership to the principles of community organizing and make organizing an element in the emerging Making Connections model.

Building on this emerging relationship, Piton and Making Connections asked MOP in 2001 to take over a newly funded parent-engagement partnership with the Denver Public Schools (DPS) in a troubled high-school catchment area — an entirely new area of organizing for the group. At first, the new parent groups pursued local concerns like safety and zoning, but when parents at several schools began to raise academic performance issues, a federated committee was formed, which has since become involved in promoting school autonomy, stronger principal leadership, greater transparency in the DPS budgeting system, and improved equity in funding between schools. A controversial forced charter conversion at a "failed" middle school in 2004 involved an intensive intervention by both MOP and Piton to support parent influence, and has led to ongoing pressure to amend and clarify Colorado's mandatory charter-school conversion law. MOP has expanded its parent organizing work to several parts of the city, making it a significant force in local education policy and politics. Piton and MOP gained significant leverage for their joint school reform efforts with the arrival of a new reform-oriented superintendent of the DPS in 2005. Whereas Piton's previous relationship with DPS had been episodically adversarial, the new superintendent sought the foundation's support for his reform agenda from the outset. He has also welcomed MOP's parent organizing efforts

as much-needed public leverage toward reform. Piton, MOP, and DPS now work collaboratively in a growing number of areas. By partnering so intensively with MOP — far beyond the conventional relationship between foundation and intermediary — Piton has thus been able to help it move quickly and successfully into a new area of organizing and gain new avenues of institutional leverage.

Piton and MOP have also extended their partnership into a new collaborative framework for local philanthropies and community organizing groups. A 2004 Ford Foundation grant allowed Piton, working with MOP, to convene 11 funders and seven organizing groups with a grassroots, member-led orientation for a three-year planning and piloting process. This collaborative dispensed direct funding to participating groups, coordinated a joint organizing campaign on immigrant rights, produced a major Colorado "power analysis," and generated a significant increase in funding for community organizing through newly formed relationships between participating funders and organizers. The collaborative has since become self-sustaining, with institutionalized governance and procedural structures. More recently, an education-specific philanthropic organizing collaborative has developed out of this, which is helping several relevant groups gain research capacity and greater influence on education policy at the state level. Piton's partnership with MOP has thus evolved into a more systemic effort to create infrastructure and political leverage for community organizing in a city where such efforts had been fragmented, politically marginalized, and characterized by rivalry rather than collaboration.

The Humboldt Area Foundation
The Humboldt Area Foundation (HAF) is a community foundation serving a sprawling and sparsely populated four-county region along California's north coast. Since adopting an embedded philanthropic approach in the early 1990s it has sought to promote community change by bringing together previously disengaged or mutually antagonistic community actors in dialog, problem solving, agenda setting, and community build-

ing. Two areas of work that exemplify key aspects of this approach are the foundation's economic development efforts and its work with Native American communities.

Through consultation with community leaders, HAF determined that the region's chronic social problems were driven by cyclical economic downturns rooted in the declining timber industry and an absence of business growth in other sectors. They saw the key obstacles to economic recovery as fragmentation and rivalry in planning efforts by local government and nonprofits and a long-standing alienation of the business community, which had grown deeply cynical toward such efforts and exhausted by tension bordering on violence between timber and environmental interests, with business interests on both sides. In 1996 HAF launched the Institute for the North Coast (INC), a "virtual institute" whose mission was convening stakeholders to formulate an economic development agenda for the region. INC focused initially on engaging the alienated business community, bringing together business leaders from a range of industry sectors, sizes, and perspectives in an intensive planning process. In an effort to sidestep long-standing antagonisms they did not involve any government entities or nonprofits, generating a measure of resentment. Over 18 months this group drafted a rudimentary blueprint for effective economic planning. A larger and more decentralized phase of public planning followed, involving a monthly series of open meetings on economic development and efforts to educate the general public on development issues. The evolving plan was soon being debated in dozens of community venues. The initially excluded government entities and nonprofits eventually joined the process as well, and virtually all of them adopted the plan as policy once it was finalized in 2000. Through this convening and planning process, and others that evolved out of it, HAF has helped overcome long-standing antagonisms, broadened civic participation in development issues beyond a previously entrenched political and planning elite, and built a new level of trust and effective collaboration across public, private, nonprofit, and educational sectors in the region.

