



Series Intro

This is the Invest in Results podcast. Mission-driven organizations dedicate their time, talent, and resources to improving lives and communities. Yet they are hindered by a system that too often measures process instead of progress and pays for outputs instead of outcomes. By sharing knowledge, investing in projects, and building networks, we can invest in results.

Episode Intro

In this episode, join San Francisco Foundation CEO **Fred Blackwell** in conversation with **David Erickson** of the Federal Reserve Bank of San Francisco and Weingart Foundation President and CEO **Fred Ali**, as they highlight the role of power within the philanthropic sector and explore the need for philanthropy to partner with local government in order to create systems change. This segment was recorded at the Federal Reserve Bank of San Francisco on June 13, 2017.

Story

BLACKWELL: Good afternoon. So, just to tell you a little bit about, kind of where we are first, I'm the CEO of the San Francisco Foundation, Fred Blackwell. We're a community foundation serving the Bay Area, in the East Bay. We're in Alameda, Contra Costa County, and along the coast we're in San Francisco, Marin, and San Mateo Counties. We have been spending quite a bit of time over the last couple of years really thinking about what kind of impact that we want to have in the Bay Area. And in order to land on that, we've been doing a variety of things. So we've been engaging in community. We've been holding town hall meetings throughout the Bay Area. We've also been bringing in thought leaders and practitioners and advocates into the foundation that give us feedback on the grantmaking that we've been doing in the past and also helping us look at the horizon around where we should be focused. And we've also been looking at a lot of data. Long story short, as we've come to the conclusion that really the issue of the day here in the region is that we have a tremendous amount of wealth and prosperity and opportunity that's being generated here in the Bay Area and access to it is limited. And it's limited for far too many people based on where they live, what their family's economic status is, or something as basic and simple as what their race or ethnicity might be. And so we have chosen achieving a greater degree of racial and economic inclusion and equity as a north star for our organization for the foreseeable future. And we see ourselves doing that in a combination of ways: with our grant making, through our relationships and our work with donors, and through our own civic leadership. And we think that an important part of every aspect of that work is talking about, thinking about, and understanding what kinds of outcomes and results that we want to achieve in each one of those areas. The last thing that I would say is that, associated with that north star, we too have come to the conclusion that the folks who are waging the people argument and the folks that are waging the place



argument are right. Both of them. And so that it's about people and place. But we also add another – what I think is a really important aspect to this – which it is also about power. That it's not enough to have a bunch of great ideas and programs and policy interventions in the arenas of place and people if it's not connected to a constituency that is demanding change, and that we won't achieve the level of scale or sustainability without people being engaged as voters, being civically engaged, organized to demand the kinds of changes that we think are important. So, I'll start there, but I think that all those really kind of important things to keep in mind.

ERICKSON: Fred, I want to read an excerpt of your essay in the book you and your co-author Kate Howard, and get your response. “Through flexible dollars, philanthropy has the ability to seed strategies, advance learning throughout evaluation, bring promising practices from the field, and apply the influence that keeps the needs of vulnerable communities as a top San Francisco priority. For its part, city government can use its most powerful tools – contracts potentially worth millions of dollars – to support scale and sustained programs that make a difference in the lives and economic prospects of vulnerable populations. For those of us concerned about race, place, and trauma in San Francisco, collective impact and outcomes driven contracting is a powerful combination to address the shameful wasteful paradox of a resource rich yet outcomes poor city.”

BLACKWELL: There are a few concepts embedded in there, and I'll just say a couple of things in terms of background to give you some context for that. One is, you know, I spent most of my career in local government. And what I find really fascinating about government – particularly in relationship to philanthropy – is that while in philanthropy our resources are substantial and flexible, they, in amount and size, pale in comparison to what the government brings to the table. And so we in philanthropy, I think, are fooling ourselves if we think that we can get to the level of impact at a scale – a level of scale that matters – without partnership with local government; is just kind of the first kind of point of departure for me.

The second point of departure for me – and some of the folks in the room know this about me – I grew up in a family of people that were very social justice oriented. And I often describe myself as the little kid in the back of the room with the coloring book at the community meeting wondering why everybody was so upset and when could we go home.

