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# The Blandin Foundation: The Journey to a Theory of Philanthropy

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*Keywords:* Theory of philanthropy, Blandin Foundation, strategy

## Special Section Editor's Note:

The Blandin Foundation has a long history of commissioning and engaging in program evaluations. My evaluation of the Blandin Community Leadership Program in the 1990s extended over several years and used multiple methods. It began as a formative-summative contract, but as it became clear that the program would need to continue to adapt and innovate to maintain relevance to community leaders in the dynamic context of an ever-changing society and economy, the evaluation became developmental. Indeed, that adaptation of the evaluation's purpose gave rise to what is now widely known as developmental evaluation.<sup>2</sup>

That approach originated at the Blandin Foundation.

To understand and appreciate Blandin's articulation of its theory of philanthropy, this case example begins by reviewing the strategic and evaluation work that preceded and laid the foundation for the theory of philanthropy.

The Blandin Foundation is a private, independent foundation in Grand Rapids, Minn. Endowed with

<sup>1</sup> Additional input was provided by the other members of the Blandin senior leadership team: Bernadine Joselyn, director of public policy and engagement; Valerie Shangreaux, director of leadership; Janet Borth, director of human resources and board services; Jean Lane, director of finances; and Sonja Merrild, director of grants.

<sup>2</sup> Patton, M. Q. (2011). *Developmental evaluation: Applying complexity concepts to enhance innovation and use*. New York: Guilford Press.

## Key Points

- The Blandin Foundation, located in Grand Rapids, Minn., is one of the few foundations focused on rural communities.
- The foundation's trustees commissioned the senior leadership team in 2007 to undertake serious, sustained, and annual assessments of the foundation's work and impact. The first assessments focused on the ways in which they were delivering on the strategic plan, observations about impact, and potential adjustments.
- After focusing on strategies, foundation leadership asked themselves what their theory of change was. This question led to a deeper process of exploring **why** and how they do their work, eventually leading them to a theory of philanthropy that makes many of their assumptions explicit.

assets of approximately \$400 million, it is one of only a handful of foundations in the U.S. focused exclusively on rural communities and is the largest rural-based private foundation in Minnesota.

At its core, Blandin stands with rural Minnesota communities as they design and claim vibrant, resilient futures. The foundation awards grants totalling about \$12 million a year; operates a community leadership program that has served some 7,000 people over 29 years; engages in public policy and community engagement, such as broadband access and student success; and invests in strategic communications. How does a 75-year-

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old organization with such a broad mandate and varied tool kit signal and measure its work in a way that is clear and transparent?

Our senior leadership team, which is composed of the directors of the foundation's six functional areas plus the president and vice president, sat down one day in January 2015 and asked, "What is our theory of change?" Little did we know that this would lead our work together into very new territory.

### **Assessment 2.0**

Blandin's trustees commissioned the senior leadership team in 2007 to undertake serious, sustained, and annual assessments of the foundation's work and impact. This coincided with a renewed investment in strategic planning, so naturally our first assessments focused there: in what ways were we delivering on the strategic plan and what observations might we have about impact and potential adjustments. Lots of data, a wide-ranging narrative, a collection of evaluations and perception studies we had been gathering – all were consolidated and validated by an external evaluator, the very able Wilder Research of St. Paul, Minn. It was an important first step. Did it advance clarity and transparency? Did it inform our work? Yes,

but we knew we could do better, and in every subsequent year we refined our efforts.

In 2012, with our trustees, we decided to take a new look at our annual review process and redesigned and rebooted our annual assessment report. Rather than creating a cumbersome compilation of the many different ways the foundation was delivering on its strategic plan, we shifted emphasis to simplification and exploring a few key reflective questions. We wanted to give equal weight to how we are delivering on our strategic plan, what we are learning, and how we adjust for the future.