> *They saw the key obstacles to economic recovery as fragmentation and rivalry in planning efforts by local government and nonprofits and a long-standing alienation of the business community, which had grown deeply cynical toward such efforts and exhausted by tension bordering on violence between timber and environmental interests, with business interests on both sides.*

Over the past 15 years, HAF has also worked to break down the marginalization of north coast Native American communities —Hoopa, Karuk, Tolowa, Wiyot, and Yurok — and promote their participation in local civic and political life. This has involved a considerable challenge, given the well-founded mistrust of outsiders among a population that has historically experienced dispossession, mass killings, and a half-century of forced cultural assimilation. The foundation attributes its success in overcoming this mistrust to patient relationship building and steady support for these communities in building and pursuing their own agendas. They have consistently sought to include Native representation in economic planning venues and other convening processes. In the mid-1990s they put a prominent Karuk cultural leader on the foundation board and hired several Native staff. They provided early and pivotal support for the development of an integrated health facility for the region's tribes, a $19 million project that has brought the community considerable public notice and renewed pride. An HAF-funded "Living Biographies" series on local public television featured the life histories of Native residents in a way that, by all accounts, helped change mainstream perceptions. They have supported a

long-running Native cultural revival movement by forming a Native Cultures Fund whose priorities were established by an extensive listening process with Native communities. In these and other ways, and through sustained low-key efforts to foster connections and networks across the cultural divide, the foundation has contributed significantly to making possible a level of Native participation in local civic and cultural life that would have been hard to imagine 15 years ago.

Motives and Methods

Each of these foundations has made civic engagement central to both their general principles and the way they do their work. This commitment, however, has derived from different sources, has been expressed in different ways, and has been pursued through different means. Most broadly, while it was a central principle in the Humboldt Area Foundation's and Denver Foundation's embedded work from the start, the Piton and Jacobs Foundations came more gradually, through the evolution of their work, to put civic engagement at the center of their efforts. Partly as a consequence of their varied origins and trajectories, these foundations have also arrived at distinctive configurations with regard to their relative emphasis on the four types of civic engagement strategy discussed earlier: direct support at the grassroots level, creating new spaces and processes for civic engagement, building an infrastructure for mobilization, and leveraging their influence to create greater receptivity.

The Denver Foundation's Strengthening Neighborhoods program was founded squarely on the principle of grassroots civic engagement and community-led agenda setting. Its methods have accordingly focused on supporting resident initiatives at the grassroots level. It did not initially privilege any particular avenue of engagement or orientation toward community improvement, but its theory of change posited that more fundamentally transformative energies would eventually emerge from engagement at this level. Subsequently staff have increasingly felt a need to promote such transformative ambitions more directly and intentionally by supporting community organizing groups, providing what they call "pre-

organizing" on an in-house basis, and selectively leveraging foundation influence. They are thus beginning to supplement a direct-support strategy with one that invests in building a mobilization infrastructure and leverages influence, while maintaining a primarily grassroots orientation.

The Humboldt Area Foundation has been equally driven by a commitment to community energy and processes since becoming an embedded funder in the early 1990s. "Without broad community buy-in at all sorts of levels and the ability of people to come together to think about what is critical," says the foundation director, "you don't get to solutions that have any depth or create change." Yet HAF's efforts have not focused primarily on grassroots engagement and buy-in. Instead they have focused strategically on those groups and actors that, because of their previous *dis*engagement, the foundation deemed crucial to effecting the most urgently needed changes, such as the business community and Native artists and cultural leaders. By comparison with TDF's approach, this involves considerable foundation discretion as to *whose* engagement matters most, and even, as with the politicians and nonprofits originally left out of the development planning process, a willingness to exclude those who might expect to be engaged. Through this strategy of bringing selected actors into extended problem-solving processes, HAF has thus focused energetically and creatively on generating new and more productive spaces and processes for civic engagement toward community change, augmented by some leveraging of foundation influence.

