

Collaboration and Peer Learning
United Jewish Communities
Funder Services Forum
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I try to take advantage of these opportunities UJC has provided me over the years to make a teachable moment out of each experience. As a trained educator, I know one of the few proven ways to ignite learning among adults in settings such as this is to create cognitive dissonance and then to rely on the good will of the listeners to engage in focused, self-directed study.

I want to challenge you with some uncommon propositions. I will argue for you to accept ideas you may find counter-intuitive. I will persist in trying to advance the conversation I have been having for years on philanthropic effectiveness-- sometimes in earnest dialogue with you but I fear, much too frequently, in a monotonous dialogue with myself.

First, let's recognize by dint of the collective success professionals in this room have achieved that it is unlikely *any* expert has much to teach you as a group about working with federation-affiliated funders who are "in the fold," so to speak. What you might not know individually about methods, techniques, tactics and strategies for maximizing your performance you can learn from one another. This is a refrain of mine: anyone of you can develop your own practice by relying on your colleagues to teach you what you would like to know, building on what UJC already offers. You must only resolve to make the time to acquire the desired learning.

That said – it's too easy for me to leave professional learning to chance. And, since I was asked specifically to comment on peer learning, I will respond to that invitation by *again* suggesting that you self-organize and prevail upon UJC to assist you in developing a certificate program for federation grant making professionals. Require a number of years experience in the field in order for the professional to be eligible for this certification. Designate a body of literature that certificate-seeking professionals would be asked to study and learn such that they can demonstrate knowledge of critical information. Codify behaviors that lead to success in the work that you do; design simulations by which individuals would be given an opportunity to exhibit conformity to high standards of professional conduct. Structure a series of practicums that place professionals in communities to observe the work of three of the dozen or so most accomplished Federation grant making pros in the system. Supplement what E and F/Family Philanthropy has created online in order to have a more active community of practice. Adopt a code of ethics.

I believe that if certification works for:

- Accountants and realtors
- Architects and social workers
- Teachers and school psychologists
- Journalists and librarians
- Interior decorators and nurses
- Fund raising executives and trust officers
- (the guild of) organists and pet dog trainers...

that it might be helpful for you as professionals to have certification status.

Let's take a look at contemporary Jewish philanthropy to see if we can agree on several fundamental facts:

1. The ubiquitously discussed wealth transfer, documented years ago by Cornell University researchers Avery and Rendell and popularized by Boston College professors John Havens and Paul Schervish, is underway. Jewish philanthropy is burgeoning; it is a cottage growth industry.
2. Stanley and Danko have empirically demonstrated the widespread phenomenon of the so-called "millionaire next door." All of you have them—Jewish millionaires in your community, probably in your neighborhood, possibly on your street.
3. Both billionaire and millionaire Jewish wealth is growing. You know, of course, about Adelson and Joseph; Osher and Sandler. Smaller foundations that belong to the Association of Small Foundations—whose members' average corpus is seven (7) million dollars—are increasing by about 300 foundations annually. Family foundations with assets less than .5 million increased 40% from 2004-2005. They are forming at the rate of 6 per day (!), according to the Council on Foundations.
4. Jewish wealth, geographically speaking, is shifting. It is showing up in places like Austin, Texas; Greensboro, North Carolina; Las Vegas; Providence; and Tulsa, Oklahoma.
5. Jewish mega wealth, forever concentrated in Manhattan, has exploded. I'm betting you have noticed that Los

Angeles, San Diego, San Francisco, and Seattle are centers of extraordinary Jewish philanthropic resources.

6. Privatizing of Jewish philanthropy has occurred in a major way. By all indications, it will continue, accelerate, and ultimately alter the balance of power in the Jewish philanthropic kingdom.

I have heard Execs at the “big 19” lament this privatization. It puzzles me frankly, for a number of reasons. First, it is not as though Federations don’t already work well with major funders. Bader, Berrie, Bronfman, Crown, Goldman, Grinspoon, Kanfer, Koret, Lauder, Mandel, Marcus, Meyerhoff, Pritzker, Schusterman, Tisch, Weinberg, Wexner if I am not mistaken are all major contributors to federations while also exercising a great deal of private foundation philanthropic initiative.

Secondly, as counter-intuitive as it may seem, it is to federations’ advantage when individuals or families—or, for that matter, defunct Jewish hospitals-- gather wealth into private incorporated entities. Why? First, it fairly quickly thereafter becomes apparent what the donor as a funder (or new foundation Board of Directors) will target as a philanthropic priority, making it clear on what grounds federation should approach the funder when seeking support. Secondly, newly-formed entities of this sort soon start making distributions and not infrequently at levels far exceeding what characterized their philanthropy in its unincorporated form.

Take, for example, Jewish hospitals that created “conversion” foundations. These philanthropies have contributed millions to

organized Jewish community causes. In 2003 alone, 10 Jewish Health Care Foundations, managing more than 1 billion dollars in assets, contributed 4 million dollars to federation's annual campaigns. These same 10 foundations granted in excess of 45 million dollars more to Jewish senior services and Jewish health care and healing centers.