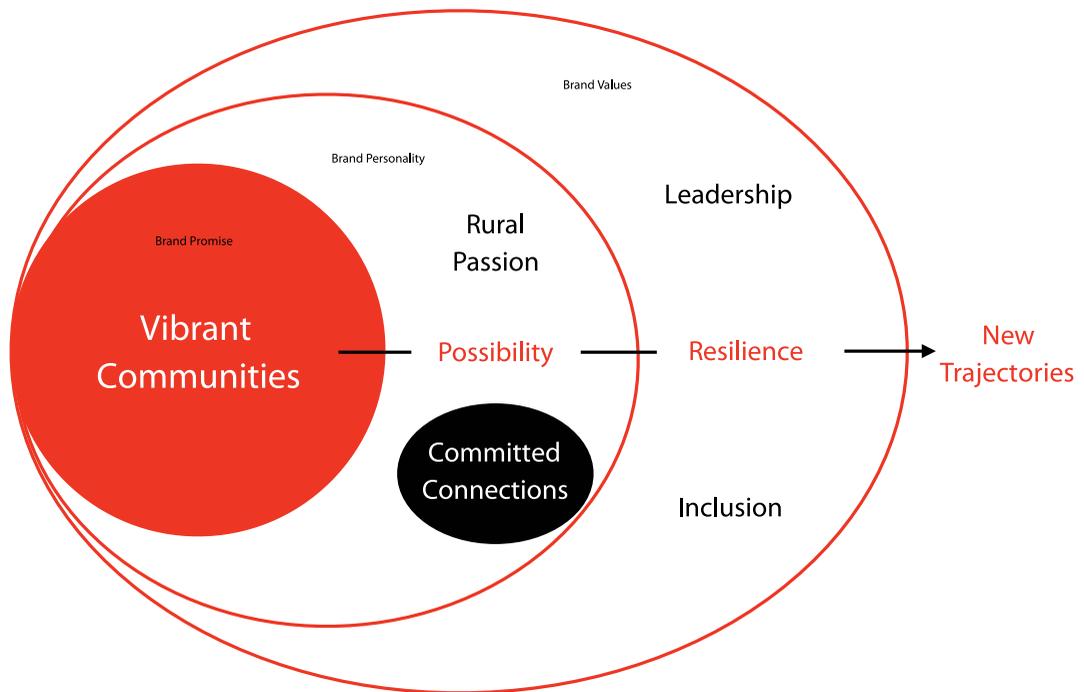
We were especially interested in more deeply incorporating systems thinking and complexity understandings into our work. We invited Michael Quinn Patton to partner with us in this, as these are areas in which he had been consulting and writing.

In a developmental, versus purely evaluative, frame of mind, we generated a menu of possibilities: examine how we're using, and might better use, our evaluation reports; review, update, and revise our theory of change, which had been developed years earlier; and take an element of our strategic framework to examine more deeply. We went where our energy took us, diving deeply into an element of the foundation's strategic framework: "committed connections." What patterns could we see in our work and experiences as we stood with communities, grantees, policy partners, peers, and many other longtime partners in strengthening rural Minnesota communities?

### **Focus on Committed Connections**

This strategic priority of committed connections emerged through our efforts to better explain who we are, what we do, and why it matters. We worked with Will Novy-Hildesley and his Quicksilver Foundry in 2011 to think deeply regarding what is most relevant about the Blandin Foundation. The resulting brand framework did not create a new strategic path, it simply helped us to understand and signal the foundation's strategic priorities in a way that was rich, not complex. (See Figure 1.) We continue to work to signal this

FIGURE 1 Blandin Foundation Brand Framework



Brand Promise - Answers the questions: Who are you? What do you do? Why does it matter to me?

Brand Personality - Informs the tone and flavor of everything you do and say.

Brand Values - Are essential ingredients of your DNA and how you create impact that simply cannot be removed from who you are and aspire to be.

clarity for our many partners so that our resources are best matched to theirs.

Given our broad mission, ambitious vision, and wide-ranging tool kit, the clarity forged through our strategic framework has proven invaluable – especially as we dove into assessment.