The Jacobs Foundation's original theory of change might best be characterized as entrepreneurial, emphasizing private enterprise, business and home ownership, and local self-reliance as the keys to lifting communities out of poverty. When their frustration with the limits of conventional philanthropy led them toward embedded funding and direct work with residents, they were quickly faced with the challenge of getting residents involved in their initiative. The working teams were born of their creative response to this challenge, and in the course of this work their conception of engagement broadened beyond its earlier focus

on private enterprise and ownership. By comparison with our other cases, their efforts might seem less oriented toward civic engagement than toward a more specific engagement with the foundation itself. Like TDF, they have a primarily grassroots focus, but while they do support a few existing community groups, the bulk of their energy is directed toward fostering resident involvement in various aspects of the foundation initiative itself. Like HAF, Jacobs has created new vehicles for engagement, but where HAF convenes, facilitates, and supports community processes that subsequently become autonomous, Jacobs sustains a longer-term involvement in those processes through the working teams. On the other hand, the working teams also provide a unique level of resident influence over the basic decision making and operation of the foundation's initiative. Indeed, with their conception of resident ownership of the change process and the mechanisms they are developing for the transfer of foundation assets and functions into community control, there is a sense in which the foundation has turned *itself* into a new civic space and aims, over the longer term, to become a community-controlled infrastructure for supporting sustained revitalization through civic engagement.

The Piton Foundation's approach to improving public education has consistently emphasized decentralization and competitive market principles. Their strategies long focused on promoting institutional change and leveraging connections among political and corporate leaders, but by the late 1990s they had grown frustrated with that approach. In MOP and its community-organizing work they saw a new possibility for promoting reform through community pressure. But the exposure to community organizing also generated a more fundamental shift in perspective among foundation staff. "We are a very different organization now," says one. "We have community organizing and resident-driven as *core* to everything we do." In this sense, civic engagement has become more than an efficient means to reformist ends; it has become central to the foundation's theory of change. Strategically, Piton's approach differs from our other three cases by focusing

primarily on support for community organizers both through specific partnerships and by building a new infrastructure for civic mobilization in the Denver area. Finally, it combines and partially integrates this strategy with ongoing efforts to leverage its own relationships and influence to make powerful actors and institutions more responsive to the needs and demands articulated by a mobilized citizenry.

Strengths and Lessons

Despite these foundations' divergent motives and varied engagement strategies, a number of shared features suggest general lessons regarding the successful philanthropic promotion of civic engagement and the specific strengths of embedded philanthropy in pursuing that aim.

> *Each of these cases illustrates the importance of getting to know the relevant community and letting them get to know the foundation in order to effectively pursue civic-engagement goals.*

Each of these cases illustrates the importance of getting to know the relevant community and letting them get to know the foundation in order to effectively pursue civic-engagement goals. The Humboldt Area Foundation knew the local landscape well enough to understand that the marginalization and fractiousness of the local business community was a significant obstacle to economic revitalization and which business leaders could be fruitfully brought together. They were also well-known enough to be credible conveners of the revitalization process. The Piton Foundation had the local knowledge and stature to help the Casey Foundation convene the Making Connections process and move it forward in its early years. At a later stage, it had an existing involvement with the Denver Public Schools that

enabled it to take advantage of the new reformist leadership and to involve MOP in that process.

Such knowledge requires both time and effort: precisely the sort of long-term commitment and relationship building that are defining features of embedded philanthropy. Embedded funders often begin their work with community outreach and information gathering. TDF's Strengthening Neighborhoods program began with an intensive outreach effort through community meetings aimed at publicizing the program, identifying neighborhood leaders, and encouraging grant applications. Jacobs relocated to their target neighborhood and opened their doors to residents, held numerous community meetings, and launched a community survey. HAF, too, conducted a community survey before launching their economic revitalization process and conducted an extensive listening process with Native communities in forming the Native Cultures Fund.

> *More important still is the emphasis that embedded funders generally place on respect and reciprocity in community relationships and their willingness to cede some of their power and authority.*

Beyond reciprocal knowledge, successful engagement efforts are greatly facilitated by the development of trust between a foundation and relevant local actors. This is particularly true in contexts characterized by entrenched mistrustfulness, such as those in which several of these foundations have operated. HAF faced generalized mistrust of outsiders among Native Americans and a specific mistrust of economic planning processes among business leaders. Jacobs faced suspicion of community revitalization promises and outsiders acquiring local real estate, and Piton faced strong mistrust of philanthropies among community organizers.