Thirdly, this lamentation of federation executives is an obstacle to action in a world where privatization has taken hold, plain and simple. For God sakes, even kibbutzim, the embodiment of communalism in the Jewish world, are well into a profound ideological shift, moving away from egalitarianism to what inevitably will be communities of shareholders.

Let me quote a well known senior federation executive who cautioned his Jewish communal professional colleagues eight years ago "...it is today and will be increasingly harder to develop a sense of one community and broad discipline around the idea of centralized annual fundraising to an undesignated pool which community leaders then allocate to the needs they deem most important. ...it's [getting] harder to enlist new donors and to significantly grow the donor base." Joel Fox's insight, prescient to many, I am guessing was not news to you, even in 1999.

According to Jane Karlin, former Senior VP for FRD @ UJA NY, donors see themselves "as catalysts of change more than the previous generation, which saw giving as an expression of gratitude." Volunteer leadership agrees. Moshe Katz, vice president of the Milwaukee Federation, is identified as "one of a growing number of Milwaukee philanthropists getting more involved in the non profits

they support and more interested in seeing measurable progress.” Not-for-profit Execs make similar observations, recognizing as Jay Golan, Executive Director of *birthright israel* notes, that “with the explosion of philanthropic organizations and a concurrent sense that people can start their own philanthropy, you get a fluid sense of buy-in, buy-out.”

Private foundation principals, and especially those who are associated with major philanthropy, I want to assert propositionally, are not “expressive” givers. For these funders, philanthropy is almost always less about *feeling* good than it is **doing** good. Personal satisfaction takes a back seat to significance: They want to demonstrate that as a result of their foundation funding that tangible results consistent with targeted outcomes are achieved.

I have described elsewhere how federations’ relentless pursuit of resources, which is absolutely core to the federation mission, is not necessarily compatible with a comparably resolute pursuit of results. Here’s another proposition: do not endeavor to partner with impact-minded funders primarily for the purpose of securing larger or new gifts for the Federation. In fact, as many of you undoubtedly have experienced, if you engage cooperatively with a funder of this character, you should expect s/he will at some point insist that the federation support an initiative that could conceivably have no relationship whatsoever to the Federation’s strategic priorities.

Wexner Foundation CEO Larry Moses astutely notes that “the new equation” is as follows: private Jewish philanthropy will not flourish as it might if it fails to find ways to work productively with the organized Jewish philanthropic community. In turn, communal

philanthropy ultimately cannot succeed without fostering fruitful relationships with private foundations.

Here's where your work and mine I think are quite different. In the private foundation world, theory building, logic modeling, business plan development, close analysis of the capital structure of grantee organizations, complex evaluation design, and the like are the order of the day. These tools are applied in disciplined, patterned, consistent execution pursuing what Arthur Fried calls "the arcane art of sound philanthropy." I do not think that most federations as I know them are currently designed to undertake this activity.

In this environment, consider that five of the most important Jewish Initiatives during the last decade – birthright; the establishment of both the Foundation for Jewish Camping and PEJE; the various JFN match programs supported by Avi Chai, Sachta Rashi and Weinberg foundations, and PEJE; and Wexner programs of intensive adult learning – have been conceptualized by inspired private philanthropists.

During this same time period, no doubt due in part to your efforts, federation-fired projects such as PACT, NORCs and Jewish teen philanthropy have been generously funded by Federations and private foundations alike. The most recent example of the organized community and private Jewish philanthropy cooperating is the launch of the Israeli venture fund for Israeli Arabs.

So there is precedent for cooperation. But let's be careful. Cooperation does not equal collaboration. And true partnership is an even more sophisticated form of organizations working together. Partnership requires that the parties involved share resources –

people, technologies, money; agree on problem formulation; explicate strategies and then execute tactics deemed essential for successful completion of the funded Initiative in an orchestrated manner; embrace a clearly articulated vision of success as a standard to which partners and grantee(s) alike will be held accountable; and work at the same pace.

Many of you relate primarily with family foundations that grant between 50 and 500 thousand dollars annually. In my experience, this level of philanthropy is of a type that is not necessarily amenable to measures of effectiveness commonly associated with major philanthropy. Your funders are granting too little money for anybody to obsess about effectiveness. They make grants to myriad organizations in which their friends are involved as a heartfelt gesture of support in response to that friend's request for a grant. They give to the federation project you have brought to funders' attention because they trust what you represent to them as a communal priority is indeed so. These funders award grants in instances where the purpose, scope, and /or scale of the grant making simply does not require lacquering a veneer of philanthropic effectiveness over it.

But major Jewish private philanthropy, I assert, is an enterprise of a different ilk. Transparency, accountability, effectiveness, and impact are benchmarks against which this philanthropy is measured—as it should be.