We chose to focus on committed connections because we knew that the members of the senior leadership team had varied interpretations of what this meant and how it applied in our work; it seemed a fruitful area for improving practice. Thus, in three full-day sessions over six months in 2013, staff shared case examples of grants, relationships, and foundation work that did, and did not, manifest committed connections. The guiding question for our reflective practice, facilitated by Patton, was: How does being a commit-

ted connector inform and affect the foundation's work in local communities?

To prepare for the reflective-practice session, each team member identified foundation work that illustrated a strong committed connection and an example that was comparatively weak. We compared our examples, discussed what they revealed, then identified patterns. It quickly became clear that where staff was more deeply engaged, connections were stronger and impacts were greater. Another insight was that while contributing funds was very important, impact wasn't always or only about money. There were a number of examples of successful committed connections for which funding was minimal but where positive impacts occurred through the process of mutual engagement.

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This developmental deep-dive into Blandin's committed connections brought us a flood of new understanding and ways we could strengthen our role as a perpetual connector. It was exciting – for us and for our trustees. We reported the following insights in our annual assessment report to the board:

1. Committed connections are core to the foundation's work.
2. Committed connections deepen over time.
3. A committed connection is both process and outcome.
4. Committed connections can take many forms:
  - connecting people to each other (individually, small groups),
  - connecting people to networks,
  - connecting people to knowledge,
  - connecting people to issues,
  - connecting issues to issues (breaking down silos between issues),
  - connecting people to resources,

- connecting people to opportunities,
- connecting people to action (from talk to action),
- connecting people to organizations,
- connecting organizations to each other,
- connecting people to communities,
- connecting communities to each other,
- connecting communities to regions, and
- disconnecting people from ineffective or dysfunctional connections.

These insights formed the basis for recognizing and nurturing the full continuum of different connector roles played by Blandin staff. Through cross-case thematic analysis as a staff team, we deepened our shared understanding of, commitment to, and actions focused on committed connections. We also strengthened how we engage in case-based reflective practice.