Trust, like knowledge, takes time to build. But beyond patience, these cases suggest the value of more specific strategies. Most generally, trust is rarely built through grants alone. All of these foundations provide a range of supports beyond grant-making — another defining feature of embedded funding. The nongrant strategy that characterizes most of these instances in which initial mistrust was successfully overcome is an engagement in protracted planning processes. It was the extended planning phase of the Making Connections process that began to build trust between Piton and MOP. HAF's business roundtable brought alienated business leaders back into the economic planning process, and it was in the planning and design phase of their property-development work that Jacobs formalized the working team model and made major headway in gaining community trust.

But the most important aspects of trust building may be less a matter of *what* is done than of *how* it is done. Here, some of the features that embedded funders tend to share are critical. One of them is flexibility and adaptivity, which can help build trust, just as inflexibility can inhibit it. TDF has displayed this in its grantmaking and the range of other supports that it is willing to provide in response to the evolving needs of grantees. Jacobs retooled its property development plans repeatedly in response to resident concerns and objections. Piton often supplies support and resources to its partners without formal grant processes when new needs and opportunities arise.

More important still is the emphasis that embedded funders generally place on respect and reciprocity in community relationships and their willingness to cede some of their power and authority. The willingness to cede significant power is most obvious in TDF's and HAF's commitment to resident- or community-led agenda setting. According to HAF's director it was only by consistently supporting Native communities in their own priorities and avoiding even the hint

of a foundation agenda, that their mistrust could be overcome. Although Jacobs established their own agenda framework from the outset by putting property development at the center of their initiative, they have been very intentional and creative in building mechanisms for community influence over planning and agenda setting both within that framework and in moving beyond it. Piton's willingness to embrace elements of MOP's community-organizing model obviously played a key role in winning their trust.

Finally, these foundations have used their organizational structure and staffing as effective instruments for building familiarity and trust and promoting civic engagement. Some do this through scale. TDF's SN program employs a sizeable staff in relation to the scale of its grantmaking in order to maintain a direct and personal presence in its target neighborhoods, and Jacobs's staff has grown exponentially in response to the needs of its embedded work. Equally effective, however, can be strategic staffing. HAF hired a widely respected local businesswoman to run INC and members of the Native American community both to conduct the listening process that led to the creation of the Native Cultures Fund and to manage the fund itself. Jacobs puts some of the residents who are most active in its revitalization work on staff, and it has increasingly focused on hiring locally as its initiative has progressed. Foundation boards can be used in similar ways. HAF's board consists of a wide range of respected community members, many of whom participate in community outreach. TDF's Strengthening Neighborhoods Committee, which oversees the program, consists of equal numbers of resident representatives and TDF trustees.

Conclusion

Our purpose in this article has been to explore the ways in which embedded funders approach the task of promoting civic engagement, their reasons for doing so, and the way their embedded orientation influences and enhances this area of their work. The four foundations we have discussed are quite diverse in many of these regards. Some prioritized civic engagement from the outset as a matter of principle, while others

were drawn toward it in the course of their work. Each has pursued several of our four types of civic engagement strategy — grassroots support, creating new spaces and processes, building mobilization infrastructure, and leveraging influence — in distinctive and evolving combinations. Yet these cases also suggest some general strengths and lessons. Successful civic engagement efforts are predicated on local knowledge — on knowing a community and being known by it — a knowledge for which embedded funders are well placed by virtue of the time and effort they are willing to commit. Such efforts are also predicated on trust, and embedded funders are well equipped to build trust through supports beyond grantmaking, protracted planning processes, flexibility and adaptivity, emphasizing respect and reciprocity, and ceding some of their power and authority. Embedded funders have shown considerable creativity in using organizational structure and staffing toward these ends.

Not all embedded funders are centrally concerned with promoting civic engagement, nor are all of their efforts successful. But an embedded orientation does seem to incline a foundation in this direction, and many of the strengths that embedded funders show in their civic engagement efforts seem to arise precisely out of that orientation. Civic engagement is, of course, just one strategy for community change, but both in this regard and in relation to community-change philanthropy more generally, embedded funders deserve more systematic attention than they have received. Although an embedded approach may seem daunting to many place-based foundations, there are surely many others that might find it attractive if its strengths and opportunities, its risks and rewards, were more widely known and well understood. And given the challenges that national foundations have faced in their community-change efforts, it is worth asking whether there are elements and practices of embedded philanthropy from which they too might be able to learn.

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