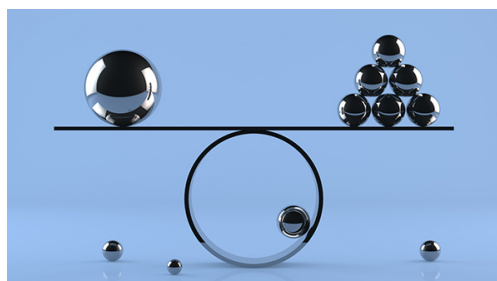


Philanthropy & Funding

Building a Trust-Based Philanthropy to Shift Power Back to Communities

To realize the deep systemic change that America is demanding, philanthropy must reorganize to build and demonstrate a trust-based culture, invest in community leadership capacity-building, and open up decision-making and information-sharing structures.

By [Nate Wong & Andrea McGrath](#) | Nov. 20, 2020



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Over the past eight months, philanthropy has committed billions to meet the urgent needs unearthed by the global pandemic and demands for racial justice. For example, a partnership of five foundations recently [pledged to increase their giving by \\$1.7B](#) in grants, over the next three years, and this is a good start. But deploying more money may address deep-seated inequities only at the surface. We need to correct them at their root: philanthropy, like other public and private institutions, needs to reckon with its own power and the imbalances it creates with the very people it strives to serve.

New Haven-based Heron Foundation went through its own reckoning moment in 2019. “We realized we couldn’t achieve our core mission of helping communities help themselves if we weren’t deeply listening to our communities,” [recounts Heron president Dana Bezerra](#). Why was Heron extracting community knowledge to inform its grantmaking strategies—as is typical for many foundations—instead of flipping the script by handing over funds (and power) to the local communities themselves?

Heron had hit an important truth: strategies to rebuild a stronger and more equitable society not only need to focus on [including the voices from the community](#), but to do so in ways that truly shift agency, capital, and power. This work is hard, and goes beyond pledges to do better, short-term financial commitments, or small increases in diversity targets. This work requires real changes to the structures, organizations, cultures, and norms within which so many of us operate.

At the Beeck Center, we are seeing a real hunger for this kind of substantive change, along with deep [mistrust in institutions and those in power](#), across government, private, and philanthropic organizations. To rebuild that faith, here are six bold moves (two internal, four external) that philanthropy should make to seize this moment:

1. Build a trust-oriented culture rooted in humility and deep learning. The [Trust-Based Philanthropy Project](#) is a five-year, peer-to-peer funder initiative addressing the inherent power imbalances between foundations and nonprofits by presenting key principles that put trust-based values into action rooted in the following [values](#): lead with trust, center relationships, collaborate with humility and curiosity, redistribute power, and work for systemic equity. We recognize the wider context of racial,

economic, and political inequities in which we operate, and work to change practices and behaviors that perpetuate harm. As always, this work starts by looking internally first to better understand how trust shows up in the organization.

The **self-reflection tool** is a great way to objectively examine how trust shows up across a funder's organization. From that starting point, there can be further inquiry, refinement, and deepening of trust. An honest assessment of statements like "We intentionally create time for difficult conversations about power, privilege, and equity on a regular basis" or "We are open to new possibilities and transformation, even when they are difficult or have potential risks" can be shattering, but are necessary to create a trust-oriented culture.

2. Determine what reskilling and reorganization is required to truly do this work. More likely than not, most funding organizations have not fully "arrived" in their power reckoning journey. Not knowing what changes are needed can be overwhelming, but at least you're not alone. However, change requires change: more grantee outreach, transparency, and streamlining the organizational structure may require new or different skills from strategists to community organizers or from research analysts to facilitators. The makeup of the team may need to change to ensure that grantmakers have diverse voices and lived experiences represented on their teams.

For example, New York City-focused **Robert Sterling Clark Foundation** invests in leaders, the organizations that develop them, and the networks of which they are a part. Their team reflects this mission: instead of traditional program officers as grantmakers, the team has network organizers and administrators that acknowledge their role as collaborators to champion leadership development, not just check writers.

3. Build trust with communities by *demonstrating* a listening and learning posture. Grantmakers need to move beyond the tools of feedback surveys or site visits and lean into the work of discovering effective ways to more deeply listen to the communities they serve. The Beeck Center partnered with authors Ben Wrobel and Meg Massey on a **series** highlighting examples of this work, such as the Brooklyn Community Foundation starting a resident-led Advisory Council to advise on foundation priorities, and the Boston Ujima Project launching a fund where community members vote on the investment priorities.

Trust building, like all important elements of good relationships, takes time. To help bridge the challenges of power dynamics that can get in the way, despite good intentions, philanthropists should seek out trusted networks and local partners that can help them discover culture and place, and help inform opportunities to connect more deeply with communities.

4. Expand decision-making structures to include trusted community members for shared agency and accountability. From identifying possible grantees to evaluation and decision-making, funders need to learn how they can effectively engage community members at each step in the process. To make these important shifts, funders should explore ways to build their grantmaking structures *around* communities rather than have communities adapt to existing structures, policies, etc.

For example, Diane Samrasan built from her activist roots championing rights for the disabled and leaning into instincts about empowering community members when, in 2008, she created the **Disability Rights Fund (DRF)**, and gave disabled people the lead on grantmaking decisions. Today, DRF is recognized as one of the most successful participatory grantmaking organizations, empowering the disability community at every level, from its funding efforts to organizational design and leadership.

5. Invest in capacity building so communities can better define local problems and deploy funding in a participatory manner.

One of the most important (yet often overlooked) ways to engage a community is by having *them* identify their most urgent needs. Well-intentioned philanthropists often enter with pre-set ideas about what they will support and look for groups doing that work, but community members are the experts on their neighborhood challenges and opportunities. For this reason, funders need to support their leadership development with a focus on education, skill-building, and resources to help local communities become more engaged at every level of the funding process.

For example, the Crossroads Fund's **Giving Project** supports leadership and skill-building through community cohort models, while the **Kindle Project** designs flow funds that empower community catalysts with financing and support to reallocate funds to local organizations. More funders should support services like board member recruitment, financial management, fundraising, real estate, strategic planning, and leadership development that can enable community partners to thrive.

6. Open technology and data platforms to democratize decision-making. The mantra of “working openly” is slowly pervading Big Philanthropy as collaboration increases and more information is exchanged. However, the world of open platforms and transparency hasn't been fully integrated into funder circles in ways that might democratize and reduce information asymmetry, especially in due diligence, which is usually kept private to individual funders.

As trust-based philanthropy shifts the onus onto funders to better understand their grantees—rather than having their grantees prove their efficacy—this tide could be changing. We have also seen technology used to help connect local supply and demand in powerful ways. Place-based platforms like the neighborhood connecting app **Nextdoor** have helped community members mobilize efforts. The pandemic has also seen the **rise in grassroots Mutual Aid societies** that are stepping in to meet hyperlocal needs in ways the government hasn't. What if philanthropy could better tap into these networks and tools to supercharge its impact?

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