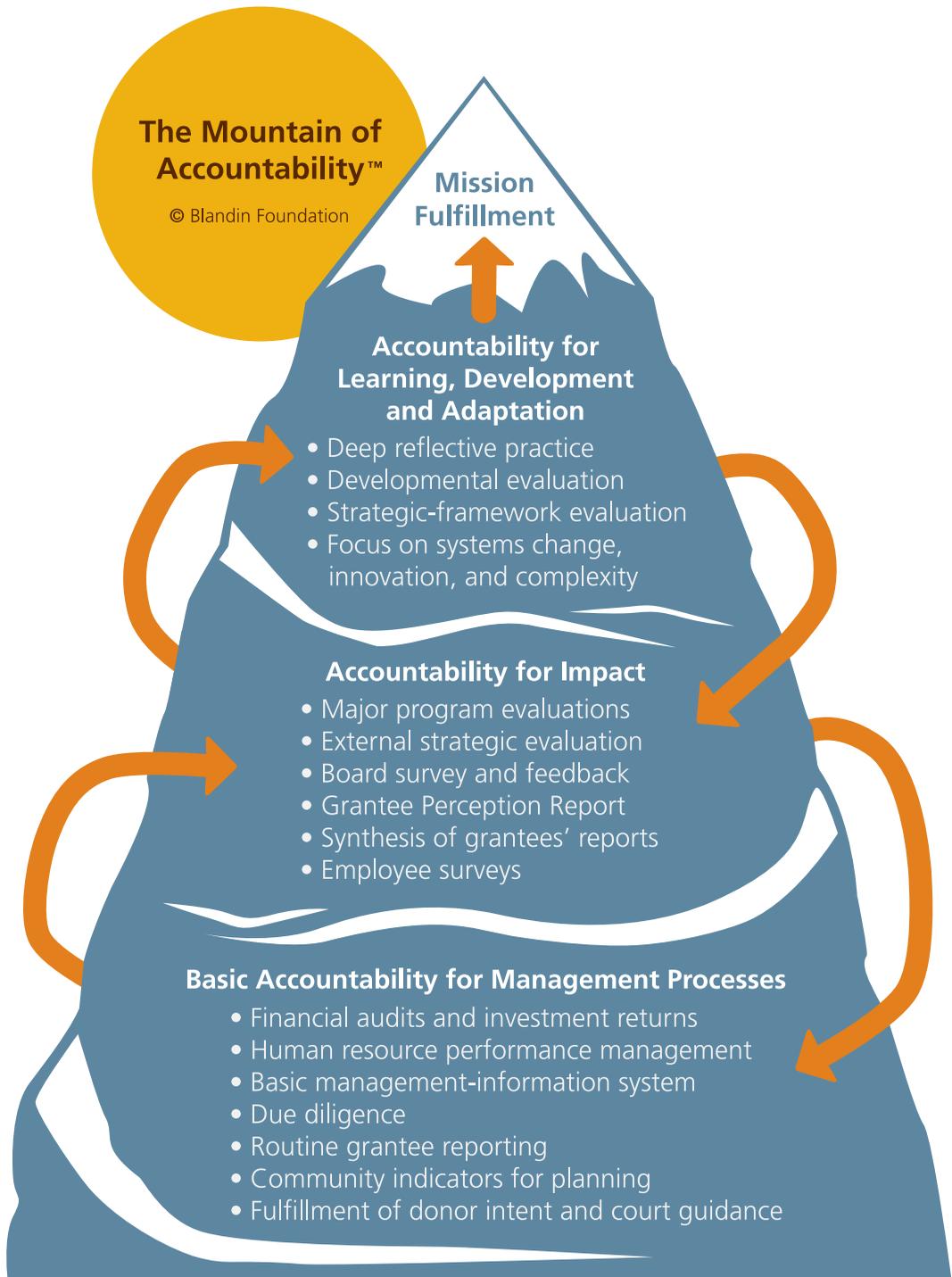
### Mountain of Accountability

As our assessment journey continued, we came to wrestle with the varied tracks of our process: In what ways are we delivering on our strategic planning? What are we learning? How do we adjust for the future? Thus was born our "mountain of accountability," our way of understanding and explaining the relative, equally important, and intertwined roles of three types of foundation assessment:<sup>3</sup>

1. basic accountability for management processes,
2. accountability for impact and effectiveness, and
3. accountability for learning, development, and adaptation.

<sup>3</sup> A full explanation of the three types and how they interrelate is available at <http://blandinfoundation.org/who-we-are/accountability>

FIGURE 2 Blandin Foundation Mountain of Accountability



Blandin Foundation™  
STRENGTHENING RURAL MINNESOTA

*We'd never landed on a better theory for the whole of the Blandin Foundation, however. So, it was a great relief to hear from Patton that, in his experience, the idea of a "theory of change" for a foundation didn't often fit and that what we were seeking was a "theory of philanthropy." Aha!*

### Mountain of Accountability

For the past two years, staff has prepared an annual assessment report organized around this framework. The staff and board have found the framework to be profoundly helpful in organizing the many different types of assessment materials.

### Learning Together as a Staff

Over two years of intensive work engaging in systematic reflective practice, the senior leadership team developed analytic and synthesis skills in looking at specific grants and initiatives, processes, relationships, and ways of working to identify cross-cutting, big-picture themes that yielded important insights into how Blandin engaged in its philanthropic work. Naturally, we wanted to continue our progress, which brings us back to the beginning of our story. On that Minnesota morning in January 2015, we sat down and asked: What next?

During the past two years of reflective-practice work around committed connections and the "mountain of accountability," we periodically considered the question, What is our theory of change? That is, after all, something we often ask our grantees. Might this be our next avenue for reflective practice and developmental assess-

ment? Might this be our next attempt to scale our "mountain of accountability"?

Over the years, Blandin had borrowed a theory of change from our community leadership training programs: framing + social capital x mobilization = healthy community. It never really was meant to be a theory of change; it was more the set of core competencies embedded in our training curriculum. As an organization, though, it was the closest we had come – and, really, shouldn't we have a theory of change? While this formula still is relevant to our work, its power as a unifying lens with which to view our work has not proven particularly helpful.