[audience laughs]

BLACKWELL (continued): And being exposed to that early on did a couple of things. One, it gave me early on a really significant exposure and grounding about social justice and why it's important. But I was also exposed to the moral imperative around results and outcomes. And what I mean by that is that, you know, I went to the school that was founded and run by the Black Panther Party in Oakland, and there were a number of groupings of people that were considered “bad people.” And chief among them was the person that was characterized as the “poverty pimp” – the person who received a salary, received power and influence because somebody else was poor, but they never did anything about it. And so for me the push to really be focused in on results and outcomes comes from a place, very early on in my life where I decided I never wanted to be characterized as a poverty pimp. And I think that – not that if you're not measuring results,



you're a poverty pimp – but I think the thing that you can do to distinguish yourself from those folks is to produce outcomes for the people that you're working with. And I think that's a really important concept as well. So, that's the background.

BLACKWELL (continued): And I think the thing that I think is important here is that, yes, we do have in philanthropy the flexible dollars to be innovative, to think outside the box, and that aren't kind of accountable in the same way that local government is accountable. And I think with that comes the responsibility to partner with local governments in ways that help them excel. The relationship between philanthropy and local government or government at any level has to move beyond the transaction. It can't just be about supplanting public dollars or partnering as an investment partner in a particular program. I think that there is a responsibility to both be an investment partner, but also a partner in the aspect of the work that is about strategy and defining what the end goal is. So part of that also means – and it also means for us – at any given moment, the mayor here or the mayor in Oakland will be simultaneously happy to be partnering with The San Francisco Foundation on a particular project, but also frustrated with The San Francisco Foundation because we are funding advocacy and organizing that's a thorn in their side. That's pushing for systems changes and policy changes that the department heads or the elected officials aren't necessarily happy to see coming. And so I think you just have to be prepared for the multiple dimensions of the relationship. I think the problem about philanthropy is that when you've seen one philanthropic institution, you've seen just one philanthropic institution. Each one has its own culture. Each one has its own board of directors. Each one has its own orientation to how important outcomes might be, versus outputs, versus a focus on race, versus a focus on place, versus a focus on people. There's just too much diversity in terms of perspective, approach, governance, leadership within philanthropy for us all to move in any one direction at the same time.

BLACKWELL (continued): It is important, I think – and we think at the Foundation – to track outcomes at the grant level. However, what we are really seeking is population-level change. And that's a complicated endeavor, because population level change does not occur one \$25,000, \$50,000, \$100,000, even \$500,000 grant at a time. What produces population-level change is when people are thinking about this work differently, people are messaging this, when you are impacting the narrative, when you are simultaneously focused in on program delivery that is solid, but also focused in on systems change and policy and advocacy. And when you are doing that, not only in the nonprofit sector, but doing that across the nonprofit sector, the public sector, and the corporate sector. Particularly, when we're talking about issues around equity. And so, while I think that, again, it's important for us to get down into the weeds around, “Has grant X produced what we thought it would produce from an outcome point of view?” That is insufficient in terms of measuring the impact of our work. And we have to have goals that are ambitious enough to bring all the partners that I named to the table. My mother has told me on a number of occasions, “If you are attacking a complex problem like this, and have come to the conclusion that you have developed the solution that only involves you, you have either misidentified the problem or have the wrong solution.”

[audience laughs]



BLACKWELL (continued): And so, we've got to be thinking about this stuff in ways that approach this stuff in partnership and really bring in the notion of collective impact. And that's, I think, what we have to be measuring. And it's probably more important for us to measure that than the individual grant that we're making as an institution. We cannot ask or expect folks to do things that we're not willing to do ourselves. And so, if we are talking about trying to, and specifically advance equity, I'm not supposed to be asking other folks what they're doing with their board, who's leading their organizations, what kind of outcomes they're producing, if I'm not prepared to answer that question for my institution. And so one of the things we are doing is training everybody at the San Francisco Foundation on results-based accountability, whether you work at the front desk or you're a program officer. And we are, for the first time, establishing a position within the organization that is focused in on data learning and evaluation so that we can be as well-versed on this stuff as the folks that we're asking to do it themselves.

Outro

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