It is in this regard that I propose ten questions as recommended focal points for productive federation/major private foundation work:

1. Is the matter-at-hand of strategic importance to both the federation and the philanthropist?
2. Is framing of the issue compelling?
3. Is the Initiative grounded in a carefully crafted theory of change?
4. Is the scope of the proposed Initiative likely to succeed given the scale of the system in which the Initiative is embedded? (Far too often, the size and scope of the grant support recommended is truly trivial compared to resources required.)
5. Can we agree on performance measures as a basis for assessing outcomes?
6. Do we believe we can achieve impact and, if so, over what period of time?
7. Is it our shared practice to commit resources sufficient for adequately assessing major Initiatives both formatively and summatively?
8. Do we know what it will take to sustain the Initiative's success?
9. Will our measures of success carry with them predictive value in order that the Initiative readily lend itself to adaptation by others?
10. What intent do we have to scale this Initiative?

“Today, in every area of giving, we have a landscape of philanthropic sprawl rather than a tower of effectiveness. All ships do not rise, certainly not all the ones that need raising. The ‘don’t ask,

don't tell' approach to grantmaking is guaranteed to continue the pattern and to produce little systematic data and few transferable lessons. More often than not, successes—when they come—are isolated, unconnected, and short lived.” Ed Skloot, the accomplished and often literary Executive Director of the Surdna Foundation, challenged the field in 2002 with this astute observation.

This situation I contend has improved during the past five years, certainly in the Jewish world. Look at how funders and federations are working together in finding ways to respond collaboratively to future emergency campaigns—be it disaster relief for a storm ravaged part of the world or to support beloved E'retz Y'Israel in a time of war. Think of ways in which federations have elevated support for birthright. Count the number of cities in which federations and private foundations jointly support day schools and residential camping. Significant private foundation dollars now follow federation allocations into a panoply of services for the elderly. Private and health care foundations catalyze the creation of endowments for federation beneficiary agencies in places such as Denver and San Diego. Los Angeles, Northern New Jersey, Philadelphia and St. Louis are among a number of communities whose Israel and overseas projects are operating hand-in-glove with private foundation partnership. We are maturing, and you will continue to be front line agents for and of this change.

There are several big ideas on the horizon. Energy around a universal Jewish service for teams of American/European/Israeli young adults is gaining force. Some still harbor hope for a Jewish Teach America. Professionals at the Jim Joseph Foundation talk

quietly with colleagues about what it would take to substantively alter the Bar/Bat Mitzvah experience in the United States. (We want to strip away the crass commercialism corrupting this rite of passage to see if B'nai mitzvah can become a time for teen-relevant connection to community and a bridge into meaningful teen Jewish experiences.)

Finally, then, recognize that private foundations have rallied to complement federation subsidy of synagogues with funding for congregational projects. Bar/Bat Mitzvah tzedek and Gift of Israel funds; family education; hebrew language learning; aids for classroom instruction; tutors for special needs students; tuition stipends; college scholarships for outstanding high school students; dollars that pay teachers for time invested in professional development...these are among an array of programs that you have induced both federation-based funders and private philanthropists to support. It is money meaningfully spent, albeit at an incremental level of improving what already exists.

Yet, by contrast, major philanthropists have confronted a well of documented literature that pictures synagogues as floundering institutions, particularly when it comes to Bar/Bat Mitzvah and post-B'nai Mitzvah Jewish education. Investment in incremental change is misplaced in supplementary schools if they are "miseducative." What counts for learning in much of synagogue education many funders no longer accept as either meaningful or productive. The issue is one of radical change, redesigning at the very root what congregational learning looks like for Jewish teenagers.

In the final analysis, I would urge us not only to accept but actually to embrace our various approaches to philanthropy. I think

they are patently complementary. The false dichotomies of Federation **competing with** private Jewish philanthropy; religious **versus** secular Jews; affiliated **as opposed to** unaffiliated Jews; support for the in-married **at the expense of** the inter-married... framing the Jewish world in this manner distorts lived experiences of contemporary American Jews and belies a Jewish tradition that is richly interpretive and uniquely dialectical.

We have in fact an extraordinary and unprecedented opportunity working together to aggregate philanthropic capital in support of grantees whose work collectively we deem to be most worthy of support. By capitalizing on philanthropy's growing "long tail" (see Chris Anderson's book of this title and Lucy Bernholz's essay, "The Long Tail of Philanthropy"), we help make these social sector organizations who are most effective at what they do become more self-reliant. There is no greater challenge in my estimation, and no more fruitful enterprise for us to undertake as partners. "The edge of institutional philanthropy," Bernholz avers "is to find ways to encourage, involve, learn from and influence this far end of the philanthropic revenue stream."

Ed Skloot succinctly summarizes my thoughts: "...to do philanthropy well—and significantly—is to learn together, possibly to fund together and to evaluate together."

And the Talmud's wisdom keeps me humble: "you grab a lot, you haven't gotten anything, but if you seize a little, you've really gained something."