We'd never landed on a better theory for the whole of the Blandin Foundation, however. So, it was a great relief to hear from Patton that, in his experience, the idea of a "theory of change" for a foundation didn't often fit and that what we were seeking was a "theory of philanthropy." Aha!

Looking back, we could see the seeds of a theory of philanthropy throughout our assessment work and, certainly, embedded in our strategic framework/brand. Wilder Research's 2012 independent assessment commented on Blandin's increased attention to relationships, noting the growing importance of committed connections as a way of understanding the foundation's approach:

This new way of viewing the work represents an increased awareness that the nurturing and encouragement of any one of the [healthy community] dimensions is dependent on connections among all of the players, all of the organizations, and all of the key institutions that make up community life. Moreover, it is dependent on the ability of individuals and organizations sharing common ideals to come together with focused, inclusive, and goal-oriented strategies. Blandin is now fostering a new and improved role as a partner that can help build and strengthen these connections, build capacity, and help facilitate the dialogue required in arriving at action-oriented solutions.

When we reviewed that report years later with Patton, he commented that the external evalua-

tors seemed to struggle in identifying Blandin's overall approach. At one point, the report described Blandin as performing like an "intermediary philanthropic funder"; at another, it referred to Blandin as a "backbone funder." Clarifying the ways the foundation shares its resources and delivers on its mission is part of the work of articulating a theory of philanthropy, Patton suggested.

Confident in our clarified strategic framework and a 75-year track record, we realized that Blandin still could do better to clarify its approach to philanthropy – for ourselves and for our partners and potential partners.

We weren't at all sure what a theory of philanthropy was, what articulating it would involve, and, especially, what it would yield. To some it still sounded like a rather abstract academic exercise. Some thought examining another element of the strategic framework, like inclusion, might be more valuable. We also wanted to be sure that the board was briefed on the idea and was supportive, because it would involve a significant commitment of staff time and the board would need to participate in drafting and approving a theory. After open and thoughtful discussion, we agreed to move forward. The proposal we prepared for the board provided an overview of the idea and its aims:

- Help articulate our rationale for why Blandin is a leader in rural, place-based philanthropy.
- Reveal hidden assumptions about how and why we do our work that will allow improved assessment and decision-making.
- Serve as a vehicle for strategic-level board input.
- Serve as an orientation/reorientation tool for staff and board.
- Strengthen culture by uncovering hidden assumptions that drive our behavior.
- Drive further internal alignment by establishing more a consistent rationale for work.

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- Serve as a tool analogous, in the private sector, to a business plan.
- Synthesize, integrate, and align various documents, policies, processes, and reports that have been generated over the years, typically as stand-alone pieces.
- Potentially contribute nationally to the overall field of philanthropy.

The memo to the board detailed the likely elements of a theory of philanthropy and asked for input and guidance on expectations it might have for the exercise – specifically, if it would meet the board's need to provide high-level input on the overall approach and philosophy of the foundation. The memo also sought input on two or three of the dimensions of particular relevance to the board's purview and the direction of the foundation.

With input from the board chair, three elements were identified as logical initial points of the board's contribution to the theory of philanthropy:

1. Governance philosophy – What is the foundation's philosophy on how to lead and direct its work?
2. Contextual sensitivity and trend scanning – How does the foundation ensure its work is relevant to shifting real-world conditions?

*A major point of clarification was that the theory of philanthropy would describe actual practice, not ideals or hopes. Once actual practice was captured, documented, and summarized, the group identified aspirational practices for improvement: areas where practice could be better aligned with philanthropic values and vision.*

3. Strategy – How does the foundation deploy its resources to achieve impact?

The board then became immediately involved in the process as each trustee was asked briefly describe what was “distinctive” about Blandin’s approach to those three elements.

### **Our Theory-of-Philanthropy Process – The Gritty Details**

On the staff side of the conversation, an initial senior leadership team session focused on 25 elements Patton provided in a draft theory-of-philanthropy worksheet; among them were philanthropic niche, roots of the foundation (founding story), approach to foundation assets, leadership roles, staff roles, and strategic priorities. The discussion was lively, with staff offering diverse views on several elements and identifying supporting foundation documents that illuminated various elements. Our team divided the elements for work outside the reflective-practice session. The initial session also yielded 10 elements that staff felt needed to be addressed: approach to budgeting; givens, constraints, and restrictions; organizational culture; values; uses of the founda-

tion’s building; board-staff relationships; accountability approach; role of technology; approach to collective impact; and risk tolerance. (The revised and more comprehensive theory of philanthropy worksheet is in the overview article that precedes this case study.)

In a second session we continued to work through draft proposals, cross-references to foundation documents, and issues that would need input from others. Historical perspectives and decisions emerged, around which we each had a version. Interconnections among elements surfaced and were discussed. Questions, uncertainties, disagreements, discussion about what terminology to use, issues of confidentiality, and how much detail was needed all arose.

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Once we had worked through all the dimensions in at least draft form, we turned to synthesis by identifying 10 core elements. That set of 10 went through several drafts, with lots of feedback, reordering, rewording, focusing, and editing. The staff draft was then ready for board reaction and additional revision. (See Table 1.)

### **An Agenda for Future Development**

As we developed and synthesized our theory of philanthropy, we identified dimensions where our ideal falls short of current practice. Once we had the current draft of our theory of philanthropy, we developed an agenda for future development – a set of action items to bring our actual practices closer to our ideals. That agenda for future development is quite rough at this point and not something we would share publicly (except, perhaps, to the understanding readers of *The Foundation Review*, who we trust appreciate the sausage-making as well as the sausage). Having identified what we want to work on, we will now spend our team efforts considering how can we plow this awareness back into our work and our impact.

TABLE 1 The Blandin Foundation's Draft Theory of Philanthropy\*

The Blandin Foundation's Draft Theory of Philanthropy	
1. Driven by perpetuity	Charles K. Blandin left much to the judgment of the trustees who would succeed him. However, on some matters his intent is crystal clear: that his resources would be stewarded for perpetuity, that benefit would be limited to the boundaries of Minnesota with priority in the Grand Rapids area, and that his charitable funds would not replace the responsibility of government. Building on donor intent, the Blandin Foundation chooses the challenge of working through rather than around challenges, and to build lasting, interconnected, systemic change rather than issue one-time, one-place fixes.
2. Community as the unit of impact	Vibrant rural communities are the core purpose of the Blandin Foundation. A truly vibrant community will be one where every member has both options for their life and the ability to pursue those paths to their fullest end. When all is said and done, the litmus test for Blandin's impact will be this: has the foundation catalyzed a community's ability to expand opportunity for all of its residents?
3. Exclusively rural	There's something special about small, rural places. Blandin trustees and staff are of rural as well as for rural. As such, we are committed to community connection and to building impact through relationships rather than "deals." We have an unerring faith in the ability of rural communities to rise above, to prevail – a passionate sense of possibility as we work with communities to transcend challenges.
4. Inclusion is our cornerstone	Our work is greater opportunity and equity for those who have often been marginalized. As with leadership and resilience, we believe in the power of inclusion and have made it core to who we are and what we do.
5. Multifaceted; full spectrum of ways of deploying assets	Blandin officially is an independent, private foundation, although it borrows approaches from operating foundations, community foundations, and nonprofits themselves. Just as communities are complex systems, our approach must be adaptive.
6. More than money	Blandin appreciates and employs a wide-ranging set of assets: financial resources, a strong and diverse board, knowledgeable and engaged staff, relationships ("committed connections"), its reputation, convening and participatory facilitation assets, strategic communications, advocacy, headquarters building. Just as communities are complex systems, our resources must be adaptive and deployed in the context of the individual system.
7. Leadership matters	Community capacity to lead also is at the center of Blandin's commitment to support change. Vibrant communities don't arrive by accident, and they aren't going to last long in isolation or on a foundation of handouts. Resilient communities make their own future, both by taking responsibility for it and by building powerful networks of sustaining relationships. As nature shows us everywhere we look, open, connected systems are always more resilient than closed ones. Leadership matters.
8. Relationships	Change follows relationships. We see this over and over, and cultivating committed connections is the job of each person in the organization. Blandin invests in the care and feeding of relationships through dedicated programming, communications, and information technology.
9. Engaged governance	Trustees provide high-level guidance, invest in their abilities to govern, and set informed strategy for the organization.
10. Commitment to evaluation for learning and accountability	Blandin has committed to multiple forms of assessment, including regular review by a judge (per donor) and feedback from the community in which we are based.

*If our core purpose is vibrant community, then community must be our priority unit of impact. Seems simple, but it changes nearly everything – our strategic planning, our work planning, our assessment processes. Calling this out in our theory of philanthropy has also raised for us the question, What is community?*

### Observations and Lessons

Our observations and learnings from the process and product of our theory of philanthropy, so far:

1. If our core purpose is vibrant community, then community must be our priority unit of impact. (See Figure 1.) Seems simple, but it changes nearly everything – our strategic planning, our work planning, our assessment processes. Calling this out in our theory of philanthropy has also raised for us the question, What is community?
2. Make the invisible visible. This theme became the mantra of our work. Daylighting our assumptions, wrestling with them, coming to a working understanding if not complete alignment, have proven of great value.
3. Beyond what we do to why we do it and why it matters: “Why” questions were especially evocative and provocative, yielding intense conversations and important insights.
4. “It was amazing to see it all come together”: The 35 dimensions of the initial theory-of-philanthropy worksheet felt overwhelming at first, but the very comprehensiveness of the approach and detail were, ultimately, a major source of its value.
5. The synthesis, while essential, competes somewhat with the clarity we have been seeking in other ways (the full list of 35 dimensions is quite unwieldy). We still have work to do.
6. Distinguishing a descriptive theory of philanthropy (what is) from an aspirational one (how we’d ideally like to practice) was ongoing and essential. Dealing ultimately with both, but doing so separately and sequentially, was helpful.
7. What’s distinctive about us? There is so much detail that could go into a theory of philanthropy that the focus on what is distinctive proved essential to deciding what was worth highlighting. This also required knowledge of other foundations and philanthropy in general.
8. Consistency, commitment, and perseverance were critical. The senior leadership team devoted a half-day to the process each month for four straight months, plus doing work between meetings to maintain momentum.
9. Skills in analysis and synthesis – and trust in one another – that were developed during the previous two years of reflective practice facilitated deep engagement and a meaningful result.
10. Everyone contributed. All members of the senior leadership team engaged throughout. The board and Blandin’s full staff also were engaged and provided the basis for the leadership team’s work.
11. The theory of philanthropy became a place to link and integrate the many stand-alone documents the foundation had generated over its 75-year history and through many changes in leadership, the board, staff, and grantees.

12. External facilitation was helpful in formulating and completing the work. The idea of theory of philanthropy was new, unfamiliar, and unclear initially. Every session generated questions aimed at clarifying what a theory of philanthropy was, how it differed from a theory of change, what the final product would be, and how it would be used. Concerns and confusion were natural and appropriate, and needed to be dealt with openly and respectfully – a journey we continue.

These aspirations and observations are captured in the foundation's annual assessment report and form a core component of the issues staff and board have agreed to address in our planning process. (See Figure 2.) Furthermore, as these aspirations are adapted, Blandin's theory of philanthropy will be adjusted accordingly. It is a living document that will adapt as the foundation adapts.

### Final Reflection

We've committed significant time and resources to this task for one simple reason: We believe that strategic clarity and alignment – across Blandin's staff, board, grantees, and stakeholders – will play a determining role in our impact on this community. This kind of coherence isn't a bonus. It's an essential component of our philanthropy. Helping this whole community capture and distill clarity, purpose, and meaning around "vibrant community" is at least as valuable as any dollar amount we can provide. We want to facilitate a new narrative about the future of rural communities, and that starts with clarity about our own story and role here in Minnesota.

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